Discovering the Impact of Chinese Social Media Influencers on Generation Z Consumer Behaviour

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Abstract. The influence of Chinese social media influencers on Generation Z's consumer behavior has become increasingly pronounced, with the advent of COVID-19 further magnifying their impact on digital consumer trends. Generation Z places a remarkable level of trust in these influencers, driven by their relatable personalities, specialized knowledge, and interactive engagement. Moreover, following these influencers serves to fulfill Generation Z's intrinsic need for social identity while fostering a deep sense of attachment. Nevertheless, this rapidly evolving landscape also presents its own set of challenges, including the potential for influencer-related scandals and an imperative demand for transparency and authenticity. Effectively navigating this environment necessitates that companies and influencers develop a profound understanding of Generation Z's unique characteristics and preferences. This understanding forms the basis for crafting tailored marketing initiatives that resonate with this generation. The key to success in influencer marketing lies in maintaining content authenticity and building trust with Generation Z when endorsing products. By diligently employing these strategies, businesses and marketers can adeptly target Generation Z consumers, nurturing enduring brand loyalty and attachment that transcends digital trends.

1. Introduction

In the fast-paced and ever-changing landscape of the digital age, the behaviour of consumers worldwide is undergoing a profound transformation, primarily catalyzed by the emergence of social media influencers. This sweeping trend isn't limited by geographical boundaries, and China, a nation known for its technological prowess and vibrant online communities, is no exception to this paradigm shift. These digital trendsetters, often referred to as Key Opinion Leaders (KOLs), have not only captured the attention of the younger generation but have also become potent forces in shaping the consumption patterns and choices of Generation Z (Gen Z). Born between the mid-1990s and early 2010s, Generation Z is positioned as the vanguard of the future of society. They have a unique set of characteristics and preferences, largely shaped by their upbringing in the digital age. This generation's deep affinity for technology, social media and online engagement defines their consumer behaviour in unprecedented ways. It is in this digital realm that the influence of Chinese social media influencers on their purchase intentions has become a fascinating and far-reaching phenomenon. This paper seeks to illuminate the interrelationship between these influencers and their Gen Z followers. Beyond this, the paper will briefly investigate the obstacles encountered by both consumers and brands within this ever-evolving landscape and offer suggestions to shape the future of influencer marketing.

2. Literature review

2.1 The Rise of Chinese Social Media Influencer Marketing

To comprehend the influence of Chinese social media influencers on Generation Z consumer behaviour, people must first acknowledge the rapid rise and widespread popularity of these influencers. The COVID-19 pandemic brought about a dramatic shift in the global retail landscape. During the lockdown of countries, traditional physical stores were no longer a choice for individual consumers, and purchasing goods on digital platforms became the new norm [1]. This shift has resulted in the emergence of a new type of digital celebrities known as social media influencers or Key Opinion Leaders (KOLs). Meanwhile, social media platforms are rapidly evolving into pivotal touchpoints for digital marketers seeking to connect and engage with consumers [2]. Without questioning, the prevalence of social media has transformed it into a central area of interest for businesses and brands, and those individuals who engage with social media platforms represent potential customers for these businesses and brands [3]. To harness the considerable...
marketing opportunities presented by social media platforms, a significant proportion of firms choose to collaborate with influencers for the purpose of endorsing and evaluating their products [4]. Social media influencers became active during the COVID-19 period and are significantly influencing online consumption, especially in the Chinese social network. Companies have the ability to utilise the influential capabilities of individuals to enhance brand recognition and establish a strong position within the market. Consequently, influencers engage in the practice of posting a product on their social media platform, for which they receive money from the respective business [5]. The content shared on various platforms can take many formats, including videos or written material, as long as they are capable of being spread. In China, platforms like Weibo, WeChat, Douyin and Red have created a thriving ecosystem for content creators to amass large followings. These platforms have their own loyal users, with WeChat, in particular, emerging as the most comprehensive social media platform in China, with 1.3 billion monthly active users as of the end of June 2023 [6]. China’s population is more than 1.4 billion, which means that WeChat’s reach is even more than 90%. Because of this large consumer base, all major social media have undergone significant changes in recent years to accommodate diverse content formats to increase user engagement. These platforms not only allow influencers to share content but also use big data algorithms to make content recommendations and interactions with different groups of people, thus promoting brand awareness and user stickiness more efficiently. When influencers mention a brand or product in their posts and make recommendations, their posts are simultaneously disseminated to millions of potential consumers to ensure maximum exposure of brand and product information [7]. In addition, Chinese social media influencers often form strategic partnerships with brands to provide a wide range of content, including product reviews, tutorials, and lifestyle endorsements. Chinese social media influencers are able to seamlessly integrate branded content into their narratives, making it appear organic and genuinely engaging to their Chinese social media influencers are able to seamlessly integrate brand content into their narratives, making it appear organic and truly engaging to their fans, which further enhances their allure. With this in mind, the influence of Chinese social media influencers on Gen Z can’t be ignored.

2.2 Understanding Gen Z as Consumers

The exponential progress of digital technology has had a profound influence on nearly all aspects of everyday lives to Generation Z. Gen Z was born into digital nativism in the digital age between 1995 and 2010. They used mobile devices frequently and were exposed to social media for long periods of time. This upbringing has profoundly shaped their worldview and consumer behaviour. This consumer group relies on social media for learning, entertainment, and shopping, but is more thoughtful in their interactions with social media. Individuals frequently engage with influencers on social media platforms through actions such as like, publishing, subscribing to channels, and sharing influencers’ content with their network. When members of Generation Z encounter influencers whom they like, they exhibit a desire to acquire further information on the goods or products endorsed by these influencers. This inclination stems from their aspiration to emulate and replicate the actions and choices made by these influential figures [8]. Individuals between the ages of 18 and 24 in China constitute around 15% of the population and are seen as the next engine of domestic consumption development. Furthermore, 70% of this generation Z is persuaded to buy through social media sites. Influencers play a crucial role in the growing tendency of young Chinese purchasing items through social media [9]. The report by Euromonitor also predicts that Generation Z will be the largest consumer group by 2030. Notably, Chinese Gen Z, like global Gen Z, values authenticity, transparency, and affinity. Compared to gorgeous celebrities, Gen Z are more likely to trust influencers on social media, because they’re like friends. Thus, they feel more comfortable commenting and interacting on influential posts than celebrities, who are people they cannot identify with [7]. They seek genuine connections and are attracted to influencers who share their personal experiences, challenges and successes. They actively build their online presence and value the ability to connect with like-minded people. This interconnectedness extends to their purchasing decisions, with many Gen Z young people relying on online reviews, recommendations and feedback when making choices. Building trust and connections on Chinese social media is the foundation of influencers’ influence on Gen Z consumers.

2.3 The Appeal of Chinese Social Media Influencers to Gen Z

Chinese social media influencers are attracted to Gen Z for a number of reasons. Firstly, they have a more approachable image. Since 2016, Douyin has become one of the most popular apps in China. Almost everyone has downloaded and viewed the short videos, and Douyin breaks away from the traditional TV adverts that Gen Z tends to distrust, and instead seeps into social media content, making Gen Z more willing to watch their product promotions. Frequent interactions and sharing allowed them to build a close connection with their audience. For example, personal experiences, product usage, daily photos and videos are shared and exchanged almost in real time between influencers and followers through social media platforms. Influencers are usually portrayed as Gen Z-aged and real and relatable, making their endorsements more persuasive. They are more like regular people with specific expertise or friends who live around consumers rather than traditional celebrities with distance. They build their online presence around authentic, relatable experiences. This authenticity particularly resonates with Gen Z, who value the transparency and sincerity of influencers. As a result, Gen Z is more likely to trust influencers’ perspectives and believes that their opinions are real and credible. Secondly,
the content produced by these influencers tends to match the interests and aspirations of Generation Z. Whether it's fashion, beauty, technology or lifestyle, influencers cater to the diverse needs of this demographic. An influencer usually builds niche expertise, positioning themselves as an authority in a particular field. Some micro-influencers (10k-100k followers) may not have a very large number of followers, but they are still popular because of their relevance and authenticity [8]. Nano-influencers with less than 1000 followers had a higher engagement rate (7.2%) than macro-influencers who have more than 100k followers. Thus, the impact influencers have is not caused by the number of followers, but by specialisation. This specialisation deepens their connection with audiences with similar interests, leading to increased engagement and in turn a more pronounced impact on Gen Z's consumer behaviour. Finally, their engaging content formats, such as live-streaming and interactive challenges, resonate with Gen Z's preference for immersive experiences. In China, the live-streaming market has spread at a phenomenal rate over the previous few years. According to revenue reports from giant internet companies such as Alibaba, the total transaction value of Taobao live streaming reached 500 billion RMB from March 2020 to March 2021. Studies point out that live streaming embedded in e-commerce, such as platforms like Taobao and Jingdong, can provide consumers with more accurate and comprehensive information, helping them make better purchasing decisions [5]. Influential people as often chosen to be anchors in live-streaming and the content is highly engaging. They are able to have a strong interaction with consumers while selling products, a process that can enhance consumer engagement, satisfaction and pleasure. Therefore, benefitting from the well-developed Internet and convenient communication channels, Chinese influencers are taking advantage of Gen Z's fear of missing out on trends to influence Gen Z's consumption and even people of all ages to a certain extent.

2.4 Creating FOMO (Fear of Missing Out)

The "Fear of Missing Out" (FOMO) phenomenon is a potent tool harnessed by Chinese social media influencers. They create a sense of urgency and desirability around products or experiences, instigating a fear that if Generation Z doesn't act quickly, they will miss out on the latest trends. This fear drives impulse purchases and promotes consumerism, which directly impacts Generation Z's spending habits. The "limited-time offers" and "exclusive discounts" promoted by these influencers intensify the FOMO effect. In China, major platforms have promotions almost once a month. Chinese New Year, Valentine's Day, Douyin 618, Double Eleven, and so on, there are endless gimmicks surrounding every consumer, and the mechanism of each promotion is different. Taking beauty products as an example, each brand will come up with its top products for the promotion, and the samples given away vary from event to event, or the makeup tools included change. In order to stay on top of the trends, Gen Z usually checks social media and compares products and prices over and over again. The role of influencers is to be the first to share new trends or products at the time of each promotion, attracting followers to consume them [8]. The fear of missing out (FOMO) serves as a driving force for Generation Z to engage in current trends and avoid experiencing feelings of exclusion [9]. While FOMO increases anxiety, it also motivates them to increase their purchase intentions and even impulse purchases.

3. Influence mechanism

How will influencers continue to enhance and exert influence over customers' purchasing behaviors? According to Bawa et al., it is crucial to comprehend the relationship between consumer purchase intentions and consumer behaviour, which can be used to forecast the purchasing process. In other words, purchase intentions is a factor in the purchase decisions [10]. Spears & Singh define it as "an individual's conscious plan to make an effort to purchase a brand". Research conducted by Xu & Pratt indicates that consumers tend to gravitate toward influencers who share similar lifestyles, personality traits, and behavioral preferences. Consequently, harnessing the expertise of influencers for product marketing yields a positive impact on consumers' intentions to make a purchase.

3.1 Credibility and Professionalism

Due to the value of information converted by influential content on social media, purchase intention increases when the level of trust is elevated. Furthermore, this informative content by influencers is likely to enhance the credibility of brand posts among their followers, leading to a greater inclination to make a purchase. This can be attributed to the perception that influencers possess expertise in their respective domains, enabling them to effectively sway their followers through their opinions and experiences regarding particular products and services associated with their profession [10]. Generation Z in China, accustomed to the vast amount of information available on the Internet, tends to look to influencers as reliable guides in times of information overload. These influencers provide carefully curated content and informed opinions that simplify complex choices and help consumers make decisions.

3.2 Social Identity

The function of social identity is of utmost significance in shaping the impact of Chinese social media influencers on Gen Z consumers. Social media not only provides these young people with more than just a sharing platform but also allows young people to experience new modes of self-expression and have the opportunity to build and continually develop their sense of identity. As a result, Chinese Gen Z typically seek to connect with influencers who share their values, interests, and aspirations. These influencers become symbolic figures representing a particular lifestyle that resonates with the audience. This alignment creates a sense of shared social identity, leading
followers to believe that influencers reflect their own beliefs and aspirations. For example, influencers who like to wear make-up may attract followers who also love to travel but like to wear make-up but are not proficient at it. Thus, recommendations and endorsements made by influencers are not seen as mere marketing messages, but rather as guidance from people who identify with their identity and preferences. This psychological connection promotes trust and credibility, making Gen Z consumers more receptive to influencers' product recommendations and thus increasing purchase intention. Social media platforms in China prominently display the number of followers, likes, comments and shares an influencer's content has received. Once one sees that their favourite content matches others, this public display of recognition acts as social proof that the influencer's views are endorsed by a large number of peers. This is when Gen Z feels part of a larger community. This sense of security comes from the feeling that one belongs to a social, emotional, or political body, or a community of united emotional bonds.

3.3 Emotional Attachment

Emotional attachment may be understood within the framework of attachment theory, whereby it represents a distinct form of emotional bonding between an individual and a certain objective or entity. Bowlby's definition of attachment includes an enduring psychological connection between individuals, that is, the desire to be close to and connected to the other to whom one is attached. Many researchers have determined that when customers follow influencers, they form emotional relationships with them. Over time, this emotional attachment influences consumers' judgments, decisions and purchasing decisions through experience. This is why marketing often chooses influencers who are attractive, skilled, and have a positive image to promote their products, as this may lead to a deeper emotional connection, which in turn leads to consumers developing an emotional attachment to a brand. Therefore, brands will consider the feelings of Gen Z consumers when choosing influencers, and these feelings will in turn influence Gen Z's purchasing decisions.

4.Challenges of Influencer Marketing

4.1 Transparency and credibility

There are some difficulties that arise when doing influencer marketing. Firstly, for Gen Z consumers, they are afraid of being lied to. Since Gen Z makes good use of the internet, Gen Z is more aware of firms' influencer marketing techniques, so consequently, they hold the expectation that both brands and influencers show transparency. They know that influencers are paid by the company and as long as the brand and the influencers are honest about it, they don't mind. However, due to the dividends that come with promoting bandwagons as a method, many influencers do not personally try the product and find it useful before recommending it to consumers, but instead hypocratically memorise the advertisement words required by the brand to lure consumers into placing an order by unscrupulous practices. Often, these disgruntled consumers will take these brands to task via social media. As a result, the brand's reputation will be greatly affected.

4.2 The scandal of influencers

When a brand engages in a partnership with an influencer, this influencer's reputation is fundamentally associated with the inherent worth and reputation that the brand has worked hard to develop. When influencers are caught in scandals or in trouble, consumers are no longer willing to trust following the influencer. Hence product sales suffer, and the brand as a whole is negatively impacted. For example, a very famous and successful Chinese e-commerce anchor, conducts live commerce on Taobao every day. The products he recommends are carefully screened and he personally negotiates the price mechanism with the brands for all the consumers so that they can enjoy affordable prices and high-quality products. In doing so, he has gained the trust of the majority of Chinese consumers. However, in September 2023, he refused a comment made by a consumer in his live commerce. In the comment, the consumer gave feedback that a 79RMB (around 8.8GBP) eyebrow pencil from a local Chinese brand was too expensive, and after reading the comment, Li Jiaqi said, "Expensive? The price has been the same for so many years. Don't talk nonsense. Sometimes people should look for their own reasons, after so many years, have people worked hard enough?" Such comments instantly angered all the consumers in the livestream, who thought Li Jiaqi was standing on the level of a capitalist accusing the bottom consumers of not being able to afford the products he recommended. After the public outcry festered, he quickly issued an apology. However, this apology did not quell the public's anger, and the number of his Weibo followers dropped by about 2 million. Most importantly, the brand's eyebrow pencils were also thrust into the limelight. After the incident, the brand's sales plummeted because people found out that the price per gram of the eyebrow pencil was more than 900RMB, equivalent to the price of 2 grams of gold.

5.Conclusion

As a result, Chinese consumers are beginning to rethink whether Chinese beauty brands are over-promoting the true value of their products. One shopper exposed a 919RMB makeup brush set from the brand as being made of synthetic fibre bristles, which are considered cheap and of poor quality. The revelation garnered more than 240 million views in just a few hours, further fuelling the public's derision of the once-proudly domestic beauty brand. As the incident continued to fester over the following week, the brand eventually issued an official apology, which topped 460 million views within hours. The post said the incident left them "overwhelmed" and said the apology was made "with the utmost sincerity and trepidation." Despite the brand's efforts, the
disappointment of consumers has been irreversible. As a demonstration of this, the slightest carelessness in an influencer’s comments can cause huge financial damage to a brand. In brief, Chinese social media influencers have exerted a substantial influence on the consumer behaviour of Gen Z. The spread of COVID-19 has accelerated the shift to digital platforms, giving social media influencers a stronger role in shaping consumer behaviour. Gen Z tends to trust influencers due to their approachable image, specialised knowledge and high interactivity. In the process, their need for social identity is also fulfilled while attachment is attached to these influencers. However, this dynamic environment also poses challenges for consumers and brands, such as the risk of influencer scandals and the need for transparency and authenticity. To successfully navigate this environment, companies and influencers need to understand the unique characteristics and preferences of Gen Z in order to design targeted marketing programmes for this generation. Influencer marketing will be more successful if there is maximum scope to ensure content authenticity and gain Gen Z’s trust when recommending products. By employing these strategies, companies and marketers can effectively target Gen Z consumers and build long-term brand loyalty and attachment.

References