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The use of influencer marketing agency in company's internationalization

Case company: Matchmade

ABSTRACT

Influencer marketing has become a trendy marketing method in recent years, Influencer marketing is relatively new phenomenon, and its potential hasn't been measured yet. Thus, marketers have started to identify people with great influence over others and have realized their market worth. In the 21st century, social media platforms have reached hundreds of millions new users, and at the same time word of mouth marketing have reached a new potential. Nowadays, consumers are able to read hundreds of online reviews, recommendations, and comments before making any consuming choices. Virtual communities are formed on multiple online platforms, and in these communities, there are always opinion leaders influencing others behavior.

As the popularity of influencer marketing has risen, its use as part of internationalization haven't yet been examined enough. Therefore, this paper studies usage of influencer marketing as part of internationalization. The study is conducted by examining the current literature on influencer marketing, consumer behavior, and internationalization. In addition, this paper provides a case study of an influencer marketing agency called Matchmade. The collected data was then analyzed by comparing it to the literature review.

Findings of this study shows that usage of an influencer marketing agency can get a significant global coverage for advertisers' campaign. As the case company's customers are mainly gaming or other web-placed application companies, the results show that for the most effective advertising campaign, companies should use a significant number of small content creators in their influencer marketing campaigns.

KEYWORDS: Social media, Influencer, opinion leader, purchase intentions, Internationalization

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Introduction

The reason of this study is to increase acknowledgement on influencer marketing, how it effects on peoples consuming habits, and how it can be utilized in part of internationalization.

1.1   Background of the study

In recent years, the spread of social media has modified marketing and consumer behavior. With multiple platforms like twitter, Facebook, Instagram, TikTok, blogs and YouTube, the communication between companies and consumers, and between consumers to other consumers has increased. Nowadays, sharing and commenting on products has grown between consumers which has put major pressure for companies to build positive customer experiences so that consumers wouldn't spread negative word of mouth messages to other potential customers (Sudha & Sheena, 2017). On the other hand, content production in social media is in overdrive, making it really difficult for brands to stand out. Hence, more brands are turning consumers as their brand campaigners to build positive image of their services. Generally, these brand campaigners are called influencers, and by using these influencers, companies can attract and retain consumers on long-term basis, this contemporary form of marketing is called influencer marketing (Newman 2015).

Influencer marketing is a modern phenomenon that has its roots in the early forms of marketing. Early studies show that word of mouth marketing has been noticed as the strongest push from thinking to acting on purchasing. Suggestions from friends, professionals, and reliable sources have the biggest impact on choosing a brand regardless of being the best one on the market. Influencer marketing is lead from word-of-mouth marketing, where influencers are paid or sponsored by brands to promote their services to people, they have influence on (Sudha & Sheena, 2017). Influencer phenomenon has expanded and have become a significant marketing tool trough rise of social media. According to Statista(2022) over 4 billion people are using different social media

platforms, and just by reaching a minor part of these users, companies can benefit enormously. Thus, key to reach these users are using those users who has massive audiences, collaborate with them, and there by boost sales. By the increase of web access all over the world, it is important to understand that influencers will have even larger audiences in the future, and that is why this topic is important to examine.

1.2 Research question and objectives of the study

Research objective: The primary objective of this thesis is to increase understanding on how a company can use influencer marketing agency as part of their internationalization.

Sub-objective 1: To increase understanding of the increasing value of influencer marketing

Sub-objective 2: To study the conceptualization, characteristics, and types of social media influencers

Sub-objective 3: To study the effect/role of social media influencers on consumers' product perceptions, attitudes, and purchasing intentions

Research Question (RQ): How companies can use influencer marketing agency as part of their internationalization?

Sub-question 1: What is influencer marketing?

Sub-question 2: Who are influencers and what makes them influencers?

Sub-question 3: How social media influencers affect/shape the consumers' product perceptions and purchasing intentions?

1.3 Delimitations of the study

This thesis does not include influencers inside organizations or B2B aspect, because the main examination will be in B2C and C2C aspects. Influencers in other parts of the supply chain than advertising will be not examined because they are not relevant to this thesis. Offline communities will be mentioned briefly, but main scope will be in online communities.

1.4 Definition of the key terms

The key terms of this thesis are social media, influencer marketing, influencer, consumer behavior, consumer perception, consumer attitude, internationalization, and the Uppsala model. Therefore, the author presents the definition of the key terms in **table1.** The sources for the definitions was selected from the literature that is used in the literature review of this thesis.

Table 1 Definition of the key terms

Key term	Definition	Source
Social Media	Social media is mobile and web-based technologies to create highly interactive platforms where individuals and communities' shares, comments, discusses, and modifies user generated content.	(Solomon & Tuten 2016 p.4)
Influencer marketing	Influencer marketing is a form of social media marketing where companies collaborates with users who have great influence on prospective buyers.	(Ranga & Sharma 2014)'
Influencer	Influencer is an individual with great influence on prospective buyers.	(Ranga & Sharma 2014)
Consumer behavior	The processes involved when individuals or groups use, select, purchase or dispose of services to satisfy their desires or needs.	(Askegaard, Bamossy, Hogg and Solomon 2016 p. 3).
Consumer perception	Perception is the process by which stimuli are selected, organized and interpreted. Basic stimuli are for example light, color or sound.	(Askegaard et al. 2016 p.125)
Consumer Attitude	Consumers attitude is an enduring organization of motivational, emotional, perceptual, and	(Hawkings & Mokkerjee &

	cognitive processes with respect to some aspect of our environment	Mothersbaugh 2010 p.392)
Internationalization	In the context of economics, internationalization refers to the process where a company expands its footprint outside from its domestic markets to foreign markets.	(Hayes, 2021)
The Uppsala model	The Uppsala model explains the characteristics of the internationalization process of a firm.	(Johanson and Vahlne, 2009)

1.5   Structure of the thesis

This thesis is divided into five main topics, introduction, literature review, research methodology, empirical data from the case company: Matchmade, and finally discussion and conclusion. The introduction contains five subtitles which are background, research question and objectives, definitions of key terms, and structure of thesis.

The literature review presents first influencer marketing and influencers generally. Then influencer marketing is conceptualized and seen in larger context as part of content marketing. Before going to characteristics of influencers, benefits of influencer marketing are presented. Further chapters defines who are influencers and in its subtitles is presented what type of influencers there are and in which social media platforms they are operating. After presenting the influencer marketing and influencers, the thesis continues to consumer behavior. First in the chapter 2.2, consumer behavior is presented generally, then in subtitles are defined perception, attitudes and its effects on purchasing intention. Further in its subtitles is presented how influencers and marketers are able to influence these behaviors. Finally, in chapter 2.3 and its subchapter internationalization is presented with Uppsala model.

In chapter 3, methodology of the empirical study is presented. The chapter includes research strategy, case selection, method of data collection, and data analysis. In chap-

ter 4, empirical study is conducted with the case company Matchmade. Finally in chapter 5, discussion and analysis of the findings are presented.

2 Literature review

The literature review presents first influencer marketing and influencers generally. Then influencer marketing is conceptualized and seen in larger context as part of content marketing. Before going to characteristics of influencers, benefits of influencer marketing are presented.

2.1 Influencer marketing and influencer

In 2008, Marketing researchers Duncan Brown and Nick Hayes (2008) presented that marketing didn't work. Marketing didn't work because internet and other traditional marketing channels where providing too much information. Studies showed that it took approximately seven commercials for a consumer to recall the commercial. In addition, even though people remembered the commercial they had problems to recall what was the actual purpose of it. Due to the excessive information overflow, people have started to doubt commercials and see them as untrustworthy. Thus, People are now listening to other people, and by choice or unconsciously decided whose opinion they trust the most. These people who has the power to influence other customers are influencers. Influencer marketing is an approach that identifies these influencers in customer groups (Brown & Hayes 2008). In 2008, the world seemed lot of different that it is today. At that time internet had been around for several years, but the movement to usage of social media platforms and online consuming was just to become mainstream.

The internet has changed marketing field throughout its lifetime. Internet has changed the way establishing consumer relationships and develop communication between companies and consumers. In addition, online shopping has gained popularity among consumers, with the development of marketing online shopping it develops a new trend, becoming the future of marketing in the digital world (Bourlakis, Papagiannidis & Fox, 2008). Accordingly, social media has become one of the most important communication channels. Companies are capable of advertising their products globally

through several platforms via social media (Saxena & Khanna, 2013). With multiple platforms like Youtube, Facebook, and Twitter, anyone can now find and connect with people of same interests, challenges, and beliefs. By finding these connections, people will form communities that shapes and changes their perception of brands and products (Solis, 2010).

In the following chapter, influencer marketing is conceptualized and pointed out that there is differentiation between researchers of the pure definition.

2.1.1 Conceptualization of influencer marketing

Definition of influencer marketing is quite unclear, but it has lot of similarities to word-of-mouth marketing. Influencer marketing can be considered as digital form of word-of-mouth marketing (Bakker, 2018). Word of mouth marketing is information shared person to person. These people who shares opinions of products forms communities. Usually, in these communities are people who are more influential to other members of the community. These people who are frequently able to influence other behaviors and attitudes are considered as opinion leaders (Dodds & Watts, 2007). As pointed out already in a framework called two-step flow model of influence by Katz and Lagerfeld (1955), small groups opinion leaders also known as influencers spread information since they are able to modify the opinions of a large number of people (Askegaard et al. 2017). Brown and Hayes (2008), makes difference between word-of-mouth marketing and influencer marketing, by saying that influencers are users of word-of-mouth marketing.

Influencer marketing (Brown & Hayes, 2008 p.10) can be defined by analyzing and calling up individuals whose social media accounts are followed or subscribed by notable number of consumers. Companies wants to collaborate with those individuals who have influence on their target group. Through influencer marketing, companies and individuals aims to improve the brand image, sales, and communication. Influencer is a third-party who's opinion really matters to its followers and can be a serious asset for a company (Brown & Hayes, 2008). Sudha and Sheena (2017) describes influencer mar-

keting as a process of identifying and activating individuals who have an influence over a specific target audience, in order to be part of a brand's campaign towards increased reach, sales, or engagement. According to Ranga and Sharna (2014), Influencer marketing includes four main activities. Firstly, discovering the influencer and rank them based on their estimated value. Secondly, marketing to influencer, to raise brand awareness among these influencers. Thirdly, marketing trough influencers, raising brand awareness in the target customer groups by using influencers. Eventually, marketing with influencers, making these influencers brands promoters.

In influencer marketing, it is important to select the right influencers for the brand, and the objectives that the influencer can help the brand achieve. Companies can use already engaged influencer or find new influencers based on the product and services attributes. The idea, is to name the objectives, understand the consumer behavior, and then adapt influencers content to brand image so that it makes sense. In influencer marketing, focus is on the marketing efforts more than in brand-driven marketing (Ranga & Sharna, 2014).

Influencer marketing can be separated roughly in to two categories: earned influencer marketing and paid influencer marketing. In earned influencer marketing, influencer is unpaid for promoting the company's services, but they benefit for their personal social growth. In paid influencer marketing, influencer promotes the company's services in exchange for sponsorships, pre-roll advertising, or other type of payment (Sudha & Sheena, 2017). In the following chapter, influencer marketing is considered as part of bigger marketing concept, content marketing.

2.1.2 Influencer marketing as part of content marketing

Influencer marketing can be seen as part of larger marketing method: content marketing. Content marketing is a process which includes content production and content distribution. An effective content marketing campaign includes companies' self-made content or from external sources (Kartajaya, Kotler & Setiawan, 2017). Next eight steps

of content marketing are a frame from setting goals to post-campaign activities. Influencer marketing takes please in step 6 where content amplification is considered:

1. **Goal setting:** What does the company wants to achieve with the content marketing campaign?

2. **Audience Mapping:** Who are the customers of the company, what do they need and what are their desires?

3. **Content ideation & planning:** What is the theme of the content? Planning the whole campaign from start to finish.

4. **Content creation:** Who creates the content? In-house or agencies?

5. **Content distribution:** On which channels should the content be promoted?

6. **Content amplification:** How to influence customers and communicate with them?

7. **Content-marketing evaluation:** How successful is the content marketing campaign?

8. **Content-marketing improvement:** Who to improve existing campaign?

Content amplification play a significant role when aiming to earn strong successful media distribution. The aim is to find key influencers on target customer groups, so that the content would be most likely to go viral. However, influencers can be strict about what brands and products they are willing to promote. Therefore, it's important for marketeers that they build a win-win relationship with influencers, so that the influencers would engage on the brand. Often, the influencers are trying to expand their audience and improving their reputation, here is where the companies can help them by providing interesting campaigns, discounts, or other benefits. (Kartajaya et al. 2017)

2.1.3 Benefits of influencer marketing

As seen in chapter 2.1.1, influencer marketing is lead from word-of-mouth marketing. According to Bughin, Doogan, and Vetvik (2010) Word of mouth marketing is far more powerful than lavish advertising, because it influences up to fifty per cent of all consumer products sales. One of the main benefits of using influencer marketing is the

capability to reach huge audiences and engagement of consumers. Influencers are people who consumers admire and respects, when influencers speak positively about the brands message, it can effectively influence consumers to start buying the brands services. Even though, influencers get paid for advertising a brand services, they are able to stay admirable and trusted (Askegaard et al. 2018). Influencers are capable of reaching the right people with word of mouth, based on their authority and credibility. The benefit of influencers regarding to word-of-mouth marketing, is that influencers are able to correct myths and misunderstandings of the brands they are working with (Brown & Hayes, 2008).

According to Brown and Hayes (2008), there are three areas where influencer marketing benefits a company. Firstly, optimal effect and budget utilization is simpler to measure than in traditional marketing. By identifying key influencers, companies are capable to reach more precisely their target customer groups and measure their return of investment(ROI), when in billboard or tv-advertisement measuring ROI is nearly impossible. Secondly, influencer marketing establishes new routes to market, or into new markets.

When moving into an unknown market area, influencers can be an asset that makes a company win its competitors. Influencers knowledge on the market area provides information for companies that they might not even thought about. Thirdly, in influencer marketing ROI is measurable in increasing sales. By building marketing programs around influencers and setting up sales objections, it's possible to use marketing messages that influences sales directly. (Brown & Hayes, 2008)

In the next chapter, influencers themselves are examined more closely.

2.1.4 Influencer

Social media influencer itself is an individual with notable number of followers on one or multiple social media platforms who is paid by brands to promote their services (Landsverk, 2014). Influencers also known as power users or opinion leaders, are peo-

ple with strong connections to their audience and have gained status that has a great influence on their consuming choices. Influencers are content creators themselves and are usually considered as experts in their communities. They possess significant social power and great respect among their followers (Askegaard et al. 2016). Influencers have different number of subscribers or followers as a result of strong marketing of themselves. Influencers have gained popularity among people and have gained strong position in social networks which makes them more influential to give information of services, giving recommendations, and personal opinions mixed with professional knowledge, which can help companies to advertise their services (Li & Du, 2011).

2.1.5 Types of influencers

In modern literature, influencers have been categorized in three or four different categories based on the number of their followers. Mega-, macro-, micro-, and nano influencers are terms that are used in research generally. Firstly, mega influencers are celebrities with over one million followers on social media platforms. Secondly, macro influencers are professional content creators with less than a million, but over ten thousand followers. Thirdly, micro influencers are individuals with less than ten thousand followers, but they have strong connection to their audience. (Influicity, 2019)

Mega influencers are real-life celebrities who are well known people all over the world. Mega influencers have over one million followers on social media platforms, they are known for a large, but passive audience. Mostly, mega influencers collaborate with popular brands, but collaboration with a mega influencer is really expensive (Askegaard et al. 2016). The upside working with mega influencers is that they have a massive audience, and their fans wants to be like them, so they will buy the same services that the influencers are promoting. Usually, mega influencers are collaborating with professionals, and they have their own marketing team that is specialized with paid endorsement (Influicity, 2019).

Macro influencers are professional social media celebrities with more than ten thousand, but less than one million followers. Mostly, macro influencers are creating content about a specific topic, which makes marketeers relatively easy to find an influencer with their customer group. Macro influencers are used to collaborate with companies, and they are really precise about their content. Macro influencers haves less audience than mega influencers, but their fanbase is still large and most importantly loyal. By collaborating with macro influencers, companies can rely on professional content creating because macro influencers are doing it for a living, and they are keen on developing themselves. Macro influencers are easier to connect than mega influencers because they are looking for new opportunities, and mostly there are no marketing or management agency in between (Influicity, 2019).

Micro influencers are regular people who has strong voice in social media. Micro influencers have from one thousand to ten thousand audience that consists of their friends and close ones which makes them believable influencer to a small but loyal audience. They build influence using self-presentation technique and building relationship with followers by sharing content on one or more social media platforms (Boyd & Marwick 2011). Micro influencers have relatively small audience, but higher engagement present than macro influencers. Micro influencers are cheaper to collaborate, and companies can partnership with many micro influencers. Micro influencers often have stronger engagement to their audience than macro/mega influencers. Micro-influencers audience tend to act with more passion, because they feel more connected to the influencer and their content (Edelmann Digital, 2017).

Holienčinová & Kádeková (2018) divides influencers in to four groups based on the platforms they are mostly using. The four categories are blogger, youtuber(vlogger), celebrity, and instagrammer. Bloggers are owner of their own website or blog on a website, where they share their thoughts of some specific topic or generally of their lives. Bloggers creates unique personal content including photos, text, and comments. Posts are made in chronological order like in a diary, and usually shared in other social

media platforms to gain a bigger audience. Youtubers interacts with their audience through Youtube, with videos that haves only limits of imagination. Youtubers are vloggers, but a vlogger can have its videos on any social media platform. Celebrities are not primarily social media content creators, they are mostly athletes, actors, singers, or known from their accomplishments. Celebrities have a huge audience, and typically their content is from backstage, behind the scenes, or something personal. Instagrammers interact their audience trough Instagram. Instagrammer creates high-quality photo content and builds an audience by gathering followers. Instagrammers collaborates with brands to gain personal income. Brands in the other hand, collaborates with influencers to reach their target customers (Holienčinová & Kádeková, 2018).

Influencers can be also divided into different groups based on their content **see table 2**. In the next figure influencers are divided into categories called: The balanced life, The Friend Zone, Fashionista Coach, Gaming Hero, The Charismatic Cook, The Adventurer, The Fitspiration, and The Beauty Expert.

Table 2 Archetypes of Social Media Influencers (Tuten & Solomon 2018 ; Swant 2016)

Archetype	Description	Examples of related brands.	Example influencer
The Balanced Life	Healthy lifestyle, including healthy food and exercising.	Bai, Under Armour, and Beta Brand.	Jessenia Vice has a podcast of positiveness and posts fitness and motivational pictures on Instagram.
The Friend zone	Friend squads that shares comedic content in collaboration with other channels.	Lego and Hotpockets.	Dude Perfect - channel, five best friends doing comedy and sports videos.
Fashionista Coach	Their own personal style makes them fashion icons.	Gucci, Louis Vuitton, and Victoria Secret	Huda Kattan is a beauty blogger and a businesswoman.
Gaming Hero	Gaming heroes plays games and comment on their gaming with their personal unique style	Warner Brothers, Motorola, and Red bull	Ninja is most known from playing highly popular game Fortnite and commenting his gaming.
The Charismatic Cook	These influencers share food pictures and their cooking tips.	Blue Apron, Kraft Foods, and Wolf	Mariam Ezzeddine shares recipes and food pictures on Instagram.
The Adventurer	Creates content from journeys all around the world.	Patagonia, GoPro, and North face	Megan Jerrard has shared stories from his trips across the world, on multiple platforms.
The Fitspiration	These influencers shares work out videos.	Nike, Lululemon, and Gatorade	Anlella Sagra is Colombian fitness guru who shares inspirational content on Instagram and Youtube.
The Beauty Expert	These influencers are experts on makeups and haircuts.	Maybelline, L'Oréal, and Nivea	Manny Gutierrez gives beauty tips via Instagram and Youtube.

2.1.6 Types of social media platforms used by influencers

There are several of social media platforms where influencers can operate. In this chapter, is presented the five largest social media platforms based on active users. Naturally, these platforms are also used by influencers and marketers, because of the massive audience.

A social network site is a networked communication platform where users can generally operate in three different ways. Firstly, users have unique profiles where they have content of their own, content provided by other users, and/or system provided data. Secondly, users have connections that are public, that can be viewed by other users.

Thirdly, users can produce, consume, and interact with streams of user generated content provided by other users on their platform (Boyd & Ellison, 2013).

Most popular social media networks worldwide based on active users (In millions), development in years 2016-2019.
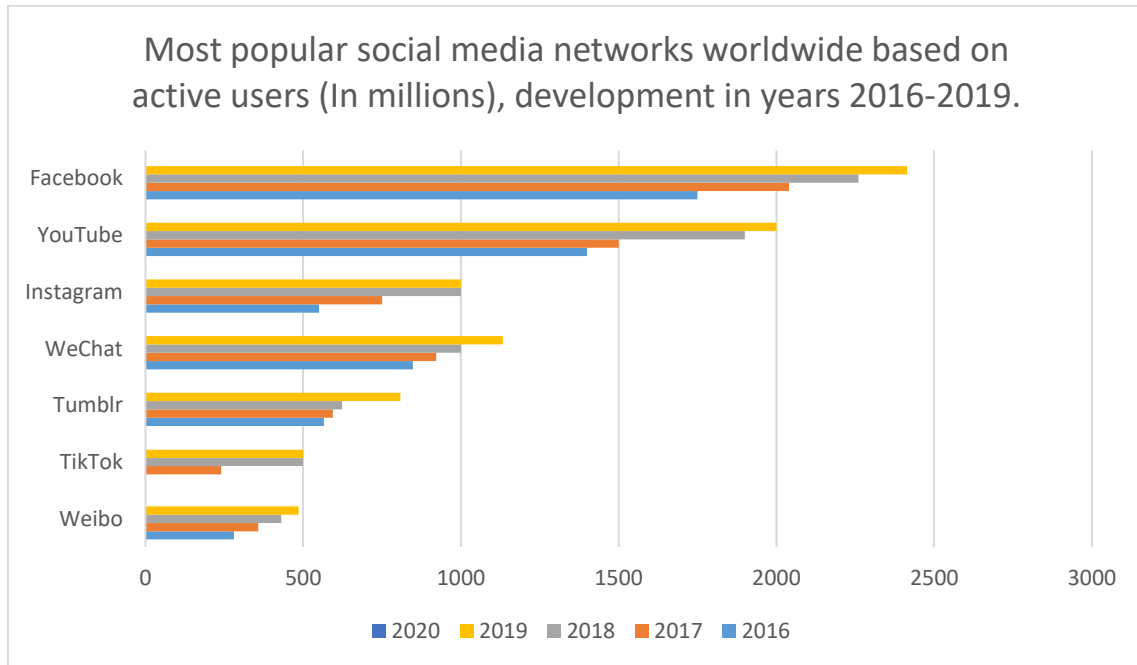
Figure 1 Most popular social media networks worldwide based on active users (in millions), development in years 2016-2019 (Statista 2019)

In the Figure 1, it is easy to see how the biggest social media platforms has increased their user numbers. For example, from 2016 to 2019, Facebook managed to increase its account number with over 500 million new accounts. TikTok was launched in 2016, and the platform already had approximately 500 million account by the end of 2018. As the figure shows, TikTok has not managed to increase their number of accounts in 2019. However, in 2022 TikTok has already over one billion active users (Statista, 2022). Even though, the figure doesn't give the number of people using social media (because platforms allow to have numerous accounts) it still gives the perspective how enormous potential for marketing they have. In the following subtitles is presented the biggest social media platforms and how users operate on them.

Blog

Pure definition of blog is difficult to define as because every blog is different. Blogs are different lengths of texts, videos, or audios. Blogs can be published on own websites, on other websites, on newspapers, or basically anywhere its where it's visible or hearable. As it is difficult to define the word "blog;" therefore, it is easier to say that some site is a blog than defining the word. Benefits of blogging is that it combines every communication model: one-to-one, one-to-many, many-to-one, and many-to-many. A blog is also a way to keep presence in cyberspace, which is exactly what social networks are about (Banks, 2008).

Blogs are primarily owned media, where Blogger owns the content on the website of the blog (Solomon et al. 2018). There are also social network platforms like Tumblr, where bloggers can publish their content and benefit of the platform's massive user network which was over 600 million accounts in 2018 (Statista, 2019).

Blogs became more common in the early 1990's due to the rise of internet. In the early days of online blogging, blogs were simple logs in reverse chronological order. For corporate and individual use, blogs were widely spread and started to gain popularity among internet users. Nowadays, uncountable number of blogs existing, blogs have become important marketing channels. Bloggers can be corporate bloggers, hobbyists, self-employed, or part-time bloggers. In addition, many of the influencers with a celebrity status are bloggers (Solomon et al 2018). These influencer bloggers write about their everyday lives, hobbies, opinions, and at the same time makes money by selling advertising space, sponsorships, and promoting a brands service. Bloggers can have a strong relationship with a brand and operate as a brand ambassador by building brand awareness (Solomon et al. 2018).

Facebook

Facebook was founded in 2004 by Mark Zuckerberg with his fellow Harvard University students Andrew McCollum, Chris Hughes, Dustin Moskovitz, and Eduardo Saverin. First, Facebooks idea was to be a simple social network where college students could interact and share thoughts with each other. Eventually, In September 2006, Facebook was opened for everyone aged over 13-years old and has multiplied its number of accounts every year ever since. The main method that companies can use to get marketing potential out of Facebook, is to create a company page, get users to like it or follow it, and then promote their products, build connections, and build their brand identity (Ranga & Sharma, 2014).

According to Statista (2019), Facebook had 2,375 billion active users which makes it the biggest social network in the world. On Facebook, users can maintain their own profile pages, connect with other users, and view other users' pages (Baran & Knautz, 2016). Companies are using Facebook for marketing purposes actively, after over a quarter of world's population are its active users.

Instagram

Instagram is complimentary social media platform, that allows users to publish edit pictures, videos, and stories, of their daily lives. Users can add hashtags and geotags to their uploads, so that other users are able to find posts in which they are interested. Like in most of social media platforms, users can comment, like, and bookmark other posts. Instagram is not for individuals only, but also for businesses. Companies can start their own account for promoting their brand and advertising their services. On business accounts, companies have free access to impression and engagement metrics (Rouse, 2019). According to Neher (2013), using Instagram for business purposes are important because it underscores some trends in the social media. Secondly, Instagram enables to bring life to posts by adding visual effects in ad of text.

YouTube

YouTube is a site where anyone can upload their videos. Videos can be from one second nonsense to professionally produced movies. Users have uploaded millions of videos to Youtube, and anyone can watch them on their browsers. Most of the videos are amateur videos made with cellphone cameras or webcams, but there is an increasing number of professionally produced videos which many are designed to promote a brand or their services (Miller, 2011).

TikTok

TikTok is a Chinese social media short-form video platform that enables its users to post videos from 15 seconds to 10 minutes. TikTok was established in 2016 by a Chinese company called ByteDance and is now one of the largest social media platforms on the planet. Nowadays, businesses have discovered that TikTok is a powerful marketing tool as its algorithms picks content for the users according to user's preference. Hence, advertisers can collaborate with influencers that have similar interests as their followers.

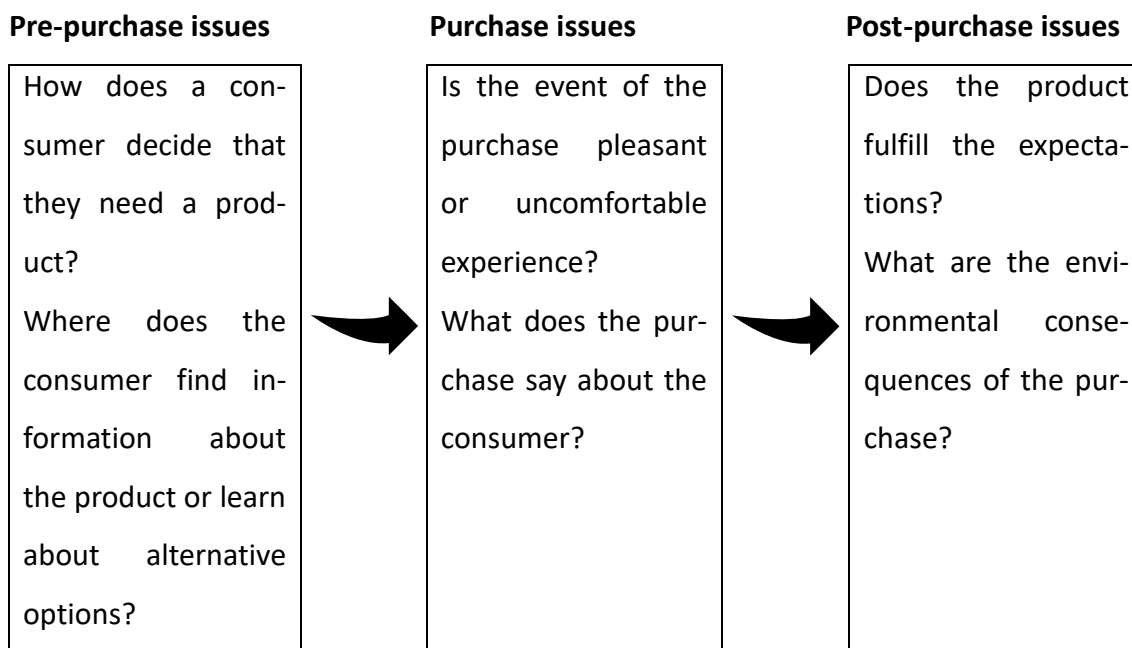## 2.2   Consumer behavior, perceptions and purchasing intentions

In this chapter, the factors that drive consumers behavior, perception, and attitudes is presented. Further on, the effect of influence is presented on these manors. Before going to effects of social media influencers, consumer behavior is introduced in general.

2.2.1   Consumer behavior

Consumer behavior is defined (Askegaard et al. 2016 p.3) as the processes involved when individuals or groups use, select, purchase or dispose services to satisfy their desires or needs. Sarangapani (2009, p.3) defines consumer behavior as a combination of activities and influences that occur before, during, and after the purchase itself. In the early days, consumer behavior was considered as buyer behavior, reflecting an emphasis on the interaction between consumers and producer's interaction at the time of the purchase. Nowadays, marketeers recognize that consumer behavior is an ongoing process, where consumers and producer's interaction is a small part of the whole process (Askegaard et al. 2016).

Joubert (2010) separates consumers into three roles: user, payer, and selector. User is the person who actually uses the service, payer is the person who pays or finances the service, and selector is the one that involves in the procurement of the service. Individual can be in every role regarding to this model, or there can be different individual in every role.

Usually, consumer is a person who recognizes a need or desire that needs to be filled. Consumer makes the purchase by following the three steps of consumption process **see figure 2**. Consumer that makes the purchase doesn't always conduct all of the issues in consumption process, there can be other people involved in different steps of the process. For example, when a person A buys a present to person B, person A concerns all of the issues, and person B caries out only the post-purchase issues (Solomon 2018).

Pre-purchase issues	**Purchase issues**	**Post-purchase issues**
How does a consumer decide that they need a product? Where does the consumer find information about the product or learn about alternative options?	Is the event of the purchase pleasant or uncomfortable experience? What does the purchase say about the consumer?	Does the product fulfill the expectations? What are the environmental consequences of the purchase?

Figure 2 Three stages of consumption process on consumer perspective (Askegaard et al. 2016 p.7)

Consumer behavior refers to both mental activities and physical activities. Mental activities are factors that reflects how well the service satisfies their needs, their experience with the product, taking into account their knowledge of other brands, and any other views or opinions they have about the service or product. Physical activities are activities done by the consumer, for example, discussing about details with a salesperson, visiting a store, searching for information and buying the product (Joubert 2010).

Consumer behavior is influenced by individual factors and group factors, where one of the group factors are opinion leader. Opinion leader is a person with great influence on customer groups purchasing decisions (Ferrell & Pride, 2012). This is important regarding to this thesis, because these opinion leaders are an important tool for companies, and they can see as a form of an influencer. In the following subchapter is presented how perception is formed and how it effects on pre-purchase issues.

2.2.2 The role of perception

Perception is a three-step process that turns stimulus into meaning. Perception is the process by which stimulus are selected, organized and interpreted. Basic stimulus is for

example light, color or sound. The study of perception examines what people add or take away from sensations that they get from different stimulus (Askegaard et al.2016 p.125). According to Nirmala, Salvadore, and Sherlakar (2009), stimuli can be categorized in three different ways. Firstly, stimuli are the products itself on the market. Secondly, advertisement information of the product, price, quality, and distinctiveness. Thirdly, information of the product from friends, professionals, and reference groups (Nirmala et al. 2009). In the following model is presented how individuals are exposed to stimulus and how perception process proceeds.

According to Roberts-Lombard and Parumasur (2017 p.149) perception process can be divided in to four parts:

1. An individual is exposed to a stimulus
2. The stimulus attracts the individual's attention
3. The individual interprets the stimulus based on certain criteria.
4. The Individual responds to the stimulus in a certain way.

The first step of perception process is exposure to a stimulus. People expose themselves consciously or unknowingly all the time to different stimuluses. For example, when watching TV, person is exposed with lots of advertisement stimuli unwillingly (Roberts-Lombard & Parumasur, 2017). The second step is stimulus that attracts the persons attention. Every individual has its own unique collection of beliefs and feelings, that drives their levels of interest on different stimulus (Bruner, 1957) . For example, generally younger women pay more attention to make-up commercials than middle-aged men. Third step of the process is interpretation and confirmation check. When a marketing message has drawn the consumer attention, it does not yet guarantee that the individual would act on it. The individual still needs to interpret the marketing message to choose if the message interests enough to choose the brand (Joubert, 2010). Eventually, the fourth step is recalling and confirmation completion. For example, individual has decided to buy a bottle of shampoo, but doesn't recall the brands advertisement that drew his or her attention. Advertisers use point-of-purchase promotion

helping consumers to recall their products. Finally, the consumer decides to choose a certain brand and reinforce the decision by choosing the product that suits the best (Hair, Lamb & McDaniel, 2010).

2.2.3 Attitudes and purchase intention

As seen before, perception process describes how an individual is exposed to a stimulus, how it attracts attention, how the individual interprets it, and how the individual responds to the stimulus. Consumers who expect that they will need to intent with similar information in the future will be more likely to start developing attitudes in anticipation of the event (Markus & Schwartz, 2010). Usually, the basic goal in many marketing communications is to influence customers attitudes towards the brand. Marketeers can focus on customers' existing attitudes or concentrate on using their marketing offerings to fulfill the identified attitudes of consumers (Parumasur et al. 2017).

American psychologist Daniel Katz (1960) identifies four following attitude functions, utilitarian function, value-expressive function, ego-defensive function, and knowledge function. An attitude can serve more than one function, but in many cases one function is dominant over others (Askegaard et al. 2016).

The utilitarian function is similar to the basic principles of reward and punishment. A person forms his attitude based on whether he likes or dislikes it (Askegaard et al. 2016). Consumers will have positive attitude or disposition on products they are satisfied with, and negative attitude or disposition on products they are not satisfied with (Parumasur et al. 2017). For example, if the person tastes chocolate for the first time and dislikes it, a negative attitude is formed.

Value-expressive function express the consumers self-concept or central values. Value-expressive attitudes are not formed by the benefits of the product, but by what the product says of the consumer (Askegaard et al. 2016). This function allows the individual to express his or her central values positively (Parumasur et al. 2017). For example,

an individual purchases an ecological and more expensive t-shirt rather than a cheap cotton one, just to message people that he or she is nature friendly.

Ego-defensive function, ego-defensive attitudes are formed to protect the person from internal feelings or external threats. This function is classical referring to men protecting their masculinity and women their femininity (Askegaard et al. 2016). In addition, Parumasur et al. (2017) adds that people uses these attitudes to protect truths about themselves or protect themselves from the realities of living in the real world. For example, a man buying a beer over a cider, so that others wouldn't think him as ''less of man''.

Knowledge function, some attitudes are formed based on need for meaning, structure and order. The need is recognized if individual is ambiguous or facing a new product (Askegaard et al. 2016). For example, consumer is not sure what are the effects of herbal tea on his or her health, so the consumer becomes more interested to buy the product because of the uncertainty.

Even though, formation of attitudes has been researched for decades and there are models to evaluate them, researchers have noticed that rarely the knowledge of persons attitude is a good predictor of the actual behavior towards it (Askegaard et al. 2016). In the further chapters, is presented how attitudes can be created and modified from a marketing perspective. This objective relates to persuasion, which is an active effort to change attitudes.

2.2.4   The effect of social media influencers on consumers behavior

In this chapter, is presented how marketers and social media influencers influences consumers behavior and attitudes. As noticed in previous chapters, social media changes the way how people learn about products. On multiple platforms, consumers are able to access on other users' opinions about products and services. Virtual communities unite those who have shared passion for all kind of services (Solis 2010).

Mostly, these online communities have individuals who are considered as opinion leaders. With the right viral marketing strategy, companies can locate these opinion leaders, collaborate with them, and opinion leaders will start influencing their virtual communities by promoting their services (Askegaard et al. 2016). The degree of persuasiveness of marketing communication messages depends on target markets brand loyalty and level of knowledge (Kumar, 2004). In the next chapter is presented how influencers due to their social power are able to influence on consumers attitudes.

2.2.5 Influencers social power and influence on consumers attitudes

Influencing power is based on trust, people in offline and online communities trusts their opinion leaders for numerous reasons. Firstly, consumers buy based on their own experiences, but if they don't have an own experience of the product, they turn to people they trust. Secondly, consumers believe that influential people are relatable, because of their age, gender, or background. Thirdly, when a consumer hears an evaluation of a product from a user, it comes more believable than to hear it from a person that haven't ever used the product (Brown & Hayes 2008). The source of influence over others originates from the power bases that influencer may possess. French and Raven (1959) proposed these following sources of power include:

1. **Reward Power**: individual has the power to provide what others desire
2. **Coercive power**: individual have the power to punish others
3. **Legitimate power**: organizational authority based on persons appointed position.
4. **Referent power**: Influence trough motivation to please a person
5. **Expert power**: Individual possess knowledge and skills that other don't have.
6. **Information power**: Individual researches and has access to information.

Influencers may possess all of the powers listed before, or just one of them. Influencers are the leaders in their communities, so they possess legitimate power naturally. Mostly, they are technically competent, so they have expert power. They evaluate, compare,

and synthesize products in an unbiased way, so they possess information power. Their charisma and activity in community gives them credibility (Chaudhury 2013). Social power of influencers combined with precisely planned marketing messages, gives brands a great asset to influence consumers perceptions and attitudes.

Marketers attempts to change consumers attitudes all the time. These persuasion attempts can range from graphical pictures to logical arguments, and from encouragements by celebrity spokespeople to intimidation by peers (Askegaard et al. 2016). According to Parumasur et al. (2017), marketeers and influencers tries to change consumers attitudes on three different components: on affective component, on behavioral component and on cognitive component.

Affective component consists of three basic approaches that marketers use to raise affect. These are classical conditioning, produce of positive affect towards the advertisement, and mere exposure. In classical conditioning, a stimulus that audience likes, such as music is consistently paired with the product or brand. The target is that eventually the positive affect of the music is associated with the brand (Baker, 1999). Secondly, by producing positive affect towards the advertisement, consumers may buy the product just because they like the brands advert. Thirdly, Mere exposure refers to that brand exposes consumers to same stimulus repeatedly (Auty, 2004). On the other hand, if consumer is exposed to an advertisement that doesn't, please the consumer might start disliking the whole brand (Hawkings et al. 2010).

Attitudes that are formed by behavioral manner, in other words by the consumer using the product, are mostly strongly held (Parumasur et al. 2017) Behavioral component is specifically use or purchase behavior that develops of cognition and affect. It also may occur in contrast to the affective and cognitive components (Hawkings et al. 2010). For example, a consumer who doesn't like rock music, but an influential person recommends him to listen a new song from a rock band called AC/DC, after listening the track, consumers perception may alter, and he starts to like it.

Parumasur et al. (2017) provides four basic strategies how to change attitudes on cognitive component, which are, changing beliefs, shifting performance, adding beliefs, and changing the ideal.

Changing beliefs, is strategy where marketers and influencers presents more information of the brand, in belief that consumers would shift their beliefs positively to that particular brand. Shifting performance, is a strategy where marketers tries to convince consumers that brands attributes where they are relatively strong are the most important (Hawkings et al. 2010). For example, speaker manufacturer Bose believes that their sound is the clearest on the market, so they will emphasize the importance of clear sound on their marketing channels. Another approach of changing the attitudes is to add beliefs into consumers belief structure. For example, regarding to previous example, Bose could start promoting that keeping the speaker outside can impair its sound quality. Lastly, changing the ideal is a strategy where marketers strive to change the attitude by changing the perception of the ideal brand or situation (Parumasur et al. 2017). For example, marketers and influencers could start influencing consumers towards using more ideal products for environmental reasons like canvas bags over plastic ones

2.3 Internationalization

The current literature on internationalization examines the process of opportunity recognition, however there are small amount of literature that explains why this is important (Chandra, Styles & Wilkinson, 2009). Internationalization model presented in this paper is the Johanson's and Vahlne's Uppsala model (1977) and further examined network approach that both take for granted that businesses recognize opportunity in a foreign market (Chandra et al., 2009). Therefore, this paper first provides the reasons why companies decides to expand their businesses abroad and further on the Uppsala model is examined.

2.3.1 Why internationalizing?

Internationalization refers to action where an organization decides to expand its footprint beyond their own domestic market. Reasons for expansion are numerous, but they can be divided into two categories such as domestic market's pushing factors and target market's pulling factors **see table 3**.

Table 3 Push and pull factors to internationalize (Puusa, Reijonen, Juuti & Laukkanen, 2014)

Push forces	Pull forces
Compulsion of domestic markets	Attractiveness of the foreign markets
Market saturation	Larger market
Competition	Profit advantage
Government regulations	Cheap labor
Technological development	Growth opportunities

In addition, Jensen and Petersen (2014) claims that there are three value proposition drivers for internationalization such as brand recognition globally, universal distribution, and worldwide connectivity. Even though, the reasons why companies decide to expand are individually unique, it can be generally assumed that companies internation-

alizes to reduce risk and to gain more markets share (Andersson, Gabrielsson & Wictor, 2004).

### 2.3.2 The Uppsala internationalization model

The Uppsala internationalization process model was selected on this paper due to its popularity to describe the internationalization actions that companies have when expanding their businesses to the foreign markets. Thus, this paper examines how the Uppsala model applies to a company's internationalization process via influencer marketing agency.

In 1977, Jan Johanson and Jan-Erik Vahlne published their model of internationalization process called The Uppsala model. According to Johanson and Vahlne (2009), The Uppsala model explains the characteristics of the internationalization of a company. Due to a long period of time since the model have been introduced, it has been challenged and questioned from different point of views. Hence, this paper will first examine the original model from 1977 and further the evolvements of the model.

The original model challenged the previous literature that claimed that companies should choose their entry mode by analyzing risks and costs based on their own recourses and market characteristics. However, Johanson and Vahlne (1977) discovered based on number of industry studies that Swedish companies in international markets were often staring their internationalization through ad hoc exporting. Thus, Johanson and Vahlne (1977) distinguished that companies would formalize their entries through deals with focal companies in the foreign markets. Often, due to growth in sales, the company replaced the agent in the foreign country with their own sales department and even further started manufacturing in the foreign markets to overcome trade barriers. Johanson and Vahlne (1977) named this pattern of internationalization as establishment chain. Also, they discovered that companies would often choose their foreign markets based on the physical distance from their domestic markets. The researchers explained this on liability on foreignness. Hence, the larger the distance to the foreign

markets the larger the liability of foreignness (Johanson & Vahlne, 1977). Thus, Swedish companies are expected to expand to Nordic countries while Spanish companies are predicted to expand to Western European markets. In addition, the model consists of two changing mechanisms of internationalization: state and change aspects (see figure 3). According to Figueira-de-Lemos, Johanson and Vahlne (2011), the change aspects consider the decisions regarding commitment as well as current activities, when it comes to behavior of internationalization. Also, the state aspects are assumed to rely on current activities that are also affected by the behavioral function within the business.
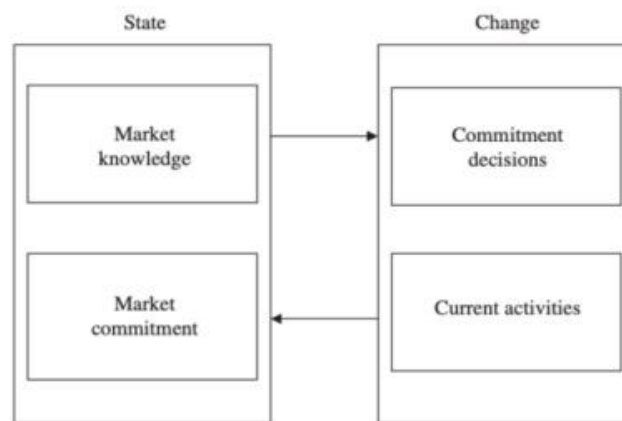
Figure 3 The basic mechanism of internationalization: state and change aspects (Johanson & Vahlne, 1977)

The model assumes that companies change by learning from their experiences of current activities, operations, in the foreign markets. Secondly, companies change through commitment decisions that may strengthen their position in the foreign market (Johanson & Vahlne 1997). According to Johanson and Vahlne (2009), importance of experience is significant because of its ability to build business knowledge of a specific market. Hence, the knowledge is used on decision making regarding the degree of commitment and activities leading to the next level of commitment. In addition, Johanson and Vahlne (2009) proposes that learning and building the commitment takes time.

Therefore, moving into larger and potentially rewarding markets that have physically longer distance are made incrementally.

Although Kim and Aguilera (2015) describes The Uppsala model being the most influential theory of internationalizing process, it has had it critics over the years. For instance, an internationalization process model based on a single organizational learning mechanism is not comprehensive enough considering the complexity of building and managing foreign operations (Forsgren, 2002). Also, it has been argued that some organization models such as born globals and international new ventures doesn't follow the geographical gradual stages of internationalization after they are global since the beginning (Coviello & McAuley, 1999). Due to criticism and further examinations, Johanson and Vahlne revisited their original model and decided to develop it further in the light of evidence on how important networks are in the internationalization of a business (Johanson & Vahlne, 2009). In their 2009 revisited model, Johanson and Vahlne claims that the liability of network outsidership presents challenges for internationalizing companies. Thus, Johanson and Vahlne (2009) proposes that companies should invest significant resources to build relationships to achieve insider ship in networks appropriate to their host, target and home markets (Monaghan, Tippman & Coviello, 2019). This papers case company Matchmade is a born global influencer marketing agency that will bring new insights into how influencer marketing as part of internationalization differs and have similarities to the Uppsala model.

3 Methodology

In this chapter, the methodological choice of the study is presented. The section includes research strategy, case selection, and method of data collection. Also, the characteristics of data analysis and technique is presented.

3.1 Research strategy

Use of a platform channel connecting businesses and influencers as part of internationalization is a new phenomenon and therefore little researched. Thus, this paper proposes a single case study with a company that provides a platform for businesses and influencers to connect. According to Saunders, Lewis & Thornhill (2007) a single case study provides an opportunity to observe and analyze a phenomenon that few have considered before. In addition, a case study strategy enables to challenge existing theory and provide a source of new research question (Saunders et al., 2007).

Typically, research tactics are divided into qualitative and quantitative research. Qualitative research consists of data collection technique that is not numerical. While quantitative research is based on data collection technique that is numerical. Example of qualitative research uses a semi-structured interview where the interviewee answers the questions based on personal experience and knowledge on the subject. Hence, example of quantitative research uses multiple questionnaires where the researcher draws conclusion based on the numerical data from the answers. However, research can also be conducted by using both of the strategies that is called a mixed method (Saunders et al., 2007).

As this paper examines "how" internationalizing companies uses a web-placed platform channel as part of influencer marketing as well as describes the phenomenon, data collection of the case study is conducted through qualitative data collection tactic that in this case is a semi structured interview with a representative of the case company. Hence, the research is described as exploratory study after the semi-structured

interview will give new insight on the subject and clarify the overall understanding of the subject (Saunders et al., 2007). Thus, according to Adams and Schvaneveldt (1991) in exploratory study, the focus is initially broad and becomes progressively narrower as the research progresses.

3.2 Case selection

The case company for this research was chosen for a couple of reasons relevant to the study as follows:

1) The core business idea is to connect businesses with influencers
2) Works with foreign businesses
3) Works with local and foreign influencers

Due to the small number of criteria fitting companies, the author faced a problem to get multiple case companies. However, a company called Matchmade were able to collaborate. Regardless of the difficulty to find suitable case companies, Matchmade provided comprehensive answers to the author's interviews questions and thereby provided new insight on the subject.

Matchmade was founded in 2016 at Helsinki, Finland. Currently, employees 23 people from 11 countries. Matchmade describes itself born-global after their service is not limited by country borders. Indeed, Matchmade nowadays have offices in three countries.

Matchmade is a creator marketing platform that helps companies to deliver scalable campaigns. Thereby, Matchmade proposes that spreading the risk across multiple creators, rather than depending on one influencer is the key to success for an advertisers' campaign. Instead of finding and negotiating with individual content creators, Matchmade have automatized the process of finding the influencers. Thus, Matchmade is able to scan 9,2 million youtubers. Hence, advertisers need to share their budget and target audience and based on that Matchmade will provide an offer of influencers to the advertiser's campaign. (Matchmade, 2022)

In 2022, Matchmade was awarded as the best influencer marketing agency at pocket gamer: mobile games awards. Thou, Matchmade describes itself as "creator marketing platform powered by data," it still has the same core idea in connecting advertisers with influencers as traditional influencer marketing agencies. Thus, Matchmade is suitable for this thesis as it examines the use of influencer marketing agency in company's internationalization.

3.3   Methods of data collection and analysis

Methods of data collection used were an 1h30min interview and chatting via LinkedIn with a representative from Matchmade. In addition, the company provided blog texts and case studies for comprehensive picture of how the company operates. For the questions of the semi-structured interview **see appendix 1.** The interviewee is the product lead at Matchmade. The interviewee has worked three years in the company, first in the data science side and then promoted to be the responsible of product development and managing it.

The data was analyzed as follows. Firstly, the recorded interview was written into textual form for further analysis. Secondly, some of the answers was checked again from the interviewee so that the interviewer understood them correctly. Thirdly, the interviewee provided some case studies of their clients to elaborate and give examples on how the company operates. Fourthly, the data was organized based on different categories such as background of the company, influencer marketing and its advantages, internationalization, and how the company operates, targets its markets and selects its content creators. Lastly, Findings from the empirical study is analyzed in chapter 5 by discussing the answers with the theoretical background.

4   Empirical data

Matchmade is an end-to-end platform that uses sophisticated data-analysis to match your [advertisers'] product with the most relevant creators based on who their audience are. For creators, we offer an easy way to find sponsored deals from products your [creators'] audience will enjoy. (Matchmade, 2022)

How Matchmade works?

Matchmade is a global platform business that connects advertisers with content creators. In practice, content creators' signups for the Matchmade platform and by doing so, the content creator becomes a potential channel to advertise a given product. Thus, advertisers approaches Matchmade with a campaign that should be conducted with specific parameters and budget. Hence, with the given parameters and budget Matchmade's own program runs through their database of content creators and suggests the content creators for the campaign that matches the advertiser's criteria. Thereby, content creators decides whether to accept or decline on promoting the campaign. Based on the acceptance of content creators, Matchmade's program is able to calculate the approximate audience for the campaign

Why influencer marketing?

The interviewee proposes that all kinds of online advertisement from a company is part of their brand building. Therefore, using influencer marketing is just a part of larger marketing strategy. However, the interviewee sees a few reasons why use of content creators as campaign promoters is more effective than for example paid Facebook advertising. Firstly, the marginal benefit decreases the more money an advertiser invests in Facebook adverts. Thus, sponsorship deals with Youtubers don't undo the benefits of Facebook advertisement but is an effective continuum for the Facebook adverts.

Secondly, the interviewee predicts that google and Facebook advertisement effectiveness will decrease in the coming years because of the increased worry of privacy issues. After, effectiveness of internet advertisement consumer targeting is based on tracking

the user's online behavior. On the other hand, effectiveness of consumer targeting in influencer marketing is based on the content creator channel's content which indicates the audiences' consuming habits.

Thirdly, advertisers have noticed that users gained through influencer marketing are more committed to their products than users gained through other channels. For example, new users for a game are more likely to make in-game purchases and continue playing the game if they have installed the game based on influencers suggestion. The interviewee proposes that the reason for this is that a new user is more likely to play and commit to a game if it's suggested by an idolized person. Thus, if the installation is made based on a Facebook advert, the new user is more likely to lose interest in the game.

Lastly, using multiple content creators is a great way to diversify the risk. After, a single video's views may vary a lot, using multiple content creators increases the potential of some of the videos being more popular than the other.

Influencer

Engagement rate is higher with smaller channel content creators. Thus, running campaigns through several smaller channels is more effective than using one mega influencer. The interviewee says that they have their own definitions of how many subscribers or followers a content creator possesses. However, as Matchmade considers the views more relevant indicator for an advert reach, it is considered that subscriber or follower number isn't as relevant.

Vast majority of content creators that work with Matchmade are in Youtube. Some of the content creators are in Instagram. The reason for this is generally that the advertisers' products are considered to be most effectively advertised in platform such as Youtube. For example, games are effective to be advertised by influential gaming content creators. The content creator is briefed on what needs to be said about the prod-

uct, but otherwise the content creator have free hands on what to do for the channels video.

Advantages for the advertisers

Easy way to reach out a massive audience for advertisers' campaign. Through Match-made's automatic program, the advertisers' campaign reaches hundreds of content creators relevant to the advertised product. Mostly, the campaigns are promoted in hundreds of content creators' channels on monthly basis. Due to the automation of the Matchmade's program, advertisers are spared from identifying, contacting, and signing the potential content creators.

Advantages for the content creators

Mostly, the content creators that work with Matchmade do have smaller audiences. Thus, for a single content creator with small audience can be difficult to find sponsorship deals. Hence, Matchmade is a great solution for a content creator because Matchmade proposes several content creators for advertisers, so that the combined audience of smaller content creators is reasonable for the advertiser. In addition, based on Matchmade's experience smaller content creators have stronger influence on their audience than for example celebrities with larger audience.

How do content creators find Matchmade?

Currently, Matchmade indexes approximately nine million Youtube channels. Thus, Matchmade approaches content creators automatically if their channel matches with an advertiser's campaign. However, content creators who sign ups to Matchmade's platform will have the advantage of first-hand information of the new campaigns. Therefore mainly, Matchmade approaches the content creators with campaign deals but in some cases content creators sings up to the Matchmade's platform without a contact from the company.

How do advertisers find Matchmade?

Matchmade is actively promoting itself by posting content such as blog posts, podcast, and cases on their website. In addition, they participate in events where they explain how the company works and what advantage they can bring to advertisers. By doing so, Matchmade aims to build reputation so that the advertisers would approach them with their campaigns.

Internationalization

Matchmade describes itself a born-global company for a couple of reasons. Firstly, the core business idea of being a web placed platform is fully technological and therefore geological boundaries doesn't limit their markets. Secondly, after their customers are web placed content creators and advertisers looking for promoters on global markets, Matchmade finds it unnecessary to limit their markets to a certain country or area.

For Matchmade it was obvious to start on a global scale. Generally speaking, Matchmade is able to reach out content creators everywhere around the world and therefore starting locally or on a specific area wasn't really a worthy option. After Matchmade's content creators are mostly Youtube channels, it brings some limits to their market area. For instance, Youtube is banned or restricted in some countries. Thus, content creators are on different platforms that Matchmade doesn't index.

Targeting a market

Matchmade's business model works most efficiently when the advertiser's campaign is the whole world. Thus, when the advertiser wants to target its campaign to a certain area it reduces the potential number of content creators. Therefore, Matchmade consults advertisers to promote their campaign as widely as they can. As most of Matchmade's advertisers are gaming companies or providers of different kind of internet services, it's seen that the campaigns should be conducted globally. Thus, for advertisers the installation of their product is the most important factor.

However, market limitations may occur in situations where the advertiser isn't fully a technological company. The interviewee explains this by pointing out that a food delivery service application also needs physical presence in the target market. Hence, for effective promotion, content creators needs to reach out the audience where the advertiser have physical presence such as delivery drivers and restaurants. However, the advertisers only in rare situations aims their campaign to a certain geographical area. For example, sometimes a gaming company wants to try how many installations their game gets in South America.

Being born global

Working on a global scale enables Matchmade to collaborate with more advertisers and content creators than on a local market. Thus, for advertisers it enables more options on where the content creators are located and how many of them will be part of the campaign. Also, the huge amount of content creators enables advertisers to have different content creators on different campaigns all around the world. Challenges that have occurred are language barriers that are solved with google translate if necessary. Also, international payment transactions causes troubles from time to time. For example, different currencies are not acceptable in some banks. However, overcoming these obstacles brings added value from the advertiser's perspective because Matchmade solves these complex issues.

Selection of content creators

Matchmade examines the channel's content and their audience. Thus, important factors are the channels style of content whether its gaming, cooking etc. Also, the demographics of the audience like age, gender etc. It can be assumed that in general, content creators' audience is interested in similar things as the content creator itself. Thus, for example a gaming company who wants to advertise their game is proposed with gaming content creators who plays the game because the channel's audience is more likely interested in playing the game.

In Youtube, number of subscribers is not the most important number to be looked at. Instead, average of views, and especially expected views for the next video are the most important numbers that are proposed for the advertisers to be look at. Thou, a few years ago advertisers were mainly looking at the channels subscriber number. The interviewee compares this with likes in a Facebook post. Before, advertisers approximated that the number of likes in a Facebook post have a link on how many people their advert is reaching. However, it's seen that a like in a Facebook post doesn't directly indicate that the person who liked the post did even watch what the post included.

5 Discussion and Conclusion

In this chapter, the paper provides discussion between the theoretics and findings from the case study. This paper examines the similarities and differences between the theoretical background and the findings of the empirical study. Aim of this paper is to provide new information on how to use influencer marketing through an agency as an internationalization tool. Therefore, this section of the paper provides a comprehensive analysis of the findings that have been made in this paper.

In addition, this part of the paper presents the limitations of the study and suggests future research possibilities. This papers theoretical background includes influencer marketing, consumer behavior, and internationalization. Empirical study was conducted as a single case study. Therefore, this paper doesn't provide comparison to other companies which makes the findings of the empirical study simplistic. However, through the interviews conducted with the company representative and case studies provided by Matchmade, this paper provides great amount of results on how influencer marketing can be utilized as part of internationalization.

Research Question (RQ): *How companies can use influencer marketing agency as part of their internationalization?*

As this paper focuses on the use of influencer marketing as part of internationalization, the empirical findings shows that influencer marketing is most effective when the whole world is seen as the target market. Thus, this paper suggests that influencer marketing as part of internationalization is not suitable with Johanson and Vahlne´s (1977) Uppsala model where companies would choose their foreign markets based on the physical distance from their domestic markets. Instead, when the advertiser wants to target its campaign to a certain area it reduces the potential number of content creators. Therefore, Matchmade consults advertisers to promote their campaign as widely as they can. Indeed, for advertisers the installation of their product is the most important factor. As most of Matchmade's advertisers are gaming companies or providers

of different kind of internet services, it's seen that the campaigns should be conducted globally. Thus, advertisers can use influencer marketing agencies to identify and connect to suitable influencers to promote their products, services or campaigns. Also, as the social media influencers are able to reach audience across country borders, companies could use them as their promoters when expanding to a foreign market. Next, this paper summarizes the answers for the research sub-questions by discussion between the findings of literature review and empirical findings.

Sub-question 1: *What is influencer marketing?*

Conceptualization of influencer marketing differs among researchers. Definition of influencer marketing is quite unclear, according to Bakker (2018) it has lot of similarities to word-of-mouth marketing, Influencer marketing can be considered as digital form of word-of-mouth marketing. Brown and Hayes (2008) disagrees by saying that influencers are users of word-of-mouth marketing. Thou, Matchmade (2022) describers that they call their influencers content creators. Based on the literature review and findings of this study, content creators becomes influencers when they start doing advertising through their channels. Thus, even though Matchmade indexes content creators, the content creators becomes influencers as they start promoting adverts or campaign deals.

Sub-question 2: *Who are influencers and what makes them influencers?*

Influencer itself is an individual with notable number of followers on one or multiple social media platforms who is paid by brands to promote their services (Landsverk 2014). Other research have also shown that influencers are not always paid, and they have been influencers before they have started collaborating with brands. Influencer has gained popularity among the people and stronger social networks, which makes them more influential to give information of services, giving recommendations, and personal opinions mixed with professional knowledge, which can help companies to

advertise their services (Li & Du, 2011). This papers case company Matchmade sees influencers as people who have significant impact on their followers or subscribers. Thus, Matchmade suggests that influencers have higher influence on engaging customers than for example a traditional or online advert. Therefore, the case company defines influencers as individuals with high influence on their audience which is similar to opinion leaders.

Influencers can be categorized based on their number of audience, based on platforms they are using, or based on their content they are sharing. Generally, influencers are divided into three groups based on size of their audience. Micro-influencer have's audience from on thousand to ten thousand, macro-influencer has audience from ten thousand to one million, and mega-influencer have audience of more than a million (Influicity 2019). The case company Matchmade have their own definitions of how many subscribers or followers a content creator possesses. However, as Matchmade considers the views more relevant indicator for an advert reach, it is considered that subscriber or follower number isn't as relevant. Instead, Matchmade proposes that average of views, and especially expected views for the next video or other content are the most important numbers that advertisers should look at.

Influencers are power users on multiple platforms, but they can have greater number of audience on a specific platform. According to Holienčinová & Kádeková (2018) influencers can be divided into blogger, youtuber, celebrity, and instagrammer. Askegaard et al. (2016) proposed that influencers would be divided by their content into eight social media archetypes. However, Matchmade's influencers are mostly youtubers or their sponsorship deals are only made on their Youtube channels. Hence, this papers empirical findings doesn't provide examination between other social media platforms. Matchmade examines the channel's content and their audience. Thus, important factors are the channels style of content whether its gaming, cooking etc. Also, the demographics of the audience like age, gender etc. It can be assumed that in general, content creators' audience is interested in similar things as the content creator itself.

Thus, for example a gaming company who wants to advertise their game is proposed with gaming content creators who plays the game because the channel's audience is most likely interested in playing the game (Matchmade, 2022).

Sub-question 3: How social media influencers affect/shape the consumers' product perceptions and purchasing intentions?

Parumasur et al. (2017) provides four basic strategies how to change attitudes on cognitive component, which are, changing beliefs, shifting performance, adding beliefs, and changing the ideal. Changing beliefs, is strategy where marketers and influencers presents more information of the brand, in belief that consumers would shift their beliefs positively to that particular brand. Shifting performance, is a strategy where marketers tries to convince consumers that brands attributes where they are relatively strong are the most important (Hawkings et al. 2010). Matchmade (2022) proposes that influencers have power on affecting their followers due to their credibility and authority.

Matchmade's customers (advertisers) have noticed that users gained through influencer marketing are more committed to their products than users gained through other channels. For example, new users for a game are more likely to make in-game purchases and continue playing the game if they have installed the game based on influencers suggestion. Matchmade proposes that the reason for this is that a new user is more likely to play and commit to a game if it's suggested by an idolized person. Thus, if the installation is made based on for example a Facebook advert, the new user is more likely to lose interest in the game. Hence, the findings of the literature review are aligned with the empirical findings that influencers have strong influence on shifting their audiences' attitudes towards different brands.

5.1 Suggestions for future research

Based on the findings of this study, the author suggests that for future research the effectiveness of influencer marketing agencies such as Matchmade should be examined more specifically. Indeed, Matchmade indexes over nine million Youtube channels around the whole world and by doing so they are able to get a significant coverage for advertisers. At least Matchmade proposes that quantity over quality in influencer marketing is better when a company expands to foreign markets, this suggestion could be challenged.

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Appendix 1

1. Esittely

Tutkielman aiheen esittely haastateltavalle

2. Matchmade

Yrityksen tausta

Haastateltavan taustatiedot, historia yrityksessä ja nykyinen positio

Yrityksen kansainvälistymisen tila

Miksi yritys on päättänyt kansainvälistyä tietyille markkinoille

3. Verkoston rakentaminen

Millä työkaluilla yritys on rakentanut mainostajien/sisällöntuottajien verkostonsa?

Mitä etua on sisällöntuottajalla olla Matchmadella?

Mitä etua on mainostajalla olla Matchmadella?

4. Kansainvälistyminen

Mitä rajoitteita/mahdollisuuksia kansainväliset suhteet asettavat suhteessa siihen, että kaikki toiminta tapahtuisi kotimaassa?

Mitä resursseja Matchmade tarvitsee toimiessaan ulkomaalaisten asiakkaiden kanssa?

Onko kansainvälistyminen tapahtunut tarkoituksenmukaisesti vai "vahingossa"?

Mikä rooli Matchmaden verkostolla on sen kansainvälistymisessä?

Onko Matchmade kohdannut vaikeuksia löytää sisällöntuottajia/mainostajia ulkomailta ja/tai kotimaasta?

5. Vaikuttajamarkkinointi

Miten vaikuttajamarkkinointi auttaa mainostajia kasvattamaan brändiään?'

Vaikuttaako mainostajat itse siihen, miten sisällöntuottajat mainostavat heidän tuotteitaan?

Millä keinoin vaikuttajan tehokkuutta mitataan?

Mitkä asiat vaikuttavat mainostajan ja sisällöntuottajan "Matchiin"?