INFLUENCER CREDIBILITY AND SPONSORSHIP DISCLOSURE EFFECTS ON AD RECOGNITION AND RESISTANCE TO #SPONSORED INSTAGRAM POSTS

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Abstract

What do consumers think when they read a #sponsored post written by a social media influencer? Do they know it is an ad? Will they resist the message? This current study examines how consumers use their prior knowledge of an agent and the presence of a sponsorship disclosure to interpret and cope with an Instagram influencer's sponsored post. Specifically, this study tested a theoretical model explaining the role of influencer credibility and sponsorship disclosure on ad recognition and resistance to Instagram sponsored posts. Path analysis results showed that the sponsorship disclosure increased the level of ad recognition, and indirectly increased consumer resistance via ad recognition. Furthermore, a significant interaction effect revealed that influencer credibility positively moderated the relationship between disclosure and ad recognition. In other words, although influencer credibility reduced the level of ad recognition and consumer resistance in general, a highly credible influencer facilitates ad recognition when there is a sponsorship disclosure. Theoretical and practical implications, limitations and future research directions are discussed.