From Likes to Launch- An Investigation into the Rise of Social Media Influencers as Digital Entrepreneurs

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Abstract:
This study examines the burgeoning area of digital entrepreneurship with a particular emphasis on the relationship between social media and entrepreneurial endeavours. A new class of businesspeople known as social media influencers emerged as a result of the growth of social media platforms. These individuals use their knowledge and enthusiasm to build online followings and make money from their material. The research delves into the fast expansion of influencer marketing, which is demonstrated by the notable rise in the market’s size and the extensive integration of influencer marketing strategies across diverse industries. The study explores the attitudes and actions that lead people to become social media influencers and entrepreneurs, drawing on academic frameworks including Push and Pull Theory and Persuasion Knowledge Theory. Additionally, it investigates the distinct dynamics of social media and digital entrepreneurship. The study emphasises how social media has revolutionised the Indian business scene, highlighting in particular the rise of micro-entrepreneurs and the democratisation of success made possible by social media platforms. In addition to suggesting directions for future research to further expand our understanding of digital entrepreneurship and influencer marketing in the modern digital era, the study finishes by providing useful implications for influencers, firms, and aspiring entrepreneurs.

Keywords: Digital Entrepreneurship, Social Media, Influencer Marketing, Push and Pull Theory, Persuasion Knowledge Theory.

Introduction and Research Background:

“Digital entrepreneurship,” which encompasses the influence of social media on entrepreneurial activities, has garnered significant attention in recent years as a stimulating phenomenon for enhancement of entrepreneurial endeavours (Sahut et al., 2021). A novel form of digital entrepreneurship has surfaced as a result of the proliferation of online social media platforms: the social media influencer. This type of entrepreneur raises capital for their business and expands wealth through advancing their area of expertise and passion (Lee & Theokary, 2021). Influencers are first acknowledged by brands. After that, they establish their own brand. These influencers, who previously concentrated on gaining a sizable online following, are now entering the entrepreneurial sphere and developing their brands and businesses in the quick-paced world of content production (Matta, 2023). The market size of influencer marketing has experienced an enormous surge in recent years, indicating an exponential expansion in the industry. As per Statista (2024), the worldwide market for influencer marketing has experienced a threefold increase since 2019. It is expected to reach an astounding record of 24 billion U.S. dollars by 2024 (see Table 1). This remarkable growth highlights the growing importance and effectiveness of influencer marketing tactics in modern corporate operations. Furthermore, the extensive implementation of influencer marketing campaigns is clarified by findings from a global survey that was carried out in 2024 among a range of stakeholders, including businesses, PR firms,
marketing agencies, and other pertinent experts. Findings showed that 37.6% of participants said their companies worked with up to ten influencers, demonstrating the frequency of these alliances (Influencer Marketing Hub, 2024) (see Figure 1). The survey results reveal that a noteworthy 14.7 percent of participants reported engaging with more than one thousand influencers, demonstrating the broad and varied nature of influencer marketing initiatives across many sectors.

Table 1: Global Influencer Market Size

<table>
<thead>
<tr>
<th>Global Influencer Marketing Value 2016-2024</th>
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</thead>
<tbody>
<tr>
<td><strong>Market</strong></td>
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<tr>
<td>Size in Billion USD</td>
</tr>
<tr>
<td>2016</td>
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<tr>
<td>1.70</td>
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<td>2017</td>
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<td>2018</td>
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<td>2020</td>
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<td>13.80</td>
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<td>2022</td>
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<td>16.40</td>
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<td>2023</td>
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<tr>
<td>21.10</td>
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<tr>
<td>2024*</td>
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<td>24</td>
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</tbody>
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(Source: Statista, 2024)

**Theoretical Aspects:**

**Persuasion Knowledge Theory:**

Social media influencers are entrepreneurs who support their ventures and generate earnings by spreading knowledge, competence, and talents in their chosen fields. They are the offspring of social media, digital marketing, and e-commerce. In a rapidly expanding influencer industry, influencers take advantage of social media platforms that allow individuals to create films about their preferred interests in an effort to gain views and subscribers throughout the globe. For this reason, the platforms pay these influencers according to the quantity of views and subscriptions they receive (Lee & Theokary, 2021). According to Boerman et al. (2012), conceptual persuasion knowledge—which is the cognitive dimension that permits an awareness
of advertising, its creator and target demographic, as well as an understanding of the advertiser’s persuasive intent—is said to be triggered by disclosure in the setting of sponsorship disclosure. The theory states that when people believe a communication has the potential to persuade, their preexisting knowledge of persuasion will be triggered, causing them to absorb the information in a different way than if they did not know it would. When an advertisement is clearly disclosed in a way that grabs the recipient’s attention, they can identify the information as sponsored and take the necessary action (Dhanesh & Duthler, 2019).

**Push and Pull Theory:**

The literature on entrepreneurship acknowledges that individuals may want to start their own businesses for a variety of factors (Svaleryd, 2015). In accordance with this theory, ”Push” entrepreneurs are those who, for reasons unconnected to their entrepreneurial traits, are driven to begin a business by their discontent with their current positions, whereas ”Pull” entrepreneurs are those who are drawn to their fresh business idea and launch it due to its appealing prospect and potential personal benefits (Amit & Muller, 1995). A study utilising the push and pull theory of entrepreneurship to examine the reasons behind social media content creators’ decision to turn into social media influencers appears suitable given the current virtual context and distinctive features of digital entrepreneurship. This is because the motivations behind entrepreneurship may be different from those already explored. It might be possible to understand and characterise the process of developing into an influencer by applying the push and pull entrepreneurship theory to social media influencers’ entrepreneurial motives (Guiñe-Cabrera & Aqueveque, 2022).

![Figure 1: Number of Influencers Brands Worked with Worldwide as of February-2024.](image)

**Digital and Social Media Entrepreneurship:**

The number of companies collaborating with social media influencers is increasing quickly. This new marketing strategy is being tested by more than 60% of businesses (Ouvrein et al., 2021). According to de Perthuis and Findlay (2019), influencers are well-known individuals who have amassed a significant following on social media. They monetize their lifestyle through a variety of strategies, including brand collaborations, links to affiliate-sponsored material, and advertisements. Passion for entrepreneurial endeavours and social media entrepreneurship are closely linked because an influencer on social media acting out of passion would typically possess the knowledge and motivation to deliberately pursue influence (Ouvrein et al., 2021).
perception by the public is distinct from that of typical celebrities and endorsers; they are viewed as more genuine and reliable (Erpe & Kotnik, 2022). While the original prestige bias theory (Cheng et al., 2013) claims that social media influencers use coercion or intimidation, in reality, they choose mindful strategies instead, such as strategically creating and sharing content and using social media planner applications that help them determine when and what to post. Iqani (2019) asserts that social media influencer marketing is a type of value generation for brands. By gaining as much attention as they can and developing a genuine "personal brand" on social media, influencers try to create a type of "celebrity" capital that businesses and advertisers can utilise to reach consumers (Hearn & Schoenhoff, 2015). Marketers seek out social media influencers to use their extensive social networks and gain from the close, more "trustworthy" connections that influencers have supposedly built. Influencers measure their performance in terms of return on influence (Adenola, 2019). Therefore, in the digital age, influencers have a significant impact on how individuals engage with information and cultural resources (Bi & Liu, 2022).

The Rise of Digital Entrepreneurs in India:

Social media is a potent marketing tool of the twenty-first century that has been largely responsible for the achievement and popularity of both individuals and companies. Many completely new services and abilities have emerged as a result of social networking. Today, social media is levelling the playing field for millions of independent producers and small enterprises nationwide to succeed, resulting in the emergence of micro-entrepreneurs and an upsurge in India. The concept of "Being Your Own Boss" is gaining traction because of social media, which allows us to control our voices, ideas, and abilities (Charan, 2022). A study by Kalaari Capital estimates that there are around 80 million online content creators in India, including influencers, bloggers, live streamers, and producers of physical products. Only 1,50,000 of them were successful in making money off of their offering, earning between Rs 16,000 and Rs 2 lakhs every month. The Indian influencer marketing industry is expected to expand at a compound annual growth rate of 25% to reach INR 2,200 crore by 2025 from an anticipated valuation of INR 900 crore in 2021. Companies of all sizes, from startups to major corporations, use social media marketing and team up with well-known influencers to promote their products and services (Kapoor, 2023). Marketers have seen that major film producers, such as Dharma Productions, are selecting influencers for films in which the creators may demonstrate their abilities and gain from the influencers’ social media following. In a different trend, influencers are starting their own companies to guarantee their financial stability. With their following along for the ride, these people have transitioned from being brand ambassadors to being their own brands (Farooqui, 2022). Top Indian producers typically use many platforms and engage in business ventures beyond advertising and brand endorsements, generating income from various sources. The industry’s estimated value ranges from US$1.5 billion to US$3.0 billion, based on data from independent aggregators and YouTube (Venkky, 2023).

Implications of the Study:

The study’s practical implications highlight how influencer marketing and digital entrepreneurship may revolutionise both firms and people. Businesses may increase brand awareness, engage their intended consumers, and boost sales by making smart investments in influencer marketing. While influencers should look for ways to diversify their revenue streams and emphasise openness and moral behaviour in their marketing partnerships, aspiring company owners can use social media platforms to develop their own brands and start their own companies. In the ever-changing digital ecosystem, maximising the impact and success of influencer marketing activities requires cross-platform integration, constant monitoring and assessment, and investments in influencer education and training.

Conclusion:

In summary, the advent of digital entrepreneurship, spurred by the ubiquitous impact of social media, portends a revolutionary period for both enterprises and people. With an emphasis on the emergence of social media influencers as entrepreneurial entities, this study has shed light on the factors influencing the current state of digital entrepreneurship. Influencers have a critical role in influencing consumer behaviour and brand engagement, as seen by the accelerating development of the influencer marketing business and the
significant increase in market size and acceptance of influencer marketing strategies by companies of all sizes. Moreover, the evolution of influencers into entrepreneurs through the establishment of their own companies and the diversification of their sources of income is a prime example of the entrepreneurial spirit promoted by social media platforms. This development not only highlights the influencers’ entrepreneurial abilities but also the democratisation of achievement made possible by social media, where anyone may forge their own routes to creative and financial fulfillment.

Directions for Future Research:

Future studies in influencer marketing and digital entrepreneurship might significantly improve our knowledge of the dynamics and trends that are changing the digital world. Since social media is still the main platform via which influencer messages are distributed, it is necessary to investigate the relationship between entrepreneurs and social media use, as well as the consequences that arise. More specifically, it is vital to determine whether an entrepreneur’s succinct digital communications have the capacity to have long-lasting impact. Moreover, the crucial function fulfilled by the pioneers of influencers in the modern digital society offers an attractive direction for management and theoretical investigation. This approach encourages investigation into the dynamics of how important communications affect customer perceptions in the ever-changing 21st-century marketplace (Crittenden et al., 2023). Through in-depth investigation, the ways in which digital entrepreneurs exert influence online and the effects this has on customer behaviour and brand interaction could be elucidated. Furthermore, considering how quickly digital technologies and social media platforms are developing, studies on creative monetization techniques, business models, and legal frameworks in the influencer ecosystem may be very helpful to companies, legislators, and other industry players.

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