The Impact of Snapchat and YouTube Influencers on the Consumption Behaviour of Saudi Consumers

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Summary

The emergence of social media platforms has changed the culture of business marketing. Their impact has increased considerably since the emergence of social media influencers or content creators. The phenomenon of social media influencers has been adopted as one of the most effective marketing strategies among global and local organizations. Those celebrities attract business owners, who seek to use them as means to reach a large number of potential consumers. Today, the user bases of Snapchat and YouTube in Saudi Arabia are growing fast and becoming very popular, unlike other social media platforms. Consequently, the impact of these applications' influencers on the purchasing habits of individuals cannot be underestimated. This survey paper intends to investigate the impact of Snapchat and YouTube influencers on the consumption behaviour of Saudi consumers. Results suggest that Snapchat is not only more popular but also more rusted and credible. Moreover, influencers' impact on purchasing behaviour is prevalent and powerful; furthermore, its influence is more effective in persuading Saudi consumers to buy certain products, such as food, than other products, like jewelry.

Keywords:

Infuencers, Snapchat, YouTube, Consumption, E-commerce

1. Introduction

Prior to the social media explosion, many marketers believed that social media marketing was just a fantasy, a world that is impractical to implement. However, as Facebook, LinkedIn and Myspace were founded between 2003 and 2004 [1], an increasing number of social media business marketing methods were developed. Social media as a marketing tool has now enabled start-ups and established businesses to garner attention without having to spend millions of dollars on commercials. Today, over 90% of organizations' marketing plans utilize social media as part of their advertising strategy [2]. A few years later, influencer culture rose to prominence. A social media influencer is a person who has built a loyal following through creating online content [3]. Digital influencers (a new buzzword in marketing) are now one of the most significant influencing factors on customers. In 2020, the global influencer marketing industry reached 10 billion dollars [4]. These influencers engage with their following through several social media platforms, such as Snapchat, YouTube and Instagram. Snapchat and YouTube have gained increasing global popularity, their user bases growing by the day. According to their official websites, millions of people around the world use these applications daily. This attracts influencers and marketers to use them as advertising platforms. Since Saudi Arabia has become one of the technological pioneers of the world, its Ministry of Commerce and Investment has adopted a strong, positive position on the science of online marketing, in line with the Saudi 2030 vision [5]. To understand the impact of Snapchat and YouTube on marketing in Saudi Arabia, it is requisite to explore the differences between Snapchat and YouTube influencers' advertising methods as one of the main factors supporting an organization's overall digital marketing efforts. To that end, this research sheds light on the impact of influencers' marketing on the consumption behaviour of Saudis.

This paper is organized as follows: Section 2 contains background information about influencer marketing, as well as the YouTube and Snapchat platforms. Section 3 illustrates the methodology that this study adopts. In section 4 the demographic analysis of the survey sample is provided. Results are shown in Section 5 and conclusion is presented in section 6.

2. Background

Today, social media is one of the primary sources from which regular users receive information. Customers spend considerable time searching for information that is crucial in determining their purchase choices. In 2022, social network applications are estimated to reach 3.96 billion active users [6]. According to a study in 2021, 89% of people believe in online reviews as much as personal recommendations [7]. Consequently, businesses tend to cooperate with online influencers for marketing purposes, who tend to have an impact on their followers, to help improve the business sales and profits. Singh and Diamond defined social media influencer marketing in their book as 'a technique that employs social media (content created by everyday people using highly accessible and scalable technologies such as blogs, message boards, podcasts, microblogs, bookmarks, social

networks, communities, wikis, and vlogs) and social influencers (everyday people who have an outsized influence on their peers by virtue of how much content they share online) to achieve an organization's marketing and business needs' [8]. In recent years, Snapchat and YouTube influencer marketing has spread rapidly as an essential tool in organizations' marketing strategies around the world. Numerous well-known brands consider these two platforms as a tribune for communicating with customers through influencers. Consequently, the influencers' marketing pricing has risen for the past decade. According to Captiv8 [9], an influencer marketing platform and service provider, the advertising pricing varies according to the influencer's platform and number of followers (Fig. 1).

Since Saudi Arabia has entered that world, these platforms have spread in Saudi society and begun to influence people's choices and opinions. According to Global Media Insight GMI 2021 statistics [10], YouTube tops the list of social channels in Saudi Arabia with 31.4 million viewers, which accounts for 89.50% of the Saudi Arabia's social media users.

Also, GMI reported that Snapchat reached 18.73 million active users in Saudi Arabia, which makes Snapchat the second-most popular messaging application after WhatsApp. The following subsections will present in detail the impact of these platforms' influencers and the previous studies in this field.
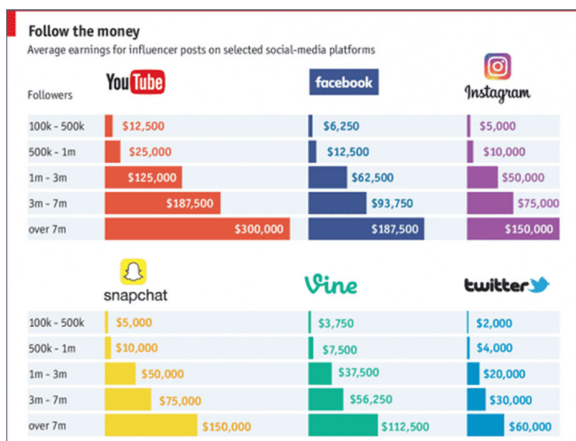

Fig. 1 Average Earning for Influencer's Posts [9][10]

2.1 Snapchat

Snapchat is a social networking platform that lets users share images, videos and text with recipients, who have a limited amount of time to see the media before it becomes permanently unreachable. Snapchat was founded in 2011 by Evan Spiegel, Reggie Brown and Bobby Murphy, former students at Stanford University [11]. In a short time, Snapchat became one of the most well-known social media platforms, especially among teens and adults. According to Snapchat's official website, on average, 306 million people use Snapchat every day [12]. In addition to its wide reach, it has clearly affected the purchasing behaviour of customers, Snapchatters as Snapchat Inc. calls them, who are 60% more likely to make impulse purchases [13].

The emergence of influencers caused a major shift in the journey of Snapchat as a company. Several companies from different industries have adopted Snapchat celebrity endorsement as an essential strategy in their marketing campaigns. For instance, Sphero, a toy company that developed a new Star Wars toy, launched an indirect Snapchat marketing campaign with five influencers. These influencers received the toy before its official launch. Each posted a video review of the toy on their story. These videos reached 10 million views and the toy sold out in an unprecedented amount of time [14]. Another example is the success achieved by Pixpax, an app that enables users to order prints of their favourite photos. They cooperated with Snapchat celebrities, who ordered prints of their favourite photos and shared memories with their followers. As a result, the average number of orders that Pixpax received increased by 15% [15]. These success stories have attracted researchers to study the effect of Snapchat influencer advertising on their audience's shopping motives and choices.

A survey conducted by Alzughaibi et al. [16] investigated the impact of Snapchat celebrities on the purchasing behaviour of female students in some Saudi universities. They reported that 72.3% of students follow makeup influencers, and about 54% follow at least one makeup influencer on their Snapchat account. Furthermore, about 60.7% are influenced positively and are more likely to buy products that these influencers recommend. Additionally, they mentioned the main attributes that attract the study participants to follow Snapchat makeup influencers (Fig. 2). Another study conducted by AlQadi [17] examined how Snapchat influencers affect their followers' opinions about restaurants. The researchers' statistical analysis demonstrated that more than half of the poll respondents went to restaurants because of Snapchat celebrities' suggestions. Grave [18] pointed out in his research that celebrity endorsement has become the second preferred choice for industry marketing methods. Snapchat influencers also had an effect on advertising strategies through other applications. Abidin [19] mentioned that Instagram started allowing users to add 24-hour stories on their account in 2016. This was due to the large number of

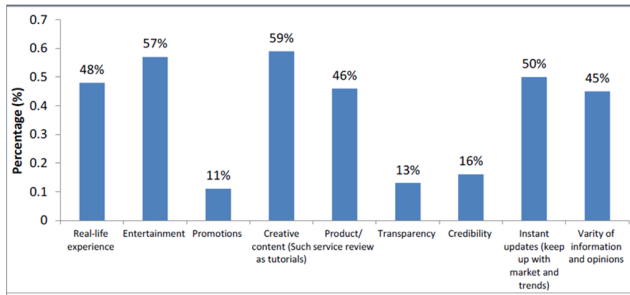influencers who were cross-platforming between Instagram and Snapchat.

Fig. 2 The main attributes that attract customers to follow Snapchat makeup influencers [16]

2.2 YouTube

YouTube was founded in 2005 by three PayPal employees, Jawed Karim, Steve Chan and Chad Hurley, and Google bought the company a year later for 1.65 billion [20]. YouTube is the second-most visited search engine after Google, and it is also one of the most well-known video content platforms [21]. Moreover, YouTube is considered one of the leading advertising channels available today [22]. YouTube marketing has emerged as a new promising marketing term; it simply means using YouTube as a marketing tool [25]. Miller [25] further explained the term as a method for creating brand awareness, advertising brands and products, offering promotions and providing product support. Featuring a large variety of content including education, politics, social and entertainment, YouTube has gained a special place as the second-most popular social media platform as of 2021. The website attracts over 122 million active users daily, and about 1 billion hours of content are watched around the world every day [22]. On a local scale, YouTube has become a major community for Saudis; Saudi Arabia has the eighth-highest YouTube penetration as of 2021 [23]. Moreover, in the Think with Google conference, which was held in Riyadh, the regional director of Google in the Middle East, Mohammad Mourad, stated that Saudi Arabia is the top country in the world for watching YouTube videos using mobile devices. He also stated that 96% of all Saudi internet users visit YouTube and that 7 million of those users have uploaded at least one video on YouTube [24].

Video creators are the heart of YouTube, and they are defined as anyone who creates content [26]. They use YouTube as a channel to share their thoughts, inspire others and build a promising livelihood. YouTube, on the other hand, rewards creators in recognition of their efforts. For instance, in 2020, YouTube paid European content creators 800 million Euro [27]. As content creators started to speak about their experiences using products, a form of product review, such videos have become a form of electronic word-of-mouth (eWOM), or more specifically, video word-of-mouth (vWOM). This vWOM can take the form of an explicit product review; however, a preferred approach is the 'unboxing' video, wherein creators unbox products and give viewers detailed descriptions supplemented by the creator's thoughts about the product [28].

YouTube content creators generally follow two vWOM marketing approaches empowered by YouTube: affiliate marketing and sponsored videos [29]. Affiliate marketing primarily depends on three major actors: the merchants who join the affiliate network, the affiliates associated with the merchants using the affiliate network and, finally, the affiliate network that connects them. For every sale generated through a URL posted by an affiliate, the merchant pays the affiliate a cut of the sale price (Fig. 3). In a study conducted in [29], researchers studied a total of 515,999 videos and among them found 3,472 affiliate URLs within the descriptions of these videos. The science and technology category contained more affiliate marketing links than all other categories, immediately followed by the how-to and style categories (Table 1).
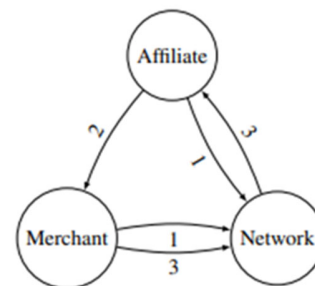

Fig. 3 Affiliate marketing process [29]

Table 1: Percentage of Affiliate Content by Category on Youtube [29]

YouTube Category	Perc.
Science & Technology	3.61
How-to & Style	3.49
Travel & Events	1.93
Film & Animation	1.59
Shows	1.36
Music	0.94
Entertainment	0.68
Education	0.64
Gaming	0.63
People & Blogs	0.39

The second marketing approach is sponsored videos, wherein content creators post recommendation videos and, in return, get compensation from the sponsoring brand [30]. Sponsored content falls under the umbrella of native advertising, where there is no distinction between original content and sponsored content [31]. Consequently, viewers might not be able to distinguish real content from sponsorships, and as a result, YouTube has required content creators to include a disclaimer before sponsored videos [32].

Influencers have a tremendous impact on their followers. A study in [33] examined a Spanish YouTube content creator called Verdeliss, a mother of four who shares her life and motherhood experience and has over 2.13 million subscribers, in order to identify the key factors that play a role in influencing people to buy products. A survey was distributed to 949 of her followers, and the results showed that the most significant factors were familiarity and physical attractiveness.

3. Methodology

To achieve a coherent and comprehensive conclusion, a quantitative method was employed. Quantitative data were collected through online surveys using Google forms. The surveys were disseminated using the WhatsApp and Telegram platforms. All participants were randomly selected, and the total number of responses was 354. The survey was written and answered in Arabic to ensure that the answers were accurate, and the participants could express themselves and be clearly understood.

4. Demographic Analysis

The number of male participants and the number of female participants were equal (50% of the sample size). Out of the sample, the plurality of the participants were between the ages of 31 and 40 (31.1% of the sample). 26.1% were between the ages of 20 and 30, 25.8% were between 41 and 50, and 16.4% were above 50 years of age. The respondents were categorized into five educational levels. Among the respondents, those with a bachelor's degree constituted a majority, representing 62.9% of the overall number of participants. Of the remaining respondents, representing 37.1% of the total participants, 13.6 % had a high school degree, 21.2 % were at the postgraduate level and 2.03% had less than a high school degree. About 50.9% of participants had a monthly income average between 10 and 20 thousand SR, 23.7% had an income greater than 20 thousand SR, 21.2% had an income between 5 and 10 thousand SR and 4.2 % had an income of less than 5 thousand SR. The demographic statistics of our study sample are shown in Table 2.

Table 2: Demographic Analysis of the Participants Who Responded to the Questionnaire

Characteristics		Frequency	Percentage
Gender	Male	177	50%
	Female	177	50%
Age	20-30	92	26.1 %
	31-40	113	31.1 %
	41-50	91	25.8 %
	>51	58	16.4 %
Education level	< High school	8	2.03 %
	High school	48	13.6 %
	Bachelor	222	62.9 %
	Postgraduate	76	21.2 %
Monthly Avg. Income	< 5000	15	4.2%
	5000-10000	75	21.2 %
	10000-20000	180	50.9 %
	>20000	84	23.7 %

5. Results

To better understand Snapchat and YouTube influencers' impact and its relation to Saudi consumer behaviour, this study organizes its findings in accordance with its research questions.

5.1 Factors that draw attention to influencers' ads on Snapchat and YouTube and their impact

The consumption behaviour of online social media consumers is affected by various factors that have negative or positive impacts. Some of these factors are related to advertisement features, such as advertiser reputation, advertisement quality and provided information. To account for this, participants were asked to rank the most important factors that attract them regarding both platforms' influencers' advertisements from their point of view. For both platforms, the majority of the respondents agreed that the influencer's reputation has the highest impact on their decision to buy products. For Snapchat, the quick access to the store website became the second factor,

with 56.5% for high impact, 17.8 for medium impact and 25.7% for low impact. On the other hand, seller reputation took second place for YouTube ads, with 52% for high impact, 16% for medium impact and 32% for low impact. The same factor took third place for Snapchat ads, with 54%, 26% and 20% for the three levels of impact. A total of 48.02% of the participants agreed that the detailed YouTube advertisements have a huge effect on their purchasing decision. Finally, the largest percentage of participants concurred that the advertisement quality does not have a massive impact on consumption behaviour. Figures 4 and 5 illustrate the impact of the factors for Snapchat and YouTube influencers' ads, respectively.
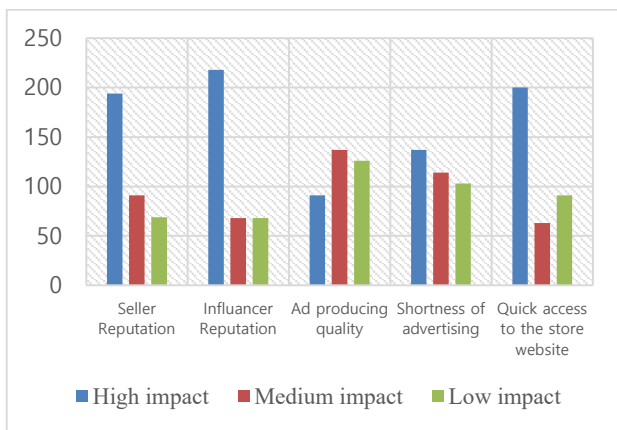

Fig. 4 What are the factors that draw your attention to influencers' ads on Snapchat, and what is the level of their impact?
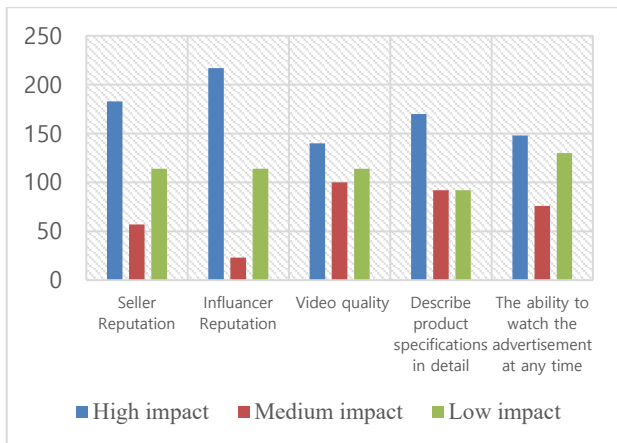

Fig. 5 What are the factors that draw your attention to influencers' ads on YouTube, and what is the level of their impact?

5.2 which platform is more influential?

Given the popularity of Snapchat and YouTube, it is valuable to investigate which of them is considered to be more influential to the Saudi consumer. It is crucial to spotlight the strength of these social media platforms in terms of influencing people and which of them has the most popularity and advantage in Saudi society.

According to survey responses, the plurality of the participants (39.3%) use Snapchat between one and three hours daily, which is higher than the daily use of YouTube (54.8%), which is less than one hour (Fig. 6). This indicates that Snapchat has more usage among social media followers in Saudi Arabia.
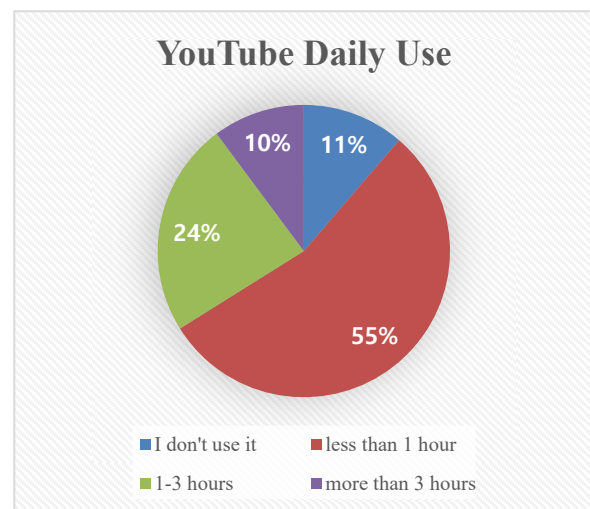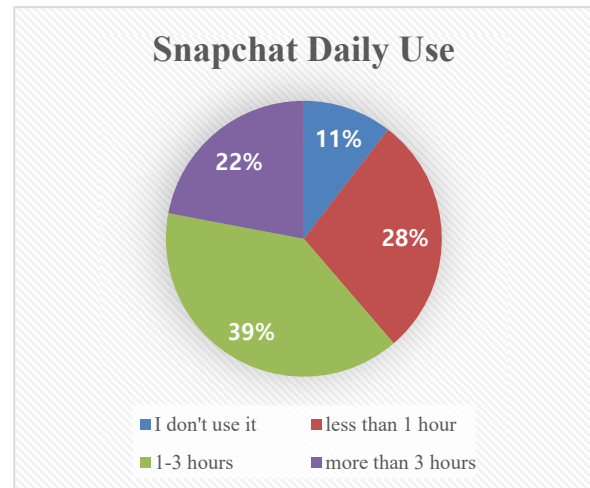

Fig. 6 Average daily usage

Additionally, 89% of the participants believed that the popularity of Snapchat influencers' advertisements exceeds that of YouTube influencers' advertisements, as shown in Figure 7. This result gives strong evidence about the extent of the spread of advertising culture on Snapchat versus YouTube in the Saudi Arabia.
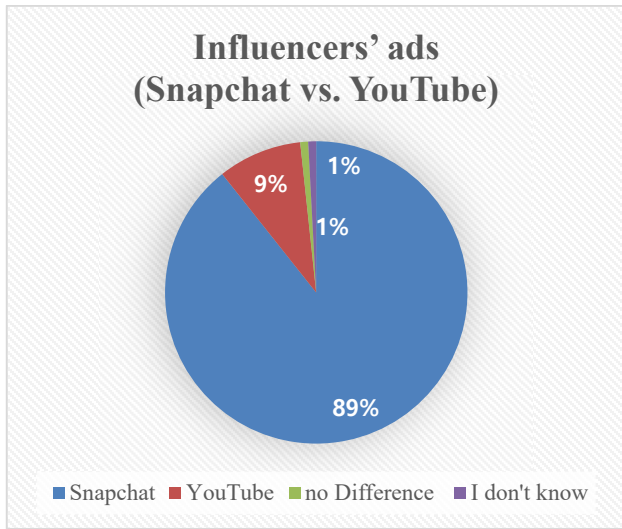
Fig. 7 Which platform influencers are more famous in the field of advertising?

5.3 which platform has more credibility?

Since people commonly use Snapchat and YouTube, it is interesting to investigate which one they believe to be more credible. Credibility plays a major role in affecting customers' purchasing behaviour; consumers are likelier to purchase an advertised product from a credible platform than a platform they don't trust as much.

According to the survey, 62% believe that Snapchat's influencers offer more credible advertisement compared to YouTube influencers. In the same vein, participants were asked to imagine that they owned a brand and wanted to advertise through an influencer who had a presence on both YouTube and Snapchat; in such a situation, which platform would they choose? The majority (over 87%) reported that they would target Snapchat. This result supports the previous findings: since people trust Snapchat advertisement, they would rather target Snapchat advertisement than YouTube.

5.4 Saudi consumers and unnecessary purchases

Due to the wide spread of social media and the growing popularity of influencers, people have become more affected by influencers' thoughts and recommendations. A question that arises is whether people are inclined to buy certain kinds of products based on influencers' advertisements. The answer may lead to a better understanding of changing purchasing behaviour. According to the survey results shown in Figure 8, food was the top category (with over 166 people) that people were influenced to buy from more frequently, followed by perfumes (list percent value). In contrast, the least-

purchased products were jewellery and furniture (list percent value). This result confirms the fact that food delivery applications are increasingly popular and thriving, while purchasing expensive products, such as furniture and jewellery, online is less common.

People are indeed affected by influencers' advertisements, but the question is whether this effect is strong enough to influence people to buy unnecessary products, a major indication of extravagance. Based on the reported results, approximately 24% have purchased products they do not need at the moment because of a Snapchat influencer's advertisement. In contrast, only 8% of people experienced this with YouTube influencers' advertisements. This result suggests that although YouTube and Snapchat affect people in several ways, they do not lead them to excessive buying in most cases, but in the few reported cases, the effect is more prevalent with Snapchat.
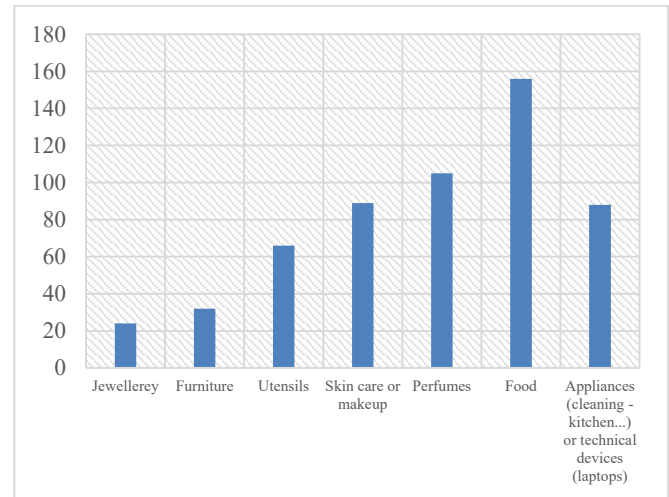

Fig. 8 What kinds of products do people buy based on influencers' advertisements?

An interesting question that we asked participants was whether they thought that social media advertisement would replace traditional advertisements (e.g. TV and newspaper). Of this study's participants, 67% said that it would. Consequently, understanding the impact of this powerful and dominant marketing channel has become more important. Although several marketing dimensions have been considered, the study introduces unanswered questions and opens doors for future research. A key question that should be answered regards the key factors that make Snapchat preferable in Saudi Arabia and the reasons behind its popularity. Answers to this question will give insight into the factors that social media sites should consider in order to succeed in Saudi Arabia. A second future direction is to study the reasons that lead people to purchase certain products more frequently and to

determine if the product's price contributes to this. This will help new business owners focus on products that are commonly sold. Another valuable future direction would be to study the effect of Snapchat's technical issues and whether they lead people to migrate to other, more reliable platforms, a clear indication and estimate of the loyalty of consumers.

6. Conclusion

The main purpose of this study was to understand and compare the effect of influencer marketing on Saudi consumers and its relation to their purchasing behaviour. The literature review conducted on the global market resulted in far more studies concerned with YouTube than Snapchat, and it was anticipated that the Saudi market would follow the same trend. Surprisingly, the results revealed opposite results; that is, Snapchat has a more powerful and prevalent influence in Saudi Arabia. Initially, reported results suggest that people spend almost double the time on Snapchat compared with YouTube. When asked to compare the two, most participants believed Snapchat to be more credible, popular and powerful in marketing. People expected more from Snapchat and preferred it by all tested measures (credibility, popularity and marketing). Interestingly, although people admit that they are affected by influencers' advertisements, this effect has not led them to buy unnecessary products. However, for products people need, the results suggest that influencers' impact on people varied according to the product category and that advertisements for pricy products, such as jewellery, are less likely to affect purchasing behaviour than advertisements for cheaper daily products, such as food.

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