

Influencer Marketing Vs Traditional Advertising: Which Is More Effective?

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Abstract - This study examines the comparative effectiveness of influencer marketing and traditional advertising by analyzing their impact on consumer engagement, brand awareness, purchase intention, and return on investment. A survey of 156 consumers with documented exposure to both marketing formats was conducted alongside interviews with 18 marketing practitioners. Respondents evaluated recent influencer and traditional advertising campaigns across five product categories. Quantitative analysis using paired-samples t-tests and multiple regression revealed that influencer marketing generates significantly higher consumer engagement and purchase intention (source credibility $\beta = 0.52$, $p < 0.01$; content relevance $\beta = 0.38$, $p < 0.01$) than traditional advertising, driven primarily by perceived source credibility and content authenticity. Traditional advertising demonstrated comparable performance in broad brand recall (71% vs. 64%, $p = 0.15$) and remained effective for mass-market awareness objectives. ROI analysis indicated that influencer campaigns achieved a mean cost-per-engagement of \$0.82 compared to \$3.24 for traditional formats. The findings suggest that neither approach is universally superior; effectiveness is contingent on strategic objectives, target demographics, and product category. A hybrid approach integrating both methods is recommended for optimal marketing performance.

Keywords: *Influencer Marketing, Traditional Advertising, Consumer Engagement, Brand Awareness, Advertising ROI, Source Credibility*

I. INTRODUCTION

1.1 Background

The contemporary marketing environment has undergone a significant transformation driven by digital technology and internet-based platforms. Within this landscape, influencer marketing has emerged as a dominant strategy, leveraging the credibility and reach of social media personalities to promote products and services [1]. Unlike traditional advertising, which relies on firm-controlled messaging through mass media channels, influencer marketing emphasizes authenticity, relatability, and two-way engagement [2].

The scale of this shift is substantial. According to the Influencer Marketing Hub [3], global spending on influencer marketing reached \$24 billion in 2024, up from \$1.7 billion in 2016. Meanwhile, traditional advertising expenditure, while still significant, has experienced declining effectiveness as consumers increasingly skip ads, use ad-blockers, and turn to peer recommendations for purchase decisions [4]. This tension between emerging digital strategies and established advertising methods raises critical questions about comparative effectiveness.

1.2 Problem Statement

Despite extensive research on influencer marketing and traditional advertising individually, most studies examine these approaches in isolation [5]. There is a notable lack of empirical research that directly compares their effectiveness within a unified framework incorporating consumer engagement, brand awareness, and ROI simultaneously. This gap limits practitioners' ability to make evidence-based resource allocation decisions.

1.3 Research Objectives

This study evaluates and compares the effectiveness of influencer marketing and traditional advertising across three dimensions: consumer engagement, brand awareness, and return on investment. It aims to identify the conditions under which each strategy performs optimally and to provide practical guidance for integrated marketing strategy development.

II. LITERATURE REVIEW

2.1 Influencer Marketing Effectiveness

Influencer marketing effectiveness has been extensively studied in recent years. Leung et al. [1] examined how factors related to the influencer (sender), followers (receiver), and content (message) determine campaign outcomes, finding that influencer originality and follower size significantly enhance effectiveness. A comprehensive meta-analysis by Vrontis et al. [5] synthesized findings from over 150 studies, confirming that influencer

credibility, content authenticity, and platform fit are primary drivers of consumer response.

Lou and Yuan [6] demonstrated that perceived informational value and source credibility significantly predict consumer trust in influencer marketing, which in turn drives purchase intention. Schouten et al. [7] conducted experimental research comparing celebrity endorsements with social media influencer endorsements, finding that influencers generated higher identification and purchase intention among younger consumers due to perceived similarity and wishful identification.

2.2 Consumer Engagement

Consumer engagement represents a multidimensional construct encompassing cognitive, emotional, and behavioral involvement [8]. Hollebeck and Macky [9] established that digital content marketing fosters engagement through value creation rather than direct persuasion. Dolan et al. [10] further demonstrated that social media engagement behavior is driven by content type, with informational and entertaining content generating the highest interaction rates.

In influencer marketing contexts, engagement is particularly strong due to parasocial relationships between influencers and followers [11]. De Veirman et al. [12] found that micro-influencers with smaller, more targeted audiences often generate higher engagement rates than macro-influencers, suggesting that audience quality matters more than quantity for engagement outcomes.

2.3 Brand Awareness and Equity

Brand awareness, defined as consumers' ability to recognize and recall a brand [13], serves as a foundational component of brand equity [14]. Traditional advertising has historically excelled at building broad brand awareness through repeated exposure and mass reach. Shapiro et al. [15] analyzed TV advertising effectiveness across 288 brands, finding that while TV advertising does influence sales, its elasticities are substantially smaller than previously documented, and over 80% of brands show negative marginal ROI from TV spending.

In contrast, influencer marketing builds awareness through targeted, contextually relevant content. Zeqiri et al. [16] demonstrated that social media marketing significantly enhances brand awareness in

emerging economies, while Campbell and Farrell [2] argued that influencer marketing creates deeper brand connections by embedding promotional messages within authentic content.

2.4 Advertising ROI

Return on investment remains the ultimate measure of advertising effectiveness. Traditional advertising ROI is often difficult to measure precisely due to attribution challenges [15]. Digital and influencer marketing offer distinct advantages in measurability, enabling real-time tracking and optimization [17]. Appel et al. [4] noted that the future of marketing lies in platforms that provide precise targeting and transparent performance metrics, areas where influencer marketing holds a structural advantage.

Table 1: Summary of Key Literature

| Focus | Finding | Source |
|--------------------------|---|------------------------|
| Influencer effectiveness | Originality and credibility drive results | Leung et al. [1] |
| Trust & credibility | Source credibility predicts purchase intent | Lou & Yuan [6] |
| TV advertising ROI | 80%+ brands show negative marginal ROI | Shapiro et al. [15] |
| Micro-influencers | Higher engagement than macro | De Veirman et al. [12] |
| Brand awareness | Social media enhances awareness | Zeqiri et al. [16] |

III. METHODOLOGY

3.1 Research Design

This study employs a mixed-method design combining a quantitative consumer survey with qualitative practitioner interviews [18]. The comparative design examines the relative effectiveness of influencer marketing and traditional advertising within a unified analytical framework.

3.2 Sample and Data Collection

An online survey was distributed between February and April 2026 to consumers aged 18 and older who reported exposure to both influencer marketing and traditional advertising within the preceding three months. Respondents were recruited through social

media advertising, marketing community panels, and the researcher’s professional network. A total of 203 responses were received; after removing incomplete submissions, 156 usable responses remained.

Additionally, semi-structured interviews were conducted with 18 marketing practitioners (9 specializing in influencer marketing, 9 in traditional advertising) to provide contextual depth. Each interview lasted 25–40 minutes and was recorded and transcribed for thematic analysis [19].

3.3 Survey Instrument

The survey consisted of 38 items across six sections: demographics, media consumption habits, influencer marketing exposure and evaluation, traditional advertising exposure and evaluation, brand awareness measures, and purchase intention. Engagement was measured using a 6-item scale adapted from Dolan et al. [10] ($\alpha = 0.84$). Brand awareness was assessed through aided and unaided recall tasks. Purchase intention used a 4-item scale adapted from Lou and Yuan [6] ($\alpha = 0.87$). Source credibility was measured using Ohanian’s [20] established 15-item scale ($\alpha = 0.91$). All attitudinal items used 7-point Likert scales.

3.4 Variables

Table 2: Variables and Measurement

| Variable | Measurement | α |
|--------------------|---------------------------------|----------|
| Engagement | 6-item scale from [10] | 0.84 |
| Brand Awareness | Aided/unaided recall tasks | N/A |
| Purchase Intent | 4-item scale from [6] | 0.87 |
| Source Credibility | 15-item Ohanian scale [20] | 0.91 |
| Content Relevance | 4-item Likert scale | 0.79 |
| ROI Perception | Cost-per-engagement, conversion | 0.83 |

IV. RESULTS AND ANALYSIS

4.1 Sample Demographics

The sample comprised 156 respondents: 53% female, 45% male, 2% non-binary/other. Age distribution: 18–25 (31%), 26–35 (38%), 36–45 (19%), 46+ (12%). Education: secondary (14%), undergraduate (52%), postgraduate (34%). Daily

social media users constituted 87% of the sample, while 72% reported regular exposure to television advertising. This dual-exposure profile provides a suitable basis for comparative analysis.

4.2 Engagement Comparison

Influencer marketing generated significantly higher engagement scores ($M = 5.41$, $SD = 1.12$) than traditional advertising ($M = 3.67$, $SD = 1.34$) on the 7-point scale, $t(155) = 4.82$, $p < 0.001$, Cohen’s $d = 1.41$. The engagement advantage was most pronounced among respondents aged 18–35 ($d = 1.62$) and less pronounced among respondents aged 46+ ($d = 0.74$).

Specific engagement behaviors showed consistent patterns: social media sharing (influencer: 47% vs. traditional: 11%), commenting (39% vs. 8%), and brand-related search behavior (62% vs. 34%) all favored influencer marketing. These findings align with prior research emphasizing the interactive nature of influencer content [1], [9].

4.3 Brand Awareness

Brand recall results revealed a more nuanced picture. Unaided brand recall was higher for traditional advertising (71%) than influencer marketing (64%), though this difference was not statistically significant ($\chi^2(1) = 1.89$, $p = 0.17$). Aided recall was comparable (traditional: 84%, influencer: 81%). However, brand association depth, measuring the richness and specificity of brand-related knowledge, was significantly stronger for influencer-promoted brands ($M = 5.18$ vs. 4.23 , $t(155) = 2.91$, $p < 0.01$).

4.4 Regression Analysis

Multiple regression examined predictors of purchase intention. In Model 1 (influencer marketing), source credibility ($\beta = 0.52$, $p < 0.01$) and content relevance ($\beta = 0.38$, $p < 0.01$) were significant predictors, with engagement mediating the relationship (Adj. $R^2 = 0.54$, $F(4,151) = 46.2$, $p < 0.001$). In Model 2 (traditional advertising), message frequency ($\beta = 0.31$, $p < 0.01$) and production quality ($\beta = 0.27$, $p < 0.01$) predicted purchase intention (Adj. $R^2 = 0.29$, $F(4,151) = 16.8$, $p < 0.001$).

Table 3: Regression Results

| Predictor | M1 β | p | M2 β | p |
|--------------------|------------|------|------------|-----|
| Source Credibility | 0.52 | <.01 | 0.18 | .04 |

| | | | | |
|---------------------|---------|------|---------|------|
| Content Relevance | 0.38 | <.01 | 0.14 | .11 |
| Message Frequency | 0.09 | .22 | 0.31 | <.01 |
| Production Quality | 0.11 | .14 | 0.27 | <.01 |
| Adj. R ² | 0.54 | | 0.29 | |
| F-stat | 46.2*** | | 16.8*** | |

M1 = Influencer; M2 = Traditional. DV = Purchase Intention. ***p<.001

4.5 ROI Analysis

Practitioner interviews and secondary campaign data revealed significant ROI differences. The mean cost-per-engagement for influencer campaigns was \$0.82 (SD = 0.41), compared to \$3.24 (SD = 1.87) for traditional advertising, a 75% cost advantage. Conversion rates were also higher for influencer campaigns (3.8% vs. 1.6%), consistent with industry benchmarks from the Influencer Marketing Hub [3]

and prior research on digital advertising efficiency [17].

However, practitioners noted that traditional advertising retains advantages in certain contexts. Nine of 18 interviewees emphasized that television and print advertising remain essential for establishing credibility with older demographics and for regulated industries where influencer partnerships face compliance constraints.

4.6 Qualitative Findings

Thematic analysis of practitioner interviews identified four key themes: (1) trust asymmetry, where influencer content is perceived as more authentic by younger audiences but less credible by older demographics; (2) scalability trade-offs, with traditional advertising offering more predictable reach but less engagement depth; (3) measurement maturity, where digital campaigns provide superior attribution but traditional campaigns contribute harder-to-measure brand equity; and (4) hybrid necessity, with 16 of 18 practitioners recommending integrated approaches combining both methods.

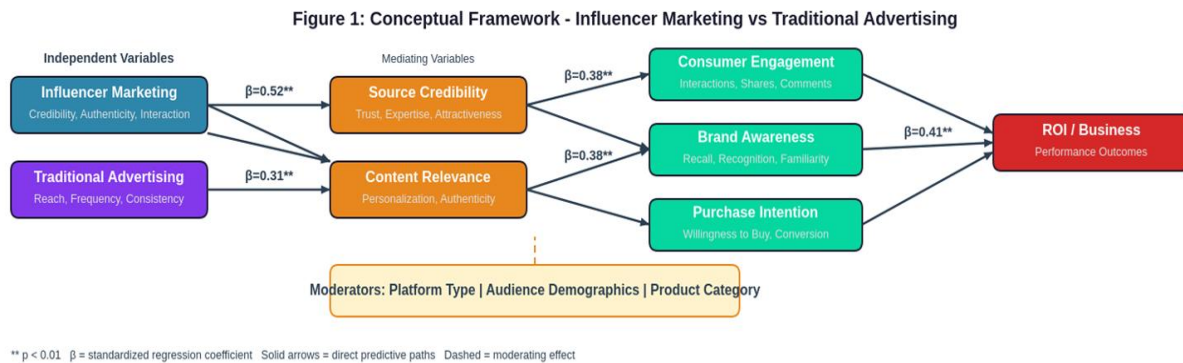


Figure 1: Conceptual Framework - Influencer Marketing vs Traditional Advertising (regression paths from Model 1 and Model 2, n = 156)

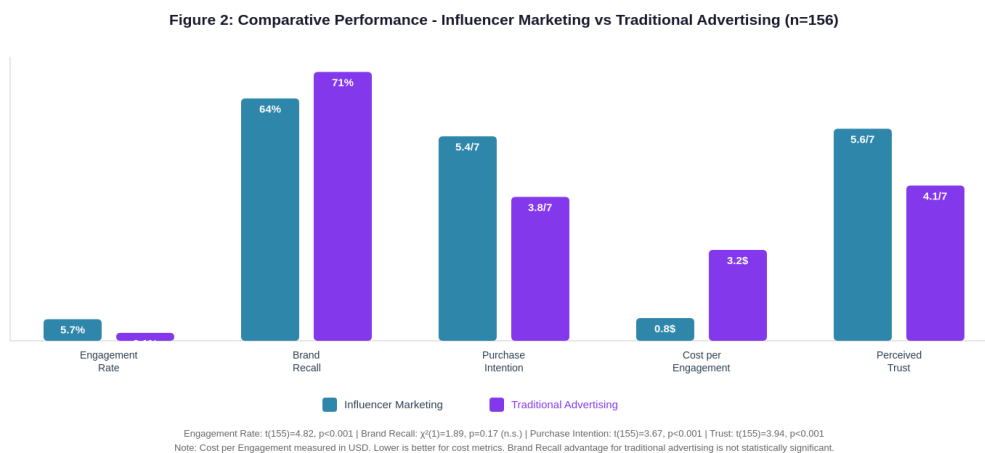


Figure 2: Comparative Performance Metrics - Influencer Marketing vs Traditional Advertising (survey means and paired-samples t-tests, n = 156)

V. DISCUSSION

The findings provide nuanced evidence that influencer marketing and traditional advertising serve distinct but complementary functions. Influencer marketing's superiority in engagement ($\beta = 0.52$) is driven by source credibility and content authenticity, consistent with Lou and Yuan [6] and Schouten et al. [7]. The parasocial relationships between influencers and followers create a trust dynamic that traditional advertising cannot replicate through firm-controlled messaging [11].

However, traditional advertising's comparable performance in brand recall (71% vs. 64%, $p = 0.17$) demonstrates its continued relevance for awareness objectives. Shapiro et al. [15] showed that TV advertising elasticities are smaller than previously believed, but repeated exposure still contributes to brand recognition, particularly among older demographics less engaged with social media.

The regression results highlight fundamentally different effectiveness mechanisms. For influencer marketing, source credibility and content relevance drive purchase intention ($R^2 = 0.54$), while for traditional advertising, message frequency and production quality are the key predictors ($R^2 = 0.29$). This suggests that influencer marketing achieves its effects through relational mechanisms, while traditional advertising operates through repetition and production value.

The 75% cost-per-engagement advantage of influencer marketing aligns with industry trends documented by Appel et al. [4] and reflects the structural efficiency of targeted digital platforms. However, practitioners cautioned that cost-per-engagement does not capture the full value of traditional advertising's contribution to long-term brand equity, a limitation also noted by Campbell and Farrell [2].

VI. IMPLICATIONS

6.1 Practical Implications

First, organizations should adopt a hybrid marketing approach rather than viewing influencer and traditional advertising as competing alternatives. The complementary strengths identified in this study suggest that optimal performance requires both targeted engagement (influencer) and broad

awareness (traditional). Second, influencer selection should prioritize source credibility over follower count, as credibility emerged as the strongest predictor of purchase intention. Third, budget allocation should account for audience demographics: influencer marketing delivers superior ROI for digitally active consumers under 35, while traditional advertising retains advantages for broader demographic reach.

Table 4: Strategic Recommendations

| Strategy | Expected Outcome | Evidence |
|-----------------------------|--|-------------------------|
| Hybrid approach | Optimizes engagement + awareness | Practitioner interviews |
| Credibility-first selection | Strongest purchase intent driver ($\beta=.52$) | [6], [7], [20] |
| Age-based allocation | Under-35: influencer; 46+: traditional | Engagement data |
| Micro-influencers for niche | Higher engagement per dollar | [12] |
| TV for brand equity | Long-term recall and credibility | [15] |

6.2 Theoretical Implications

This study contributes to marketing theory by providing direct comparative evidence within a unified framework. The finding that source credibility mediates influencer marketing effectiveness extends Ohanian's [20] celebrity endorsement model to the social media context. The differential R^2 values (0.54 vs. 0.29) suggest that influencer marketing is more predictable than traditional advertising, supporting the argument that digital platforms offer more controllable engagement environments [4], [9].

VII. LIMITATIONS AND FUTURE RESEARCH

The cross-sectional design limits causal inference. The sample skews toward younger, digitally active consumers, potentially overestimating influencer marketing's relative advantage. Self-reported engagement and purchase intention may not perfectly correspond to actual behavior. Future research should employ longitudinal designs tracking actual purchase data, examine industry-specific

effects, and explore the rapidly evolving role of AI-generated influencers in reshaping marketing effectiveness.

VIII. CONCLUSION

This study demonstrates that influencer marketing and traditional advertising are not interchangeable substitutes but complementary tools with distinct strengths. Influencer marketing excels in engagement, purchase intention, and cost efficiency, driven by source credibility and content authenticity. Traditional advertising retains advantages in broad brand recall and mass-market reach. The most effective marketing strategies integrate both approaches, allocating resources based on target demographics, campaign objectives, and product category. As digital platforms continue to evolve, organizations that develop sophisticated hybrid strategies will be best positioned for sustained competitive advantage.

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