

The Impact of Little Red Book Key Opinion Leader Characteristics on Young Consumers' Intention to Purchase Luxury Goods

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Abstract: In the era of globalization, marketization, and intelligent development, Xiaohongshu, as a mainstream social media platform with a large volume in China, is committed to the development of Key Opinion Leader (hereinafter referred to as KOL) to attract traffic and increase the conversion rate of purchase. Therefore, in the online marketing of luxury brands, KOL with different characteristics of Little Red Book plays an important role in whether young consumers are willing to buy. Nowadays, under the wind of Influencer marketing, the competition of KOL group is very fierce, the content paradigm tends to be homogenized, the cost of transferring consumers' attention is low, and KOL has its distinctive features and personalized characteristics to stand out, attract the traffic, and get consumers' attention. This paper takes influencer marketing as the background to study the influence mechanism of Little Red Book KOL characteristics on young consumers' willingness to buy luxury goods. The research results show that young luxury consumers are more likely to be influenced by their recommendation information when they have purchase demand and are familiar with opinion leaders to a certain extent.

Keywords: Luxury marketing, Little Red Book, Key opinion leaders, Purchase intent.

1. Introduction

Since the advent of mobile Internet, interpersonal and group communication modes have undergone transformation due to the ubiquitous presence of internet platforms, and the pervasive nature of convenient internet has seamlessly integrated into individuals' daily lives. With the rapid development of the Internet, online consumption has gradually become a new consumption culture. The development of online consumption has led to the emergence and rapid development of social sharing communities such as Little Red Book. The commercialization function of social media such as Little Red Book has been highlighted due to its powerful grass-planting ability brought by its UGC model, which provides opportunities for opinion leaders to go to the public. As an opinion-oriented online consumption platform [1], Little Red Book has become a gathering place for "Generation Z" consumers. As the scale of Little Red Book APP users continues to expand, some users have become Key Opinion Leaders (KOLs) due to the strong personal style of their postings, which has attracted more and more attention. Little Red Book KOL influence users' perceptions by planting grass, stimulating interest and building trust, shortening purchase decision time, and shaping brand impressions. Driven by consumer upgrading and "her economy", Little Red Book, as a consumer decision-making platform for young users, has great value for KOL to spread their brands. In the era of social media, the huge fan base of key opinion leaders (KOL) has a great influence on brand marketing mode and consumer decision-making. In the "2024 Luxury Industry Online Marketing Monitoring Report", the index of luxury online advertisement investment is +23.0% sequentially, amounting to \$990 million, which shows the strong growth trend of luxury online advertisement investment. The number of creative groups of advertisement placement on community websites and video websites is significantly ahead of other

media; [2] and Little Red Book is deeply engaged in content grass-raising marketing, and helps advertisers realize accurate reach, efficient grass-raising, and consumption decision boosting for consumers with KFS content marketing combination strategy. Their ripple effect brings a large amount of traffic for the brand, which makes KOL marketing a growing position in the marketing strategy of luxury brands. Based on this, this paper studies the characteristics of opinion leaders, key opinion leader marketing model, and the status and significance of key opinion leader marketing in luxury marketing. Starting from three dimensions: characteristics of opinion leaders, perceived value and young consumers, this paper explores the factors that influence young consumers' willingness to buy luxury goods and purchase decisions by key opinion leaders, and makes hypotheses to verify their validity. Based on the empirical research results, this paper provides reference suggestions for luxury enterprises to make better use of key opinion leaders to carry out digital network marketing, so as to improve brand status and enhance the competitiveness of products or services.

2. Literature Review

According to the "China Digital Marketing Trend Report 2022", The continuous development of social networking allows social media platforms to provide long-term dividends to advertisers, and KOL, as an important bridge to connect brands and users and enhance user loyalty in social media marketing, KOL promotion reached 67% and became the first choice of advertisers for social marketing in 2022.

Zhou Yao believes that the essence of small red book KOL marketing is to recommend powerful and persuasive sharing content, shorten user decision-making time, and increase user desire to buy. Chen Yang (2013) identified three important indicators to measure the recommendation object's position in social media in his study on the recommendation of social e-commerce users, namely, "dominance and influence,"

"certain reputation and fame," and "number of fans." Together, these three indicators form the core framework for assessing the popularity and influence of referrals. High-profile opinion leaders include celebrities, authoritative experts and influencers active on social media. He Liwen et al. believe that the development trend of Internet celebrity marketing model and Internet celebrity economy is also gradually developing in the direction of standardization, specialization, diversification and multi-platform. Liu Zhiming et al. pointed out in the identification and analysis of opinion leaders in Weibo network public opinion that opinion leaders generally refer to those who have a certain degree of user activity and professionalism as well as great influence. The traditional luxury industry is constantly being influenced by the development of social media. So, all luxury consumers are influenced by online and offline information. According to the survey, 82 percent of luxury consumers get shopping information from social media. Among them, 94% get relevant information through key opinion leaders [3]. Brown et al. [4] believe that influencers can optimize word-of-mouth by correcting misnews and misunderstandings, and influencer marketing will promote positive word-of-mouth communication among fans. Based on the S-O-R theoretical model [18], Wang Ying et al. established a model of the influence of the information characteristics of online celebrity opinion leaders on consumers' purchase intention, and found that the quality, presentation and timeliness of the information recommended by online celebrity opinion leaders to users significantly affected consumers' purchase intention. Xiao Feng (2017) [5] proposed that the continuous interaction between key opinion leaders and consumers will have an impact. In the process of communicating with opinion leaders, consumers will gradually change and adjust their ideas until they complete the actual consumption behaviour and meet their purchase expectations. Zhou Yao posits that KOL marketing has become the dominant practice of brand marketing on the Little Red Book platform. The successful implementation of KOL marketing strategies can influence consumer decision-making, leading to the formation of brand loyalty through the continuous delivery of engaging content.

3. Formulation of the research hypothesis

3.1. Assumptions related to the independent variables

Studies have shown that the popularity of KOL can bring halo effect to it, and thus enhance consumers' purchase intention. [6] For online grass-planting KOL, the number of fans and popularity are themselves a symbol of their personal ability. The popularity of KOL brought by titles such as stars, Internet celebrities and industry experts can make KOL form a halo effect in the hearts of consumers, enhance consumers' trust and perceived usefulness of its recommended content, and thus enhance consumers' purchase intention of its recommended products. [7] Accordingly this study proposes the following hypothesis:

H1: The popularity of Little Red Book KOL significantly influences the purchase intention of young luxury consumers.

The strength of the relationship between the sender of a message and the recipient influences the willingness of consumers to purchase. Smith (2002) further verified this view in his study [22]. He analyzed how recommendation information among consumers in virtual communities affects

consumption decisions, and especially considered the previous knowledge of the information sender, the strength of the relationship between the sender and the receiver, and the purchase goal as research variables. These variables play their own unique roles in different shopping behaviors of consumers. The high relationship strength of Little Red Book KOL can make users feel a sense of co-presence and presence, and KOL actively answering followers' questions and encouraging followers to express their thoughts can make followers feel relaxed and friendly to enhance consumers' impulse buying behavior. [9] Accordingly, the following research hypotheses are proposed:

H2: The strength of the relationship between Little Red Book KOL and young consumers significantly affects the perceived value of young luxury consumers.

According to the theory of Chang & Misra (1990), the influence of opinion leaders in the product area is closely related to their familiarity with the product and the importance of their knowledge of the product, showing a positive correlation. As opinion leaders become more involved with and understand a product over time, their familiarity with the product increases and their product knowledge becomes richer. This deep understanding and rich knowledge make it easier for them to become the first choice for consumer recommendations when consumers are in the information-seeking phase [10]. When consumers perceive a product to be of significant importance to them and actively seek relevant information, they can be considered to be in a state of high product involvement [11]. One of the defining characteristics of opinion leaders is their continuous product involvement. Empirical evidence indicates a significant correlation between opinion leaders and product involvement.

H3: The degree of product involvement exhibited by Little Red Book KOL has a significant impact on the purchase intention of young luxury consumers.

3.2. Assumptions Related to the Characteristics of Information Posted by KOL in Little Red Book

Given that the Little Red Book platform is characterized by a comprehensive functional architecture, KOLs may flexibly adopt various forms of expression, such as graphic, video, and live broadcast, in content presentation. Lin Xin found through her research that the diverse information presentation of key opinion leaders positively affects consumers' willingness to purchase luxury goods. [12] Liu Ying et al. found through their research that the aesthetic and clear content presentation of KOL' published information would have a positive impact on consumers' purchase intention. [13] Only a distinctive content style setting can stand out among many competitors. Based on the above, this study proposes the following hypotheses:

H4: The presentation of information posted by Little Red Book KOL significantly affects the purchase intention of young luxury consumers.

Previous studies have shown that customer perceived value plays a key role in predicting consumers' choice behaviour and can well explain consumers' preferences and purchase behaviour in specific situations. The influence of perceived value on consumers' purchase intention is universal and significant, and there is a clear positive correlation between the two. Yao Zhonghua (2002) proposed in his research [14] that consumers' evaluation of product or service quality is actually a measure of its perceived utility. Through empirical

analysis, he further pointed out that perceived value can be understood as the ratio between the benefits consumers receive from the purchased product or service and the cost they pay. XXie Munan's research based on the technology acceptance model (TAM) found that the specific attributes of network key opinion leaders (Kols) have a significant positive effect on consumers' perceived usefulness of cosmetics, and this perceived usefulness further significantly improves consumers' purchase intention. [15] In light of the aforementioned considerations, the following hypotheses are put forth for consideration:

H5: Perceived value significantly influences young luxury consumers' purchase intentions.

4. Questionnaire design and sources

The scales in this study are all referred to mature scales, and the independent variables, mediator variables and dependent variables of this study are set up with the contents of in-depth interviews, and finally the questions are modified with the characteristics of KOL and national composition, so that the questions of this study are easier to understand by the research participants. The scale items in this questionnaire were scored using a five-point Likert scale, where 1 to 5 represent 1 - strongly disagree, 2 - disagree, 3 - somewhat agree, 4 - agree and 5 - strongly agree. A total of 9 variables were included in this study. The finalized main scale of the formal questionnaire is shown in Table 1.

Table 1. Questionnaire Body Scale

variant	serial number	entry (in a dictionary)	Sources of indicators
	ZM1	He has a certain reputation in the community	Dreams of Africa [16]
Popularity	ZM2	He has a high profile	Chen Yang [17]
	ZM3	He has great influence and charisma	
	GX1	I've been following his daily routine.	Frenzen [19]
Relationship strength	GX2	I had or have always had communication and interaction with him and would accumulate Extremely responsive to relevant topics	
	GX3	He's big on fan feedback on recommended products	
	CP1	He usually pays a lot of attention to these products	Zaichkowky [18]
Product Involvement	CP2	He's usually a big fan of these products.	Dreams of Africa [20]
	CP3	He will be involved in brand marketing	
	CP4	I could feel that he put a lot of time and effort into the research of the product	
	ZS1	The KOL 's introduction and evaluation of the brand or product is objective	Gong Ting et al. [21]
Authenticity	ZS2	The KOL 's presentation of the brand or product is comprehensive and detailed	Qin Suxiang and Wang Pengfei [22]
	ZS3	The KOL 's presentation of the brand or product appears authentic	Fan, Wenfang and Chien Wang [23]
	CX1	He'll try it on himself or show you how it's done.	Chen Yang [24]
Presentation of information	CX2	With vivid, illustrated introductory notes	Liu Juan
	CX3	The KOL will recommend the brand/product in the form of a video note	Li Yingyu and Wang Yue [25]
	GM1	This opinion leader assisted me in making a purchase decision	Deng Qian
Purchase intention	GM2	The opinion leader raised the possibility of buying the product	Anna Yang
	GM3	The opinion leader has changed my initial perception of the product and my opinion of it.	this study
	GM4	I'd be in touch with him in the future if I had a need for information.	
	GM5	I will refer the opinion leader (and his/her recommendations) to friends and family.	
	GZ1	I became interested in this product through a KOL recommendation.	Monroe (1985) [26]
perceived value	GZ2	I think the KOL recommended a better quality product!	Krishnan (1998) [27]
	GZ3	This KOL recommended a product that got me recognized by others.	
	GZ4	The products recommended by the KOL bring me a sense of pleasure or happiness	Meng Yanhua [28]

5. Data analysis

5.1. Data collection

Questionnaires in this study were distributed and collected online, and questionnaires were edited, distributed and data were collected on the "Juanxing" platform. In the pre-survey, this study conducted a reliability and validity analysis on the 43 questionnaires collected. The reliability and validity of each variable dimension met the requirements, the correlation

between variables was strong, and the questionnaire structure was reasonable. The questionnaire survey was conducted from May 13, 2024 to May 20, 2022. A total of 215 questionnaires were collected and 200 valid questionnaires were obtained after screening.

5.2. Validity testing

Reliability and validity tests were conducted based on the data obtained from the questionnaire. In this study, internal consistency method was used for reliability analysis, and

Cronbach's alpha coefficient reliability measure was chosen. In constructing the convergent validity of the validity, this paper chooses Bartlett's sphere test and KMO measure test to explore the feasibility test of factor analysis. sustainable development.

Table 2. Reliability and validity tests for each variable

	Alpha coefficient	KMO value	Bartlett sphericity test P
Popularity	0.803	.705	132.916
Relationship strength	0.751	0.691	98.605
Product involvement	0.769	0.782	131.979
Presentation of information	0.737	0.686	89.858
perceived value	0.806	0.793	173.519
Purchase intention	0.778	0.779	176.697

As can be seen from Table 2, the KMO value of each variable is greater than 0.6; the significance of the Bartlett's sphere test is 0.00. Therefore, the correlation coefficient matrix of each variable is significantly different from the unit matrix, which indicates that the explanatory power of the measurement questionnaire for each variable is good. This research questionnaire design of the index system of the influence of self-media opinion leaders' recommendation on

purchase intention is more reasonable, and the information of the research item can be effectively extracted.

5.3. Model regression analysis

In this paper, we use regression analysis to test the model, the regression analysis of the core path and the edge path on perceived risk and purchase intention. vif is less than 5, there is no covariance problem between independent variables, and the model is well constructed.

As shown in the table, it was found that the P-value between popularity, relationship strength and willingness to buy > 0.05, which is not a significant effect. The P-value of all other independent variables is <0.05, and the influence of the dependent variable on the independent variables is significant. In the regression analysis of purchase intention, the standardized coefficients of the independent variables are all positive, i.e., the better the product involvement, the higher the quality of information presentation, and the higher and better the perceived value are the stronger the purchase intention. In summary, hypotheses H3, H4 and H5 are verified, and hypotheses H1 and H2 are not valid.

The regression equation modeled on willingness to buy was able to be modeled accordingly:

$$Y = 1.997 + 0.375X_1 + 0.386X_2 + 0.281X_3$$

(Y is the dependent variable i.e., willingness to buy, X1 is product involvement, X2 is information presentation, and X3 is perceived value)

Table 3. Regression Analysis of Awareness, Relationship Strength, Product Involvement, Information Presentation, Perceived Value, and Purchase Intention

mould		ratioa						
		Unstandardized coefficient		Standardized coefficient	t	significance	covariance statistics	
		B	standard error	Beta			tolerances	VIF
1	(Constant)	1.997	.857		2.329	.021		
	popularity	.067	.091	.050	.733	.465	.398	2.514
	guanxi	.167	.089	.125	1.869	.064	.409	2.447
	Product Involvement	.375	.090	.316	4.175	.000	.319	3.137
	Presentation of information	.386	.105	.255	3.667	.000	.376	2.662
	perceived value	.281	.082	.248	3.417	.001	.345	2.896

a. Dependent variable: willingness to buy

6. Conclusion

Based on the above empirical analysis, it is found that product involvement, information presentation, and perceived value have a positive effect on purchase intention; therefore, this paper draws the following conclusions:

The research reveals that the luxury market is dominated by millennials (1981-1996), who live their lives closely connected to the Internet and have opinion leaders they trust and follow. Therefore, the influence of key opinion leaders not only plays a significant role in consumers' purchasing decisions, but also has an important impact on the formation of commodity structure. In view of the current luxury industry is ushering in the key node of the transformation from traditional marketing to digital marketing, the clever use of the influence of key opinion leaders on platforms such as Red Book will bring unprecedented market effects to the luxury industry.

Empirical analysis clearly shows that consumers attach great importance to the degree of involvement of opinion leaders in products. Especially those who love the product, attach great importance to it, and even personally participate

in the production or marketing of the product, can have a strong resonance with consumers. Therefore, luxury brands should pay attention to product participation of opinion leaders when choosing partners. On the one hand, they can be judged by the investment in these products; On the other hand, it is also possible to observe their attitudes, preferences and emotional tendencies towards products or brands as a measure.

(3) Research has shown that the form and content of information recommended by key opinion leaders is positively related to perceived value. Luxury goods enterprises should pay attention to the form and quality of recommendation information of opinion leaders when choosing partners Recommendation information can show product details in a comprehensive way through personal demonstration, graphic combination and video display. Through horizontal comparison of the evaluation of similar products, the unique advantages of the recommended products can be emphasised to enhance consumers' love for the products.

(4) In the decision-making process of consumers, the perceived value of products undoubtedly plays a crucial role, directly affecting their purchase intentions. For luxury

consumers, this perceived value is particularly significant, because it not only covers the functionality of the product itself, but also integrates consumers' pursuit and yearning for quality life. Luxury consumers' recognition of functional value is often based on strict requirements for product quality, appreciation of exquisite workmanship, meticulous care and consideration of potential value preservation. These elements together constitute the unique charm of luxury goods, but also the key to consumers willing to pay for it.

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