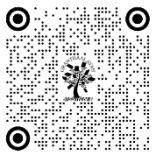


CONSUMER AWARENESS AND PROCESSING MECHANISMS TOWARDS AFFILIATE MARKETING IN CHENNAI DISTRICT

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ABSTRACT

With the rapid growth of online platforms and increase in the internet penetration, affiliate marketing has transformed over time. The digital transformation has ushered in an era where every products and services are just a click away. Additionally, the products and services have become easily accessible 24/7, which has immensely supported this particular strategy. Similar to the commission-based sales, this marketing strategy is currently on the vogue due to the growth of social media and its users. Moreover, the increase in the micro and macro influencers promoting products and services online has significantly contributed to its growth. Affiliate marketing is gaining momentum in fashion, technology, finance, education and travel. It is also considered as a cost-effective way to promote a product or service as affiliates are paid only when a sale is made. Thus with innumerable benefits to offer, affiliate marketing is becoming the most sought after strategy in the modern digital landscape. Against this backdrop, the present study has been taken up to analyse the consumer awareness and processing mechanisms towards affiliate marketing. The present study has employed a well structured questionnaire to collect the required data. A sample of 483 was contacted on the basis of purposive sampling. Weighted average score, Kruskal Wallis test and Mann Whitney U test have been used to analyse the collected data.

Keywords: Affiliate Marketing, Consumer, Attitude, Perception, Processing Mechanism

1. INTRODUCTION

Affiliate Marketing is a relatively new marketing strategy which has evolved over time. It was launched in the year 1996 by Amazon as the Amazon Affiliate Program. With the rapid growth of online platforms and increase in the internet penetration, affiliate marketing has transformed over time. The digital transformation has ushered in an era where every products and services are just a click away. Additionally, the products and services have become easily accessible 24/7, which has immensely supported this particular strategy. Similar to the commission-based sales, this marketing strategy is currently on the vogue due to the growth of social media and its users. Moreover, the increase in the micro and macro influencers promoting products and services online has significantly contributed to its growth. Affiliate marketing is

gaining momentum in fashion, technology, finance, education and travel. It is also considered as a cost-effective way to promote a product or service as affiliates are paid only when a sale is made. Thus with innumerable benefits to offer, affiliate marketing is becoming the most sought after strategy in the modern digital landscape. Against this backdrop, the present study has been taken up to analyse the consumer awareness and processing mechanisms towards affiliate marketing.

1.1. OBJECTIVES

- To analyse consumer attitude towards affiliate marketing
- To examine the consumer processing mechanisms towards affiliate marketing
- To understand the consumer processing mechanism towards affiliate marketing

2. MATERIALS AND METHODS

The present study has employed a well structured questionnaire to collect the required data. A sample of 483 was contacted on the basis of purposive sampling. Weighted average score, Kruskal Wallis test and Mann Whitney U test have been used to analyse the collected data.

3. RESULTS AND DISCUSSION

3.1. CONSUMER AWARENESS ABOUT AFFILIATE MARKETING

This table presents the weighted average scores reflecting consumer awareness about various aspects of affiliate marketing among respondents in Chennai district. The scores are interpreted on a 5-point Likert scale, where higher scores indicate stronger agreement with the statements.

Table 1

S.No	Statement	Weighted Average Score	Result
1	I am familiar with the concept of affiliate marketing	3.91	Agree
2	I can recognize when content contains affiliate links	4.32	Agree
3	I understand how affiliate marketers earn commissions	2.81	Neutral
4	I am aware of the difference between affiliate marketing and direct advertising	3.07	Neutral
5	I know that product reviews often contain affiliate links	3.62	Agree
6	I understand the purpose of disclosure statements in affiliate content	3.11	Neutral
7	I am aware of regulations governing affiliate marketing practices	2.95	Neutral
8	I can identify popular affiliate marketing platforms and networks	3.28	Neutral
9	I am familiar with common affiliate marketing strategies used by businesses	4.09	Agree
10	I understand how affiliate tracking works when I click on links	2.76	Neutral

The reveals varying levels of consumer awareness regarding different aspects of affiliate marketing in Chennai district. The highest awareness is observed in respondents' ability to recognize content containing affiliate links (4.32), followed by familiarity with common affiliate marketing strategies used by businesses (4.09). Respondents also generally agree that they are familiar with the concept of affiliate marketing (3.91) and aware that product reviews often contain affiliate links (3.62).

However, respondents displayed only moderate awareness (neutral responses) regarding more technical aspects of affiliate marketing. Particularly, understanding of how affiliate tracking works when clicking on links scored the lowest (2.76), followed by understanding of how affiliate marketers earn commissions (2.81). Knowledge about regulations governing affiliate marketing practices also scored relatively low (2.95).

These findings suggest that while consumers in Chennai district have a general awareness of affiliate marketing as a concept and can recognize its presence, there exists a knowledge gap regarding the technical mechanisms, regulatory frameworks, and compensation structures that underpin affiliate marketing.

Analysis of Age-Based Differences in Consumers' Processing Mechanisms Towards Affiliate Marketing

This study investigates how age demographics influence consumers' processing mechanisms towards affiliate marketing. Understanding how different age groups process affiliate marketing information is essential for developing effective marketing strategies that resonate with specific age segments. The research examines three key processing mechanisms: perceived utility, trust formation, and emotional response across four age brackets ranging from 18-30 years to above 50 years.

Null Hypothesis (H_0): There are no significant differences in consumers' processing mechanisms towards affiliate marketing based on age group.

Table 2

Age-Based Differences in Consumers' Processing Mechanisms Towards Affiliate Marketing

Processing Mechanisms	18-30 years (n=106)	31-40 Years (n=171)	41-50 Years (n=127)	Above 50 Years (n=79)	K-W H	p-value
Perceived Utility	358.92a	260.89b	183.46c	138.34d	156.004	0.00
Trust Formation	340.49a	291.04b	169.65c	120.01d	189.602	0.00
Emotional Response	357.58a	245.36b	210.52b	130.23c	138.907	0.00

Note Different superscripts (a, b, c, d) indicate statistically significant differences between age groups. Same superscripts indicate no significant difference between groups.

The Kruskal-Wallis test results show statistically significant differences ($p < 0.001$) across all three processing mechanisms based on age groups, rejecting the null hypothesis.

A clear age gradient exists in how consumers process affiliate marketing, with younger consumers consistently demonstrating more positive processing mechanisms across all dimensions and older consumers showing progressively less positive responses.

For perceived utility, each age group differs significantly from the others, with the youngest consumers (18-30 years) showing the highest perception of utility (358.92) and the oldest consumers (above 50 years) showing the lowest (138.34). This 220.58-point difference suggests that younger consumers find substantially more practical value in affiliate marketing compared to older consumers, who may perceive less utility in affiliate marketing offers or information.

Trust formation similarly follows a clear age gradient, with significant differences between all age groups. The 18-30 years group demonstrates the highest trust levels (340.49), while the above 50 years group shows the lowest (120.01). This 220.48-point difference indicates that younger consumers are considerably more trusting of affiliate marketing messages and sources compared to older consumers, who may be more skeptical or require more evidence to establish trust.

For emotional response, the youngest group (18-30 years) shows the most positive emotional reactions (357.58), significantly higher than all other age groups. Interestingly, the 31-40 years (245.36) and 41-50 years (210.52) groups share statistically similar emotional responses, both significantly higher than the above 50 years group (130.23). This suggests that while emotional response generally decreases with age, the middle-aged brackets respond somewhat similarly to affiliate marketing on an emotional level.

The processing mechanism showing the greatest age-based disparity is trust formation ($K-W H = 189.602$), highlighting that building trust with different age groups may require substantially different approaches in affiliate marketing.

These findings demonstrate that age significantly influences how consumers process affiliate marketing information, with younger consumers (under 30) being particularly receptive across all processing mechanisms. Marketers should consider age-targeted approaches, emphasizing utility and trust-building elements for older

consumers while capitalizing on the stronger emotional and utility-based processing of younger consumers. The significant processing gap between younger and older demographics highlights the need for differentiated affiliate marketing strategies based on consumer age.

Analysis of Gender-Based Differences in Consumers' Processing Mechanisms Towards Affiliate Marketing

This study examines how gender influences consumers' processing mechanisms towards affiliate marketing. Understanding gender-based variations in information processing is crucial for developing targeted marketing strategies that effectively resonate with different gender groups. The research analyzes three key processing mechanisms: perceived utility, trust formation, and emotional response across male and female consumers.

Null Hypothesis (H_0): There are no significant differences in consumers' processing mechanisms towards affiliate marketing based on gender.

Table 3

Processing Mechanisms	Male (n=200)	Female (n=283)	Mann-Whitney U	Z	p-value
Perceived Utility	257.97a	230.71b	25105.5	-2.205	0.027
Trust Formation	217.17b	259.55a	23333	-3.489	0.00
Emotional Response	282.83a	213.14b	20134	-5.589	0.00

Note Different superscripts (a, b) indicate statistically significant differences between gender groups. Same superscripts indicate no significant difference between groups.

The Mann-Whitney U test results show statistically significant gender-based differences across all three processing mechanisms towards affiliate marketing, rejecting the null hypothesis.

For perceived utility, male consumers demonstrate significantly higher perceptions (257.97) compared to female consumers (230.71), with a modest but statistically significant difference ($p = 0.027$). This suggests that male consumers tend to perceive greater practical value or usefulness in affiliate marketing content and offers compared to female consumers.

Trust formation shows a reverse pattern, with female consumers exhibiting significantly higher trust levels (259.55) compared to male consumers (217.17), with a substantial and highly significant difference ($p < 0.001$). This indicates that female consumers are more likely to establish trust in affiliate marketing messages and sources compared to male consumers, who may approach affiliate marketing with greater skepticism or require different trust signals.

The most pronounced gender difference appears in emotional response ($Z = -5.589$), where male consumers show substantially higher positive emotional reactions (282.83) compared to female consumers (213.14). This highly significant difference ($p < 0.001$) suggests that male consumers tend to respond more emotionally to affiliate marketing content, while female consumers may process affiliate marketing information with greater emotional detachment or rationality.

These findings reveal interesting gender-based processing patterns, with male consumers showing stronger utility perceptions and emotional responses, while female consumers demonstrate higher trust formation. This suggests that gender significantly influences how consumers process affiliate marketing information, with different aspects of processing being more prominent in different gender groups.

These results highlight the importance of gender-sensitive approaches in affiliate marketing, particularly when designing content and messaging strategies. Marketers might consider emphasizing utility and emotional elements when targeting male consumers, while focusing on trust-building approaches and rational benefits when targeting female consumers. The significant differences across all processing dimensions underscore the value of gender-differentiated affiliate marketing strategies.

4. CONCLUSION

The present study has elaborately covered the level of consumer awareness and processing mechanism towards affiliate marketing. It can be seen that though the respondents were avid internet and social media users, they are still getting used to the concept of affiliate marketing. Additionally, the processing mechanisms of consumers reveal that the

younger generation being receptive and gender based tailor made approaches in affiliate marketing would work well. Thus, affiliate marketing is all set to grow in the upcoming years with its presence felt across the globe in all forms of online marketing.

CONFLICT OF INTERESTS

None.

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