



# Generation Z Purchase Intentions: Does Sponsorship Disclosure Matter?

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## Abstract

**Background:** Digital advertising and the amount of money spent on influencer marketing increases every year. Nowadays, it has become one of the most profitable ways to promote products and services and increase a company's profit through an endorsement on social media networks. **Objectives:** This paper explores the parallel mediating effect of brand awareness and influencer credibility between sponsorship disclosure and purchase intention among the Generation Z. **Methods/Approach:** We used a convenience sample method and used regression analysis to test the parallel mediator effect. **Results:** Findings of the research indicate that the direct influence of sponsorship disclosure on purchase intention is non-significant. However, this relation is significant when mediated by brand awareness and influencer credibility. **Conclusions:** The contribution of the research adds to the new knowledge in the field of influencer marketing and gives practical implications for brand managers who want to influence customers to buy.

**Keywords:** influencer marketing; sponsorship disclosure; influencer credibility; brand awareness; purchase intention

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## Introduction

Digitalisation and the rise of social media usage have changed the way people learn, communicate, and make buying decisions. Influencer marketing includes opinion leaders to influence consumers' process of deciding (Vrontis et al., 2021; Sesar et al., 2022) to buy or not to buy a certain product or service, and the field of influencer marketing is highly connected to influencers activities on social networks since they are sponsored by the brand (De Veirman et al., 2019). The influencer marketing market size in the USA is valued at 10.3 billion dollars and will expand at a compound annual growth rate (CAGR) of 33.4% from 2022 to 2030, while the global influencer market size in 2021 was 10.4 billion dollars (Grandviewresearch, 2023). In this context, the Generation Z is the cohort that significantly values reviews and ratings while shopping online and digital technologies present a sort of passion (Agrawal, 2022) and not a purpose to an end like in earlier generation cohorts.

This paper analyses purchase intention among the Generation Z cohort, which is the first generation born with digitalisation and what triggers them to buy (Bittner et al., 2022; Głodowska et al., 2022). This generation has different attitudes and behaviour regarding various issues, such as job expectations and seeking (Nguyen Ngoc et al., 2022). is encouraged daily by different types of influencers they follow on social media networks through their posts. Therefore, in today's digital world, influencer marketing represents a good company strategy to adapt to increase sales and reach a targeted audience with fewer costs that need to be spent, for example, in traditional advertising. In recent years, sponsorship disclosure research has shown an increase in the number of articles on the part of business management, marketing, psychology and information systems (Jhawar et al., 2023).

This research aims to provide a deeper understanding of how sponsorship disclosure affects purchase intention through brand awareness and influencer credibility among the student population belonging to Generation Z in Croatia.

The paper has been divided into six major sections. After the introduction, the conceptual model and hypothesis section was introduced, which provides a literature review supporting the developed hypothesis. Further, the methodology of the research has been explained. In part four, research results were presented, then discussed in section five. Finally, a conclusion with research limitations has been presented in the final section.

## Conceptual model and hypothesis

### *Relationship between sponsorship disclosure and brand awareness*

The rise of influencer marketing has become one of the rising fields in digital marketing, and its adaptation in marketing campaigns seems to be an effective way to target customers (Jílková, 2018). Influencer marketing represents electronic word of mouth in the digital era, and most companies that engage influencers want to place their products in a large audience. It was found that electronic word of mouth (e-WOM) has a strong impact on online purchase intention (Erkan and Evans, 2018). When influencers include in their everyday branded content (in terms of pictures, videos, posts, etc.), their followers can find it difficult to distinguish regular posts from ads (Lou et al., 2021). So, the question is whether displayed or not displayed sponsorship disclosure affects brand awareness and how this affects influencer credibility. It has been stated that presenting a sponsorship disclosure in an ad enables advertising awareness (Lou et al., 2021). Memory and recognition of a displayed brand determines brand awareness (Aaker, 2014; Febriyantoro, 2020). Brand awareness can

be graded from not recognising the brand at all to fully recalling a brand (Ilyas et al., 2020).

Sponsorship disclosure is a clear disclosure that influencers show in their posts to build trust relationships with their followers and be clear about what they represent (Wang et al. 2022). In the persuasion knowledge model, sponsorship disclosure represents an antecedent (Jhawar et al. 2023) that can convince a follower to buy a disclosed product or service or even reassure them not to buy or use the same product or service. On the other hand, general posts with sponsorship status compared to those without disclosure have a negative influence on brand attitude. This happens due to increased ad scepticism, which negatively influences source credibility (De Veirman and Hudders, 2020). In a developing country (Philippines), influencer marketing creates value for SMEs. Findings show that influencer marketing affects brand awareness by enhancing brand reputation and impacting consumer purchases (Escolano,2023).

Based on those mentioned above, analysing sponsorship disclosure and brand awareness among the Generation Z of students is significant for theory and practice since analysing their behaviour gives practical and scientific value to the field of influencer marketing. Therefore, we pose our first hypothesis:

- *H1: There is a statistically significant relationship between sponsorship disclosure and brand awareness among Generation Z students in Croatia.*

### *Relationship between sponsorship disclosure and influencer credibility*

Earlier studies investigated whether sponsorship disclosure status posted on influencers' walls on social media platforms affects followers' responses to this post. Some studies show that sponsorship disclosure status negatively affects the credibility of an influencer. When influencers show sponsored content, they enhance the reputation of a brand of SMEs and create long-term customer value through ambassadorships of products and services (Escolano, 2023). However, if this is perceived negatively due to a persuasion knowledge activation, it may have a negative effect on source credibility (Jhawar et al., 2023) and may create a negative attitude toward disclosed advertisements (Boerman et al., 2014; Jhawar et al., 2023). Schorn et al. (2022) found a decrease in influencers' credibility when a post for a sustainable accommodation was labelled, but when posting their advantages rather than sustainable benefits, influencer credibility increased. In the case of Vogel et al. (2020), when there were clear disclosure hashtags, the ad recognition increased, but influencer credibility decreased as well, and intentions to engage with posts decreased in the case of young adult e-cigarette users aged 18-29. Ad trust was lower with greater hashtag recognition regardless of disclosures. De Veirman and Hudders (2020) found that sponsorship disclosure type (brand post and influencer post) affects influencer credibility since influencer posts are more admired than brand posts. They added to the new knowledge by including source evaluation variables to explain the influence of sponsored brand versus influencer posts. Findings suggest that disclosures can foster ad recognition. Naderer et al. (2021) found that disclosures increase influencer trustworthiness when there is high follower-influencer similarity, which leads to positive purchase intention.

Based on the analysis, the second hypothesis is posed:

- *H2: There is a statistically significant relationship between sponsorship disclosure and influencer credibility among Generation Z students in Croatia.*

### *Relationship between a sponsorship disclosure and purchase intention*

Previous research found that the presence of sponsorship disclosure and explicit disclosure activated consumers' conceptual persuasion knowledge, which led to diminished message credibility, engagement, product attitude, and purchase intention (Chung et al., 2023). The significant indirect effect of advertising disclosure on purchase intention mediated by influencer source attractiveness was found in the research of Weismueller et al. (2020). Kay et al. (2020) found that when micro-influencers disclose, consumers have higher levels of purchase intentions than when exposed to macro-influencers who do not disclose. Based on the said, a third hypothesis has been defined:

- *H3: There is a statistically significant relationship between sponsorship disclosure and purchase intention among Generation Z students in Croatia.*

### *Relationship between brand awareness and purchase intention*

Purchase intention refers to the combination of consumers' interest (cognitive behaviour) in a brand or a product and the likelihood of purchasing these items (Shah et al., 2012). It depends strongly on the attitude or preference for a particular brand or product (Lloyd and Luk, 2010). The actual buying behaviour is based on the follower's information he collects (Nunes et al., 2018) about the product or service through different social media platforms. Purchase intention is closely related to consumer attitudes, and advertising can influence attitudes towards the advertised brand and, therefore, influence consumers purchase intentions (Hoyer et al., 2013). Many prior studies show that brand awareness is a significant precedent of customers' purchase intention (Tan et al., 2021; Bilgin, 2020; Dabbous et al., 2020; Febriyantoro, 2020; Ling et al., 2023). Since continuous advertising and distribution to broad groups of customers influence high brand awareness (Foroudi, 2019), its close connectedness to influencer advertising and placing sponsorship status on social networks should be analysed since influencers' positive posts represent a good way to create customers desire for brand purchase (Martín-Consuegra et al., 2018). Kosakarika (2020) found that brand awareness (that is, brand recall, top-of-mind brand, dominant brand, and word of mouth) influences purchase intention, while brand recall was found insignificant. Dwidienawati et al. (2020) analysed customers' and influencers' reviews on purchase intention, where influencers' reviews showed a positive influence on purchase intention while customers' reviews did not have a positive influence on purchase intention. Johansen and Guldvik (2017) found a significant relationship between influencer marketing and respondents' behaviour toward purchase in a sample of 180 respondents. Further, the research of Gautam and Sharma (2017) on 243 respondents showed a positive significant effect of social media marketing and customer relationships on consumers' purchase intention.

Therefore, the fourth hypothesis:

- *H4 states: There is a statistically significant relationship between brand awareness and purchase intention among Generation Z students in Croatia.*

### *Relationship between influencer credibility and purchase intention*

Previous studies found that influencer credibility (measured by expertise, trustworthiness, and attractiveness) had a positive effect on purchase intention in the context of the Amman Stock Exchange in Jordan (Hanandeh et al., 2023). Xie et al. (2023) analysed the influence of the visual presentation of influencers' aesthetic labour on consumers' brand purchase intention. They found that consumers who are

promotion-focused vs. prevention-focused consumers have a higher intention to purchase brands endorsed by influencers who have high visual presentation of aesthetic labour through para-social relationships. Other research done by Brüns and Meißner (2023) shows how ad recognition diminishes positive brand attitudes, word-of-mouth intentions, and purchase intentions by reducing the perceived integrity of an influencer, which magnifies doubt in an advertised brand. Further, they found that these effects are reconciled when a brand picture appears and is notable in terms of colour or brightness. Also, the impact of digital influencers on the purchase intention of vegan products in the cosmetic industry is seen in influencers' credibility and social media usage (dos Santos et al., 2023). Prasad et al. (2022) aimed to examine the effect of credibility on consumers' purchase intentions, and the results indicate that expertise, integrity, and credibility play a vital role in conveying trustworthiness and genuineness about the product and its usage. Further, Almahameed and Obidat (2023) found that trust in sellers, sociability, electronic Word-Of-Mouth (eWOM), perceived economic benefit, and informational fit-to-task positively influence the intention to purchase in developed countries. Chiu and Ho (2023) found a significant influence of influencer credibility on the purchase intention of Chinese Generation Z through the mediating influence of emotional attachment. On the other hand, Lee and Kim (2020) found no relationship between influencer credibility and purchase intention, and there were no significant effects of the sponsorship disclosure of Instagram promotional posts on purchase intention.

Therefore, influencer credibility plays a significant role in customers' purchase intention, and the fifth hypothesis is defined as:

- *H5: There is a statistically significant relationship between influencer credibility and purchase intention among Generation Z students in Croatia.*

### *Mediation effect*

The role of mediation variables in the model, brand awareness and influencer credibility have been analysed. For example, Febriyantoro (2020) analysed the double mediation model to see whether brand image and brand awareness are mediators between YouTube ads and purchase intention. They found that brand awareness and brand image do not mediate the relationship between YouTube ads and purchase intention. However, they found a positive and significant effect of YouTube ads on brand image and brand awareness. Research shows that brand awareness plays a significant and positive mediator role in the relationship between social networking site advertisements and consumer purchase decisions (Nofal et al., 2020). Research results on the sample of 306 German Instagram users between 18 and 34 years reveal that influencer credibility characteristics (source attractiveness, source trustworthiness and source expertise) affect consumer purchase intention. It was also found that influencer attractiveness played a mediator role between advertising disclosure and purchase intention (Weismueller et al., 2020). Among 432 Dutch Instagram users, there was also a significant mediation effect of perceived credibility and identification in the relation between product influencer, number of followers, advertising outcomes and influencer likeability (Janssen et al. 2022). Further, partial mediation of credibility was found between influencer trustworthiness and purchase intention (Saima and Khan, 2021). Based on the previous research regarding the mediation role of brand awareness and influencer credibility, two hypotheses, H6 and A7, have been posed:

- *H6. Brand awareness mediates the relationship between sponsorship disclosure and purchase intention.*
- *H7: Influencer credibility mediates the relation between sponsorship disclosure and purchase intention.*

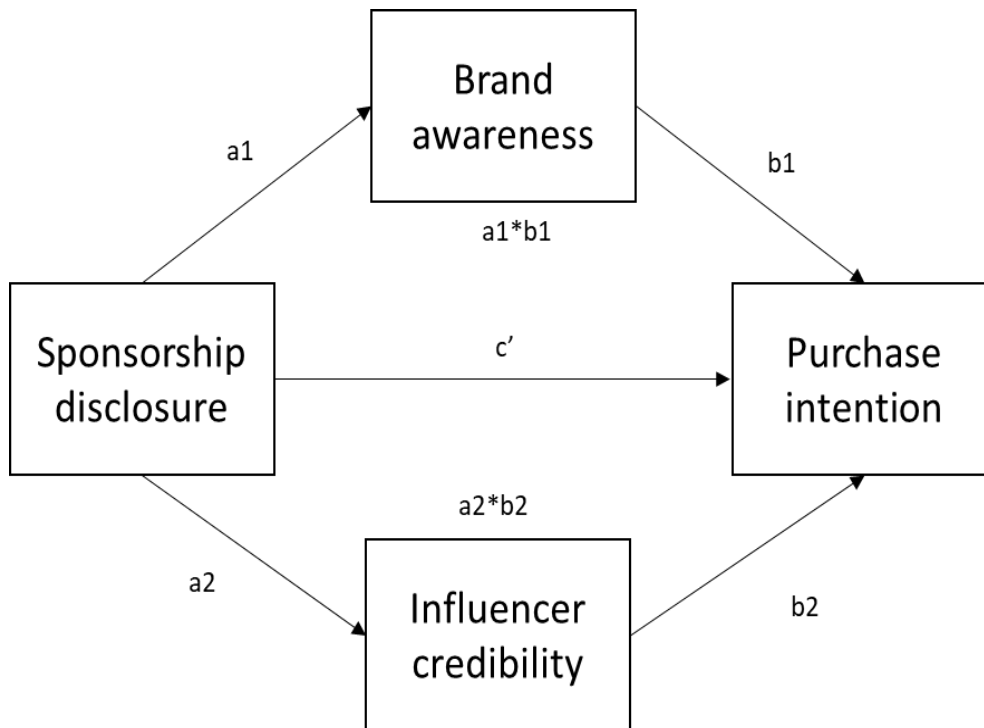


## Methodology

### Research design

Figure 1 represents a conceptual framework developed based on the previous literature research. Figure 1 represents direct (path  $c'$ ) and indirect effects (path  $a_1, a_2, b_1, b_2$ ) and is used to test the set hypothesis.

Figure 1  
Research model



Source: Author's work based on Weismueller et al. (2020), Febriyantoro (2020), Lee & Kim (2020)

To confirm the importance of disclosing a sponsorship and its impact on purchase intention, the research model uses the parallel double mediation model.

For testing the mediation model, variable sponsorship disclosure (SPONS) represents a dichotomous independent variable. Further, there are two mediator variables in the model where M1 represents brand awareness (BRAND), and M2 represents influencer credibility (INF). The dependent variable is purchasing intention (PUR). Mediator variables and dependent variables were measured on a five-point Likert scale. Through this model, the direct and indirect effects of sponsorship disclosure on purchase intention were addressed. In this model, an antecedent variable X (SPONS) influences the consequent Y variable (PUR) directly as well as indirectly through two mediators (BRAND and INF), with no causal influence between those two mediators (Hayes, 2018).

### Data collection

Primary and secondary data were collected. Secondary data was used to determine questions for constructing and creating a conceptual framework. Primary data was collected using an online questionnaire that was sent by mail to students of all departments at University North. The research was conducted from December 2021

till the end of January 2022 during a Croatian lockdown period. We used a convenience sample method. Finally, data from 371 respondents were collected. Seven questionnaires were excluded from further analysis due to missing data and the fact that they do not use social media networks. Therefore, out of the total 364 respondents, 268 (73.6%) were respondents belonging to Generation Z (born in 1997 or later), 89 respondents (24.5%) were millennials (born from 1981 till 1996), and 7 respondents (1.9%) born from 1965 till 1980. The gender, level of the study and the use of social networks are shown in Table 1.

Table 1

Sample characteristics: gender, study and the use of social network

Demographic variables	Frequency (N=268)	Percentage
<b>Gender</b>		
Male	113	42.2%
Female	155	57.8%
<b>Study</b>		
Undergraduate study	203	78.7%
Graduate study	64	23.9%
Postgraduate	113	42.2%
<b>The use of social network</b>		
Instagram	155	57.8%
Facebook	39	14.6%
You tube	51	19.0%
Twitter	4	1.5%
Snapchat	5	1.9%
Tik Tok	7	2.6%
Other	7	2.6%

Source: Author's work

### The measurement scales

The measurement for the defined constructs in the research model was derived from the existing literature. Because of the research context, some measures were adjusted. The construct items and questions are represented in Table 2. We used a 5-point Likert scale to construct influencer credibility, brand awareness, and purchase intention, while sponsorship disclosure is a dichotomous variable construct (displayed vs. no display).

### Data analysis

Table 3 represents the reliability of constructs, influencer credibility, brand awareness, and purchase intention since they are all above 0.8.

The sponsorship disclosure variable is a dichotomous variable with a mean value of 1.32 and a standard deviation of 0.465. Respondents had to answer yes or no if the influencer advertised clearly in their posts. Also, the mean and standard deviation scores were presented.

The highest mean value is the variable INF5=3.66, which represents high influencer attractiveness. Further, among brand awareness variables, the highest mean is BRAND4, where respondents recognise the advertised product among other competing brands. Respondents rated high (PUR1= 3.13)" The influencer posts on social media encourage them to buy and try a recommended product/service".

Table 2  
Summary of particle measurement

Construct	Particle	Source
<b>Sponsorship disclosure</b>	SPONS: Did the influencer (through whom you learned information about a product or service) show in the status of his post that this content is sponsored by the company that owns product/service X? (yes/no)	Wang and Lee (2021)
<b>Influencer credibility</b>	INF1: As for the influencer I follow on social media, I think that his/her posts on social media are honest.	Munnukka et al. (2019) Weismueller et al. (2020)
	INF2: As for the influencer I follow on social media, I think I can trust his/her social media posts.	Munnukka et al. (2019) Weismueller et al. (2020)
	INF3: As for the influencer I follow on social media, I think that the influencer is competent to make claims about the product/service X.	Munnukka et al. (2019) Weismueller et al. (2020)
	INF4: As for the influencer I follow on social media, I can easily identify with him/her.	Munnukka et al. (2019) Weismueller et al. (2020)
<b>Brand awareness</b>	INF5: As for the influencer I follow on social media, I think the influencer is attractive.	Munnukka et al. (2019) Weismueller et al. (2020)
	BRAND1: I Which of the following statements best describes your memory of the appearance of the advertised "X product" or the content of the advertised "X service"?	Yoo et al. (2000)
	BRAND2: I can quickly remember some characteristics of that advertised "product (service) X".	Yoo et al. (2000)
	BRAND3: I can quickly remember the symbol or logo of the advertised product/service X.	Yoo et al. (2000)
<b>Purchase intention</b>	BRAND4: I can recognise advertised product/service X, among other competing brands.	Yoo et al. (2000)
	PUR1: Do influencer posts on social media encourage you to buy and try a recommended product/service?	Chung et al. (2023) Dabbous et al. (2020)
	PUR2: Do you actually buy products/services used and recommended by influencers?	Chung et al. (2023) Dabbous et al. (2020)
	PUR3: Do you intend to buy a product/service recommended by an influencer in the future?	Chung et al. (2023) Dabbous et al. (2020)
	PUR4: Do you recommend products (or services) to others, used and recommended by influencers?	Chung et al. (2023) Dabbous et al. (2020)
	PUR5: When you choose between the products (or services) and the competition, do you base your decision on the influencer's recommendation?	Chung et al. (2023) Dabbous et al. (2020)

Source: Author's work



Table 3

Reliability, mean and standard deviation scores of influencer credibility, brand awareness and purchase intention variables.

Construct	Particle	M	SD	$\alpha$
Influencer credibility	INF1	3.37	1.158	3.37
	INF2	3.33	1.160	3.33
	INF3	3.22	1.126	3.22
	INF4	3.18	1.038	3.18
	INF5	3.66	1.054	3.66
Brand awareness	BRAND1	3.60	1.266	3.60
	BRAND2	3.57	1.167	3.57
	BRAND3	3.53	1.260	3.53
	BRAND4	3.76	1.150	3.76
Purchase intention	PUR1	3.13	1.257	3.13
	PUR2	2.21	1.119	2.21
	PUR3	2.88	1.186	2.88
	PUR4	2.54	1.203	2.54
	PUR5	2.31	1.172	2.31

Source: Author's work

## Results

A regression analysis was performed to test the set hypothesis and analyse direct and indirect effects. All hypotheses were tested using SPSS and PROCESS program, model 4 for parallel mediation. All indirect effects were subjected to bootstrap analysis with 5000 bootstrap samples and a 95% confidence interval. PROCESS is convenient for testing the hypothesis because it provides bootstrap confidence intervals and estimation of mediation analysis computing conditional direct, indirect and total effects (Hayes, 2018). Table 4 presents the model coefficients of the parallel multiple mediator model.

Table 4

Model coefficients of the parallel multiple mediator model

M1 (BRAND)				
Antecedent	path	$\beta$	SE	p
SPONS	a1	0.447	0.127	< .001*
M1 (BRAND)	-	-	-	-
M2 (INF)	-	-	-	-
Constant	iM1	3.306	0.105	< .001*
R2= 0.044; F (1, 266)= 12. 4213; p < .001*				
M2 (INF)				
Antecedent	$\beta$	SE	p	$\beta$
SPONS	0.227	0.111	< .0429	0.227
M1 (BRAND)	-	-	-	-
M2 (INF)	-	-	-	-
Constant	3.195	0.092	< .001*	3.195
R2= 0.015; F (1, 266)= 4.1406; p < .0429*				
Dependent (PUR)				
path	$\beta$	SE	p	path
c'	0.003	0.108	.975	c'
b1	0.152	0.054	.005*	b1
b2	0.501	0.062	< .001*	b2
iy	0.382	0.235	0.106	iy
R2= 0.2798; F (3, 264)= 34.1940; p < .001*				

Source: Author's work

Note: \*Statistically significant at 1%

As can be seen in Table 4, the direct path (a1) represents the significant relationship between sponsorship disclosure and brand awareness ( $\beta = 0.447$ ;  $p < 0.001$ ). Therefore, sponsorship disclosure represents a positive and significant predictor of brand awareness among student Generation Z in Croatia, and hypothesis H1 is supported. The second direct path (a2) represents a statistically significant and positive relationship between advertising disclosure and influencer credibility ( $\beta = 0.227$ ,  $p < 0.05$ ). Therefore, hypothesis H2 is also supported. Further, brand awareness (path b1) has a positive and significant direct effect on purchase intention among the student Z population in Croatia ( $\beta = 0.152$ ;  $p < 0.01$ ); therefore, hypothesis H3 is supported. Path b2 represents the direct effect of influencer credibility on purchase intention, where hypothesis H4 is also supported since there is a positive and significant effect ( $\beta = 0.501$ ;  $p < 0.01$ ).

The direct effect of sponsorship disclosure on purchase intention was found to be non-significant ( $\beta = 0.0034$ ,  $p = 0.9752$ ). However, the mediation analysis revealed significant indirect effects through the mediators' brand awareness and influencer credibility, presented in Table 5. Brand awareness ( $\beta = 0.0680$ , BootLLCI = 0.0118, BootULCI = 0.1483) was statistically significant. This indicates that sponsorship disclosure had an indirect effect on purchase intention through the mediator's brand awareness. Further, influencer credibility ( $\beta = 0.1135$ , BootLLCI = 0.0122, BootULCI = 0.2242) was also statistically significant, indicating that sponsorship disclosure had an indirect effect on purchase intention through influencer credibility. Since zero does not fall between the BootLLCI and BootULCI for brand awareness ( $\beta = 0.0680$ ) and influencer credibility ( $\beta = 0.1135$ ), they represent mediators, and this mediation is significant, thus supporting hypotheses H6 and H7. Research data show that very little of the variance in influencer credibility ( $R^2 = 0.015$ ) or brand awareness ( $R^2 = 0.044$ ) is explained by sponsorship disclosure. However, 28% of the variance in purchase intention is accounted for by both proposed mediators and sponsorship disclosure.

Table 5  
Path coefficients

Path	$\beta$	SE	p	Hypothesis
<b>(a1) Sponsorship disclosure → Brand awareness</b>	0.4475	1.270	< 0.001	Supported (H1)
<b>(a2) Sponsorship disclosure → Influencer credibility</b>	0.2265	0.1113	< 0.05	Supported (H2)
<b>(b1) Brand awareness → Purchase intention</b>	0.1520	0.0541	< 0.01	Supported (H3)
<b>(b2) Influencer credibility → Purchase intention</b>	0.5012	0.0618	< 0.001	Supported (H4)
<b>(c') Sponsorship disclosure → Purchase intention</b>	0.0034	0.1085	0.9752	Not supported (H5)
<b>Indirect Effect(s) (X on Y)</b>	Effect	BootSE	BootLLCI- BootULCI	
<b>(a1*b1 x c') Brand awareness mediates Sponsorship disclosure → Purchase intention</b>	0.1816	0.0700	0.0529- 0.3244	Supported (H6)
<b>(a2*b2 x c') Influence credibility mediates Sponsorship disclosure → Purchase intention</b>	0.1135	0.0550	0.0122- 0.2242	Supported (H7)

Source: Author's work

Table 5 summarises the research results, indicating that H1, H2, H3, and H4 are supported, while H5 is not supported, indicating that the direct effect between sponsorship disclosure and purchase intention is not statistically significant. However, the indirect effect of brand awareness mediates the relationship between sponsorship disclosure and purchase intention, confirming hypothesis H6. In the same manner, hypothesis H7 is confirmed.

## Discussion

Understanding consumer purchase intention and consumer behaviour is a difficult task to analyse since different variables and different contexts influence consumer behaviour differently. Our study investigated the antecedent variable of sponsorship disclosure with mediating roles of brand awareness and influencer credibility and their impact on consumer purchase intention.

The results demonstrate that sponsorship disclosure has a significant and positive direct effect on brand awareness, confirming the research of Escolano (2023). Further, the direct effect of sponsorship disclosure on influencer credibility is also found to be positive and significant, following Naderer et al. (2021) but opposite to the research of De Veirman and Hudders (2020), who found that sponsorship disclosure (compared to no disclosure) negatively affects brand attitude through enhanced ad recognition, which activates ad scepticism and negatively affected the influencer's credibility but.

The direct effect of brand awareness on purchase intention was found to be positive and significant, as in line with researchers Kosakarika (2020) and Dwidienawati et al. (2020), however, only for influencers' reviews, as opposite to customer reviews. Furthermore, results indicate a positive and significant effect of influencer credibility on purchase intention (b2), which results corroborate the research of Prasad et al. (2022), dos Santos et al. (2023), Chiu and Ho (2023) and Hanandeh et al. (2023).

On the other hand, the research findings do not show the significant direct impact of sponsorship disclosure on purchase intention, which is opposite to the research of Chung et al. (2023) and Kay et al. (2020).

Findings demonstrated the mediation role of brand awareness and influencer credibility in the relationship between sponsorship disclosure and purchase intention. The results are aligned with previous studies of Weismueller et al. (2020) and the opposite of Febriyantoro (2020), who did not find the mediation role of brand awareness and brand image between YouTube ads and purchase intention.

Research results indicate that sponsorship disclosure is a significant predictor of purchase intention when controlling for brand awareness and influencer credibility. This relation is not significant without the mediators. Therefore, purchase intention among Generation Z, who did not experience life without technology, is triggered by disclosing commercials on influencers' posts, which then positively increases influencers' credibility and brand awareness. Showing advertising can have a positive or negative impact (Febriyantoro,2020). This research shows that the indirect effect is positive and significant. Since the contrast coefficient was found to be non-significant, this indicates that brand awareness and influencer credibility have similar effects as mediators. From the perspective of managers, this is a good indication to invest in advertising through Instagram and Facebook since those are the social networks most often used by respondents. Also, they should be smart in choosing a credible influencer who represents their product or service.

## Conclusion

The research results indicate that sponsorship disclosure alone does not directly impact purchase intention; however, its impact through the mediation effect of brand awareness and influencer credibility is present among Generation Z students in Croatia. Therefore, they are equally important mediators in the relationship between sponsorship disclosure and purchase intention and are relevant variables for brand managers to analyse.

This research has several limitations that need to be considered when evaluating its results. First, the research sample includes students from the Generation Z from only one university in Croatia; hence, future research should include other generation cohorts to see differences among generations. The second limitation relates to constructs of brand awareness and influencer credibility, which were used as a general construct. Future research should analyse their dimensions to see the effect of each dimension on the dependent variable, that is, the strength of each of the influencer credibility characteristics (trust, expertise, and attractiveness) and brand awareness (recall of a brand and recognition) on purchase intention. Third, other mediator variables should be considered and analysed in the model, such as consumer trust, brand image/awareness and influencer-brand fit. It would be also interesting to investigate the role of the overall attitude towards the advertising, since various research indicated that Generation Z has a non-traditional relationship to marketing (Fromm and Read, 2018), and their relationship with influencers is not straightforward.

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