

The Role of Parasocial Relationships in Minimizing the Affiliate Marketing Risks of the Generation Z

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ABSTRACT

Objectives: The objective of this study is to investigate whether the parasocial relationships can mitigate perceived risks in clicking affiliate marketing links. It also seeks to uncover strategies for affiliate marketers to boost click intention by understanding how these relationships reduce perceived risks.

Methodology: This study employs a quantitative research method, utilizing surveys to gather data. It involved 384 Indonesian Gen Z respondents who are not only knowledgeable about affiliate marketing but also have at least one favorite marketer. The collected data was analyzed using Structural Equation Modeling (SEM) with the software SmartPLS 3.2.9.

Finding: The research uncovers that liking and perceived similarity have a positive effect on parasocial relationships. Furthermore, the parasocial relationship has a positive effect on risk reduction, which, in turn, positively affects the intention to click.

Conclusion: The study concludes that successful affiliate marketers can benefit from harnessing parasocial relationships. This research offers practical insights for affiliate marketers seeking to increase their effectiveness and consumer engagement, highlighting the unique opportunity to boost click-through rates through the strategic use of parasocial relationships.

Keywords: Risk Reduction; Parasocial Relationship; Intention to Click; Affiliate Marketing; Generation Z

Submitted:

2024-02-16

Revised:

2024-06-21

Accepted:

2024-06-25

Article Doi:

http://dx.doi.org/10.22441/jurnal_mix.2024.v14i2.014

INTRODUCTION

The surge in online shopping scams has significantly heightened skepticism towards internet links, especially those originating from unknown sources (Talwar, 2024). The internet is increasingly inundated with information on scam strategies, with continuous updates and revelations making it challenging to stay informed. According to the United Nations Office on Drugs and Crime (UNODC, 2022), online fraud-related suspicious activity reports in Indonesia increased from 13,338 in 2020 to approximately 23,000 in 2021. Alongside these cautionary tales, technology experts like Kelly (2022) propose proactive measures such as honing research skills to identify and avoid fraudulent schemes. However, this assumes that everyone has the time and capacity to discern reliable from unreliable sources. In an era where quick decisions are often necessary, finding effective and efficient ways to verify information is crucial. This ongoing battle against online scams underscores the need for both individual vigilance and collective efforts in promoting digital literacy and safety.

This challenge becomes even more pronounced as perceived risks associated with online shopping heighten, particularly among Generation Z. This generation, consisting of individuals born between 1997 and 2012, is marked by their digital nativity and heavy reliance on online content and social media for purchasing decisions (IDN Times, 2024). However, their skepticism towards traditional advertising (Snapchat, 2023) and acute awareness of privacy and data security issues (Adrian et al., 2022; Halim et al., 2023) make them a difficult demographic to engage. Gen Z has a substantial and growing purchasing power, projected to reach \$143 billion globally (Davis, 2020), making them an increasingly important audience for marketers to effectively reach and persuade. Consequently, marketers must adopt more authentic and transparent strategies to build trust with this discerning generation such as affiliate marketing.

It can be said that affiliate marketing has transformed how people approach online links. This shift has not gone unnoticed by brands, leading to an increased eagerness to collaborate with affiliate marketers. (Ramli et al, 2022) The ease of becoming an affiliate marketer, often just a few clicks away on e-commerce platforms, has contributed to a notable increase in their numbers (Viener, 2021). This became important as emotional intelligence and strategic brand communication can cultivate strong brand-consumer relationships and drive sustainable business growth (Saratian et al., 2024; Imaningsih et al., 2022; Soelton et al., 2020). In Indonesia, affiliate marketing is experiencing rapid growth and is becoming a key player in the e-commerce sector (Yordan, 2023). For instance, in 2022, Shopee Indonesia saw its affiliate program double in size, with affiliates increasing twofold and affiliate transactions tripling. Similarly, Tokopedia reported a sixfold increase in active affiliates in 2022. These figures not only highlight the booming popularity of affiliate marketing in Indonesia but also underscore its effectiveness in driving sales and expanding market reach.

On the contrary, not all affiliate marketers achieve the same level of success in their endeavors. This disparity in achievement can be attributed to multiple factors. This study, however, posits that a key element in the success of affiliate marketers lies in their ability to harness the power of parasocial relationships. Parasocial relationships, as defined by Jarzyna (2021), are one-sided relationships that individuals form with media figures, a concept that has evolved to encompass digital influencers and affiliate marketers in today's online environment. While numerous studies have investigated the bond between influencers and parasocial relationships (Yuan &

Lou, 2020; Lou, 2021; Su et al., 2021), there remains a notable gap in research regarding how parasocial relationships can help the success of affiliate marketing.

Research Gap

Furthermore, a significant research *theoretical gap* exists in the context of mitigating perceived risks in affiliate marketing. This gap is particularly noteworthy when considering the revelations of potential fraudulent practices within the affiliate marketing domain by Mangio & Domenico (2022). While previous studies have predominantly focused on outlining the risks and drawbacks associated with affiliate marketing (Sahu & Tanwar, 2024; Amarasekara et al, 2020), they have yet to explore the proactive mechanisms by which affiliate marketers can mitigate these perceived risks. It's worth noting that these drawbacks have primarily been viewed from a cybersecurity perspective rather than within the marketing framework.

Despite the extensive research on parasocial relationships in various media contexts (Jin & Ryu, 2020; Liu et al., 2019; Aw & Labrecque; 2020), a critical gap remains in understanding the role of affective influences, such as liking and perceived benefit, within affiliate marketing. While previous studies have investigated factors contributing to parasocial relationships, such as identification (Lim et al., 2020) and trust (Breves et al., 2021), little attention has been paid to the specific impact of affective responses like liking and perceived benefit in the context of affiliate marketing strategies.

The current study aims to address a significant gap by investigating how the establishment of parasocial relationships between marketers and their audience can influence click intention and reduce skepticism associated with affiliate links. This research also holds practical implications for both existing and aspiring affiliate marketers, suggesting that cultivating parasocial connections may be a pivotal strategy for enhancing their success. By nurturing these one-sided yet meaningful bonds, affiliate marketers can not only enhance their persuasiveness but also mitigate the concerns of a risk-averse audience, ultimately leading to more effective and trustworthy affiliate marketing practices.

This study is designed to explore the impact of parasocial relationships on customer's perception of risk in affiliate marketing links. These interactions are especially relevant for converting skeptical online users into active participants in affiliate marketing programs, a crucial process in today's digital marketing landscape. Additionally, this research aims to gain insights into Generation Z consumers, who are known for their higher skepticism compared to other generations (Thomas et al., 2022). Understanding how affiliate marketing can resonate with and influence this digitally savvy yet cautious demographic will provide valuable insights for tailoring effective marketing strategies.

LITERATURE REVIEW

Generation Z

As previously mentioned, Generation Z, commonly known as Gen Z, includes individuals born between 1997 and 2012. Currently, they are Indonesia's largest generation group, comprising 27.94% of the total population, which translates to 74.93 million people (IDN Times, 2024). Growing up in a world dominated by digital technology, this generation has developed unique behaviors and attitudes. Their digital nativity has made them highly adept at navigating online

spaces but also more skeptical and discerning of digital content, including marketing efforts (Twenge, 2019; Oktaviar et al, 2024). On a similar note, Simangungsong (2018) found that Indonesian Gen Z has a strong tendency to shop online. This was reinforced by Achmad et al. (2022), who noted that entertainment and interactivity are two factors influencing purchase intention in social media advertising. Hasanah & Aziz (2022) also highlighted that content marketing and online advertising have a 91.2% impact on brand awareness. Understanding their unique preferences and engagement patterns is crucial for devising effective marketing strategies tailored to this influential demographic.

In the realm of affiliate marketing, engaging Gen Z presents unique challenges. This became more prominent after the pandemic, as Maidawati & Pardede (2023) have shown that customer satisfaction is a determinant of buying behavior. Research indicates that Gen Z values authenticity and transparency more than previous generations, making them less responsive to traditional advertising and more reliant on peer recommendations and influencer endorsements (Fromm & Read, 2018). For instance, a study by Sokolova & Kefi (2020) found that influencers play a crucial role in reducing perceived risks and increasing purchase intentions among Gen Z consumers. This underscores the critical role of leveraging parasocial relationships in affiliate marketing strategies to build trust and reduce skepticism among this digitally savvy demographic.

Consequently, this research focuses on this concept, using Generation Z as the primary subject to explore how these relationships can effectively mitigate perceived risks and enhance click-through intentions. By understanding the unique dynamics of parasocial interactions and the impact of influencer endorsements, marketers can develop more effective strategies to engage with Gen Z. This approach not only addresses their demand for authenticity and transparency but also enhances their overall satisfaction and loyalty, ultimately driving sustainable business growth. This study suggests that increasing click intentions can be achieved by strengthening customers' parasocial relationships by enhancing feelings of liking and similarity, thereby reducing their perceptions of risk.

Parasocial Relationship

Parasocial relationships are one-sided socio-emotional connections that individuals form with media figures such as celebrities or influencers (Hoffner & Bond, 2022). Back then in 1956, Horton and Wohl introduced the concept of 'parasocial relationship' as a phenomenon where mass media consumers form perceived relationships with personas they encounter in the media, such as presenters, actors, and celebrities. The essence of these interactions lies in the sensation of being personally addressed; people often feel as though a media personality is speaking directly to them, creating a sense of direct dialogue. Recent studies have shown that over time, such parasocial bonds can intensify, leading individuals to consider these media figures as genuine companions (Giles, 2020; Tukachinsky & Stever, 2019).

Intriguingly, this extends to affiliate marketers, who are not traditional celebrities, yet their recommendations are often trusted by audiences. This research aims to explore the nuances of parasocial relationships within the context of affiliate marketing, understanding how these perceived one-sided relationships impact consumer behavior. These interactions occur as followers develop a sense of connection with marketers, who may not always be able to engage in direct, two-way communication due to constraints like audience size (Aw & Labrecque, 2020).

Parasocial relationships can be attributed to two key factors: liking and perceived similarity. Liking, in this context, refers to the positive attitudes individuals have toward affiliate marketers (Zorn et al., 2022). Perceived similarity, on the other hand, is defined as the extent to which consumers perceive a connection or relevance to the marketer compared to themselves and others (Gelbrich et al., 2023). These concepts are commonly employed in person perception research (Chung et al., 2023). This study posits that by establishing a sense of both likeability and similarity through their digital presence, successful affiliate marketers harness these parasocial relationships to not only attract but also reassure their audience, thereby enhancing the effectiveness of their marketing efforts. Thus, these hypotheses were made:

H1: Liking has a positive influence on Parasocial Relationships

H2: Perceived Similarity has a positive influence on Parasocial Relationship

H1 posits that an increase in liking positively affects the strength of parasocial relationships. This implies that individuals who experience higher levels of liking towards a media figure are likely to develop stronger parasocial connections with them. H2 suggests that perceived similarity also plays a significant role in enhancing parasocial relationships, indicating that the greater the perceived similarity between an individual and a media figure, the more substantial the parasocial relationship is likely to be.

Risk Reduction

In the realm of consumer behavior, the concept of risk reduction focuses on how customers perceive and manage their purchasing decisions. The term risk is often associated with the financial sector (Cao et al., 2021). In 2003, Forsythe & Shi identified three primary dimensions of perceived risks in online shopping: financial risk related to security, product risk concerning the quality and suitability of the product, and time/convenience risk associated with the effort required in finding and processing information on suitable websites. The term can also be intertwined with the concept of perceived risk, such as in the context of smoking (Wulandari, 2023). However, in the context of affiliate marketing, these risk dimensions converge into a more comprehensive understanding of risk. Instead of dissecting each risk individually, the focus shifts to the overall level of how the customer sees the affiliate links as a threat.

This can significantly influence how customers perceive risk when considering a purchase based on the marketer's recommendation. Affiliate marketing presents opportunities for enhancing customer satisfaction and optimizing value-driven efficiency (Chattopdhyay, 2020). But at the same time, we cannot deny that it is crucial to acknowledge the associated risks and implement effective strategies to mitigate them (Amarasekara et al., 2020). Addressing and mitigating these risks is imperative in the affiliate marketing landscape, as it not only fosters trust but also creates a conducive environment for customers to confidently make purchase decisions based on affiliate marketers' recommendations.

This research explores the relationship between parasocial relationships and risk reduction, aiming to uncover how affiliate marketers can proactively reduce perceived risks. Thus, the next hypothesis for this study is:

H3: Parasocial Relationship has a positive influence on Risk Reduction

H3 proposes that the strength of parasocial relationships exerts a positive influence on risk reduction. This hypothesis suggests that individuals who forge stronger parasocial bonds with

media figures are likely to perceive lower levels of risk in following or adopting the behaviors, recommendations, or products endorsed by these figures. Essentially, a robust parasocial relationship serves as a mitigating factor against perceived risks, leading to a heightened sense of trust and security in the decisions influenced by these parasocial interactions.

Intention to Click

The concept of 'Click Intention' refers to the motivational or purposive aspects underpinning a user's decision to engage with online links or elements (Mattke et al., 2020). This phenomenon is particularly pertinent in the realm of affiliate marketing, where the objective is to motivate the audience to engage with provided links. Although the literature has extensively explored various aspects of click behavior, such as its occurrence in sponsored ads (Kononova et al., 2020), its relationship with user interface design (Jiang et al., 2020), and the psychological underpinnings of clicking behavior (Li et al., 2023), there remains a notable gap in research specifically addressing the link between click intention and affiliate marketing.

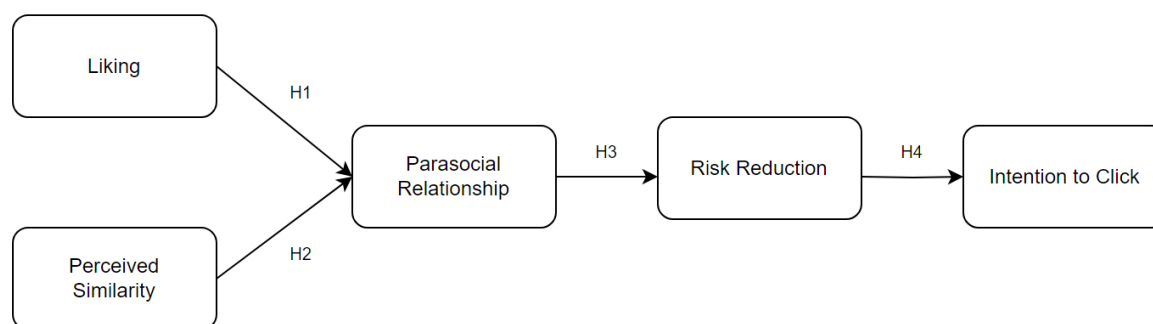
Existing studies, such as the work of Olbrich et al. (2019), have delved into the click paths in affiliate marketing campaigns, focusing primarily on search-engine advertising. However, these studies have not extensively explored how risk reduction strategies in affiliate marketing can influence a user's intention to click. The current study aims to fill this gap by examining the impact of perceived risk reduction on user click intention within the context of affiliate marketing. Hypothesis 4 posits that in affiliate marketing, reducing perceived risk will have a positive influence on the Intention to Click, thus offering a new perspective on effective affiliate marketing strategies. Therefore, the last hypothesis for this study is:

H4: Risk Reduction has a positive influence on Intention to Click

H4 articulates that risk reduction positively impacts the intention to click, implying that when individuals perceive lower levels of risk associated with an action or decision, they are more inclined to engage in that action, such as clicking on a link or advertisement. This hypothesis underscores the idea that by mitigating perceived risks, individuals feel more secure and confident in their actions, thereby increasing their likelihood of taking the intended action. Essentially, risk reduction serves as a catalyst, enhancing the propensity to engage with digital content through clicks.

To visualize the conceptual framework from the hypotheses mentioned above, the author has created this figure:

Figure 1. Conceptual Framework



The conceptual framework illustrated in Figure 1 delineates the relationships between the key variables in this study. The figure portrays the idea that liking and perceived similarity directly influence the strength of parasocial relationships (H1 and H2). These parasocial relationships then act as a mediating variable that influences risk reduction (H3). This indicates that the impact of liking and perceived similarity on risk reduction is indirect and operates through the formation of strong parasocial bonds. Furthermore, risk reduction directly affects the intention to click (H4), suggesting that when consumers perceive lower levels of risk, they are more likely to engage with affiliate marketing links. In summary, the model shows both direct effects and indirect effects through the mediation of parasocial relationships.

METHOD

This study adopts a quantitative approach to explore the dynamics of affiliate marketing, focusing on key variables such as 'liking,' 'perceived similarity,' 'parasocial relationship,' 'risk reduction,' and 'intention to click.' The primary objective is to examine how these factors influence affiliate marketing engagement. Utilizing an explanatory research design, this study aims to test hypotheses derived from existing literature and insights from previous research.

The study employs a non-probability, purposive sampling method to select respondents who are part of Generation Z (born between 1996-2006), residing in Java Island – Indonesia's most populous region, with a foundational understanding of affiliate marketing and at least one favorite affiliate marketer. This criterion-based selection ensures that the data is gathered from individuals with relevant insights and experience in the field.

Data collection was conducted through an online questionnaire via Google Forms, administered in two phases. The pilot phase in December 2023 yielded 40 responses, followed by a main survey in January 2024, which attracted 414 participants. Out of these, 384 responses met the study's criteria and were included in the final analysis. The questionnaire comprised 5 constructs and 16 items, rated on a 5-point Likert scale (ranging from 1 for 'strongly disagree' to 5 for 'strongly agree'). The questions are constructed as follows:

Table 1. Construct Measurement

Construct	Code	Item	Source
<i>Liking</i>	LK1	My favorite influencer adds enjoyment of using social media	Duffet (2020)
	LK2	My favorite influencer is likable and pleasant	
	LK3	My favorite influencer is entertaining and fun	
<i>Similarity</i>	SI1	My favorite influencer reflects the type of person who I am	Kwon et al. (2016)
	SI2	My favorite influencer is similar to me	
	SI3	My favorite influencer is very much like me	
<i>Parasocial Relationship</i>	PI1	I like hearing what my favorite influencer has to say	Kim et al. (2020)
	PI2	I can relate to my favorite influencer	
	PI3	I care about what happens to my favorite influencer	
	PI4	My favorite influencer makes me feel comfortable, as if I am with a friend	
<i>Risk Reduction</i>	RR1	I believe the product advertised on the link is worth it	Forsythe et al. (2006)
	RR2	I believe that the product advertised on the link is as good as what my favorite influencer said	
	RR3	I believe that my favorite influencer won't trick me	
<i>Intention to Click</i>	IC1	I will click on affiliate marketing links advertised by my favorite influencer	Wu et al. (2018)
	IC2	I desire to buy products from affiliate marketing links shared by my favorite influencer	
	IC3	I would buy products from affiliate marketing links shared by my favorite influencer if I had the money	

For data analysis, the study utilizes Structural Equation Modeling (SEM) with SmartPLS software, chosen for its capability to analyze complex models involving multiple constructs. SEM provides a comprehensive analysis of the relationships between individual variables in a collective context, rather than in isolation. The final sample size of 384 respondents adheres to the minimum requirement for SEM analysis of 20, which is suggested by Hair et al. (2011) in Memon et al. (2020). According to this guideline, the sample size should be at least ten times the number of the largest set of structural paths pointing towards a single construct within the model. In this case, the constructs of "liking" and "perceived similarity," each with two structural paths, dictate the sample size requirement.

This approach ensures that the study's sample size is robust enough to detect meaningful effects in the structural relationships proposed by the model, enhancing the reliability and validity of the findings.

RESULTS AND DISCUSSION

Descriptive Statistics

The survey data reveals significant insights into the composition of respondents. Notably, a predominant portion of the participants falls into the younger demographic, primarily born between 1996 and 2005. Specifically, those born from 1996 to 1999 collectively represent 29.9% of the total survey population, while the years 2001 to 2005 contribute significantly with 44.5% of the sample. This underscores the youthful profile of the survey's demographic, with the majority likely under the age of 25. This matches the criteria of the survey, in which they have to be part of Generation Z.

Furthermore, when examining the geographic distribution of respondents, we uncover a diverse representation across different regions. West Java emerges as the most prominent area, with 34.6% of participants, signifying its demographic significance. East Java and Jakarta follow closely with 20.1% and 20.3% of participants, respectively, indicating a substantial urban presence in the survey. Central Java contributes 14.3% to the total, while Banten and Yogyakarta are represented by 7.0% and 3.6% of participants, respectively.

Additionally, the authors compiled a list of frequently mentioned favorite marketers based on survey responses. Fadil Jaidi tops the list with 13.80% of total mentions, closely followed by Tasya Farasya at 11.46%. Nanda Arsyinta secures the third position with 7.03% mentions, and Rachel Vennya follows closely at 6.77%. The data also indicates that respondents have a notable interest in comedy and beauty content, as reflected by their favorite affiliate marketers. The results of the study might be different if their favorite affiliate marketer promotes other types of content.

Validity and Reliability Test

A comprehensive validity analysis was conducted on the survey questionnaire. In terms of reliability, all variables have successfully met the established criteria, as evidenced by their Composite Reliability (CR) values exceeding the recommended threshold of 0.60 (Fornell & Larcker, 1981). This indicates that the measurement instruments used in the study exhibit a high degree of internal consistency and reliability.

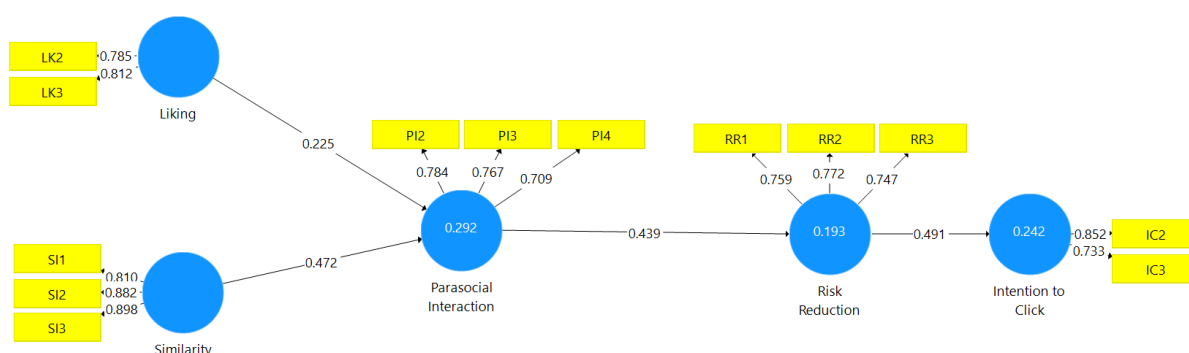
Furthermore, it is worth noting that the variables have also satisfied the validity requirements. The Average Variance Expected (AVE) values for these variables exceed the commonly accepted threshold of 0.5 (Kline, 2011). This finding affirms the construct validity of the measurement model, suggesting that the variables effectively capture the intended constructs and contribute to the overall rigor and robustness of the research. In detail, the results are as follows:

Table 2. Results of Validity & Reliability Analysis

Variable	Average Variance Extracted (AVE)	Conclusion	Composite Reliability (CR)	Conclusion
<i>Intention to Click</i>	0.632	Valid	0.774	Reliable
<i>Liking</i>	0.638	Valid	0.779	Reliable
<i>Parasocial Relationship</i>	0.568	Valid	0.798	Reliable
<i>Risk Reduction</i>	0.577	Valid	0.803	Reliable
<i>Similarity</i>	0.747	Valid	0.898	Reliable

To ensure the validity and reliability of the study, some items that did not meet the criteria were deleted to improve the results. An outer loading is considered highly satisfactory when it is 0.7 or higher (Henseler, 2009). This was done by identifying items that have low outer loadings. The items are LK1, PI1, and IC1. The results of the item deletion are as follow:

Figure 2. Final Measurement Model after Item Deletion



Hypothesis Testing

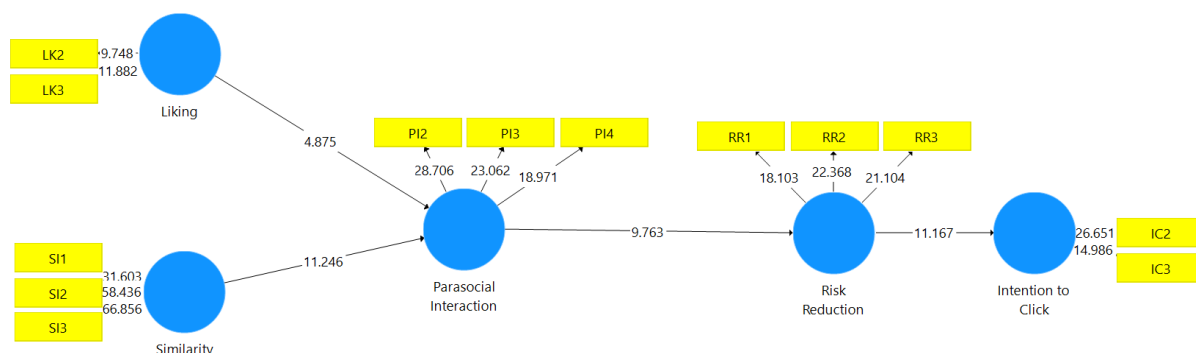
As previously explained, this study employs the Partial Least Squares (PLS) method, a versatile approach that enables the simultaneous evaluation of both the measurement and structural models while minimizing error variance. To ensure robust results, the researchers followed best practices as suggested by Hair et al. (2014) by bootstrapping 500 subsamples. This rigorous approach enhances the reliability of this study's findings, and we set a 5% confidence level with a one-tailed analysis to rigorously assess the relationships and hypotheses. To provide a thorough overview, the results are described as:

Table 3. Hypothesis Testing Analysis

Hypothesis	Relationship	Original Sample (O)	Sample Mean (M)	Standard Deviation (STDEV)	T-Statistics (O/STDEV)	Conclusion
H1	LK → PI	0.225	0.228	0.046	4.875	Accepted
H2	SI → PI	0.472	0.472	0.042	11.246	Accepted
H3	PI → RR	0.439	0.439	0.045	9.763	Accepted
H4	RR → IC	0.491	0.495	0.044	11.167	Accepted

The table presents the results of hypothesis testing for relationships between various psychological or marketing constructs. All four hypotheses proposed in the study have been accepted, indicating statistically significant relationships between them. Specifically, the study finds a significant link between Liking (LK) and Parasocial Relationship (PI) with a T-Statistic of 4.875. A robust association between Similarity (SI) and Parasocial Relationship (PI) is also confirmed with a higher T-Statistic of 11.246, denoting a very strong relationship. Furthermore, the connection between the Parasocial Relationship (PI) and Risk Reduction (RR) is supported by a T-Statistic of 9.763. Lastly, the relationship between Risk Reduction (RR) and Intention to Click (IC) is substantiated with a T-Statistic of 11.167. The consistent acceptance of hypotheses across the board suggests that the constructs are interrelated, and the relationships are not only statistically significant but also possibly practically significant, given the high values of the T-statistics. The structural model looks like this:

Figure 3. Structural Model (Bootstrapping Results)



Discussion

This research has revealed critical insights into the dynamics of affiliate marketing, with a specific focus on Generation Z consumers in Indonesia. By delineating the connections between liking, perceived similarity, and parasocial relationships, this study enriches the comprehension of the psychological underpinnings that facilitate consumer engagement within digital landscapes.

This study's initial hypothesis proposed a direct link between liking and the development of parasocial relationships, a notion robustly supported by this study's data. This echoes the findings of Dibble (2016), reinforcing the idea that a positive disposition towards a media figure significantly bolsters parasocial bonds. This study's observations align with Zorn et al. (2022), who offered a nuanced understanding of 'liking,' highlighting the indispensable role of positive emotional responses in nurturing deep, unilateral connections in digital spaces.

The investigation into this study's second hypothesis, which scrutinized the influence of perceived similarity on parasocial relationships, also found substantial evidence. In line with Sprecher's (2019) claims within the domain of social psychology, we discovered that a sense of similarity markedly enhances attraction, consequently strengthening parasocial interactions. This conclusion is complemented by Kwon et al. (2016) conceptualization of perceived similarity, underscoring the criticality of relatability for effective digital marketer-consumer rapport.

This study's third hypothesis connected the dots between parasocial relationships and risk reduction, where this study's findings verified that stronger parasocial ties, nurtured by liking, are associated with diminished bias and perceived risks. This is in harmony with Lotun et al.'s (2022) research and resonates with Forsythe et al. (2006) discussion on risk reduction, suggesting that robust parasocial connections can significantly lessen perceived risks in affiliate marketing engagements.

Lastly, this study's exploration of how risk reduction impacts the intention to engage with affiliate links demonstrated a positive association, corroborating with Ogbanufe & Kim's (2018) study on risk perception and click-through intentions. This is further supported by Olbrich's (2019) insights into click intentions, emphasizing the importance of mitigating risk perceptions to boost consumer interaction in affiliate marketing campaigns.

These findings broaden the scope of parasocial relationship theory, traditionally focused on celebrity-audience dynamics, to encompass affiliate marketing contexts. In today's digital age, where privacy and fraud concerns loom large, the capacity of marketers to build trust through parasocial mechanisms stands out as an essential tactic. Cultivating a sense of familiarity and trust through these interactions not only enhances engagement but also plays a crucial role in alleviating consumer concerns, showcasing the profound impact of psychological factors on digital marketing success.

CONCLUSION

This research addresses a critical issue in affiliate marketing: reducing perceived risk to increase consumer click intentions. This study's findings highlight the significant role of parasocial relationships in lowering perceived risk and boosting engagement with marketing links. Specifically, we demonstrate that factors such as liking and perceived similarity are not just superficial aspects of marketing strategies but are fundamental in cultivating parasocial bonds. These bonds are crucial for reducing perceived risk, especially among Generation Z consumers.

Consumers are naturally drawn to marketing content that resonates personally with them, a well-documented phenomenon. This study extends this understanding by quantifying this resonance through parasocial relationships, offering a novel perspective. These perceived one-sided connections are particularly influential in appealing to Generation Z, known for their skepticism towards traditional advertising and preference for relatable content.

For affiliate marketers navigating a saturated and skeptical market, This study's findings provide a strategic roadmap: fostering authentic relationships that build affinity and a sense of shared identity with the target audience. In today's digital landscape, where authenticity is paramount, emphasizing human elements like similarity and liking can bridge the gap created by digital impersonality.

As affiliate marketing evolves, a strategic shift towards nurturing parasocial relationships becomes essential for more effective campaigns, resulting in improved click-through and conversion rates.

However, this study has limitations. It primarily focuses on the immediate effects of parasocial interactions, without exploring their long-term durability or evolving influence over time. Additionally, this study's research scope is limited in terms of cultural and demographic diversity, raising questions about the generalizability of this study's findings across different groups. The predominantly quantitative approach also limits insights into the nuanced personal experiences within parasocial interactions. Future research should incorporate qualitative methods and more comprehensive surveys to deepen this study's understanding of these dynamics.

Moving forward, future studies must investigate the enduring impact of parasocial relationships on consumer behavior, examining whether these connections sustain engagement or undergo shifts in consumer attitudes. Exploring these relationships across diverse cultural contexts and demographics will validate the broader applicability of this study's conclusions. By integrating varied research methodologies, including qualitative inquiries and expanded survey tools, future studies can significantly enhance the robustness and depth of understanding in this area.

In conclusion, this study not only sheds light on the current landscape of affiliate marketing but also suggests pathways for its future development. It underscores the importance of recognizing

and leveraging consumers' innate desires for connection, trust, and risk reduction in shaping effective marketing strategies. This study's findings advocate for affiliate marketers to prioritize the cultivation of strong parasocial relationships to foster consumer engagement and drive click-through rates.

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