MBA633: Marketing Research

Impact of Influencer Marketing on Personal Care Product Segment in India

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Problem Definition – Background

- Influencer marketing is rapidly growing globally and in India, especially in the personal care segment.

- In 2022, influencer marketing in India was valued at $153 million, projected to reach $336 million by 2026 (Statista).

- Personal care (skincare, haircare, cosmetics) is a major contributor, with most sales moving online via Instagram, YouTube, and short video platforms.

- Gen Z and Millennials trust influencers more than traditional ads.

- 67% of Indian consumers rely on influencer recommendations before buying personal care products (Influencer Marketing Hub).

- Demand for clean-label and organic products has increased influencer collaborations for credibility and engagement.

Problem Definition – Statement

- Aim: Assess the impact of influencer marketing on the personal care product segment in India.

- Focus: How influencer marketing shapes consumer behavior, brand perception, and purchase decisions.

- Analyze trust-building and breaking in a rapidly evolving digital landscape.

Research Design

Exploratory Research:

- ZMET interviews
- Netnography (Reddit forums)

Descriptive Research:

- Survey (Google Forms, 80 responses, mostly IIT Kanpur students)

Sampling:

- Convenience (non-probability) sampling

Exploratory Research—ZMET

Interviewed 3 respondents (Anjali, 27F; Shubham, 23M; Anshika, 22F)

Each collected images for a week, followed by 2-hour interviews.

ZMET protocol included:

- Storytelling
- Missed Images
- Construct Elicitation
- Laddering
- Sensory Images
- Vignette
- Summary Image

Uncovered conscious and unconscious attitudes toward influencer marketing in personal care.

Exploratory Research—Netnography

- Reddit subreddits analyzed for discussions on influencer marketing.

- Provided qualitative insights into consumer perceptions, trust, and skepticism.

- Key themes: micro-influencer trust, organic vs paid promotions, platform differences, authenticity, and content style.

Descriptive Research—Survey

- Survey via Google Forms (shared on WhatsApp and college groups).

- 80 responses (majority IIT Kanpur students).

- Mix of structured (MCQ, dichotomous) and unstructured questions.

- Funneling approach and screening questions used.

- Avoided leading or biasing questions.

Data Analysis

Preparation:

- Removed duplicates and handled missing values.
- Standardized categorical variables (demographics, frequency, preferences).
- Ensured data quality and consistency.

Methodology:

- Used descriptive statistics to identify patterns.
- Hypothesis testing for research questions.
- Analytical models: Chi-Square Test, Frequency, PCA, Factor Analysis.

Research Questions and Analytical Methods

S No	Research Questions	Analytical Model
1	Which influencer type has the highest conversion rates?	Chi-square test
2	How do different platforms vary in effectiveness?	Chi-square test
3	Dependence of demographics on buying trends?	OLS regression
4	What role does authenticity on sponsored vs. organic content?	Frequency
5	Which factors influence consumer trust and brand perception?	PCA
6	Effect of influencer-promoted products on consumer purchase decisions?	Factor Analysis

Hypothesis and Results

RQ1: What type of influencers (micro, macro, celebrity) have the highest conversion rates for personal care brands in India?

H_{10}: The conversion rate for different types of influencers is the same.

H_{11}: The conversion rate for different types of influencers is different.

Quantitative Result: We fail to reject the null hypothesis, indicating that there is no statistically significant difference in conversion rates among micro, macro, and celebrity influencers.

This means micro-influencers have rapidly become as relevant as celebrity marketing for driving conversions in the personal care segment.

Q3_1_Recode * 1. After a positive influencer endorsement, how likely are you to repurchase the same personal care product? Crosstabulation

Count

		1. After a positive influencer endorsement, how likely are you to repurchase the same personal care product?					Total
		1	2	3	4	5	
Q3_1_Recode	1.00	2	8	18	7	4	39
	2.00	2	3	2	1	1	9
Total		4	11	20	8	5	48

	Value	df	Significance (2-sided)
Pearson Chi-Square	4.304[a]	4	.366
Likelihood Ratio	3.856	4	.426
Linear-by-Linear Association	1.699	1	.192
N of Valid Cases	48		

a. 7 cells (70.0%) have expected count less than 5. The minimum expected count is .75.

Hypothesis and Results

RQ1: What type of influencers (micro, macro, celebrity) have the highest conversion rates for personal care brands in India?

H_{10}: The conversion rate for different types of influencers is the same.

H_{11}: The conversion rate for different types of influencers is different.

Qualitative Result:

- Netnography: Influencers from either of these categories can be impactful depending on the kind of content they provide.

- Z-MET: Micro-influencers and authentic experts drive the highest conversion rates. Respondents trust relatable, honest, and unfiltered voices over celebrities or macro-influencers, who are seen as hype-driven and less credible.

Hypothesis and Results

RQ2: How do different platforms (Instagram, YouTube, etc.) vary in effectiveness?

H_{20}: All platforms are used equally for influencer marketing.

H_{21}: At least one platform is used more than others for influencer marketing.

Quantitative Result: We fail to reject the null hypothesis, indicating that there is insufficient evidence to conclude that Instagram is used more prominently than other platforms for influencer marketing. This suggests that, in our sample, Instagram and other platforms are equally important for influencer marketing effectiveness

Q1_2_Recode * Q3_Recode Crosstabulation

Count

		Q3_Recode					Total
		1.00	2.00	3.00	4.00	5.00	
Q1_2_Recode	1.00	0	2	5	5	2	14
	3.00	4	6	6	11	10	37
Total		4	8	11	16	12	51

Chi-Square Tests

	Value	df	Asymptotic Significance (2-sided)
Pearson Chi-Square	4.145[a]	4	.387
Likelihood Ratio	5.101	4	.277
Linear-by-Linear Association	.011	1	.917
N of Valid Cases	51		

a. 6 cells (60.0%) have expected count less than 5. The minimum expected count is 1.10.

Hypothesis and Results

RQ2: How do different platforms (Instagram, YouTube, etc.) vary in effectiveness?

H_{20}: All platforms are used equally for influencer marketing.

H_{21}: At least one platform is used more than others for influencer marketing.

Qualitative Result:

- Netnography: The audience for each of the platforms varies specifically with age and based on the target audience the apt platform can be chosen.

- Z-MET: Instagram is best for creating excitement and impulse buys, but YouTube is more effective for building trust and supporting informed purchase decisions through detailed, honest reviews.

Hypothesis and Results

RQ3: Is there a relationship between demographic characteristics and consumers' dependence on influencer endorsements for purchase decisions?

H_{30}: Demographic factors have no significant effect on the reliance on influencer recommendations for making a purchase.

H_{31}: Demographic factors have a significant effect on the reliance on influencer recommendations for making a purchase.

Quantitative Result: Since Age and Location show statistically significant effects ($p < 0.05$), we reject the null hypothesis (H_{30}) and accept the alternative (H_{31}):

Income and Gender have significant impact

Coefficients^a

Model		Unstandardized Coefficients B	Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	2.547	.424		6.010	.000
	Age	.711	.278	.492	2.561	.015
	Gender	-.339	.267	-.201	-1.268	.213
	Location	-.537	.223	-.445	-2.412	.021
	Income	-.073	.116	-.099	-.630	.533

a. Dependent Variable: Q2_3

Hypothesis and Results

RQ3: Is there a relationship between demographic characteristics and consumers' dependence on influencer endorsements for purchase decisions?

H_{30}: Demographic factors have no significant effect on the reliance on influencer recommendations for making a purchase.

H_{31}: Demographic factors have a significant effect on the reliance on influencer recommendations for making a purchase.

Qualitative Result:

- Netnography: GenZ are more likely to depend on influencer endorsements when making purchase decisions

- Z-MET: Demographics like age and gender have a significant impact with younger respondents making more impulse buys

Hypothesis and Results

RQ4: What role does authenticity (e.g., sponsored vs. organic content) play in the effectiveness of influencer marketing for personal care products?

H_{40}: User perception for organic (authentic) and paid (sponsored) content is the same.

H_{41}: User perception for organic (authentic) content and paid (sponsored) content is not same.

Quantitative Result: We reject the Null hypothesis and accept the Alternate hypothesis, based on percentage, and say organic content delivery helps build stronger user perceptions.

2. How do you perceive sponsored content versus organic (non-sponsored) content?

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	I trust organic content significantly more.	34	42.5	42.5	42.5
	I trust organic content slightly more.	26	32.5	32.5	75.0
	I trust sponsored content slightly more.	4	5.0	5.0	80.0
	I view them equally.	16	20.0	20.0	100.0
	Total	80	100.0	100.0	

Hypothesis and Results

RQ4: What role does authenticity (e.g., sponsored vs. organic content) play in the effectiveness of influencer marketing for personal care products?

H_{40}: User perception for organic (authentic) and paid (sponsored) content is the same.

H_{41}: User perception for organic (authentic) content and paid (sponsored) content is not same.

Qualitative Result:

- Netnography: Content that looks more raw and organic can have a higher impact but can be a time-taking process.

- Z-MET: Authenticity is crucial. Respondents are more influenced by genuine, transparent content than by overtly sponsored posts. Honest, balanced reviews build trust and drive effectiveness.

Hypothesis and Results

RQ5: Which factors influence consumer trust and brand perception in the personal care segment?

Quantitative Result: The two-factor model reveals that consumer trust and brand perception are influenced by two major dimensions: tangible brand attributes like quality, service, and pricing, and interpersonal influence, primarily through peer recommendations. This highlights the dual importance of brand performance and word-of-mouth credibility in shaping consumer attitudes in the personal care space

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.943	38.857	38.857	1.943	38.857	38.857
2	1.077	21.534	60.391	1.077	21.534	60.391
3	.951	19.015	79.406			
4	.557	11.146	90.553			
5	.472	9.447	100.000			

Extraction Method: Principal Component Analysis.

Component Matrix[a]

	Component	
	1	2
Q5_3_1	.736	-.185
Q5_3_2	.671	.323
Q5_3_3	-.113	.957
Q5_3_4	.655	-.091
Q5_3_5	.714	.122

Extraction Method: Principal Component Analysis.

a. 2 components extracted.

Hypothesis and Results

RQ5: Which factors influence consumer trust and brand perception in the personal care segment?

Qualitative Result:

- Netnography: Influencers can have a great impact on consumer trust and brand perception, which can be both positive.

- Z-MET: Key factors are influencer credibility, transparency about sponsorship, relatability, consistency between claims and results, and genuine storytelling.

Hypothesis and Results

RQ6: What are the key factors influencing consumer purchase decisions when exposed to influencer-promoted personal care products?

Quantitative Result: The two-factor model effectively groups the variables into meaningful latent constructs. The first factor appears to reflect professional credibility versus commitment to brand, while the second centers around transparent and authentic communication. This suggests that audiences may distinguish between influencers based on how genuine and skilled they appear versus how loyal they are to brands.

Total Variance Explained

Component	Initial Eigenvalues			Extraction Sums of Squared Loadings		
	Total	% of Variance	Cumulative %	Total	% of Variance	Cumulative %
1	1.361	34.027	34.027	1.361	34.027	34.027
2	1.046	26.147	60.174	1.046	26.147	60.174
3	.994	24.861	85.036			
4	.599	14.964	100.000			

Extraction Method: Principal Component Analysis.

Component Matrix[a]

	Component	
	1	2
Q2_2_1	.107	.637
Q2_2_2	.561	.607
Q2_2_3	.593	-.505
Q2_2_4	-.827	.132

Extraction Method: Principal Component Analysis.

a. 2 components extracted.

Hypothesis and Results

RQ6: What are the key factors influencing consumer purchase decisions when exposed to influencer-promoted personal care products?

Qualitative Result:

- Netnography: These factors can potentially include trust on influencers and the content that they are making. Along with this, it is also observed that there is a higher appeal of influencers among GenZs, which can also be a result of emotional appeal, and the idea of fitting in, etc.
- Z-MET: Decisions are shaped by influencer authenticity, emotional appeal (FOMO, aspiration), expertise, visual demonstration, platform context, and the sense of peer advice or community.

Some additional insights from ZMET

Factor	Respondent Insights	Supporting Research (*online sources)
Authenticity	Honest reviews > polished ads (Shubham)	70% of Indians trust influencers they perceive as genuine.
Expertise	Doctor reviews "felt logical" (Anjali)	Credibility boosts purchase intent by 54%.
Emotional Appeal	Skincare as bonding time (Anshika)	Emotional connection increases sales by 30%.
FOMO	Repetition makes products feel essential (Anjali)	21% of Indians buy due to FOMO.

Limitations

- Demographic bias: Sample mostly IITK students, not fully representative.
- Small sample size (~80), limiting generalizability.
- Netnography and ZMET findings based on few forums and 3 respondents.
- Interpretive nature of Netnography/ZMET insights.
- Ethical considerations in analyzing public content and personal imagery.

Conclusion and Recommendations

- Micro-influencers and authentic experts drive higher conversion rates through relatable, honest voices.
- Content type is more important than influencer category.
- Platform choice matters: Instagram for excitement/impulse, YouTube for trust/informed decisions.
- Authenticity is critical: genuine, transparent content and balanced reviews build trust.
- Consumer trust and brand perception shaped by influencer credibility, transparency, relatability, and storytelling.
- Key purchase drivers: authenticity, emotional appeal, expertise, visual demonstration, platform context, peer/community influence.
- Brands should prioritize genuine, expert-led, emotionally resonant campaigns for both conversions and long-term brand equity.

THANK YOU!

Open for Questions

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