

How social media influencers impact consumers' purchase intention when buying cosmetics?

A mixed methods research on influencer marketing and its implications in the cosmetics industry

MODULE TITLE: DISSERTATION LCMB7020_LON

SUPERVISOR: MD SADEQUE IMAM SHAIKH

STUDENT NAME: NADEZHDA KITANOVA

STUDENT NUMBER: 1918675



PRIFYSGOL CYMRU
Y Drindod Dewi Sant
UNIVERSITY OF WALES
Trinity Saint David

**Master's Degrees by Examination and Dissertation
Declaration Form.**

1. This work has not previously been accepted in substance for any degree and is not being concurrently submitted in candidature for any degree.

Signed.....*Nadezhda Valerieva Kitanova*.....

Date*9th June 2021*.....

2. This dissertation is being submitted in partial fulfilment of the requirements for the degree of Master in Business Administration.

Signed*Nadezhda Valerieva Kitanova*.....

Date*9th June 2021*.....

3. This dissertation is the result of my own independent work/investigation, except where otherwise stated.

Other sources are acknowledged by footnotes giving explicit references.

A bibliography is appended.

Signed candidate: ...*Nadezhda Valerieva Kitanova*.....

Date:*9th June 2021*.....

4. I hereby give consent for my dissertation, if accepted, to be available for photocopying, inter- library loan, and for deposit in the University's digital repository

Signed (candidate).....*Nadezhda Valerieva Kitanova*.....

Date.....*9th June 2021*.....

Supervisor's Declaration.

I am satisfied that this work is the result of the student's own efforts.

Signed:*Md Sadeque Imam Shaikh*.....

Date:*9th June 2021*.....

University of Wales: Trinity Saint David E-Thesis Deposit Agreement

Details of the Work

I would like to deposit the following item in the digital repository maintained by the University, and/or in any other repository authorized for use by the University:

Title: How social media influencers impact consumers' purchase intention when buying cosmetics?

A mixed methods research on influencer marketing and its implications in the cosmetics industry

This item is a product of my own research endeavours and is covered by the agreement below in which the item is referred to as "the Work". It is identical in content to that deposited in the Learning Resources Centre, subject to point 4 below.

I agree that the University of Wales: Trinity Saint David may electronically store, copy or translate the Work to any approved medium or format for the purpose of future preservation and accessibility. The University is not under any obligation to reproduce or display the Work in the same formats or resolutions in which it was originally deposited.

UW: TSD Digital Repository

I understand that work deposited in the digital repository will be accessible to a wide variety of people and institutions, including automated agents and search engines via the World Wide Web.

I understand that once the Work is deposited, the item and its metadata may be incorporated into public access catalogues or services, such as national databases of electronic theses.

I agree as follows:

1. That I am the author or have the authority of the author/s to make this agreement and do hereby give the University of Wales: Trinity Saint David the right to make available the Work in the way described above.
2. That the electronic copy of the Work deposited in the digital repository and covered by this agreement, is identical in content to the paper copy of the Work.
3. That I have exercised reasonable care to ensure that the Work is original, and to the best of my knowledge, does not breach any laws including those relating to defamation, libel and copyright.
4. That I have, in instances where the intellectual property of other authors or copyright holders is included in the Work, gained explicit permission for the inclusion of that material in the Work, and in the electronic form of the Work as accessed through the open access digital repository, or that I have identified and removed that material for which adequate permission has not been obtained and which will be inaccessible via the digital repository

5. That University of Wales: Trinity Saint David does not hold any obligation to take legal action on behalf of the Depositor, or other rights holders, in the event of a breach of intellectual property rights, or any other right, in the material deposited.
6. That I undertake to indemnify the University of Wales: Trinity Saint David against all actions, suits, proceedings, claims, demands and costs occasioned by the University in consequence of any breach of this agreement

Signature Nadezhda V. Kitanova... .

Date 9th June 2021.....

TABLE OF CONTENTS

1. CHAPTER I <i>Introduction</i>	3
2. CHAPTER II <i>Literature Review</i>	7
2.1 The evolution of virtual communities.....	7
2.2 Theoretical explanations of the Influencer phenomenon.....	8
2.2.3 Opinion / Taste Leadership.....	9
2.3 Influencers as role models.....	10
2.4 Source Credibility	11
2.5 Source Attractiveness.....	12
3 CHAPTER III <i>Methodology</i>	13
3.1 Research philosophy and research approach.....	13
3.2 Research design.....	14
3.2.1 Questionnaire.....	14
3.2.2 Experiment.....	15
3.2.3 Interviews.....	16
3.3 Sampling.....	16
3.4 Data analysis.....	17
3.5 Data Collection.....	17
4. CHAPTER IV <i>Quantitative data results</i>	19
5. CHAPTER V <i>Qualitative data results</i>	34
6. CHAPTER VI Critical evaluation and Limitations.....	38
7. CHAPTER VII <i>Discussion</i>	39
7.1 Conclusions from RQ1.....	39

7.2 Conclusions from RQ2.....	40
7.3 Conclusions from RQ3.....	41
7.4 Conclusions from RQ4.....	41
7.5 Recommendations for practitioners and future research	42
8. References	44
Appendix I.....	47.
Appendix II.....	49

ABSTRACT

The emergence of the Internet has laid the foundations of new ways of doing business and marketing. Influencer marketing has quickly become a preferred communication channel, because of its cost-effectiveness and reach capabilities. Despite some prior theoretical explanations of this phenomenon, there is still little evidence on the effectiveness of social media influencers. The aim of this research is to explore what it takes to be a successful influencer and how these impact consumers purchase intentions. It focuses on the growing cosmetics industry, where influencer marketing is already a must-have practice. As it is a quite contemporary and somewhat ambiguous topic, a mixed-methods research and data triangulation was used to assure higher reliability of results. Although the findings of this research don't prove a direct impact of influencers on purchase decisions, they highlighted the importance of social media and influencers for consumer attitude and their role in the customer buying journey.

CHAPTER I INTRODUCTION

What emerged as user-generated content(UGC), in the form of reviews, how-to videos and images, shared via social media platforms like Facebook, YouTube and Instagram, is now a multi-billion industry, part of the marketing agenda of every modern company. While in 2017 the global spending on influencer marketing was estimated to be around \$2 billion (Forbes, 2019), the industry is expected to reach \$13.8 billion in 2021 (Influencer Marketing Benchmark Report 2021, Influencer MarketingHub).

Undoubtedly, cosmetics companies were one of the earliest adopters of influencer marketing. Marketers have spotted the positive effect of influencers over brand image, brand engagement and conversion/sales. Estee Lauder, a beauty giant company, holding more than 100 brands in its portfolio, dedicates 75% of its marketing budget

to social media influencers. (The Drum, 2019). Further, numerous beauty influencers have started their cosmetic brands, which quickly become preferred consumer choices, mainly because of the influencer-creator. A perfect example of a successful social media influencer is Huda Kattan, founder of Huda Beauty (47.9 million followers on Instagram). In 2007 Huda started a blog, which turned out on a YouTube channel about beauty hacks, makeup and DIY tutorials. Today, her cosmetic company is selling more than 140 products, bringing around \$250 million in annual sales (Forbes, 2020 AMERICA'S SELF-MADE WOMEN NET WORTH, 2020). Brands have discovered that working with social media influencers and influencer marketing can provide benefits such as a far-reaching impact and viral growth potential (De Veirman et al., 2017). But what makes a social influencer influential? What are the features that make one piece of user-generated -content viral and possibly impactful over the viewer's perception of a product? Influencer marketing is a relatively new topic of research (De Veirman et al., 2017) therefore, this study has the aim to investigate the impact of influencers' content on consumers' attitude and purchase behaviour. The research focuses on the beauty industry, as influencer marketing has enabled cosmetic brands to drive awareness, improve relationships with customers and stimulate long-term brand advocacy by this "consumer-to-consumer" communication channel. The purpose of this research is to gain insights into how beauty influencers impact consumers' purchase intention in 2021. The influencer marketing industry is now worth billions of dollars, but it is still quite an unexplored area. Especially in the cosmetics industry, as discussed in the next chapters, it is going to become harder for marketers to distinguish between credible content and content, created to be entertaining and draw attention. Therefore, based on literature review and current market trends, the following research objectives were outlined:

1. To understand consumers' attitudes towards beauty influencers in the current economic and social circumstances
2. To examine the relationship between the influencer's perceived social attractiveness and consumer's purchase intention
3. To understand the factors, which determine the viewer's credibility and its relationship with the purchase intention
4. To explore other factors, influencing consumers when buying cosmetics

The questions, which this research aims to answer are:

1. Are social media influencers a source of aspiration, information or entertainment for the consumer?
2. Which are the factors, which make one influencer credible and trustworthy?

3. Does an influencer's social attractiveness (lifestyle, physical appearance, material possessions, language) have any influence over the consumer's purchase decision? Is it positive or negative?
4. What is the role of influencers and social media in consumers' purchase intention, when buying cosmetics?

The effectiveness of social media influencers could be partly rationalized by theories dating before the existence of social media, like word-of-mouth marketing and its psychological implications (Arndt J, 1967; Dichter E., 1966). The literature review in chapter II discusses theories and models rationalizing the success of the influencer phenomenon. Two main attributes, which make influencers and their content so effective - credibility and social attractiveness, were adopted from academic texts to be fundamental for quantitative and qualitative data collection. Influencers are ordinary people, not celebrities, using word-of-mouth on social media platforms, easily accessible from everyone, which makes them closer to the viewer and thus a more credible source of information. The regular influencer is socially appealing to the viewer, which usually implies they have the viewer's desired / ideal physical appearance or lifestyle. Beyond the subject-related, informational content, influencers are known to share aesthetic images of their homes, personal possessions and exotic vacations. The circumstances of 2020 made us "move" our daily tasks digitally, which led to more time spent online. This, along with other social and economic factors, gave rise to a demand for more "real", not over-edited content in the beauty community. Consumers are drawn to quality over quantity on social media, they are seeking easy and applicable makeup tips, rather than complicated multi-step routines. Excessive makeup buying, actively encouraged by influencers, is giving places to more rational and environmentally-conscious ways of shopping. (The state of Influencer marketing in Beauty, Whitepaper, 2020). The observation of these recently emerged trends is the main motivation behind this study. To accurately respond to these trends, marketers would have to rethink their influencer strategy. Because it is a contemporary and quite ambiguous topic, flexible and diversified methodology and methods are considered to be more appropriate. Chapter III, Methodology, gives details of why pragmatic research philosophy and mixed methods research were considered to be the most appropriate ones for this research. The chapter also explains the quantitative and qualitative methods used and the data collection process. A questionnaire, conducted among 109 social media users and cosmetics buyers and 4 interviews with experts from various industries are the primary data collection methods used in this paper. Chapter IV and V analyzes the results from the questionnaire and the interviews, by collating those to peer-reviewed academic texts with a similar purpose, and global marketing statistics to ensure higher validity of the results. The next chapter is a critical evaluation of the conducted research and its

limitations. Chapter VI, Discussion & Recommendations draws conclusions on the research objectives and gives recommendations for practitioners and future research.

CHAPTER II

LITERATURE REVIEW

2.1 THE EVOLUTION OF VIRTUAL COMMUNITIES

To understand the role of influencers, their medium of operation, social media, is to be explored first. The emergence of social networking websites like Facebook and MySpace led to the popularity of the terms "social media" and "Web 2.0" (Kaplan and Haenlein, 2010). Web 2.0 is a new advancement, which has transferred the Internet to a social environment by introducing social media, where individuals can interact and generate content online (Lai & Turban 2008). Despite being a recent phenomenon, the attributes of social media have been widely recognized in academic texts. Social media introduced to the individual the possibility to easily share and generate information, connect with other individuals alike, thus creating online communities. (Lai & Turban 2008; Mueller et al. 2011; Chen et al. 2011; Lu & Hsiao 2010). Online communities are now a place to share information and gain knowledge about products and services (Chen et al. 2011a). Some of the main characteristics which distinguish online communities and have made them attractive to marketers are that these tend to be larger, with more heterogeneous social characteristics, but with more homogeneous interests and attitudes (Hiltz and Wellman, 1997). This makes them a perfect target market for companies (Ridings & Gefen 2004). Although these communities have been a topic of interest since the early years of the Internet (Hiltz, 1984; Hiltz and Wellman, 1997), it could be stated that social media platforms have facilitated their popularity. A perfect example of this evolution is the online beauty community, which continues to expand. What started in 2006 as a benevolent exchange of makeup tips and tricks, is now a multi-billion industry. Early YouTubers like Huda Katan, James Charles, Jeffree Star, have now millions of followers on social media and some of them have started their own cosmetic brand, transforming these people from ordinary people into public figures with huge profits. These "community leaders" have also influenced consumer behaviour. Often, their content promotes the purchase of multiple makeup and skincare products, which leaves the regular consumer with the impression that results are achievable only if they own these products. Inspired by influencers, nowadays consumers are stockpiling cosmetic products, some of which they never use (INSIDER, 2020). The economic difficulties and lifestyle changes, provoked by the global COVID-19 pandemic gave rise to new trends in the beauty

community, which may drastically change the consumer attitudes towards beauty influencers. Until now, consumers would perceive the luxurious, aesthetically pleasing Instagram content as a source of inspiration and entertainment. This sense of escapism has shifted from aspirational – some might say unattainable – representations of people "living their best life", to hinging on realism (The state of Influencer Marketing, 2020). Spending more time at home and on social media gave the consumers a possibility to put into practice the beauty influencer's tips and rethink their validity in real life. This gave rise to a new type of beauty influencers, like Robert Welsh (767K subscribers on YouTube), focusing on distinguishing Instagram-valid tips and techniques from the ones, actually necessary in real life. What is more, with the rising popularity of video filters on social media platforms (Instagram, Snapchat), lots of beauty influencers have been accused of presenting misleading information on the product's attributes. These recently emerged controversies are gaining more and more engagement on social media, so these may cause a shift in consumer attitudes and purchase behaviour.

2.2 THEORETICAL EXPLANATIONS OF THE INFLUENCER PHENOMENON

The growing popularity of social media laid the foundations of the so-called "influencer marketing". Research, conducted in 2016 by Berger and the Keller Fay Group, found that 82% of the respondents are highly likely to follow an influencer's advice. Being a recently developed division of marketing, there is still little evidence of "influencer marketing" in academic texts. On the other side, for numerous market research platforms and business magazines, "influencer marketing" has been a topic of interest. Influencer marketing is easily described as marketing on social media that focuses on using influencers to drive a brand's message to the larger market. (Tapinfluence, 2017). Influencer marketing employs leading, niche content creators to improve brand awareness, increase traffic, and drive your brand's message to your target audience. (Hubspot, 2021).

Interestingly, the effectiveness of social media influencers could be somehow explained by theories dating before the existence of social media (Arndt J, 1967; Dichter E., 1966). Psychologist Ernest Dichter looks at the psychology behind WOM and studies the motivation of the speaker and listener. He comes to the conclusion that "advertising cannot sell against personal influence" and that strong interpersonal relationships, based on common interests are essential in a buying situation. His study further implies that for a speaker to share a product recommendation, some kind of intangible rather than a material reward is expected. On the other hand, the non-material reward is the most basic motivation for the listener to accept the

recommendation and perceive the speaker as benevolent and trustworthy. Dichter's theory is the foundation of influencers' success, but it is only partly valid, considering that nowadays influencers often receive material rewards in exchange for their content. Several studies conclude that not disclosing sponsored content harms the influencer's credibility, which is one of the major attributes for an influencer's success (Evans N et.al., 2017; De Veirman, 2019;).

In modern academic texts, influencer marketing is often associated with eWOM. (Sudha & Sheena, 2017; De Veirman, 2017). The power of eWOM has been widely recognized and social media has amplified and accelerated its reach. (De Veirman, 2017). Word-of-mouth marketing transforms commercial information into cultural stories relevant to the members of particular communities (Kozinets et al., 2010). Word-of-mouth can be easily confused with influencer marketing: when a customer spreads a message through WOM, influencer marketing is the process and WOM is often the medium (Markethub, 2016). Unlike Dichter, contemporary academics describe influencers as third-party endorsers, with engaged follower bases, which shape consumer attitudes and strongly influence purchase decisions (Freberg K, Graham K. et. al, 2011; De Veirman, 2017; Stubb C. et al, 2019). Despite disclosing sponsored content is not yet common practice among beauty influencers, the majority of them indirectly indicate it, by mentioning whether the products were sent to them (gifted) or bought. Yet, this study will further explore if the essence of the eWOM (sponsored or not) affects the influencer's credibility if there is an already established relationship between the influencer and its followers.

2.2.3 OPINION / TASTE LEADERSHIP

WOM theory partly explains the success of influencers, but it doesn't explain why one piece of user-generated content (UGC) is more influential than another. The opinion leadership theory emerged from Katz's communication model. The author describes opinion leaders as people who are more credible than traditional advertising, due to their relationship with like-minded peers. Opinion leaders are described as credible, creative and more familiar with products than the regular user (Katz, 1957). Opinion leadership theory is often used to explain the influencer marketing phenomena (McQuarrie et. al, 2012). McQuarrie's Megaphone effect is a theory, proposing that a regular social media user could achieve influence by demonstrating good taste (taste leadership). Although similar to opinion leadership, expertise is essential for the influencer, McQuarrie's taste leadership indicates the importance of the influencer's sense of aesthetics and his / her prestige. Indeed, if an SMI identifies objects with good esthetic design and posts them on social media, s/he is seen as having good taste. Whether or not one's esthetic taste is good depends on whether those with higher social standing appreciate it (McQuarrie et. al, 2012). Taste leadership theory is quite

accurate for beauty influencers. Beyond the subject-related informational content, mega influencers are known to share aesthetic images of their homes, personal possessions and exotic vacations. Taste, as defined by Merriam Webster, is a manner or aesthetic quality indicative of such discernment or appreciation. Taste, though, is an individual sense. Therefore, it is questionable if it is among an influencer's attributes for success. On the other hand though, by regularly demonstrating good taste, the influencer can become a source of aspiration, a role model for the follower, which can lead to compliance and attempts to imitate the influencer's behaviour.

2.3 INFLUENCERS AS ROLE MODELS

The power of influence is said to lead to compliance and imitating the influencer's behaviour (Scheer, L., & Stern, L., 1992; Ruvio et al., 2013). Gaining the follower's compliance is a long-term process, where not all influence attempts are equally effective. Short-term influence attempts could be seen as infringing the target's sense of autonomy, but if this initial reaction is overcome and the target receives continuously favourable outcomes, compliance is achieved (Scheer, L., & Stern, L., 1992). The consumer's doppelganger effect (Ruvio et al., 2013) also highlights the follower's tendency to comply, or as concluded by the study, to intentionally mimic other consumers they regard as relevant role models. Ruvio emphasizes the importance of how relevant the influencer is to the consumer - the more similar the consumer feels to the influencer, the more likely is the desire to mimic. Role models could be either bidirectional (family members, peers) or unidirectional (social media influencers, celebrities). The consumer's doppelganger effect could be used to partly explain the effectiveness of social media influencers, especially in the beauty community, where product relevance is essential (different skin types and complexion shades require different products). It is important to outline that in the case of unidirectional mimicry, the role model's relevancy relies on the mimicker's perception of relevancy alone, as there is no real contact between the mimicker and the role model. (Ruvio et al., 2013). Intentional or unintentional, mimicry is common on social media and proof of it are the numerous techniques, community challenges and trends that initially originated from one user and later recreated by a large number of other users. This type of content is said to be "viral" - quickly and widely popularized on social media. A major limitation of Ruvio's research is that respondents were teenage girls between 15-18 and their mothers. This group doesn't cover the target population of this research and is not part of the segment with the highest purchasing power.

The next two sections of the literature review explore the major attributes of a successful influencer, standing out from academic texts. The source credibility model

(Hovland and Weiss 1951) and the source attractiveness model (McGuire 1985) will be used as a foundation to develop the variables for this research.

2.4 SOURCE CREDIBILITY

Trust plays a vital role in almost any activity that requires monetary transactions (Goh et al., 2013). Several academic sources state that user-generated content genuinely is perceived as more trustworthy and therefore more impactful than company-generated content. (Ridings & Gefen 2004; Mukherjee, A., & Nath, P., 2007; Lee, J. E., Watkins, B., 2007). The source credibility model states that the effectiveness of a message depends on the perceived trustworthiness and expertise of an endorser (Hovland and Weiss, 1951; Ohanian, 1990). Trustworthiness refers to the endorser's perceived honesty, integrity and authenticity (Erdogan, 2001). While expertise indicates the perceived knowledge, experience and skills of the endorser (Hovland and Weiss, 1951). Influencers who have been viewed as experts tend to be more persuasive (Aaker and Myers, 1987; Erdogan, 2001). A credible endorser generally indicates a positive effect on consumers' perception (Goldsmith et al. 2000). Information presented by a credible source can affect consumers' beliefs, opinions, attitudes and behaviours (Wang et al. 2017) and therefore their purchase intentions (Ohanian, 1990). The same study from Ohanian though, implies that high source credibility by itself does not always guarantee higher effectiveness. If the audience is already positively predisposed to the message, a less credible source could be as effective as a higher one (Ohanian, 1990). This observation could be explained by Brown's theory (Brown et al., 2007) which implies that the effectiveness of eWOM is strongly connected with both source credibility and tie strength. Tie strength is explained as the strength of the interpersonal relationship between the speaker and the listener. It depends on the frequency and the type of information exchanged, but also on the level of intimacy and the sense of mutuality in the relationship. Brown further justifies his theory, by looking at the endorser as a brand and referring to consumer-brand relationship literature. Individuals have an underlying need for an emotional bond with high-involvement products that they buy (Palmer, 1996, cited in Brown et al., 2007). In the context of the beauty community, it is hard to determine whether trust, expertise or intimacy are driving consumer attitudes. A big percentage of the most known beauty influencers like Huda Katan, Nikkie Tutorials, James Charles, Kylie Jenner, don't have a professional background in makeup, that is, they are lacking expertise. The advancement of AI technology, the monetizing of the influencers activity and some recent movements in the beauty community, had put in question the influencers' perceived trustworthiness. Indeed, intimacy is very influential in the beauty community and evidence for that are many influencers with millions of

engaged audiences. On the other side, the beauty community is characterized with a lot of drama and sometimes scandalous reveals about the influencers' personal lives, which strongly influences their audience's attitudes (Jeffree Star, 13.8 million Instagram followers, was recently accused of racism in some of his old Twitter posts, which drove away a big number of his followers). The ambiguity of source credibility and intimacy in an online environment has also been outlined in the study by Brown et al., 2007. It states that online identity may be difficult to ascertain, as perceptions derive from the rather impersonal communication provided by the endorser, therefore further knowledge on the influencer's background and attributes is limited. This study will undertake trust, expertise and relationship's intimacy as the key variables of source credibility and will further explore how they correlate and impact purchase intention in the cosmetics industry.

2.5 SOURCE ATTRACTIVENESS

Along with trustworthiness and expertise, attractiveness is also said to affect the initial attitude of individuals. For an influencer, attractiveness is as important as expertise, information and financial resources. (Scheer, L., & Stern, L. 1992). A vast majority of academic texts have reviewed the concept of attractiveness (Baker, M. & Churchill, G. A., 1977; Mills, J. & Harvey, J., 1972) and its influence on communication and advertising. A major limitation of these studies is that there is not a unidimensional construct for attractiveness (Ohanian, R., 1990). What is more, most of these early studies focus on physical attractiveness, while this research has the aim to explore a broader aspect of attractiveness, i.e social attractiveness, which focuses more on the influencer's overall personality attributes. The Source attractiveness model constitutes that the effectiveness of a message depends on the similarity, familiarity and likeability of an endorser. Similarity is defined as the level of resemblance between the influencer and the listener, familiarity as the influencer's popularity and likeability as the fondness towards the source as a result of their physical attractiveness and behaviour. In some studies, the similarity is also referred to as "homophily" (Lee, J. E., Watkins, B., 2007, Brown et. al., 2007). This concept suggests that an individual has a greater tendency to form relationships with those alike in some respect (Turner J. R., 1993). Turner also states that homophily and social attractiveness are very similar constructs, as homophily lays the foundation of social attractiveness. The similarity suggests greater levels of attraction and trust. (Brown et. al., 2007). A study on YouTube vloggers' influence on consumer perception and attitudes showed that social attractiveness has a positive influence on consumers' perception and the more attractive the endorser is, the more likely is the viewer to perceive they hold similar beliefs (Lee, J. E., Watkins, B., 2007). This research also concludes that social attractiveness has a greater influence on consumers than physical attractiveness.

Another, very recent study also implies that it's the influencer's inspiring persona, not their visually pleasing content that transforms the listener into a follower (Ki C. et. al, 2020). Kelman, 1961 talks about the process of identification, where the individual accepts the information from the attractive source as a result of their desire to identify with the source. Kelman's concept is similar to Ruvio's doppelganger effect, discussed in the previous chapter. From the reviewed texts so far it is clear that social attractiveness could shape consumers perceptions and attitudes, but there is little evidence yet whether the follower's desire to imitate translates into their desire to purchase the product. Studies before the existence of social media claim that there is a positive correlation between social attractiveness and purchase intention (Erdogan, 1999), but more recent research constitutes that social attractiveness has a positive correlation on consumer attitude, but doesn't have an influence on purchase intention (Lim et. al., 2017). As stated above, the concept of social attractiveness is broad and there is no single set of attributes behind it. This study has the purpose to come up with a social attractiveness framework, based on the literature reviewed, and further, explore its influence on purchase intention in the cosmetics industry.

CHAPTER III

METHODOLOGY

3.1 RESEARCH PHILOSOPHY AND RESEARCH APPROACH

The research question arose from the researcher's unintended observation of makeup consumers' attitudes and feelings, provoked by influencers' content and its inconsistency with real life. The purpose of this research is to acquire applicable business insights, so a pragmatic philosophy was considered to be the most appropriate one. Pragmatism focuses on practical outcomes, rather than on abstract effects (Saunders, M. et al., 2019). As mentioned above, the research question arose from a real-life problem therefore, this research aims to provide practical solutions for businesses and deliver better effectiveness of using influencer marketing. It could be stated that the researcher's unintended observation wouldn't attract their attention if it didn't somehow become a consumer pattern. What is more, it was depicting a controversy between the product's online reputation (5-star product reviews, positive eWOM, sales figures) and users' feedback in real life. Therefore, the abductive research approach was chosen as the most appropriate one for this study.

When collecting data to explore a phenomenon or explain and identify patterns, additionally tested through own data collection, the researcher undertakes an abductive approach (Saunders, M. et al., 2019). Abduction often begins with the observation of a “surprising fact” (Van Maneen et. al., 2007). Instead of moving from theory to data (as in deduction) or data to theory (as in induction), an abductive approach moves back and forth, in effect combining deduction and induction (Suddaby 2006, cited in Saunders, M. et al., 2019). Saunders further suggests, that in practice a lot of researchers use a form of abduction, as using a pure deduction or induction is often impossible in real-life research. What is more, social media trends and attitudes are constantly changing, which calls for greater flexibility, this being a distinctive feature of the abductive approach.

3.2 RESEARCH DESIGN

The research design constitutes the overall plan of how the research question will be answered (Saunders, M. et al., 2019). Following Saunders’ research onion, undoubtedly, the research design is influenced by the research philosophy and the research approach. Taking into consideration the nature of the research question and the philosophy to be followed, the most suitable for this study will be the mixed methods research. This method implies the use of both quantitative and qualitative data collection techniques and it is often associated with the pragmatism philosophy. It bases its belief on the assertion that there are multiple ways of interpreting the world (Saunders, M. et al., 2019). Having in mind the fact that the topic of the research question is new and not in-depth explored, the study wants to examine and compare various sources of information. Using different data - quantitative and qualitative, primary and secondary, suggests more credible results, as it verifies different sources, using various techniques. A single-phase research was preferred to a multi-phase one, to allow more time for interpreting the collected data. The research design, therefore, could be defined as a concurrent triangulation design (Saunders, M. et al., 2019). The triangulation method, used predominantly in qualitative research, ensures higher credibility and validity of results. (Tashakkori, A., Teddlie, C., 2010). Different quantitative and qualitative data collection tools are to be used. The next subchapters are describing the research strategies which are going to be used.

3.2.1 QUESTIONNAIRE

A self-completion survey is the primary quantitative data collection tool. The main purpose of the questionnaire is to understand consumers’ attitudes towards beauty influencers in the current economic and social circumstances and find out their relation (if any) to the consumers’ purchase intention. To ensure higher response rates

and minimize data contamination, the survey won't be longer than 10 questions. The questions' structure will be as simple as possible, close-ended, with short sentences and clear statements to avoid respondents' confusion and loss of interest to complete the questionnaire. Online software, SurveyMonkey, was used to design the questionnaire. It was distributed using the means of social media and the Internet - direct messages, posts in relevant Facebook groups and forums. Due to time limitations, the marketplace Amazon Mechanical Turk (MTurk) is to be used to achieve credible and valid results. The questionnaire consists of two parts - the first section contains 2-3 demographic and behaviour questions. The next parts are about the influencers' attributes and how these relate to their purchase intention.

3.2.2 EXPERIMENT

The survey method is very efficient and widely used for collecting large amounts of data, but it doesn't allow much control over the respondents, which may lead to biased and unreliable results. Having in mind that the research question explores psychological and subjective individual matters like trust, social attractiveness and their relationship with purchase intention, the experiment method will also be used. The purpose of the experimental study is to examine the change in one variable when changing another. (Saunders, M. et al., 2019). This method will focus on the relationship between social attractiveness (with the assumption that the influencer's social attractiveness would result in the viewer's attempt to imitate the influencer) and purchase intention. The consumers' purchase intention is the independent variable and the influencer's social attractiveness is the dependent variable. The influencer's social attractiveness will be pictured by a series of images, not related to the product itself, but portraying their lifestyle - luxury possessions and holidays, events and places visited. The participants will be divided into two groups - an experimental and a control group. Both groups will see a company image or video ad of the same product, followed by an image of an influencer, showcasing the same product. The participants from the experimental group will additionally see a few more images, showcasing the influencer's lifestyle. Both groups will be told that the influencer is highly recommending the product and that he/she is not a professional makeup artist, thus eliminating the expertise factor. Further, the participants will be asked to answer a few questions on how they feel about the product and if they are likely to purchase it. The results aim to show if there is a positive or negative correlation between social attractiveness and purchase intention. The experimental method was chosen as it stimulates responses based on the subconscious mind and human senses rather than on the rational mind. Going back to the idea of "attractiveness", it could be generalized that being attracted to someone, is a subconscious rather than a rational process. What

is more, the purchase of makeup itself, especially in periods of economic downturn, could be described as an emotional process. The theory of the lipstick effect suggests that in periods of economic recession, the consumption of cosmetic products is likely to increase (Griskevicius, V. et. al., 2012).

3.2.3 INTERVIEWS

While the questionnaire and the experiment methods are aimed to provide more quantitative data, interviews will have the purpose of exploring in more detail which factors influence consumers' purchase intention. The interview method was chosen as it allows the respondents to share their thoughts, without the limitations of a survey, where the respondent has to choose his answer. Semi-structured interviews or qualitative research interviews allow more freedom in responses, as it uses key questions only as guidance (Saunders, M. et al., 2019). This method also allows the researcher to explore new and unknown ideas, which may emerge from the interviews. The interview questions use as fundamentals of the theories, discussed in the literature review chapter. To be able to compare the results from the interviews to the ones from the survey, the questions follow an identical structure. The interviews will be held via the Internet, using a video meetings software, Zoom. When possible, a video meeting will be held, for the interviewer to observe emotions and body language reactions. From the beginning of the interview, the interviewee will be asked to say a few words about themselves, related to their age, occupation and makeup buying habits. The interviews will focus predominantly on the relation between the influencer's credibility and purchase intention, factors influencing purchase intention and the consumers' overall attitudes towards influencers.

3.3 SAMPLING

The target population for this research are all individuals who buy makeup and use one or more of the main social platforms, where influencers present their content - Instagram, Youtube, TikTok, Snapchat, Facebook. As it is difficult to determine a sampling frame, a non-probability quota sampling will be used. The quotas would be determined by age and the frequency of buying makeup products. The questionnaire and the experiment were transmitted to a larger sample population, to obtain general insights for the makeup products consumer. The interviews will be targeting experts from different industries, concerned in this research - makeup artists, marketing employees and cosmetic brand business owners.

3.4 DATA ANALYSIS

The questionnaire will be conducted using SurveyMonkey software, which also provides data analysis tools. This is very useful as it eliminates the possibility of faulty data entries. However, as the questionnaire will provide rather categorical than numerical data, additional data coding was carried out to categorize responses. The quantitative data analysis will use descriptive statistical tools like standard deviation, frequency distribution. As the research focuses on the relationships between the variables, correlation analysis tools like chi-square will be used to prove or reject the independence between the variables. The statistical analysis will be carried out using specialized statistical software, SPSS. The research aims to use data triangulation by comparing the primary data collected through the questionnaire and the interviews with secondary data from academic texts, exploring similar research questions.

3.5 DATA COLLECTION

The questionnaire, which is the primary quantitative data collection tool, was held in the period 1st - 28th April 2021. Initially, it was distributed through social media platforms (LinkedIn, Instagram, Facebook) in the forms of posts (LinkedIn & Facebook) and Stories (Instagram). Due to low response rates, Amazon's Mechanical Turk (MTurk) platform was used to collect more responses. In total 109 respondents took part in the survey, with a 100% completion rate.

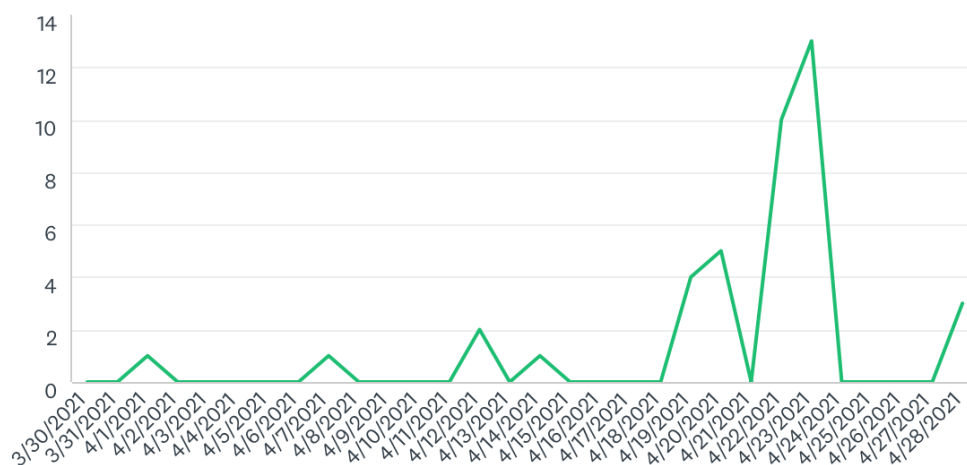


Figure 1: Questionnaire response rates in the time period

The interviews were carried out in the same period, using the video meetings software Zoom and face-to-face meetings. 2 out of 4 interviews were held via the Internet,

using the video meetings software, Zoom. One was conducted via email, as the respondent couldn't allocate the time needed for a video meeting. One was conducted through a face-to-face meeting, where the interviewer had a chance to observe the reactions of the interviewee. The respondents were given brief information on the research purpose and what these interviews will be used for. At the beginning of the questionnaire and the interview, there was a disclaimer that the responses are anonymous and the collected data won't be used for commercial purposes. The interviewees were given the right to disclose their name or to remain anonymous. All 4 of them agreed to have their first name mentioned. It was of great importance for the interviewer to include different points of view, therefore the main criteria of choosing the interviewees were their occupation and level of expertise. The table below summarizes the interviewees' profiles. Unfortunately, the interviewer didn't succeed in interviewing with a marketing specialist due to time limitations and lack of response.

Interviewee No	Name	Occupational profile	Years of experience
1.	Bernardo	Makeup artist, over 10K Instagram followers; participant in BBC Glow up, Season 2	8-9 years
2.	Joanna	SFX makeup artist, retail background	6 years
3.	Elizabeth	Pharmacist, owner of a skincare company	Unknown
4.	Anna	Master of Psychology	5 years

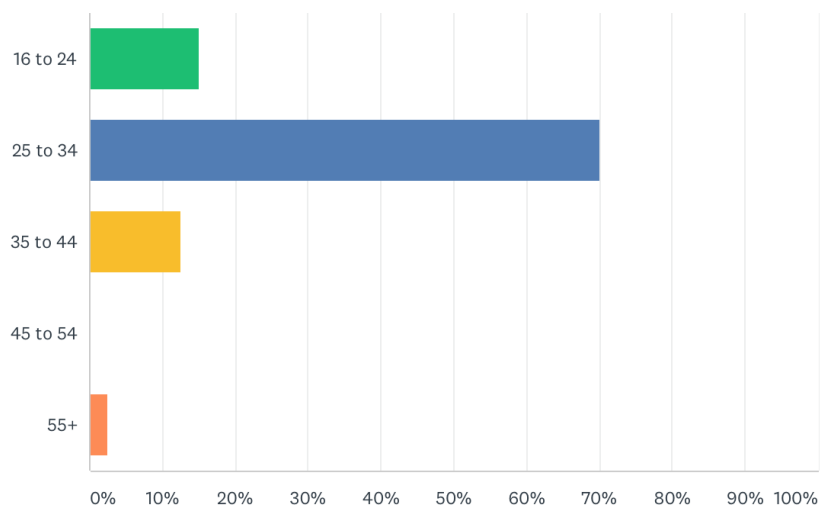
CHAPTER IV

QUANTITATIVE DATA ANALYSIS

The first four questions of the survey had the purpose of finding out more about the targeted population and their habits. Age was the only demographic metric included in the survey and the results were no surprise, having in mind the topic of research. 70% of the respondents are between 25-34 years, belonging to the Millennials age group. Millennials are the primary age group for social media research, being active social media users and consumers (Lim et al., 2017, Weismueller, J. et al., 2020).

Figure 2: Respondents' age

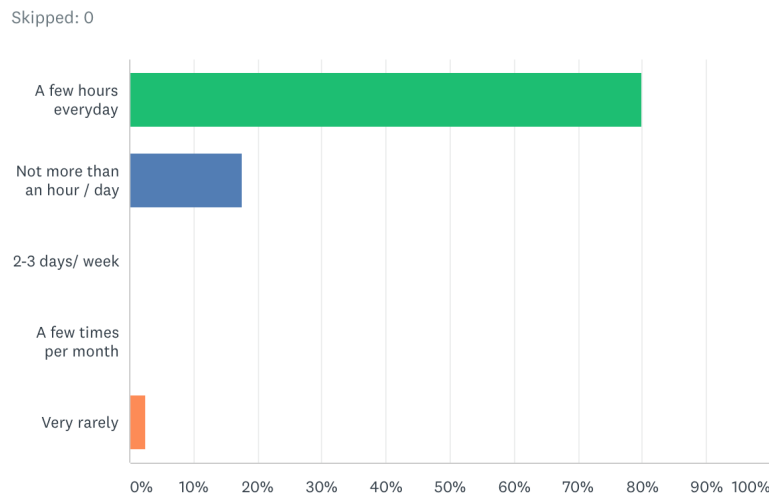
What is your age?



The next two questions had the purpose to categorize our respondents by the frequency of their social media usage and cosmetics purchases. Taking into consideration the means of distributing the questionnaire, it is not unexpected that 80% of the respondents answered they use social media platforms a few times a day and 17.5% choose the option “not more than an hour a day” (Figure 2a). This result could be further justified by the global trend of increasing levels of social media usage (145 mins on average for 2020, *Statista 2021*).

Figure 2a:

How often do you use social media (Instagram, Twitter, Youtube, Snapchat)?



The next question had the purpose to find out more about the buying habits of the respondents and serve as verification if the survey participants are part of the targeted population (social media frequent users and cosmetic buyers). The results are quite equally distributed, the most common answer being “Once a month” (40%). To measure if the global pandemic of COVID-19 affected consumer behavior, these figures were compared to a marketing research on eCommerce Cosmetics trends from 2019, held by Photoslurp and Zinklar (Figure 4). Although the figures are very similar, it could be noticed that the economic slowdown hasn't resulted in stagnation of the market. On the contrary, it could be stated that the frequency has increased. This could be additionally rationalized by the growing value of the cosmetics market globally. According to Statista, in 2018, the value of the global cosmetics market was 507.8 billion U.S. dollars. The market is projected to value at about 758.4 billion U.S. dollars by 2025. Another phenomenon worth mentioning is the “Lipstick Effect”, which states that precisely in economic downturns cosmetic products, lipsticks in particular, increase their sales (Hill, S. E., et al, 2012).

How often do you buy cosmetic products (makeup, skincare, body care, perfumes)

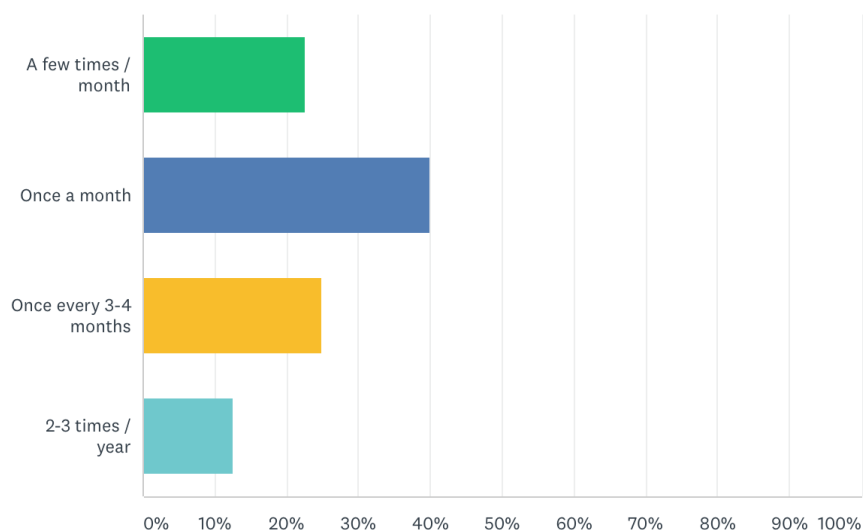


Figure 3: Frequency of cosmetics purchases

How often would you say you buy cosmetics online?
By country

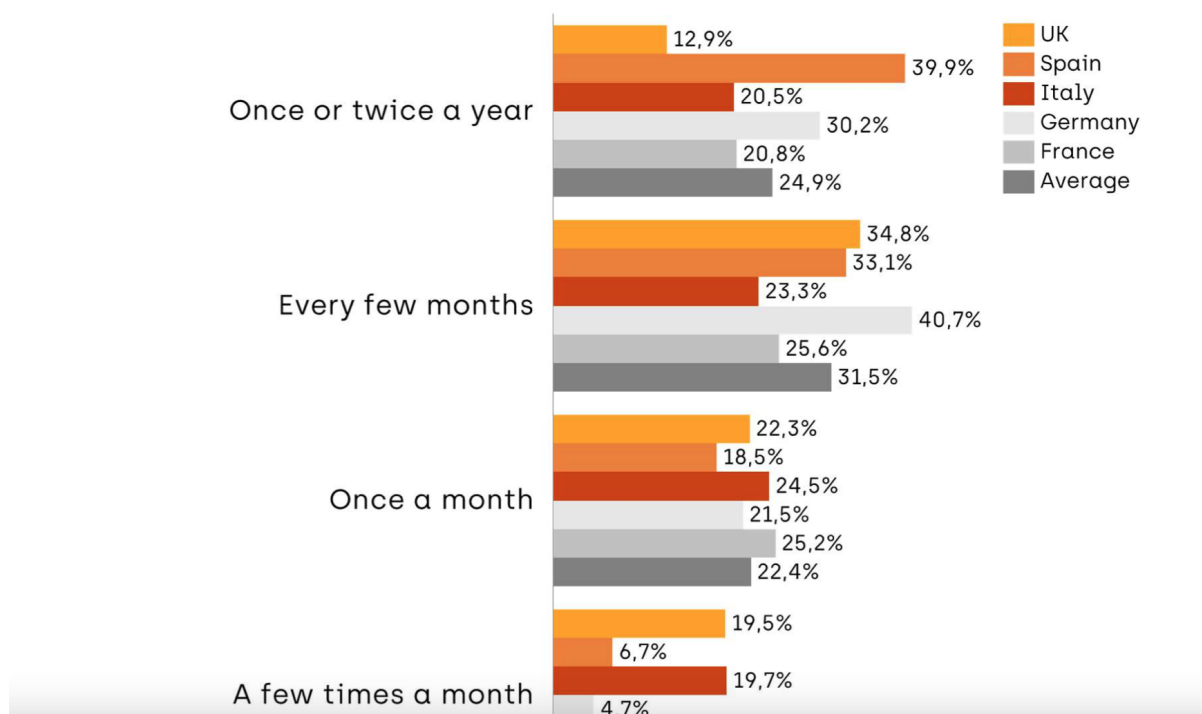


Figure 4: Photoshulp & Zinkar eCommerce Cosmetics Trends Report, 2019

It was interesting to see if there is any dependence between the age and the frequency of buying cosmetics. Pearson Chi-Square Test and additionally Cramer V were run to explore if there is a relationship between the two variables. $X^2(16, N = 109) = 172.2$, $p = 0$ and $\phi_c = 0.626$ prove a substantive relationship between the age and the frequency of buying cosmetic products. Nevertheless, this correlation could not be used as general for the population, as the sample size is not big enough to be representative of the whole population. Further, there was no correlation found between the amount of social media usage and the frequency of buying cosmetics. Considering the results from the first three questions, a profile of the average respondent could be created - a male or female, in their twenties, early thirties, who spends at least 1 hour on social media daily and buys cosmetics once a month. The next part of the questionnaire focuses on finding more about the respondents' attitudes towards social media beauty influencers. The first question from the sequence partially answers one of the research questions, if social media influencers are seen as an inspiration, source of information or entertainment. The respondents were asked to choose two options and the question answers were additionally decoded (Figure 5). It is not a surprise that the majority of respondents use social media platforms when they are bored and to connect with their friends, i.e., for entertainment. A big portion of the respondents though considers social media as a source of information and a place to learn new things from experts. If the answer options are merged, we find out that the figures of the three dimensions: information, entertainment, inspiration & creativity are distributed quite equally (Figure 6).

I use social media for: (Please select two options which are most true for you)				109
ANSWER CHOICES-	Coding	RESPONSES %	RESPONSES	
-Finding useful product information, customer and influencer reviews are very helpful	Information	50.00%	55	
-There are so many experts on social media! I have learnt a lot of useful things from there	Information	27.50%	30	
-When I am bored, I just like scrolling. There is lots of fun stuff on social media	Entertainment	52.50%	57	
-On social media you find what is trendy now. I often get inspired from influencers and I like trying new trends	Inspiration	30.00%	33	
-Stay in touch with my friends. I am not influenced by social media trends and I have better sources finding product information	Entertainment	35.00%	38	
-I like creating videos and pictures and then post them online. It brings me satisfaction and keeps me creative	Creativity	22.50%	25	

Figure 5: Results Question No 4

Coding	RESPONSES %	RESPONSES
Information	35.71%	85
Entertainment	39.92%	95
Inspiration & Creativity	24.37%	58

Figure 6: Merged results Question No 4

To answer the question of how consumers perceive beauty influencers, respondents were asked to rank a few possible options using a Likert scale from 5 to 1, starting from the most important for them. The options were further split into four categories, being the reasons why consumers choose to follow certain influencers: information, entertainment, aspiration and similarity (Figure 7). The option “Other” was included in order to explore more influencers’ features driving social media users to follow and engage with their content. 99% of the responses under the “Other” option were that the respondent doesn’t follow beauty influencers that's why this option was not included in the analysis.

Figure 7: Question 5, answer options, “Think about your favourite influencer. Why do you follow them?”

	Coding
–She / he is so fun! Makes me laugh all the time.	Entertainment (E)
–She / He is like a cosmetics encyclopedia! I find his/ her content very useful.	Information (I)
–She / he is a very genuine person and I feel like I can trust them.	Aspiration (A)
–I admire the way she / he looks and what they achieved in their life.	Aspiration (A)
–She / he looks similar to me and I feel like we share similar beliefs	Similarity (A)
–Responses Other (please specify)	x

A descriptive analysis test was run to determine why the sample respondents follow influencers (Figure 8). Similarity (S) appears to be in the outliers of the data set, so it cannot be considered a factor, influencing users' attitude. Going back to the results of question 4 (Figure 6), almost 40% said that they use social media for entertainment, but from figure 8 it is clear that the average respondent appreciates and follows the influencer's content because of their expertise, seeing them as a **source of information**. 30% of the respondents aspire to influencers which is accurate for the beauty industry and was mentioned by the majority of the interviewed experts.

Figure 8:

	N	Mean	Std. Deviation
ENTERTAINMENT (E)	6	3.7197	2.20001
ASPIRATION (A)	33	4.5443	1.20401
SIMILARITY (S)	5	2.712	3.59877008
INFORMATION(I)	46	5.0688	0.80001

These results are partially in contrast with results from other researches, where source credibility had an insignificant relationship with consumer attitude, the main reason being the lack of expertise of the influencer (Lim et al.,2017). The study used similar dimensions - source credibility, source attractiveness, product match-up and meaning transfer and their relation to consumer attitude and purchase intention. Lim's study though didn't focus on a particular type of influencers, but on social media influencers in general. Similarly to our survey, source attractiveness manifested a positive relationship with consumer attitude (Lim et al., 2017). In this research social attractiveness stands for both the influencer's physical attractiveness and their personality and lifestyle. Going back to figure 5, it can be concluded that consumers perceive beauty influencers as a source of information and aspiration. The aspiration dimension could be connected to Ruvio's consumer's doppelganger effect (Ruvio et al., 2013), revealing that consumers tend to mimic their favourite influencers, as they see them as role models, i.e they aspire to them. Question no.7 explores the factors behind source credibility, which is the second research question this study attempts to answer. As concluded from the literature review, source credibility is a widely explored dimension but is well quite ambiguous in the context of online communities. Question no 7 adopts dimensions of source credibility from Brown's study on word-of-mouth in online communities and the relationship consumer- website (Brown et. al, 2007), online homophily (similarity) and online tie strength (the level of intimacy of the consumer- website relationship). Additionally, the dimensions of

authenticity, expertise and attractiveness were added to explore the relations between those and source credibility (Figure 9)

Figure 9:

WER CHOICES–	Dimension
–She / he has knowledge and experience in the field	Expertise
–She / he is famous, always looks amazing and visits cool places	Attractiveness
–She / he knows speaks openly for everything, they are smiling a lot and give me a good vibe.	Authenticity
–She / he is quite close to me as a personality	Intimacy
–She / he looks quite similar to me.	Similarity
–His / her content is always useful and practical	Expertise
–His / her content is aesthetically pleasing	Attractiveness
–My friend likes her / him	Similarity

The respondents were asked to rank from 3 to 1 (1 being the most important) the three most important attributes an influencer should have in order for them to trust their opinion. Expertise ($\mu = 3$; $\sigma = 0.391$) and authenticity ($\mu = 2.411$; $\sigma = 0.687$) seem to be the most crucial influencer's attributes for respondents. Intimacy ($\mu = 2.1224$; $\sigma = 0.877$) and attractiveness ($\mu = 2.1224$; $\sigma = 1.000$) have very similar results, so we could consider that they are equally important attributes.

Figure 10:

Dimension	N	Mean	Std. deviation
Expertise (E)	142.00	3	0.391
Attractiveness (A)	41.00	2.1224	1.000
Authenticity (Au)	57.00	2.411	0.687
Intimacy (I)	41.00	2.1224	0.877
Similarity (S)	3.00	1.667	0.577

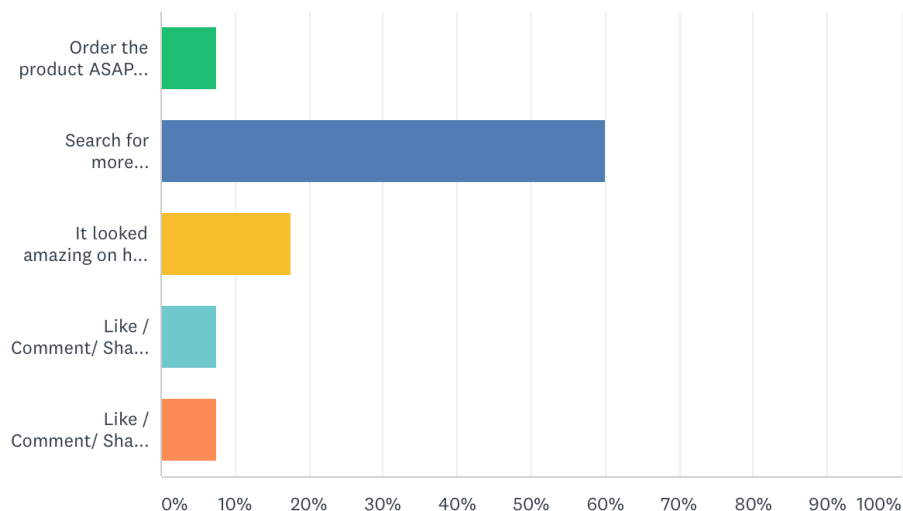
The results from this question justify observations from other academic texts (Ohanian, 1990; Brown et al., 2007). For an influencer's message to be perceived as credible, his/her expertise is not enough; the effectiveness of their eWOM is influenced by the level of intimacy of the relationship between the follower and the influencer (Brown et al., 2007). This implies that despite being an expert in their field, influencers must be authentic and genuine, appear closer to their followers, engage with them, and deliver aesthetically pleasing and interesting content.

Questions 6, 8 and 9 explore the relationship between consumer attitude and purchase intention and to what extent it is influenced by the influencer's attributes. Question 6, "Suppose you see your favourite influencer passionately talking about the benefits of a new product, you are not familiar with. What do you do?", assumes that the consumer already has a positive attitude towards the influencer. Few academic texts found out that a favourable attitude towards social media influencers would generally harbour an intention to purchase the influencers' endorsed product (Lim et al., 2017; López-Mosquera, N. et. al., 2014).

Figure 11: Question 6

Suppose you see your favourite influencer passionately talking about the benefits of a new product, you are not familiar with. What do you do?

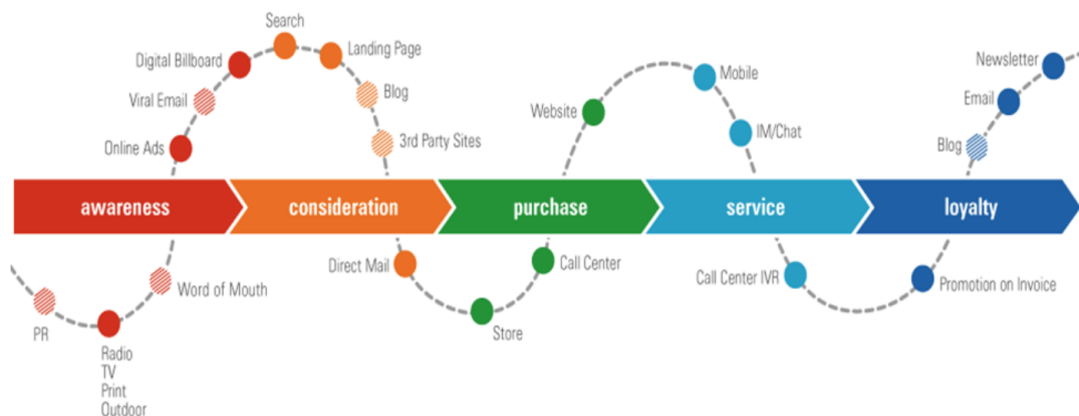
Answered: 40 Skipped: 0



ANSWER CHOICES–	RESPONSE S–
–Order the product ASAP! I completely trust their opinion	7.50%
–Search for more information on the product; If she / he likes it, I need to know more	60.00%
–It looked amazing on him/ her, I am going to have this product in mind	17.50%
–Like / Comment/ Share the post. It is fun watching him/ her, but they are not experts, so they don't know my needs.	7.50%
–Like / Comment/ Share the post. She/ he looks amazing in general, but I cannot consider a product only by a picture/ video.	7.50%

The last three answer options depict a passive consumer attitude, i.e, the influencer's content doesn't result in a purchase intention. 15% of the respondents would express engagement by liking or commenting, but the influencer's content doesn't provoke an intention to buy. For 17.5% the influencer's attractiveness has an impact on their attitude towards the product. These results match results from previous research on the topic. Despite the failure of social media influencers' attractiveness to influence purchase intention, the influencers remained significant to stimulate respondents' positive attitude (H4) (Lim et al., 2017). More than half of the respondents, 60% stated that the influencer's content would provoke them to search for more information about the product. To analyze this question's result, a general customer journey map would be used. Considering the fact that nowadays consumers need multiple touchpoints in their customer journey, as the Internet provides lots of sources of information, it could be stated that these results depict the decision-making process of the average consumer. The classic customer journey map is a linear model which consists of 5 stages (*Figure 12*). **Considering the results of question 6, it could be concluded that for the average consumer, influencers' content speeds up the buying process, making the customer quickly go from no awareness whatsoever to the consideration stage.**

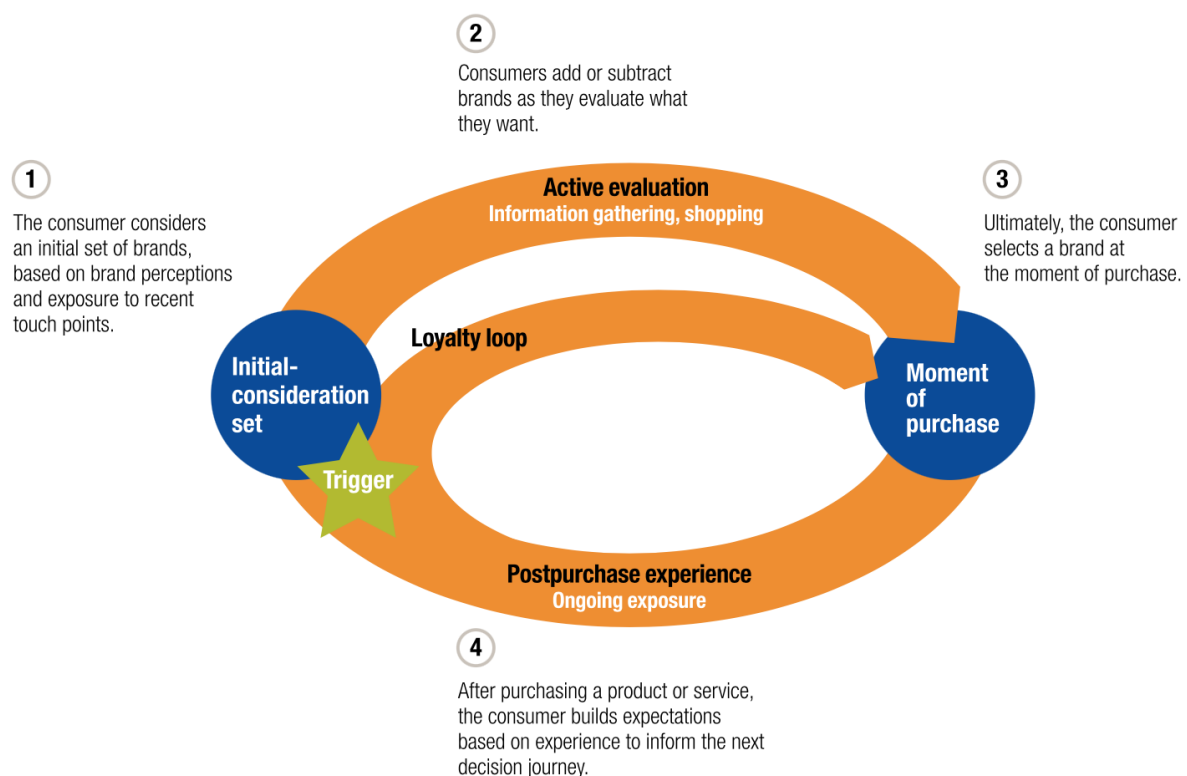
Figure 12: Linear customer journey map, source: <https://uplandsoftware.com>



It is interesting to explore the 7.5% of the respondents, which stated that the influencer's content would make them buy the product, jumping quickly from the awareness stage to purchase, without any further consideration. This suggests that a linear customer journey map is not completely accurate anymore. The funnel concept fails to capture all the touchpoints and key buying factors resulting from the explosion of product choices and digital channels, coupled with the emergence of an increasingly discerning, well-informed consumer. A more sophisticated approach is required to help marketers navigate this environment, which is less linear and more complicated than the funnel suggests (McKinsey, 2009)

McKinsey develops a different approach by examining the purchase decisions of almost 20,000 consumers across five industries (including skincare) on three continents. The research concluded that the decision-making process is a more circular journey, with four primary phases: initial consideration; active evaluation, or the process of researching potential purchases; closure, when consumers buy brands; and postpurchase, when consumers experience them (Figure 13).

Figure 13: McKinsey's circular customer journey map



The circular model works best for what is an “Easy-to-convince” buyer, or brand loyal customers, impulse buyers, and single decision makers (McKinsey, 2019). It is interesting to explore if the different types of buyers journeys are connected with the frequency of purchases. The buying frequency of those who chose the first option was compared to the buying frequency of the respondents who chose the bottom two options. (Figure 14). The descriptive statistics values were quite similar, so a t-test was run in order to determine if there is a statistically significant relationship between the frequency of purchases and consumer behavior. $X^2 = 0.8495563685$ rejected the null hypothesis, therefore it can be concluded that “easy-to-convince” buyers don’t necessary buy cosmetics more often than social media users which are not influenced by beauty influencers.

Figure 14: Descriptive analysis question 6

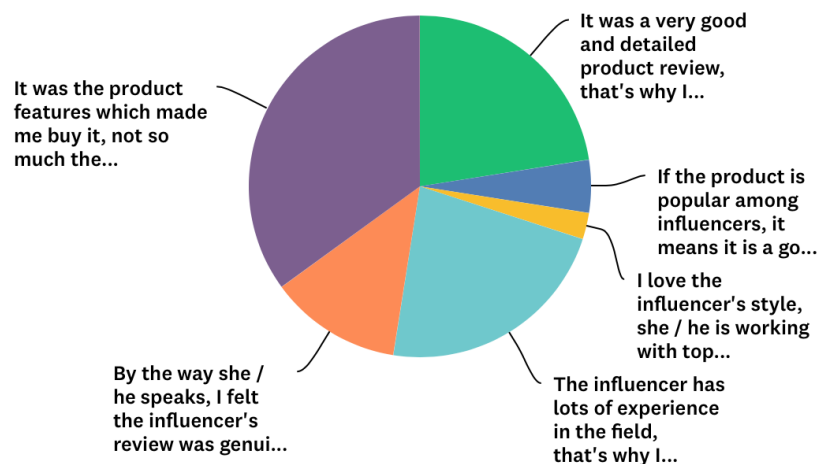
Answer options	N	Mean	Std. deviation
–Order the product ASAP! I completely trust their opinion	8	2.66666	1
–Like / Comment/ Share the post. It is fun watching him/ her, but they are not experts, so they don't know my needs. –Like / Comment/ Share the post. She/ he looks amazing in general, but I cannot consider a product only by a picture/ video.	15	2.75	1.06

While question 6 was exploring the connection between the consumer's positive attitude towards an influencer and its impact on purchase intention, question 8 explores the buyer's motivation behind their purchase decision and if it is influenced by the influencer's content.

Figure 15: Question No 8:

Suppose you bought a cosmetic product, recommended by an influencer. Choose the option, best describing your motivation:

Skipped: 0



35% of the respondents stated that it was the product features, not the influencer's review which made them buy the product (Figure 15). Considering the results of question 6, it could be said that influencers' content is influential over consumer's awareness and consideration of a product but it is viewed more like a source of information, rather than a behavior to mimic. Although in the case of cosmetics, a product's features could be easily distorted by social media, the influencer's presentation or the information provided by the brand. Unless the customer has physically experienced the product (tested it in store, received a sample), it is hard to

make a conclusion that a product's attributes are the ultimate motivation behind cosmetics buyers.

Figure 16: Question 8 results in %

ANSWER CHOICES–	%	N
–It was a very good and detailed product review, that's why I decided to buy it.	22.50%	25
–If the product is popular among influencers, it means it is a good product, so I bought it.	5.00%	5
–I love the influencer's style, she / he is working with top celebrities and brands, that's why I bought it.	2.50%	3
–The influencer has lots of experience in the field, that's why I decided to buy it.	22.50%	24
–By the way she / he speaks, I felt the influencer's review was genuine, so I decided to buy it.	12.50%	14
–It was the product features which made me buy it, not so much the influencer's review.	35.00%	38
–I find her / him very similar to me, that's why I bought the product	0.00%	0

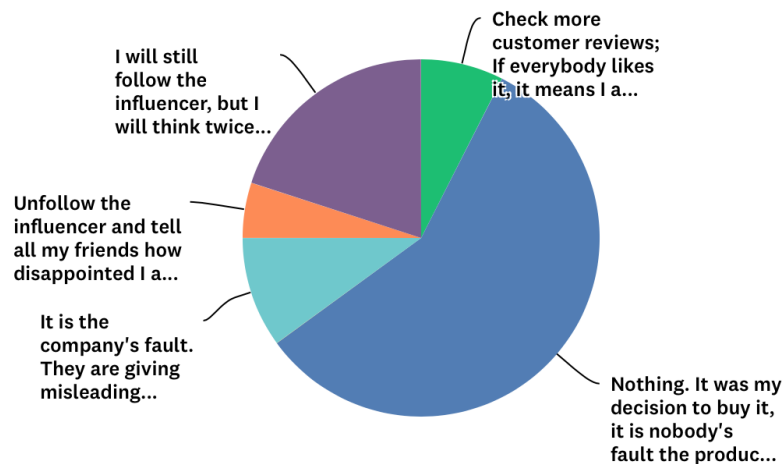
Similarity, along with the influencer's social attractiveness and the product's popularity on social media seem to be irrelevant to purchase intention (Figure 16). Similarly to other academic studies ((Lim et al., 2017; Ohanian, 1999) source credibility doesn't have a significant relationship with purchase intention - only 12.5% of the respondents bought a product because of the influencer's authenticity. In their research, Lim et. al. (2017) identified that the influencers' credibility is distorted by their ' inadequate expertise on the endorsed product. In this survey though, expertise and the adequacy of the influencer's content seem to be the second most important motivation for consumers to buy a product. These results justify to a certain extent the success of recently emerged social media influencers like Robert Welsh (831K Youtube subscribers) and James Welsh (1.24M Youtube subscribers) are enjoying a growing engagement and social media popularity. Both of them present themselves as professionals with real-life experience in makeup and skincare. Their content is characterized with the practical, rather than emotional side of makeup and skincare. That is, the effectiveness of WOM is very much dependent on the “informational value” it holds. (Brown et. al., 2007).

Negative WOM is said to have a stronger effect than positive WOM on consumers' probability of purchase and attitudes towards a product (Arndt, 1967). Question 9 has the purpose to find out how the consumer's attitude changes if the product doesn't meet their expectations, i.e doesn't do what is said to do.

Figure 17: Question 9

Suppose you bought a cosmetic product, following recommendation from an influencer, but you are not satisfied. Which option best describes your attitude?

Skipped: 0



More than half of the respondents, 57.5%, will not change their attitude towards the influencer or the brand, which means they are not doubting their credibility even if they had a bad experience with a product. For 20% the unpleasant experience with a product will result in distorting their trust in the influencer, while 10% will hold the brand responsible, not the influencer, for giving misleading information. Only 5% will further spread negative word-of-mouth of the product and unfollow the influencer. It is interesting that unpleasant product experience results in a passive consumer behavior in the post-purchase stage. No significant relationship was found between the frequency of purchases and consumers' attitude. What is more, 80% of the respondents whose unpleasant product experience resulted in spreading negative WOM, are aged 16-24, being part of Generation Z. This dependency is worth further research and supports findings of marketing agencies that Generation Z is characterized with different consumer behavior (McKinsey, 2020).

The last question, No 10, had the purpose to distinguish the most important consumer attitudes towards influencers and social media, in the context of the events from the past year. Undoubtedly, the COVID-19 pandemic has tremendously affected every aspect of our daily life. In terms of cosmetics, consumers were made to do all their shopping online. What is more, the compulsory face coverings in public have made consumers spend more on different beauty product categories. The COVID-19 outbreak has affected different sectors of the beauty industry in different ways, with

skincare, personal care and DIY beauty thriving over luxury makeup brands (*The state of Influencer marketing in Beauty, Whitepaper, 2020*). As mentioned in a previous chapter, time spent on social media has increased, therefore social media marketing has become more important for brands, especially for the cosmetic industry. To see respondents' attitudes, they were asked to choose 3 out of 8 statements they agree with and rank them from 3 (being the most important) to 1. Using descriptive statistics analysis, it was found out that the data was quite normally distributed. The mean and the standard deviation were not enough to narrow the results, so coefficient of variation (CV) was included. The coefficient of variation is the ratio of the standard deviation to the mean and shows how the data is dispersed. Low coefficient of variation suggests that the variables are closer to the mean, therefore the results are more precise.

Figure 18: Descriptive analysis Q10

ANSWER CHOICES–	N	Mean	Std. deviation	Coeff of variation
–Social media influencers are experienced and successful people, their opinion matters for me.	30	2.12	0.566	26.70 %
–Paid or not, some social media influencers genuinely want to share their knowledge and expertise, I trust them.	38	1.99	1.223	61.46 %
–Social media influencers are role-models.	16	1.933	0.211	10.92 %
–Social media influencers are just people, posting nice pictures. They are fun to watch, but don't take them seriously.	52	2.892	0.389	13.45 %
–Social media influencers, who are getting paid for their content, are less genuine and trustworthy	52	2.72	0.233	8.57 %
–Social media influencers, sharing their personal life, are more trustworthy.	27	1.56	1.333	85.45 %
–I changed my perception towards influencers since the COVID-19 pandemic. Their content is not reflecting real life and they are not genuine when speaking about real-life issues. This has affected me negatively.	16	2.573	0.39	15.16 %
–I changed my perception towards influencers since the COVID-19 pandemic. I like that they are speaking more about real-life issues and mental health. This has helped me with my mental state.	19	1.344	0.811	60.34 %

The results from question 10 confirm the findings from previous questions that social media influencers are predominantly seen as a source of entertainment ($\mu = 2.892$, $\sigma = 0.389$). Further, figure 18 shows that if influencers disclose paid collaboration, this affects the consumer perception about them. Different sponsorship disclosures could be divided into simple disclosures (e.g. “this content is sponsored”), and disclosures

that provide additional information about the sponsorship, e.g. what kind of compensation is received for sponsored content (Hwang, Y. and Jeong, S.-H., 2016; Lu, L.C. et. al, 2014). There are different types of sponsorship compensation such as cash, coupons or free samples (Lu, L.C. et. al, 2014). Several academic studies have found out that as consumers are informed about the persuasive intent behind a message through a sponsorship disclosure, this can impact their credibility judgments regarding the source (Carr and Hayes, 2014; Hwang and Jeong, 2016). However, more recent studies revealed that depending on the type of disclosure, disclosing a sponsorship can have positive effects on consumer perception. A sponsorship compensation justification disclosure will generate a more positive attitude toward influencers and could induce greater source credibility and message credibility than a simple sponsorship disclosure or when no disclosure is present (Stubb, C., et. al, 2019). Looking back at figure 18, two statements on the effects of COVID-19 were included. One presents social media influencers as public speakers, addressing real-life issues, while the other one emphasizes the discrepancies between social media and what is relevant in real life. A more negative perception towards influencers due to COVID-19 seems to be prevailing over a perception that sees social media as a place to connect with like - minded individuals and share experiences. However, this survey confirms the statement that influencers are seen as role-models, as discussed in previous academic texts (Ruvio et al., 2013). There is no substantial evidence though how this type of perception influences purchasing intention. The similarity dimension, included in several questions was proven to be insignificant to consumer attitude, that is, it is not common for respondents to identify themselves with social media influencers. On the other hand, some psychologists could argue that this process is rather subconscious (Scheer, L., & Stern, L., 1992).

CHAPTER V

QUALITATIVE DATA ANALYSIS

In the qualitative analysis, the theory of influencer marketing will be compared to the words of the interviewed experts and the results of the quantitative analysis in chapter IV to uncover where the differences and similarities lie. The interviews have the purpose to uncover similarities and differences between the findings from the qualitative and quantitative data collection and further validate or reject hypotheses from contemporary academic texts.

Firstly, the respondents were asked to present themselves and answer how often they use social media and what for. The results are summarized in the table below:

Interviewee No	Name	Occupational profile	Years of experience	Time spent on social media	I use social media for:
1	Bernardo	Makeup artist, over 40K Instagram followers; participant in BBC Glow up, Season 2	8-9 years	Several times per day	Portraying my work
2	Joanna	SFX makeup artist, retail background	6 years	Several times per day	Promote my work
3	Elizabeth	Pharmacist, owner of a skincare company	Unknown	Every day	Brand awareness, keep in touch with friends and family
4	Anna	Master of Psychology	5 years	Several times per day	Information related to my field, keep in touch with

					friends and the world in general
--	--	--	--	--	----------------------------------

Social media has become a part of our daily lives, with the interview results reflecting the results from the questionnaire and validating global trends. Individuals use social media for various reasons, not only for personal but for business purposes, too. The interview results, along with the ones from the quantitative data collection, confirm that social media is seen as a place for finding information, inspiration, entertainment and expressing individual creativity. As mentioned by Bernardo and Joanna, social media is a huge part of being a makeup artist and could be a huge boost for one's career. That is, due to the rising role of social media platforms, Instagram in particular, as a primary destination for artists to portray their work and find business opportunities. As discussed in chapter I, Instagram and Youtube have transformed lots of ordinary individuals into public figures and lots of success stories couldn't be possible without these platforms. In terms of what are the factors which make an influencer credible and trustworthy, it is interesting that the dimension of the intimacy of the relationship user - influencer seems to be a critical factor for the interviewed participants. Three out of the four interviewees have mentioned a personal feature, common both for them and their favourite influencer as a proposition of trust - being a medical condition, sexual orientation or a personal belief. 3 out of 4 mentioned inspiration as a second factor, and only one (interviewee 3) said that the number of followers is important for an influencer to be trustworthy. Although the quantitative data analysis rejected a relationship between the similarity dimension and source credibility, it could be stated that similarity influences the level of intimacy in the relationship user - influencer. The next question addressed the relationship of social attractiveness to consumer attitude, or whether non-beauty-related content affects positively or negatively the relationship user - influencer. 3 out of 4 respondents said that they have ambiguous feelings about influencers sharing personal matters on social media. Interviewee 4 said that content addressing intimate personal experiences could be beneficial to mental health by bringing together individuals with similar life experiences. On the other side, interviewee 1 stressed that often this type of content is not organic, but created with the purpose to be content for social media. Interviewee 2 feels like this type of content is indeed nice to watch, but it results in perceiving the influencer as a celebrity, rather than a normal person. Further, the interviewees were asked questions about their buying habits when it comes to beauty products. All three of the interviewees who are professionally occupied in the cosmetics industry (interviewee 1, 2, 3) said they don't buy cosmetics often. The reasons being they

receive a lot of PR packages, product allocations as an employee benefit, or because they want to promote their brand and value sustainability. Interviewee No. 4, who is the only participant not professionally engaged in the beauty industry, admits that for some time, she would buy excessive amounts of products. When asked why, she answers that as an amateur in makeup, she felt she needed various products to achieve the desired look. Comparing the answers to this question with the questionnaire results, a difference in buying frequency between beauty professionals and regular consumers stands out. The reasons behind this could be various - practical (owning enough products already) or provoked by higher expertise in the field. Further, the interviewees were asked if they refer to social media when buying cosmetics and if possible to share a particular example of a product they bought because of an influencer's content. Similar to the survey results, influencers' content has a positive impact on considering a product. 2 out of 4 interviewees said that viral social media content and positive product reviews provoke their curiosity and make them feel more inclined to buy a product. However, 3 out of the 4 respondents answered that they check multiple sources before buying something. Interviewee 2 and 4 mentioned as a reason past experiences where the product didn't meet their expectations and product presentation on social media was not 100% accurate. Interviewee 1 and 3 said that recommendations from friends, family and fellow creators are much more influential on their purchase intention than influencers' content. The interviews' insights confirm the findings from the quantitative data analysis that influencers' product-related content is seen as a source of information, which is only one of the multiple touchpoints in the consideration stage of a customer journey. The next question focuses on the effects of social media on the individual and if it influences users' perceptions about themselves and life in general. The discussion on social media's positive or negative effects on society and businesses is a topic of interest for practitioners from various fields (Akram, W., Kumar, R., 2017; Siddiqui, S., Singh, T., 2016; De Vries et. al., 2012). Social media has numerous beneficial functionalities for individuals and businesses, but it has also been associated with health and mental health issues, false advertising and information and unrealistic expectations for physical appearance and quality of life (Akram, W., Kumar, R., 2017). What is more, inappropriate or controversial social media content can severely affect brand image and reputation (De Vries et. al., 2012). The results from the questionnaire showed that respondents are more inclined to seek the reason within themselves if a product hasn't met their expectations. The interviewees were asked to share if social media had affected them in any way, positively or negatively. Interviewee 1 said that social media was his outlet to stay consistent in times of pandemic when he couldn't do makeup on other people. However, at the same time, social media algorithms, specifically Instagram had created confusion of what type of content is relevant and engaging. Sometimes a very detailed and intricate makeup look that takes 4-5 hours to

produce gets very poor engagement, compared to a more simple look, which suddenly will do very very well. Both interviewees 2 and 4 don't feel personally affected by social media, but they mention their personal observations that social media is a source of unrealistic product expectations and beauty standards. These unrealistic standards are becoming a popular matter on social media and influential on brands' marketing agenda. Within the beauty industry, the cosmetics and personal care sectors have seen a concerted call for greater representation – of race, gender, disability and skin complaints. The demand for body positivity, diversity, inclusivity and sustainability are stronger than ever. (The State of Influencer Marketing in Beauty, Whitepaper, 2020). The last question had the purpose to find out what brands are missing out on social media nowadays, by putting the interviewees in a cosmetic brand's shoes. In the context of the over-saturated cosmetics market, it has become crucial for brands to stand out. Apart from product philosophy, nowadays consumers consider factors like sustainability, diversity and inclusion, transparency. Lots of brands have engaged in social and environmental causes (Dove's body positivity campaign #ShowUs, MAC Cosmetics ongoing VIVA GLAM initiative raises funds through lipstick sales and has donated \$500,000,000 to people living with HIV and AIDS). To a big extent, the interviewees' answers reflect their area of expertise. Interviewee 1 stressed the need for balance between what is trending in cosmetics and actual professional opinion. He feels like a lot of cosmetic brands focus on social media trends and what content could go viral, rather than on the practical side of makeup. He feels like the opinion of actual working professionals is not valued enough, while these are the people who know what consumers actually expect from a product. Similarly to him, interviewee 2 said that brands should use more realistic images for their promotion, as this affects tremendously consumer expectations. She gives examples from her experience where customers would expect a foundation product to completely blur their skin texture as a result of over-edited brand images on social media. Interviewee 3 answered she would focus more on customer product feedback and stresses its importance for the effectiveness of promotion campaigns. Interviewee 4 considers customer feedback should have greater importance in product formulation. She also addresses the need for greater diversity and inclusion in brand messages, stating that brands should use more real people than professional models for their campaigns.

CHAPTER VI

CRITICAL EVALUATION AND RESEARCH LIMITATIONS

This chapter aims to evaluate the process of the conducted research, its strengths and its limitations. One of the biggest strengths of this paper is the researcher's ability to interpret results from different perspectives - due to their experience as a marketer and a makeup artist, and constant contact with cosmetics consumers. Data collection was not limited only to the purpose of this research. On the contrary, the researcher's unintended observation of the beauty industry was the main motivation for choosing this research topic. To assure higher validity of results, the findings were additionally compared to secondary data sources - academic books and journals and statistical data. Overall, the research design proved to be effective, where the main purpose was to assure casual conversational style and easy-to-understand language. The questionnaire enjoyed a 100% response rate and no additional clarifications were required by respondents.

Although at the beginning of the research time was not seen as a limitation, there were a few unplanned obstacles during the data collection and analysis, which limited time. Initially, the pre-test took longer than expected and the social media posts used to share the questionnaire met low engagement. This obstacle was tackled by a more aggressive strategy for spreading the questionnaire - direct messages instead of posts, and daily reminders in the form of Instagram stories. The number of respondents ($N = 109$) could be considered relatively low compared to general research usage (Saunders et al., 2012). However, it is higher than the agreed $N=50$ between the researcher and the coordinator. Time limitations also led to the inability to conduct the second part of the quantitative research, an experiment, focusing on the social attractiveness dimension and its relationship with purchase.

Next, the sample also had its strengths and limitations. The number of respondents ($N = 190$) could be considered relatively low compared to general research usage (Saunders et al., 2012), but on the other hand, relatively high compared to master thesis conventions. Still, a small sample size may reduce the probability of finding statistically significant results. Therefore, with more time and resources to increase the sample size, the researcher might have been able to obtain more statistically significant results. Another aspect to consider is that the majority of respondents were recruited through personal social media, thus the validity of results may be disrupted by similarities in age, occupation and interests between the researcher and the participants.

The biggest obstacle met during this research was the failure of choosing the most appropriate platform for data collection and analysis. SurveyMonkey limits the export of data and analysis to 40 respondents per questionnaire. In order to automatically

export the data collected in Excel or SPSS, SurveyMonkey requires paying a monthly subscription fee of a minimum of 90£, which exceeds the budget of this research. The data collected was manually exported to Excel, assessing each response individually. This was the most time-consuming part of the research, as manual export required further verification. On the other hand, this allowed the researcher to better understand the differences between consumers' behaviour.

CHAPTER VII DISCUSSION

This chapter presents overall conclusions and answers the research questions. In addition, implications for practitioners and recommendations for future research are discussed. The discussion is based on the findings from the primary research, presented in chapter IV and V and collating those to secondary data from academic literature.

7.1 Conclusions from RQ1: Are social media influencers a source of aspiration, information or entertainment for the consumer?

Several questions from the quantitative data method examined how consumers perceive beauty influencers and social media platforms in general. The results for the three dimensions: information, entertainment and inspiration, are quite equally distributed (Figure 6 & 8), so it was hard to determine a single dominant dimension. The qualitative research confirmed that individuals use social media for various purposes. Except for recreation and entertainment, the participants in this research use social media to find information, promote their work and business, and get inspired. Especially for creatives, platforms like Instagram are now the place to showcase creative work and connect with fellow creators. These findings are justified by global Instagram statistics from recent years on user demographics and habits (Iqbal M., Instagram Revenue and Usage Statistics (2021)). Likewise, consumers expect from influencers more than entertaining content. Combining the results from question 5 and the insights from the interviews, the dimensions of expertise and aspiration stand out as a ground of someone's interest towards a particular influencer. Some previous studies (Lim et al., 2017) highlighted the fact that the lack of expertise is the main reason why source credibility fails to influence consumer attitude and subsequently purchase decision towards a product. With the growing popularity of online shopping and social media marketing, it is not a surprise that social media content has become an essential part of the customer's buying journey. Nowadays, due to past experiences,

consumers are also more aware of the risks and ambiguity of social media, so the level of expertise and the validity of the influencer's content will be of growing importance when deciding what to buy. However, being just an expert in your field is not enough to become an influencer. Photo-sharing platforms like Instagram allow users to see and get in touch with photo and video content which otherwise they might not have physical access to. Beauty influencers give the chance to users to "experience" products without buying them. As mentioned in the introduction, influencers' content is associated with attractiveness and aesthetics. Continuous demonstration of good taste can result in one's aspiration to an opinion leader (McQuarrie et. al, 2012). It could be concluded that for the modern social media user a successful social media influencer should demonstrate high expertise in their field and deliver adequate, aesthetically pleasing and engaging content. Going back to chapter II, the findings of this research have been justified by theories on WOM and opinion leadership, existing before beauty influencers (Katz, 1957, Scheer, L., & Stern, L., 1992, McQuarrie et. al, 2012). Therefore, to obtain a significant influence and be perceived as an "opinion leader", it is necessary to be perceived as a source of inspiration, information and entertainment by the audience.

7.2 Conclusions from RQ2: *Which are the factors, which make one influencer credible and trustworthy?*

It was introduced in the literature review that user-generated content is genuinely perceived as more trustworthy and therefore more impactful than company-generated content. (Ridings & Gefen 2004; Mukherjee, A., & Nath, P., 2007). To explore the factors behind an influencer's perceived credibility, this research adopted and adjusted five dimensions of source-credibility from the literature - attractiveness, authenticity, expertise, intimacy and similarity. The results from the quantitative research revealed that expertise and authenticity are the main factors, which impact an influencer's credibility. So, influencers should not only deliver professionally accurate information, but they should think of the way they present it. However, two more dimensions, intimacy and attractiveness, showed a significant relationship with the credibility dimension. From the conducted interviews, it was clear that social media users aspire to like-minded individuals, with a similar personality and occupational features. As revealed from RQ1, social media influencers are a source of information and inspiration, so it could be stated that it is common for users to view their favourite influencers as role models. Therefore, establishing a relationship with their followers is crucial for source credibility. The importance of tie-strength and level of intimacy for source credibility in online communities was highlighted by previous studies, too (Brown et. al. 2007). Along with expertise, attractiveness and authenticity, which are influencer's features, individuals value the interpersonal relationship between them

and the influencer. The problem of how genuine this relationship is, though, needs more detailed research because, as mentioned by one of the interviewees (who can be considered a micro-influencer with his 41K followers), influencers' content is usually well-thought and directed before filming and edited afterwards.

It could be concluded that the credibility of an influencer depends on their level of expertise, authenticity and ability to connect with their audience and engagingly delivering the desired content. In 2021 social media users are looking for a set of skills and attributes. The answer to RQ2 substantiates the findings of RQ1.

7.3 Conclusions from RQ3: *Does an influencer's social attractiveness (lifestyle, physical appearance, material possessions, language) have any influence over the consumer's purchase decision? Is it positive or negative?*

Despite that there is no direct relationship between social attractiveness and purchase decision, the data collected for this research suggests that it does influence consumers' attitude and therefore confirms findings from previous research. (Lim et. al., 2017).

The qualitative research proved that dimensions of social attractiveness (being considered successful, e.g having their cosmetic brand, a big number of followers and being authentic and useful to them) impact the influencer's credibility and could transform them into a "role model". Although it is not a determinant factor, attractiveness is a part of the skill set of a successful influencer. Due to some limitations (chapter V), the research failed to explore in detail the effects of social attractiveness on consumer attitude.

7.4 Conclusions from RQ4: *What is the role of influencers and social media in consumers' purchase intention, when buying cosmetics?*

The quantitative data analysis revealed that source credibility and source attractiveness don't have a significant relationship with purchase intention. It was found out from the interviewed participants that recommendations from friends are much more influential on purchase decisions. However, the role of influencers and social media content in the stages of the buying process could not be neglected. To assess the results from the quantitative research, a customer journey map was used. It was discovered that social media influencers' beauty content could positively influence consumers' attitude towards a product, sometimes resulting in consumers quickly going from no awareness of a product to the consideration stage. The results of this study also suggest that a linear customer journey map is no longer completely accurate for the cosmetics industry. In terms of the buying process, influencers'

content is perceived as a source of information, a customer touchpoint in the stages before purchase. Therefore, demonstrating high expertise through information and useful in real-life social media content is impactful on consumers' positive attitude and may subsequently influence purchase intention. As discussed in other studies (Brown et. al. 2007), the findings from the primary research point out that the intimacy of the relationship consumer - influencer is also a determinant factor for consumers. It is also interesting, that according to this research, unpleasant product experience rarely results in spreading negative word-of-mouth and that sponsorship disclosure affects consumers' attitudes negatively.

7.5 RECOMMENDATIONS FOR PRACTITIONERS AND FUTURE RESEARCH

Influencer marketing is conducted in the constantly changing Internet environment, so the insights of this research could be used as a ground for more detailed and extensive future research. As mentioned in the previous chapter, the sample size is insignificant to make general conclusions for the population and the majority of the participants were from one age group, the Millennials. Future research may focus on more diversified and bigger sample size. To explore dependencies between demographics and behaviour, more demographic variables like education, income and occupation, could be included. This research focused more on defining the attributes of an effective influencer from a consumers' perspective, but research exploring brands' perspective would be as well contributinal. Further, the popularity of influencer marketing calls for establishing an academic definition for the term "influencer", as well as a model or a single set of variables for measuring effectiveness. Undoubtedly, the effects of COVID-19 on consumer perceptions in the cosmetics industry are also worth further exploration.

The findings of this research could be also helpful for cosmetic companies and marketing agencies to develop a more effective influencer strategy. The global COVID-19 pandemic has indeed affected negatively the cosmetic industry, but what is more important is that it also caused a fundamental change in consumers' perception of beauty influencers and cosmetics spending. Post- COVID industry trends suggest that sustainability and real-life validity is taking place over emotional cosmetics buying and "polished" content. To be perceived as a credible brand, industry experts with proven experience should be an essential part of brand communication. The reputation of a lot of celebrity influencers had suffered through the pandemic. They were accused of what is called "false advertising" - promoting product features by using video filters and Photoshop. An important implication for practitioners is to focus on relationship building and fit. Cosmetic brands should focus more on the usefulness of their content, rather than on its aesthetics. What is more, consumers feel

the need to be able to identify with influencers, so less-edited and closer to real-life campaign creatives are to become more influential. Diversity and inclusion had become a must and very important for brand image and reputation. More niche influencers, e.g “makeup influencer” rather than “lifestyle influencer”, will be more impactful on consumer attitude, as these influencers are considered more authentic and more likely to have a closer relationship with their followers. As influencer marketing practice is growing, it would be useful for marketers to segment the influencers they are using according to their campaign goals. As concluded from RQ1 and RQ2, individuals are using social media for various purposes and a successful influencer possesses a set of interdependent attributes. The dimensions of this research could be used by brands to develop criteria for choosing the right influencer for their campaign and measure effectiveness. In order to be successful and stand out as a cosmetic brand, it is essential to put greater importance on customers' feedback, when it comes to product development. A recent example from the industry is Huda Beauty, which decided to reformulate its foundation, which became a viral social media product. On her YouTube channel the CEO, Huda Katan, reveals that the main motivation behind this decision was customer reviews and critiques. With limitless sources of information, consumers are becoming more educated and sophisticated with their choices, so brands must rethink not only their communication but also their customers' buying journey. This research shows that despite the majority of consumers checking multiple sources in the awareness and consideration stage, influencers' content has a significant influence on consumer attitude and plays an important role in the decision-making process. Marketers should take into consideration that consumers decide differently and adapt their influencer strategy accordingly. To maximize the impact of influencers on purchase decisions, brands should consider pairing up their brand ambassadors' social media content with an additional incentive for the customer to purchase - a discount code, one-to-one tutorial on using the product or personalized sales promotion. The digitalization of businesses has created the need for a well-coordinated omnichannel buying experience, where customers don't have difficulties jumping between online and offline channels. Apart from constant product innovation and establishing relationships with customers, companies should focus on strengthening their presence across channels and improve customer service (Kotler, P. et. al., 2021). Social media platforms are a cost-effective way for both advertising and customer relationship management. Because of constant technological improvements, these platforms could serve as a bridge between the physical and the online presence of a brand. What is more, with their advanced algorithms social media platforms have the capabilities to deliver real-time customer behaviour insights, which nowadays is the biggest asset for each business.

REFERENCES

The state of Influencer Marketing Whitepaper.

ADAMS, J., 2014. *Research Methods for Business and Social Science Students*. New Delhi: New Delhi : SAGE Publications.

AKRAM, W. and KUMAR, R., 2017. A study on positive and negative effects of social media on society. *International Journal of Computer Sciences and Engineering*, **5**(10), pp. 347-354.

ARNDT, J., 1967. Role of Product-Related Conversations in the Diffusion of a New Product. *Journal of Marketing Research*, **4**(3), pp. 291-295.

BAKER KRISTEN, 2021. *What Will Influencer Marketing Look Like in 2021?* .

CHANG, A., 2016. 5 ways to win mobile millennials: engaging beauty consumers' hearts and wallets through emerging mobile platforms. *Global cosmetic industry*, **184**(1), pp. 36.

CHOI, S.M. and RIFON, N.J., 2012. It Is a Match: The Impact of Congruence between Celebrity Image and Consumer Ideal Self on Endorsement Effectiveness. *Psychology & marketing*, **29**(9), pp. 639-650.

COHEN JULIA, Dec 12, 2019-last update, How Omnichannel Marketing is Sculpting the Beauty Industry. Available: <https://www.launchmetrics.com/resources/blog/beauty-marketing-trends> [07.08., 2020].

COURT, D., ELZINGA, D., MULDER SUSAN, VETVIK and OLE JØRGEN, June 1, 2019-last update, The consumer decision journey [12.04., 2021].

DE JANS, S., VAN DE SOMPEL, D., DE VEIRMAN, M. and HUDDERS, L., 2020. #Sponsored! How the recognition of sponsoring on Instagram posts affects adolescents' brand evaluations through source evaluations. *Computers in Human Behavior*, **109**, pp. 106342.

DE VRIES, L., GENSLER, S. and LEEFLANG, P.S., 2012. Popularity of brand posts on brand fan pages: An investigation of the effects of social media marketing. *Journal of interactive marketing*, **26**(2), pp. 83-91.

DICHTER, E., 1966. HOW WORD-OF-MOUTH ADVERTISING WORKS. *Harvard business review*, **44**(6), pp. 147.

FORBES, October 13, 2020-last update, 2020 AMERICA'S SELF-MADE WOMEN NET WORTH. Available: <https://www.forbes.com/profile/huda-kattan/?sh=3544bc0f3cec> [25.01., 2021].

FREBERG, K., GRAHAM, K., MCGAUGHEY, K. and FREBERG, L.A., 2011. Who are the social media influencers? A study of public perceptions of personality. *Public Relations Review*, **37**(1), pp. 90-92.

GUTTMAN, A., July 28, 2020-last update, Estée Lauder Companies: advertising spending in the U.S. 2012-2019. Available: <https://www.statista.com/statistics/309363/estee-lauder-companies-advertising-spending-usa/> [12.08., 2018].

HAJLI, M.N., 2014. A study of the impact of social media on consumers. *International Journal of Market Research*, **56**(3), pp. 387-404.

HBS WORKING KNOWLEDGE, Dec 13, 2019-last update, How Influencers Are Making Over Beauty Marketing. Available: <https://www.forbes.com/sites/hbsworkingknowledge/2019/12/13/how-influencers-are-making-over-beauty-marketing/?sh=5c016b901203> [21.01., 2021].

HILL, S.E.RODEHEFFER, CHRISTOPHER D.,GRISKEVICIUS, V. , DURANTE, K.,WHITE, ANDREW E. Boosting beauty in an economic decline: Mating, spending, and the lipstick effect. *Journal of Personality and Social Psychology*, Vol 103(2), Aug 2012, 275-291

HWA, C., 2017. The Impact of Social Media Influencers on Purchase Intention and the Mediation Effect of Customer Attitude. *Asian Journal of Business Research*, **7**, pp. 19-36.

IQBAL M. Updated 24.05., 2021-last update, TikTok Revenue and Usage Statistics (2021) [24.05., 2021].

IQBAL, M., Updated 24.05., 2021-last update, Instagram Revenue and Usage Statistics (2021). Available: <https://www.businessofapps.com/data/instagram-statistics/> [26.05., 2021].

LEMON, KATHERINE N & VERHOEF, PETER C, 2016. Understanding Customer Experience Throughout the Customer Journey. *Journal of marketing*, 80(6), pp.69–96.

KATAN HUDA (2021), *Why We Reformulated Our Best Selling #FauxFilter Foundation?* Available at: https://www.youtube.com/watch?v=Csb_j43L2LI [01.05.2021]

KI, C.(., CUEVAS, L.M., CHONG, S.M. and LIM, H., 2020. Influencer marketing: Social media influencers as human brands attaching to followers and yielding positive marketing results by fulfilling needs. *Journal of Retailing and Consumer Services*, **55**, pp. 102133.

KOTLER, P., 2009. *Marketing management*. Pearson/Prentice Hall.

KOTLER, P., KARTAJAYA, H., SETIAWAN, I., 2021, *Marketing 5.0: Technology for Humanity*. John Wiley & Sons

LAI, L.S.L. and TURBAN, E., 2008. Groups Formation and Operations in the Web 2.0 Environment and Social Networks. *Group Decision and Negotiation*, **17**(5), pp. 387-402.

LEE, J.E. and WATKINS, B., 2016. YouTube vloggers' influence on consumer luxury brand perceptions and intentions. *Journal of business research*, **69**(12), pp. 5753-5760.

LÓPEZ-MOSQUERA, N., GARCÍA, T.,BARRENA, R., (2014), "An extension of the Theory of Planned Behavior to predict willingness to pay for the conservation of an urban park", *Journal of Environmental Management*, vol. 135, pp. 91-99.

MCQUARRIE, E.F., 2013. The Megaphone Effect: Taste and Audience in Fashion Blogging. *Journal of Consumer Research*, **40**(1), pp. 136-159.

MUKHERJEE, A. and NATH, P., 2007. Role of electronic trust in online retailing: A re-examination of the commitment-trust theory. *European journal of marketing*, **41**(9), pp. 1173-1202.

NEFF, J., 2020. A GOOD INFLUENCE? New tool aims to track whether influencers and digital ads actually drive online sales. *AdAge*, **91**(4), pp. 8.

NOORMOHAMED, N.A., 2019. Luxurious Lifestyles: Marketing to Chinese Millennials. *Competition Forum*, **17**(2), pp. 425-431.

NURHANDAYANI, A., SYARIEF, R. and NAJIB, M., 2019. THE IMPACT OF SOCIAL MEDIA INFLUENCER AND BRAND IMAGES TO PURCHASE INTENTION. *Jurnal Aplikasi Manajemen*, **17**(4), pp. 650-661.

O'GORMAN, K., 2016. *Research methods for business & management : a guide to writing your dissertation*. 2nd ed. edn. Oxford, England : Goodfellow Publishers Ltd.

RIDDER, M., Nov 23, 2020-last update, Value of the cosmetics market worldwide from 2018 to 2025. Available: <https://www.statista.com/statistics/585522/global-value-cosmetics-market/> [01.03., 2021].

RIDINGS, C.M., GEFEN, D. and ARINZE, B., 2002. Some antecedents and effects of trust in virtual communities. *The journal of strategic information systems*, **11**(3), pp. 271-295.

RUVIO, A., GAVISH, Y. and SHOHAM, A., 2013. Consumer's doppelganger: A role model perspective on intentional consumer mimicry. *Journal of consumer behaviour*, **12**(1), pp. 60-69.

SAUNDERS, M.N.K., THORNHILL, A. and LEWIS, P., 2019. *Research Methods for Business Students*. Harlow, United Kingdom: Pearson Education, Limited.

SCHEER, L.K. and STERN, L.W., 1992. The Effect of Influence Type and Performance Outcomes on Attitude toward the Influencer. *Journal of Marketing Research*, **29**(1), pp. 128.

SIDDIQUI, S. and SINGH, T., 2016. Social media its impact with positive and negative aspects. *International Journal of Computer Applications Technology and Research*, **5**(2), pp. 71-75.

STEWART, R., August 20, 2019-last update, Estée Lauder now spends a huge portion of its marketing budget on influencers. Available: <https://www.thedrum.com/news/2019/08/20/est-e-lauder-now-spends-huge-portion-its-marketing-budget-influencers> [02.02., 2021].

STUBB, C., NYSTRÖM, A. and COLLIANDER, J., 0. Influencer marketing. *Journal of communication management (London, England)*, **23**(2), pp. 109-122.

TANKOVSKA, H., Feb 25, 2021-last update, Social media usage in the United Kingdom (UK) - statistics & facts. Available: <https://www.statista.com/topics/3236/social-media-usage-in-the-uk/> [12.04., 2021].

TASHAKKORI, A. AND TEDDLIE, C. EDS., 2010. Sage handbook of mixed methods in social & behavioral research. Sage.

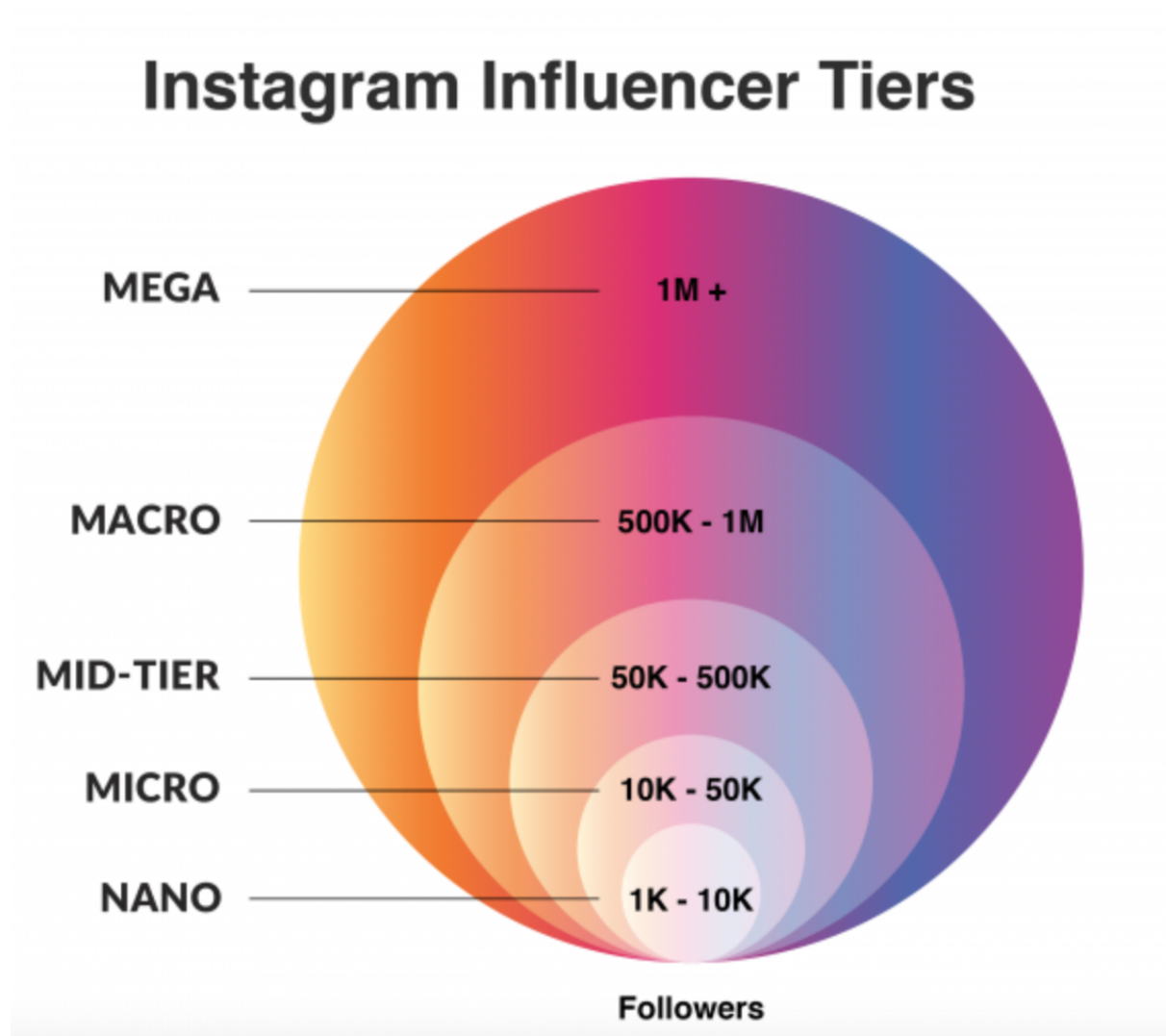
TEO, L.X., LENG, H.K. and PHUA, Y.X.P., 2019. Marketing on Instagram: Social influence and image quality on perception of quality and purchase intention. *International journal of sports marketing & sponsorship*, **20**(2), pp. 321-332.

WEBSTER MERRIAM, , Definition of communication. Available: <https://www.merriam-webster.com/dictionary/communication> [02.03., 2021].

WELLMAN, B., GULIA, M. and TREMAINE, M., 2000. Net Surfers Don't Ride Alone: Virtual Communities As Communities.

WILEY, D., Jan 7, 2021-last update, Six Influencer Marketing Trends To Watch In 2021. Available: <https://www.forbes.com/sites/forbesagencycouncil/2021/01/07/six-influencer-marketing-trends-to-watch-in-2021/?sh=5d7630397a6a> [12.02., 2021]

APPENDIX I: INSTAGRAM INFLUENCER TIERS



APPENDIX II: INTERVIEW SCRIPT AND SUMMARY OF RESPONSES

Four interviews were held in the period 12th - 30th April. The interviewees were chosen using selective sampling with the main criteria being an expert in the field. Two makeup

artists were interviewed, one of them having more than 40K followers, which puts him in the category of “micro-influencer”.

DECODING - INTERVIEWS

Interviewer: Hello, ... ! Thank you for accepting the invitation for this interview! Let me tell you a bit what our conversation will be about today. This interview is a part of a master thesis research on social media and its influence on our perceptions and attitudes in real life. It focuses mostly on the beauty community and if social media changes our beliefs for what is beautiful, how we are supposed to do our makeup and so on. It's anonymous, so no personal data will be disclosed. **Firstly, I would like to ask you to tell me a bit more about yourself - what is your occupation, how often do you use social media and what do you usually use social media for?**

Berny: makeup artist, 8-9 years, social media - huge part of being a makeup artist, as nowadays social media is the place where you portrait your work

Joanna: makeup artist, 6 years, I use social media a lot, especially to promote my work, social media could be a huge boost for your career.

Elizabeth: Hi my name is Elizabeth. I am a Pharmacist by profession and I own a Natural hair and skin care company. I use social media most of the time for brand awareness and to share photos with friends and family.

Anna: I am a psychologist, with around 5 years of experience with customers, currently pursuing a Doctorate.

Interviewer: Now I want you to think about a particular beauty influencer, someone, who you like and, let say, agree with and trust their opinion. What makes this person different from the other influencers? Why do you like and trust them?

Berny: stands for human / trans rights, don't get caught up in drama, unproblematic, learns from mistakes,

Joanna: I like to follow people who inspire me for my own work and I can learn something useful from them. Women-entrepreneurs who started like me, but are very successful now. I don't like influencers who just promote products and showing off, and don't teach you anything

Response: Well maybe because of the way this person promotes beauty brands on her page. She's passionate and of course has a good number of followings which helps as well.

Anna: I have the condition of alopecia, so influencers with the same condition as mine have been a great source of inspiration and useful information.

Interviewer: My next question is about this type of influencers, who share a lot of their personal life - their homes, material possessions, vacations, food, family. What do you think about this? Would you say, when you see their daily life, that you feel these people are closer to you, or this kind of content rather annoys you?

Berny: In the middle, most of the time what they are portraying from their life is not real, as it is done with the purpose to be a content for social media. They don't live their life organically

Joanna: I am not a fan of these kind of influencers, because they are just showing off. You can still influence people, but do it in a useful way. It's nice to watch, but you realize you cannot afford these things and this makes you perceive these people more like celebrities, rather than normal people

Response: I am indifferent. If you wish to share your personal stories then that's up to you and absolutely fine. Personally I really don't like to share too much personal matters on social media.

Anna: Depends on why they shared it. I follow a lot of women influencers who share interesting and genuine insights on their life as a woman. I enjoy this type of content as it connects people with similar worries and this can help a lot.

Interviewer: Now I want to ask you how often you buy cosmetics?

Berny: Not very often, I value sustainability. Another reason is that I receive a lot of PR packages

Joanna: I don't buy a lot, because I have piled a lot of things during the years and also when working with a cosmetic brand you receive a lot of free makeup

Response: I don't buy cosmetics because I own a beauty company so I use my brand of cosmetics.

Anna: Makeup is a hobby of mine, I had a few months period where I would buy cosmetics 2-3 times per month, but I realised I physically cannot use all of them.

Interviewer: Do you refer to social media when you buy cosmetic products? Please explain how.

Berny: Definitely, things getting viral, entice me being curious about the product, therefore I am more inclined to buy it

Joanna: I like double checking the product on social media, but it doesn't mean I would buy it. I had a previous experience with a brand, which had only positive reviews, but when I bought it wasn't as good as I expected.

Response: Not exactly. I think I would buy based on people's recommendation if I didn't have a beauty company.

Anna: Definitely, positive comments for a product on social media provoke my curiosity, but I always try to check a product in store, as I had bad experiences.

Interviewer: How a social media influencer or content on social media could influence your decision about buying a certain cosmetic product? If you have a real example from the past, please share

Berny: The respondent first mentioned as an example a referral from another friend-creator. After he said that, seeing a lot of positive reviews of one product multiple times on social media definitely influences their purchase intention.

Joanna: It's good to check social media, but as I said you have to be clever when buying and checking multiple sources. Social media is very good for advertising and making your brand more known, but what we see there is never 100% accurate.

Response: I would only buy based on reviews or recommendations from other people. Not exactly based on how the influencer promotes that product.

Anna: Answer in the previous question

Interviewer: Do you feel that social media beauty content has affected you negatively or positively in some way?

Berny: During the pandemic, where I was not able to do makeup on other people, social media was an outlet to stay consistent. On the other way, the algorithm of platforms like Instagram confuses me - as sometimes a very detailed and intricate makeup look which takes 4-5 hours to produce gets very poor engagement, compared to a more simple look, which suddenly will do very very well.

Joanna: It can affect you in a negative way, because cosmetic brands always use a lot of Photoshop. It gives you unrealistic expectations about the products and how you are supposed to look

Response: Not at all

Anna: It didn't affect me personally, but as a psychologist I could say it is common, especially for young girls to feel more insecure about their appearance due to unrealistic beauty standards, which we see on social media.

Interviewer: Imagine you are responsible for the social media marketing of a big cosmetic brand. Which will be the main things you will focus on?

Berny: It is important to have a great balance between what is trending and a professional opinion. I feel like a lot of brands focus on only what is trendy now, and don't take into consideration a professional opinion, so their content looks very overdone and as a normal consumer makes it hard for you to relate. Brands should focus more on the practical side of makeup, rather than on what could go viral on social media .

Joanna: Quality first, absolutely. The most important thing is to find a balance between quality and price. And of course, use more realistic images for your promotion.

Response: I will focus on reviews from customers. I will also focus on using the products and see if they are effective then I would be able to promote it well.

Anna: I would definitely put more emphasis on diversity and inclusion. Customer feedback should also play a more important role in product formulation.