

# Special Issue Inovação e Transição Digital

CISI 2020 - 3ª Conferência Internacional de Sustentabilidade e Inovação, Portugal

# IMPACT OF DIGITAL INFLUENCERS ON PORTUGUESE CONSUMERS IN THE BEAUTY INDUSTRY

# Impacto dos Influenciadores Digitais nos Consumidores Portugueses na Indústria da Beleza

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#### Abstract

Digital influencers can reach multiple consumers through their platforms, such as Facebook and Instagram. In this sense, the objective of our study is to explore Influence Marketing in Portugal in the cosmetic industry and the way digital influencers can have an impact on the behavior of portuguese consumers. To explore the benefits of using digital influencers as a marketing tool, the mode of action and the impact on consumer behavior, we resort to the use of qualitative methodology. In this sense, our study consists of a case study, namely, the case of Nyx Cosmetic. The use of "digital influencers" as a marketing tool has shown a positive impact on consumer behavior due to its influence on followers, which is also seen in the Portuguese cosmetic market. Due to the continuous increase of users of Portuguese social networks, brands must have a strong online presence to create an impact on their current and potential consumers.

**Keyword:** Cosmetics; Digital Influencers; Marketing; NYX Cosmetic.



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#### 1 INTRODUCTION

Globalization and the fast technology advances observed in the last years has a shift on marketing strategies, put pressure on companies to come up with new to remain competitive, especially with the way they interact with their consumer base.

The number of internet and social media users has shown a steadily growth in recent years, and data from the study "Os Portugueses e as Redes Sociais" - which focus on the opinions and habit of Portuguese social media users – revealed that Instagram is the second most known social media, coming behind Facebook as the most known social media, according to data collected from Marktest (2018). Even though a lot of people are online, some social media users begin to have a stronger online than others within certain communities. They are perceived has having some authority on shared interest of the community they are a part of. This individual start being called Digital Influencers. They not only possess the capability to sell a product to their following base but are also able to generate positive publicity and so brands begin using them as marketing tools.

Notwithstanding the subject being relatively modern preceding academic studies supplied experiential support of influencers' value (Agarwal, Liu, Tang & Yu, 2008; Choi & Thoeni, 2016; Sudha & Sheena, 2017). However, to the best of our knowledge, no other studies were conducted and applied to the cosmetic Portuguese market. This paper will explore Influence Marketing in Portugal in the cosmetic industry, and the way Digital influencers can make an impact on the behavior of Portuguese consumers.



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#### 2 LITERATURE REVIEW

Nowadays it has almost become mandatory for brands to include the use of social media in their marketing strategy, largely due to the increase of social media users worldwide - in 2017 there were two point forty six billion social media users online, a number that had been steadily increasing overs the years (Jokinen, 2016). Brands can benefit a lot from advertising on social media, not only because of the huge audience they are able to reach since a large portion of the population is online but also due to the extremely low cost of this type of advertisement in comparison to other forms of traditional media (Bakhshi, Shamma, & Gilbert, 2014). Another major difference from traditional media is that while traditional media delivers a one-way message to consumers, social media provides opportunities for brands and consumers to have a two way communications (Prindle, 2011), all the while providing the opportunity for users to share their opinions and communicate with others (Kelly, Kerr, & Drennan, 2010), thus being able to build up a much closer relationship with their consumers. Due to the strong online presence of consumers, social media can also provide a mean for companies to gather information about what their customers are interest in and about their behavior. These insights can be of great value for companies when planning future strategies. However, some studies have shown that due to the sheer amount of advertisement from brands on social media they start to be ignored by users, while user-generated content from consumers who have had a positive experience make consumers more likely to buy a product (Chiu, Lin & Tang, 2005; Forsythe & Shi, 2003). One social media that is proving to be very useful with businesses is Instagram. According to their data, more than two hundred million user visit



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professional profile at least once a day and sixty percent say they have discovered new products on the network; and since Instagram main purpose is for users to share photos, it becomes also perfect platform for user-generated content, and therefore a perfect home for Digital Influencers (Kaplan & Haenlein, 2010).

# 2.1. Electronic Word of Mouth - eWOM

The internet has provided an easy way for anyone with access to a computer to communicate and exchange ideas and opinions with other individuals, even if they have never met in person; and with it online communities begin to appear. These communities are defining as online spaces composed by individuals who socially interact and have discussions with a shared interest or purpose (Kim, Jeong, & Lee, 2010). These communities can often be found on social media sites, where users can easily communicate and share opinions with each other, making them a great tool for eWOM - Electronic Word of Mouth (Castro, 2018). Traditionally, WOM is the conversation and recommendations between consumers on products and services in a casual setting (Zhu, Chang, & Luo, 2016), and has a noticeable impact on consumer behavior, since consumers tend to hold the opinion of other peers as more trustful than information gathered from traditional advertising (Doh & Hwang, 2009). With the observed increased usage of the Internet, individuals started having this type of information sharing using online platforms and so WOM gained a new dimension, thus giving way to eWOM (Teixeira, 2017). According to Hennig-thurau, Gwinner, Walsh, and Gremler (2004) eWOM refers to "any positive or negative statement made by potential, actual, or



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former customers about a product or company, which is made available to a multitude of people and institutions via the Internet." (p.39). We can say that in a way eWOM works the same as WOM but instead of consumers communication in person they communicate online. This makes so that the information shared online by other consumers will have an impact on the consumers decision making process, in the same way WOM works.

# 2.2. Digital influencers in the beauty industry

The beauty and cosmetic industry has been one of the markets where the use of Influencers has shown to be beneficial and it's very popular, since it's common practice for consumers to conduct research prior to purchasing on social media and look for influencers' feedback (Rebelo, 2017). In addition to an overwhelming number of internet user ignoring brand's online marketing, Consumers tend to trust each other more than information they get from other ways of advertisement and with the extreme use of Photoshop and other forms of image manipulation in traditional media, consumers have been relying on the opinions of friends, relatives and known social figures to base their purchase on beauty products (Sharma, 2016).

Nowadays there are even influencer marketing platforms that provide a simple and easy way of communication between brands and influencers. One example of these platforms is Upfluence. According to their website, Upfluence is an online platform that allows brands to find influencers with whom to work with on their campaigns, by providing marketing tools that help "select (...) influencers and manage and analyze [the brand's] influencer campaign



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performance at scale" (Upfluence, 2020).

Despite the use of these marketing platforms by brands and paid endorsements, there another way of business with Digital Influencers that can have an extremely low-cost: thought PR partnerships.

It's not unusual for brands to send their products for free in exchange for social media promotion. It's often found on the description of Instagram accounts of beauty influencer's contacts explicitly stated that they are for business purposes, such as email addresses for brands to communicate but with some also even having an address - usually a PO box one – to which brands can send their products. But not only are people open to received PR from brands but the brand themselves select people to whom to send their products.

The indie makeup brand Beauty Bakery for example, has a section on their website where consumers can contact them to receive products and doing product review (Beauty Bakery, 2020). This serves as an excellent way of advertisement especially for small businesses since they can use Digital Influencer's ability to influence their followers with the only cost being that of the products' they give away.

# 2.3. Online presence of cosmetic brands in Portugal and its impact on consumer behaviour

The Portuguese beauty industry in particular has shown a growth not only in sale volume but also in the way web platforms are used to publicize products and communicate with the consumers (Carvalho, 2016). At the present day a large amount of beauty brands in the Portuguese market have established a solid online presence though Instagram. Brands such



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as Quemdisseberenice, Benefit cosmetics, Perfumes&Companhia and Garnier Portugal have accumulated more than fifty thousand followers, while the Instagram accounts for Nyx Cosmetic and Sephora Portugal have more than one hundred thousand followers each (Quemdisseberenice, 2020; Benefit, 2020, Perfumes&Companhia, 2020, Garnier Portugal, 2020). Through their accounts the brands mainly advertise their products and services.

Some brands have since starting to work with popular social media users with beauty focused content. Popular makeup artist Inês Mocho has an Instagram account with two hundred and two thousand followers (Mocho, 2020a), where she not only posts about beauty related content such as makeup looks, but is also shares post about her personal life like photos of her daughter. Mocho also regularly creates sponsored content, which is identifiable be the use of the hashtag "pub" from the Portuguese word "publicidade". A brand that pops up regularly throughout Mocho's Instagram feed is the popular skincare brand Nivea.

The posts usually features photos of Mocho using and emphasizing the products. On the brand's own Instagram account the posts are a mixture between photos of the products and posts featuring other influencers using their products. Searching the hashtag "niveaportugal" also shows sponsored post from other Instagram users besides the ones featured on the brands page, including accounts with a relatively low following but all sharing the their focus on theme of beauty. The brand TheBodyShop, similary to Nívea, can also be seen using social media as a way to advertise, with the hashtag "thebodyshoppt" also showing sponsored posts.

Mocho doesn't restrict her business to Instagram – she also has a YouTube account



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with one hundred and forty-five subscribers (Mocho, 2020b), where she also posts videos sponsored by Nívea. Like Instagram, YouTube is also another great platform for social marketing. YouTube makes up for an excellent channel Influencers to communicate with their audience and review products, which has been shown to have a big influence on the consumer's opinion (Forbes, 2016).

A study by Maria Ponte (Ponte, 2017) on Portuguese consumers supports the showings of YouTube Influencers having an impact on consumer behavior. The study in particular shows that the way consumers view and perceive the vlogger has an impact in their purchase intent and that when they perceive the YouTuber as trustworthy, they will view their product review in a positive light. With Influencers being seen has reliable sources of information they can act as good advertisement agents in the Portuguese cosmetic market.

#### **3 METHODOLOGY**

Nowadays it is very easy for social media users to connect with brands, especially on social media websites such as Instagram which has a feature that allows users to tag accounts. Studies have shown that a great number of users will connect with brands out of free will (Jahn & Kunz, 2012).

In online beauty communities, though PR partnerships, makeup enthusiasts will often show their followers what products they use and even share their opinion and recommendations without have any form of contract with the brands they are sharing. According to Emily Weiss, founder of the cosmetic brand Glossier "The customer is becoming



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the marketer, (they're) electing which brands win by posting what (they are) using on social media – whether (they have) 200 followers, 2,000 or 2 million." (Kocheilas, 2019).

Qualitative case study methodology provides tools for researchers to study complex phenomena within their contexts (Baxter & Jack, 2008). For this article we used a case study research design to explore how influencers and this new marketing era is beneficial for companies, how it operates in the Portuguese market and the impact that influencers have on consumer behavior, namely, in the cosmetics sector. For that, we studied Nyx Cosmetic.

Nyx Cosmetic is a makeup brand owned by L'Oreal that turned into a multimillion-dollar business with the help of social media (Weinswig, 2017). The brand maintains a great relationship with their consumers and makes frequent use of beauty influencers – a quick run through their Instagram feed will show a lot of post featuring influencers' makeup looks using their products (Nyx, 2020). Nyx Cosmetics first realized the potential of influencers when the brand saw the popularity between beauty vloggers on YouTube of one of their products that had been discontinued cause a boom in sales. Upon seeing the marketing potential on social media influencers began sending them their products (O'Connor, 2016) so influencers could keep talking about the brand and their products to their followers.

But Influencers are not the only ones who get attention from the brand. Nyx Cosmetics marketing strategy also relies a lot on their consumer base. In an interview with Sara Aziz, the NYX Trade and National Account Manager talked about how the brand's use social media to gather feedback from their consumers, citing that "before something is even a finished product



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or a finished idea in our minds, we'll share it via social media to see how they (the consumers) react." (Think, 2015). Another very important part that also plays into the closeness of the relationship between the brand and consumers comes from the brand's strategy of using user-content generated by their customers.

Visiting the brand's Instagram account, one will immediately find in the description and appeal from the brand for consumers to tag them in their posts for a chance of being featured. On the Instagram account for their Portuguese division, it also possible to see the use of the same strategy –using the Highlight feature the account shares posts made by users who appear to not be affiliated with the brand - users who do not disclose in the description of their posts anything indicating that the post is sponsored of that they maintain a relationship with the brand) who tag the brand. The brand also shares this post on their feed which in a study conducted by Cláudia Carvalho (Carvalho, 2016) has shown to have a positive impact on the brands engagement.

One of the biggest contributions for the growth of Nyx Cosmetics has been the costumers. The brand's history has shown that social media marketing strategies are extremely profitable and that it is crucial for brands to engage with their customers.

# **4 CONCLUSION**

Nowadays is has become extremely important for brands to establish an online presence and not rely only on tradition forms of media. Unlike traditional media, through social media strategies brand can flourish a direct relationship with consumers and this



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engagement has been proven to be extremely beneficial for the brands.

However, being as internet and social media users tend to ignore some forms of brand advertisement that are similar to tradition media - like ad placements- brands need to think of other ways to keep to advertisement and see that their message is received by the consumers.

The use of "Digital Influencers" as marketing to has shown a positive impact on consumer's behavior due to their influence over their following. In general, Digital Influencers seem to have a positive impact on the consumer's behavior, and this can be seen in Portuguese cosmetic market as well. Cosmetic brands operating in the Portuguese market should continue to make use of social media marketing and user generated content, and with the continuous rise of Portuguese social media users brands need to hold a strong online presence as to be able to create an impact on their current and potential consumers.

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