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Para-social Relationships and Beauty Brand Success: Social Media Influencers' Effect on Consumer Decisions in Nepal

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Abstract

This study investigates the impact of Perceived Social Relationships (PSR) through Instagram influencer marketing on consumer decisions and the sales performance of beauty and cosmetic brands in Nepal. A mixed-method approach, combining quantitative surveys and qualitative interviews, was employed. The quantitative data, collected from Instagram users and beauty brand consumers, was analyzed using descriptive and inferential statistics, while the qualitative data provided insights from social media influencers and brand managers. The findings reveal that advertisements (Ads), personal engagement (PE), and interaction with influencers significantly affect consumer buying intentions, with interaction being the most influential. Information content (IC), however, showed a weak and statistically insignificant relationship

with consumer buying intentions. These results emphasize the importance of engagement-driven strategies in influencer marketing. The study suggests that brands should prioritize authentic, interactive content to enhance consumer trust and purchase intent. The novelty of this research lies in its contextual focus on Nepal, offering new insights into the dynamics of influencer marketing in an emerging market.

Keywords: Instagram influencers, Parasocial Relationships, Consumer behavior, Beauty industry

Introduction

In recent years, the beauty and cosmetics (B&C) industry underwent a significant transformation, largely driven by the proliferation of social media (SM) platforms. Social media influencers (SMIs), particularly those specializing in beauty, emerged as pivotal figures, shaping consumer behavior through content creation, product reviews, and tutorials. This dynamic led to the formation of parasocial relationships (PSRs), where followers developed perceived one-sided connections with influencers, which impacted their purchasing decisions. Understanding the influence of PSRs on beauty brand sales was crucial for marketers and brand managers, especially in diverse markets like Nepal.

The concept of PSR, introduced by Horton and Wohl in 1956, described the one-sided relationships that audiences formed with media personalities. In the context of modern SM platforms such as Instagram, YouTube, and TikTok, these relationships evolved, with influencers fostering a sense of intimacy and trust among their followers. This perceived closeness significantly influenced consumer preferences and purchasing decisions. For instance, a study by Sokolova and Kefi (2019) found that PSRs with influencers positively affected purchase intentions, mediated by the credibility and authenticity of the influencer. This underscored the importance of authenticity in influencer marketing, as genuine interactions strengthened PSRs and, consequently, consumer loyalty.In Nepal, the B&C industry witnessed substantial growth, paralleling the global trend of increasing SM usage. The emergence of local beauty influencers added a new dimension to the market, with these individuals leveraging their platforms to share beauty tips, product reviews, and personal experiences. This trend indicated a broader shift towards digital engagement, where consumers sought relatable and trustworthy sources of information. However, despite the recognized influence of SMIs on consumer behavior, there was limited research focusing specifically on the impact of PSRs on the sales of beauty brands within the Nepalese context. Given the unique cultural and market characteristics of Nepal, it was essential to explore how PSRs influenced consumer purchasing decisions in this setting.

Existing studies in other countries provided valuable insights into the role of PSRs in consumer behavior. For example, research by Jin and Phua (2014) demonstrated that PSRs with SMIs positively influenced purchase intentions, mediated by factors such as source credibility and identification. Similarly, Evans et al. (2017) highlighted the effectiveness of influencer

marketing in enhancing brand perception and driving consumer engagement. However, the applicability of these findings to the Nepalese market remained uncertain, necessitating research that accounted for local cultural nuances and consumer preferences. The Nepalese B&C industry was characterized by its dynamic trends and the increasing presence of both international and local beauty brands. The widespread adoption of SM platforms facilitated the rise of local influencers who garnered substantial followings. These influencers played a crucial role in shaping consumer opinions and purchasing behaviors, making it imperative to examine the impact of PSRs on the sales outcomes of beauty brands in Nepal. Factors such as language, cultural values, and social norms significantly influenced the nature of PSRs and their effect on consumer behavior, highlighting the need for context-specific research.

To address this research gap, the study aimed to investigate the relationship between PSRs with SMIs and the sales performance of beauty brands in Nepal. The research was guided by the following objectives: To assess the level of parasocial engagement between Instagram influencers and their followers in the makeup industry. To examine the impact of parasocial engagement on consumer purchasing decisions in the makeup industry. To identify key success factors for effective parasocial engagement in the context of makeup brands in Nepal. y employing a mixed-method approach that incorporated both quantitative and qualitative methodologies, the study sought to provide a comprehensive understanding of the phenomenon. Quantitative data collection involved surveys and questionnaires to gather information on consumer perceptions, attitudes, and purchase behavior related to beauty products.

Additionally, qualitative methods such as interviews and focus groups offered deeper insights into the emotional connections and motivations underlying consumer engagement with influencers. The findings of this research had significant implications for both beauty brands and SMIs operating in Nepal. For brand managers and marketers, understanding the influence of PSRs on sales outcomes enabled the development of more effective marketing strategies, efficient resource allocation, and enhanced return on investment (ROI). With a comprehensive understanding of how consumers engaged with SMIs and the subsequent impact on purchasing decisions, brand managers could tailor their influencer collaborations, content creation, and promotional activities to maximize key performance indicators (KPIs) such as click-through rate (CTR), conversion rate (CVR), and ROI.

Moreover, SMIs in the B&C industry benefited from the insights generated by this study. By understanding the factors that contributed to effective PSR and its impact on sales, influencers refined their content strategies, enhanced their communication with followers, and strengthened their relationships with beauty brands. This knowledge enabled influencers to establish themselves as valuable partners for beauty brands, facilitating mutually beneficial collaborations that drove business-to-consumer (B2C) sales growth.

By focusing specifically on the Nepalese context, this study acknowledged the unique cultural and market dynamics that influenced consumer behavior in the B&C industry. The research provided insights into consumer preferences, cultural nuances, and the effectiveness of SMI

marketing strategies in Nepal. This localized knowledge was crucial for stakeholders in the Nepalese beauty industry to make informed decisions and adapt their practices to the specific needs and preferences of the Nepalese consumer market.

Literature review

Conceptual review

This study utilizes John Dewey's (1910) decision-making process, which identifies five stages of consumer behavior: problem recognition, information search, evaluation of alternatives, product choice, and post-purchase evaluation. The focus of this research is on the first three stages—problem recognition, information search, and evaluation of alternatives—since they are particularly influenced by parasocial relationships (PSRs) and social media influencers (SMIs). These stages are crucial as consumers are highly susceptible to external influences, especially from Instagram influencers (DeVeirman, Cauberghe, & Hudders, 2017). In the problem recognition phase, consumers identify a gap or need in their current situation. SMIs often help bring attention to these needs by discussing specific problems and offering solutions through their content. For instance, an influencer might highlight skin issues like acne and suggest products that address these concerns, prompting followers to recognize similar issues within themselves. In Nepal, influencers act as intermediaries between emerging beauty trends and consumers, introducing needs they may not have previously considered (Hwang & Jeong, 2016). Recent studies confirm that influencers play a pivotal role in the recognition of personal needs, especially in emerging markets like Nepal, where beauty trends are rapidly evolving (Liu et al., 2022).

In the information search phase, consumers actively seek solutions to the problems they have identified. Here, the credibility and expertise of SMIs are essential. Influencers offer detailed reviews, tutorials, and product demonstrations, positioning themselves as trusted sources of information. Unlike traditional advertising, influencer content is often perceived as more authentic and relatable, making it more persuasive. In Nepal's beauty industry, influencers help consumers discover new products, learn about their uses, and understand the benefits. The trust built through PSRs causes consumers to view influencers as credible and reliable sources (Freberg et al., 2011). Research by Yao et al. (2021) shows that influencer credibility enhances consumer trust, making influencers key figures in product recommendations, particularly in countries with high social media engagement like Nepal.

In the evaluation of alternatives stage, consumers compare different products before making a decision. Influencers significantly influence this phase by providing comparative reviews and showcasing "before-and-after" results. For instance, influencers often compare two different brands, helping their followers narrow down their choices. In Nepal, where access to international beauty products can be limited, influencers play an essential role by comparing local and global options, thereby facilitating more informed decision-making. Instagram's

interactive and visual features further support this phase, as consumers can directly engage with influencers to clarify doubts (Djafarova & Trofimenko, 2019).

Recent studies confirm that influencers' comparative reviews and visual content greatly guide consumers' evaluation process, especially in regions like Nepal where product diversity exists (Brubaker et al., 2023). Although Dewey's model includes the product choice and post-purchase evaluation stages, these phases are less influenced by influencer content and more by personal experience. However, influencers still play a role by encouraging feedback and providing tips that improve post-purchase satisfaction and foster repeat purchases. Dewey's framework illustrates how influencers influence consumer behavior by raising awareness, sharing knowledge, and aiding in comparative evaluations, particularly in Nepal, where Instagram influencers significantly impact consumer decisions. The Uses and Gratifications (U&G) theory, which suggests that individuals actively seek media content to fulfill needs such as information, social validation, and entertainment (Katz, Blumler, & Gurevitch, 1973), is also central to this study.

Recent work by Kim et al. (2022) emphasizes that U&G theory remains a relevant lens through which to understand why consumers in Nepal turn to Instagram influencers for beauty content. Influencers not only satisfy consumers' need for information but also provide a sense of community through social validation. In Nepal's collectivist culture, peer approval is an important driver in consumer decision-making (Choi & Lee, 2019). Social validation through influencer engagement helps to increase consumer loyalty, particularly in cultures where community ties are strong (Jones & Song, 2021).

Overall, Instagram influencers, through their roles as educators, sources of social validation, and entertainers, play a significant role in shaping consumer behavior in Nepal, as they address needs for information, validation, entertainment, and identity reinforcement. This makes influencers powerful drivers of purchasing decisions in the beauty industry, where personal connection and trust are key factors.

Conceptual Framework

The conceptual framework of this study is designed to examine the relationship between PSR, consumer behavior, and the sales performance of beauty brands, with a specific focus on Nepal's B&C industry. The framework highlights the independent variables that influence PSR—communication skills, information content, interaction, and perceived expertise of SMIs—and their subsequent impact on consumers' purchasing decisions. Additionally, this study will consider moderating variables such as age, income level, peer influence and occupation (housewives vs. working women) to assess how these factors shape the effectiveness of PSR.
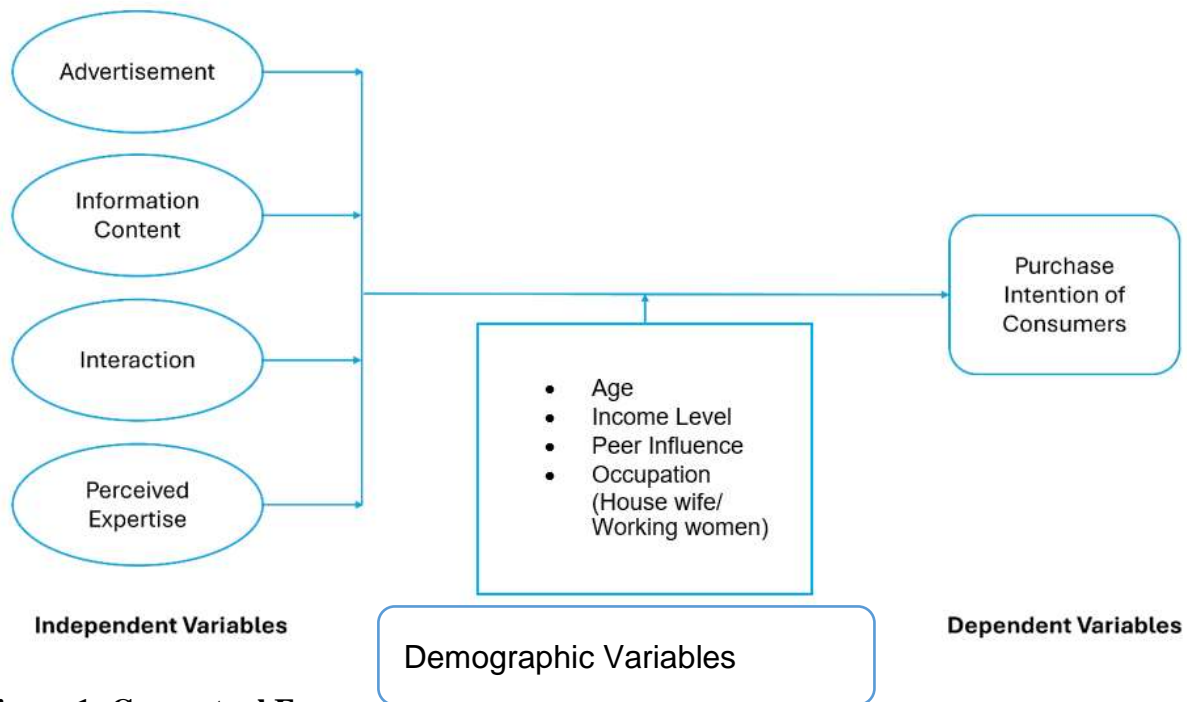
Figure 1: Conceptual Framework

Figure 1 presents the conceptual framework of factors influencing consumer behavior and purchase intention, with respect to, influencer marketing in the beauty industry. The framework includes three categories of variables: They provide an overview of independent variables, demographic variables, and a dependent variable, and provide a complete understanding of how these pieces interconnect.

This framework is dependent upon Purchase Intention of Consumers (dependent variable) which is the measure of the chances of consumers purchasing beauty products influenced by independent variables. The decision-making process and purchase intention is the outcome which is important to understand how effective influencer marketing strategies can be.

The directional arrows that are used within the framework visually illustrate the relationships between these variables and show how these independent variables effect purchase intentions and are a function of the demographic variables. The conceptual framework presented in this paper uses a structural model to provide a clear and systematic approach to determining the dynamics of influencer marketing and how advertisements, information, interaction, and perceived expertise affects consumer behavior in the aspect of beauty industry of Nepal.

Empirical Review

Empirical studies have consistently highlighted a strong relationship between parasocial relationships (PSR) and consumer purchasing behavior, particularly within the beauty and cosmetics (B&C) sector. Jin and Phua (2014) conducted research that identified PSR with social media influencers (SMIs) as a critical factor influencing brand loyalty and purchase intention. Their findings indicated that consumers who developed PSR with influencers exhibited higher trust and perceived similarity with endorsed brands. This psychological

connection fostered increased purchase intentions, as followers felt a deeper association with both the influencer and the promoted products.

Another notable study by Evans et al. (2017) explored the influence of beauty influencers on return on investment (ROI) for brands. Their research demonstrated that SMIs who established strong PSR with their audiences not only enhanced brand visibility but also contributed to higher conversion rates (CVR) through personalized product recommendations. Consumers were more inclined to purchase beauty products endorsed by influencers due to the credibility, authenticity, and relatability they projected. These findings further reinforced the growing significance of influencer marketing as a highly effective digital strategy.

Lee and Watkins (2016) provided additional empirical insights, demonstrating that Instagram (IG) influencers played a crucial role in enhancing the marketing effectiveness of B&C brands. Their study revealed that influencer endorsements led to greater brand recall and increased purchase intentions compared to endorsements by traditional celebrities. Consumers expressed greater trust in SMIs, attributing this trust to the relatability and perceived sincerity of influencer recommendations. The collective insights from these studies underscored the importance of PSR in shaping engagement metrics such as cost-per-click (CPC) and CVR, which are vital for successful social media marketing campaigns (Jin & Phua, 2014; Lee & Watkins, 2016).

Research Gap

Despite extensive research on PSR and influencer marketing in Western markets, there is a gap in understanding how PSR impacts beauty brand sales in Nepal, given its unique cultural and social dynamics. While previous studies highlighted the importance of authenticity, credibility, and expertise in influencing purchasing behavior, these factors may differ in Nepal due to societal norms. Additionally, there has been limited research on how demographic factors, such as occupation, influence PSR and purchasing patterns, especially among housewives and working women. There is also a lack of research on the effectiveness of different social media platforms, with platforms like YouTube and TikTok gaining traction. This study aimed to fill these gaps, providing insights to help beauty brands and influencers tailor marketing strategies, improve engagement metrics, and increase sales in Nepal's beauty industry.

Research Design

This study aims to investigate the impact of PSR on the sales performance of B&C brands in Nepal using a mixed-methods approach. By integrating both qualitative and quantitative research methods, the study will provide a comprehensive understanding of consumer behavior and the influence of SMIs.

For the quantitative aspect, data will be collected from a large sample of Instagram users and beauty brand consumers in Nepal. A structured survey featuring a close-ended questionnaire with a five-point Likert scale will be designed to measure PSR, engagement with SMIs, and purchasing behavior. Additionally, the survey will examine moderating factors such as peer influence and occupation in shaping consumer decisions. The collected data will be analyzed

using descriptive and inferential statistics to identify correlations between PSR and key performance indicators (KPIs) like Click-Through Rate (CTR) and Conversion Rate (CVR). The qualitative approach will involve in-depth interviews with SMIs and brand managers from leading beauty companies in Nepal. These interviews will offer valuable insights into influencer strategies for building PSR and the return on investment (ROI) of Instagram marketing campaigns. A content analysis will be conducted to identify key themes such as authenticity, credibility, and the role of PSR in driving sales performance.

Research Hypotheses

This study formulated hypotheses aligned with its objectives to investigate the impact of Instagram influencer marketing on consumer purchase intention in the makeup industry. The hypotheses were structured as follows:

H1: Advertisements by Instagram influencers had a significant positive impact on consumer purchase intention in the makeup industry.

H2: Information shared by Instagram influencers had a significant positive effect on consumer purchase intention.

H3: Interaction between Instagram influencers and their followers positively influenced consumer purchase intention.

H4: The perceived expertise of Instagram influencers significantly impacted consumer purchase intention.

Population and Sample Data

The study focused on Instagram users in Nepal who actively engaged with SMIs in the B&C industry. This target population represented a broad consumer base for beauty products, including both housewives and working women who exhibited varying purchasing behaviors influenced by PSR.

The sample was stratified based on age, gender, and occupation (housewives vs. working women) to ensure that the findings were generalizable to the Nepalese market. Additionally, insights from 10 leading SMIs and five beauty brand managers were collected to provide perspectives from the supply side of the business-to-consumer (B2C) ecosystem.

Instrumentation and Data Reliability

A structured questionnaire was utilized to collect data systematically. The questionnaire included sections measuring independent variables (advertisement, information content, interaction, perceived expertise), moderating variables (age, income level, peer influence, occupation), and the dependent variable (consumer purchase intention). A five-point Likert scale ranging from "strongly disagree" to "strongly agree" was employed to quantify consumer perceptions.

To ensure data reliability Cronbach's Alpha was measure to assess the internal consistency of survey items related to PSR.

Table 1: Cronbach's Alpha

Reliability Statistics	
Variables	**Cronbach's Alpha**
Advertisement	0.774
Information Content	0.765
Interaction	0.849
Perceived Expertise	0.757
Consumer Buying Intention	0.654

The table 1 indicates the reliability statistics of the variables measured by Cronbach's Alpha. It is a measure of internal consistency, showing the degree through which the items collectively contribute to the measurement of the construct being studied. A score of above 0.7 on Cronbach's Alpha is generally considered acceptable for reliability, meaning the items would be said to have a satisfactory level of reliability. In this study, all above threshold variables are "Advertisement" of 0.774, "Information Content" of 0.765, "Interaction" of 0.849, and lastly, "Perceived Expertise" of 0.757, indicating satisfactory reliability of these constructs.

However, the "Consumer Buying Intention" variable has a relatively lower Cronbach's Alpha of 0.654, below the benchmark. This still represents a moderate reliability, though this implies that the items in this construct may not really be consistent in measuring consumer buying intention. This result points to the need for further refinement of the questionnaire items regarding this variable to ensure better internal consistency for better reliability of data collected.

Analysis

Figure 2 shows the age **distribution** of respondents indicates that a majority (51.6%) fall in the 20-29 years category, making them the primary audience engaging with beauty influencers on Instagram. The second-largest group (28.1%) consists of individuals aged 30-39, suggesting that middle-aged consumers also show significant interest in beauty content. A smaller proportion (13%) represents respondents below 20, while only 7.3% are aged 40 and above, highlighting lower engagement from older demographics.

The **gender distribution** reveals that an overwhelming 91.9% of respondents are female, reaffirming that women are the primary consumers of beauty-related content on Instagram. In contrast, only 8.1% of respondents are male, emphasizing the female-driven nature of influencer marketing in the beauty industry.

Figure: 2 Demographic information
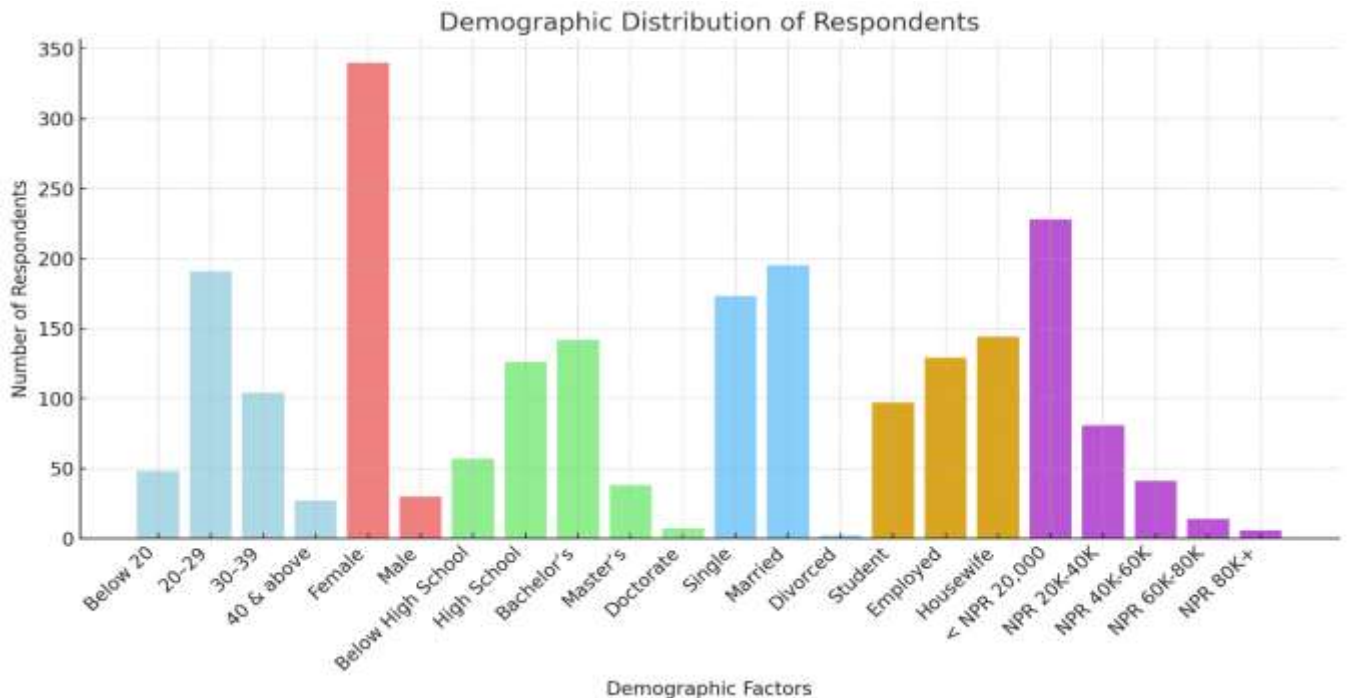
Regarding **educational qualifications**, the majority of respondents hold a **Bachelor's degree (38.4%)**, followed closely by **High School Graduates (34.1%)**. A smaller portion of the sample has **Master's (10.3%)** and **Doctorate (1.9%)** qualifications, suggesting that influencer engagement is not limited to highly educated individuals. Additionally, **15.4% of respondents have education below high school**, reflecting diversity in educational backgrounds.

The **marital status** distribution is almost evenly split between **Married (52.7%)** and **Single (46.8%)** respondents. This suggests that both groups actively engage with beauty influencers, though their purchasing decisions may vary based on their marital status. The **Divorced category** is minimal at only 0.5%, indicating that very few participants in this study belonged to this group.

For **employment status**, **Housewives (38.9%)** make up the largest segment of respondents, signifying a key consumer base that has time for social media engagement. **Employed individuals account for 34.9%**, indicating that working professionals also interact with beauty influencers. **Students (26.2%)** form a significant portion of the audience, reinforcing that younger individuals are active consumers of beauty-related content on Instagram.

Lastly, the **monthly income level** distribution shows that most respondents (61.6%) earn **less than NPR 20,000**, making them a price-sensitive audience. The **middle-income groups (NPR 20,000–60,000) form 33%**, representing consumers with moderate purchasing power who may be more likely to follow influencer recommendations. A smaller percentage (5.4%) earns above

NPR 60,000, showing that higher-income individuals are a minor consumer group in this sample.

Descriptive Statistics

The following table describes the descriptive statistics for independent variables, which are the perceptions about Instagram influencers and their role in marketing beauty products. This table gives a broad picture of the averages and the standard deviations from the responses of respondents on various statements regarding agreement levels. To begin with, influencer ads are generally seen to be attention-grabbing by the respondents and a source of creativity.

Table 2: *Descriptive Statistics of Independent variables*

Statement	Mean	SD
Advertisements for beauty products by Instagram influencers easily capture my attention.	3.25	0.910
I appreciate the creativity and interactive elements used by Instagram influencers in their promotional content.	3.45	1.025
Instagram advertisements shape my perception of beauty products.	3.55	0.960
Seeing beauty product promotions by influencers on Instagram increases my likelihood of purchasing them.	3.60	0.920
The information provided by Instagram influencers about beauty products is valuable and insightful.	3.75	0.950
I trust the accuracy of product information shared by influencers.	3.90	0.910
Influencers on Instagram present beauty product insights in a unique and engaging manner.	3.70	0.940
Product reviews and demonstrations by influencers enhance my confidence in purchasing beauty products.	3.98	0.945
I feel a personal connection while engaging with content posted by Instagram influencers.	3.80	0.995
I frequently interact with posts from influencers featuring beauty products.	3.55	1.015
Live Q&A sessions and streams from influencers influence my beauty product purchase decisions.	4.05	0.920
I enjoy participating in online discussions about beauty products led by influencers.	3.55	0.880
Instagram influencers appear to have deep knowledge about the cosmetic products they promote.	3.40	1.050
I perceive Instagram influencers as professionals in the beauty industry.	3.50	0.980
I find influencers' opinions about beauty products to be credible and trustworthy.	3.60	0.960
I prefer purchasing beauty products endorsed by influencers who are perceived as experts.	3.85	0.855

This table 2 provides insights into consumer perceptions regarding Instagram influencer advertisements and their influence on purchasing decisions for beauty products. The data is collected using a five-point Likert scale, where 1 represents "Strongly Disagree" and 5 represents "Strongly Agree." The **Mean (M)** column reflects the average response for each statement, with higher mean values indicating greater agreement among respondents. The **Standard Deviation (SD)** column measures response variability, where lower SD values suggest a consensus among participants, while higher SD values indicate a wider range of opinions.

Analyzing the results, the highest mean score (4.05) is observed for the statement *"Live Q&A sessions and streams from influencers influence my beauty product purchase decisions,"*

highlighting that interactive content significantly impacts purchasing behavior. This suggests that consumers find real-time engagement with influencers more persuasive than static advertisements. Conversely, the lowest mean score (3.25) is recorded for *"Advertisements for beauty products by Instagram influencers easily capture my attention,"* implying that while influencer marketing is effective, traditional advertisements alone may not be highly captivating.

Additionally, statements related to the trust and credibility of influencers, such as *"I trust the accuracy of product information shared by influencers,"* receive relatively high mean scores, indicating that many consumers perceive influencer recommendations as reliable. The standard deviation values range from 0.855 to 1.050, reflecting some variation in opinions, though overall response trends remain consistent. These findings emphasize the growing significance of interactive influencer content, trust in product recommendations, and the need for engaging marketing strategies to influence consumer purchasing behavior in Nepal's beauty industry.

Table3: *Descriptive Statistics of mediating Variables*

Statement	Mean	SD
My peers' opinions about an influencer influence my purchasing decisions.	3.35	1.020
Seeing my friends engage with beauty influencers motivates me to explore similar beauty trends.	3.50	0.970
Discussions about beauty influencers among my peers reinforce my trust in their recommendations.	3.55	0.960
The popularity of beauty influencers within my social circle impacts my intention to purchase beauty products.	3.80	0.905
My job provides me with the flexibility to engage with beauty influencers online.	3.58	0.940
As a housewife or working professional, I relate better to the content shared by influencers.	3.70	0.860
My profession influences my choice of beauty products recommended by influencers.	3.45	1.050
Beauty influencers' content resonates well with individuals in my age group.	3.78	1.005
The way influencers showcase beauty products aligns with the preferences of my age group.	3.52	0.945
I am more likely to be influenced by beauty influencers who target people in my age category.	3.60	0.955
My age group tends to value influencer recommendations over other traditional marketing approaches.	3.66	0.925
I can comfortably afford beauty products endorsed by influencers.	3.00	0.850
I trust influencer recommendations more when the products match my spending capacity.	3.72	0.815
High-priced beauty products promoted by influencers are less attractive to me due to budget constraints.	3.75	0.870
I perceive beauty influencers as credible when they promote products that fit within my financial capacity.	3.60	1.025

This table 3 explores the influence of peer opinions, profession, age, and financial factors on consumer perceptions of beauty influencers and their impact on purchasing behavior. The data is measured using a five-point Likert scale, where 1 represents "Strongly Disagree" and 5 represents "Strongly Agree." The **Mean (M)** column indicates the average level of agreement with each statement, while the **Standard Deviation (SD)** column measures the variability in

responses. A lower SD signifies greater agreement among respondents, while a higher SD suggests more diverse opinions.

Analyzing the results, the highest mean score (3.80) is observed for "The popularity of beauty influencers within my social circle impacts my intention to purchase beauty products," suggesting that social influence plays a significant role in shaping purchasing decisions. Similarly, "Beauty influencers' content resonates well with individuals in my age group" received a high mean score (3.78), indicating that content relatability is crucial for consumer engagement.

On the other hand, the lowest mean score (3.00) is for "I can comfortably afford beauty products endorsed by influencers," suggesting that affordability remains a concern for many consumers. Additionally, statements related to financial constraints, such as "High-priced beauty products promoted by influencers are less attractive to me due to budget constraints" (3.75), highlight that cost remains a key consideration in purchasing decisions.

The standard deviation values range from 0.815 to 1.050, indicating varying levels of consensus among respondents. The findings suggest that peer influence, age relatability, and financial considerations significantly impact how consumers engage with beauty influencers and their product endorsements. Understanding these factors can help brands and influencers tailor their marketing strategies to better appeal to different consumer segments.

Table 4

Descriptive Statistics of Dependent variable

Table 4 presents the impact of Instagram influencer promotions on consumer purchasing

Statement	M	SD
Viewing beauty product promotions by influencers on Instagram increases my intention to buy them.	3.60	0.99
Influencer content has encouraged me to purchase beauty products I had not previously considered.	3.80	0.95
My preference for beauty brands is influenced by Instagram influencer promotions.	3.50	0.88
I perceive influencer recommendations on Instagram as reliable and influential in my purchasing decisions.	3.55	0.97

behavior. The data was collected using a five-point Likert scale, where 1 represents "Strongly Disagree" and 5 represents "Strongly Agree." The M (Mean) column reflects the average level of agreement among respondents, while the SD (Standard Deviation) column indicates the variability of responses, with lower SD values suggesting more consistent opinions. The highest mean score (M = 3.80, SD = 0.95) corresponds to the statement "Influencer content has encouraged me to purchase beauty products I had not previously considered," suggesting that influencer marketing effectively introduces consumers to new products. Similarly, the statement "Viewing beauty product promotions by influencers on Instagram increases my intention to buy them" has a relatively high mean (M = 3.60, SD = 0.99), highlighting the direct impact of influencer promotions on purchase intentions.

On the other hand, the statement *"My preference for beauty brands is influenced by Instagram influencer promotions"* received a moderate mean score (M = 3.50, SD = 0.88), indicating that while influencer marketing affects brand preference, other factors may also contribute to brand loyalty. The lowest mean (M = 3.55, SD = 0.97) was recorded for *"I perceive influencer recommendations on Instagram as reliable and influential in my purchasing decisions,"* suggesting that while influencer endorsements are impactful, some consumers may still rely on additional sources before making purchasing decisions.

The standard deviation values range from 0.88 to 0.99, indicating a moderate level of agreement among respondents. Overall, the findings suggest that Instagram influencers significantly impact consumer purchasing behavior, particularly in product discovery and buying intention. However, trust and brand preference may be shaped by additional factors beyond influencer marketing alone.

Correlation Analysis

Table 6

Correlation Matrix among Ads, Information Content (IC), Personal Engagement (PE), Interaction, and Consumer Buying Intention (CBI)

Variable	Ads	IC	PE	Interaction	CBI
Ads	1				
IC	0.316**	1			
	(p = 0.000)				
PE	0.244**	0.137**	1		
	(p = 0.000)	(p = 0.008)			
Interaction	0.328**	0.631**	0.245**	1	
	(p = 0.000)	(p = 0.000)	(p = 0.000)		
CBI	0.390**	0.283**	0.346**	0.463**	1
	(p = 0.000)	(p = 0.000)	(p = 0.000)	(p = 0.000)	

Note: N = 370. Correlation is significant at the 0.01 level (2-tailed).

The correlation table 6 presents the relationships between the variables Ads, Information Content (IC), Personal Engagement (PE), Interaction, and Consumer Buying Intention (CBI). All correlations in the table are statistically significant at the 0.01 level (p = 0.000), suggesting meaningful associations among the variables.

The correlation between Ads and CBI is moderate (r = 0.390), indicating that advertisements positively influence consumer buying intention. Similarly, Ads exhibit moderate positive correlations with IC (r = 0.316) and Interaction (r = 0.328), suggesting that ads not only provide information but also enhance engagement with consumers and influencers.

IC is strongly correlated with Interaction (r = 0.631), highlighting that high-quality content fosters greater interaction between consumers and influencers. However, IC shows a weaker relationship with CBI (r = 0.283), indicating that while informative content contributes to engagement, its direct impact on purchasing decisions is relatively modest.

PE shows positive but weaker correlations with all variables, with the strongest relationship with CBI (r = 0.346) and Interaction (r = 0.245), suggesting that personal engagement, such as influencer expertise and authenticity, plays a notable role in influencing consumer behavior.

The Interaction variable demonstrates strong positive correlations with both CBI (r = 0.463) and Ads (r = 0.328), underscoring the importance of consumer-influencer engagement in driving purchasing decisions. Interaction appears to be one of the most significant factors in shaping consumer buying intentions.

Regression Analysis

Table 7

Model Summary for the Regression Analysis of Consumer Buying Intention (CBI)

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.564	0.319	0.311	0.47129

Note: *Predictors: (Constant), Interaction, PE, Ads, IC.*

The Model Summary table 7 presents the results of the regression analysis examining the relationship between Ads, Information Content (IC), Personal Engagement (PE), Interaction, and Consumer Buying Intention (CBI). The R value of 0.564 indicates a moderate positive correlation between the independent variables and the dependent variable, CBI, suggesting that these variables are moderately related to consumer buying intention. The R Square value of 0.319 shows that approximately 31.9% of the variance in CBI can be explained by the independent variables in the model. Although this is a moderate level of explanation, it implies that other factors, not included in the model, might also play a role in shaping consumer buying intention. The Adjusted R Square of 0.311 is slightly lower than the R Square value, adjusting for the number of predictors in the model. This indicates that after accounting for the number of predictors, the independent variables explain around 31.1% of the variation in CBI. The Standard Error of the Estimate of 0.47129 represents the average distance between the observed CBI values and the values predicted by the model, suggesting that while the model's predictions are relatively accurate, there remains some unexplained variability in the data.

Table 8

ANOVA Table for the Regression Analysis of Consumer Buying Intention (CBI)

Model	Sum of Squares	Df	Mean Square	F	Sig.
Regression	37.912	4	9.478	42.672	.000
Residual	81.071	365	0.222		
Total	118.983	369			

Note: *Dependent Variable: CBI. Predictors: (Constant), Interaction, PE, Ads, IC.*

The ANOVA table 8 presents the overall significance of the regression model used to examine the relationship between Ads, Information Content (IC), Personal Engagement (PE), Interaction, and Consumer Buying Intention (CBI).

The Sum of Squares for the regression is 37.912, which reflects the amount of variation in CBI explained by the independent variables. The Residual sum of squares is 81.071, indicating the unexplained variance, or the portion of CBI that the model does not account for. The Total sum of squares is 118.983, which represents the total variation in CBI.

The degrees of freedom (df) for the regression model is 4 (corresponding to the four predictors: Ads, IC, PE, and Interaction), and the residual degrees of freedom is 365 (calculated as the total observations minus the number of predictors minus 1).

The Mean Square for the regression is calculated as the Sum of Squares divided by its corresponding df, which results in 9.478. Similarly, the Mean Square for the residual is 0.222. The F-statistic is 42.672, which tests whether the model is statistically significant. The corresponding p-value of 0.000 indicates that the regression model is highly significant and that at least one of the independent variables (Ads, IC, PE, or Interaction) significantly explains the variation in CBI.

This significant result suggests that the model provides a good fit and that the predictors are collectively important in explaining consumer buying intention.

Table 9

Coefficients for the Regression Analysis of Consumer Buying Intention (CBI)

Model	Unstandardized Coefficients	Standardized Coefficients	t	Sig.
(Constant)	1.324	0.195		6.800
Ads	0.183	0.036	0.236	5.016
IC	-0.043	0.048	-0.051	-0.902
PE	0.185	0.041	0.206	4.535
Interaction	0.314	0.049	0.367	6.385

Note: *Dependent Variable: CBI.*

Using the coefficients from the regression analysis, the equation becomes:

CBI=1.324+0.183(Ads)−0.043(IC)+0.185(PE)+0.314(Interaction)

The Coefficients table 9 provides the regression coefficients for each predictor variable in the model, which explores the relationship between Ads, Information Content (IC), Personal Engagement (PE), Interaction, and Consumer Buying Intention (CBI). The Intercept (constant) is 1.324, with a standard error of 0.195, and a t-value of 6.800 ($p < 0.000$), indicating that the baseline level of CBI when all predictors are zero is statistically significant.

The Ads variable has a coefficient of 0.183 with a standard error of 0.036, and a standardized beta coefficient of 0.236, with a t-value of 5.016 ($p < 0.000$). This suggests that Ads have a

significant positive effect on CBI, meaning that as advertisements increase, consumer buying intention also increases. For each one-unit increase in Ads, CBI increases by 0.183.

For Information Content (IC), the coefficient is -0.043, with a standard error of 0.048, and a standardized beta of -0.051. The t-value of -0.902 (p = 0.368) shows that IC has a statistically insignificant effect on CBI, with a very weak negative relationship that does not significantly influence consumer buying intention.

The Personal Engagement (PE) coefficient is 0.185, with a standard error of 0.041, and a standardized beta of 0.206. The t-value of 4.535 (p < 0.000) indicates that PE has a significant positive impact on CBI, with a one-unit increase in PE resulting in a 0.185 increase in CBI.

Finally, Interaction has the strongest positive effect on CBI, with a coefficient of 0.314, a standard error of 0.049, and a standardized beta of 0.367. The t-value of 6.385 (p < 0.000) indicates that Interaction is a highly significant predictor of CBI, with a one-unit increase in Interaction leading to a 0.314 increase in CBI. The results indicate that Ads, PE, and Interaction are significant predictors of CBI, with Interaction having the strongest influence, while IC has an insignificant effect on consumer buying intention.

Discussion

This study explored the impact of Perceived Social Relationships (PSR) through Instagram influencer marketing on the sales performance of beauty and cosmetic brands (B&C) in Nepal. Regression and correlation analyses revealed significant relationships between Ads, Information Content (IC), Personal Engagement (PE), Interaction, and Consumer Buying Intention (CBI).

The findings show that Ads, PE, and Interaction significantly influence CBI, with Interaction having the strongest impact. This supports previous research highlighting the importance of consumer-influencer interactions in shaping purchasing decisions (Freberg et al., 2011). Influencer-follower interactions, especially those perceived as authentic, can strengthen consumer loyalty and increase purchase likelihood (Casaló et al., 2018). PE, which reflects the authenticity and expertise of influencers, is also critical in influencing buying decisions (Djafarova & Trofimenko, 2019). Hwang & Jeong (2016) further emphasize the role of expertise and authenticity in influencing emotional connections and trust, which enhance purchase intention.

Ads significantly contribute to CBI, corroborating studies that show targeted advertising increases consumer intentions to purchase (Goh et al., 2013). Consumer trust in social media ads is linked to the relevance and credibility of influencer content, suggesting authenticity in ads leads to better engagement and increased purchase behavior (Gretzel & Fesenmaier, 2018). However, IC showed a weak, statistically insignificant relationship with CBI. While informative content is important, engagement-driven factors like Interaction and PE appear to have a more significant role in influencing consumer decisions in the social media era (Lipsman et al., 2012; De Veirman et al., 2017).

The study also found that peer influence and occupation moderate the relationship between PSR and consumer decisions. Peer opinions are crucial in shaping preferences, as demonstrated by Lim et al. (2017) and Xu et al. (2021), especially in cultures where social acceptance drives purchasing decisions. The influence of occupation shows that influencers' content resonates differently across demographic segments, with working professionals and housewives showing varying levels of engagement and purchase intentions.

Conclusion

In conclusion, the study confirms that Ads, PE, and Interaction significantly affect consumer buying intention in the beauty and cosmetic industry in Nepal. Notably, Interaction with influencers emerged as the most influential factor. The findings suggest that brands should prioritize engagement-driven strategies, focusing on creating authentic, interactive content with influencers to drive consumer purchasing behavior. Despite the weak effect of IC, it is still important for brands to ensure transparency and provide valuable product information to build consumer trust. By leveraging Interaction and PE, brands can create a more persuasive and effective influencer marketing strategy.

Novelty

This research adds value by exploring the specific impact of Instagram influencer marketing on the sales performance of beauty brands in Nepal, a context underrepresented in existing literature. By integrating both qualitative and quantitative methods, it provides a comprehensive understanding of consumer behavior influenced by social media influencers. The study's novelty lies in its dual approach, combining broad quantitative insights with in-depth qualitative insights from influencers and brand managers. Furthermore, the examination of moderating factors such as peer influence and occupation offers new insights into how demographic and social factors shape consumer interactions with influencers, a relatively underexplored area in the context of beauty influencer marketing.

Limitations

Despite its valuable contributions, the study has some limitations. First, the research is limited to Instagram users in Nepal, which restricts the generalizability of the findings to other regions or social media platforms. The focus on a single social media platform may also overlook the effects of influencers across other platforms like YouTube or TikTok, which have different engagement dynamics (Naderer et al., 2020). Second, the reliance on self-reported data from surveys could introduce bias, as respondents may have provided socially desirable answers. Future research could expand the sample to include users from other platforms, regions, or demographics, use longitudinal designs to capture changes over time, and incorporate observational or experimental methods to reduce bias and enhance the validity of findings.

Action Implications

For practitioners in the beauty and cosmetic industry, the findings underscore the importance of building strong, interactive relationships with influencers. Brands should prioritize collaboration with influencers who have a genuine connection with their audience, as this can

significantly enhance consumer trust and purchase intention. Interactive content, such as live Q&A sessions, product demonstrations, and behind-the-scenes content, should be leveraged to boost consumer engagement and build more personal connections. Marketers should also ensure that influencer content is engaging, authentic, and relatable to their target audience, as these factors significantly contribute to consumer confidence and purchase behavior.

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