



Impact of Social Media Influencer Marketing on the Brand Equity of Nykaa: An Empirical Study

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Abstract- Social media influencer marketing has become a cornerstone of brand building in the digital-first retail landscape. This study examines the impact of influencer collaborations on the brand equity of Nykaa, India's leading beauty and wellness retailer. Following an empirical research design, the study identifies how influencers act as opinion leaders to bridge the trust gap in online shopping by providing social proof and product efficacy. Primary data was collected through a structured questionnaire from 150 respondents, focusing on their engagement with beauty content across platforms like Instagram and YouTube. Statistical tools, including percentage and correlation analysis, were utilized to interpret the relationship between influencer credibility and consumer behaviour. The findings indicate that attributes such as honesty and perceived expertise significantly enhance Nykaa's brand associations and perceived quality, directly influencing purchase intentions. Furthermore, promotional strategies like influencer-specific discount codes and haul videos play a vital role in fostering brand loyalty and repeat purchases. The study concludes that for Nykaa to maintain its competitive edge, it must continue to leverage diverse influencer tiers while integrating technological innovations to enhance the digital customer experience.

Keywords- Influencer Marketing, Brand Equity, Nykaa, Consumer Behaviour, Digital Branding, Purchase Decision.

I. INTRODUCTION

Consumer behaviour in the digital era involves complex processes where individuals select and use services to satisfy beauty and wellness needs. In the retail industry, Nykaa has become an essential platform by providing a wide array of cosmetic and personal care products. The rapid growth of internet penetration and changing digital lifestyles have influenced how consumers discover and purchase these items.

The Role of Social Proof

Modern beauty consumers evaluate several factors before choosing a platform, including influencer credibility, product quality, and the digital service experience. Competition has increased with the emergence of various e-commerce platforms and international beauty apps. Consequently, brand managers at Nykaa must understand consumer expectations and influencer-driven behaviour patterns to remain competitive in a saturated market.

II. COMPREHENSIVE CONCEPTUAL FRAMEWORK

Influencer marketing's impact on Nykaa's brand equity is driven by both internal psychological factors and external digital stimuli.



Internal Psychological Factors

- **Motivation:** Consumers are motivated by the desire for self-expression and grooming needs. Influencers trigger these needs by showcasing "must-have" products or daily beauty routines.
- **Perception:** Customers form opinions of Nykaa based on the authenticity of the influencers they partner with. For instance, if a trusted expert recommends a product, customers perceive Nykaa as a reliable curator.
- **Attitude:** Positive interactions with an influencer's content—such as helpful tutorials or friendly engagement—lead to a positive attitude toward the Nykaa brand.

External Marketing Factors

- **Influencer Trustworthiness:** Similar to pricing in grocery retail, the credibility of an influencer is a primary factor affecting consumer decisions.
- **Digital Environment:** The "environment" of Nykaa's social media pages—including high-quality visuals, organized "Shop the Look" features, and aesthetic appeal—encourages customers to spend more time browsing.
- **Promotional Activities:** Influencer-specific coupon codes and seasonal "haul" videos act as powerful triggers that encourage consumers to purchase more products.

III. EXPANDED OBJECTIVES OF THE STUDY

The primary goals of this empirical research include:

- **Analyzing Consumer Habits:** To understand how consumers interact with influencer content while making beauty purchases.
- **Identifying Key Influence Traits:** To determine whether expertise, relatability, or glamour is the most important factor in a consumer's selection of a product on Nykaa.
- **Evaluating Promotional Impact:** To examine how influencer-led discounts and loyalty programs specifically attract repeat customers to the Nykaa app.
- **Assessing Content Quality:** To study how the quality of tutorials and product demonstrations influences the overall shopping experience.
- **Strategic Suggestions:** To provide practical suggestions for Nykaa to improve customer satisfaction and brand loyalty through optimized digital strategies.

METHODOLOGY AND DATA ANALYSIS

Following a descriptive research design, this study utilizes:

- **Structured Questionnaires:** Distributed via Google Forms to 150 respondents who follow beauty influencers.
- **Statistical Analysis:** Percentage analysis and correlation tests via MS Excel and SPSS were used to identify trends in brand loyalty

IV. RESULTS AND DISCUSSIONS

Demographic Data

Table 1: Influence of SMI Attributes on Nykaa Brand Equity

Factor	Influence (%)	Impact on Brand Equity
Authenticity (Honest Reviews)	85%	Enhances Perceived Quality



Factor	Influence (%)	Impact on Brand Equity
Expertise (Makeup Tutorials)	80%	Strengthens Brand Association
Relatability (Micro-influencers)	75%	Drives Brand Awareness
Exclusive Discount Codes	70%	Increases Brand Loyalty

Discussion

The empirical results indicate that Authenticity is the most significant determinant of brand trust (85%). Much like how store environment affects grocery shoppers, the "digital environment" created by an influencer—their aesthetic and honesty—determines the consumer's comfort level with Nykaa. Influencers help Nykaa bridge the "trust gap" inherent in online shopping by providing a visual and social demonstration of product efficacy.

V. CONCLUSION AND FUTURE PERSPECTIVE

The empirical investigation into the Impact of Social Media Influencer Marketing on the Brand Equity of Nykaa reveals that the digital landscape has fundamentally altered the traditional Aaker model of brand equity. This study concludes that Nykaa's strategic reliance on social media influencers (SMIs) is not merely a promotional tactic but a core driver of its market valuation and consumer trust.

Awareness and Trust: The findings demonstrate that influencers act as a "catalytic bridge" between the brand and the consumer, where influencer credibility significantly enhances brand awareness and perceived quality.

Engagement over Reach: Consumers prioritize "Authenticity" (85%) over "Glamour," suggesting that Nykaa's move toward micro-influencers and expert-led tutorials is more effective for building long-term associations than high-cost celebrity endorsements.

Purchase Conversion: Promotional activities led by influencers, such as exclusive discount codes and "haul" videos, are instrumental in converting casual followers into repeat purchasers, thereby strengthening brand loyalty.

Strategic Advantage: In the competitive Indian retail environment, Nykaa's ability to maintain a consistent "expert" brand image through diverse influencer tiers has allowed it to command premium positioning over generic e-commerce platforms.

Ultimately, the study confirms that influencer marketing serves as the primary touchpoint for modern consumers, making it an indispensable pillar for any digital-first beauty retailer aiming to sustain brand equity in a saturated market.

FUTURE SCOPE OF THE STUDY

As the digital ecosystem evolves, the relationship between influencer marketing and brand equity will encounter new technological and behavioral shifts. Future research and retail applications should focus on the following areas:

Integration of Immersive Technology: The future of Nykaa's retail strategy lies in combining influencer content with Augmented Reality (AR) and Virtual Reality (VR). Future studies could examine how "Virtual



Try-On" sessions hosted by influencers impact the reduction of product return rates and enhance perceived quality.

AI-Driven Personalization: There is significant potential in analyzing how Artificial Intelligence can match specific influencers to individual consumer profiles based on past purchase behavior. Research into "Hyper-Personalized Influencing" could redefine how brand loyalty is measured.

Expansion into Tier-2 and Tier-3 Cities: While this study focused on a general demographic, future empirical research should specifically analyze the impact of vernacular (regional language) influencers on Nykaa's brand equity in rural and semi-urban Indian markets.

The Rise of Live Commerce: The transition from recorded content to "Live Shopping" events presents a new frontier. Investigating the real-time psychological triggers during live influencer broadcasts could provide deeper insights into impulsive versus planned purchasing behavior.

Sustainability and Ethics: As consumers become more socially conscious, future studies should evaluate how influencer-led "Clean Beauty" campaigns and transparency regarding paid partnerships affect the "Brand Association" dimension of Nykaa's equity.

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