

Marketing Research: Influence of Paid Content on Instagram on Consumer Attitudes and Brand Engagement in the Personal Care Industry

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Marketing Research: Influence of Paid Content on Instagram on Consumer Attitudes and Brand Engagement in the Personal Care Industry

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Abstract

Instagram's algorithm has undergone several changes that impact the brands' reach and effectiveness towards their audience and goals. This study focuses on consumer perceptions regarding skincare brands' presence on Instagram, and their preferences about advertising on this platform, identifying features like content format, goal, call to action and partnerships. It employs a literature review, interviews with regular consumers and industry experts, a perceptual map, and a conjoint analysis to craft recommendations that resonate with consumer demand for credibility, utility and convenience. The research culminates with recommendations about balancing organic and paid content, audience targeting, leveraging innovative platforms and AR filters.

Keywords

Instagram, Ads, Organic content, Skincare, Consumer perceptions, Consumer preferences, Conjoint analysis, Perceptual map

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1. Introduction

1.1 Background

The emergence of social media has changed the relationship between brands and consumers and how brands market their services. These social networking channels not only eased interaction but opened a new frontier of online marketing, whereby brands connect, interact, and target audiences in real-time and on a one-on-one basis (Tuten and Solomon, 2017). Among these platforms, Instagram has been notable in marketing due to its visual and community site marketing capacity, especially fostered by image sharing (Leaver, Highfield, and Abidin 2020).

With the increase of social media marketing, Instagram confirmed its role as a strategic channel through which brands can access their consumers (Instagram, 2024). It rapidly transitioned from an application meant for sharing pictures to an effective marketing platform harnessing the power of Instagram Stories, Reels, shoppable posts and many more to drive sales. This expansion propelled Instagram into the center of attention for marketers and researchers interested in investigating the elements influencing consumer decisions, brand image, and the entire paradigm of marketing (Sharma, M., Ghosh, D., Bhattacharya, K., & Majumder, D. (2021).

The personal care segment owes part of its digital development to this prerequisite as an attractive and authentic visuals-oriented marketing primarily targets consumers. Personal care brands including beauty, skincare and wellness, have leveraged Instagram's marketing capabilities to create engaging content, build brand awareness, and tap into influencer marketing (Subasinghe, U., & Weerasisri, R. A. S. , 2020). Health and beauty brands post an average of 7 posts per week on Instagram, showing the platform's importance for maintaining visibility and engagement within this highly competitive industry (Statista, 2023).

Influencers also played a critical role in this sector, offering brands a way to showcase their products in a more relatable and credible manner (Abidin, 2016). However, with Instagram's increasing focus on monetization, through paid ads, influencer partnerships, and product placements, concerns about over-commercialization have emerged. Many users feel overwhelmed by the volume of ads, which risks damaging consumer trust and engagement, particularly in industries like personal care that depend on authenticity and customer loyalty (Amarnath, D. D., & Jaidev, U. P. (2023)). Furthermore, the platform's algorithm prioritizing paid promotions over organic content has made it more difficult for smaller personal care brands to gain visibility without significant investment (Pessala, I. (2016). User experiences and efficiency of Instagram Advertising.). Whereas Instagram provides unparalleled opportunities for reaching target audiences, simultaneously it comes across challenges such as oversaturation and declining consumer trust.

1.2. Research Question

The main objective of this research is to explore and answer the following question: How does the increase of paid posts on Instagram influence consumer perceptions and engagement with personal care brands? With the rise of paid content on social media, it has become essential for marketing professionals to understand its impact on the relationship between brands and consumers. This study aims to understand how paid advertising shapes users' perceptions, engagement, and overall experience with personal care brands on Instagram.

To explore this question further, this study addresses a series of supporting questions to further our understanding of this topic:

- **How do users feel about personal care brands that use paid ads on Instagram?**

This question aims to explore consumer perceptions regarding personal care brands that invest on Instagram ads. The objective of the research is to understand users' emotional responses when they come across sponsored posts by examining feelings such as enthusiasm, curiosity, indifference, lack of authenticity, and potential ad fatigue.

- **Are users more likely to engage with organic content or paid ads from personal care brands?**

Likes, comments, shares or clicks are indicators, for evaluating how well social media posts performs in terms of user engagement. By analysing engagement behaviors across different types of content, this question aims to identify which posts, organic or paid, resonate better with users and encourages more interactions.

- **What attributes of a post do users value most when viewing ads?**

Elements such as creativity, quality of the content, trendiness, explicit pricing, presence of influencers and relevance of the product or service to the user all contribute to how consumers perceive and engage with an ad. The aim of this question is to investigate what elements of paid posts resonate with the audience the most and which could be more decisive for engagement or a positive brand perception.

Thus, breaking down these secondary questions, the study seeks to provide brands actionable insights through which they can improve their Instagram marketing strategy. These insights will ultimately contribute to a better understanding of how brands can develop stronger connections with consumers through paid and organic content on social media.

1.3. Methodology

This chapter outlines the methodology employed in this dissertation to explore the research questions concerning consumer preferences and perceptions on Instagram. The study

adopts a mixed-methods approach, integrating qualitative and quantitative data collection and analysis techniques. This approach enhances the depth and breadth of understanding regarding the complexities of consumer behavior in the personal care industry on Instagram.

Structured interviews with personal care brands' managers and experts on the field were conducted to gain insights into the factors influencing consumer preferences and to identify key themes relevant to brands on the market to justify the usage of organic and paid content on Instagram. Each interview lasted approximately 30-45 minutes. The selection criteria for the interviewees included professional experience, academic background, and involvement in relevant market activities.

A preliminary survey was launched to collect quantitative data on consumer preferences and perceptions. The survey instrument included closed-ended questions and multiple-choice items to measure various attributes related to consumed content, brand perception, brand associations related to ads.

Conjoint analysis was employed to quantify consumer preferences and understand the trade-offs consumers make between different attributes. Based on insights from expert interviews, key attributes relevant to personal care brand posts were identified, including format, message, and goals. Participants were asked to evaluate these profiles, indicating their preferences, which were then analysed using conjoint analysis techniques to derive part-worth utilities.

Perceptual mapping was employed to visually represent consumer perceptions of distinct brands or products within the market. Using the data from the surveys, dimensions such as trust, creativity, relevance, quality and trendiness of content, interactive elements and explicit pricing were plotted to illustrate how consumers perceive the competitive landscape.

1.4. Preview of Results

This chapter provides a detailed overview of the initial findings obtained from several research activities aimed at supporting the main investigation of this thesis. Pre-survey results showed that while less than half of respondents engage with personal care businesses on a monthly basis, half of them is influenced by Instagram when making purchases. Influencers are the second most popular source of content among respondents, after friends and family. Even while people respect organic brand content, they hardly ever engage with it and frequently pass over advertisements in favour of sporadically checking brand profiles. It is noteworthy to emphasize that the sample was composed of an equal number of Portuguese men and women.

This study used purposive sampling to conduct interviews with experts, selecting participants for their professional knowledge in Instagram marketing and the personal care sector. Organic content was identified as fundamental in fostering long-term trust and relationships, whereas paid content was acknowledged for its capability to generate immediate visibility and engagement. Experts concurred that video formats like Reels are the most effective in grabbing user attention, with all five respondents highlighting their importance in engagement. Collaborations with influencers and user-generated content (UGC) were also noted as vital for merging authenticity with paid promotions, ensuring the content stays relatable and impactful. Nevertheless, experts recognized the difficulties of preserving authenticity and reducing fatigue, emphasizing the necessity of balancing organic and paid approaches efforts. Emerging trends highlight the importance of personalization, engaging experiences, and the growing integration of AI in creating content. Specialists predict a sustained increase in video content, with micro-influencers and user-generated content (UGC) taking center stage in attracting niche audiences. To meet changing consumer demands, brands need to blend authentic storytelling with strategic paid efforts to maintain credibility, relevance,

and enduring success. These insights offer essential direction for successfully navigating the ever-changing realm of Instagram marketing.

To assess how paid and organic posts on Instagram influence consumer perceptions and actions, we conducted interviews with 10 Portuguese individuals aged between 22 and 58. In conclusion, the extensive interviews conducted with consumers revealed a strong preference for organic content, attributed to its authenticity, community engagement, and practical benefits. Although thoughtfully crafted paid posts can boost brand recognition and trust, too many promotional messages can undermine credibility. Brands such as CeraVe succeed by embracing relatable, consumer-oriented communication strategies. To cultivate deep connections with their audiences, personal care brands should focus on authenticity, creativity, and consumer-centric content. It is vital to strike a balance between organic and paid posts to foster trust, engage audiences, and achieve lasting brand loyalty.

A two-step survey was conducted to identify relevant brands and their key attributes, such as trust, creativity, and relevance. These components were depicted on a perceptual map. The key findings revealed a strong correlation between trust and relevance with "Transparency," while creativity and content quality were associated with "Engagement." Brands were positioned according to their perceived strengths in these components, highlighting potential repositioning opportunities. Consequently, the analysis offered actionable insights for enhancing brand strategies, stressing the importance of consumer trust, and customizing digital engagement to meet market expectations.

Finally, this study included a conjoint analysis aimed at uncovering consumer preferences regarding Instagram advertisements in the personal care sector. The analysis focused on how different ad attributes—Content Format, Content Type, Call to Action, Type of Influencer, and Frequency of Paid Posts—affect consumer decision-making. The results

emphasize the significance of each attribute in shaping consumer choices and uncover subtle preferences, such as the popularity of reels as a content format, the appeal of educational and lifestyle content types, and the effectiveness of discount codes as calls to action. Furthermore, the segmentation analysis offers insights into how preferences vary by age and gender, providing actionable recommendations for personal care brands looking to refine their Instagram advertising strategies. Based on the findings from all the analyses, this research highlights that while consumers value authentic and relatable organic content, the strategic use of paid posts—balanced in frequency and relevance—can effectively enhance brand visibility and engagement, with factors like medium frequency, reels, and customer-centered calls to action proving most impactful. Consequently, the research indicates that personal care brands should enhance Instagram engagement by strategically balancing personalized paid and organic content approaches. This includes emphasizing engaging formats such as reels that feature educational content, leveraging collaborations with influencers, integrating authenticity through organic-style advertisements, and exploring innovative tools, including augmented reality filters, to improve user interaction and cultivate stronger connections with the audience

In the chapters that follow, these topics will be thoroughly explored, as well as the research techniques used.

2. Research Context

2.1 Overview of the Industry

2.1.1. Overview of the Social Media Industry

In today's digital landscape, social media has emerged as one of the most popular online activities, engaging users across various age groups and regions. It is a collection of internet-based applications that facilitate user interaction, user-generated content, and broad personal

communication (Carr & Hayes, 2015; Kaplan & Haenlein, 2010). As of July 2024, there are approximately 5.45 billion internet users globally, with 5.17 billion actively engaging on social media platforms (Statista, 2024). This marks an astonishing increase of 89.4% in social media users since 2017 when the total stood at 2.73 billion worldwide (Statista, 2024). Such growth is primarily attributed to the surge in mobile device usage, which has made social media platforms increasingly accessible worldwide. The prevalence of smartphones and tablets is crucial in expanding social media, enabling more individuals to connect effortlessly (Statista, 2024).

Despite the extensive reach of social media, its usage continues to grow. Between 2023 and 2024, the number of social media users rose by 5.5%, underscoring that even in well-connected regions, there remains ample growth potential (Statista, 2024). Projections indicate that this upward trajectory will likely persist, with expectations of reaching 6 billion social media users by 2028—representing a 17% increase over current numbers (Statista, 2024).

Regarding platform popularity, Facebook retains its position as the leader, boasting over three billion monthly active users, followed closely by YouTube with 2.5 billion users. Instagram and WhatsApp both entertain around 2 billion users. Despite being a relatively new player, TikTok has quickly amassed 1.5 billion users and continues to extend its influence, particularly among younger audiences (Statista, 2024). Interestingly, Facebook continues to be a favoured platform across various age demographics, including millennials, Gen X, and baby boomers, and it still ranks high among Gen Z users, countering the notion that this generation has completely shifted away from the platform. TikTok's primary demographic has increasingly focused on the even younger Gen Alpha (Data Reportal, 2024).

An examination of social media usage reveals that the motivations behind online engagement have significantly diversified. Recent surveys indicate that 61% of working-age

individuals utilize the internet primarily for "finding information," followed by 56.6% who seek to "stay in touch with friends and family." Nonetheless, the observation that many people engage with social media platforms more frequently than traditional search engines highlights a transformation in their use—moving beyond mere social connections to encompass broader forms of entertainment (Data Reports, 2024). This evolution has been further accelerated by the rise of video content, particularly on platforms like TikTok and Instagram, where users increasingly crave engaging and dynamic media (eMarketer, 2024).

Over the past decade, social media content has evolved substantially, transitioning from static text and banner advertisements to immersive video and interactive experiences. Research indicates that the demand for video content is particularly pronounced, with 53.1% of Gen Zers in the U.S. consuming long-form videos on social media. In comparison, 61.6% engage with short-form content (eMarketer, 2024). This shift in content consumption reflects broader industry trends, as video emerges as the predominant mode of engagement, especially on platforms such as TikTok, Instagram, and YouTube. Furthermore, augmented reality (AR) features are gaining prominence as brands seek innovative ways to connect with consumers (eMarketer, 2023).

The increasing demand for engaging content reflects the changing ways people interact on social media platforms today. Though staying connected with friends and family is still a core reason for using these platforms, entertainment, passing time, and browsing through content have become equally important. This change in how users behave has implications for businesses, especially those in the personal care industry, as they rely more on visually captivating and interesting content to draw in and keep the interest of their desired customers.

2.2 Overview of Instagram

2.2.1 Evolution of Instagram and Acquisition by Meta

Instagram was launched in October 2010 by Kevin Systrom and Mike Krieger, originally as Burbn, a location-based app (Saahko et al.,2017). After realizing users were more interested in photo sharing, they rebranded it as Instagram, focusing primarily on mobile photography. Its minimalist interface included easy-to-use filters and simple interaction mechanisms, such as likes, comments, and follows, crucial to its rapid growth (Rejeb et al., 2021). By April 2012, Instagram had over 30 million users, which led Facebook, now Meta Platforms, Inc., to acquire the platform for \$1 billion in cash and stock (Weston, 2024).

The acquisition occurred just before Facebook's initial public offering (IPO), and it was seen as a strategic move to diversify Facebook's portfolio and appeal to younger users. Despite becoming part of Meta, Instagram continued to operate semi-independently, allowing it to maintain its distinctive identity while benefiting from Meta's resources and infrastructure (Britannica, 2024). As of 2024, Instagram remains a crucial asset for Meta, contributing significantly to its annual revenue exceeding \$149 billion (Statista, 2024).

2.2.2 Instagram Features and Content Engagement

Instagram's features have evolved significantly since its launch, expanding its focus from simple image-sharing to a more dynamic platform supporting video content, stories, and commerce. To allow that, the platform introduced several features that shape user engagement:

- **Feed Posts:** Originally limited to static images, these now include video posts and Carousels, allowing users to swipe through multiple images or videos. Carousels have particularly high engagement rates, reaching 10.15% in 2024 (Statista, 2024).
- **Stories:** Introduced in 2016, stories enable users to share temporary content that disappears after 24 hours. They are mostly popular for their interactivity, allowing for

features like polls and questions driving significant user interaction (Ramadas & Akila, 2022).

- **Reels:** In response to TikTok, Instagram launched Reels—15-60 second short-form videos. Between 2023 and 2024, this type of content saw a surge in engagement, becoming a key driver of growth, with rates rising to 6.92% (Statista, 2024) and attracting in average over 15,000 views.

The platform's shift toward **video content** reflects broader digital trends, where users increasingly prefer short and dynamic videos. This evolution in content has not only sustained but increased Instagram's engagement rates, with overall impressions and interactions rising steadily between 2023 and 2024 (Statista, 2024).

2.2.3 The Rise of Influencers

The rise of influencers on Instagram has transformed how brands engage with their audiences. Influencers, individuals with significant follower counts, have become central to digital marketing, particularly in industries like beauty, fashion, and lifestyle, where visuals are key (Rejeb et al., 2021). This shift began around 2014, as brands recognized the potential of influencers to provide social proof and authenticity. By 2023, there were over 50 million content creators globally. (Influencer Marketing Hub, 2023). According to Stubb et al. (2019), by 2019, brands were spending upwards of \$8 billion annually on influencer marketing, and the number of influencers was steadily increasing.

Micro-influencers, those with smaller but highly engaged audiences, are particularly effective in niche markets such as personal care. Consumers tend to trust influencer recommendations more than traditional brand advertisements, especially for personal care products (De Veirman et al., 2017). This happens because influencers are perceived as more relatable and authentic compared to brand-generated content, which is often seen as commercial

or overly polished. Studies show that 61% of consumers trust influencer recommendations, while only 38% trust brand content (Nielsen, 2021). This trust has led to brand loyalty and significantly higher engagement rates for influencer posts, in average 3.5%, compared to those from brands, approximately 0.7% (Influencer Marketing Hub, 2023). Additionally, sponsored influencer content tends to perform better than traditional ads, with engagement rates as high as 7% (Takumi, 2021).

2.3 The shifting landscape of Instagram

2.3.1 The Evolution of Instagram as a Marketing Platform

Instagram has undergone a remarkable transformation over the past decade, initially launched in October 2010 as a "free iPhone application designed for sharing pictures with friends" (Laestadius, 2017, p. 573), it has since evolved significantly, incorporating new features that have expanded its functionality. Today, it is more than just a social platform; it has become a leading showcase for brands, with over 200 million business accounts using it to connect with consumers (Instagram, 2024).

One of the factors that changed the pace for Instagram business was the growth of social media marketing - defined as using social media technologies, channels, and software to create, communicate, deliver, and exchange value-driven offerings for an organization's stakeholders. (Tracy L. Tuten, 2023). This form of marketing has grown because it allows brands to speak directly to their customers and, in turn, facilitate interactions among customers themselves. As a visual platform, "one of Instagram's basic principles of businesses is to show how they see the world, sharing images that deepens people's perspectives and showcases the lifestyle that the product or service enables through their own views and those from consumers who use them" (Macarthy, 2018, p. 217).

Before Instagram introduced native sponsored ads in feeds, commercial activity on the platform started occurring driven by influencers through unofficial means, such as sponsored and promoted content (Leaver et al., 2020). Influencers played a crucial role in shaping Instagram's promotional economy, developing strategies to engage followers and generate demand by often blending product promotion with their personal content. This influencer-driven economy was further supported by a broader marketing industry offering tools and insights to facilitate these interactions (Cotter, 2019). As these practices evolved, Instagram began formalizing them within its advertising model, incorporating influencer strategies into its platform's commercial framework (Carah, N., Brown, M.-G., & Hickman, S. 2023).

2.3.2 Innovations in E-Commerce and User Experience

Instagram capitalized officially on the social media marketing opportunity in 2013 by introducing sponsored posts, continually adapting to help advertisers and agencies efficiently target their expanding audience, which now includes over 400 million users (KC, 2015). The platform offers three distinct ad formats: Image Ad, Video Ad, and Carousel Ad. Each format is tailored to meet various promotional objectives, with a "Learn More" call-to-action button that directs users to the advertiser's website, enhancing engagement and conversion (Instagram, 2024). Additionally, Instagram equips businesses with tools like account insights, offering key metrics such as impressions, reach, and audience data to help them better understand and improve brand awareness (Adegbola, O., Gearhart, S., & Skarda-Mitchell, J. 2018).

Besides Reels, one of the most remarkable features, Instagram has also significantly evolved in the e-commerce space, introducing shopping features like Instagram Checkout and shoppable posts that allowed for a condensed customer journey wherein users could browse and buy products within the app (Instagram, 2024). This feature meets the rising consumer demand for convenience in online shopping, as underlined by Barwitz and Maas (2018), who

state that omnichannel capabilities serve consumer expectations. It was able, as of Statista's 2023 report, to integrate social interaction with retail in a manner that has made it a serious player within the world of social commerce, turning user engagement into immediate sales at a higher degree (Victoria O'Meara, 2019). A fundamental component of Instagram's marketing development has been the implementation of artificial intelligence to customize content, thereby guaranteeing that users encounter posts and advertisements suited to their preferences.

In 2016, Instagram introduced its algorithmic feed, replacing the chronological timeline with one that prioritizes posts based on user interaction and preferences. This change significantly altered how users engaged with content. Posts that garnered immediate attention (likes, comments, shares) were pushed to the top of users' feeds, thus extending their lifespan, and making content more discoverable over time (Weston, 2024). The algorithm has allowed influencers and brands to maintain visibility long after posting, driving **engagement rates**, and contributing to Instagram's role as a key marketing platform (Bhagyalakshmi & Akila, 2022). For marketers, this targeted personalization improves advertising effectiveness by confirming that promotional material is directed towards the appropriate audience.

AI's capacity to process massive datasets allows marketers to engage more effectively with their consumers, facilitating a more meaningful connection between brands and users (Dwivedi et al., 2021). Besides, user-generated content has become a significant driver of involvement on the Instagram platform. By encouraging users to share their personal experiences with brands and products, Instagram allows businesses to build relationships and trust. User-generated content also plays a significant role in affecting consumer buying behavior, as users are more likely to trust peer reviews and personal recommendations than any other form of advertising (Goh et al., 2013). Furthermore, it assists brands by offering genuine content that aligns with their audience's interests, thereby enhancing the brand's visibility (He et al., 2022).

2.3.3 Balancing Ethics and Innovation

However, with the growth of Instagram's ad business and influencer economy, ethical practices and calls for transparency have grown louder. Influencers, crucial in the promotion of products, have faced accusations of not disclosing paid partnerships- a lack of disclosure that leads to some big problems in terms of trust and deception.

Regulatory bodies, like the Federal Trade Commission, have called for better transparency around influencer marketing, and as a result, Instagram provides tools such as "Paid Partnership" tags to disclose sponsored posts (Wood, 2019). A very crucial aspect is maintaining consumer trust, since studies show that authenticity is one of the key drivers behind purchase intentions, particularly when it comes to influencer-generated content (Kim et al., 2021). Balancing this evolution with the progression of the consumer behavior analyzed in the next chapter, Instagram has turned into a marketer's staple. In the year 2024, 79% of marketers attest to using Instagram in their marketing strategies. In 2023 alone, the global advertising revenue reached \$61.1 billion, with \$20.03 billion generated specifically from Stories ads (Statista, 2024). Also, Instagram has the highest conversion from browser to shopper and registers 10 times the engagement of Facebook and 84 times that of Twitter (Smith, 2018).

2.4. The personal care Industry in Portugal

2.4.1. Industry and consumption in Portugal:

In 2023 Portugal's economy showed strength and resilience even though it experienced a pace of growth compared to the strong 6.7% GDP growth seen in 2022. The GDP expansion that year was driven by increasing internal demand and a flourishing tourism industry. According to the European Commission, the economic growth rate was more moderate, reaching only 2.3%. This slowdown can be attributed to global uncertainties, ongoing inflation

and rising interest rates, which had an impact on consumer spending and confidence (The Portugal News, 2023; OECD, 2023).

The inflation pressures, which reached a three-decade high, significantly affected the purchasing power of Portuguese consumers, leading to greater price sensitivity. Consumers prioritized affordable brands and competitive price-quality ratios, particularly in essential categories (OECD, 2023). This shift reflected a broader change in consumption patterns, with buyers focusing more on value.

Despite these economic challenges, Portugal's personal care industry experienced positive growth in 2023. Various categories saw an increase in sales, notably the less mature segments such as color cosmetics and depilatories. This growth was driven by evolving consumer preferences and higher demand for innovative products (Euromonitor, 2024).

In 2024, the Portuguese Personal Care market continues to grow, with revenue projected to reach approximately \$1.05 billion. The market is expected to experience a moderate compound annual growth rate (CAGR) of 0.95% from 2024 to 2029. For 2024, the revenue per capita is forecasted at \$102.70, in terms of individual consumer spending. In addition, the online sector is gaining importance as digital transactions are projected to account for 22.2% of total market revenue by the end of the year (Statista, 2024).

A major trend in the Portuguese personal care industry in 2024 is the increased demand for organic and natural beauty products, driven by a growing focus on sustainability and eco-conscious lifestyles. This reflects a larger global movement in which consumers are turning to products that match their values in terms of environmental impact and personal health. In Portugal, this trend is heavily influencing purchase decisions, especially with consumers searching for a balance between price, quality, and sustainability. This change is particularly significant in the overall beauty industry, with brands focusing even more not only on natural

or organic labels, but on broader ecological issues, including sustainable sourcing, packaging, and ethical production practices. As more companies integrate these factors into their offerings, the preference for eco-friendly products is expected to grow further (McKinsey, 2023; Euromonitor International, 2024).

Furthermore, multifunctional beauty products, such as foundations that incorporate skincare benefits like sun protection and moisturization, are gaining strength. This reflects a growing consumer interest in simplified routines that combine both cosmetic and skincare benefits. The demand for such products is reshaping the market, where balancing sustainability, quality, and affordability remains key for consumers (Euromonitor International, 2024; Statista, 2024).

Portuguese consumers are becoming increasingly discerning and are more inclined to invest in high-quality cosmetics, particularly those tailored to specific needs, such as anti-aging and skincare treatments. This shift is driven by a growing awareness of the benefits of certain ingredients and skincare routines, often influenced by social media and online recommendations. Premium and dermo cosmetic products are gaining popularity as consumers seek effective solutions, favoring products that align with their personal values and lifestyles. Additionally, the demand for convenience, such as easy-to-apply products, resonates with the busy lives of many Portuguese women (Cláudia Pinto, *Distribuição Hoje*, 2018).

At the same time, inflation has impacted consumers' purchasing power, but many remain unwilling to compromise on their preferred beauty routines, viewing these products as essential, especially during challenging times. This balance between premium and mass-market products highlights the resilience of the beauty sector in Portugal, with companies innovating to meet evolving consumer preferences (Cláudia Pinto, *Distribuição Hoje*, 2018).

2.4.2. Categories

The Personal Care industry in Portugal covers several categories, including products designed specifically for babies and children, bath and shower items, color cosmetics, deodorants, depilatories, fragrances, hair care, oral care, skin care, and sun care (Euromonitor, 2024). Among these categories, the most popular products are skin care, hair care, and fragrances. According to a study conducted by Statista Consumer Insights in 2024, which interviewed 1,048 consumers, 91% of Portuguese respondents stated that the products they use most are "personal hygiene products (bath and shower products, deodorants, shaving creams and gels, etc.)," followed by 89% for oral and dental care, 79% for perfumes and fragrances, 75% for skin care, 59% for hair care and styling, and 34% for decorative cosmetics (Statista, 2024).

2.4.3. Personal Care Market in Portugal

Research by Statista Market Insights shows that revenue trends in the Personal Care market in Portugal from 2018 to 2029 will steadily increase, reaching approximately \$286.90 million in 2023. The deodorant and hair care categories stand out as the main contributors to this increase. This rising trend indicates a robust market landscape, characterized by growth and potential, underlining the consumers' growing interest in personal care products (Statista, 2024).

In 2023, the beauty and personal care market in Portugal is marked by a clear division between the Mass and Premium segments. Sales in the mass segment amounted to 927.2 million euros, making it the dominant force in terms of revenue. In comparison, the premium segment accounts for 324 million euros, showing growth but on a smaller scale. (Euromonitor, 2024)

The mass segment is performing strongly as consumers adjust their purchasing habits in response to economic pressures, such as rising inflation and reduced disposable income

(Euromonitor International, 2024). Essential products like sunscreens and deodorants continue to sell well, indicating that even as consumers cut back on spending, they still prioritize certain categories (Euromonitor International, 2024).

Meanwhile, the premium segment is also gaining momentum. Mass-market products are increasingly adopting features traditionally associated with premium offerings, catering to consumers who are more discerning about product quality and ingredients but may have limited budgets. This trend is particularly noticeable in the hair care sector, where brands are enhancing their products to maintain consumer interest (Euromonitor International, 2024).

Within the premium segment, the most profitable market is fragrances, generating 135.6 million euros in sales, followed by skincare products with 100.3 million euros, and color cosmetics (makeup) with 9.9 million euros. While both segments are growing, the mass beauty market shows a more positive short-term outlook due to changing consumer behaviors influenced by economic factors (Euromonitor International, 2024).

Looking ahead, the personal care market is expected to continue expanding, with growth projected for both mass and premium products, particularly as innovation and sustainability become increasingly important to consumers.

2.4.4. Market leader in the Personal Care Industry:

The Portuguese Personal Care industry is characterized by many companies, including well-known brands such as Nivea, Uriage, Bioderma, CeraVe, and Clarins, among many others. The leading brands in this market differ according to category and subcategory. Currently, more than 2,000 companies operate in the personal care sector in Portugal. According to data from BoldData (2023), there were 1,672 cosmetics companies in the country in 2023. Lisbon holds the highest market share, accounting for 38% of the total, translating into approximately 537

companies, while Porto accounts for 16%, with around 304 companies involved in the cosmetics sector (BoldData, 2023).

For Portugal, leading companies in the personal care sector include global giants like L'Oréal, Beiersdorf (Nivea), and Unilever, which dominate the mass-market segment. They are complemented by strong local and international premium brands such as Clarins, Pierre Fabre, and Grupo Boticário, excelling in the high-end skincare and beauty categories.

During 2023, L'Oréal reinforced its position as the leader in the Personal Care market, reaching record revenues of €41.18 billion, corresponding to an increase of 7.6% compared to the previous year (L'Oréal Annual Report, 2023). This performance aligns with a broader growth trend in the beauty and cosmetics industry in various regions, particularly in Europe, where L'Oréal is a key player. Recognised for its extensive product range and strong commitment to innovation, L'Oréal continues to have a solid presence and strong reputation among consumers. As one of the largest beauty companies globally, L'Oréal features several popular brands in Portugal, such as L'Oréal Paris, Garnier, and premium brands like Lancôme (L'Oréal Annual Report, 2023). According to L'Oréal's 2023 annual report, Europe is a crucial market, with skincare and sun protection products leading sales at 39.9%. This strong performance underscores the growing consumer focus on skin health and the significance of UV protection (L'Oréal Annual Report, 2023).

2.4.5. Distribution

The personal care sector in Portugal features a diverse range of distribution channels that reflect evolving market dynamics and consumer preferences. One significant channel is retail stores, where specialized beauty and personal care shops offer a wide variety of products. Many brands, such as L'Oréal and Beiersdorf, invest heavily in their own stores or partner with retailers to enhance brand visibility.

Supermarkets and hypermarkets also provide a crucial role in the sales of mass personal care products, such as shampoos, deodorants, and creams (StrategyH, 2023). L'Oréal and Nivea have both established a strong presence in these stores, capitalizing on the high foot traffic and visibility they offer. Pharmacies are essential for the sale of dermo cosmetics and skincare products, with many consumers relying on pharmacists' recommendations for products tailored to their specific health and beauty needs (StrategyH, 2023). The internet has experienced rapid growth in e-commerce in Portugal, especially after the COVID-19 pandemic, which intensified online shopping trends. E-commerce platforms provide a wide range of options, enabling consumers to compare prices and read product reviews before purchasing (StrategyH, 2023). Additionally, direct distribution channels such as own brand websites and mobile applications offer a more personalized shopping experience, increasing consumer engagement.

A Euromonitor report highlights a new distribution pattern that has emerged in Portugal in 2023, which is reshaping the personal care retail landscape. Traditionally, distribution was segmented between modern grocery stores, beauty specialists, pharmacies, and other channels. However, "one-stop" shops have emerged, offering a variety of products that range from mass to premium, professional, and dermo-cosmetics (Euromonitor International, 2024).

The development of digital distribution channels in Portugal has been notable, especially following the COVID-19 pandemic. A report from 2018 by Boston Consulting Group (BCG) and Google estimated that the digital sector contributed approximately €9 billion to the Portuguese economy, accounting for about 5% of the country's GDP. Despite the high rate of internet penetration (71%), the adoption of e-commerce was relatively low, with only 31% of consumers engaging in it (Pedro Pereira, Observador, 2020).

The pandemic accelerated this transition, leading to an increase in e-commerce of between 40% and 60% across various product categories, reflecting a significant shift in

consumer behavior (Pedro Pereira, Observador, 2020). A report from the Interbank Services Society (SIBS) also highlighted that the average amount spent on online purchases rose by about 18% during the state of emergency, indicating that many consumers began using e-commerce for the first time, while others expanded their shopping habits (SIBS, 2020).

According to BCG's Demand Sentinel report, in May 2020, sectors such as Beauty and Cosmetics saw a 28% increase in online traffic, while the pharmaceutical sector experienced a 19% rise, maintaining levels of online traffic that exceeded those observed before the pandemic. This shift in behavior suggests that digital channels will continue to offer significant opportunities even after the return to normalcy, and that many consumers are hesitant to return to physical stores (Pedro Pereira, Observador, 2020).

Furthermore, the 2020 Payment Systems Report from the Bank of Portugal emphasized the growing importance of digital platforms for commercial transactions, reinforcing the need for a strong digital presence among businesses. Those who adopted an omnichannel approach experienced the most growth, highlighting that a cohesive digital strategy is essential to meet new consumer expectations (Bank of Portugal, 2020).

2.4.6. The personal care Industry on Instagram

Instagram has emerged as a crucial platform for the personal care industry, offering an environment where brands can interact directly with consumers in innovative ways. According to Smith and Jones (2020), the platform allows brands not only to promote their products but also to build narratives that resonate with the values and aspirations of their target audience. The interactive nature of Instagram enables brands to showcase their products and establish ongoing dialogues with customers. Through comments, direct messages, polls, and interactive stories, companies can collect real-time feedback, enhance the consumer experience, and adjust their offerings according to the preferences of the audience (Adegbola, O., Gearhart, S., &

Skarda-Mitchell, J. (2018)). This interaction not only generates a sense of community and closeness but also builds trust, contributing to customer loyalty. Customer support on social media and message personalization help to strengthen the relationship between the brand and the consumer (Gamboa & Gonçalves, 2014). This bond is vital for customer retention in a competitive industry like personal care, where innovations are constant, and consumers have access to a myriad of options.

In recent years, the personal care industry has heavily invested in using Instagram as one of its primary digital marketing tools. The platform, which was initially conceived as a space for photo sharing among users, has evolved to become one of the largest channels for visual advertising and interaction between brands and consumers. With over 1.3 billion active users in 2022 (Statista, 2023), Instagram offers significant global reach, making it an essential platform for brands from different sectors, including personal care, in their marketing strategies.

The entry of the personal care industry into Instagram reflects a significant shift in communication and marketing strategies. Traditionally, personal care brands relied on print media, television, and other forms of mass advertising. However, the evolution of consumer behavior, which now seeks information and recommendations online, has driven companies to adopt digital marketing, with an emphasis on social platforms like Instagram (Hollenbeck & Kaikati, 2021).

Advertising on Instagram is divided into two main types: paid and unpaid. Paid advertising involves sponsored ads that appear directly in users' news feeds, while unpaid advertising is represented by organic posts and partnerships with influencers (Milovanović, Miljanović, & Novaković, 2022). These strategies are particularly effective in the personal care industry, where image and perception are fundamental to purchasing decisions (Tamara, Heriyati, & Hanifa, 2021).

On Instagram, personal care brands utilize both paid advertising, which includes ads in feeds, stories, and explore sections, as well as organic content. Paid ads allow for broader and more targeted reach based on demographic data, interests, and user behaviors (Evans, Phua, Lim, & Jun, 2017). They are especially useful for launching new products, seasonal campaigns, and specific promotions.

Unpaid advertising, which refers to the organic content from brands' official accounts and collaborations with influencers, also plays a crucial role. Beauty and lifestyle influencers shape their followers' perceptions through authentic recommendations, being viewed as experts in certain niches, which increases consumer trust (de Veirman, Cauberghe, & Hudders, 2017).

The influence of social media, including Instagram, on consumers' decision-making processes is widely discussed. Studies show that consumers value recommendations from sources they consider authentic and that align with their personal interests (Freberg et al., 2023). This underscores the importance of influencer marketing strategies and user-generated content in the digital marketing approaches adopted by personal care brands.

Another important factor is user-generated content, which offers an extremely effective form of unpaid marketing. When consumers share their experiences with personal care products on Instagram, whether through photos, videos, or reviews, they act as involuntary brand promoters. Research indicates that consumers trust evaluations from other consumers more than traditional advertising, reinforcing the role of user-generated content in the digital marketing strategy (Pihl & Sandström, 2013).

Instagram stands out as a visually attractive platform, ideal for showcasing the benefits and results of personal care products. The use of high-quality photos and videos not only captures consumers' attention but also educates them on how to use and incorporate these products into their daily routines, influencing their purchasing decisions (Santhosh, 2022). This

strategy is particularly effective in the personal care industry, which includes cosmetics, skincare, haircare, and personal hygiene, as it is highly dependent on visual perceptions. Images and videos that demonstrate the effects and benefits of products are fundamental in influencing purchasing decisions, especially on a platform where visual content is king (Muntinga, Moorman, & Smit, 2020).

Additionally, the active presence of personal care brands on Instagram significantly impacts purchasing decisions. A study by de Vries et al. (2021) suggests that exposure to visual content from brands can increase purchase intention, especially when complemented by positive interactions and recommendations from influencers. The visual nature of the platform allows consumers to see the results of products, reinforcing trust in the brands' promises.

The use of augmented reality (AR) technologies is revolutionizing the shopping experience by allowing consumers to interact with products in an interactive and personalized way. According to a study by McLean and Wilson (2019), AR significantly enhances shopping behavior on e-commerce platforms, highlighting interactivity and immersion as factors that influence purchase intention, increasing consumer confidence by virtually testing products. These AR applications promote greater emotional engagement, encouraging consumers to make purchases on digital platforms: McLean, G., & Wilson, A. (2019).

The implementation of augmented reality (AR) on social media offers a significant opportunity for brands to connect with consumers innovatively. According to research by Voicu et al. (2022), AR apps in e-commerce enhance the consumer experience by providing rich and informative interaction with products. This technology enables immersive shopping experiences that not only capture users' attention but also educate them on how to use and integrate products into their daily routines.

In this context, L'Oréal, in partnership with Facebook's AR platform, Spark AR, and its own company ModiFace, has implemented makeup experiences on Instagram. Users can virtually try on products before purchasing, combining social engagement with interactive experiences. This approach not only promotes a more engaging and meaningful interaction between brands and consumers but also increases brand recognition and encourages customer loyalty (L'Oréal, 2021).

Although Instagram offers numerous opportunities for the personal care industry, challenges also exist. The saturation of ads and the rise of ad blockers are obstacles that brands need to overcome. Additionally, with the growing popularity of influencers, there is an increasing concern about the authenticity of recommendations and the risk of "influencer fatigue," where consumers begin to question the credibility of overly sponsored content (Audrezet, de Kerviler, & Guidry Moulard, 2020).

Portuguese consumers are increasingly interested in high-quality cosmetics, especially those that meet specific needs, such as anti-aging and skincare. This phenomenon is linked to the growing awareness of ingredients and product benefits, which is often driven by social media and online recommendations. A study by Limbu and Ahamed (2023) reveals that the increasing demand for green and sustainable cosmetics is also associated with consumers' attention to the sourcing of ingredients and the environmental impact of products, reflecting a shift in purchasing behavior towards healthier and more ethical alternatives.

According to data from Macro Consulting, in 2022, beauty and cosmetic products were among the most purchased items online, with 27% of consumers in the European Union buying these products, second only to clothing and footwear (Macro Consulting, 2022). This demonstrates that the presence of personal care brands on social media is crucial for reaching consumers, especially younger ones who are more inclined to invest in skincare and makeup.

3. Literature Review

This chapter examines the literature related to the research topic. It is organized into several sections, each contributing to a thorough comprehension of the subject matter. It begins by investigating the evolution of the social media industry, tracing its growth over the years, and evaluating its current status. Subsequently, the focus shifts to how personal care brands on Instagram use the platform to showcase their products and connect with consumers effectively. Additionally, there is a part that delves into the personal care market in Portugal, shedding light on trends and the competitive environment in the industry. In conclusion, the chapter synthesizes existing research on consumer behavior and brand engagement on social media. It also presents the empirical methods employed in this study—specifically, conjoint analysis and perceptual maps—explaining how these methodologies facilitate an understanding of consumer perceptions, preferences, and interactions with personal care brands on Instagram.

3.1. Consumer Behavior

3.1.1. Evolution of Consumer Behavior

Instagram's emergence has significantly transformed how consumers engage with brands. Social media platforms have supplanted traditional advertising channels as essential to the modern consumer's discovery process. Instagram has significantly blurred the distinctions between content search, research, and shopping. This evolution has created an environment in which consumers no longer exclusively depend on traditional marketing techniques; instead, they increasingly rely on social proof, peer reviews, and influencers' endorsements to inform their purchasing decisions. Today's Consumers interact with content that educates them about goods and services and provides entertainment. Moreover, Instagram's interactive features, such as product tagging, Instagram shopping, and carousel posts, have made it simple for consumers to transition from product discovery to purchase pleasantly and straightforwardly.

A study conducted by Facebook IQ has revealed that Instagram serves as a medium for generating awareness and effectively drives sales. Expressly, 54% of respondents indicated that they made a purchase immediately or after viewing a product or service on Instagram. Furthermore, this same audience acknowledged their perception of brands on Instagram as being popular (78%), creative (77%), entertaining (76%), and relevant (74%) (*Facebook, n.d.*). Instagram plays a pivotal role throughout the entire purchasing process. Individuals utilize this platform to identify current trends, research products before purchasing, and evaluate their decisions regarding whether to proceed with a transaction. Each of these phases presents unique opportunities on Instagram for marketers to stimulate consumer engagement. The same study conducted by Facebook IQ concluded that approximately eighty-three percent of consumers discover new products or services via Instagram, eighty-one percent employ the platform to investigate products or services, and eighty percent affirm that Instagram aids them in their decision-making regarding purchases (*Facebook, n.d.*).

Eighty-seven percent of respondents indicated that they took action after being exposed to product information on Instagram. These actions include but are not limited to following a brand, visiting the brand's website, or making an online purchase. Additionally, upon encountering a product or service on Instagram, seventy-nine percent of consumers sought further information; sixty-five percent visited the brand's website or application, thirty-one percent followed the brand's account online, and twenty-nine percent engaged in discussions with others regarding the product (*Facebook, n.d.*).

3.1.2. Factors Influencing Consumer Behavior

The emergence of sponsored Instagram advertisements presents both advantages and disadvantages for brands. While sponsored posts offer high visibility and reach, research suggests that excessive exposure can lead to ad fatigue, where consumers feel overwhelmed by

constant marketing messages. *Rudianto et al. (2024)* found that Instagram ads significantly influence consumer purchase interest. Through Instagram, products or services are offered through advertisements on the Instagram feature, so potential consumers can see the types of goods or services offered to influence interest in purchasing products.

However, ad saturation may decrease engagement as consumers ignore repetitive content. Consumers have grown more discerning about the types of ads they engage with, often preferring organic content over sponsored ads due to their perceived authenticity. Organic posts, not paid for by brands, foster a more genuine connection with audiences, encouraging trust and loyalty (*Kemeç & Yüksel, 2021*).

Additionally, *Lou and Yuan (2019)* emphasize that authenticity and trust are critical drivers of consumer engagement, particularly on Instagram. Consumers value genuine interactions with brands, preferring content that feels real and unscripted over direct promotions, which can feel overly commercial. This trust-based engagement is vital for long-term brand relationships in sectors like personal care, where trust in product quality plays a significant role in decision-making. This sentiment is reinforced by *Schouten et al. (2020)*, who argue that brands may augment consumer trust by integrating authentic narratives and avoiding excessive promotional strategies, particularly in the personal care sector, where the efficacy of products is of utmost importance. To preserve consumers' trust, brands must carefully balance paid and organic content. Paid content is crucial for expanding a brand's reach and visibility; however, if it comes across as too promotional or false, it runs the danger of diminishing confidence. On the other hand, organic content promotes long-term engagement by enabling brands to develop a deeper, more intimate connection with the audience (*Langan et al., 2019*). This approach ensures that brands can broaden their appeal while preserving the authenticity that resonates with consumers.

As a prominent visual platform, the quality of images utilized in these advertisements plays a vital role in attracting consumer attention. Advertisements that incorporate aesthetically appealing and relatable visuals are more effective as they enhance authenticity and align with consumer preferences. According to research by *De Vries et al. (2017)*, images consistent with a brand's identity increase engagement levels. Furthermore, *Sung et al. (2021)* emphasize that modern design trends, including minimalism and natural tones, are especially attractive to consumers. Furthermore, consumers are placing a greater emphasis on informative advertisements that deliver educational content regarding the advantages and application of the product. *Alalwan (2018)* emphasizes that factors such as informativeness and perceived relevance in ads help build customer trust and credibility because they enhance the perception of usefulness and satisfaction, thereby increasing trust in the content. Therefore, consumers tend to value ads that align with their preferences, as they perceive these ads as credible sources.

In support of this assertion, *Pulizzi (2013)* suggests that the main way to foster consumer engagement is by creating value-rich content, such as advertisements providing relevance and utility, such as tutorials or ingredient explanations, to promote deeper engagement by equipping consumers with knowledge. In addition to authenticity, the integration of social proof significantly impacts consumer engagement. User-generated content, such as testimonials and reviews, enhances relatability and authenticity, making ads more compelling. *Muntinga et al. (2011)* highlight that when consumers see real users sharing their experiences with products, it fosters a sense of community, influencing their purchasing choices. *Ashley and Tuten (2015)* note that interactive content allows consumers to participate in the ad experience, enhancing personalization. Strong calls-to-action (CTAs) effectively guide consumers from viewing to exploring products, facilitating a seamless transition from discovery to purchase, as *Lipsman et al. (2012)* noted.

Moreover, Lou and Yuan (2019) discovered that consumer-brand relationships are significantly enhanced when brands use paid promotions, strategically integrating influencer partnerships to preserve a sense of authenticity. This strategy prevents it from appearing blatantly commercial and gives customers the impression that they receive recommendations from reliable others. In the personal care market, where consumers are more skeptical of advertisements because of the nature of the products, striking a balance is especially crucial because consumers expect openness and are turned off by highly polished ads (Ilicic & Webster, 2016). Consumers expect openness and transparency, particularly regarding product ingredients and brand values (Djafarova & Rushworth, 2017); without compromising the authenticity that builds customer loyalty, brands can expand their audience and retain engagement by fusing targeted paid advertisements with natural, organic content.

On Instagram, influencers are significant in determining how customers behave. Their ability to build trust with their followers creates an environment where recommendations feel personal rather than promotional. Influencers bridge the gap between discovering and buying a product by acting as intermediaries between brands and consumers. Influencers perceived as authentic and relatable can significantly impact their followers' purchasing decisions, particularly in the personal care industry, where consumers seek products that align with their values, such as sustainability or cruelty-free options (De Veirman et al., 2017).

In addition, Schouten et al. (2020) argue that influencers' perceived authenticity is critical in fostering trust and building solid consumer-brand relationships. In this context, authenticity refers to an influencer's alignment with their followers' identity and values. This can result in increased engagement and a more significant influence on consumer decisions, particularly within the personal care industry, where consumers' decision-making process heavily depends on their trust in the quality and safety of the product.

3.2. Overview of Previous Research

Social media advertising plays a significant role in influencing consumer behavior, making it a crucial element of effective social media campaigns (Rinka & Pratt, 2018). This marketing approach can be categorized into three main types: owned, paid, and earned media (Burcher, 2012). Notably, social media functions as earned media through user-generated content, which has been shown to impact purchasing behavior significantly. Recent research suggests that comments, from users on a brand's social media platforms can impact consumer choices just as much as content created by marketers (Lee et al., 2018; Yoon et al., 2018). Additionally, the level of interaction by consumers on social media shows a connection to their readiness to spend on endorsed products or services (Goh et al., 2013).

An exploratory study highlights the importance of trust in social media interactions, revealing that users are more inclined to engage with marketer-created content when it is recommended by trusted friends. This creates a trust hierarchy, where recommendations from real-life friends are deemed most credible, followed by those from online acquaintances, and finally, the least trusted are those from anonymous individuals on brand websites (Harris & Dennis, 2011).

Additionally, users' attitudes toward social media platforms significantly influence their purchasing behavior. Several factors drive these attitudes, including the perceived usefulness of recommendations, enjoyment derived from the platform, and ease of use. Among these, perceived platform enjoyment directly impacts purchase intention; the more users enjoy the social media network where advertisements appear, the more likely they are to purchase the promoted items (Pietro & Pantano, 2012). With the increasing emphasis on customer empowerment and privacy—heightened by regulations like the EU's General Data Protection Regulation—factors such as the need for social connections, self-portrayal, and data privacy

concerns have been found to intensify social media usage and acceptance of personalized advertisements (Wirtz et al., 2017).

Research indicates that the perceived advertising value on social media is a critical determinant of purchasing behavior (Hamouda, 2018). Key drivers of purchase intention include interactivity, perceived relevance, hedonic motivation, performance expectancy, and informativeness (Alalwan, 2018). Additionally, recommendations in social media can effectively stimulate actual purchases, with consumers often preferring to buy either high-priced or low-priced items through platforms that facilitate quick transactions (Forbes & Vespoli, 2013). Collectively, these insights underscore the dynamic relationship between social media advertising and consumer behavior, emphasizing the importance of trust, user engagement, and perceived value.

3.3. Empirical Approach

Successful marketing strategies depend on data-driven methods that analyze consumer preferences and market trends. Tools like perceptual mapping and conjoint analysis are key in uncovering how people perceive different brands and what content attributes they value most. By using these methods, businesses can better position their content, ensuring it resonates with consumers and effectively meets their needs in the competitive landscape.

3.3.1. Perceptual Map

Perceptual mapping offers a unique ability to understand market structure by analyzing the complex relationships among marketplace competitors and the criteria buyers use in making purchase decisions (Nigam & Kaushik, 2011). Marketers typically pursue two primary goals when creating a perceptual map: first, to identify how their brands are positioned relative to competitors, and second, to determine which product attributes influence the most customers' decisions (Kohli & Leuthesser, 1993; Gigauri, 2019; Said Ghataty et al., 2023).

In this context, a product's position is defined as the place it occupies in the minds of target customers within a competitive environment, while positioning is a managerial activity aimed at influencing customer perception to secure a sustainable foothold in that mental space (Schweiger & Schrattenecker, 2009; Helm, 2009; Rekettye & Liu, 2001). This subjective perception is shaped by individual consumer values, beliefs, needs, experiences, and environments (Chadha & Kapoor, 2008).

Perceptual maps are employed in marketing to visually analyze relationships between two or more attributes. The term "perceptual map" encompasses plots generated through various techniques, such as principal component analysis, (multiple) correspondence analysis, and multidimensional scaling, each with specific requirements for both production and interpretation (Gower et al., 2010). The creation of perceptual maps is based on evaluations of similarity or dissimilarity carried out by respondents, with SPSS frequently used to aggregate responses and generate the map through comprehensive analysis.

When utilizing the attribute-based approach for perceptual mapping, respondents are asked to rate selected products or brands on various attributes. Typically, discriminant analysis is employed alongside SPSS software to facilitate this process, resulting in a perceptual map derived from the output of the analysis. This method enables marketers to visualize and better understand consumer perceptions and competitive dynamics within their market.

3.3.2. Conjoint Analysis

Conjoint analysis is a sophisticated quantitative research method widely used in marketing to explore product and pricing strategies by quantifying the value consumers assign to various attributes of a product or service. This method enables marketers to understand the distinct contributions of a limited number of features to a product's overall value (Green & Rao, 1971). The pioneering work by Paul Green established a new system for quantifying rank order

data, making it applicable to marketing research, such as forecasting market responses for new products.

The primary objective of conjoint analysis is to determine how different attributes collectively influence consumer preferences. Respondents are typically presented with a set of products or scenarios that are similar enough to be seen as close substitutes but dissimilar enough for clear preference distinctions. This response task may involve individual ratings, rank orders, or choices among alternative combinations of features (Paul, 2017).

For scenarios with a limited number of attributes—typically six or fewer—the full-profile method of conjoint analysis proves particularly effective. This method allows researchers to gather nuanced insights into consumer preferences.

When adequately implemented, with a sufficient number of respondents (generally around $n=200$ per market segment), conjoint analysis can accurately identify and target needs-based segments. For instance, one segment might prioritize high-performance products at a low price, while another may focus on reputable brands known for durability. By cross-tabulating segment membership with other descriptive variables collected from respondents, marketers can develop targeted strategies to cater to these distinct groups (Bryan, 2024).

Furthermore, conjoint analysis is invaluable for optimizing multiple products aimed at different market segments, ultimately helping to grow market share and enhance overall revenues and profitability. However, there are important drawbacks and common pitfalls to consider. The market simulator predictions of “shares of preference” assume that all significant attributes have been included in the study, that respondents possess equal information and full awareness of brands, and that each individual is actively looking to purchase. Limitations arise, for example, in accounting for the impact of promotional efforts or sales effectiveness for specific brands, which the market simulator cannot inherently address (Bryan, 2024)

4.Preliminary Research

4.2 General Interviews

Interviews were conducted to explore more deeply how the increase of paid and unpaid posts on social media influences consumer perception and behavior toward personal care brands on Instagram. These interviews were designed to gather insights into participants' feelings when encountering paid ads, understand their preferences for organic versus paid content, and identify the elements present in posts that they found most attractive and essential.

To ensure a diverse and reliable perspective, interviews were conducted with individuals from various age groups, while restricting the sample to Portuguese nationals since this study focuses on personal care brands in Portugal. The study interviewed 10 individuals between the ages of 22 and 58. This diversity enabled a better understanding of a range of consumer perceptions and behaviors regarding paid posts on Instagram, acknowledging that perceptions and behaviors related to social media often vary across age groups.

To promote authenticity and comfort during the interviews, they were conducted in the participants' native language (Portuguese) and were subsequently translated into English for consistent analysis.

A total of 10 responses were obtained (see Appendix 2 for interview results), collected through convenience sampling. This sampling method involves selecting participants based on ease of accessibility, proximity, and willingness to participate in the study.

Based on the interviews conducted, the sample includes participants in an age range of 22 to 58 years, allowing for an in-depth analysis of the variations in opinions and experiences regarding the study topic, reflecting differing needs and expectations. Within this range, three main groups are represented:

Young adults aged 22 to 30, represented by 8 participants, who provide a contemporary and digitally integrated perspective, as they grew up with digital technology and demonstrate high familiarity and interaction with platforms such as Instagram. Adults, with 1 participant between the ages of 31 and 40, offer a perspective with greater market experience. They generally possess a solid understanding of digital dynamics, combining both professional and personal experience in using social media for content consumption and brand interaction.

Finally, mature adults aged 41 to 55 are represented by 1 participant, bringing a more experienced perspective and potentially distinct approaches to the topic. This group tends to have less familiarity and interaction with social media, with lower exposure to digital dynamics, which may lead to a greater appreciation for authentic content and a reduced inclination to engage with sponsored ads, reflecting a more critical and selective approach to interacting with brands on digital platforms. The interview structure consisted of open-ended questions, divided into 8 main categories: Perceptions of Paid Posts, Preference between Organic and Paid Content, Perceptions of Organic Posts, Valued Elements in Paid Posts, Engagement and Behavior with Personal Care Brands, Overall Impact of Sponsored Posts, Brand-Specific Issues, and Recommendations for Brands and Content.

4.2.1. Perceptions of Paid Posts

This category seeks to understand the participants' emotions and reactions when viewing paid posts from personal care brands on Instagram. The questions were designed to explore feelings such as enthusiasm, curiosity, indifference, lack of authenticity, and ad fatigue.

Example questions:

- How do you feel when you see a sponsored post from a personal care brand on Instagram?
(e.g., excitement, curiosity, indifference, lack of authenticity, ad fatigue, etc.)
- Do you think sponsored ads affect your perception of a brand's authenticity? Can you explain?

4.2.2. Preference Between Organic and Paid Content

In this section, the questions focus on comparing these two types of content to understand which engages participants more. The goal was to identify which type of post generated more interaction from participants, such as likes, comments, shares, or clicks.

Example questions:

- Do you tend to engage more (e.g., likes, comments, shares) with organic or paid posts from personal care brands? Why?
- What difference do you notice between viewing an organic post versus a paid post on Instagram?

4.2.3. Perceptions of Organic Posts

This section aims to understand participants' perceptions of organic posts from personal care brands on Instagram, exploring the types of content they find most appealing, authentic, and trustworthy. It seeks to determine whether organic posts inspire more trust than paid ones and which elements make these posts stand out.

Example questions:

- When you see an organic post from a skincare brand on Instagram, what type of content do you find most appealing? (e.g., tutorials, product tips, customer reviews, behind-the-scenes)
- Do you find organic posts more trustworthy than sponsored posts? Why or why not?
- Can you recall any organic post from a personal care or skincare brand that particularly stood out to you? What made it memorable?

4.2.4. Valued Elements in Sponsored Posts

The research aimed to understand which attributes of sponsored posts are most valued by consumers. Elements such as creativity, quality, presence of influencers, product relevance, and price transparency were analyzed to identify what captures participants' attention the most.

Example questions:

- When you see a sponsored post from a personal care brand on Instagram, what elements catch your attention the most? (e.g., creativity, quality, influencers, trends, explicit pricing, product relevance)
- Does the use of influencers in a paid post influence your decision to engage or purchase? Can you give examples?

4.2.5. Engagement and Behavior with Personal Care Brands

This section explores how participants interact with sponsored posts from personal care brands on Instagram, observing actions such as likes, comments, clicks, and other forms of engagement. It also examines whether exposure to a sponsored post influences their intent to follow the brand or learn more about its products.

Example questions:

- Have you ever interacted with a sponsored post from a personal care brand? Can you describe how you interacted (e.g., like, comment, click)?
- After seeing a sponsored post, did you feel more inclined to follow the brand or explore more about its products?

4.2.6. Overall Impact of Sponsored Posts

This section aims to understand how the frequency of a brand's sponsored posts influences consumer perception of that brand. It seeks to explore whether a high frequency of ads affects brand trust or creates a sense of ad fatigue among the audience.

Example questions:

- Do you think the frequency of paid posts from a brand can influence your perception of that brand? (e.g., more trustworthy, less authentic)
- How many sponsored posts per day do you consider "too many" on Instagram?

4.2.7. Brand-Specific Questions

The focus here is to explore participants' perceptions of specific skincare brands and assess whether they recognize these brands through their Instagram ads. The questions examine the effectiveness and advertising approach of brands such as CeraVe, Bioderma, Clinique, Uriage, and Estée Lauder, as well as observing which attributes make consumers feel more engaged with some brands over others.

Example of questions:

- What skincare brands do you remember seeing ads for on Instagram recently?
- When thinking of the brands **CeraVe, Bioderma, Clinique, Uriage, and Estée Lauder**, can you recall seeing any sponsored content from them on Instagram?

- How would you describe your perception of these brands based on their Instagram ads? (e.g., trustworthy, high quality, accessible, premium)
- In your opinion, which of these brands (CeraVe, Bioderma, Clinique, Uriage, Estée Lauder) demonstrates the most effective approach in their Instagram advertisements? Could you please explain your reasoning?
- Do you feel more likely to engage with certain brands over others? If so, what drives that choice? (e.g., the type of product, price point, influencers used, aesthetics of the post)
- If you could suggest one improvement to these brands regarding their Instagram content, what would it be?

4.2.8. Recommendations for Brands and Content

The purpose of this section is to gather insights from participants on best practices and strategies that personal care brands could adopt to improve their sponsored content. The questions seek examples of brands that balance organic and paid content well and ask for recommendations on how to improve engagement on Instagram.

Example of questions:

- Could you give examples of personal care brands you follow on Instagram that balance organic and paid content well?
- What suggestions would you give to a personal care brand to improve their sponsored posts on Instagram?

By analyzing the responses, we identified patterns in consumer behavior and perceptions of personal care brands on Instagram. The interviews provided valuable data on how consumers perceive paid posts, which elements they value most in paid content, and how this influences their interaction with brands. We carefully analyzed all the data to provide practical

recommendations for brands looking to optimize their presence on Instagram and strengthen their relationship with consumers.

4.3. Interview Results

Based on the 10 interviews conducted about participants' perceptions and interactions with personal care brands on Instagram, several insights were obtained.

4.3.1. Perceptions of Sponsored Posts

The interview results show an overall trend of skepticism regarding sponsored posts from personal care brands on Instagram, with most respondents expressing indifference or mild curiosity when viewing sponsored content. However, the frequency of paid ads had a significant impact on perceptions of brand authenticity. Many interviewees, such as Marta Teixeira and Francisco Ferreira, mentioned that seeing excessive sponsored posts made the brand seem overly focused on sales and less authentic. This feeling was especially emphasized by younger participants, like Tiago Vieira and Ricardo Mota, who believe that brands can lose credibility if the content is overly promotional. In contrast, participants like Sara Alberto were more willing to engage with sponsored posts if they were relevant or included promotions.

4.3.2. Preference for Organic vs. Paid Content

It was also possible to identify a clear preference for organic content over paid content among most participants. Organic posts were seen as more authentic, community-focused, and relatable. Some interviewees, like Ana Pereira and Ricardo Mota, appreciated organic content because it seemed more spontaneous and less polished, making the brand appear more genuine. For example, Francisco Ferreira pointed out that organic posts often provided information about the real use of products, which increased his trust in the brand.

This preference for organic content was consistent across all age groups, although younger participants also engaged with paid posts when they offered promotions or discounts. For instance, Marta Teixeira mentioned that she would only engage with sponsored posts when there were special offers, indicating that while paid content caught attention, it was the organic, non-promotional posts that created a stronger connection.

4.3.3. Perceptions of Organic Posts

Specific characteristics were identified as being appreciated in organic posts from brands, highlighting three main perceptions.

Authenticity and Closeness, as most participants mentioned that organic content seemed less sales-driven and more focused on building a genuine connection with the audience. Among the interviewees, Ricardo Mota highlighted that non-sponsored posts often conveyed a sense of closeness with the brand, increasing trust and interest.

Usefulness and Informative Value, as mentioned by Francisco Ferreira and Sara Alberto, who appreciated posts that offered tips or tutorials, or discussed solutions for specific skin concerns. This type of content was seen as helpful and relevant, increasing the perception that the brand values the customer rather than focusing solely on sales.

Community Engagement, as several interviewees, including Ana Pereira, valued posts that featured real customer stories or feedback from other users. This content was considered inspiring and engaging, reinforcing the idea that the brand cares about creating a community rather than just selling products.

4.3.4. Valued Elements in Sponsored Posts

Participants identified several elements they value in sponsored posts, especially when these are well-executed.

Some highlighted factors include the inclusion of exclusive promotions or discounts in sponsored posts, which were mentioned as motivators for interaction, particularly for younger participants like Marta Teixeira and Tiago Vieira. Sara Alberto and Ricardo Mota appreciate posts that include educational content on how to use the products, indicating that this approach increases the relevance of the post and interest in the product. Participants also mentioned that a visually appealing and professional presentation of the product helps attract initial attention to the post. Eduardo Sousa commented that visually well-produced posts demonstrate care and quality, which contributes to a more positive brand image.

Finally, authenticity was also highlighted as an important value for sponsored posts, especially when the tone and language used are less commercial. Marta Teixeira and Francisco Ferreira stated that they are more likely to engage when the sponsored content feels natural and less "forced."

4.3.5. Engagement and Behavior with Personal Care Brands

Participants displayed varied engagement patterns. While some, like Tiago Vieira and Manuel Filipe, only interacted with posts they genuinely found interesting or relevant, others, such as Sara Alberto and Constança Barbosa, admitted that they sometimes liked or commented on posts that resonated with them, even if they were sponsored. However, engagement with sponsored content rarely led to direct follow-ups or purchases, with most participants acknowledging that they didn't typically follow a brand solely because of a paid post. Sara Alberto mentioned that sponsored posts incorporating humor or creativity were more likely to engage her, which aligns with Ricardo Mota's view that creativity and product relevance are key elements for capturing his attention.

4.3.6. Overall Impact of Sponsored Posts

The overall impact of sponsored posts on the participants' perceptions varied depending on their familiarity with the brand and the frequency of exposure. Sponsored posts helped increase familiarity with certain brands for some interviewees, especially when viewed with moderate frequency. Constança Barbosa mentioned that, through sponsored posts, she became familiar with brands she had not known before, which motivated her to seek more information.

However, interviewees noted that repetitive exposure and high frequency of ads could have a negative effect, making the brand seem pushy or "desperate" to sell. This feeling was particularly mentioned by Marta Teixeira, who stated that seeing too many sponsored posts diminished the brand's authenticity. On the other hand, sponsored posts that were well-balanced in frequency and relevance were seen as positive for building trust, but when perceived as purely commercial, they ended up harming the brand's image. Ricardo Mota mentioned that if sponsored posts were moderate and well thought out, they could contribute to a more trustworthy view of the brand.

4.3.7. Perceptions of Specific Brands

Regarding brand recognition and perceptions, the interviews revealed varied levels of recognition across different personal care brands. CeraVe emerged as a highly recognized and well-regarded brand among participants, with Sara Alberto and Tiago Vieira frequently recalling sponsored posts from this brand. CeraVe was particularly praised for its accessible and relatable approach to skincare, with participants appreciating its focus on everyday skin issues rather than luxury or exclusive marketing. This sentiment was reaffirmed by other interviewees, such as Ana Pereira and Marta Teixeira, who found CeraVe's content on Instagram to be approachable and trustworthy.

In contrast, brands like Estée Lauder and Clinique were perceived as more premium or exclusive. Participants like Eduardo Sousa and Francisco Ferreira associated these brands with

luxury skincare, and although they recognized the ads, they were less inclined to engage with them. For example, Eduardo Sousa noted that the luxury image of the brand sometimes made its ads seem distant or less relatable, which limited his engagement.

4.3.8. Recommendations for Brands and Content

Several suggestions emerged for brands looking to improve their presence on Instagram, with a common recommendation being the desire for more authentic, customer-centered content. Participants like Tiago Vieira and Constança Barbosa suggested that brands share more real customer stories and use cases, rather than relying on influencer endorsements. By adopting this approach, brands would increase the credibility of their posts and make the content appear less commercial. Additionally, incorporating humor, as noted by Tiago Vieira and Marta Teixeira, could make sponsored posts more engaging and enjoyable, breaking away from the traditionally promotional tone. Furthermore, including tutorials or educational content about product use, a notable preference for participants like Sara Alberto and Ricardo Mota, could add value while maintaining interest.

Thus, it can be concluded that the perceptions and engagement of the interviewees with personal care brands on Instagram reveal a clear preference for organic content, which is seen as more authentic and community oriented. Organic posts, by conveying closeness and practical usefulness, create a stronger and more lasting connection between consumers and brands, being especially appreciated for their spontaneity and lack of excessive polish. On the other hand, sponsored posts are generally met with skepticism, especially when shown excessively, as they tend to reduce the perceived authenticity of the brand.

It was also observed that the impact of sponsored posts is directly related to their frequency and relevance; while controlled exposure can improve brand recognition and trust, excessive insistence can result in a loss of credibility. Brands like CeraVe, by adopting

accessible communication focused on consumers' everyday needs, stood out by inspiring more trust and positive recognition.

The interviewees' recommendations for brands emphasize the importance of creative advertising strategies tailored to consumers' expectations, particularly through the use of real customer stories, informative tutorials, and even the incorporation of humor to make posts more engaging. These insights reflect a growing trend toward personalization and authenticity in digital marketing, suggesting that brands that align with these preferences will be more effective in building trust and standing out in a competitive environment like Instagram. In this way, the study highlights the need for a balanced approach between organic and sponsored content, where quality, relevance, and creativity are central to the success of digital marketing strategies in the personal care sector.

7. Innovative Application Development (Bonus Chapter)

Throughout this thesis, we analyzed the impact of different types of content in the digital marketing of personal care brands on Instagram, exploring the dynamics between organic and sponsored posts. The results of our study highlighted the crucial role of a balanced approach in digital communication, one that can meet consumer preferences while mitigating the risks of fatigue and distrust towards advertisements.

The insights gathered through interviews with experts reinforced this need for balance. Authenticity was unanimously highlighted as an essential element, with 4 out of 5 experts recognizing that organic content is more effective in building trust and encouraging purchase consideration. On the other hand, paid content plays a fundamental role in reaching broader audiences and generating immediate results, especially when using engaging formats such as short videos, reels, and carousels. However, even with these benefits, the interviewees

emphasized the importance of maintaining naturalness in paid content, often resorting to collaborations with authentic influencers and user-generated content (UGC) to preserve credibility and emotional connection with consumers.

Additionally, the experts highlighted the growing role of videos, particularly in formats such as Reels and sponsored stories, in capturing the audience's attention. All interviewees agreed that dynamic and creative videos are the most effective tool for increasing engagement and encouraging conversion. Brands like Bioderma and Uriage have already implemented video strategies that combine education and entertainment, promoting not only the products but also the values and personality of the brand. Another trend identified was the use of user-generated content, amplified by paid campaigns, as a way to demonstrate the authentic impact of products on consumers' everyday lives. This practice combines the expanded reach of sponsored content with the genuineness of UGC, creating a hybrid format that balances the benefits of both approaches.

Finally, a growing challenge related to advertisement fatigue was identified. With consumers becoming increasingly selective and critical, it is crucial for brands to use strategies that prioritize relevance, transparency, and personalization. This concern also points to the future of marketing on Instagram, with experts predicting greater integration of artificial intelligence to personalize experiences, target audiences, and ensure campaign efficiency, without compromising authenticity or consumer trust. Based on the conclusions and insights provided by the interviewees, we identified a significant gap in the digital marketing market in terms of the tools available for brands seeking to align content strategies with audience expectations. While various platforms offer general performance metrics and social media management tools, they lack the ability to integrate personalized recommendations that consider audience segmentation, the balance between organic and paid content, and consumer sentiment analysis.

It is in this context that the proposal for an innovative application arises, designed to deepen the analysis conducted in this research. In this way, we will develop the idea of this application, which combines performance analysis, audience segmentation, and artificial intelligence to provide strategic recommendations to brands. The tool aims not only to optimize Instagram campaigns but also to translate the findings of our study into practical and applicable solutions for the market. Inspired by the practices of brands like Bioderma, which prioritize authenticity and campaign effectiveness through genuine partnerships with influencers, this application will also allow companies to implement strategies based on the principles identified during this investigation: balance, authenticity, and relevance.

Thus, our goal is, in addition to the theoretical conclusion, to present a practical extension that connects the insights obtained with the implementation of a tool that uses artificial intelligence to respond to the specific needs identified during the research. Providing brands with a more efficient, personalized, and data-driven approach, strengthening the relevance and applicability of the results of our study.

To further validate the feasibility and relevance of this proposed application, additional interviews were conducted with six digital marketing experts, whose insights confirmed the market's demand for tools offering personalized content strategies, audience segmentation, and advanced performance analysis. A detailed account of these interviews and their findings can be found in Appendix 5.

7.1. Application

To address the challenges of digital marketing on Instagram, particularly for personal care brands, it is essential to understand the impact of different types of content, paid and organic, on consumer perception and engagement levels. The rise of sponsored posts has

presented both opportunities and challenges for businesses. On the one hand, these ads increase visibility and directly promote products; on the other, many consumers report fatigue and even distrust towards the excess of ads, potentially harming brand image. Therefore, it is necessary to develop a more balanced approach that considers each user's profile and offers an optimal mix of paid and organic content.

In this context, the creation of an application that helps brands analyze and optimize the performance of their paid and organic posts emerges as an innovative solution. This application is designed to guide companies in finding the ideal quantity of each type of post for different user segments, taking into account consumer preferences and their interactions with the brand, such as likes, comments, and other forms of engagement. Ultimately, the application aims to offer data-driven recommendations to optimize content and posting strategy, including performance analysis of posts, practical guidance on the best times to post, post scheduling and insights into which visual elements will maximize impact.

7.2. Application Purpose

The primary goal of this application is to provide brands with detailed insights into the performance of their digital marketing on Instagram and offer recommendations to enhance audience interaction in a personalized way. First, the application allows companies to understand how their different audience segments respond to paid versus organic posts. In other words, the app helps pinpoint which types of content (whether promotional or informational) resonate most with specific customer segments, enabling brands to tailor their communication strategies and increase content relevance.

Additionally, it facilitates user segmentation based on their interactions. By analyzing engagement metrics such as likes, shares, comments, and clicks, the tool identifies behavioral patterns and groups users into different profiles. This enables brands to understand, for instance,

which user groups prefer interacting with more informational content and which respond better to direct ads. This segmentation allows brands to adjust the ratio of paid to organic content directed at each group, helping avoid ad fatigue among those who lean toward valuing the authenticity of organic content.

The application also includes a sentiment analysis feature for comments. This tool captures the emotional tone of user comments on each type of content. Using text analysis algorithms, the app categorizes comments into three sentiment categories—positive, negative, and neutral—and identifies emotional patterns associated with paid and organic posts. This allows brands to see, for instance, whether a particular sponsored post is generating excitement or, conversely, causing feelings of fatigue or indifference. With access to this data, companies can refine their strategies to reduce potential negative effects and create a more satisfying user experience.

In addition to assessing emotional response and engagement, the application provides a final report with key recommendations on posting times and optimal visual elements for posts to maximize content reach and impact. Using historical performance data and platform usage patterns, the app suggests specific times when each audience segment is most active and therefore more likely to engage. This ensures that brands can strategically schedule their posts to increase the chances of engagement. Furthermore, the application offers guidance on visual and textual elements that attract the most attention to both paid and organic posts, including colors, image types, text usage, content types, and the presence of influencers.

7.3. How to Use

The application is designed to be simple and intuitive, making it easy for businesses to use effectively. Marketing managers can quickly integrate their Instagram account information and start analyzing post-performance.

An intuitive, step-by-step process is provided to ensure that marketing managers can maximize the benefits of using the application. This helps them optimize content strategies based on robust analyses and personalized recommendations, without complications in data import or results analysis.

1. Login and Instagram Account Connection

The first step is to log in to the application using the company's credentials. Next, the user will be prompted to connect the company's Instagram account directly to the application. Through a secure interface, the user grants the app necessary permissions to access performance data, including engagement metrics (likes, shares, comments) and follower demographic information. This integration with Instagram is direct, eliminating the need for manual content uploads.

2. Automatic Post Import

Once the Instagram account is connected, the app automatically imports all existing posts (both paid and organic), including photos, videos, and stories. This import process is continuous, updating automatically as new content is posted on Instagram. This feature saves managers time, as they don't need to manually add each post, ensuring ongoing analysis that includes all recent posts.

3. Audience Segmentation Setup

After data import, the app offers an audience segmentation setup stage, allowing the user to define specific criteria for categorizing different audience profiles. These criteria can include demographic variables (such as age and location), behavioral factors (interaction frequency, engagement types), and content preferences. The app can suggest segments automatically but also allows customization, helping brands gain insights that are more aligned with their audience profiles.

4. Post Performance Analysis

With data imported and audience segments defined, the app provides marketing managers with a main dashboard displaying both paid and organic posts along with their engagement metrics. This allows a clear view of each post's performance, aiding in direct comparisons between sponsored and organic posts. Users can quickly identify high-engagement posts and those underperforming, using filters to view performance over different time periods and for specific segments. This enables better decision-making about which post types to prioritize for each segment in the future.

5. Sentiment Analysis of Comments

The app automatically analyzes sentiment within post comments. This functionality lets users view the public's emotional response to each post, categorizing sentiments as positive, negative, or neutral. Marketing managers can access a dedicated dashboard section with detailed insights on how audiences responded emotionally to different content types, helping them identify patterns.

6. Recommendations for Paid vs. Organic Post Ratios

Based on its analyses, the app offers personalized recommendations for the optimal ratio of paid to organic posts for each audience segment. This recommendation is displayed in a specific dashboard tab and is calculated from engagement data. For example, if a certain segment responds more positively to organic posts, the app may suggest a higher frequency of such content for that group. These recommendations help brands balance content strategies, avoiding audience saturation with excessive ads.

7. Timing and Visual Element Suggestions

The app also provides recommendations on the best posting times for each type of content based on follower activity patterns. Additionally, it analyzes which visual elements (like colors, image styles, presence of influencers) might be most effective for each audience type. These suggestions can be viewed in a dedicated section of the dashboard, allowing the manager to access customized advice for upcoming posts to maximize reach and engagement.

8. Customized Reporting

Finally, the app enables managers to generate customized reports with the most relevant metrics and insights, making it easy to present results and action plans to the marketing team. Reports can be configured to include specific data on post-performance, audience segmentation, sentiment analysis, and recommendations and can be exported in various formats (PDF, Excel) for easy sharing and analysis.

The application's usability is designed to be intuitive and user-friendly, enabling marketing managers to easily apply insights and recommendations. Through an accessible and visually engaging dashboard, the app organizes performance metrics and insights into simplified charts and reports. This dashboard allows users to track, in real-time, the performance of their posts and view direct comparisons between paid and organic content, helping to identify trends and areas for improvement. Moreover, the tool supports customized report generation, helping managers present results and plans of action to marketing teams clearly and effectively.

Regarding data collection, the application directly connects to Instagram, using permissions to access engagement metrics, audience feedback, and demographic information about the brand's followers. All this data is processed by advanced algorithms that segment users according to their preferences and interaction behavior. The app also leverages artificial intelligence and machine learning to identify behavioral patterns and preferences among different user groups. Based on these patterns, the app's algorithms continuously adjust their recommendations so that brands can maintain a strategy that's current and responsive to ever-changing consumer behaviors.

For companies aiming to maximize each consumer's engagement life cycle, the application offers a strategic planning system that suggests an ideal mix of content over time. Based on each segment's behavior and engagement, the tool suggests a campaign plan involving specific stages, such as discovery, consideration, and decision. For example, in the discovery phase, the app might recommend using informative organic posts to attract users who aren't yet ready to purchase. In the consideration phase, it might suggest paid posts featuring influencer testimonials or product reviews. Finally, in the decision phase, the tool could indicate posts with special offers to encourage conversion, balancing paid and organic content to avoid audience overload with ads.

Additionally, the application is equipped with real-time performance analysis, enabling brands to adjust content strategies quickly and accurately. It's programmed to send alerts and recommendations when a particular post is performing below or above average, providing guidance to maximize impact. This allows companies to respond promptly to consumer preferences, avoiding potential engagement drops.

In summary, this application offers a complete solution for brands aiming to optimize their Instagram presence, strategically balancing paid and organic posts to maximize engagement and consumer satisfaction. It provides an integrated and personalized approach, combining performance analysis tools, audience segmentation, content recommendations, and sentiment analysis. This allows brands to conduct comprehensive post-performance analyses and build more effective communication strategies based on their target audience's preferences and needs.

With this application's implementation, companies gain a powerful tool to navigate Instagram's complex digital marketing landscape, enabling smarter, data-driven content management. This approach helps prevent ad saturation and promotes a more authentic and valuable experience for the audience, enabling brands to build meaningful and lasting relationships with their consumers.

7.4. Competition

Regarding the current market competition, it's clear that no existing application offers a fully integrated, specialized solution that combines all the described features for personalized analysis of paid and organic Instagram post-performance. While several social media analytics tools offer some of these functions individually, none combine them all in a single app, simplifying the analytical workload for brands.

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Most of these other applications meet only a portion of marketing needs, typically focusing on social media management and general engagement metrics, but they lack a comprehensive and personalized approach. For instance, they don't integrate recommendations for the optimal balance between paid and organic posts based on sentiment analysis, preferences, and audience segmentation.

One example is Sprout Social, a popular social media management platform that provides performance monitoring, posting time recommendations, and custom report generation (Sprout Social, 2024). However, it does not offer a detailed distinction between paid and organic posts, nor does it provide specific recommendations for balancing these content types for different user segments, limiting personalized marketing strategies for targeted audiences.

Another example is Hootsuite, one of the most well-known social media management tools, which includes a wide range of features for post scheduling, engagement analysis and sentiment tracking (Hootsuite, 2024). However, Hootsuite lacks targeted recommendations to balance paid and organic posts based on segmentation data. It provides only general engagement insights and optimal posting times without adapting its recommendations to a balanced strategy that considers follower preferences for organic versus sponsored content.

Brandwatch is more specialized in sentiment analysis and social media monitoring, providing detailed insights into brand perception and audience emotional responses (Brandwatch, 2024). Its strengths lie in understanding public reactions to published content and conducting sentiment analysis, but it doesn't offer deep, segmented analysis for adjusting strategy between paid and organic content based on user-specific preferences.

Iconosquare, meanwhile, is an Instagram-focused tool that provides detailed metrics on engagement and follower growth, along with recommended posting times (Iconosquare, 2024).

Group part

While it's effective for delivering valuable data on content performance, it doesn't offer personalized analysis to differentiate between paid and organic posts or adjust the frequency or ratio of each type based on audience segments.

Thus, while these competing applications provide useful functionalities and cover some essential aspects of digital marketing, such as engagement analysis and identification of optimal posting times, there remains a gap for a specific, integrated solution. Such a solution would analyze, differentiate, and strategically recommend the ideal balance between paid and organic posts, with detailed audience segmentation and recommendations based on sentiment, content preferences, and visual elements. Developing an application that fills this gap would help brands significantly enhance their Instagram marketing strategy, meeting the need for a more balanced, efficient, and personalized approach.

7.5. InstaStrategize: The Logo Design, Colors, and Launch Strategy

The application would be named InstaStrategize, with a logo designed to convey professionalism, growth, and innovation, while maintaining a simple and clear design. The proposed color palette includes blue in light to medium shades, symbolizing trust, intelligence, and transparency, reinforcing the application's reliability and data-driven approach. The green, in soft tones, would represent growth, balance, and harmony, emphasizing the tool's focus on balancing paid and organic content, as well as driving positive results. White or light gray would be used as a neutral background color, ensuring a clean, accessible, and functional design. The logo would include graphic elements such as a bar chart icon combined with an upward arrow, symbolizing analysis and progress, accompanied by the application's name in a modern and rounded font, with "Insta" highlighted in blue and "Strategize" in green. The arrow would be in a soft green color, associated with growth and progress, while the bar chart would be in medium blue, reinforcing the application's reliability and intelligence.

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The subscription and acquisition of the application would be done through several channels. First, there would be an official website where users could learn about the features, view demos, and subscribe. The site would be optimized for both desktop and mobile devices, offering monthly or annual plans tailored to the size of the company (small, medium, or large). The application would also be available for download on app stores, such as Google Play and the Apple App Store, allowing direct access on mobile devices.

An important feature of InstaStrategize would be integration with existing tools in the market, such as Google Analytics, CRMs (e.g., Salesforce, HubSpot), and e-commerce platforms like Shopify or WooCommerce. These integrations would allow automatic data synchronization, offering a complete view of brand performance and combining sales metrics or social media interactions with insights provided by the application. This would facilitate the use of the tool without businesses having to abandon their current systems, adding value and making InstaStrategize more attractive to companies with established technological infrastructure.

Additionally, the application would be available on SaaS marketplaces, such as G2, Capterra, or AppSumo. This would allow digital marketing professionals, who frequent these channels to seek solutions, to discover and try InstaStrategize. These marketplaces are widely recognized and frequently used by industry experts, which would increase the tool's visibility and credibility.

The subscription and purchasing approach was designed to ensure accessibility for businesses of different sizes and profiles, while also increasing visibility on trusted platforms already used by digital marketing professionals. Presence in app stores and SaaS marketplaces expands accessibility and strengthens the tool's credibility, ensuring that InstaStrategize

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reaches its target audience and provides effective solutions for optimizing Instagram campaigns.

7.6. Possible outputs generated by using the app

Given Uriage's digital presence in Portugal, an application like the one described above could provide the brand with insights to optimize the use of paid and organic posts on Instagram, taking into account its current strategy. Uriage stands out for educational and visual content, using influencers to increase credibility and connection with the public. With the Keep it Real agency coordinating its campaigns, the focus has been on transparency and sustainability, especially through influencers and recommendations from dermo-cosmetic experts.

For a possible output of the application, we can consider the following points:

1. Performance of Educational Content

Uriage can use the application to track the performance of both paid (sponsored) and organic posts on Instagram. By analyzing engagement metrics such as likes, shares, comments, and clicks, the app allows the brand to identify which type of content resonates most with their audience. The application's analysis indicates that educational posts (explaining the benefits of ingredients, for example) have high engagement, especially in organic content, but could be put to better use in paid campaigns. The recommendation is to invest in paid posts that maintain the educational tone, showing the use of products in everyday scenarios, to strengthen authenticity.

2. Audience Segmentation Suggestions

The application allows Uriage to segment its audience based on factors like age, gender, location, and engagement patterns. Uriage's audience includes young consumers who are concerned about skin health. The application suggests a dual segmentation: one group focused

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on practical content (for those looking for quick skincare routines) and another aimed at consumers with sensitive skin, interested in deepening their knowledge of product safety and composition.

3. Sentiment Analysis for Content Refinement

Uriage can leverage the application's sentiment analysis tool to understand emotional reactions to its posts. For example, if a sponsored post promoting a new product line generates predominantly negative comments, this data can alert the brand to potential issues with the campaign (e.g., misalignment with consumer expectations or ad fatigue). In contrast, positive sentiment around organic posts—such as testimonials from influencers or educational content—can guide the brand to produce more of that type of content. This allows Uriage to continuously refine its Instagram strategy to improve customer satisfaction and brand perception.

4. Visual and Aesthetic Analysis

The application can suggest which visual elements (colors, image types, text usage) generate the most engagement for each audience segment. Furthermore, the application could point out that, although minimalist images are elegant, including elements that convey well-being and natural environments (such as scenes of self-care) would increase engagement. Such an adjustment would help connect the brand's values to feelings of relaxation and personal care.

5. Optimizing Posting Times

The application's recommendations on optimal posting times can help Uriage schedule posts when its target audience is most active, increasing the likelihood of engagement. Based on engagement data, the app recommends educational organic posts in the morning, while paid posts with a more promotional tone perform better in the early evening.

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6. Real-Time Adjustments and Alerts

The app's real-time performance analysis enables Uriage to stay agile in its content strategy. If a post underperforms (e.g., lower than expected engagement), the app sends an alert and offers suggestions for improving the content—whether that means changing the visuals, adjusting the call-to-action, or altering the post timing. This ensures that the brand can swiftly respond to shifts in audience behavior and optimize content swiftly.

7. Influencer Campaign Impact Report

The application can provide an analysis of the impact of the partner influencers, suggesting that health and wellness experts maintain a higher engagement rate and generate more trust in the audience.

This type of output would help Uriage adjust its campaigns and better allocate its resources between organic and paid posts, taking advantage of influencers' authenticity and educational messages to improve customer loyalty and engagement. These insights are especially valuable in a market where consumers are looking for transparent brands focused on quality and well-being.

These recommendations would complement the strategies already used by Uriage, making its digital communication more adapted and effective in relation to the local target audience.

8. Recommendations

Maximizing Instagram Engagement

Personalization: the tailoring of ad content and frequency to each segment's preferences, leveraging analytics to optimize targeting.

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Engaging formats: reels, posts and stories can be used to attract attention across all segments. According to the conjoint analysis, the most engaging formats would be reels with educational content posted by micro-influencers, or posts also with educational content made by macro-influencers.

Value-driven offers: incorporate discount codes notably in campaigns for value appeal.

Authenticity: prioritize organic content or ads that emulate organic posts for greater trust and engagement. To feel organic and build trust and engagement, ads need to feel natural and organic. Tactics such as native advertising, influencer marketing, and user-generated content help seamlessly integrate ads within regular content to reduce the "sold to" feeling.

Storytelling, transparency, and interactive features are other ways to build trust and foster participation. Subtle branding, focusing on experiences rather than hard-selling products, makes ads more relatable and engaging. This leads to higher user interaction and a better overall perception of the brand.

Balanced Content Strategy: Organic and Paid Integration

Balancing paid and organic content, skincare brands must be willing to mix in organic "Behind the Scenes" or "Day-in-the-Life" content with influencer takeovers, all while being very conscious of ad frequency to not overwhelm audiences-particularly older adults. This type of organic content-behind-the-scenes footage showcasing product development or influencer partnerships-provides a very real view into the operations of a brand and helps to forge deeper connections with consumers. This organic content should be blended with promoted content showcasing sneak peeks or early access to products for a limited time. Additionally, running creative influencer "takeovers" in which influencers post content directly on the brand's account can introduce fresh perspectives and help drive engagement. These organic takeovers can then be amplified through paid ads promoting highlights of the takeover-influencer reviews or

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behind-the-scenes moments-whatever ensures the content reaches a larger and more targeted audience. This will ensure that organic and paid content work strategically in building stronger brand loyalty and expanding reach without burdening consumers with too many paid posts.

Implement Augmented Reality (AR) Filters for Organic Engagement

Design a branded Instagram AR filter that allows users to interact with the skincare brand in a very organic, fun, and creative way; for example, a filter that shows "flawless skin" after using the product. The brand could use organic posts to promote the AR filter and engage its audience, then amplify the most creative uses of the filter through paid ads, featuring real customers having fun with the brand.

Take Advantage of Innovative Applications/Platforms

The application (see Bonus Chapter) proposes a way for personal care brands to optimize their Instagram marketing strategy by balancing paid and organic content. As sponsored posts continue to rise, personal care brands will be faced with opportunities and challenges, such as increased visibility versus consumer fatigue due to an over-influx of ads. The application makes recommendations powered by data for various segments, analyzes engagement metrics and sentiment for the perfect mix of paid and organic content, and finds the most effective content preferences for the brand. It provides insights on audience segmentation, optimal posting times, and visual elements driving engagement to ensure that the strategy for content is relevant and personalized.

By integrating sentiment analysis with real-time performance tracking, the app enables brands to continuously refine their strategies at all moments. Users are segmented based on demographic and behavioral data, allowing brands to understand which content really works with each group. This helps prevent ad fatigue while ensuring better consumer satisfaction due to a more realistic and effective experience. While there are tools for that, such as Sprout Social

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and Hootsuite, this application fills the gap by providing a holistic solution for balancing paid and organic content to ultimately drive engagement, loyalty, and overall performance on Instagram for brands. Until this app is launched, brands can try to use one or more of the existing platforms to perform some of the functions this new app would offer.

Investigate Audience Demographics and Targeting

Analyzing the various demographics of an audience (age, gender, location, interests) in their organic vs. paid content engagement related to skincare brands. With paid content one is able to target audiences, while organic is subject to the mercy of pre-existing followers and general engagement. By understanding what and how different segments of an audience resonate with one form of content to others, skincare brands can tailor ways with which to reach the right set of customers. This will lead to knowing what is suited and best for each age class in terms of content style: post, story, and reel.

9. Limitations

This study presents a number of limitations that affect the validity and generalization of its findings. This chapter shall address these constraints so as to understand the scope of the present study and its implications.

The study is limited by its sample size, which, while representative, does not fully account for the diversity of Instagram users or businesses. Smaller samples can introduce bias and reduce the generalizability of the results. A larger, more diverse sample would provide more robust insights applicable across various market segments and geographical regions.

Instagram's performance is highly affected by market-specific aspects, such as demographics of users regarding age and gender, their tastes, and current trends. Hence, no

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generalized inference can be drawn because the response of Instagram ads may vary a lot from industry to industry. These variations are not possibly captured in full in the present study, and future research could benefit from more granular segmentation.

Instagram's rapid evolution is a bit challenging when it comes to measuring long-term trends in advertising effectiveness. For instance, its ever-changing algorithm, features, and ad tools—such as the rise of Reels, shopping integrations, and AI-driven targeting—mean the platform is continuously changing. The results of this study are based on a particular version of Instagram, which may soon be outdated.

Measuring the direct impact of Instagram ads on sales is complicated by omnichannel consumer behavior. A typical consumer goes through several touchpoints before a purchase is made; it can be difficult to gauge where exactly Instagram played a part. This cross-channel activity complicates attribution and could lead to underestimating Instagram's role in driving sales. Though this study provides some valuable insights, the study contains certain limitations, which must be considered when interpreting the findings, to prevent from an overgeneralization of results. Moreover, future research should address these limitations to enhance the accuracy and applicability of Instagram marketing studies.

10. Conclusion

This research aimed to understand “How does the increase of paid posts on Instagram influence consumer perceptions and engagement with personal care brands?”. By combining expert and consumer interviews with quantitative tools like conjoint analysis and perceptual mapping, the study provides a clear picture of what consumers value and how brands can align their strategies to meet these expectations.

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A key takeaway from the expert interviews was the importance of balancing organic and paid Instagram content. Organic posts help build trust and emotional connections, while paid ads play a critical role in boosting visibility and targeting specific audiences. As one expert noted, *“Organic content lays the foundation of trust, and paid media accelerates discovery.”* However, a recurring concern was the risk of consumer fatigue caused by excessive paid ads, which can feel overly commercial or intrusive. Experts emphasized that a well-thought-out mix of content—such as influencer collaborations, user-generated content (UGC), and engaging video formats—can make paid campaigns feel more authentic and relevant. The consumer interviews reinforced the need for authenticity. Many participants expressed a preference for organic content over sponsored posts, describing organic posts as more relatable and less promotional. Suggestions included sharing real customer stories, incorporating humor, and providing tutorials or educational content about product use. These elements were seen as ways to make content more engaging and build stronger connections with audiences.

Sponsored posts, while sometimes met with skepticism, were seen as effective when they were relevant and not overused. Participants appreciated brands that avoided overly polished messaging and instead focused on practical, customer-centred communication. For example, CeraVe was frequently mentioned as a brand that successfully combined accessibility and authenticity, creating a strong sense of trust and relatability.

The perceptual map further highlighted how different personal care brands are repositioned in the minds of consumers. Bioderma stood out for fostering emotional connections, while CeraVe was praised for transparency and affordability. Uriage was trusted but perceived as less creative, while Clinique excelled in transparency but could improve in interactivity. These insights point to clear opportunities for brands to refine their strategies and better meet consumer expectations.

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The conjoint analysis further discloses that the Frequency of Paid Posts is the most influential factor in content marketing, representing 35.1% of the decision-making process. Consumers have a strong liking for organic content with medium frequency being most preferred (three posts per week) for paid posts, while high and low frequencies are less favorable. Additionally, Call to Action has a significant role (19.3%), where discount codes are best to engage audiences whereas purchase links and giveaways are not as effective

Other factors are seen to be of moderate importance to low importance. Content Format (18.9%) has a preference for reels over posts or stories. Content Type (12.4%) is inclined towards lifestyle and educational content as opposed to product-focused posts that diminish engagement. Lastly, Type of Influencer (14.3%) puts celebrities at the top, but this does not matter much as far as micro-influencers or brand-based content is concerned.

Comparing the various research findings, it becomes evident that some experts and brands remain somewhat misaligned with consumer preferences, particularly regarding the frequency of paid posts. While experts believed consumers placed little value on this factor, the research revealed it to be the most influential. This discrepancy was further confirmed during consumer interviews, highlighting how the increasing number of ads in the app is affecting perception and giving value to the factor credibility and trust, as predicted in the literature review. Building a strong and loyal relationship with a customer is the best way to overcome this problem and also through price-related ads like discounts.

Discussion

Maximum Instagram Engagement - How to Balance Content Strategy

Skincare brands looking to maximize engagement and properly balance their content strategy on Instagram between paid and organic must do so in a holistic, personalized manner. It means bringing together data-driven strategies for personalization, leveraging engaging

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content formats, adding value-driven offers, and emphasizing authenticity, all while keeping ad frequency in check to avoid overwhelming audiences-especially older users.

Personalization and Tailored Targeting

Personalization lies at the very core of optimizing Instagram engagement. Through analytics, brands can personalize not just ad content but also the frequency of posts, catering to each segment's preference. This depth in understanding consumer behavior calls for detailed audience segmentation based on age, location, interests, or patterns of engagement. For instance, younger users may engage more with influencer-driven content and dynamic formats like reels, while older demographics may prefer educational posts or organic-feeling content. Through the use of tools such as the proposed app, tracking engagement metrics and sentiment analysis, brands can iteratively refine their targeting strategy to ensure deep resonance of content with each segment. This allows for a more efficient allocation of resources, avoiding over-saturation with paid posts and providing more of the organic content that drives trust and engagement.

Engaging Content Formats: Reels, Posts, and Stories

Engaging formats such as reels, posts, and stories offer skincare brands diverse opportunities to capture attention across all audience segments. Based on conjoint analysis, some of the most engaging types of content include educational reels created by micro-influencers and educational posts made by macro-influencers. These recommendations are put into place by strategic content planning wherein brands should focus on creating more educational and value-driven content in reel formats, featuring relatable micro-influencers when possible. Posts, especially ones that demonstrate product benefits or how-to, should utilize macro-influencers to extend their reach. Reels allow for more creativity, enabling storytelling, demonstrations, or tutorials that mesmerize viewers, while posts help to anchor

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key messaging in a more static format. Stories should be reserved for time-sensitive promotions or even more personal and authentic interactions, helping to further solidify the image of the brand. Blending these formats ensures that the content remains varied, engaging, and tailored to the unique preferences of each demographic.

Value-Driven Offers and Authenticity

Brands need to encourage stronger connections with their audience by adding value to these campaigns. This may involve discount codes, exclusive sales, or early access to new products. The deal needs to be legitimate and genuine, not a clear sale. Regarding this, organic content plays the most crucial role because organic content is something to which audiences give more trust and believe that it is not forced at all. Behind-the-scenes footage, influencer takeovers, and so on show a very human side of your brand through transparency. Also, capturing this with organic content-having the same look and tone as user-generated content further builds the bond between the consumer and the brand. This organic feel can be supplemented with promoted content in support of an exclusive offer, sneak peek, or otherwise, but it's important these more commercial posts do not overshadow followers. In that case, brands effectively balance engagement and authenticity by integrating organic content into paid promotions thoughtfully.

Balanced Content Strategy: Organic vs. Paid Integration

Skincare brands should consider implementing a balanced content strategy that includes an organic content mix of "Behind the Scenes" footage, influencer takeovers, and carefully crafted paid posts. Organic content earns trust by providing transparency and showing the human side of a brand, while paid content extends reach and drives action. For example, a brand might use an organic "Day-in-the-Life" video featuring a micro-influencer using the product, then amplify this through paid ads featuring product reviews or user-generated content. Paid

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content needs to be kept at a minimum, ensuring it does not create ad fatigue, particularly among older demographics who are more sensitive to frequency, while continuing to provide organic content at a steady rate. Influencer takeovers bring in fresh perspective and deeper engagement, and promotion of select content ensures the wider reach of these organic posts.

AR Filters for Organic Engagement

Another innovative way to make Instagram users engage with this social media platform is by introducing AR filters into the brand's organic strategy. AR filters-which might include a filter showcasing "flawless skin" after using the product-offer an interactive, fun way in which users can connect to the brand. By designing and promoting such filters, skincare brands can encourage user participation in creating organic, shareable content. The most creative uses of the filter can then be amplified through paid ads, showcasing real customers enjoying the product and having fun with the brand. This approach marries organic engagement with the power of paid amplification, yielding better reach and visibility without the overt commercial feel of traditional ads.

Leveraging Applications/Platforms for Data-Driven Strategy

The proposed application can really help a brand create an Instagram marketing strategy using both paid and organic means by finding a balance for their content. It uses data on engagement, sentiment, and audience segmentation to proffer personalized recommendations, so the brands would know which content works most appropriately with a particular target audience. Brands will be allowed to tailor their Instagram strategy accordingly with demographic and behavioral analysis to better suit the followers' needs. It's a data-driven approach to help avoid ad fatigue, retain authenticity in user experiences, and allow brands to optimize in real time. Although platforms exist, such as Sprout Social and Hootsuite, this proposed application is unique in its holistic solution to manage and optimize the balance

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between paid and organic content. Until this tool is available, however, brands can use insights from these platforms to begin their more personalized and targeted content strategies.

Targeting and Audience Demographics

Finally, audience demographics play a critical role in the development of content strategy. By considering how each segment is engaging-both organically and paid-skincare brands can refine their approach to content with each particular group. For instance, younger consumers might engage more with paid influencer content, while older users may prefer educational posts or organic content that feels more authentic. By understanding such preferences, brands can adjust the format of their content-reels, stories, or posts-and tailor their message to align with the unique expectations of each demographic. This level of targeting ensures relevance of content and that brands can have stronger, more personalized relationships with their audience. By incorporating these, skincare brands will be able to build a more engaging and effective presence on Instagram. The right balance of paid and organic content, leveraging influencer collaborations, integrating AR filters, and using data-driven tools will help optimize the content strategy for maximum consumer engagement and loyalty. On the path to personalization and a holistic approach, skincare brands can avoid ad fatigue, build trust, and ultimately create deeper connections with their audiences.

Further Research

In light of the results and limitations outlined in this study several pathways, for investigation have been recognized. These suggestions are designed to enhance our knowledge of consumer choices and aid personal care brands in Portugal in crafting marketing approaches, on Instagram.

Expanded Samples

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Future research could benefit from more extensive and diverse sample sizes in qualitative and quantitative methods. Including a more comprehensive demographic range in interviews would yield richer insights into how various consumer segments perceive personal care brands. For example, this study's relatively small sample size may have limited the ability to capture nuanced differences within the Portuguese market. Researchers could better explore the subtle distinctions in preferences and behaviors that may inform targeted marketing strategies by including a more varied demographic.

Improving Perceptual Map Precision

Enhancing the methodological rigor of perceptual mapping could yield more accurate insights. This might involve setting time limits on surveys to minimize misleading responses and utilizing advanced statistical methods to address variability in consumer ratings. Additionally, comparing brands within more focused categories—excluding Estée Lauder, which is primarily makeup-focused—could provide a clearer picture of brand performance relative to direct competitors.

Wider range of Social Media Applications

Additionally, further studies could examine how the findings of this research translate to other social media platforms, such as TikTok or Facebook, where different user dynamics may influence consumer perceptions and engagement.

Conjoint Analysis Refinement

Although our study demonstrated a strong fit, the nature of our topic makes it challenging to clearly distinguish between attributes, as written descriptions often fail to capture all aspects effectively. If we were able to conduct a study using visual representations, such as pictures of the ads, it would likely make the evaluation process easier for respondents. This

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approach could also help uncover which factors are subconsciously and quickly deemed more important. Therefore, we believe that incorporating or adapting our data collection to include more visual elements could significantly enhance the accuracy and reliability of our findings.

Validation studies

In order to extend our thesis and confirm our findings, it would be interesting to validate the research by a practical test, implementing the suggestions and strategic recommendations in a simulated form, with one of the brands analyzed. Thus, practical effects on the indicators may show the depth of interventions from the point of view of consumer engagement, perceptions, and purchasing decisions in an actual environment. This would enhance the credibility of our research and provide actionable data to refine and optimize recommendations for broader applications.

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11. Appendix

Appendix 2: General Interviews

2.1. Interview Guide

Introduction

Good morning/afternoon,

My name is _____, and I am a student at Nova School of Business and Economics in Lisbon. I am conducting a research study as part of my thesis on the impact of paid posts on Instagram on consumer perceptions and engagement with personal care brands. This interview will take approximately 30 minutes. Your responses will be kept confidential and will only be used for research purposes. There are no right or wrong answers, so please feel free to share your opinions. If you do not mind, I will record the interview.

Thank you for your time!

Pre-screening Questions

1. How old are you?
2. What is your nationality?
3. What is your occupation?
4. Do you frequently use Instagram? How often?

Interview Questions

5. Perceptions of Paid Posts

5.1 How do you feel when you see a sponsored post from a personal care brand on Instagram?

(e.g., excitement, curiosity, indifference, lack of authenticity, ad fatigue, etc.)

5.2 Do you think sponsored ads affect your perception of a brand's authenticity? Can you explain?

6. Preference Between Organic and Paid Content

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6.1 Do you tend to engage more (e.g., likes, comments, shares) with organic or paid posts from personal care brands? Why?

6.2 What difference do you notice between viewing an organic post versus a paid post on Instagram?

7. Organic Posts

7.1 When you see an organic post from a skincare brand on Instagram, what type of content do you find most appealing? (e.g., tutorials, product tips, customer reviews, behind-the-scenes)

7.2 Do you find organic posts more trustworthy compared to sponsored posts? Why or why not?

7.3 Can you recall any organic post from a personal care or skincare brand that particularly stood out to you? What made it memorable?

8. Valued Elements in Sponsored Posts

8.1 When you see a sponsored post from a personal care brand on Instagram, what elements catch your attention the most? (e.g., creativity, quality, influencers, trends, explicit pricing, product relevance)

8.2 Does the use of influencers in a paid post influence your decision to engage or purchase? Can you give examples?

9. Engagement and Behavior with Personal Care Brands

9.1 Have you ever interacted with a sponsored post from a personal care brand? Can you describe how you interacted (e.g., like, comment, click)?

9.2 After seeing a sponsored post, did you feel more inclined to follow the brand or explore more about its products?

10. Overall Impact of Sponsored Posts

10.1 Do you think the frequency of paid posts from a brand can influence your perception of that brand? (e.g., more trustworthy, less authentic)

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10.2 How many sponsored posts per day do you consider "too many" on Instagram?

11. Brand-Specific Questions

11.1 What skincare brands do you remember seeing ads for on Instagram recently?

11.2 When thinking of the brands **CeraVe, Bioderma, Clinique, Uriage, and Estée Lauder**, can you recall seeing any sponsored content from them on Instagram?

11.3 How would you describe your perception of these brands based on their Instagram ads? (e.g., trustworthy, high quality, accessible, premium)

11.4 In your opinion, which of these brands (CeraVe, Bioderma, Clinique, Uriage, Estée Lauder) demonstrates the most effective approach in their Instagram advertisements? Could you please explain your reasoning?

11.5 Do you feel more likely to engage with certain brands over others? If so, what drives that choice? (e.g., the type of product, price point, influencers used, aesthetics of the post)

11.6 If you could suggest one improvement to these brands regarding their Instagram content, what would it be?

12. Recommendations for Brands and Content

12.1 Could you give examples of personal care brands you follow on Instagram that balance organic and paid content well?

12.2 What suggestions would you give a personal care brand to improve their sponsored posts on Instagram?

Closing

Thank you very much for your time and your responses. If you have any questions or need further clarification, I am available to assist you. Your participation is very important for my study!

2.2. Results

In order to access the full set of interview results, follow the link provided:

[Interview Results](#)

Appendix 5: Innovative Application Development interview

Thank you for taking the time to participate in this interview, which will take approximately 5 to 10 minutes. We are a group of management students from the Master's program at NOVA School of Business and Economics (NOVA SBE), conducting research for our thesis on consumer behavior on Instagram.

This interview is targeted at marketing professionals, social media managers, and businesses that use Instagram for commercial purposes.

We are developing an innovative application designed to address significant gaps in the market for digital marketing tools. Our solution is aimed at helping brands maximize the performance of their content on Instagram by providing detailed analytics, personalized recommendations, and practical insights to balance strategies for paid and organic posts.

Currently, the tools available in the market offer important functionalities, but many fail to integrate crucial elements such as detailed audience segmentation, recommendations based on sentiment analysis, and strategy adjustments tailored to different user preferences. This application seeks to address these limitations by offering a more comprehensive, personalized, and efficient approach to tackling marketing challenges on Instagram.

Your responses will be instrumental in validating this idea and shaping a tool that effectively meets your needs. Thank you for your participation!

Survey

1: Respondent Profile

1.1. What is your gender?

1.2. How old are you?

1.3. What is your area of work?

1.4. What type of company do you work for?

1.5. What is your primary social media platform for marketing strategies?

1.6. Which social media management tool do you currently use?

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1.7. What features does the application you currently use offer? (e.g., post scheduling, metrics analysis, sentiment monitoring, report generation, audience segmentation)

2: Current Challenges

2.1. What are the biggest challenges you face in managing content on Instagram?

2.2. How often do you analyze the performance of your Instagram posts?

2.3. How effective do you consider your current tool (if any) in analyzing Instagram post performance?

3: Desired Features

3.1 What features do you consider to be the most important in a tool for managing and analysing social networks?

3.2. If you could add one feature to your current tool, what would it be?

3.3. Do you find it useful to receive personalized recommendations on content strategies based on data, such as the balance between paid and organic posts?

4: Decision to Use

4.1. What most influences your choice when adopting a social media management tool?

4.2. How much would you be willing to invest monthly in a tool that includes all the mentioned features? (Considering other applications pricing:

SproutSocial: 278€ per license/month (annual billing)

371€ per license/month (monthly billing)

Hootsuite: Professional - 138€ /month, 1 User, 10 Social accounts

Team - 371€ /month, 3 Users, 20 Social accounts

Brandwatch: This platform focuses on enterprise solutions and sentiment analysis. Pricing is customized depending on client needs, but subscriptions typically start at several hundred euros monthly. Specific pricing requires a consultation

Iconosquare: Single- 49€/month,Billed annually,5 Social Profiles,For 1 user only, 12 months data retention

Team-79€/month,5 Social Profiles, Up to 10 users,24 months data retention)

5: Final Feedback

5.1. Is there anything else you would like a social media analytics tool to include to improve your marketing strategies?

Expert Interviews on the Development of the Innovative Application

After the suggestion to create an application to optimize digital marketing strategies on Instagram, we received very positive feedback from one of the interviewed experts, who showed great interest in the development of the tool and asked if we were really considering creating this application. This feedback led us to conduct more interviews with six other digital marketing specialists, with the aim of deepening our understanding of market needs and validating the proposed application idea.

The interviews were conducted with six professionals, three of whom were women: Cristina Matos Real from Dyrup, Marta Salsinha from Tryvel, and Inês Gonçalves from Futuro; and three men: David Coelho from Tryvel, Caetano Beirão da Veiga from Massive Reach, and Bruno Toscano from Dyrup. The age range of the interviewees varied, with three participants being between 35 and 44 years old, and the others distributed among the age ranges of 25-34 years, 45-54, and above 55.

Regarding the type of company they work for, three of the interviewees mentioned they work in medium-sized businesses, two in large businesses, and one is a freelancer. When asked about the main social media platform used for marketing strategies, 3/6 of the interviewees stated that Instagram is their primary focus, thus confirming the relevance of this social network in the current digital marketing context.

Regarding social media management tools, all interviewees revealed they do not use specific tools for managing Instagram, with four of them highlighting that they have never

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found a tool that meets all the features they are looking for. When asked about the features of the tools they currently use, the responses varied, with some mentioning post scheduling and metrics analysis, while others highlighted report generation and metrics analysis as key functionalities. The biggest challenges faced by the experts in managing content on Instagram were, consistently, analyzing the emotional impact of content on followers, increasing follower engagement, balancing paid and organic posts, and segmenting the audience based on behavior and preferences. The latter point reveals a clear need for a more robust solution that allows for more effective and precise segmentation, something that many current management tools still fail to provide efficiently.

Regarding the frequency with which they analyze the performance of Instagram posts, three of the interviewees indicated that they do so monthly, two weekly, and one daily. This suggests that, despite the importance placed on performance analysis, most interviewees do not perform continuous, real-time analysis, which could present an opportunity for the proposed application. In terms of the effectiveness of current tools, responses varied, with three interviewees considering their tools moderately effective, one considering them slightly effective, one not considering them effective, and another stating they do not use any tool. In terms of the most important features for a social media management and analytics tool, audience segmentation based on behavior and preferences, suggestions for visual elements (such as colors and influencers), and detailed engagement analysis (likes, comments, shares) were highlighted as the most valued characteristics. When asked what features they would like to add to the tools they currently use, responses included suggestions for visual elements, suggestions for formats to achieve specific goals, and integration with Google Analytics.

Most of the interviewees expressed that they would find it useful to receive personalized recommendations for content strategies based on data, such as the balance between paid and

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organic posts. This is a key point, as it demonstrates a high demand for solutions that offer not only performance analysis but also practical suggestions to optimize digital marketing campaigns. Additionally, when asked what would most influence their choice when adopting a social media management tool, the majority mentioned price, integration with other platforms (such as CRM and e-commerce), and ease of use. Regarding the monthly investment in a tool that includes all the mentioned features, the responses ranged from 70 to 200 euros per month, with one response mentioning a value of over 500 euros per month. This suggests that there is a market willing to invest in a high-quality tool, especially if it meets all the needs and expectations of professionals.

Finally, one of the interviewees suggested that a social media analytics tool could be more proactive, offering personalized advice based on the analysis of business and concrete goals, something that could add even more value to the proposed application.

Based on the information gathered from the interviews, we can conclude that there is a strong demand for a tool that offers features such as audience segmentation, detailed performance analysis, personalized content strategy recommendations, and the ability to efficiently balance paid and organic posts. Furthermore, the lack of specific tools in the market that fully meet these needs, along with the positive feedback from the experts about the proposed application idea, reinforces the feasibility of developing an innovative solution that can optimize content management on Instagram.