

The Rise of Nano-Influencers: Are Small Voices Making a Bigger Impact on Indian Consumers?

Dr. Lukman Patel
Associate Professor

Anjuman-I-Islam's Allana Institute of Management Studies, Mumbai.

1. INTRODUCTION

1.1 Background of Digital Marketing in India

India has been fast turning out to be one of the biggest and most vibrant digital economies globally. The country has a population of more than 900 million internet users, and some 450 million active social media users, as of 2024, which is an unexplored opportunity as a digital marketer. This mix of low-cost smartphones, affordable data plans and the popularity of apps like Instagram, YouTube, Facebook and locally utilized applications like Moj and Josh has completely transformed the way Indian consumers learn about, consider and buy products. The online world has successfully shortened the physical consumer decision process, and the brands can now connect to their prospective customers throughout the process, including awareness/consideration, conversion, and loyalty.

With it being the commercial capital of India and the centre of advertising and media business in India, Mumbai is at the centre of this digital transformation. The population in the city is a mixture of highly educated and aspiring and has high levels of digital literacy. The urban consumer in Mumbai is an early adopter of the new media trends, discerning in their content consumption, and growing intolerant of the intrusive and traditional kinds of advertising. In such climate, influencer marketing has thrived, transforming into not a supportive strategy, but a key part of digital marketing of both fast-moving consumer goods and fashion and health, technology, and financial service brands.

1.2 Evolution of Influencer Marketing and Emergence of Nano-Influencers

The influencer marketing practice in India has greatly changed in the last ten years. During its early days, brand endorsement was primarily the prerogative of the Bollywood actors, cricketers, and other mainstream celebrities who possessed the ability to reach the masses in terms of television and print. With the rise of social media, a novel type of digital celebrity was created YouTubers, Instagram influencers, and bloggers that have amassed large followings by creating

niche content on a regular basis. These macro and mega influencers provided a brand with a new channel of reaching digitally active consumers, but at a large price and with restrictions regarding audience targeting and perceived authenticity.

As time went by a deeper transformation started to form. Brands and their followers began to realise the decreasing returns of large-budget celebrity partnerships. The consumers became more advanced in referencing a paid promotion, and the engagement rate of mega-influencers started to drop off. To this end, the notion of nano-influencers became known. Nano-influencers are social media creators with a following of between 1,000 and 10,000 users that create content in a particular niche - such as a local food blogger in Dadar, a skincare obsessive in Andheri, or a home-decor creator in Navi Mumbai. They are not as strong with scale as they are with intimacy: they directly address a small community of highly engaged individuals who will follow their advice.

In the case of small and medium enterprises, direct-to-consumer (D2C) startups, and local businesses that work in the competitive market of Mumbai, nano-influencers are a marketing channel that integrates the credibility, affordability, and precision targeting. A single nano-influencer movement of ten creators can cost less than a tenth of the price of a celebrity post, and achieve each the same volume of engagement and conversion rates in a specific target group.

1.3 Significance of the Study

Although there is increased commercial focus on nano-influencer marketing, very few studies on the topic in the Indian urban consumer environment are systematic in nature. Most of the current research in the area of influencer marketing is either on the western market or mostly concerned with macro and micro-influencers. There is a relative dearth of studies regarding consumer perceptions toward nano-influencers in such cities as Mumbai, which has its specific socio-cultural and economic background. This paper attempts to fill this gap by investigating using primary survey data involving 100 respondents based in Mumbai the degree to which nano-influencers have an impact on consumer awareness, trust and purchase behaviour when applied to digital marketing.

1.4 Objectives of the Study

1. To understand the concept of nano-influencers and their role in India's evolving digital marketing landscape.

2. To analyse the level of awareness and exposure to nano-influencer content among consumers in Mumbai.
3. To assess the trust, credibility, and authenticity attributed to nano-influencers by respondents.
4. To examine the direct and indirect impact of nano-influencer content on consumer purchase decisions.
5. To compare the perceived effectiveness of nano-influencers against macro and celebrity influencers.
6. To offer strategic recommendations for brands and digital marketers seeking to leverage nano-influencer marketing in India.

1.5 Scope and Limitations

It is a geographically localized study in Mumbai that utilizes 100 respondents obtained in digital distribution channels. The findings are descriptive and do not aim at making out a statistical generalisation to the Indian population as a whole. Since data used to conduct the study is self-reported, there is a possibility of bias in terms of responses. Moreover, the dynamic character of social media platforms and influencer marketing trends implies that the results of the study are the most applicable to the time of the data collection and can be interpreted in the same way.

2. LITERATURE REVIEW

2.1 Influencer Marketing: Conceptual Foundation

The influencer marketing refers to a type of social media marketing, which presupposes cooperating with people who can impact the opinions and buying behavior of a specific audience due to their credibility, level of reach, or knowledge (Brown and Hayes, 2008). Theories influencer marketing is based on the idea of opinion leadership, which was first explained by Lazarsfeld, Berelson, and Gaudet (1944) in their research on political persuasion. They saw opinion leaders as mediators between the mass media and the masses, sift, interpret and amplify media messages in their social conduits. This has been democratised with the emergence of social media: anyone with a smartphone and a following can become an opinion leader in his or her community.

Freberg et al. (2011) expanded this model to the social media environment, defining influencers as autonomous content creators who can influence the attitude of the audience with the help of Instagram, YouTube, and Twitter. As opposed to established celebrity endorses, social media influencers do not use the influence of mainstream popularity to attract attention, but rather use their perceived authority, openness, and familiarity with a certain area of content. It is a proven fact that influencer-created content is more engaging, memorable, and likely to buy a product than brand-created content, especially in younger consumer groups (De Veirman, Cauberghe & Hudders, 2017).

2.2 The Influencer Hierarchy: Mega to Nano

The influencer marketing ecosystem is normally divided into four levels depending on the number of followers. Mega influencers (10 lakh+ followers) and macro influencers (1 lakh to 10 lakh followers) are very cost-effective, highly visible, though with high costs and reduced engagement rates and diminishing perceived authenticity. Micro-influencers (10,000 to 1 lakh followers) are situated between reach and relatability. Below this hierarchy are nano-influencers (1000 to 10000 followers), which according to data released by the Influencer Marketing Hub (2023) has three or five times higher engagement rates than macro-influencers despite the limited absolute reach of nano-influencers. Such an over-engagement is explained by the fact that being close to their audience and forming community-like relationships, nano-influencers in such a way make their suggestions especially compelling, especially among niche audiences.

2.3 Trust, Authenticity, and the Parasocial Bond

One of the main concerns in influencer marketing research is the mediating power of trust and authenticity that connects content by influencers and consumer outcomes. Audrezet, De Kerveler and Moulard (2020) provided evidence that the strongest predictor of consumer engagement and purchase intention is authenticity, which means the extent to which an influencer is seen as genuine and consistent in their motivations and is non-commercial. When consumers are confident that an influencer actually uses and recommends a product then the recommendation has much more weight than an overtly commercial one.

The complementary lens is the Parasocial Interaction Theory, which was initially conceptualized by Horton and Wohl (1956). The theory explains one-sided emotional associations that audiences of the media form about celebrities they see on the screen- associations that are not reciprocal

but have much in common with real social bonds, such as trust, affection, and personal connection. Due to the small and active communities that nano-influencers possess, they are especially useful in developing parasocial connections. By following a skincare nano-influencer with a presence in Mumbai, one of the fans might feel that the creator is aware of and familiar with their own skin issues, an intimacy that cannot be achieved through the work of any celebrity brand ambassador.

A third theoretical anchor is provided by the Source Credibility Model (Hovland, Janis and Kelley, 1953). This model suggests that the perceived expertise (another term of knowledge of the subject matter) and trustworthiness (the honesty with which he presents the knowledge) of the communicator are functions of the persuasive effectiveness. Nano-influencers normally rank high in the two dimensions in their niche. A hyperlocal food blogger who has been documenting the genuine local food joints is not only seen as someone who knows about the local foods, but also someone who is dependable in his or her reviews - a credibility profile that cannot be easily achieved by a Bollywood celebrity who is contracted to promote a restaurant chain.

2.4 Influencer Marketing in the Indian Context

In 2023, the influencer marketing sector in India was rated at about ₹2,344 crore, and is estimated to grow at an annual 25% CAGR up to 2026 (FICCI-EY, 2023). The industry has been revitalised by the fact that the volume of short-form video content has grown exponentially, that the mainstream of regional language digital content creators has been mainstreamed, and that an extremely busy D2C brand ecosystem has been formed which depends heavily on influencer partnerships to acquire customers. According to research conducted by the Indian institute of digital education (2022), Indian consumers display quite high levels of trust in influencer recommendation in areas including beauty, food, health and personal finance- areas where nano-influencers are the most prolific and credible.

Indian consumer behaviour is also culturally oriented, which contributes to the relevance of the nano-influencer marketing to another level. Premium on peer recommendations and word-of-mouth, which has been engrained in close-knit family and community patterns, has long been the tradition of Indian consumers. The nano-influencer, serving as a trusted face in an online community in a local or niche setting, essentially duplicates the peer recommendation dynamics in an online setting. This is a strategic opportunity to the brands that are interested in the real relationship with value-conscious and community-oriented Indian consumers.

2.5 Gap in Existing Literature

Although extensive literature on influencer marketing is available, it is difficult to find studies that would specifically examine the effectiveness of nano-influencers in the Indian urban setting, especially in the eyes of the consumer. The available academic sources, are mostly based on Western or East Asian markets and they fail to reflect the cultural, economic, and digital behaviour peculiarities of Indian customers. The research on the macro and micro-influencers in India is available, more so, the empirical research conducted on the nano level, especially in Mumbai, is mostly missing. This research work is placed to fill this gap.

3. THEORETICAL FRAMEWORK AND RESEARCH METHODOLOGY

3.1 Theoretical Framework

The three theoretical frameworks addressed in this study are deep-rooted in explaining the overall effect of nano-influencer content on consumer perceptions and behaviour. To begin with, the Parasocial Interaction Theory (Horton and Wohl, 1956) describes how the consumers form the emotional bonds of trust to the nano-influencers that are almost similar to the real peer relationships. The latter parasocial connections are strongest when it comes to small, niche creators whose content is less broadcast and commercial and more personal and conversational.

Second, the Source Credibility Model (Hovland et al., 1953) explains the contribution of knowledge and credibility to the effectiveness of nano-influencer messages. These two dimensions are evaluated by consumers considering whether they should follow their advice or not, and since nano-influencers are true experts in their niche and they have positioning within the community, they will likely score well on both.

Third, there is the Social Influence Theory (Kelman, 1958), specifically, the internalisation and identification constructs, which illustrates how content by a nano-influencer can be converted into a purchase decision. The difference between internalisation and externalisation is that a consumer will actually follow the suggestion of a nano-influencer because it coincides with his or her values and self-concept. Identification happens when a consumer acts on a recommendation because he or she wants to be like or identify with the perceived lifestyle or identity of the influencer. Both are very applicable to the context of urban Indian consumers using the nano-influencer content that focuses on the lifestyle.

3.2 Research Design

The three theoretical frames to be discussed in this paper are more rooted on explaining the net impact of nano-influencer content on consumer perceptions and consumer behaviour. First, the Parasocial Interaction Theory (Horton and Wohl, 1956) is the explanation of how the consumers establish the emotional attachment of trust into the nano-influencers which are nearly the same as the real peer relationship. The latter parasocial relationships are the strongest in case of small, niche creators whose content is not that broadcasted and commercialized but rather personal and conversational.

Second, the Source Credibility Model (Hovland et al., 1953) describes how knowledge and credibility can be helpful in making nano-influencer messages work. These two scales are assessed by the consumers based on whether they should act by their recommendation or not, and because nano-influencers are genuine professionals in their niche, and they have a place in the community, they will most probably do well in both.

Third, the Social Influence Theory (Kelman, 1958), namely, the internalisation and identification constructs, is an example to show how the content by a nano-influencer can be turned into a purchase. The distinction between the concepts of internalisation and externalisation is that a consumer will literally act upon the recommendation of a nano-influencer since it aligns with his/her values and self-identity. Identification occurs when a consumer follows a recommendation since he or she would like to be similar or associated with the imagined lifestyle or identity of the influencer. Both can be applied successfully to the scenario of urban Indian consumer who consumes the nano-influencer content which is concentrated on the lifestyle.

3.3 Primary Data Collection

This study had a structured questionnaire that contained 27 questions in seven sections. The respondent demographics, social media usage behaviour, knowledge and perception of nano-influencers, purchase behaviour and decision influence, and perception when comparing nano to macro influencers as well as open-ended qualitative feedback was addressed. Two separate sections contained likert scale questions (5-point scale, Strongly Disagree to Strongly Agree) to measure the attitudinal dimensions. The questionnaire was sent through e-mail to 100 people who live in the different suburb areas of Mumbai, such as the Western Suburbs, Central Mumbai, Eastern Suburbs, Navi Mumbai/Thane, and South Mumbai.

3.4 Sampling

Convenience sampling was employed as the sampling technique, appropriate given the academic nature and time constraints of the study. The sample of 100 valid respondents included a mix of students, salaried professionals, self-employed individuals, and homemakers. The sample was predominantly aged between 18 and 35 years (75%), with 56% female and 44% male respondents. Respondents spanned diverse income brackets, with the largest segment (31%) earning between ₹10,001 and ₹30,000 per month, reflecting the broad economic profile of Mumbai's active social media user base. The sampling method used was convenience sampling, as it was suitable due to the nature of the study in terms of its academic nature and time limitation. The 100 valid respondents were a combination of students, those with salaries, self-employed and homemakers. The sample was of age between 18-35 (75%), 56% were females and 44% male respondents. The income levels of the respondents were spread across different income levels with the majority (31) of the respondents having incomes between 10,000 and 30,000 per month as a representation of the entire economic landscape of Mumbai active social media users.

3.5 Data Analysis Technique

Data analysis in this study is strictly restricted to descriptive statistics. Frequency counts and percentage distributions are used to summarise all categorical and nominal variables, including demographic characteristics, platform preferences, content type exposure, and purchase behaviour. For Likert-scale attitudinal items, weighted averages on a 1–5 scale are computed to provide a single summary measure of respondent sentiment on each statement. All findings are presented in clearly labelled tables, followed by narrative interpretation. No inferential or multivariate statistical methods such as chi-square tests, correlation analysis, regression, or factor analysis have been applied in this study.

4. DATA ANALYSIS AND INTERPRETATION

4.1 Respondent Profile

Table 1 below summarises the demographic profile of the 100 respondents. The sample is also biased with younger, educated, urban consumers which coincides with the New Delhi target population group when conducting a study on social media and influencer marketing behaviour in Mumbai.

Variable	Category	Frequency	Percentage (%)
Age Group	18–25 years	48	48.0
	26–35 years	27	27.0
	36–45 years	13	13.0
	Above 45 years	7	7.0
	Below 18 years	5	5.0
Gender	Female	56	56.0
	Male	44	44.0
Education	Undergraduate	34	34.0
	Postgraduate	31	31.0
	Professional Degree	25	25.0
Occupation	Salaried Professional	39	39.0
	Student	30	30.0
	Self-Employed / Business	19	19.0
	Homemaker / Other	12	12.0
Monthly Income	₹10,001–₹30,000	31	31.0
	₹30,001–₹60,000	24	24.0
	Below ₹10,000	19	19.0
	₹60,001–₹1,00,000	17	17.0
	Above ₹1,00,000	9	9.0
Area of Residence	Western Suburbs	37	37.0
	Central Mumbai	26	26.0
	Eastern Suburbs	19	19.0
	Navi Mumbai / Thane	12	12.0
	South Mumbai	6	6.0

Table 1: Demographic Profile of Respondents (n = 100)

The majority of respondents (75%) are aged between 18 and 35, which represents the primary demographic of active social media users and digital content consumers in India. The sample is well-educated, with 90% holding at least an undergraduate degree, and is professionally diverse, spanning students, salaried professionals, and self-employed individuals. The Western Suburbs (37%) and Central Mumbai (26%) contribute the largest share of respondents. In terms of income, the largest segment (31%) earns ₹10,001–₹30,000 per month, reflecting a middle-income consumer profile that is price-conscious but digitally engaged.

4.2 Social Media Usage Behaviour

The statistics on the use of social media show a very active cyber population. The reason is that the highest percentage of the respondents (36) spend between 2-4 hours daily on social media, 21 percent spend between 4-6 hours and 11 percent spend over 6 hours daily. As a collective, 68

percent of the participants spend over two hours daily online, which makes the survey population a highly engaged online audience. Instagram and YouTube were preferred the most and were chosen most of the times separately or together with other platforms. Other regional platforms like Moj/Josh were also present which meant that consumption of vernacular content was increasing. Regarding the number of people who are following the creator of the content, 22 percent of the respondents follow the influencer every day, 31 percent follow the influencer 3-4 times a week, and 27 percent follow the influencer once a week- indicating that 80 percent of respondents are regular, recurrent viewers of influencer-generated content. The top content categories were Food & Travel, Product Reviews and Recommendations, Fashion and Beauty, and Fitness and Health, which are the areas of the nano-influencers, in particular, activity.

4.3 Awareness and Exposure to Nano-Influencers

Table 2 presents findings on respondents' awareness and interaction with nano-influencers.

Question	Response	Freq.	%
Awareness of term 'nano-influencer'	Fully aware	40	40.0
	Heard but unsure	36	36.0
	Not aware	24	24.0
Followed a nano-influencer	Yes, actively follows several	18	18.0
	Yes, one or two	38	38.0
	May have seen without realising	29	29.0
	No, never	15	15.0
Primary platform for nano content	Instagram	42	42.0
	YouTube	31	31.0
	Moj / Josh	8	8.0
	LinkedIn	6	6.0
	Do not come across	12	12.0
Most common nano content type	Skincare & personal care	24	24.0
	Local food & restaurant reviews	22	22.0
	Fitness & wellness	14	14.0
	Home décor & lifestyle	13	13.0
	Tech & gadgets	12	12.0
	Fashion / Ethnic wear	12	12.0

Table 2: Nano-Influencer Awareness and Exposure (n = 100)

The results show that 76 percent of the respondents are partially or fully aware of what a nano-influencer is and 56 percent have followed or engaged with one or more nano-influencer. Another 29% certainly have at some point or another read nano-influencer content without necessarily identifying the content creator as a nano-influencer (i.e. the real exposure rates are much greater than the reported awareness). The discovery platform is mostly Instagram (42%), then there is YouTube (31%). The most common content areas are skincare and personal care (24%), local food and restaurant reviews (22%), as these types of content are hyperlocal and everyday and can be less commonly associated with the everyday consumption habits of urban Mumbai residents.

4.4 Trust, Credibility, and Authenticity — Likert Scale Analysis

Trust, credibility and authenticity perceptions were assessed on 6 statements rated on a Likert-type scale, with the 5-point scale. Table 3 contains the weighted averages and percentage distributions of response.

Statement	SA%	A%	N%	D%	SD%	Avg
Trust nano over celebrities	24	39	33	3	1	3.82
More genuine & relatable	49	33	15	2	1	4.27
Have personal product knowledge	32	42	20	6	0	4.00
Not motivated by money	31	28	25	11	5	3.69
Feels like a friend's advice	41	40	15	4	0	4.18
More likely to engage with them	36	35	23	6	0	4.01

Table 3: Trust & Credibility — Likert Scale Responses (n = 100) | SA = Strongly Agree, A = Agree, N = Neutral, D = Disagree, SD = Strongly Disagree

The findings are a resounding positive example of nano-influencer cult. The fact that Nano-influencers seem more authentic and relatable than macro/mega influencers has the ken most weighted average of 4.27, and 82% of the respondents agreed and strongly agreed. It is a strong conclusion that is a direct confirmation of the theoretical statement of Parasocial Interaction Theory: nano-influencers manage to establish perceived peer-like relationships, and it increases the credibility of communications they make. The most viewed statement was the second-highest, which was Content from nano-influencers feels more like a friend than an advert (avg 4.18), and 81% responded with yes, which again lends credence to the parasocial nature of the relationship.

Perceived product knowledge was 4.00 and 74 percent of people reported to agree that nano-influencers possess veritable personal experience with the products they are recommending, which is one of the dimensions of Source Credibility. The level of trust in celebrities was 3.82, and 63 per cent agreed. The weakest score (3.69) was of the statement concerning financial disinterestedness - Nano-influencers are less inclined to promote products by financial benefits only - and, at the same time, it gained the least agreement (16 per cent). The observation indicates that even in smaller creators, there is some commercial scepticism, which contributes to the relevance of true brand-influencer fit and open disclosure measures.

4.5 Impact on Purchase Decision

Table 4 presents the findings on how nano-influencer content directly and indirectly influences purchase behaviour.

Question	Response	Freq.	%
Purchased based on nano recommendation	Yes, multiple times	19	19.0
	Yes, once or twice	30	30.0
	No, but researched further	29	29.0
	No, never	22	22.0
Top purchase categories	Skincare & Beauty	34	34.0
	Clothing & Accessories	30	30.0
	Food & Beverages (local)	30	30.0
	Home & kitchen products	24	24.0
	Books & Stationery	23	23.0
	Fitness products	21	21.0
	Primary purchase motivation	Authentic & relatable content	31
Affordable products featured		21	21.0
Not motivated		21	21.0
Detailed honest reviews		15	15.0
Discount codes / offers		6	6.0
Overall influence rating (avg 1–5)	Mean score	—	3.05

Table 4: Purchase Behaviour Influenced by Nano-Influencers (n = 100)

The results obtained through the purchase behaviour indicate that there exists a significant and substantive effect of the nano-influencer content on consumer decisions. Combined 49% of the respondents have done at least one purchase on a recommendation of a nano-influencer, and 19%

have done at least one purchase more than once. Another 29% also state that when they were influenced by the content of nano-influencers, they did more research on a product, although they did not necessarily buy it at that time. A low percentage of 22% said that the nano-influencer content had no impact on their behaviour. Together, it implies that 78 percent of respondents have been influenced in some way or another by the content of nano-influencer at least to some extent, a result that goes a long way towards supporting the commercial success of this medium.

The average total influence rating of 3.05 based on 5 shows that there was moderate but significant impact. The most popular categories of purchases were Skincare and Beauty (34%), Clothing and Accessories (30%), and local Food and Beverages (30%), which aligns with the content preferences in Section 4.3. The most mentioned purchase motivator is authenticity of content (31%), then there is affordability of featured products (21%) and honest detailed reviews (15%). These results indicate a customer that will use real, experience-driven recommendations as opposed to slick, manufactured marketing.

4.6 Purchase Behaviour — Likert Scale Analysis

Table 5 presents the Likert scale findings on the specific dimensions of purchase-related behaviour following exposure to nano-influencer content.

Statement	SA%	A%	N%	D%	SD%	Avg
Research product after nano content	23	34	27	11	5	3.59
Led me to try local/small brands	10	32	33	21	4	3.23
Trust product if multiple nanos recommend	19	46	25	7	3	3.71
More effective for low-mid price products	25	40	23	11	1	3.77
Would share recommendation with family	18	30	33	14	5	3.42

Table 5: Purchase Behaviour Statements — Likert Scale (n = 100)

The statistics provided in Table 5 indicate some valuable details in the buying behaviour of consumers after exposure to nano-influencer content. The highest average score of 3.77 was obtained on the statement that Nano-influencer recommendations are more effective with low-to-mid price range products 65% of the respondents agreed with it, which is highly relevant to the price-sensitive profile of most consumers surveyed in Mumbai and extremely strategic to a D2C brand operating within the mass to premium-mass segment. Multiple nano-influencer recommendation scored 3.71, and 65% of people agreed, indicating that multi-influencer campaigns are better than one-creator activations. This statement on post-exposure research

behaviour had a score of 3.59 57% agreeing that the nano-influencer content is successful in launching the consumer decision journey even when it does not prompt an immediate purchase. Word-of-mouth potential (sharing with family and friends) was rated medium at 3.42, with 48 percent in accord with that, indicating that there is an organic amplification opportunity not only within the follower base of the influencer.

4.7 Nano vs. Macro Influencer — Comparative Perception

Table 6 presents findings on how respondents compare nano-influencers against macro and celebrity influencers.

Question	Response	Freq.	%
Nano content vs celebrities feels	Much more authentic & trustworthy	49	49.0
	Slightly more authentic	29	29.0
	About the same	13	13.0
	Less polished / less trustworthy	6	6.0
	Cannot differentiate	3	3.0
Influencer type driving purchase	Micro-influencer (10K–1L followers)	34	34.0
	Nano-influencer (1K–10K followers)	27	27.0
	Macro-influencer (1L–10L followers)	15	15.0
	None — independent decision	12	12.0
	Mega / Celebrity influencer	12	12.0
Brands should invest more in nano	Strongly Yes	23	23.0
	Yes	41	41.0
	Neutral	28	28.0
	No / Strongly No	8	8.0

Table 6: Comparative Perception — Nano vs. Macro/Celebrity Influencers (n = 100)

The comparative analysis shows that a clear preference of consumers is on the nano-influencer content in the aspect of authenticity. The most notable fact is that a 78-percentage of respondents view nano-influencer content to be more authentic than macro-influencer and celebrity-created content (49% much more, 29% slightly more). The people who rated nano-influencer content as less trustworthy because of the poor production quality were only 6 percent, and the ones who did not distinguish it were 3 percent. Nano and micro-influencers make 61% of purchase decisions by consumers (27% nano, 34% micro) compared to 27% of purchase decisions by

macro and celebrity influencers combined, which highlights the high levels of efficient conversion by smaller, more relatable creators. Importantly, the majority of the respondents (64 percent) think that nano-influencer campaigns should be more heavily invested by brands instead of celebrity endorsement, and only 8 percent do not agree. This is an excellent consumer requirement that makes a good business case in order to have brands taking a strategic re-orientation of their influencer marketing spending plans.

5. RESULT DISCUSSIONS, FINDINGS, MANAGERIAL IMPLICATIONS AND RECOMMENDATIONS

5.1 Key Findings

Finding 1 — Significant Awareness and Growing Exposure: At least three-quarters of the survey respondents are familiar with nano-influencers at least partially, and half of them have followed at least one. The real exposure is probably even greater, with 29% saying that they have already consumed such content without knowing where they have gotten it. The most important platforms of discovery are Instagram (42%) and YouTube (31%).

Finding 2 — High Credibility and Relatability Scores: The highest Likert average (4.27) was obtained on the dimension of genuineness and relatability with nano-influencers, and the second is the friend advice perception (4.18). These results confirm the relevance of authenticity to the effect of nano-influencers.

Finding 3 — Meaningful Purchase Impact: With almost half of the people (49 percent) having made some sort of purchase because of being nano-influenced and 78 percent being influenced to some extent. Mean overall influence rating was 3.05/5 that is moderate yet commercially significant.

Finding 4 — Authenticity Drives Conversion: Authenticity of content (31%), affordability of featured product (21%) and honest reviews (15%), are the main purchase motivators. The two most practical levers as far as the success of a nano-influencer campaign is concerned are price-value congruence and content authenticity.

Finding 5 — Nano and Micro-Influencers Lead Purchase Decisions: A combination of nano and micro-influencers has a high effect on purchase (61% vs. 27%), and the same can be said of macro and celebrities (macro and celebrities), thus the obvious effectiveness benefit of smaller, community-based creators is obvious.

Finding 6 — Strong Consumer Endorsement for Brand Investment: The fact that 64 percent of the respondents think a brand should invest more in nano-influencer campaigns than celebrity endorsements confirms that consumers are highly receptive to this marketing medium.

5.2 Discussion

The results of the given study are widely aligned with the global trends in influencer marketing, whereas they also draw some insights that are inherent to the consumer culture in Mumbai. The most prominent theme that appears based on the data is the importance of authenticity in defining nano-influencer success. In all the dimensions that the study is carried out such as trust, credibility, purchase motivation, and comparative preference, authenticity and relatability were the most appreciated attributes. This is in line with the theoretical hypotheses of Parasocial Interaction Theory and the Source Credibility Model: consumers in the urban digital environment in Mumbai are becoming more and more effective at differentiating between legitimate and commercially-oriented content, and they over-react to creators that seem to acknowledge their values, experiences, and social-economic background.

The fact that the Likert score on the financial disinterestedness dimension (3.69) is relatively lower is a subtle observation that should be not ignored. A non-trivial minority of even the followers of nano-influencers are sceptical as to whether smaller creators remain independent after engaging in brand partnerships. This implies that current and future maintenance of authentic content positioning created by the nano-influencer would need to be maintained consciously by both the nano-influencer themselves and the brands that collaborate with them. The mandatory and open disclosure of paid collaboration is not only a regulatory necessity but also a strategic need to maintain the credibility premium that is the key to the effectiveness of nano-influencer marketing.

The moderate overall score of purchase influence (3.05/5) will need to be put into perspective. Nano-influencer marketing is not a direct-response advertising tool, rather, a top-to-mid funnel tool that creates awareness, influences research behaviour, and creates a considerate purchase intention. The commercial implication of 29% of respondents to report being moved to research without necessarily making a direct purchase is an important commercial finding, which indicates the role of nano-influencer content in triggering and cultivating the consumer decision process, but not necessarily closing it immediately.

5.3 Managerial Implications

For D2C Brands and SMEs

The nano-influencer marketing provides a very high value proposition to small and medium enterprises and D2C brands with a presence in Mumbai and other major Indian metropolis. Complementary products to moderate fees (1,000 to 10,000 per post by most nano-creators) mean that the brand can do multi-influencer campaigns with higher frequency, which is more likely to have aggregate reach and credibility than a single post on a macro-influencer at a tenth of the price. The observation of the study that the nano-influencer content has the strongest effect with the low-to-mid price range products (avg 3.77) can be directly acted upon: brands that operate in the 200-2,000 product price range should consider nano-influencer marketing to be the core of their online business strategy.

For Digital Marketing Agencies

The agencies which cover various consumer segments should create customised, divided nano influencer networks based on content vertical, geography, and platform. The geographic and social-economic variety of Mumbai, such as the high-end consumer-focused area of South Mumbai to the mass-market of the Western and Eastern Suburbs, requires influencer tactics at the neighbourhood level. The agencies must also follow the engagement quality indicators (comments, saves, shares) over the reach to analyze the performance of the nano-influencer. The evidence indicating Instagram (42%) and YouTube (31%) as the key platforms inform media decision-making, and the appearance of the Moj and Josh is an indicator of an essential niche of Marathi and Hindi-language nano-influencer content.

For Large Brands and FMCG Companies

Big brands that are used to heavy advertisement using celebrities need to see nano-influencer campaigns as not substituting their current approach but as a mandatory addition. A blend of the most preferred approaches, celebrity influencers to create broad brand awareness and nano-influencers to build community trust, convert, and amplify the word of the mouth, is bound to be more efficient than either model implemented separately. The 64% endorsement of the consumer to invest more in nanofluencers as a brand is a definite market indication that can guide budget redistribution in the annual marketing planning areas.

5.4 Recommendations

1. The focus of the brands should be on category-authentic nano-influencer choice rather than on the number of followers. A skincare line that collaborates with a nano-creator who actually uses and promotes skincare as a way of life will always do better than collaboration with an all-purpose lifestyle influencer with a somewhat larger fan base.
2. Brand partnerships must be disclosed through proper labelling (e.g. #Collab, #Gifted, #Ad) as this is not only a required aspect of the matter but also encouraged since the scepticism towards financial incentives among consumers is high (with a 3.69 score), thus making any commercial content without disclosure a reputational risk.
3. Multi-nano-influencer campaigns, i.e. when 10-20 nano-creators all activated simultaneously to promote a product in the same niche should be considered instead of single-creator activations since 65% of respondents state that they trust a product more when promoted by several nano-creators.
4. Nano-influencer content is not a direct conversion mechanism and should be treated by the brand as a research trigger and awareness one. Additional information on the influencer posts should be supplemented with robust landing pages, in-depth product profiles, and a smooth purchase process to make the post-exposure research behaviour noted in this study as fruitful as possible.
5. Brands expanding to Tier 2 cities and regional markets ought to invest actively in regional language nano-influencers on apps like Moj or Josh, where the ecosystems of vernacular nano-influencers are growing at high rates and the competition to get the attention of creators is relatively low.

6. CONCLUSION

This paper aimed at exploring the question whether the small voices of nano-influencers are actually having a larger influence on Indian consumers than their limited numbers of followers would suggest - and the data collected among 100 Mumbai-based respondents proves with a great degree of confidence that, they are. The source of the influence of nano-influencers does not lie in the reach of broadcasting, but rather in the depth, authenticity and community-focused nature of their content. They have something truly precious in this media landscape of slick, market-oriented communications the authority of a peer, the closeness of a friend referral, and the accuracy of a niche authority.

The researchers concluded that three-quarters of surveyed people know about nano-influencers, half have followed one of those, and three-quarters have been influenced by the content of a nano-influencer in a measurably behavioural way, by making a purchase or further researching a product. The defining aspects that give rise to this influence are authenticity (avg 4.27) and viewing the content as personal advice and not advertising (avg 4.18). The success of Instagram and YouTube as the discovery channels, the development of the regional apps, such as Moj and Josh, the specific efficacy of nano-influencer content in skincare, food, and fashion segments provide an obvious strategic course of action on the side of brands and agencies.

The emergence of nano-influencers is not a side phenomenon or a trial balloon to the ecosystem of fast-growing D2C brands, SMEs, and digital marketing agencies in India but the shift in the economy and effectiveness of digital advertisement. The consumer approval of the increased brand investment in nano-influencer campaigns 64 percent supported by the purchase influence data is a strong business case in favor of this redirection. The nano-influencer will only have an increase in stock as the number of internet users in India continues to rise, as regional online content gains momentum, and as consumers become increasingly hostile to fake advertising. It is no longer the question of whether or not brands should invest in nano-influencer marketing but rather when and when to do so.

REFERENCES

1. Audrezet, A., De Kerviler, G., & Moulard, J. G. (2020). Authenticity under threat: When social media influencers need to go beyond self-presentation. *Journal of Business Research*, 117, 557–569.
 2. Brown, D., & Hayes, N. (2008). *Influencer Marketing: Who Really Influences Your Customers?* Butterworth-Heinemann.
 3. De Veirman, M., Cauberghe, V., & Hudders, L. (2017). Marketing through Instagram influencers: The impact of number of followers and product divergence on brand attitude. *International Journal of Advertising*, 36(5), 798–828.
-

4. FICCI-EY. (2023). India's Media & Entertainment Industry Report 2023. Federation of Indian Chambers of Commerce & Industry.
5. Freberg, K., Graham, K., McGaughey, K., & Freberg, L. A. (2011). Who are the social media influencers? A study of public perceptions of personality. *Public Relations Review*, 37(1), 90–92.
6. Horton, D., & Wohl, R. R. (1956). Mass communication and para-social interaction. *Psychiatry*, 19(3), 215–229.
7. Hovland, C. I., Janis, I. L., & Kelley, H. H. (1953). *Communication and Persuasion*. Yale University Press.
8. Indian Institute of Digital Education. (2022). *Influencer Marketing Trends in India*. IIDE Digital Report.
9. Influencer Marketing Hub. (2023). *The State of Influencer Marketing 2023: Benchmark Report*. Retrieved from <https://influencermarketinghub.com>
10. Kelman, H. C. (1958). Compliance, identification, and internalisation: Three processes of attitude change. *Journal of Conflict Resolution*, 2(1), 51–60.
11. Lazarsfeld, P. F., Berelson, B., & Gaudet, H. (1944). *The People's Choice*. Duell, Sloan and Pearce.
12. Lou, C., & Yuan, S. (2019). Influencer marketing: How message value and credibility affect consumer trust of branded content on social media. *Journal of Interactive Advertising*, 19(1), 58–73.
13. Statista. (2024). *Social media users in India 2024*. Retrieved from <https://www.statista.com>
14. TRAI. (2023). *Annual Report on Internet and Broadband Subscribers*. Government of India.
15. Yadav, M., & Rahman, Z. (2018). The influence of social media marketing activities on customer loyalty. *Benchmarking: An International Journal*, 25(9), 3882–3905.