

# Introduction

## A new type of marketing

Influencer marketing is a phenomenon of our time. The influencer marketing industry could be worth up to \$15 billion by 2022, an increase from \$8 billion in 2019, according to *Business Insider Intelligence* estimates,<sup>1</sup> based on Mediakix data. Businesses are making \$5.20 for every 1\$ spent; an amazing stat, eh?

Most brands have now adopted some form of influencer marketing. Millennials and Gen Z, who are digital natives, have disrupted consumer behaviour. The traditional advertising industry has had a wake-up call as consumers' trust has waned in favour of influential individuals. This has given rise to 'influencers', whose followers range from a few thousand to the millions. These influencers share two ingredients: an authentic voice and the power to engage with an audience. The other amazing fact is that their influence has a global impact and an instant speed to engage. If you think about the time it takes to set up and run a billboard or TV campaign, which is often country specific, you now have the opportunity to engage a global audience for your brand like never before and with content created often much more quickly.

Airbnb put much of its early success down to the use of 'local' influencers. Given that Airbnb<sup>2</sup> was primarily a US company, it needed some way of telling its story in local markets. What better way to do that than by using influencers? Glossier, the influencer lead beauty company, raised \$100 million with a valuation of over \$1 billion, whilst Away, the luggage start-up, has reached a valuation of \$1.4 billion. There has been a growth in more traditional industries to recruit social media branding consultants to help their 'personal brands'. One example would be Natalie Alzate whose Instagram handle is @nataliesoutlet. For years she watched her favourite youtubers and

realized that the format worked well. Another example is Estée Lauder, a company so committed to influencer marketing it openly said that 75 per cent of its marketing budget would go into this form of marketing.<sup>3</sup>

Leading social media and influencer marketing strategist, Scott Guthrie says:

Consumers, institutions no longer enjoy our blind trust. Nor do big brands. Nor big business. Nor religion. Nor government. Nor the media. We do however still trust people like us. We feel that influencers are those people. People we can relate to. Their experience becomes our evidence. We follow their recommendations. We don't yet see their content as advertisements. Media has fragmented from print, radio and television to online and social media. Influencers have emerged on every media, in every market. The splintering media is not new, you can trace it back to the 1920s with the advent of commercial radio. Widespread adoption of television in the 1950s added to newspaper circulation woes. The advent of the internet sped the disintegration of the media landscape. As consumers we no longer like reading newspapers. The drive to advertise in them is dropping as a direct knock-on effect. Those of us who do like reading newspapers are getting older. Viewing figures for free-to-air television channels show the average age of viewers is greying, too. On the flip-side, almost half of 3- to 4-year-olds (45 per cent) in the UK have watched programmes on YouTube. Whilst 89 per cent of 12- to 15-year-olds have accessed the video-sharing platform. The marketing landscape has changed to mirror the shattering of the media landscape. Control has moved from media and brands to the consumer. Communicators need to entertain and inform rather than interrupt with overt sales messages.

As consumers, we don't like ads. We ignore them. We block them. We hate banner ads, pop-ups and search ads. We turn to Netflix to tune out ads on the television. We pay Spotify to parse advertisements from our music stream. We set up adblockers to prevent us from seeing ads on our smartphones. Traditional marketing communications was interruptive and marketing communications-centric. Influencer marketing is customer-focused and helpful. Content is useful to a select audience by dint of being informative, inspirational, educational, aspirational or entertaining.<sup>4</sup>

Heidi Cohen, CEO of the Actionable Marketing Guide says:<sup>5</sup>

Influencer marketing isn't new. People asking people they know for referrals to the products and services they like during person-to-person conversation. Over time, this has had the highest performance. For example, people have

asked their family and friends for recommendations to doctors, dentists and hairdressers for years. No surprise. People trust people they know and have a real life relationship. This translates to close family and friends! In business settings, trust applies to colleagues, present and past. This is why big contracts have historically gone to well-known brand name companies like IBM. It's word-of-mouth marketing in its purest form. In addition, people have followed the trends set by celebrities and other people considered to be 'in the know'. This is why companies use celebrities in their advertising and infomercials. Also, companies pay stars to wear their clothes and accessories at high-profile events like the Oscars. Companies pay for placement in event goodie bags. For example, as a celebrity influencer, Lady Gaga does an amazing job of nurturing her fans whom she lovingly calls 'Little Monsters'. Years ago, The Grateful Dead tapped into the power of their followers to build revenue streams from their fans. They gave bootleggers the best places in the audience and chose the best T-shirts from the ones fans sold at their concerts. (David Meerman Scott wrote a book on The Grateful Dead and his newest book is called *Fanocracy*.) Unfortunately for marketers, these forms of word-of-mouth marketing are difficult to measure.

Enter social media. These platforms make it easier to monitor participants' activity and their ability to attract followers. But if you look closely, you'll find that many of the top-followed individuals built their audience and/or attention on another form of media and/or channel. For example, Carl Reiner ([twitter.com/carlreiner](https://twitter.com/carlreiner) (archived at <https://perma.cc/F8X9-ERA5>)), who passed away recently at the age of 98, built his reputation in television and Hollywood. Reiner had 390,500 followers and tweeted a total of 6,525 times. People followed him because he was funny and they liked his perspective. There are influencers across every large social media entity and a variety of topics. And most of these people earned their reputation on their own. Often these influencers worked hard to produce content that meets their audience's needs on a consistent basis and to engage with their audience regularly. I call this 'consistent content' since by offering regular servings you build audience anticipation and more importantly their consumption habit. For example, Amy Landino developed her audience of 381,000 YouTube followers by consistently showing up to provide new content and engage with her audience. Based on her audience, Landino has self-published two books and speaks globally. Using influencers, including employees, as part of your marketing mix is an evolution of social media. The objective is to increase your marketing reach by getting someone who has a big audience on a particular platform.

Since people with large audiences may not have strong connections with their followers, marketers also seek to take advantage of people with smaller followings who have a deeper bond with their followers. This type of marketing is called 'micro-influencer marketing'. When used in this way, influencer marketing is another form of paid promotion. The difference is that instead of using a media platform to distribute your content and point of view, you're borrowing someone's audience. Again, marketers have done this for years. Unlike other forms of paid promotion, influencer marketing requires ongoing care, engagement and management to accomplish your business and marketing goals. And as with any form of marketing, influencer marketing must have established goals aligned with your brand and metrics to track results before you start. Or it will be unable to show results. At a minimum, whether a firm uses influencer marketing or not, companies still need to monitor social media and other platforms. They must track the commentary to assess what people are saying and thinking about their brands, businesses and management. Further, they must have a set of social media guidelines in place to help employees know what to do as well as how and when to respond to comments. Since a company doesn't want to take its time and wind up being viewed as tone-deaf or out of touch.

Davnet Doran, Head of Brand PR at Britvic, talks about brand promotion now being under closer scrutiny with regard to how it's serving the people that are consuming it:

We have to think carefully if the channel is strategically right to meet the brand objective and then ensure the specific choice of influencer is the right fit for the brand and message we need to convey to our consumers and that it will be delivered with relevance and resonance. Whilst our advertising spend can be quite broad regarding targeting (sophisticated mass), at certain stages of our product cycle we want to be hyper-targeted and drive engagement with our prime prospects, and influencer marketing allows us to get this right. As people become more and more desensitized (and cynical) towards branded content on social media platforms, it's crucial to give influencers the creative freedom to create content that will fit naturally amongst their organic content, and for us to find talent that can be passionate about the brand, product or service. The engagement from their community is what we desire and need when we choose this tactic and if it looks too staged or different to what the audience is used to seeing they'll know it is inauthentic from a mile off.

## Influencer marketing: the key issues

### *Cutting through the content clutter*

We enjoy near-infinite choice as consumers. As Scott Guthrie writes:

Trouble is, we have a finite amount of attention to devote. Every day, as consumers, we are bombarded by more brand messages than we can hope to make sense of. We turn to influencers to help us cut through this content clutter; to help us make sense of what information should be important to us; to help us affect action.<sup>6</sup>

Beats by Dre is a great example of a brand that really grew by using social media influences, but it didn't happen overnight; it was a consistent campaign over a period of time. What you want is people talking about you a lot for a considerable period of time and that's what happened with Beats. You can see results from influencer marketing in a few months, but it's the consistent brand building over six months where it really starts to shine.

We have all become more online aware, compounded by the effects of the global Covid-19 pandemic in 2020. Checking Facebook, Instagram or Twitter is now as routine as brushing teeth. It has also allowed people to create different personas that don't often align with everyday lives. Striving to match flawless virtual beings has resulted in a loss of authenticity. A brand's authenticity breeds trust and reassurance and when you have a customer's trust it's easier to grab his or her attention.

The influencer marketing industry is still young and in some areas unregulated. There is still a lack of clear terminology and standardized practices. We are now seeing the emergence of trade bodies such as the Branded Content Marketing Association (BCMA) to tackle these areas. Education remains pivotal to the development of the sector. For those organizations not sure about influencer marketing, it is largely because they want these questions answered:

- Who do I trust to amplify my brand message, ie how can I make sure I get the right people?
- How can I make sure that they want to work with our brand?
- Which are the best campaigns and what are the elements of success?
- How do I measure campaign effectiveness or get a return on my investment?

Brands want to find ways to build their customer base and get their message through. But in essence our world has never been more cluttered with unnecessary and irrelevant ads. This is huge waste of money for advertisers. Nobody clicks on banner ads any more. Millennials are said to have an attention span of around eight seconds and have been trained to consume a huge amount of content in rapid time. Consumers are now 83 per cent more likely to buy products from a trusted source than ever before.<sup>7</sup>

Influencer marketing is helping build communities of interest. Community building is nothing new but the benefits of the global online audience mean you can do so with scale. The more niche, the more powerful and relevant.

Just to give some context to an amazing influencer with a cause, check out MrBeast, aka Jimmy Donaldson. His campaign Team Trees was an immense success.<sup>8</sup> The hugely successful Ice Bucket Challenge<sup>9</sup> raised around \$115 million in five years for ALS. MrBeast raised \$6 million in just one month and also became part owner in VidSummit.

There are different examples of success around the world. So, in some countries there has been a significant move to micro-influencers, whereas in China there is a still a much stronger appetite for the big names that have totally become their own brands. A few years ago, top Chinese journalist-turned-blogger with a multi-million audience Becky Li sold 100 Mini Coopers in under five minutes. She is known to have a phenomenal level of influence over her followers' shopping habits.<sup>10</sup>

Influencers don't have success overnight unless something amazing in the world happens or if they have appeared on TV. I want to share a story about a mega-influencer and singer. Taylor Swift is a celebrity, but she understood well the value of cultivating a story. An eminent influencer specialist Brendan Kane<sup>11</sup> recalled a story about how Swift would respond to follower comments, take time to do photo calls – in fact at one event she took 13 hours for a meet and greet. Even though she only met 3,000 followers she realized they would be brand advocates for life. So, if you then do the numbers on just this small sample: assume each of those shared a photo on their social channels; the average Facebook user has 338 Friends; that's a total reach of over 1 million. Today Swift has close to 135 million followers. The point is that the work she put in at the beginning reaped rewards. Her fans also see her as genuine who cares about her fans. She even invited a bunch of fans to listening parties at her homes in London, Los Angeles, Nashville and Rhode Island. The fundamentals are clear: if you promote and support fans they will extend your reach for you.

### *Employees as influencers*

Employees are increasingly being encouraged to become micro-influencers. It is a useful and highly effective strategy for employees to become company advocates and be rewarded accordingly. The cost of using employees as brand advocates would be a fraction of using outside influencers, which is why there has been a considerable rise in the development of employee advocacy programmes.

Employee ambassadors are often seen as more authentic and able to promote brand values and reputation both internally and externally. The opportunity is considerable. Research reported in *Social Media Today*<sup>12</sup> suggested that as few as 2 per cent regularly share employer content; many would if they knew what to post; and 33 per cent of employees were not sure what to post or how it would benefit the company. Some 44 per cent of respondents said they would be more likely to apply for a role if it was shared by an employee but the staggering statistic was a growth of 561 per cent in audience for your brand message when shared by employees versus sharing by a corporate channel.

CEO of the Actionable Marketing Guide, Heidi Cohen says:

Employees may act as influencers or brand evangelists. This usually involves people whose jobs involve using social media or employees who feel strongly about their employer. This often happens because you treat them well as an employer.<sup>13</sup>

### *Diversity in influencer marketing*

One of the biggest events of 2020 was the Black Lives Matter campaign following the tragic death of George Floyd. Research conducted by influencer marketing agency Weareisma revealed that in just one week following Floyd's murder, the #Blacklivesmatter hashtag received over 91 million engagements 9,000 per cent more than the whole of 2019. Many influencers have been very careful not to stray into political campaigns for fear of it impacting on brand partnerships but Black Lives Matter was different. The gruelling video captured by a young 17-year-old girl, reminding us of the scale of systemic racism that had been affecting so many for so long, was difficult to ignore. The campaign had been ignited on the back of the Covid-19 crisis and also highlighted that those from the black community were four times more likely to catch the disease. Social media has the ability to unite and divide us but what's interesting here is that many people from all racial creeds added their support. Facebook employees staged a virtual walk out against President Trump's tweets. There is certainly now a growing tendency to favour the removal of explosive content. People have called out people for not taking a stance of support.

An example of a campaign that, whilst well intentioned, did backfire was #BlackoutTuesday, using the 'black square'. The organizers wanted to stop the flow of user-generated content on Instagram, Facebook and Twitter and focus people's attention on the Black Lives Matter movement. They asked people to post a single black square on their social media account, but many continued to use the #Blacklivesmatter hashtag, meaning that links to the donation page and the petition were washed out by a wave of black squares. The artificial intelligence (AI) community has realized that the diversity problem isn't going away and steps are in place to have responsible audits in place on tech platforms. Influencers have helped to extend conversations around police brutality and one mega-influencer in particular, Jackie Aina, called out a number of fashion brands who have benefited from black aesthetics without supporting black people. Micro-influencers have also got involved and clubbed together to create their own voice: #ipublishpaidme and #influencepaygap. It is always a difficult decision for brands whether they get involved or not. Nike made a decision to invest \$40 million to support the black community in the United States. More and more in the industry are stepping up to promote diversity in the workforce and in campaigns.

### *Ethics in influencer marketing communications*

Ethics should play a huge part in every aspect of marketing communication. As professionals we all want our work to be respected and that means earning the trust of all our audiences. However, there are people who use black-hat techniques: techniques designed to trick search engines into giving websites more prominent ratings such as fake followers, not disclosing when something is advertising, exaggerating results and so on. Phil Szomszor, partner at Brightside Digital Engagement says: 'I don't actually see a lot of that in the B2B world, to be fair. We're much more likely to work with influencers in a mutually beneficial way, such as co-creating content or providing a very clearly defined platforms for brands.'

### Who should read this book

This simple guide has been written for the following people in mind: chief executive officers, chief marketing officers, marketing managers, sales promotion and marketing agency account managers, media planners, influencers, bloggers, content creators and students. It has also been written for

the small business owner. The book covers a number of interviews and insights from individuals with all these job roles as well as industry practitioners and academic professionals. As a rapidly growing industry, new techniques and platforms are arising all the time so keeping abreast of everything can be quite challenging for organizations. There will be references to great sources of further reading, with help and advice too.

Marketers will source influencer skills via influencer agencies or platforms, others are creating internal roles, eg Influencer Marketing Manager operating within the social or marketing team.

The small business owner is an important category to mention. Small and medium-size enterprises (SMEs) are a huge part of the Western economy's business communities. Influencer marketing gives them a great opportunity to extend their reach very cost effectively particularly if they are working with affordable micro- and nano-influencers. I met up with some London vegetarian restaurant owners some time ago, who had spent so much on the start-up costs they had only a very small marketing budget. They offered a number of vegetarian influencers a free meal with a friend during their opening phase. One influencer alone could be attributed to four subsequent table bookings.

The level of degree dissertations on influencer marketing was reportedly very high in 2019, suggesting the need for this discipline to be a proper degree module. The Branded Content Marketing Association is creating content for just this purpose.

In this book you will find loads of ideas to help you kickstart your influencer marketing campaign. Enjoy!

## Notes

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- 5 Heidi Cohen, CEO of the Actionable Marketing Guide, [www.HeidiCohen.com](http://www.HeidiCohen.com) (archived at <https://perma.cc/5JCB-6A46>)
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