Welcome to
Influencer Marketing

Presented by: Irina Gorea
#DigiTalks

dbsa

Agenda

1. Influencers and influencer marketing
2. Campaign design
3. Regulations and issues
4. Future outlook

Hello!
I am Irina Gorea, MSc.

Undergrad
HUMBER

Masters
Ryerson University

Work experience

Research
SocialMediaLab.ca
"Making sense of a networked world"

WHAT ARE INFLUENCERS?

Understanding influencers, influence and influencer marketing

Background

Ad blockers

- 18% of Canadians have a working ad blocker on their desktop PC, out of which 26% are Millennials (IAB Canada, 2017)

Social media algorithm

- Changes to the Facebook algorithm now prioritize content from friends and family over content from brands (Facebook, 2018).

The challenge: marketers must bring forward new creative strategies to reach their audience with **organic content.**

More than just consumers of content

- Platforms such as Facebook, Instagram or YouTube have enabled everyday consumers to become **content creators**.
- Users create and share content online in the form of **photos, text and videos**.

What is User-Generated Content (UGC)?

Reviewed 4 days ago

Mickey's Christmas Party

Disney was all dressed up for Christmas and Cinderella's Castle shined in various colors including Elsa's icey lights. It was both magical and beautiful and well worth the extra money. The Party was great! Many different area's in the park were Christmas ready providing free... **More**

787sully
Richmond, Virginia
297   70

Date of experience: November 2019

How Expensive is it to Travel Japan? | Budget Travel Tips
4,773,740 views • 17 Aug 2017
131K   1.6K   SHARE   SAVE

Source: Trip Advisor,2019

PERSON OF THE YEAR

You.
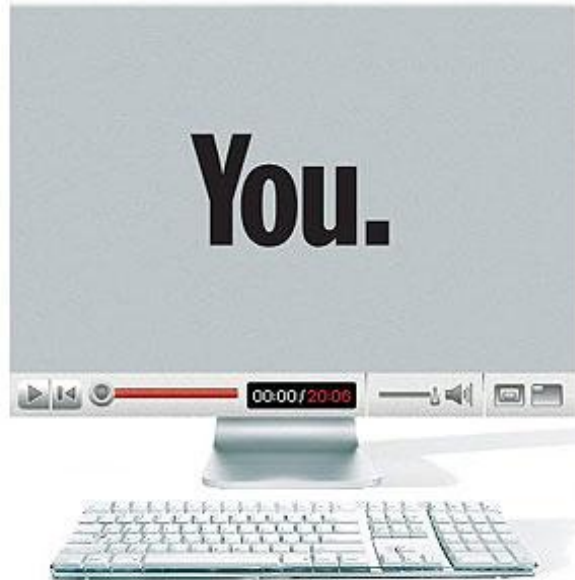
Yes, you.
You control the Information Age.
Welcome to your world.

Influencers defined

Social media users who "have the potential to create engagement, drive conversation and/or sell products/services with the intended target audience. These individuals can range from being celebrities to more micro-targeted professional or non-professional peers".

(Interactive Advertising Bureau, 2018, p. 5).

Photo source: Waxman, 2016

Influence

What is influence?

Reach · Relevance · Resonance
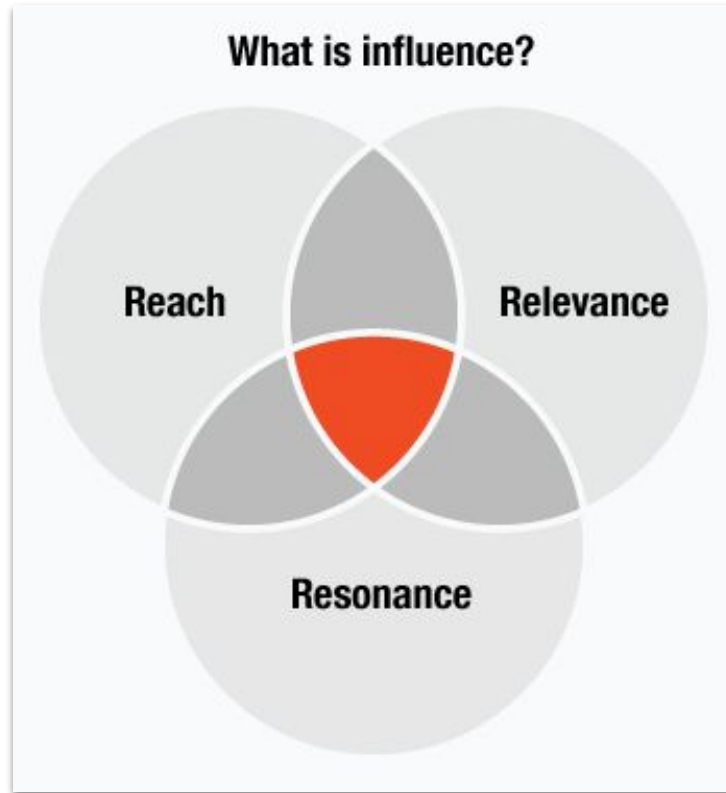
Source: (Modo Modo Agency, 2016)

Influencer Marketing

A growing industry that aims to promote products or increase brand awareness through content that is disseminated by influential social media users (Carter, 2016).

Effectiveness of influencer marketing

Fastest growing online customer acquisition method.

Ranks higher than organic search, email or paid search (Influencer Marketing Hub, 2019).

Generates Return-On-Investment

Generates 11 times more ROI annually than traditional advertising (Kirkpatrick, 2016).

Drives action

40% of respondents choose a travel destination based on how "Instagrammable" the holiday will be (Hayhurst, 2017).

CAMPAIGN DESIGN

Designing an influencer campaign in 4 steps.

1.
Campaign Goals and KPIs

Goal	KPIs
Increase brand awareness	- Increase number of social media followers to **X** - Increase website traffic by **X%** - Increase number of impressions to **X**
Increase social media engagement	Increase number of likes and comments by **X%**
Increase online sales	Increase discount code use to **X**

How will you measure campaign success?

2.
Influencer recruitment

1. Marketplaces (e.g.: Tapinfluence)
2. Databases (e.g.: Klear, BuzzStream and Upinfluence)
3. Outsourcing
4. In-house

In-house influencer recruitment

- What is the **platform** of choice for your industry? (e.g.: Instagram for the travel community, YouTube for the beauty community, etc.)
- Search for relevant **hashtaghs**
- Evaluate **engagement** and **social media following**
- Review influencer's **alignment with the brand** (e.g.: posts, website)
- Where are they **located**?

Types of social media influencers

1. Nano influencers (1,000 – 10,000)
2. Micro-influencers (10,000 – 500,000)
3. Macro-influencers (500,000 – 1,000,000)
4. Celebrities (1,000,000 +)

3.
Compensation

- **Pay per post**: where the influencer gets paid for each post created;
- **Pay per result**: where the influencer gets paid based on key performance indicators such as clicks, conversations, impressions or followers;
- **Free** products and/or experiences

3.
Pay-per-follower scenario

- Recruit 10 influencers with 5,000 followers
- Average price for a sponsored post ranges between $5-$10 per 1000 followers (Komok, 2018).
- Price range $25-50 for influencer with 5,000 followers
- 20 post in a year per influencer

The total average cost of working with a team of 10 influencers with approximately 5,000 followers is ($50/ post x 20 posts) x 10 influencers = **$10,000**

4.
Content strategy

- What **network**? (e.g.: Instagram, YouTube, Facebook, etc.)
- What **type of content**? (e.g.: image post, videos, story, etc.)
- How often? Specify **timeline**.
- **Creative freedom**?

REGULATIONS

Understanding Canadian regulations and current issues.

Growing concern

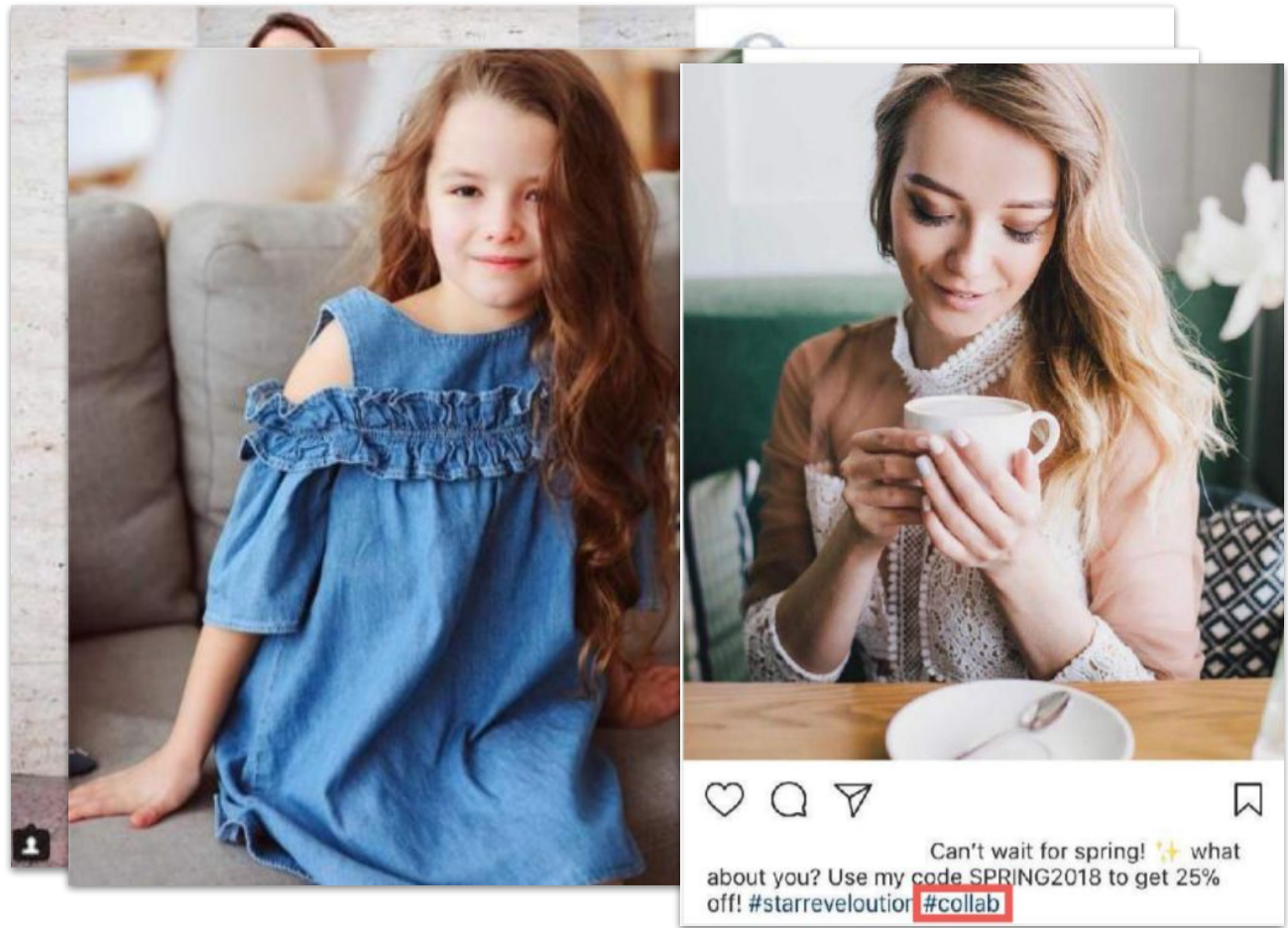Paid endorsements are being masked to appear as organic content.

Figure 2: Examples of improper disclosure on Instagram. Reprinted from Advertising Standards, in Disclosure Guidelines, 2019, Retrieved October 28, 2019, from http://adstandards.ca/wp-content/uploads/2019/02/Influencer-Marketing-Steering-Committee-D

" *Disclosure is required when the influencer receives "material connections" in exchange for posting or creating content on their channels (Ad Standards, 2019).*

Advertising Disclosure

Using clear hashtags such as: #ad, #sponsored, #XYZ_Ambassador, #XYZ_Partner.

Figure 3: An example of a paid collaboration on Instagram. Reprinted from Advertising Standards, in Disclosure Guidelines, 2019, Retrieved October 28, 2019, from http://adstandards.ca/wp-content/uploads/2019/02/Influencer-Marketing-Steering-Committee-D

Consumer skepticism on the rise

- 52% of participants saying they **trust influencers less these days** (Dealspotr, 2017).
- Another online survey conducted by Carmichael Lynch on 1,058 consumers shows that 35% of women think that **influencers are dishonest when content is sponsored** (Carmichael Lynch, 2018).

My research: The role of advertising disclosure in travel influencer videos on Instagram

Disclosure of advertising alerts consumers of the commercial nature of the Instagram post, without having a detrimental effect on travel intent or sharing intent.

Source: Env Photography [@env_photography], 2019
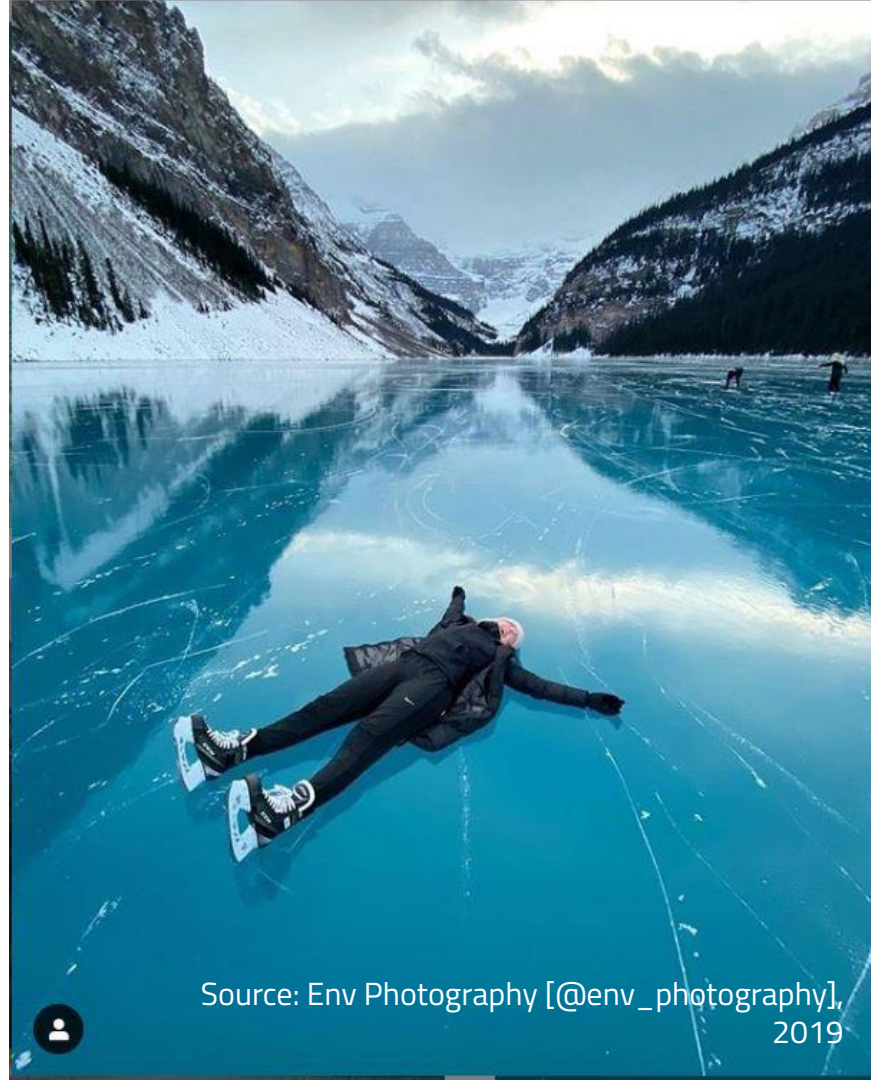
Recommendations
for marketers

1. Clearly label the post with transparent wording.
2. Focus on creating entertaining, enjoyable content.

What's next?

Implications and future outlook

Future outlook
What's next?

1. Not just a trend

2. Stricter regulations

3. The rise of nano influencers

Questions?

Thank you.

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