



# Who gets influenced by **Influencer Marketing?**

The new weapon in the marketer's arsenal.

by Neeraj Pratap

## HANSA CEQUITY INFLUENCER MARKETING SNAPSHOT

### Why read?

Marketing is an easy prey to new trends. However, one can only ignore trends at your brand's peril.

Influencer Marketing has been lurking in the background and is a clear evolution from brand ambassadors and advocates.

Influencer Marketing is no longer an indulgence but is mainstream with investments in double-digit billion dollars by 2020.

As is true with any evolution, it's easy to rush into investing in Influencer Marketing. But, without a thought through strategy it is most likely to fail. How to set KPIs? How to devise Influencer led purchase paths? And many more such questions exist. The Hansa Cequity Influencer Marketing Blueprint is a key tool to help navigate the early days.

## INFLUENCER MARKETING



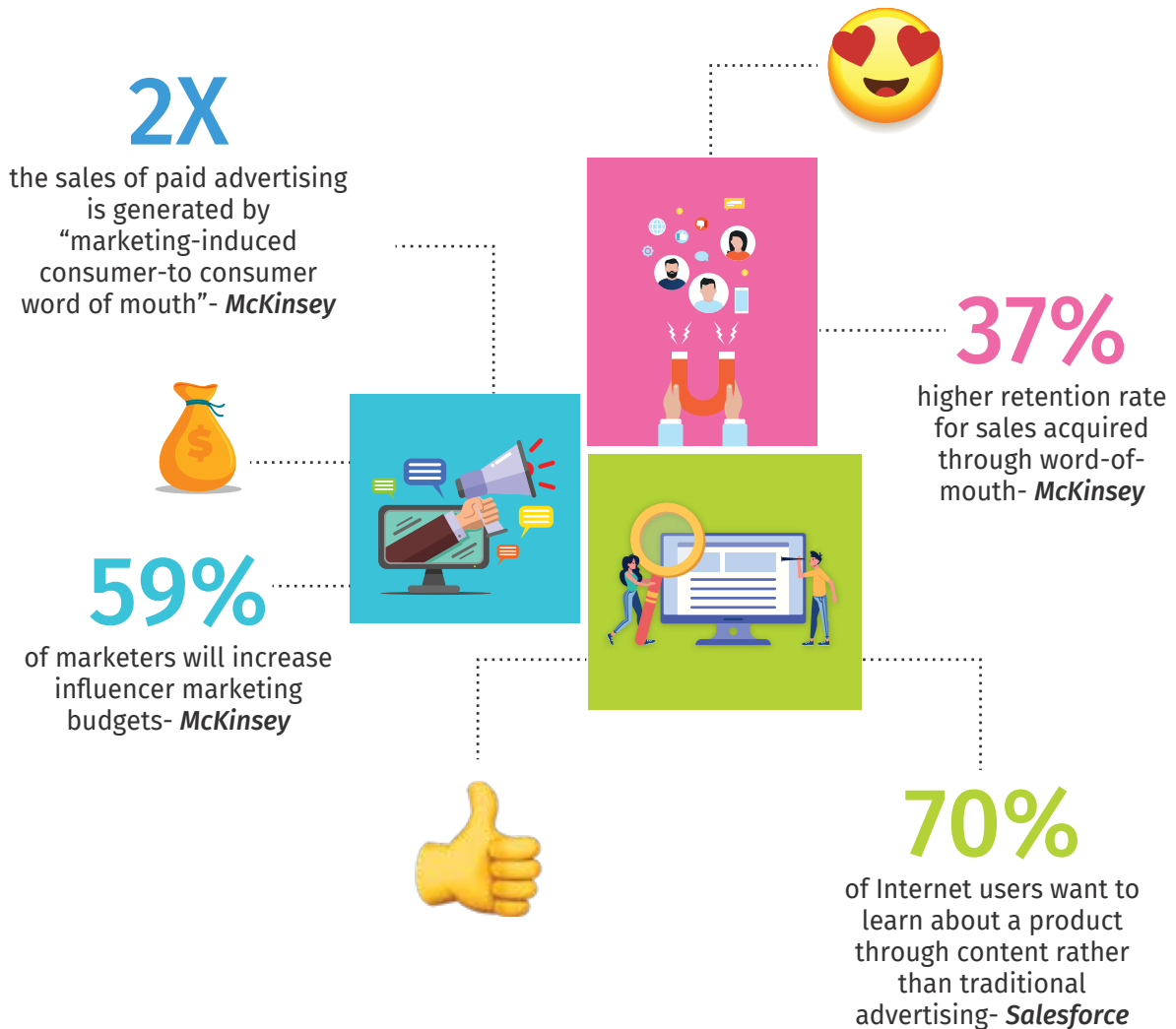
Interest in  
**influencer marketing**  
has risen more than

**90X**

*(from 2013 to present based on  
analysis of Google keywords and  
Google trends)*

The ICC Cricket World Cup is currently on and cricket fever is slowly reaching a crescendo. Watch any of the matches on any of the platforms and you will see a surfeit of ads featuring cricketers and film stars promoting an assortment of products and services. Brands and Services have an insatiable need to reach out as quickly as possible to as many as possible.

So, what's the journey like from brand ambassadors to brand advocates to brand influencers in the digital world. Influencers have always been around, but they have taken centre-stage in a digital world. According to a Nielsen study more than 90% consumers trust people in their network, they are the first ones they go to for an opinion before making a purchase decision and influencers are an integral part of that.



According to an industry estimate, Influencer Marketing is set to be a \$ 10 Billion business globally by 2020. It is important to understand the reasons for the rise of Influencer Marketing:

1

Celebrities, Film stars, Sports Icons – they endorse anything and everything. Celebrity endorsements helps brands gain quick awareness but lack credibility. People prefer peer reviews or reviews from subject matter experts. Specially teenagers depend more on influencers than on celebrity endorsements.

2

An overwhelming majority of woman use social media before making brand choices and many of them are influenced by recommendations on Instagram, Facebook and Twitter. More so in areas of fashion, design, technology, food, health and wellness. Marketers are discovering that Influencer Marketing is the fastest growing online customer acquisition formula.

3

Involved and engaged customers are highly ‘influenced’ by influencers and a high percentage of them make purchase decisions based on these recommendations.

4

Trust – A five-letter word that is the single most important reason why Influencer Marketing is in its ascendancy. Influencers in our social networks have developed a bond of credibility and intimacy with their audiences leading to greater trust and influence.

The most influential element during purchase journey today is word of mouth. Digital and Social Media has ensured that a multitude of people can put their word out.



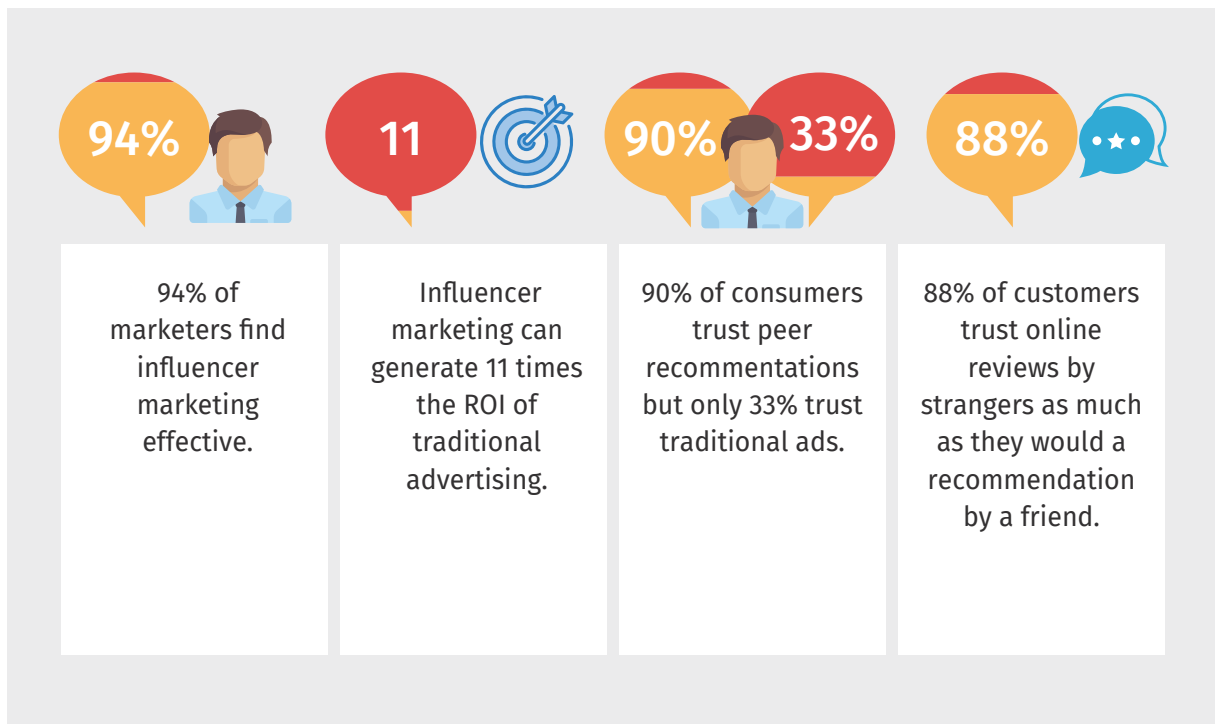
## Who is an Influencer?

*“A person who has the ability to nudge a purchase decision for or against a brand or service due to her command, knowledge, societal standing, credibility and relationship with her audience.”*

The Influencers hold significant power over their audiences. They authentically and originally demonstrate how to use products and services. They stick their neck out, put their reputation at stake by putting out their opinions on their

personal social media platforms. Influencers and credibility must go hand in hand and the successful influencers have worked on building this trust with their audiences over time.

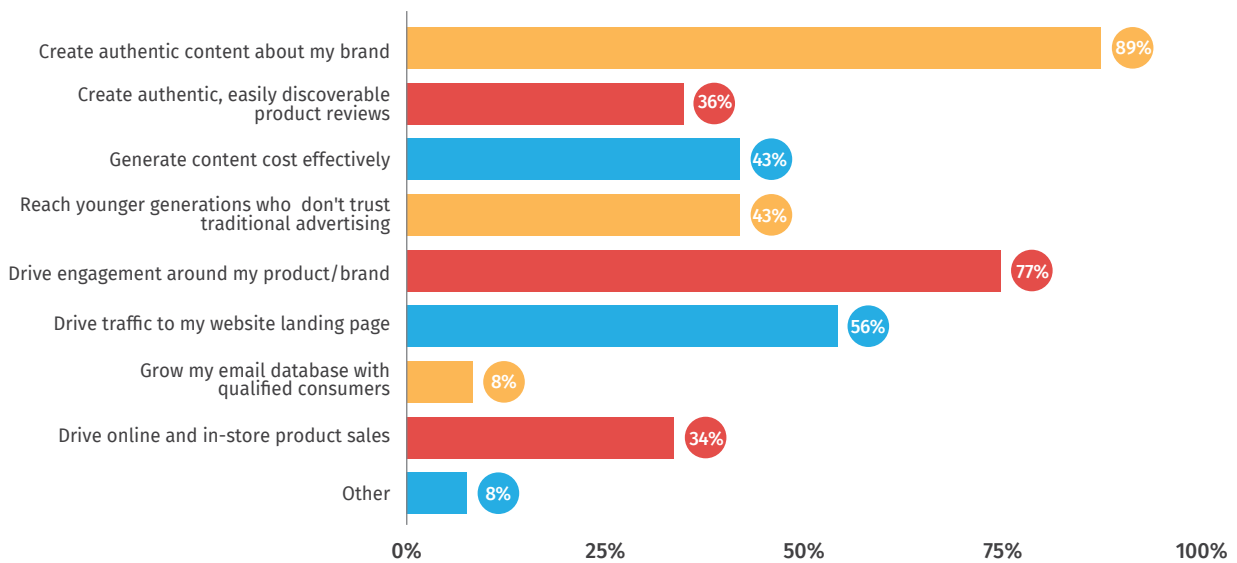
## How effective is Influencer Marketing?



Source: Linqia

1. According to a Gartner study, 70% of consumer goods companies are using Influencer Marketing.
2. A BI Intelligence report states – The average engagement rate of influencers is at 5.7%, almost double of the engagement rates that brands are seeing for their own content.

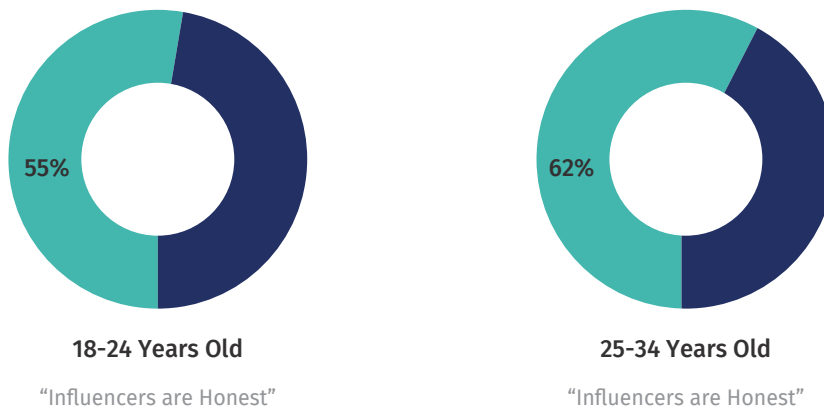
### THE TOP BENEFITS OF INFLUENCER MARKETING



Source: Linqia

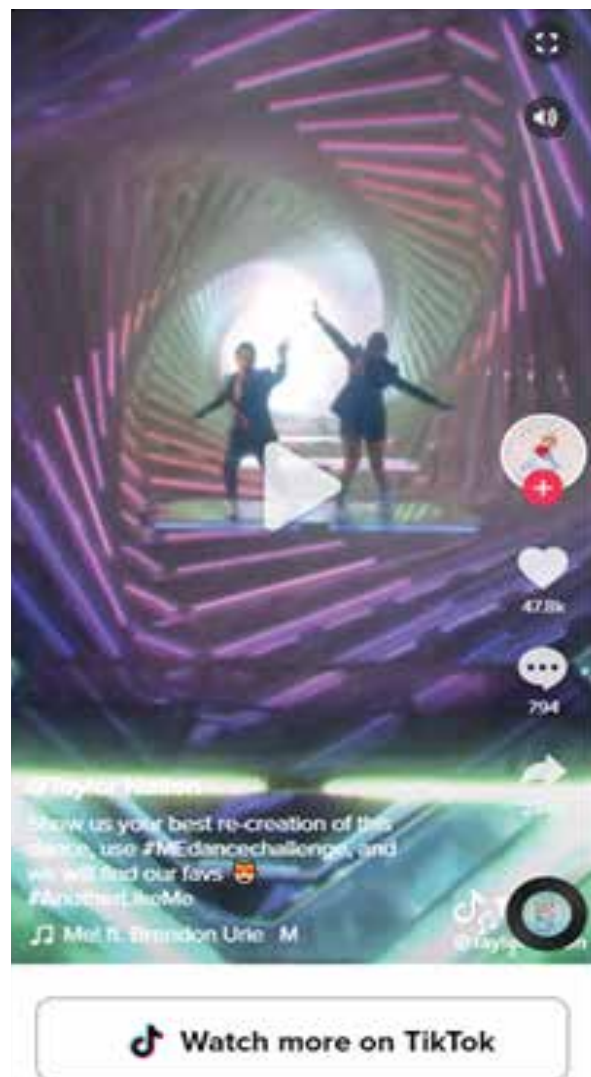
3. A study by Fullscreen and Shareablee states - 62% of 18 to 24 years-old and 55% of 25 to 34 years-old said they believe influencers were honest about their beliefs and opinions.

### TRUST IN INFLUENCERS



Source: Fullscreen and Shareablee

4. More than 25% of US internet users have deployed ad blocking tools according to eMarketer. This effectively means that 70 million people in the US will never be exposed to digital campaigns and this is a number that is fast growing, even in India. Brands by using influencers, by-pass these ad blockers and can connect with a more engaged and involved audience.
5. Pop Diva Taylor Swift released her single- ME in April 2019. Swift posted a clip from her video on her TikTok account with the hashtag #Anotherlikeme, a lyric from the song. She requested fans to share their best re-creation of this dance using #MEdancechallenge and to find their favourites. Within a week #Anotherlikeme had received over 3 million views and #MEdancechallenge had received over 500,000 views on TikTok.



## Types of Influencers



### **Domain experts:**

Also known as Subject Matter Experts (SMEs). For example, in the fashion industry it could be the fashion designers, make-up artistes, customised beauty product creators, professional services advisors, etc.



### **Bloggers and content creators:**

Influencer Marketing has given rise to the profession of blogging and content creation. This is very hard work as the creator needs to be well versed with the product, its competitors, the category and the industry. Professionals in this space work hard to demonstrate their expertise and their ability to pick up nuances and product benefits on one hand one way or the other and the customer needs on the other to create the magic potion of 'influencing' their audience.



### **Micro- Influencers:**

They are probably the most authentic influencers. They have become known not for their qualification but for their in-depth knowledge and desire to understand a category better. They come across as more genuine and relatable. They will have a smaller, niche following, but very focussed and targeted. They will have less than 10,000 followers.



### **Macro-Influencers:**

They have a larger and more diverse audience compared to micro-influencers. They have a well-established network and are already working with brands to drive preference. Typically, have under 50,000 followers. This is a tribe that will grow at a very fast pace.



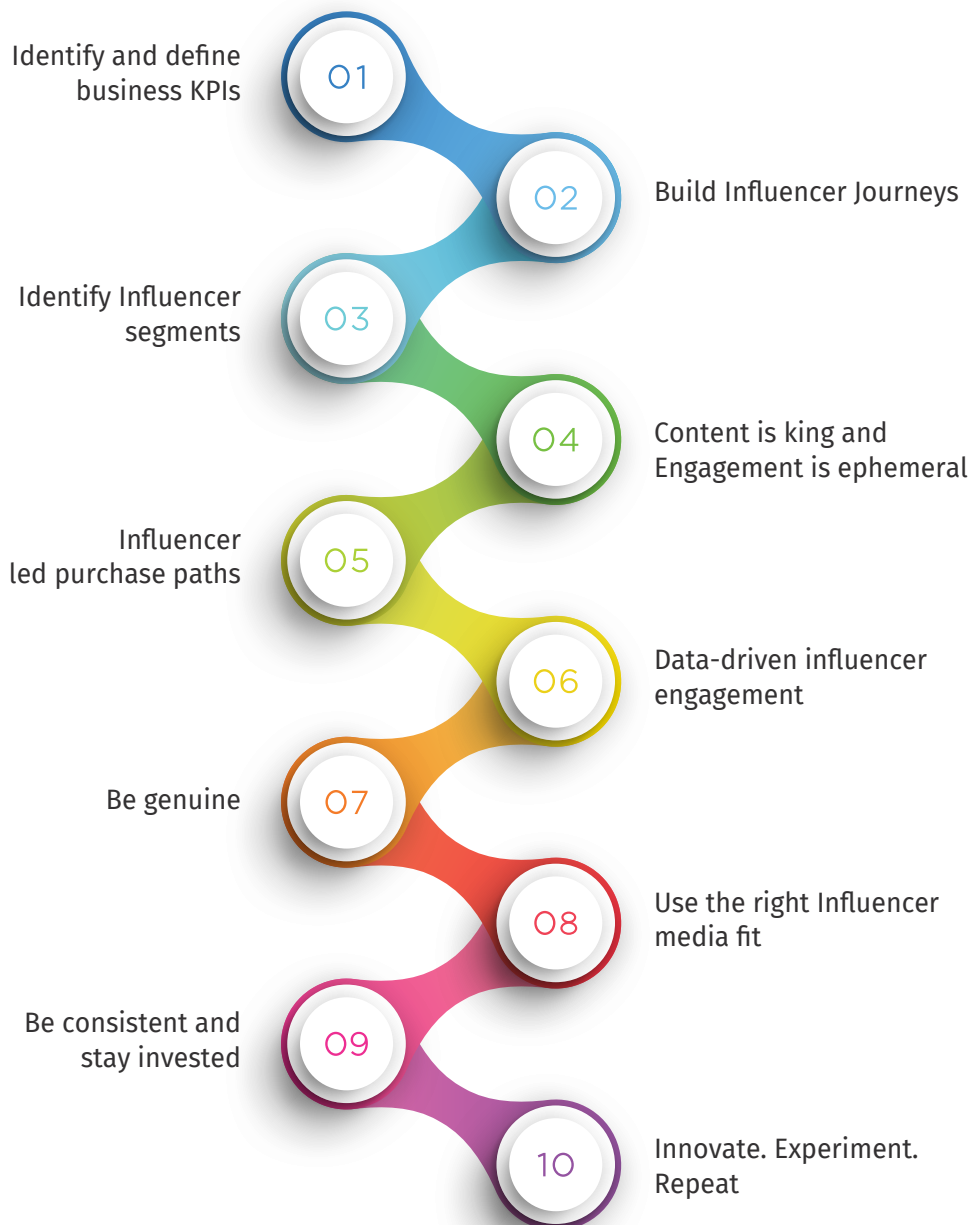
### **Celebrities:**

In the Indian context, film personalities and sports stars. Their ability to be perceived as a serious influencer will be restricted to their area of expertise. For example - for sports icons it will be athletic gear, fitness products. For Film stars, it would be Clothing, Fashion, Accessories, personality driven products. In the mainline advertising, we have seen these celebrities pretty much sell everything from hair oils to cars to consumer durables to online tutorials to undergarments. This strategy won't work for an Influencer Marketing program. The right content and context will have to be created to drive believability. Celebrities typically have more than a million followers and their ability to spread the word out quickly is high.



*The Hansa Cequity Influencer Marketing Blueprint provides a well thought out roadmap for brand success. It clearly articulates the steps involved and provides a detailed roadmap for successful execution:*

### THE HANSA CEQUITY INFLUENCER MARKETING BLUEPRINT--



## THE HANSA CEQUITY INFLUENCER MARKETING BLUEPRINT--

### 1. Identify and define business KPIs:

It's a myth that Influencer Marketing campaigns are not measurable, and they are a part of the new-age innovation-driven marketing indulgence. Influencer Marketing has come a long way from engagement rates and Cost per Engagement (CPE). ROI metrics including word of mouth, sentiment, operational ROI and Affiliate live tracking are transforming how marketers in mature markets are analysing and tracking the success of their Influencer Marketing strategies. Consider using Influencer Marketing Platform tools to help articulate and drive KPIs. Services offered by these tools include – Influencer Discovery, Campaign Management, Influencer Market place, Third party Analytics, Influencer Content Amplification. There are different tools for different networks. Choose wisely.

### 2. Build Influencer Journeys:

Interest generators, value builders, passionate enthusiasts, information sharers, power users etc. Each of these journeys are unique and brands/organisations will need to think this through while making their strategies. This will help set the objectives at the onset and hence lead to a seamless implementation strategy.

### 3. Identify Influencer segments:

An important next step is to identify the types of influencers to be used as part of the strategy. It could be a mix of Domain experts, Bloggers and content creators, Micro and/or Macro influencers or Celebrities.

### 4. Content is king and Engagement is ephemeral:

Influencer-led segmented Content – Category conversations, emerging trends, value/benefit reinforcers, user experiences, advisory solutions, query solvers. In the context of content, it is not only the insight or the idea. It is about the quality of execution and the use of tools and technology that enables influencers to create high quality, engaging, intuitive and innovative content strategies. Keep track of changing trends. Cinemagraphs, Boomerangs, Stop-motion, Stories, GIFs and AR filters are some of these formats. Keep engaging using different ideas and technologies. High-quality content driven engagement is key to success.

### 5. Influencer led purchase paths:

Design unique purchase journeys, keeping customers unique personas in mind. Build curiosity /Trigger interest/ Flirting followers/Involved Followers/Engaged Considerers/Transactional buyers/Emotionally involved buyers/Engaged Advocates. Lock-in influencer segments with purchase paths.

Major global brands like Gerber Baby Food has successfully used influencers to lift sales. Gerber's Li'l Beanies attributed a 5% lift in sales to influencers sharing stories and content about their children enjoying Li'l Beanies and offered coupon codes and discounts to followers. Gerber worked with 324 influencers specialising in niches from active living to food to parenting. What the influencers had in common was that they all had children under the age of two. A very powerful way of communicating to the audience that the influencers have a lot at stake, and they will not ethically mislead their followers. The influencers created more than 9490 pieces of content, generating more than 260,000 clicks, likes, comments, shares and retweets.



Source: Amber, Busy Creating Memories

## 6. Data-driven influencer engagement:

Moving customers across the purchase path through a data-driven engagement strategy. At Hansa Cequity, we do trust our intuition, but the holy grail is data-driven decisions. Every journey and purchase path needs to be embellished with relevant data that aid design a successful Influencer Marketing strategy.

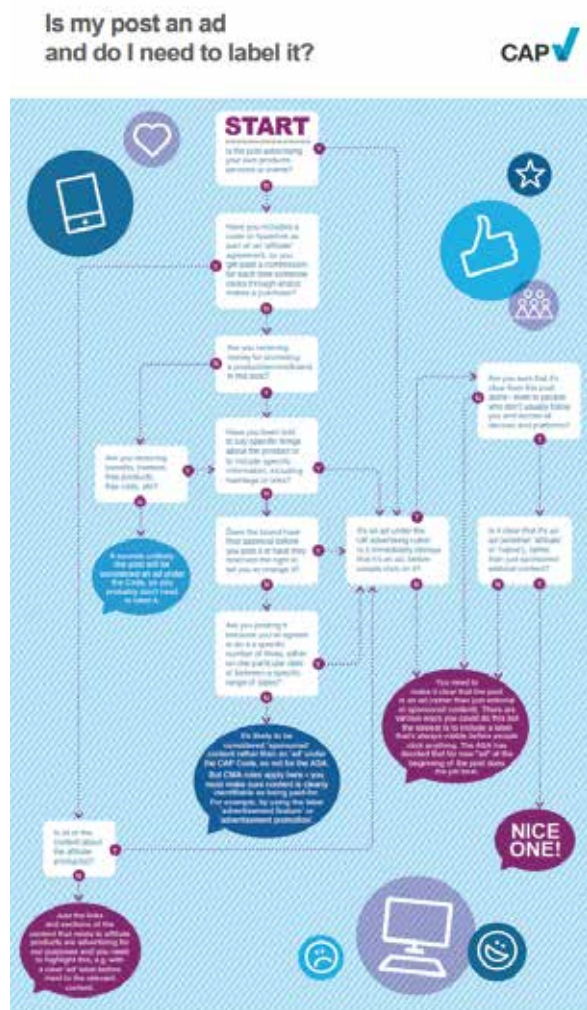
## 7. Be genuine:

Real influence will come from being authentic. The Influencer Marketing strategy must resonate with the Brand strategy and Purpose. Be truthful and honest. Be transparent.



Source: Lingja

Follow the rules. This is the only path to success. In the UK, the Advertising Standards Authority (ASA), the Committee of Advertising Practice (CAP) and the Competition and Markets Authority (CMA) have come together to create an Influencer Guideline. Do not be on the wrong side of the law. Influencer marketing is a double-edged sword. Very difficult if not impossible to win back trust.

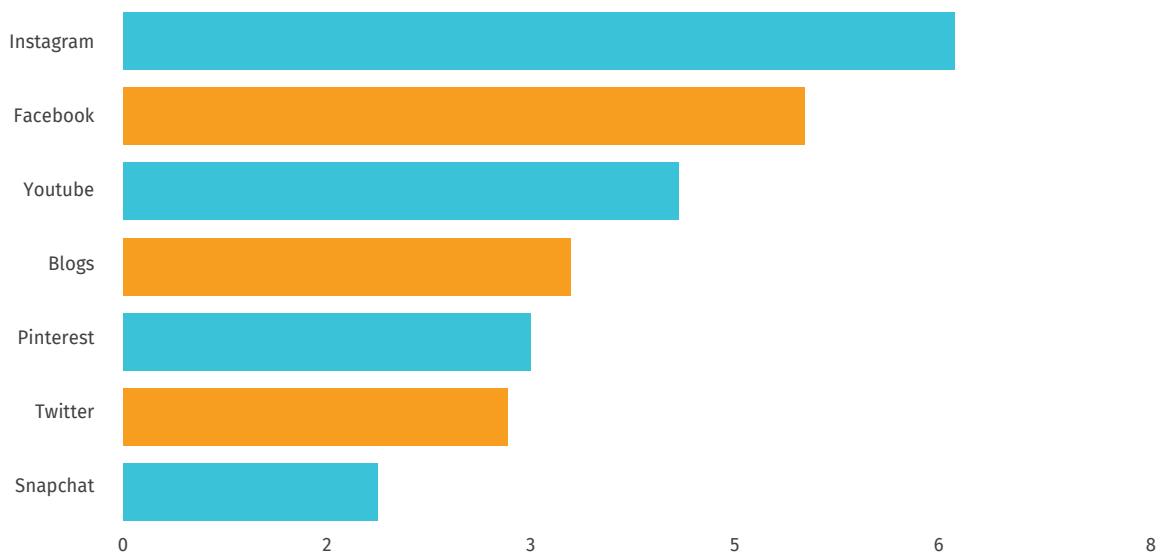


Source: Committee of Advertising Practice (CAP), UK

**8. Use the right Influencer media fit:** Right content in the right place is important.

Platforms like Instagram, TikTok, twitter, Facebook, YouTube, Pinterest, Blogs, Podcasts, etc. are the primary platforms. Each of these platforms can cater to a unique need and help develop a holistic Influencer Marketing strategy.

**PLATFORMS THAT ARE MOST IMPORTANT FOR INFLUENCER MARKETING STRATEGIES IN 2019:**



**9. Be consistent and stay invested:**

Influencer Marketing is not a Super Bowl or IPL ad or a 100 metres sprint. It is a marathon. Keep at it. Have a content calendar. Keep evolving.

**10. Innovate. Experiment. Repeat:**

Influencer Marketing is like the solar universe. It keeps evolving. Use hashtags, challenges, takeover ads, native videos, Insta stories, 3D/AR lenses to drive engagement. Keep discovering new ideas, platforms, technologies, influencers and trends.



The Hansa Cequity Influencer Marketing Blueprint will ensure that the micro-journeys are mapped out in great detail and all possible interventions in the right context with the right content are enabled. Influencer Marketing is a significant addition to the marketing arsenal. Brands, services and organisations must apply the Blueprint to ensure a seamless path to purchase and the ultimate desire to deliver a great customer experience resulting in customer acquisition, retention and engagement.

*“ We still live in a world where people trust people. There are certain things that we can talk about and convey about ourselves, but there are other things that need to be validated by the people that consumers fundamentally trust”.*

**Magnus Jonsson**, Clorox, VP – Brand Engagement

# ABOUT HANSA CEQUITY

## CEQUITY'S BUSINESS IS HELPING COMPANIES ENHANCE CUSTOMER EQUITY.

Founded in 2007 with the belief on customer equity being the only differentiator in the next era of business, Cequity works with top management teams to create and operate customer-centric strategies as a strategic asset.

Our work across clients, independent research and studies done by us to understand customer value drivers, show a strong correlation between superior customer experience and strong improvement in the bottom line.

## WHO WE WORK WITH?

Our clients are typically bold, ambitious business leaders who seek to create a customer intelligence led differentiation. They have the talent, will and open-mindedness required to succeed. They are not satisfied with the status quo and are looking to transform customer experience in their firms.

## WHAT WE DO?

We help companies acquire, retain and manage customers optimally. We help managements define actionable customer strategies driven by data, analytics, marketing technology and creative insights. We take it a step further by working with management teams to implement and operate on these strategies to achieve the desired success.

## HOW DO WE DO IT?

Our elegant integration of multiple services as a service platform - strategy, data, analytics, technology, campaign management, digital, customer relationship centres and creative solutions; creates outstanding results for our clients. Our deep experience as a consulting and operating partner to clients enables us to achieve tangible business impact and success for them.



## Neeraj Pratap Sangani

Neeraj is a customer experience & marketing specialist with experience in business/marketing consulting, brand building, strategic marketing and digital marketing. He has developed and executed CRM projects, data integration projects including customer life cycle management, customer segmentation and customer engagement for clients across different verticals like BFSI, Auto, Retail, Consumer Electronics and Durables, Agro-Chemicals & Media.

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