



Influencer marketing isn't what it used to be

Influencer marketing has the potential to deliver results, but it's had a bit of a bad rap of late. This was most infamously impacted by the Fyre Festival saga, where festival attendees paid out thousands of dollars for an experience that did not live up to the expectations set by influencers. An instance that shone a spotlight on a growing number of not-so-professional influencers that were guilty of overplayed missteps and lack of transparency in promoted posts. In response, the issue was then exacerbated by the infamous crackdown from Instagram at the end of last year on "inauthentic activity," which highlighted the prevalence of bot followers and "black social" techniques, a phenomenon where brands or individuals pay to significantly increase their followers.



What does this mean for the industry?

In the past, securing the influencer with the most followers was a win. Now? Not so much. Consumers and brands are catching on, losing trust in mega and macro influencers with mass followings above 100k. In fact:

47 %	47% ¹ of consumers are fatigued with
	repetitive influencer posts.

60%² are much more likely to trust their close friends and family



^{1. &}lt;a href="https://www.thedrum.com/news/2018/08/02/people-are-getting-sick-repetitive-influencer-posts-and-49-want-stricter-rules-ad-49-want-strict

https://www.forbes.com/sites/forbescommunicationscouncil/2018/10/05/the-real-problem-with-influencer-marketing-youre-focusing-on-the-wrong-influencers/#6dec2bcd42d7



On the back of this, marketers are experiencing both positive and negative influencer marketing results. Ironically, though a disaster on many fronts, the Fyre Festival actually proved just how much impact influencer marketing can have. Even the "fake following" trend from bots has not deterred brands, with 65% planning to increase their spend.¹

All positive stuff, but is it enough? Apparently not. The Association of National Advertisers found that:





 $[\]textbf{1. https://www.marketingweek.com/2018/07/20/brands-plan-to-increase-spend-on-influencer-marketing-despite-concerns-over-fraud/order-frame-fr$

^{2.} https://www.ana.net/content/show/id/48437



Time for a strategy rethink? Probably

Whatever your experience or current approach, there are many factors that could be muddying the waters. But chances are, your overall influencer strategy could benefit from a rethink.

In this ebook, we reveal common influencer marketing mistakes and what you can do to fix them.

By identifying the bad bits and incorporating a solution, you can get one step closer to building a successful, no, epic!, influencer partnership program. You will learn:

- Why it's important to build long-term relationships with influencers
- How you can reward influencers based on performance
- How to save time and avoid unnecessary admin

- Why diversifying the types of influencers you work with is important
- How to align your campaigns with bottom-line objectives
- How to avoid the fallout from bots and fake followers





Mistake 1: You're paying for posts without measurement

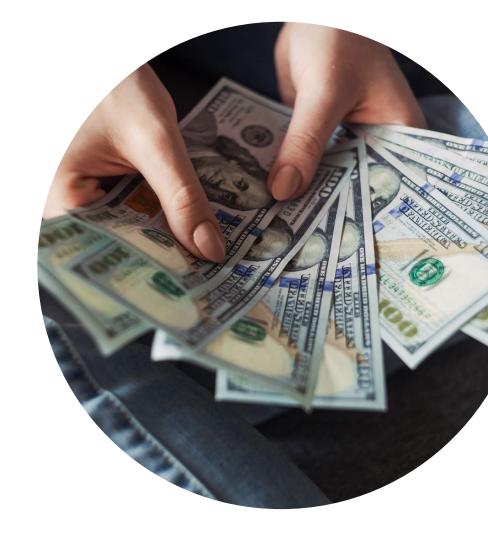
Despite the rising uncertainty over the authenticity and effectiveness of mega and macro influencers, there are a surprising number of brands still using the same "throw money at it and hope for the best" mentality.

In fact, 37%¹ of marketers struggle to set goals and understand results with their influencer marketing program. As the era of using "followers" as currency dies, so does the tactic of paying for posts, especially if you have no way of measuring performance. At a PRWeek Breakfast Meeting last year, Founder and CEO of global agency Manifest Alex Myers hit the mark when he said:²



"The idea that a brand can offer an influencer a grand to just post something online is not just irresponsible, it's shit."

Myers's point was that influencer marketing is most successful when you recruit genuine advocates of the brand, and then measure the results of their advocacy against the business goals you've set out.



^{1.} https://www.relatable.me/the-state-of-influencer-marketing-2019

https://www.prweek.com/article/1495125/pay-post-influencercampaigns-irresponsible-will-destroy-its-credibility



The problem: "Paying without measurement"

Transactional relationships have limited value

Treating influencer marketing like a "transaction" will not help you nurture a long-term relationship, especially if you're looking for one that will deliver more value for both parties.

For example, respected beauty, lifestyle and fashion influencer Sazan Hendrix recently shifted toward longer term brand ambassadorships versus shorter term one-off posts. Most recently with Maybelline, Olay, and CVS, she said:¹



"It is far easier to create organic and honest integrations with brands over time as opposed to an individual post here and there for random companies."

Investment in influencer partnerships has never been higher, with \$2B spent in 2017 but this increased spend raises the stakes: it's never been more important to ensure you're spending smart. To fix your influencer program, you need to figure out how to spend your money wisely.









The solution: "Nurture advocacy long term"

Marketers believe that authentic storytelling is most effective. Luckily: influencers tend to agree: 71% of influencers believe that an "honest and authentic voice" keeps their audience engaged.¹

Thus, long-term ambassadorships are far more effective than a transactional one-off paid post.



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Every influencer is different

Through a long-term relationship, you can better understand the value return from influencers over time and align incentives with your desired business goals.

There are a number of ways to incentivize influencers to encourage advocacy and build a long-term relationship. Impact's dynamic payout functionalities enable pay-per-post models and a uniquely broad array of performance-based payment options that can incentivize but also stimulate your influencer partners' productivity.

EXAMPLE: In addition to a fixed fee, you could set up a 3% participation bonus, which guarantees that the influencer will receive partial credit for the success of their content, even if they don't win the last click. This will encourage influencers to cater their content to your business goals, ensuring that their work remains economical.







Mistake 2: You're wasting time with unnecessary admin

The average marketer spends around 16 hours a week on routine tasks¹. This basically equates to *one third* of their working week wasted on repetitive administrative activities that could be automated.

With influencer marketing specifically, 30% of marketers² said that reducing time spent managing influencer campaigns was a top challenge. There is a lot of admin to consider: finding influencers, partner onboarding, term negotiations, content approval, constant back-and-forth messaging, and manually cutting and distributing checks.



30%

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^{1.} https://blog.hubspot.com/marketing/marketers-routine-tasks-data

^{2.} http://mediakix.com/influencer-marketing-industry-statistics-survey-benchmarks/



The problem: "Unnecessary admin"

Marketers are overwhelmed with excess admin

Unfortunately, because the process is so time consuming, there is also a tendency to cut corners with hacks like cold outreach and the dreaded "copy and paste syndrome," whereby marketers simply paste and send the same email to every single influencer. Not only is this approach inauthentic, it's less likely to engage an influencer and often leads to embarrassing fail moments with the wrong name or context.

Cofounder of Crazy Egg, Hello Bar, and KISSmetrics Neil Patel adds³:



"Communicating with your influencer is super important. If you don't, you could find your campaign falling apart. There are lots of ways this can happen, but probably the most embarrassing is the 'copy and paste' syndrome.... It's a marketing nightmare, and it's real."

Even if you have invested in influencer marketing tools that are supposed to make your job easier, chances are they are not working for you. The point solutions that brands stitch together to manage influencers only solve partial problems — in fact, most brands only invest in tools to bolster social discovery, neglecting measurement and full influencer lifecycle management.



^{1.} https://www.forbes.com/sites/barrettwissman/2018/10/09/long-term-partnerships-the-next-wave-of-influencer-marketing/#51335392469a

^{2.} https://www.thedrum.com/news/2019/04/03/influencer-marketing-2019-what-you-need-know

https://neilpatel.com/blog/influencer-marketing-mistakes



The solution: "Automation"

Save time through automation

Automation is a macro trend in influencer marketing right now, and for good reason.

The amount of administrative time required to find, onboard, and then manage influencer relationships through the full lifecycle is immense.

The time it takes to run an influencer marketing program was a top challenge for marketers in 2018.¹

Manual discovery and individual outreach alone cripples advertisers' efforts to find and recruit the right influencers, especially at a large scale. If you're still doing this manually or using tools that don't get the job done, then you are wasting precious time.

Using partner CRM automation tools within Impact's Partnership Cloud, you can automate workflows and manage onboarding with automated emails. With flexible workflow automation, you can then manage hundreds, even thousands of partners' recruitment, onboarding, engagement, and optimization functions.





Partner lifecycle management tools also handle payouts and track the revenue generated by influencer involvement, which enables marketers to capture cost and revenue data for reliable ROI calculation over time.

It can also act as a global clearinghouse for influencer partners. An advertiser can deposit into the clearinghouse and automatically pay out each influencer based on the terms of the contract they have agreed upon.



Reducing the time spent on administrative tasks will give marketers more time to nurture impactful influencer and partner relationships and develop compelling campaigns. The ability to measure results and run automated reports will also help achieve and demonstrate success.

This is not only motivating for marketers, it's better for their businesses and their influencers.





Actions you can automate include:

- Finding new influencers for your brand
- Organizing prospective influencers for optimal outreach
- Recruiting new influencers
- Setting payment terms
- Emailing new offers
- Onboarding influencers to your program

- Re-engaging influencers that have become latent
- Monitoring influencer posts for brand and regulatory compliance
- Emailing new products
- Approving content
- Measuring performance
- Paying your partners





Mistake 3: You don't have enough micro and nano influencers

Many brands that previously focused on celebrity and macro influencers are now getting more creative with their partner selection, but the time and stress of managing a campaign is causing many to miss out on the opportunity to include more long-tail opportunities with micro or nano influencers.

In this context, long-tail means longer term relationships with influencers with 1,500-50k followers that could drive marginal progress toward your business goals.





The problem: "Not enough micro and nano"

In this context, long-tail means longer term relationships with influencers with 1,500-50k followers that could drive marginal progress toward your business goals. To help highlight the value of including a diverse mix of influencers, research found that Instagram influencers with:

1-10k followers

get

4%

of their likes from their audience.

get comments

.3% of the time.

10 m + followers

get only

1.6%

of their audience to like a post.

get comments

.04% of the time.

Influencers by audience size



Nano: Fewer than 10k followers



Micro: 10k-100k followers



Macro: 100k-1m followers



Mega: 1m+ followers with celebrity status



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[.] https://blog.mention-me.com/micro-influencers-where-should-trust-marketers-stand



Lower number of followers, higher return

A 2019 influencer marketing report¹ found that influencer partners with 50-250k followers delivered 30% better ROI per dollar spent than those with 250k-1m, and 20% better than those with 1m+ followers. These findings highlight two things:

- Scale isn't everything
- Nurturing a diverse list of influencers, including nano, micro, macro, and mega influencers, is important

Echoing these thoughts, in a recent article in *The Drum*,² Head of Affiliates at Vouchercloud Clare Gore said:



"Influencer marketing has just come out of the 'Wild West' phase. People have realized that just because there are a few zeros in a follower count, it doesn't equal guaranteed return on investment.... An audience of 2,000 where 50% are directly interested is far better than an audience of 2 million where 0.005% are interested. It's targeted, it's cost effective, and it's efficient."

It's important to create a robust mix of influencer partners and make room for micro and nano influencers that can drive a lot more value in the long term. While there are many partner and social discovery platforms out there, many of them have limited access to influencers and their actual "influence" is often overstated.



^{1. &}lt;a href="https://influencermarketinghub.com/influencer-marketing-2019-benchmark-report/">https://influencermarketinghub.com/influencer-marketing-2019-benchmark-report/

https://www.thedrum.com/opinion/2018/11/12/influencer-recommendations-are-not-celebrity-endorsements



The solution: "Diversify your list"

Invest in a discovery platform that offers an unlimited and diverse resource of professional influencers to include:



Celebrity and mega influencers



Macro influencers



Micro influencers



Nano influencers or brand ambassadors

Using a varied mix of influencers is far more powerful than sticking to one kind alone. For example, macro influencers can increase engagement by 180% and micro influencers convert 60% more than macro influencers. Bringing the two together gives you a program that delivers better results than either in isolation.

Your customers and your employees are also fantastic vehicles for advocacy, so there is no reason you can't include some internal outreach or approach a loyal customer for collaboration.





Mistake 4: Keeping your influencers in a box

One of the biggest mistakes that holds many brands back is boxing influencer marketing into a pre-existing traditional channel definition.

Here's a few examples of siloed approaches:

- The social media standpoint: focusing on engagement and sentiment etc
- Performance channel: focusing on direct sale traffic tactics like coupons

The latter is exasperated by fear-based decisions from teams keen to hit their bottom line and jumping on the bandwagon after reading that "Influencer Marketing strategy X increased sales by Y%." VP of Mediarails by Impact Max Ciccotosto explains: The PR angle: focusing too much on metrics like views or reach.



"This silo-based approach can have a negative impact all round. Not only will you be unlikely to get a decent ROI on influencer produced content, you will also miss out on the opportunity to create content that is usable across multiple channels."



^{1 .}http://influencermarketingdays.com/blog/2016/10/interview-influencer-marketing-strategies/



The solution: "Take a universal approach"

Using influencers too narrowly, like legacy affiliates, is a common mistake. All of the content produced by your influencers is additional content for you to use across multiple channels. It can be repurpose far beyond the promotion you're paying them on a performance or revenue basis to do.

A universal approach will help you increase ROI on spend

Your influencers can also be part promoters, part creative agencies whereby everything they create is another tool to your creative armoury. Consider the bigger picture and encourage them to create content that isn't just hyper focused on the campaign and hand and can be used more broadly. For example, you could use influencer content for:

- Advertisement creatives
- Onsite testimonials
- Demand generation assets
- Blog content

- Press release imagery
- Event collateral
- Email marketing

Once to start to tap into the full lifetime value of influencer content, you will start get the best out of influencer marketing and unlock previously unseen opportunities.

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Mistake 5: Your objectives don't align with the bottom line

Like any top-funnel marketing activity and brand awareness campaign, proving the value of influencer marketing has historically been difficult.

However, as budgets for influencer marketing increase, so does the need for accountability. As it stands, less than a fifth (18%) of companies¹ are able to integrate influencer marketing into their broader ROI calculations, even though they believe understanding performance is critical. Many advertisers are still relying on "vanity metrics," which don't really hold any meaning and includes metrics such as number of followers, likes, and first-click.



Less than a fifth (18%) of companies¹ are able to integrate influencer marketing into their broader ROI calculations



^{1.} https://econsultancy.com/18-percent-marketers-include-influencer-marketing-roi-calculations/



The problem: "Lack of insight into ROI"

Still caught up in vanity metrics?

As influencer marketer standards continue to mature, advertisers and agencies are becoming more dissatisfied with vanity metrics and often frustrated with the seemingly impossible task of establishing the true value of their influencers.

Ask yourself these questions:

- Are the new followers actually likely to convert or relevant?
- What are the "likers" liking—your product or the influencers themselves?
- What did they do after they made that first click?

If you have decent tracking in place, you will be able to answer all of these questions—but many don't. In fact, <u>fewer than a third</u> of influencer campaigns use trackable links in their content for attribution.¹ If you're currently running an influencer program without performance management, not only is your program probably broken, you will have no idea how to fix it.





The solution: "Attribution and conversion tracking"

Measure performance through attribution

Chances are you already know that much of your influencer performance tracking has been "best guess."

To avoid guesswork and overuse of random graphs to prove a point at board meetings, leverage attribution and conversion tracking tools built to capture the real, measurable value of influencer partners, campaigns, and programs and tie the results to business KPIs that your finance stakeholders really care about.









Custom reporting for greater transparency

For example, the Partnership Cloud enables you to generate custom revenue reports and track metrics that align with your objectives. Through Impact's Partner Insights, you can also review the impact of each individual influencer on the path to conversion. Better yet, you can also compensate influencers with dynamic automated payments based on that influencer's performance and set up a participation bonus to guarantee compensation, even when influencers don't win the last click.



Customer acquisition model with incentives

For example, if the goal is to introduce a lot of new customers to a brand, then influencers who introduce or participate in the conversion path of new customers can be rewarded, even if they are not the one closing the transaction. This will not only help you align your influencer marketing efforts with the wider business goals, but you will also be able to prove ROI and motivate influencer partners to provide exceptional content all in one fell swoop.







Mistake 6: You're using influencers that are "too good" to be true

Like-for-like behaviors and inauthentic marketing tactics are causing havoc for influencer marketing.

While fake "follower factories" have not helped, with an estimated 3.5 million fake Twitter accounts¹, a top challenge in the industry at the moment is attracting high-quality followers who are actually engaged with their brand. Low-quality users:

- Provide a like-for-like and activity drops off quickly
- Only comment to drive their own interests
- Follow so many accounts they are unlikely to actually "follow" you

This ongoing challenge of spotting the fakes and inactive users from the "actually interested" has caused marketers, influencers, and consumers alike to lose trust in social platforms and move away from "following" metrics to measure value.





The problem: "Low-quality followers"

Finding high-quality followers

In response to fake following factories, all of the major social platforms have hit back, with Facebook/Instagram in particular beginning a major crackdown. Millions of accounts have been removed in the last year, and many influencers have seen their follower numbers nosedive.1

No one wants to be paying to get in front of an influencer's huge following if that following consists largely of bots — bots don't become customers, after all. Spotting fake followers and bots is a top concern for 42% of marketers.²

Like-for-like co-ops and mass follow-for-follow behavior has also had an impact, as brands and influencers desperately try to raise their own follower count.

It's time to stop being dazzled by big shiny numbers and take a more critical approach to evaluating potential influencers.



Spotting fake followers and bots is a top concern for 42% of marketers.²

^{1.} https://thenextweb.com/facebook/2018/11/16/facebook-removed-1-5-billion-fake-accounts-between-april-and-september/







The solution: "Diversify your influencer list"

Include micro and nano influencers in your list

Bots, fake followers and like-for-like or inactive users are another good reason to make sure your list includes a number of micro influencers. Those with less inflated followings are less likely to be artificially inflating them.



When you are working with larger scale influencers, look critically at their content and ask yourself:

Is the level of engagement they're getting proportionate to their following?

If they have hundreds of thousands of followers, they should be getting a high number of likes and comments.

Does the engagement look genuine?

A generic comment like "nice photo" is likely to be a bot, whereas a specific comment such as "Your pink jacket looks amazing against that sunset" is much more likely to be from a real person — as long as the person in the photo is actually wearing a pink jacket and the sun is actually setting.





Are they engaging in any "click-bait" style activities?

Competitions that ask people to "like and follow to win" or offer "follow for follow" are underhanded tactics for growing followings, and influencers using these approaches are unlikely to have the highest quality of followers.

Better yet, find yourself software that will crunch the numbers and assess the quality of an influencer's followers for you. Rather than simply paying to get in front of a large following, you may prefer to introduce payment terms that reward only demonstrably valuable engagement. Using influencer fraud risk scores also enables you to adjust payout terms to avoid wasting spend on partners of questionable audience quality.



Key takeaways

Marketing is a fast-paced industry and influencer marketing in particular is going through rapid change. Now that we've uncovered some common mistakes and clear ideas of how you can fix them, we have highlighted some key findings to help you take action to fix your influencer program.



Restore the balance between paid endorsement and advocacy

Transactional influencer marketing techniques will not help you nurture influencer partner relationships that will deliver more value long term.



Use performance-based incentives to encourage advocacy

Every influencer is different, so use a solution like the Impact Partnership Cloud set up dynamic payment options that align influencer incentives with your desired business goals.



Don't get stuck in silos

It's easy to box influencer marketing into a traditional channel definition. A silo-based approach will rarely lead to decent ROI and you're likely to miss out on wider opportunities.









Automation is a macro trend in influencer marketing for good reason

Waste less time on discovery, onboarding and relationship management tasks through automation. Spend more time developing compelling campaigns.



Create a diverse influencer list to include mega, macro, micro, and nano

Mega and macro influencers are great, but often overstated. Don't forget to include long-tail opportunities with micro or nano influencers.



Avoid vanity metrics and start using KPIs that align with business goals

Followers, first-click, and likes do not demonstrate value in isolation, but using an intelligent attribution model for your influencer marketing will help you understand their role in the path to conversion.



Attribution and conversion tracking tools can help you measure ROI

It's important to effectively measure performance on your influencer marketing by utilizing tracking tools with intuitive reporting outputs. This will help you better understand ROI and reward influencers based on the value they deliver, even if they don't win the last-click.





Make your influencer program epic

So, now that you've discovered the five biggest mistakes, you probably discovered that your influencer program is indeed broken. But all is not lost — and you're definitely not alone. Most importantly, with the right tools you can get on the right road to making it epic. In summary, you need to understand:

- How the activity is impacting your bottom line
- The right influencer mix for your overall strategy
- How you can build long-term influencer relationships
- The results that you want to see and how to measure them effectively
- What tools you need to best manage and evaluate every stage of the process

When you've nailed those things, your influencer program won't just be fixed, it'll be epic.





About Partnership Cloud

With global capabilities, Impact's Partnership Cloud provides an integrated, end-to-end solution for managing all of an enterprise's partnerships throughout the world.

From discovery, recruitment and contracting to tracking, optimizing and commissioning – essentially the whole partner lifecycle – the Partnership Cloud answers enterprises' need to drive revenue growth from partners across the spectrum: traditional affiliates, influencers, strategic partners, app-to-app, premium publishers and more.

To learn more, visit

https://impact.com/partnership-cloud/ or contact sales@impact.com to schedule a free demo.

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