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# Managing different types of influencers

Contents

2



Segmenting the influencer market

About celebrities

About macro-influencers

About micro-influencers

About organic influencers

Closing thoughts



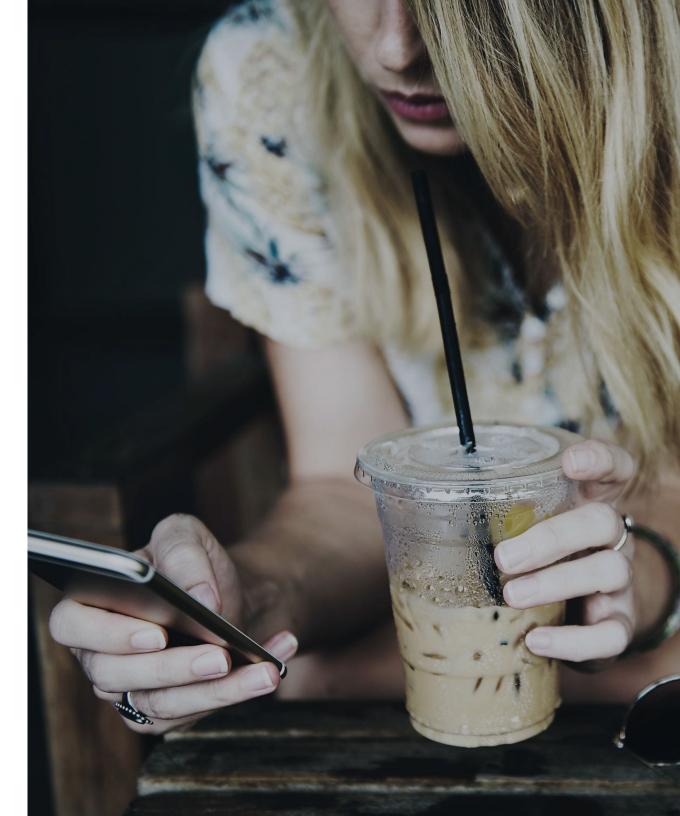
# Segmenting the influencer market

3

Most marketers know that influencer marketing can really pay off for a brand. Many have waded into influencer marketing, perhaps recruiting a celebrity and a few large influencers. Yet relatively few have systematically looked at the world of influencers and asked, "What's the best way to manage a portfolio of influencers — both large and small?"

To optimize your influencer program, start off with a framework — a way to classify influencers. But what types of influencers are even out there?

Use this ebook as a guide to how to engage and manage different types of influencers.



### Types of influencers

4

Segmenting the influencer universe often takes into account size of their following, relationship with the brand, channel affinity, and other dimensions.

This ebook places the various types of influencers into four buckets:

#### 1. Celebrities and cewebrities (>1m followers)

Celebrities are often famous for reasons outside of social media. They may be movie, tv, music, or sports personalities. Or they may be "cewebrities" who became famous online but now are universally recognized. Many are represented by talent agencies and charge brands per post.

#### 2. Macro-influencers (10k-1m followers)

These larger influencers often become popular thanks to social media. Macro-influencers can be local celebrities whose renown is amplified by social tools, or digitally-famous category experts. Some may charge per post while others are open to other types of payment.

### Types of influencers

5

#### 3. Micro-influencers (<10k followers)

These small influencers are numerous and often too fragmented for you to manage in a high-touch manner. A majority of the segment gains popularity exclusively through social media. Because of their smaller audience size, many micro-influencers recognize that they cannot command a "pay-per-post" payment model, particularly with large brands. They are therefore more likely to work on a performance basis.

#### 4. Organic influencers (any size following)

These influencers represent true earned media. Having any number of followers, organic influencers feel a strong affinity to your brand and continually say good things about it, unprompted, even if they're not paid for mentions.



### **About celebrities**

6

You guessed it — celebrities typically drive reach. Because these social megaphones generally have millions of global followers, many brand marketers are enamored of their reach potential.

Celebrity influencers naturally come with drawbacks. For example, they're outrageously expensive: When the Portuguese football star Cristiano Ronaldo posts on Instagram, he is paid upwards of a million dollars. This makes the singer Justin Bieber a deal at 300k to 600k per post.\*

Extreme costs and other drawbacks have many marketers beginning to ask whether working with celebrities is worth it.



Is working with celebrities worth the price?

7

A large celebrity audience generally means a less focused and less relevant audience. This may be problematic for brands trying to connect with their audiences.

Brand marketers prefer to broadcast their message to audiences that match their audience segment profiles — which may only be a small percentage of a celebrity's follower base. However, brand marketers also recognize the indirect effect of marketing to followers outside this core base.

Engagement rates tend to drop when an influencer's audience becomes too large. When a celebrity has a large, fan-based audience, it holds that a larger number of followers may find a particular brand endorsement irrelevant.



Tips for working with celebrity influencers

While it's definitely worth working with celebrity influencers, proceed with caution and remain aware of the cons that may come along with their massive reach.

If you decide to work with celebrities, keep these three tips in mind.

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## 1

Let your PR, business development, or social team manage your celebrities

If you have celebrity endorsers, they're probably already managed by your PR department, business development team, or social team. Due to the contractual complexities that come along with celebrities, it may be best to leave contract management responsibilities to that team.

2

## Track your celebrities through tracking tags and unique codes

Track everything, always. Tracking gets you closer to assessing the value of big marketing spends. Since marketers more than generously pay celebrity influencers, it's within reason to ask your celebrities to include unique tracking tags or codes so you can assess return on investment (ROI).



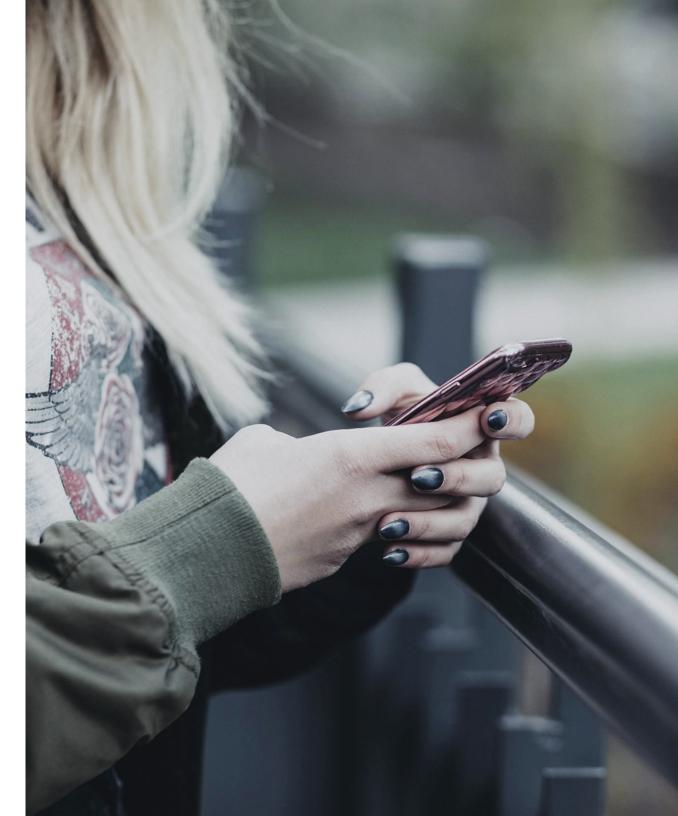
Don't be star-struck. Find the right personality

When choosing a celebrity to work with, enlist one who can credibly make claims in the product category you're asking them to endorse. A good choice of celebrity influencer would either have expertise in the space or an affinity (or association) with your product.

### About macroinfluencers

Macro-influencers are an attractive segment of influencers known for their broad reach. They're usually regular people who've achieved popularity on a particular platform due to their passion for a certain topic.

Macro-influencers share their stories, thoughts, reflections, captioned imagery, humorous observations, tips, advice, learnings, and ideas involving brands that inspire them. They're far more relatable and authentic to their followers and typically have a strongly engaged audience.



Fraud does exist in the influencer world

# Recent media events dispel the notion that bigger is always better.

It's easy to assume that well-known influencers with large followings are more trustworthy than little-known micro-influencers. But recent instances of fraud dispel that notion.

According to a 2021 study published in Forbes Magazine, up to 40% of Kylie Jenner's instagram followers may be fake. As to Kim Kardashian West, perhaps 37% of her 212.3 million followers are fake.\* Celebrity and large-scale influencers have unwittingly propped up a burgeoning industry that creates realistic-looking but ultimately fake follower profiles to artificially expand their clients' follower counts. Social platforms, for their part, have been lax in policing fraudulent account creation.

This naturally is a concern for marketers that end up paying growing amounts for large-scale influencer endorsements and posts that land in the feeds of millions of falsified profiles — never to be seen by human audiences.

https://www.forbes.com/sites/forbescommunicationscouncil/2021/08/27/why-even-the-worlds-richest-men-h ave-fake-followers-and-what-marketers-can-do-about-it/.



<sup>\*</sup> Dave Platter, "Why even the world's richest men have fake followers (And what marketers can do about it)," Forbes, accessed October 12, 2021,

Tips for working with macroinfluencers

Despite the potential threat of influencer fraud, macroinfluencers deliver great benefits like reach and engaged followers. Here are three tips that work well with this influencer segment.

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#### Determine the best team to manage macro-influencers based on your marketing goals

If your goals are branding or reach oriented, your macro-influencers can be managed by teams already set up to do so, like your PR, business development, or social teams. If your goal is to have macro-influencers drive measurable performance, consider your performance partnership team which is best aligned to that goal.

2

#### Get to know your influencers well

Many performance partnership teams know the value of reaching out and actually talking to partners. Get to know your macro-influencers in the same way: audit their feed for fit (voice and style), learn about their motivations, see if they've engaged with your competitors, find out how they grew their follower base, etc.



### Fight fraud by matching followers to performance

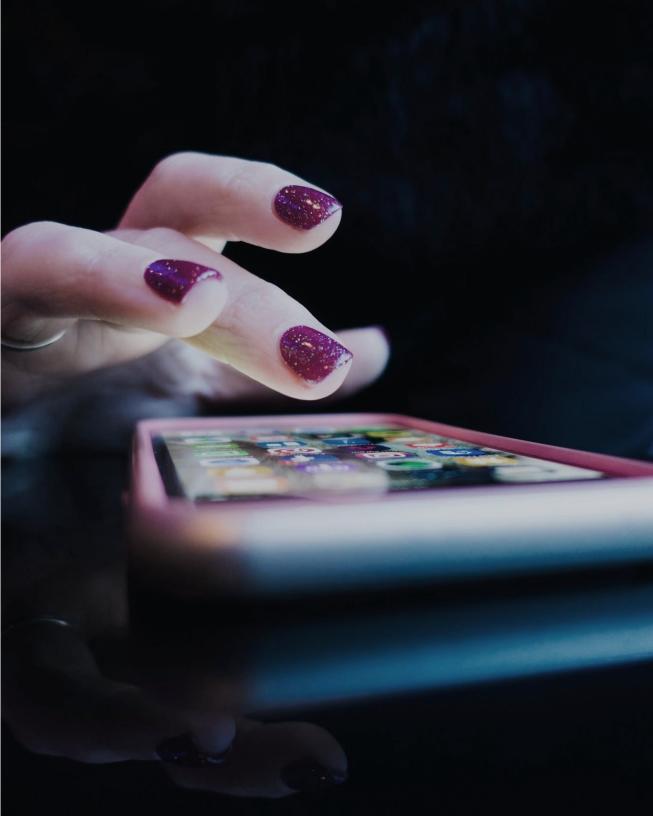
One of the more effective ways to prevent performance fraud is to reward your partners only when they successfully drive their audience to an action that generates revenue for the advertiser. You can use a similar setup for influencers. And while attribution fraud is still a problem in the performance world, it's harder to commit macro-influencer attribution fraud due to the closed nature of social platforms.

### About microinfluencers

12

Micro-influencers continue to receive praise and for good reason. They're far more affordable and drive greater engagement among their smaller audiences compared with celebrities and macro-influencers. Due to their lower prices and higher engagement rates, micro-influencers often generate higher ROI than larger influencer segments.

A micro-influencer program allows your overall influencer program to be "always on," as influencers continuously enter and exit your programs. The persistent presence of a micro-influencer program also contrasts with your larger influencers, who may be expensive, time-constrained, and lead to limited periods of engagement.



To learn more about performance-based influencer marketing, check out the impact.com ebook, <u>Performance influencer</u> <u>marketing</u>.

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With audiences of less than 10k followers on average, a lot of micro-influencers are required to significantly move your revenue needle.

Who's got time to locate, research, recruit, contract, manage, monitor, and optimize micro-influencers — especially when your program engages dozens of them? In fact, a few of impact.com's large retail micro-influencer programs involve hundreds of micro-influencers.

When it's time to scale, it's critical to standardize and streamline your micro-influencer program. A centralized partnership management platform like impact.com certainly makes it far easier to manage your program. Marketers can manage influencer contracting, orchestrate creative guidelines, distribute tracking, automate payouts, and monitor globally, effectively increasing capacity to manage all types of performance-based influencers at scale.

### Tips for working with microinfluencers

Micro-influencers are a key component of any influencer effort. But due to the scale required to manage this segment, they're often neglected by teams that traditionally manage influencer programs.

These three tips can help a scalable micro-influencer program work for you.

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## 1

## Adopt micro-influencers into your performance program

Trying to reward dozens of micro-influencers for their promotional support by using manual processes is an endless task. It also makes it hard to calculate ROI and potentially results in little impact. Get your micro-influencers into standard processes and contracts to scale your program.



### Leverage scalable tracking and management automation

Performance partnership programs already have the streamlined capability to recruit, manage, track, communicate, and monitor partners at scale. To scale your influencer program, you'll need similar tools to oversee potentially dozens, even hundreds of micro-influencers. You'll also need a robust platform and orderly processes to deliver unique tracking for all influencer segments.



## Make the effort economically viable for your best performing micro-influencers

Micro-influencers are often good at introducing or persuading users who ultimately convert. One of their functions is to amplify content created by a brand, and while they're seldom the last touchpoint they play an important supporting role. To keep micro-influencers engaged, the effort needs to be worth their while. Many micro-influencers do this work as secondary income in their spare time; rewarding them on last click does not make it economically sustainable.

It's better to use a more sustainable rewards model, like guaranteed monthly payouts or bonuses for participating along the path to conversion, particularly for valuable influencers who have historically delivered for you.

Micro-influencers vs macroinfluencers Pore through the literature and you'll eventually read how micro-influencers are better than macro-influencers — and vice versa.

This is a pointless, false competition. Each type of influencer has its pros and cons, and just like an investment portfolio, marketers who diversify come out ahead.

The makeup of your influencer program ultimately depends on your goals. Larger influencers are great if your goals are tied to reach and branding. Influencers large and small may benefit performance goals — as long as they're credible category representatives.



# About organic influencers

16

The best is saved for last! Organic influencers are valuable because they represent one of the purest forms of earned media. These individuals are likely your most loyal customers and are sometimes referred to as customer influencers or brand advocates.

Organic influencers have developed a strong affinity with your brand — maybe it's the great products, the attributes the brand embodies, or the causes it supports. As a result, organic influencers post positive mentions or imagery of your brand, links to your products or sites, write anecdotes that involve your brand, amplify your posts and tweets, and perform other actions — all with no expectation of compensation.

Finding your organic influencers

17

### Make the effort to locate and determine your brand's most vocal advocates in the social sphere.

One of the easiest ways to locate organic influencers is through social listening tools or by monitoring social referrals to your site through your tag manager or website analytics tool.

Once an organic influencer has been identified, your brand has a few choices. Do you reward them with free stuff — or try to convert them into being a paid influencer?

That last question is difficult to answer. Marketers worry that the exchange of monet may lessen the authenticity that made them so effective in the first place. Yet as an organic influencer they may only sporadically post about your brand, so paying them may drive up frequency and make their contributions to your marketing program more consistent.

# A caveat about control

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# Regardless of influencer type there's one thing to avoid.

Overly controlling how influencers talk about your brand can be detrimental.

This is especially true when shifting influencers from organic to paid. Resist the temptation to control the message — it can destroy your influencer's authenticity and credibility with their audience. It actually may *negatively* impact the audience's view of your brand and likely destroy your relationship with the influencer.

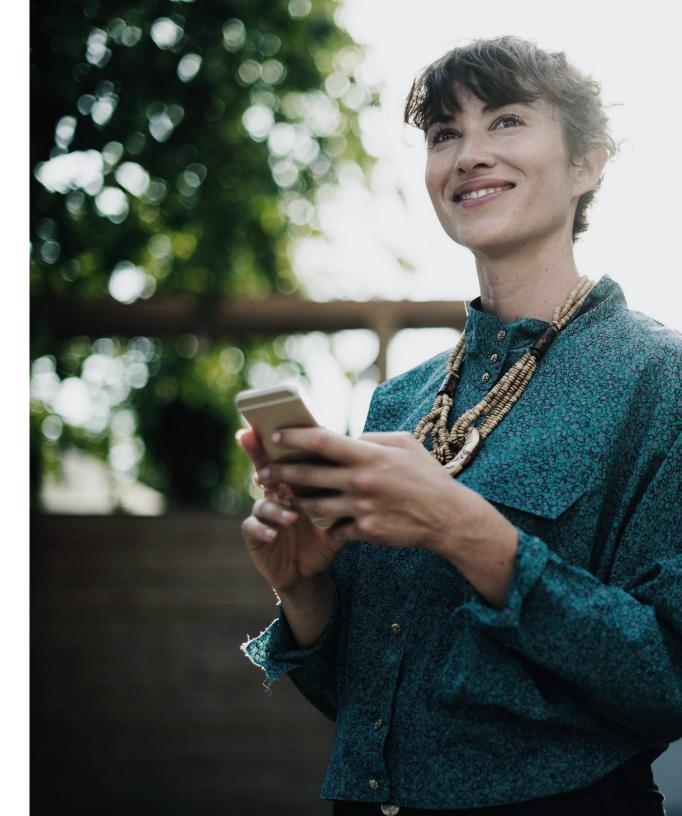
Of course, marketers think long and hard about their product's or brand's messaging, points of differentiation, unique selling propositions, and talking points. They exert strong message positioning control over their salesforce, distributors, reselling partners, and offline and online advertising campaigns. But with your influencers, it's important to relax and let their authenticity shine through.

### **Closing thoughts**

19

Marketers are excited about influencer marketing because it allows them to turn the dials and pull the levers in two areas they've traditionally had little control over: word-of-mouth marketing and earned media.

Let's take a closer look . . .





The pros and cons of paid vs earned media While digital advertising is highly measurable (which makes it easier to optimize), it does suffer from banner blindness, fraud, oversaturation, and audience irritation — as evidenced by the rise of ad blockers. Consumers are also extremely weary and less tolerant than ever of interruptive advertising.

Although audiences sometimes perceive influencer marketing as a type of earned media, it's optimal to manage its many aspects — just as you manage paid media.

#### Digital advertising vs influencer marketing

Whether marketers pay for celebrity endorsements or influencer posts, it's brand messaging they're paying for. However, many have yet to manage influencer marketing the way they manage traditional, performance-based forms of paid media, like search and display.

When you pay for marketing (or even give away free samples and coupons), measure your influencer marketing program the way you would paid media to determine the value it provides.

Influencers, meet our performance program Your performance partnership programs ideally embrace certain types of influencers. Preferably you're able to manage all types of influencers in a way that allows you to track and measure the lift they provide. In reality, certain types of macro- and micro-influencers are more appropriately commissioned through your performance partnership framework. At the same time, some of your large-scale influencers are in high enough demand that they'd never agree to move away from the pay-per-post model.

Regardless of which internal team manages your influencers or how you pay them, it's ideal to track all types of influencers through a centralized platform. This allows you to see for yourself whether different types of influencers are truly influencing consumers to convert.

To learn more about performance-based influencer marketing, check out our ebook, <u>Performance influencer marketing</u>.

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### About impact.com

impact.com is the leading global partnership management platform and has been transforming the way enterprises manage and optimize all types of partnerships — including affiliates, influencers, commerce content publishers, B2B, and more — since its founding in 2008. Through its integrated end-to-end solution, impact.com accelerates business growth by automating the full partnership life cycle, including discovery, recruitment, contracting, engagement, fraud protection, optimization, and payment processing.

To learn more about how impact.com's technology platform and partnerships marketplace is driving revenue growth for global enterprise brands such as Walmart, Uber, Shopify, Lenovo, L'Oreal, Fanatics, Levi's and 1-800-Flowers, visit www.impact.com.

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