The Power of Influence
E-commerce Influencer Marketing in Southeast Asia

SECTOR REPORT | 2023

Report by **cube** asia

Sponsored by **impact**.com

Why we wrote this report

This is an important moment for e-commerce in Southeast Asia. The market has evolved from breakneck early growth to a new phase of maturity, requiring brands and retailers to work harder than ever to stand out and succeed.

The e-commerce landscape is also shifting rapidly, with new channels, platforms, brands, and consumer expectations emerging across the region.

We decided to look at influencer marketing against this backdrop. While influencer marketing has been part of e-commerce marketing for years, it has often struggled to rise above tactical "pay-and-pray" sponsored engagements and affiliate campaigns. But what if it could be more than that?

For this report we surveyed thousands of consumers across Southeast Asia to better understand how they consume influencer content, and we spoke with more than a dozen brand marketing leaders and influencers to better understand their challenges and best practices.

One thing is clear: Influencer marketing can be a differentiator today and will likely only get more important for e-commerce in the coming years.

We have gathered all our findings in this report, made available for free with the kind support of our sponsor, impact.com

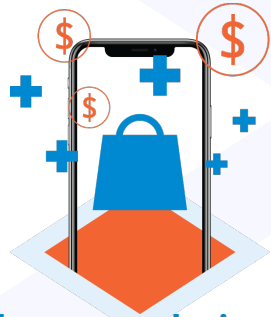Happy reading,
Cube Asia

## Table of contents

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Executive Summary: 5 Quick Facts

Influencer marketing is a significant revenue driver for e-commerce

Brand engagements with influencers and creators are estimated to contribute **US$ ~11bn of direct e-commerce sales value in Southeast Asia in 2023**, and more than twice that including transactions that cannot be accurately attributed to influencer marketing today
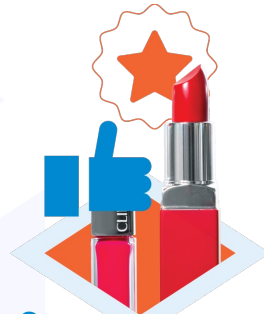
Consumers trust influencers and act on their *genuine* recommendations

More than 90% of Southeast Asian online shoppers[1] actively follow influencers online, and **more than 80% have previously purchased a product because it was recommended by one**; authenticity ranks as the #1 factor in deciding which influencers to follow online

Regional success requires a tailored approach for every market

Southeast Asia's influencer landscape is as diverse and localized as it is vibrant; **more than 80% of the top influencers[2] in each market are locals**, and there are almost no instances of influencers from the region gaining significant traction outside their home country

Top influencers hold greater recommendation power than celebrities

Among Southeast Asian consumers, **purchase recommendation power from influencers and celebrities increases in proportion with following size;** 'Mega influencers' with more than 1 million followers hold the most sway across the region – also more than traditional celebrities
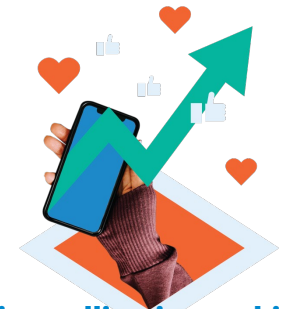
Live selling is reaching significant scale and professionalizing rapidly

Live selling has been a niche in Southeast Asia e-commerce for years but is finally reaching critical scale, complete with celebrity 'mega sellers'; **the biggest live sellers, like celebrity actor Raffi Ahmad in Indonesia and singer Rosmar in the Philippines,** now generate up to US$500k per streaming session

1: Surveyed, n=2,300   2: As defined by purchase recommendation power

Methodology and definitions

This research report is based on thorough **primary and secondary research from quantitative and qualitative sources,** conducted during **August and September 2023**

Research methodology

- **Online consumer survey** on sentiments towards influencers and marketing
  Singapore (n=300), Indonesia (n=400), Thailand (n=400), Vietnam (n=400), Malaysia (n=400), the Philippines (n=400), total n=2,300

- **Online consumer survey** on sentiments towards different types of online marketing and adblockers
  Singapore (n=150), Indonesia (n=150), total n=300

- **Survey of 10 brand and e-commerce leaders** in Southeast Asia about influencer marketing and e-commerce

- **In-depth interviews with 3 brand and e-commerce leaders**

- **In-depth interviews with popular live sellers and influencers**

- **Southeast Asia e-commerce market data** from Cube Asia

Key definitions

- **Southeast Asia**
  6 markets; Singapore, Malaysia, Thailand, Vietnam, Indonesia and the Philippines

- **Formal e-commerce**
  Online business-to-consumer trade of physical goods with use of an online payment gateway

- **Net Merchandise Value (NMV)**
  Total online transaction value (Gross Merchandise Value) excluding cancelled and returned orders

Source: Cube Asia

Defining influencers and influencer marketing
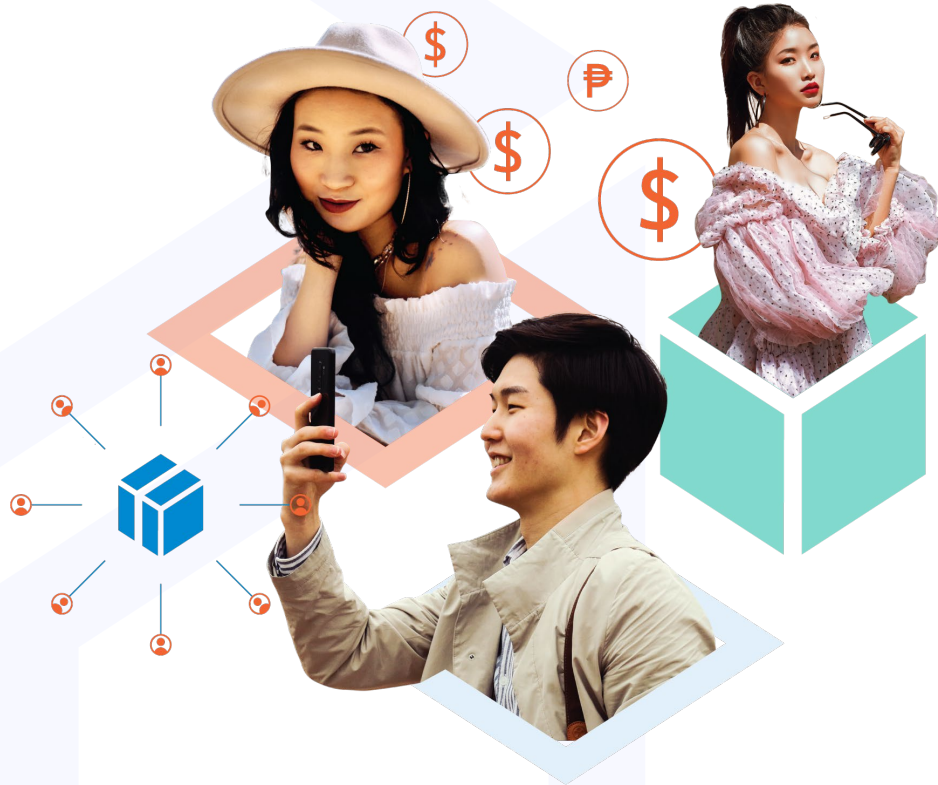
Influencers are individuals who have established credibility and a sizeable audience on social media platforms like Instagram, YouTube, Snapchat, TikTok or other online channels

They affect others' buying habits by sharing some form of original, often sponsored, content on these platforms

Influencer marketing is a type of digital marketing that involves endorsements and product placements by influencers

Its objective spans the entire consumer journey, from building awareness and influencing consideration to amplifying conversion and loyalty

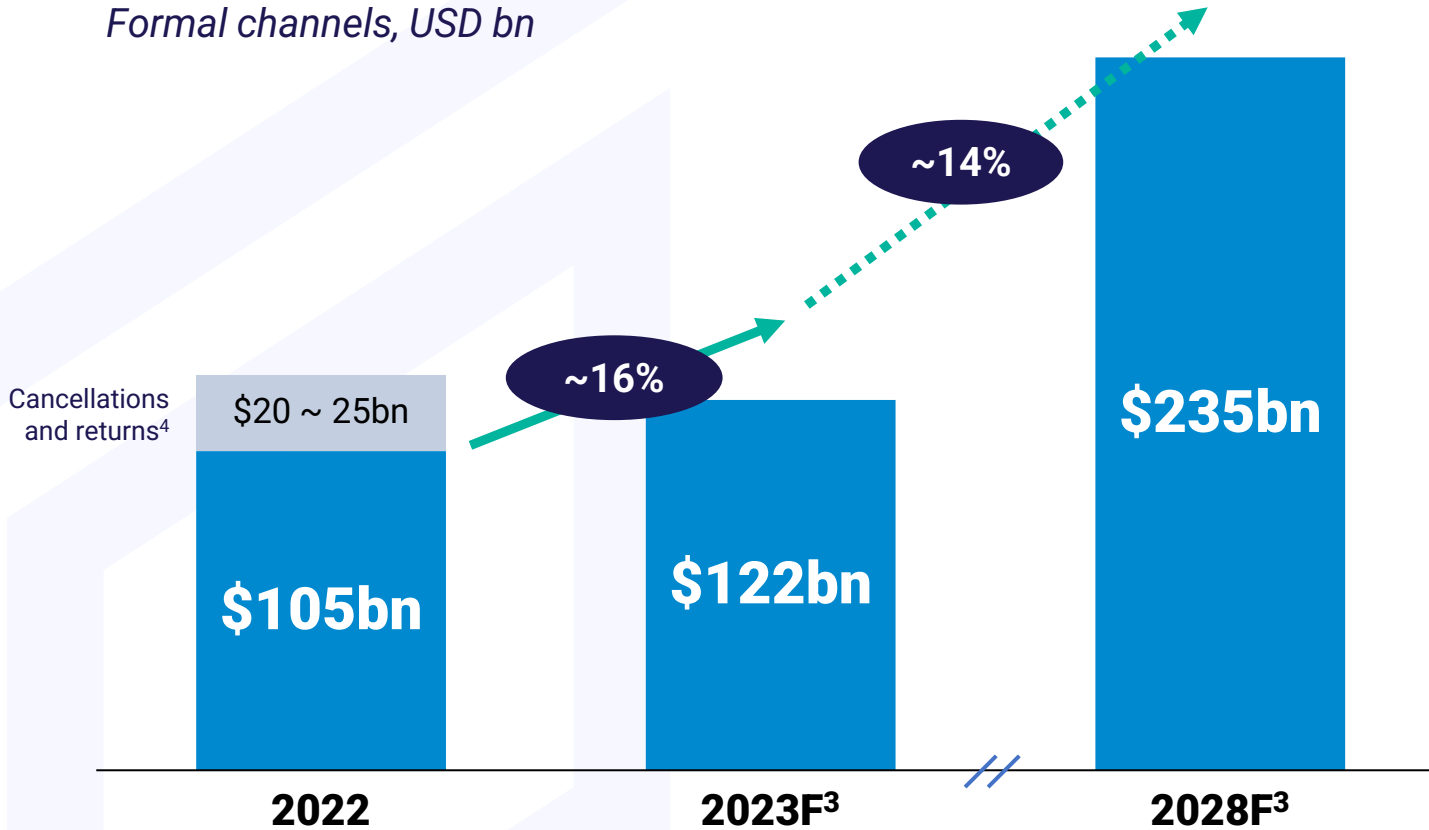Source: Cube Asia

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SECTION 1

Southeast Asia's e-commerce economy and the role of influencer marketing

- Southeast Asia e-commerce market size and projected growth outlook

- Projected impact of influencer marketing on e-commerce sales in Southeast Asia

- Estimated marketing expenditure on influencer marketing for e-commerce

e-commerce sales on formal channels in Southeast Asia[1] were $105bn in 2022, and are projected to grow to $235bn by 2028

Southeast Asia e-commerce sales (NMV)[2],
Formal channels, USD bn

Cancellations and returns[4]

$20 ~ 25bn

$105bn

~16%

$122bn

~14%

$235bn

2022   **2023F[3]**   **2028F[3]**

Key Insights

- **More than two-thirds of Southeast Asia's e-commerce market** is concentrated in Indonesia, Thailand and the Philippines

2023 % of NMV[2]

ID	TH	PH	VN	MY	SG
44%	17%	12%	11%	11%	5%
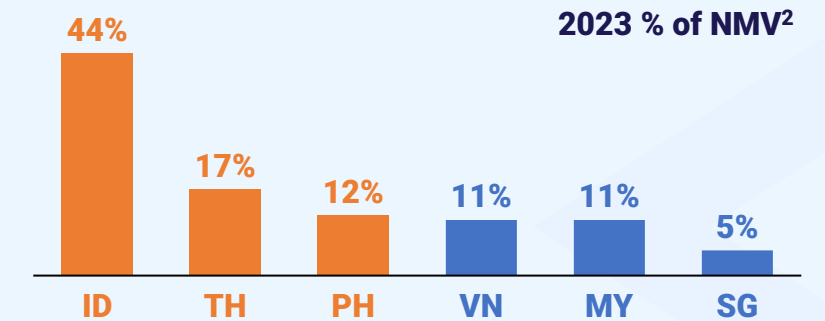
- The largest e-commerce categories in Southeast Asia are:
  - **Electronics & Appliances** (~30% of NMV)
  - **Fashion & Shoes** (~20% of NMV)
  - **Beauty & Personal Care** (~15% of NMV)

1: See definition on page 5   2: Net Merchandise Value, see definition on page 5   3: Forecast
4: Most e-commerce platforms' reported GMV estimates include cancellations and returns; these are excluded from the analysis in this report
Source: Cube Asia

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Influencer marketing is a significant sales driver for e-commerce in Southeast Asia, directly contributing ~$11bn of NMV in 2023

Contribution of influencer marketing on e-commerce sales
Illustrative, 2023

122bn Total E-commerce

19~24bn Total online sales influenced by influencer marketing

Trackable + Indirect impact

Estimated value from awareness building, influencing considerations to amplifying conversion and loyalty.

~11bn Directly attributed to influencer marketing

Trackable

Estimated from various conversion-focused activities, e.g., affiliate partnerships and campaigns with UTM product links.

Prediction: By 2028, influencer marketing sales contribution *and* the share of trackable sales impact will increase

9% 16-20%

13-17% 18-22%

2023 → 2028

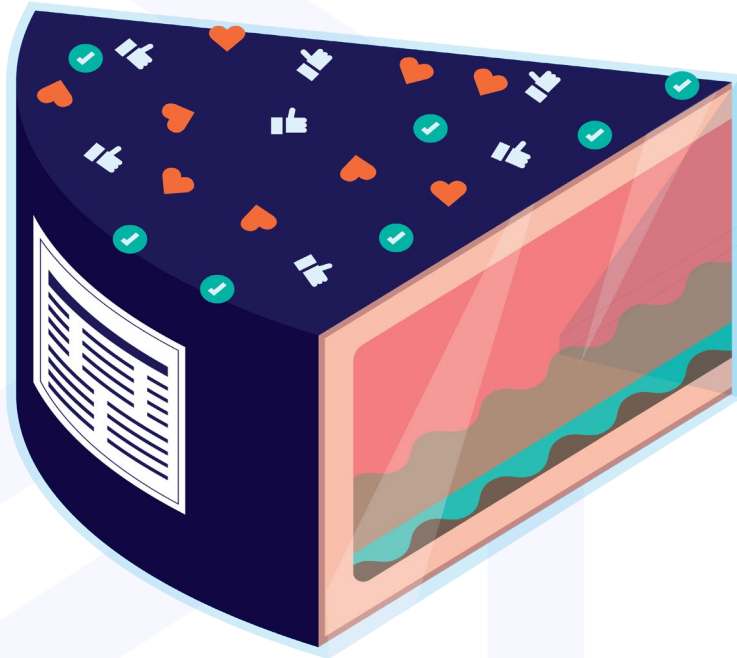**This evolution will be driven by several factors including;**

- the rise of 'closed' e-commerce ecosystems with high tracking ability (e.g., TikTok Shop)
- gaining popularity of commission-based influencer campaigns
- continued improvements in the performance tracking features of influencer marketing platforms

Source: Brand and e-commerce leader survey and interviews, desktop research

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Marketing expenditure on influencers will reach ~US$4bn in 2023

Nutrition Facts

Influencer marketing
% of marketing expenditure, illustrative

Influencer fees		**~60%**
fixed fees, sales commission, travel expenses		
Product sponsorship		**~25%**
product cost, logistics handling		
Agencies and enablers		**~10%**
Various service fees		
Other costs		**~5%**

> " It can be challenging to accurately measure the full cost of influencer marketing because the cost of providing free products can be considerable.
>
> Beauty brand marketing leader "

Key Insights:
The cost structure of influencer marketing

Fixed versus variable influencer fees

Fixed fees, such as those for a sponsored product review with specific, agreed-upon social collaterals, are the most common way to pay influencers; variable fees in the form of sales commissions are however becoming more common, especially on emerging channels like TikTok Shop that are heavily focused on immediate sales conversion

The role of agencies and platforms

Brands work with influencers in several ways, including direct engagements and through partnerships with agencies and e-commerce platforms; most brands combine several engagement models to reach their marketing objectives

Learn more about influencer engagement and payment models on page 21-22

1: Linked to e-commerce   2: Brand and e-commerce leader survey
Source: Brand and e-commerce leader survey and interviews, influencer interviews, desktop research

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SECTION 2

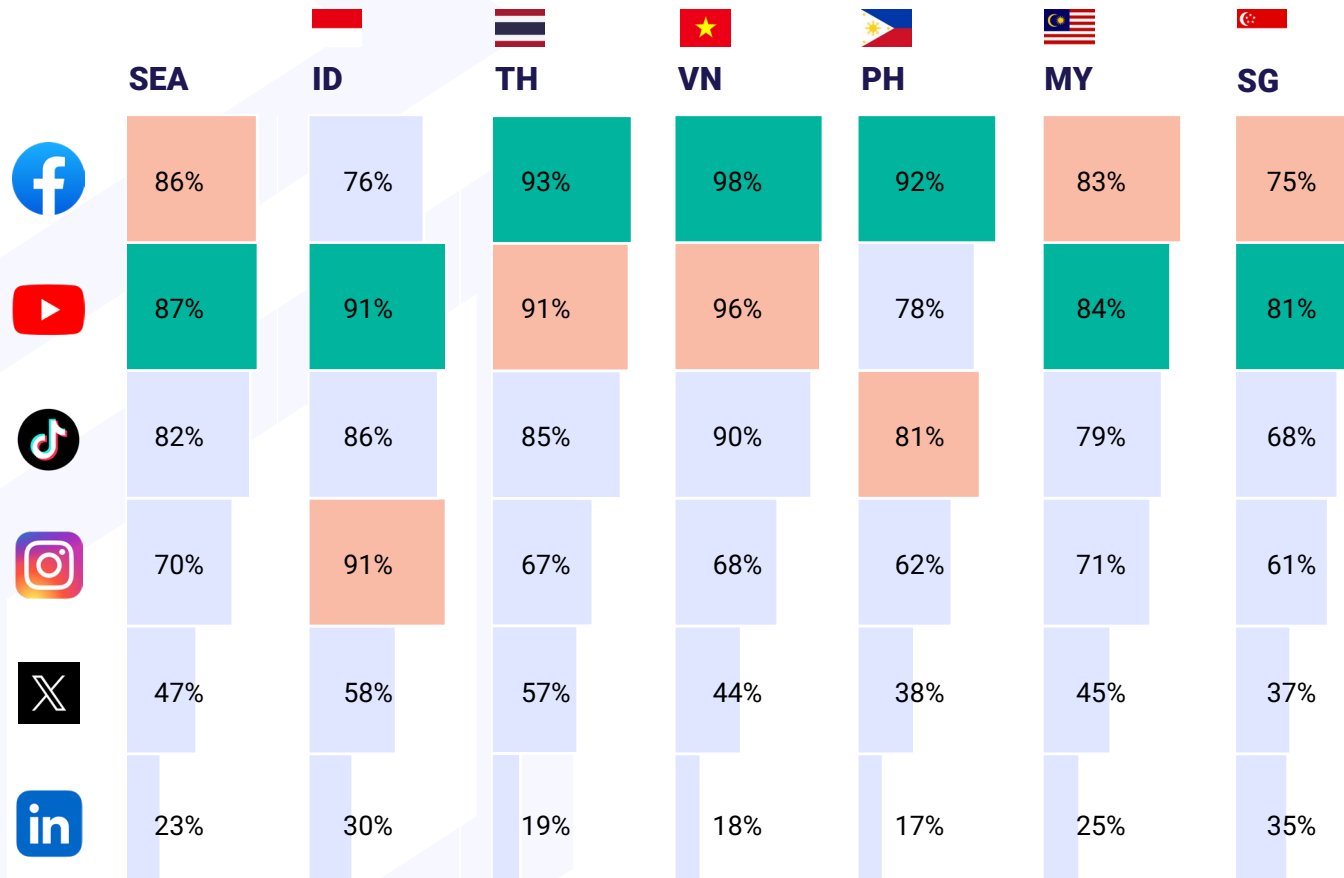# Southeast Asia's influencer landscape and consumer attitudes towards influencers

- 🧊 **Most popular social media platforms and time spent on influencer content**

- 🧊 **Overview of popular influencer archetypes and top influencers by market**

- 🧊 **Insights about the impact of influencer recommendations on consumer purchase behavior**

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YouTube and Facebook are the most popular social/content platforms in Southeast Asia; TikTok is #3 with high growth momentum

Q: "Which of the following social media and content platforms do you currently use?"
% of respondents, n=2,300

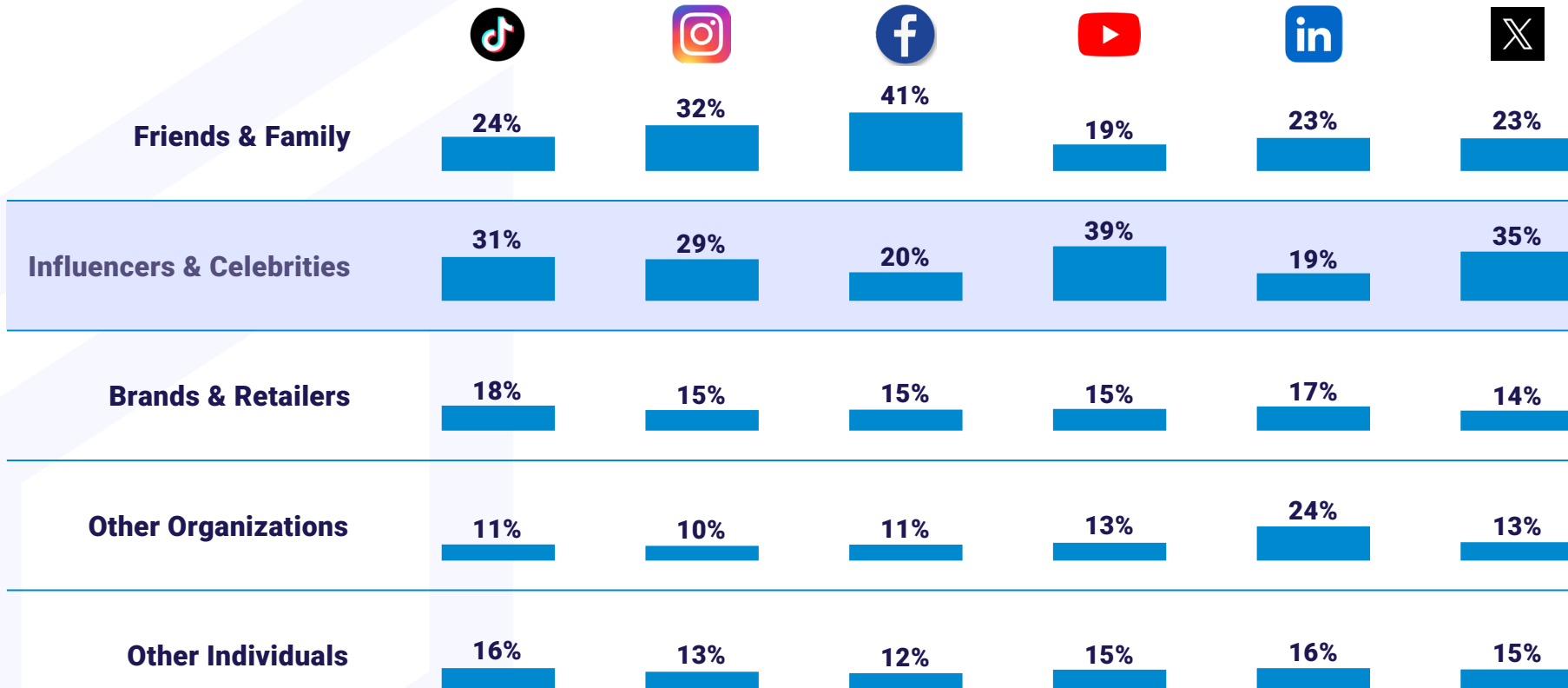|	SEA	ID	TH	VN	PH	MY	SG
Facebook	86%	76%	93%	98%	92%	83%	75%
YouTube	87%	91%	91%	96%	78%	84%	81%
TikTok	82%	86%	85%	90%	81%	79%	68%
Instagram	70%	91%	67%	68%	62%	71%	61%
X	47%	58%	57%	44%	38%	45%	37%
LinkedIn	23%	30%	19%	18%	17%	25%	35%

Key Insights

- **YouTube and Facebook are the most popular social media platforms in Southeast Asia,** but TikTok, which has only been available in the region for a few years, is closing in on them

- **In Thailand, Vietnam and Philippines, Facebook** continues to lead as the most popular platform

- **TikTok, while relatively new, has already secured the second spot in the Philippines and is a strong contender for the second position in Indonesia and Vietnam;** this underscores the growing significance for brands to consider expanding their reach on TikTok

Source: Southeast Asia consumer survey, n=2,300

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Consumers follow different accounts on social media platforms; browsing on YouTube, X (Twitter) and TikTok is most oriented towards influencers

Q: "What kind of accounts do you consume the most content from on your favourite social media platforms?"
Survey respondent allocation of 100 time units for each social media platform

	TikTok	Instagram	Facebook	YouTube	LinkedIn	X
Friends & Family	24%	32%	41%	19%	23%	23%
Influencers & Celebrities	31%	29%	20%	39%	19%	35%
Brands & Retailers	18%	15%	15%	15%	17%	14%
Other Organizations	11%	10%	11%	13%	24%	13%
Other Individuals	16%	13%	12%	15%	16%	15%

Key Insight

According to survey respondents, **roughly one-third of social media browsing is devoted to Influencer & Celebrity accounts**

Source: Southeast Asia consumer survey, n=2,300

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Southeast Asia has a diverse landscape of influencer archetypes; each has their own set of traits and advantages

Influencer archetypes

Influencer segments (by follower count)	The Creative	The Expert	The Celebrity	The Campaigner	The Friend
Mega influencers >1mn followers	Create visually attractive content that followers find inspiring and pleasing especially suitable for brands in the beauty, fashion and lifestyle categories	Possess deep knowledge or expertise on a specific subject or product category; brands collaborate with them for key product launches and for building credibility for specific product or services	Are mostly public figures with high credibility and influence; brands collaborate with them to gain reach and brand awareness	Tend to be passionate about a cause or topic and inspirational in delivering messages and creating purpose; brands use them to promote social, environmental and other causes	X
Macro 100k-1mn followers					Are relatable and approachable; brands collaborate with them for personalized content, creating community and building trust with high engagement
Micro 10k-100k followers			X		
Nano 1k-10k followers	X	X	X		
Especially suitable for...	Campaigns on content-heavy platforms like Instagram and TikTok	Product/services that require a high degree of consideration, like electronics	Reaching a large audience and building instant credibility	Delivering emotional messages and communicating brand ethos	Creating authentic impact and high engagement

Source: Brand and e-commerce leader survey and interviews, influencer interviews, expert interviews

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There are 'mega influencers' with several million followers in all Southeast Asian countries; they are generally only popular in their home country and focus on 1-2 platforms
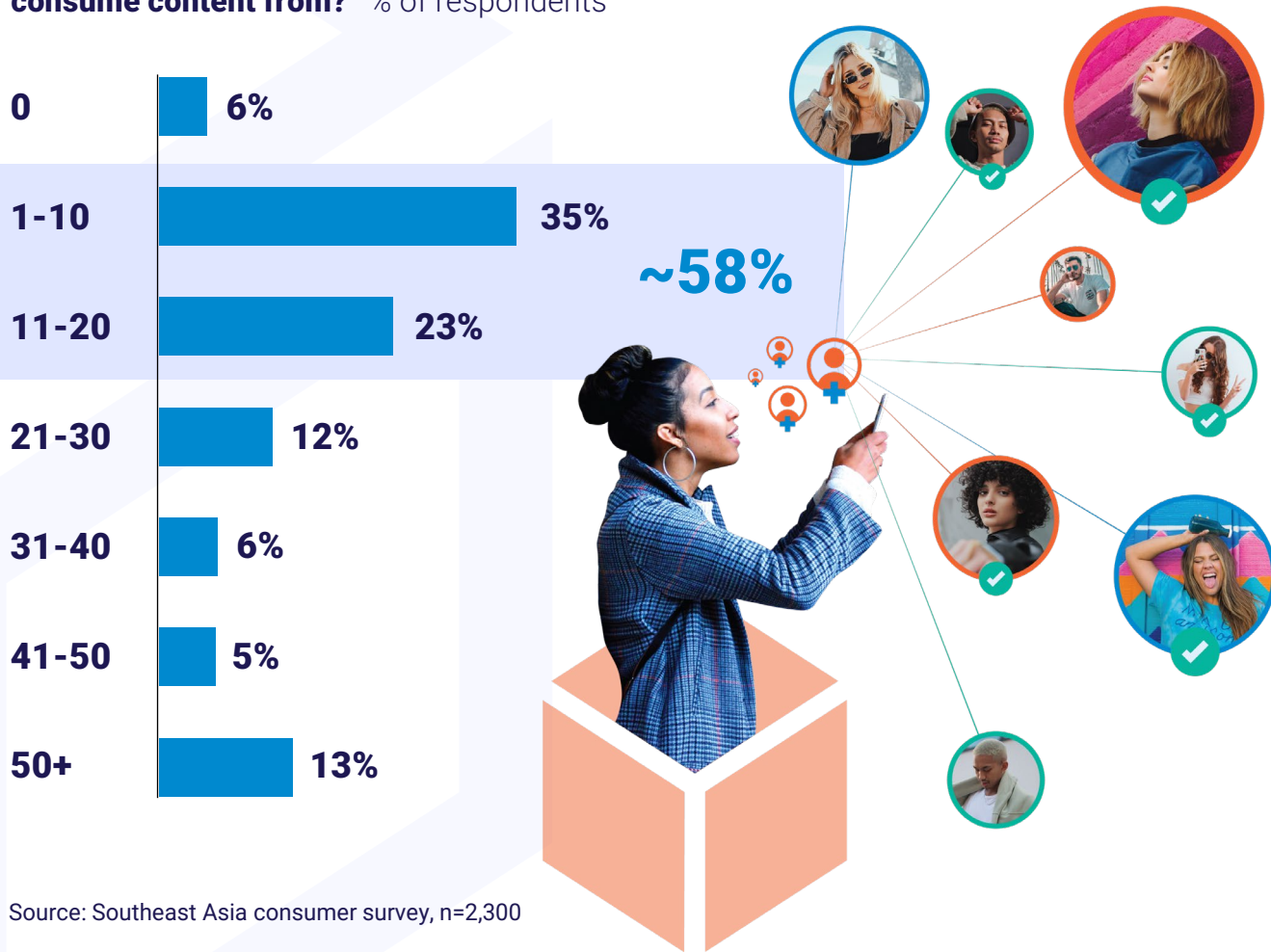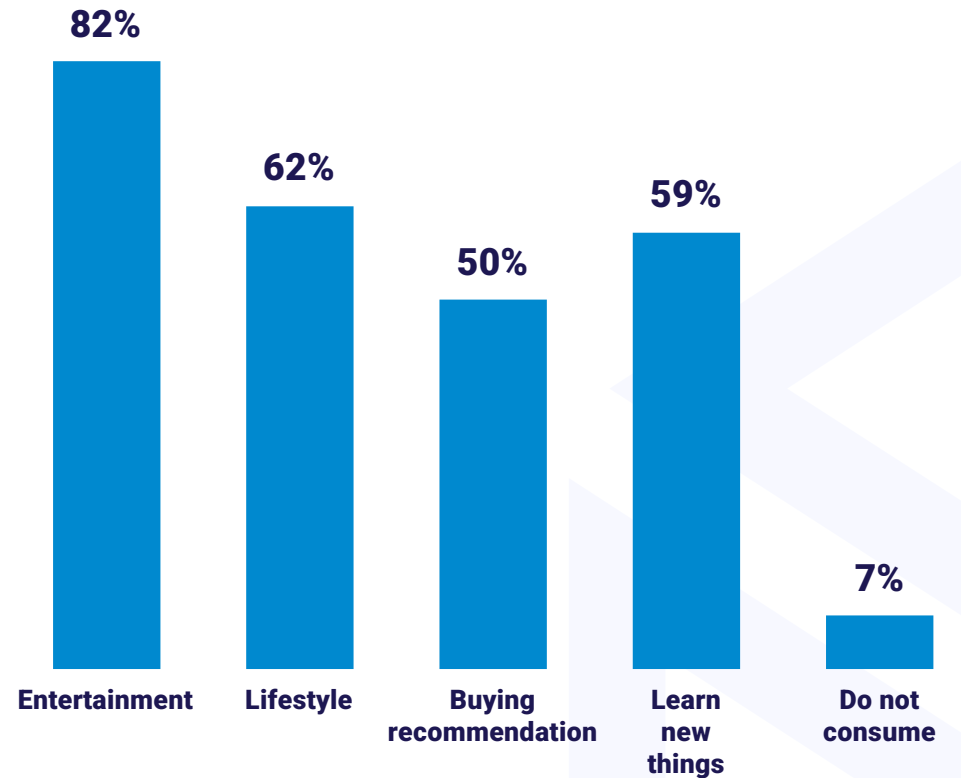
List of top influencers by country, illustrative

THAILAND

Winmetawin
14.5M

Kikk
8.5M

Like Nastya VNM
18M

Dao Le Phuong Hoa
15.2M

VIETNAM

Ivana Alawi
16.8M

Anne Curtis
19.5M

Rosmar
17.3M

PHILIPPINES

MALAYSIA

Alieff Irfan
5M

Siti Nurhaliza Tarudin
9.1M

Ebit Lew
6.8M

Indonesia has 167M active social media users, the highest in the region

Survival Builder
10.8M

Nas Daily
4.4M

6.7M

SINGAPORE

INDONESIA

Ria Ricis
36.1M

40.6M

Raffi Ahmad and Nagita Slavina
71.7M

Source: DataReportal, desktop research

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Consumers are however not monogamous; most actively follow several influencers and seek different kinds of inspiration and entertainment

**Q:** "How many influencers do you follow and regularly consume content from?" % of respondents

Range	%
0	6%
1-10	35%
11-20	23%
21-30	12%
31-40	6%
41-50	5%
50+	13%

~58%

Q: "Why do you consume content from influencers and celebrities online?" % of respondents

Category	%
Entertainment	82%
Lifestyle	62%
Buying recommendation	50%
Learn new things	59%
Do not consume	7%

Source: Southeast Asia consumer survey, n=2,300

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More than 80% of consumers in SEA have made purchases due to an influencer recommendation; beauty and fashion are the top categories

Q: "Have you ever purchased a product or service because it was recommended by an influencer or a celebrity?"
% of respondents, n=2,316

No
18%

82%
Yes
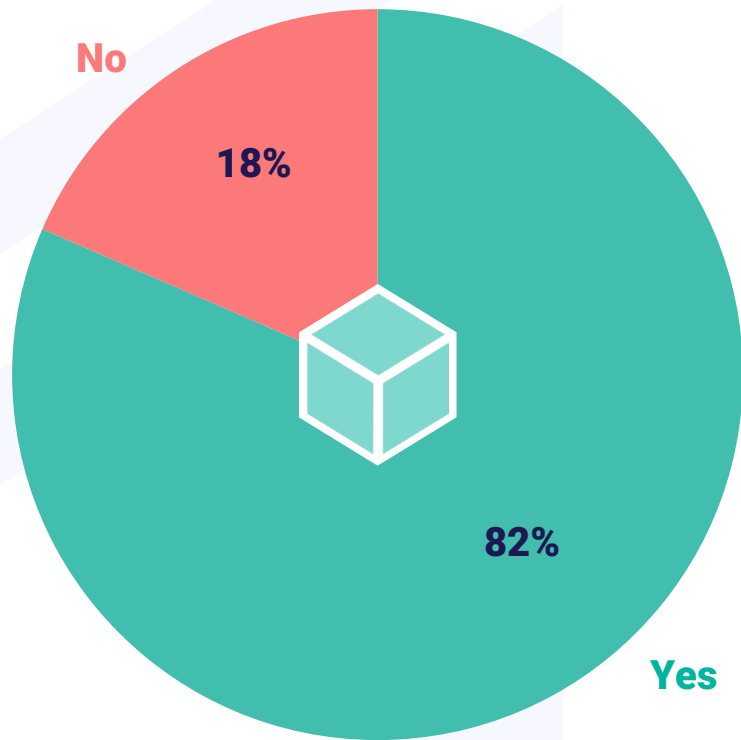
Q: "Which category/categories of products have you purchased because it was recommended by an influencer or a celebrity?"
% of respondents, n=1,888

67%	61%	37%	42%	19%	17%	28%
Beauty products	**Fashion and shoes**	**Electronics**	**Groceries and food**	**Travel[1]**	**Financial Services[2]**	**Media[3]**
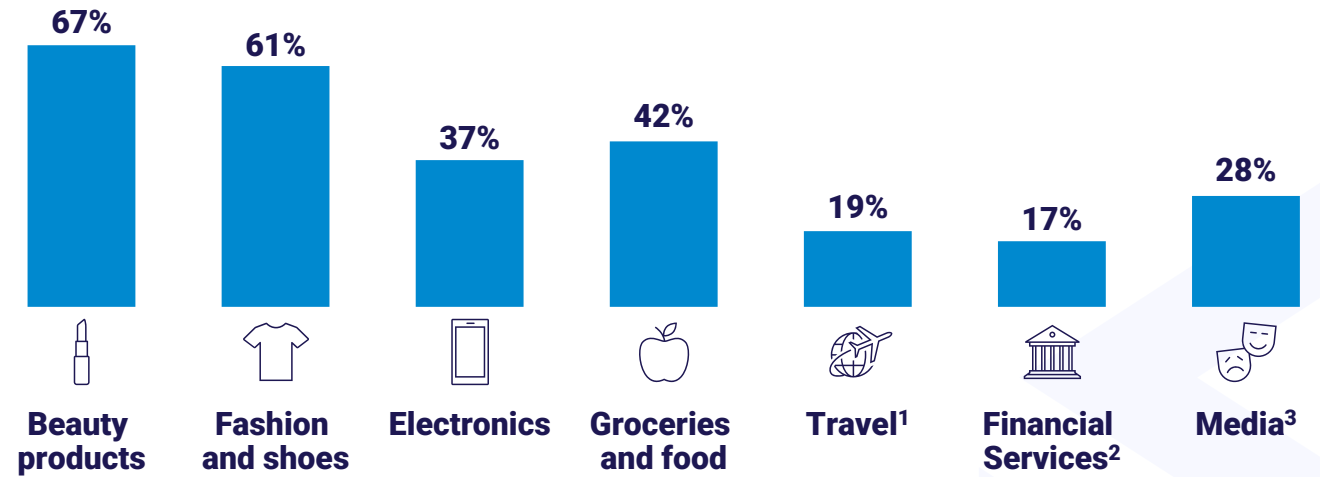
"I got inspired to try SK-II skincare by Zoe Tay" (SG)

"I wanted to try MrBeast's chocolate brand because it looked good" (SG)

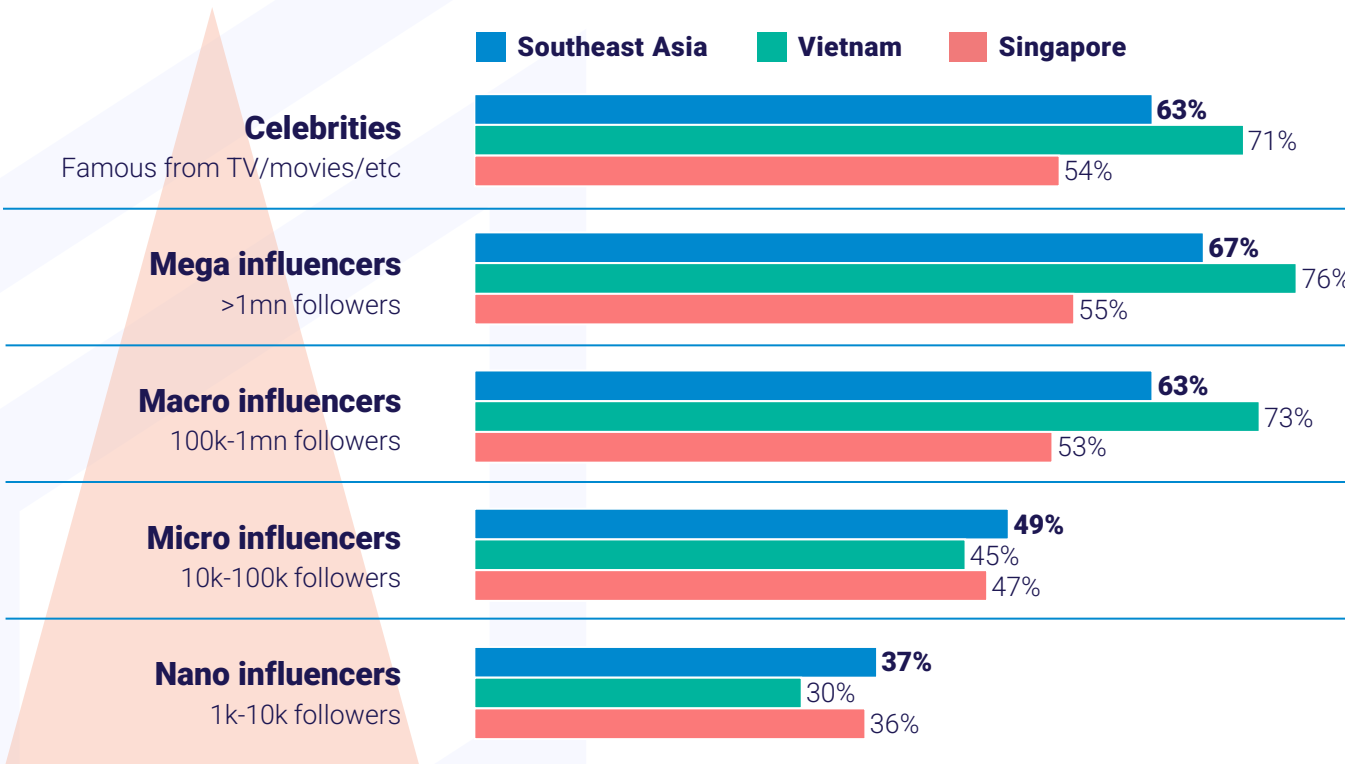"Lionel Messi inspired me to buy Adidas shoes" (MY)

1: Travel (flight, hotel and other) 2: Financial services (bank, credit card, others) 3: Media (Music / video streaming, others)
Source: Southeast Asia consumer survey, n=2,300

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Not all influencers are equal; Southeast Asian consumers trust 'mega influencers' product and service recommendations the most

Q: **"How do product recommendations by influencers that you follow online affect your purchase decisions and habits?"**
% survey respondents indicating "Positive" or "Very positive"1, n=2,300

Legend: Southeast Asia · Vietnam · Singapore

Celebrities
Famous from TV/movies/etc
- 63% (Southeast Asia)
- 71% (Vietnam)
- 54% (Singapore)

Mega influencers
>1mn followers
- 67% (Southeast Asia)
- 76% (Vietnam)
- 55% (Singapore)

Macro influencers
100k-1mn followers
- 63% (Southeast Asia)
- 73% (Vietnam)
- 53% (Singapore)

Micro influencers
10k-100k followers
- 49% (Southeast Asia)
- 45% (Vietnam)
- 47% (Singapore)

Nano influencers
1k-10k followers
- 37% (Southeast Asia)
- 30% (Vietnam)
- 36% (Singapore)

Key Insights

- **Mega influencers (with >1mn followers) are the most trusted group across Southeast Asia,** beating even star actors and musicians.

- **Purchase recommendation power correlates with influencer audience size across the region;** Vietnam has the starkest gap between mega and nano influencers' might

- **The overall purchase recommendation power of influencers and celebrities also varies by market;** When combining the scores of all influencer tiers by market (chart below), Thailand and Vietnam stand out for their high purchase recommendation power while Malaysia and Singapore trail behind

ID	TH	PH	VN	MY	SG	
57%	62%	56%	59%	51%	49%	56%[2]
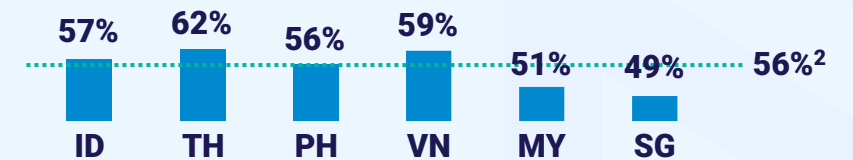
1: Full wording: "Positive - makes me more likely to buy the product/service" , "Very positive - makes me much more likely to buy the product/service" 2: SEA average
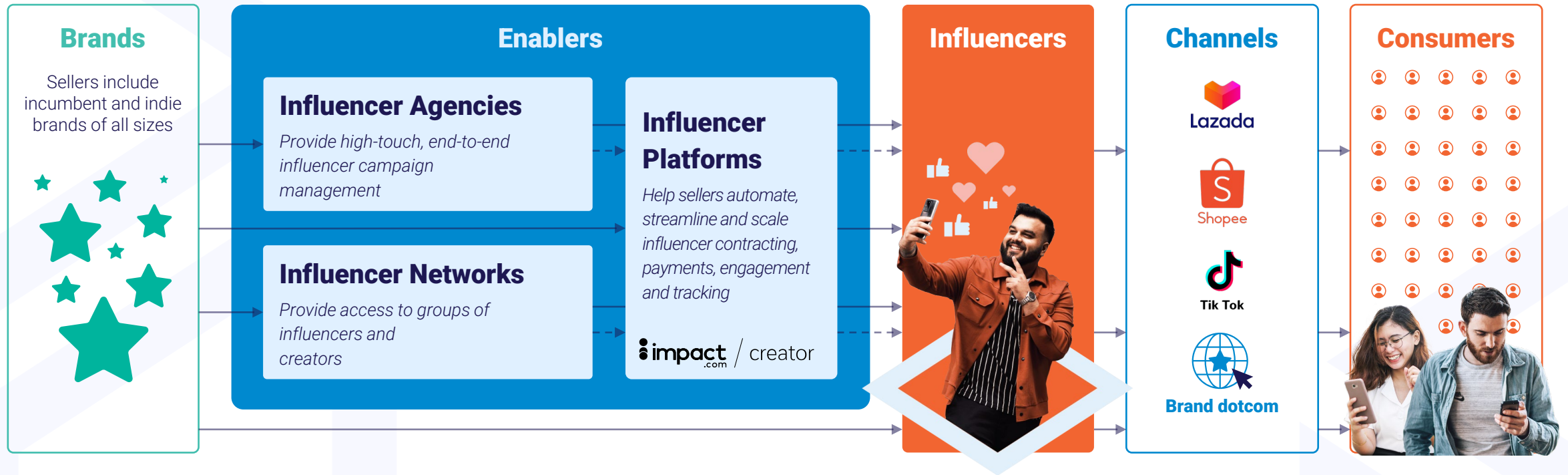Source: Southeast Asia consumer survey n=2,300

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SECTION 3

Best practices: How brands work with influencers for e-commerce in Southeast Asia

◈ **Influencer marketing landscape map**

◈ **Overview of popular influencer engagement models and their pros and cons**

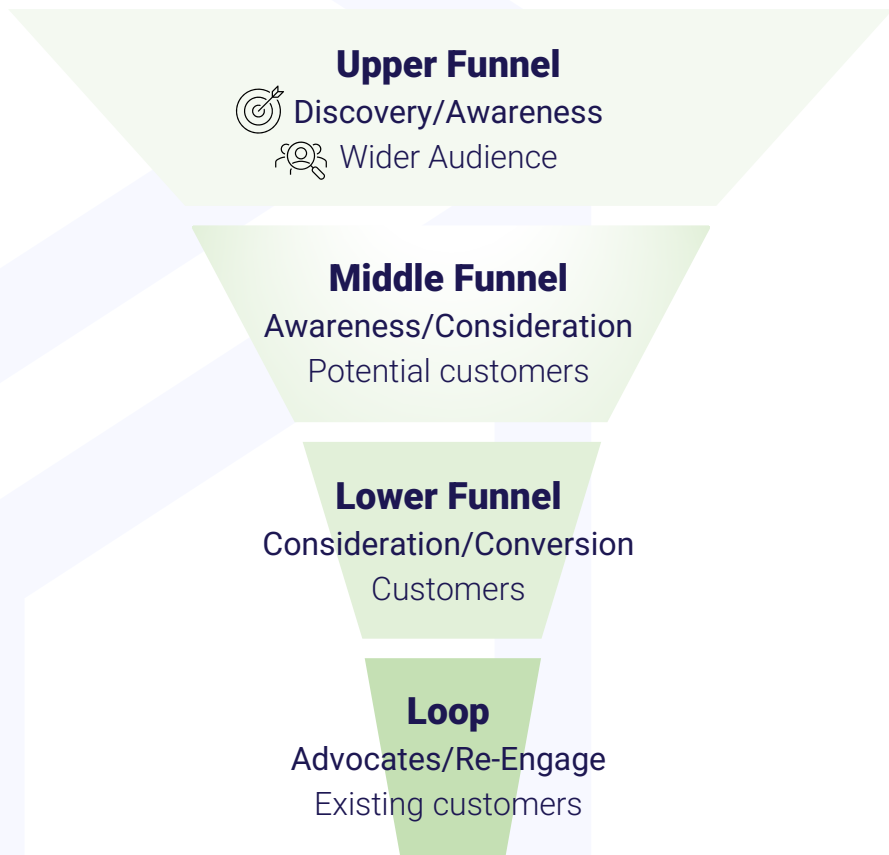◈ **Introduction to common influencer marketing payment models and their outlook**

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Landscape map: Southeast Asia has a robust influencer marketing ecosystem, allowing online sellers to work with influencers directly or through enablers

Brands

Sellers include incumbent and indie brands of all sizes

Enablers

Influencer Agencies

Provide high-touch, end-to-end influencer campaign management

Influencer Networks

Provide access to groups of influencers and creators

Influencer Platforms

Help sellers automate, streamline and scale influencer contracting, payments, engagement and tracking

impact.com / creator

Influencers

Channels

Lazada

Shopee

Tik Tok

Brand dotcom

Consumers

Key Insights

- Successful execution of influencer marketing requires brands to master a long list of capabilities spanning from **performance tracking, optimisation, contracting and payments to influencer discovery**

- Brands in Southeast Asia solve these tasks in different ways; **some handle everything in-house while others outsource end-to-end campaign management to agencies;** most fall somewhere in between

Source: Brand and e-commerce leader survey and interviews, influencer interviews, expert interviews

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Influencer marketing can be utilized for a wide range of marketing objectives; there are best practice strategies for all parts of the funnel

Upper Funnel
🎯 Discovery/Awareness
👥 Wider Audience

Middle Funnel
Awareness/Consideration
Potential customers

Lower Funnel
Consideration/Conversion
Customers

Loop
Advocates/Re-Engage
Existing customers

Best Practice (illustrative.)	Pros and Cons	
Partner with influencers with a large following and high engagement rates to increase visibility	• Reach broad audiences beyond usual potential customers	– Hard to quantify impact towards conversion and attribute results
Partner with influencers who are more aligned with brand values and create content specific to certain product/collections	• Personalization of content with more curated content for the brand	– Can be challenging to find those that reflect brand values *and* reach a broad audience
Partner with vertical-specific, micro and nano influencers with high levels of trust to drive sales from new customers	• Very targeted and ROI focused	– May be more expensive to work with influencers with performance-based compensation
Partner with influencers who have a loyal following and brand affinity to create and/or co-create user generated content	• Opportunities to get feedback and increase revenue per customer	– Can be challenging to measure direct sales impact

Source: Brand and e-commerce leader survey and interviews, influencer interviews, expert interviews, desktop research

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Brands engage with influencers in several ways to reach their marketing objectives

Category	Engagement examples	Key jobs to be done (illustrative)			Pros/Cons
		Influencer discovery	**Payment processing**	**Campaign funding**	
Direct Brands working directly with influencers	**Sponsored product review** E.g., a brand engages an influencer to review a product and publish 1x Instagram Reel and 2x Stories	Brand	Brand	Brand	• Can unlock deeper and more meaningful long-term partnerships – Requires resources for discovering and liaising with influencers – Direct payment can create procurement challenges – Challenging to scale beyond a few influencers without systems
Agency Brands engaging influencers through marketing agencies	**Product launch campaign** E.g., a brand engages an agency to identify and engage 10 influencers to promote a new product	Agency	Agency	Brand	• Reduces direct and indirect workload for brand team • Agency expertise can lead to engagements with higher ROI – Requires payment of intermediary fees for agency services – Reduced transparency on campaign performance and metrics
E-commerce Platform Shopee Tik Tok Lazada Brands engaging influencers through e-commerce platforms	**9.9 Mega Sales campaign** E.g., A brand gets an offer from Shopee to participate in co-funded influencer engagements for the 9.9 sale	Platform	Platform	Shared [1]	• Co-funding of influencer fees reduces brand investment – Only aims to generate sales through one platform – Often requires brands to offer deep discounts or other attractive promotions
	Platform affiliate program E.g., A brand signs up for the Lazada affiliate program with a set % commission for all sales generated	Platform	Platform	Brand [2]	• Requires very little oversight and management from brand team • Transparent cost structure with "no-cure-no-pay" commissions – Reach is mostly limited to nano and micro influencers – No direct control on campaign and selection of influencers

Low **Brand Adoption** High

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There are three main payment models for influencer marketing; new channels like TikTok Shop leverage a combined 'hybrid' model

Low **Brand Adoption** High

Payment model	Description	Outlook
Fixed engagement fees	Cash fees for specific deliverables, for example a product review with one Instagram Post and two Stories; can include brand usage rights and campaign expenses	→ **Stable** – Fixed fees remain the most popular payment model despite brands' widespread concerns about the lack of guaranteed impact; agencies and enablers are attempting to create more transparency about value-for-money
Sales commission fees	Commissions on realized sales, typically for a specific e-commerce channel net of returns and cancellations; rates vary by product category, most commonly between 10~30%	↗ **Positive momentum** – Improved online sales attribution, including on emerging channels like TikTok Shop, is driving both brands and influencers to pursue commission-based payment models more aggressively
Product sponsorship / payment-in-kind	Influencers, especially those with a smaller following, often receive free products as the sole remuneration for their work	→ **Stable** – Sponsorship of free products for review is table-stakes for influencer marketing; advanced brands often seed free product to >100 influencers per campaign

Emerging model: TikTok Shop live commerce utilizes a hybrid of **three payment models**

- TikTok Shop, the fastest-growing e-commerce channel in Southeast Asia, offers an integrated end-to-end influencer marketing ecosystem with a high focus on live shopping
- Beyond offering an affiliate model, TikTok also connects brand partners and retained influencers for custom partnerships that include fixed hourly appearance fees and free products

❶ Fixed hourly appearance fee
Guaranteed payment of US$ 350~550 per hour for live streaming about the brand; usually 1-3 hours

❷ Affiliate sales commission
The live streamer receives 20~40% of generated sales as affiliate commission; products are shipped directly from brand warehouse

❸ Product sponsorship
Brands send free products to live streamer's studio; he decides which products to feature

Source: Brand and e-commerce leader survey and interviews, expert interview

SECTION 4

Sponsored section: How impact.com can help brands work better with influencers

◆ **Introduction to impact.com / creator**

◆ **What sets impact.com apart as an influencer management platform**

◆ **ZALORA and Sephora case studies**

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impact .com / creator

The #1 influencer marketing platform for ROI in SEA

impact.com / creator is the first full-funnel performance and influencer management solution that brings brands and creators together in a single platform to collaborate, contract with tailored terms, manage end-to-end campaigns, set up flexible payouts and optimise influencer partnerships based on comprehensive performance insights.

Campaign Management
Get flexible contract terms, automated task reminders and payouts, usage rights, and more.

Analytics
Gain best-in-class performance tracking and reporting, access to first-party creator data, and customisation.

Content Management
Store, review, share, and amplify influencer content.

Hands-on Collaboration
Work with creators, internal teams, brands, and agencies for seamless in-platform collaboration.

Compensation
Automate agreements, choose between different payment terms, and build a commissioning structure based on full-funnel tracking.

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What Makes impact.com / creator Different

Customised contracting

Automate and tailor your contracts and payouts to your influencers across more than 100 data points and in any currency across the Southeast Asia region.

Flexible payouts

Choose between flexible and diverse payout models, such as commission or other performance-based payment models, flat fee or any combination of both, based on contract terms that are put in place. Creators also receive the fastest payouts in the industry, processed as fast as the next day.

Better tracking and attribution

Measure both top funnel and bottom funnel metrics like reach, impressions, engagement, sales and conversions driven by your influencers to maximise ROI.

A Global Company With Operations in Asia

SEPHORA castlery Love, Bonito blibli Flower Chimp PUMA ZALORA

HSBC CHARLES & KEITH traveloka Lotus's iStyle.id malaysia airlines DECATHLON

cube asia X impact.com

Case study: ZALORA

Step-changing partner and creator management for Southeast Asia's leading online fashion and lifestyle retailer

Challenge

With a focus on customer acquisition, **the ZALORA team faced challenges when managing their partners** like content creators, including:

- **Manually cross-checking with finance** on payouts which was time-consuming
- **Limited customization options** that could cater to different business needs
- **Complicated onboarding** and overall user experience
- Could not have **flexible contracting terms**

Solution

ZALORA needed a more efficient way to manage their partners throughout the partnership life cycle. impact.com provided ZALORA with a solution that enables:

- **Smoother onboarding** for a diverse range of partners including creators
- **Automate the manual process of finding partners,** recruiting and tracking performance
- **Flexible contracting and adjusting payouts** to seasonal product categories
- **Reliable attribution** ensuring accurate payouts and avoid overpaying partners

Results

ZALORA's referral program **grew by over 150%**

Time-saving automation saves ZALORA **over 25 hours per month**

Increased partner ROI by more than 50 percent, all while shortening payment delays from 120 to 90 days.

Source: impact.com

cube asia   X   impact.com

SEPHORA

Case study: Sephora SEA

Providing a scalable and seamless platform for one of Southeast Asia's largest partner programs

Challenge

Sephora operated a **partnership program with hundreds of content creators** but was facing scaling challenges, including:

- Managing **uniform tracking and reporting** of partner campaigns
- Spending too much time **identifying and recruiting suitable partners**
- **Customizing contracts and pay-outs** for different product types and categories
- **Generating high-quality program reports** to manage growth and optimization

Solution

To better grow its partner program and manage its partners, Sephora needed a solution that can:

- **Manage partnerships across regions** and automate manual processes like partner approval and set-up.
- **Expand its partner mix** to include influencers across diverse demographics and social group.
- Offer **flexible contracting and payout structure,** including SKU-level contracting.
- **Optimize customer acquisition and partner collaborations** based on in-depth reports and real time data.

Results

$7.4 million in revenue from a mix of almost 300 partners

3x revenue growth after joining impact.com

101% increase in partner growth after joining impact.com

Source: impact.com

cube asia X impact.com

SECTION 5

Predictions: What is next for influencer marketing in Southeast Asia?

🧊 **Virtual influencers: More hype than disruption**

🧊 **Live selling: China comes to Southeast Asia**

🧊 **Adblockers: Native advertising becomes crucial for reaching young consumers**

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A surge of new virtual influencers is incoming, but lack of original, human content will limit their appeal to consumers for the foreseeable future

The Scoop

- Recent technological advances have given rise to the **creation of hyper-realistic virtual influencers** like 'lilmiquela' who has 3 million followers on Instagram

- **Southeast Asian consumers appear open to this trend,** with 35% of survey respondents indicating being either 'supportive' or 'very supportive'; only 18% are opposed

- **Virtual influencers are however not likely to gain significant traction for the foreseeable future;** the region's consumers are mainly attracted to influencers because of authentic reviews, expertise and humour; three qualities reserved for humans – for now

Q: "How do you feel about the rise of AI influencers like 'lilmiquela' ?"
% of respondents, n=2,300

Supportive — 35%
Opposed — 18%
Neutral — 47%

Implications for brands

- **While virtual influencers are an exciting trend,** we predict their real influence on consumer purchase behavior will remain very limited; brands should explore them for their potential with brand awareness, buzz, and innovation
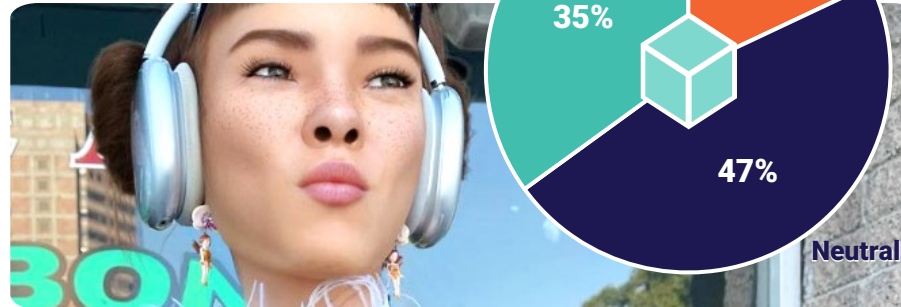
Q: "Which of the following factors draw you to follow an influencer or celebrity online?"
% of respondents, n=2,300

Authentic reviews	Expertise	Humor	Lifestyle	Appearance
71%	60%	54%	46%	40%

cube asia X impact.com

2024 will be the year of the mega live seller in Southeast Asia, with million-dollar live selling stars emerging in all markets

The Scoop

- **Live selling has existed as a niche in Southeast Asia e-commerce for years,** but focused on small independent live sellers with limited reach and low ability to partner with well-known brands

- **That is about to change, as the first 'mega live sellers'** – previously a China-only trend – emerge in countries like Indonesia and the Philippines

- **A mix of traditional celebrities and native live streamers,** mega live sellers are increasingly partnering with well-known brands in categories like beauty, fashion and FMCG to turn their tens of thousands of viewers into shoppers

Li Jiaqi / Austin Li / Lipstick King

China's #1 live streamer has previously generated more than US$ 2bn of sales in one live streaming session

Raffi Ahmad / Papa Raffi

One of Indonesia's most famous actors has started live selling on Shopee and TikTok; his recent 12-hour marathon streams have crossed US$ 450,000

Implications for brands

- **Mega live sellers present a new tool in the e-commerce toolbox** for consumer brands in Southeast Asia

- While the marketplace is still nascent, **we expect influencer-driven live selling to grow fast into 2024** as more celebrities and brands get in the game

- **Brands in Southeast Asia must however be aware of the same risks as in China;** while mega live sellers can drive impressive sales volumes, they also demand deep discounts and a significant cut (often 20~40%) of the sales they generate

Source: Desktop research, live seller interview, expert interview

Native advertising like influencer marketing will become necessary to reach young consumer segments that actively tune out from digital ads

The Scoop

- Adblockers are pieces of software that consumers install to **suppress / hide digital ads across the web**

ABP AdblockPlus by eye.o   Surfshark®

uBlock Origin   ADGUARD

- **Use of Adblockers has become mainstream,** especially among younger consumers; in Singapore, 52% of 16-34-year-olds use one[1]

- **Widespread use of Adblockers reduces the efficacy of popular paid media formats like YouTube and Facebook ads,** making native advertising increasingly important for reaching younger consumers

Q: "Do you use an adblocker?"
% of respondents aged 16-34

Q: "Why do you use an adblocker?"
% of respondents

Country		Content not relevant	Worried about data privacy	Disturbs online experience
SG	No 48% / **Yes 52%**	**34%**	**59%**	**56%**
ID	No 59% / **Yes 41%**	**48%**	**53%**	**73%**
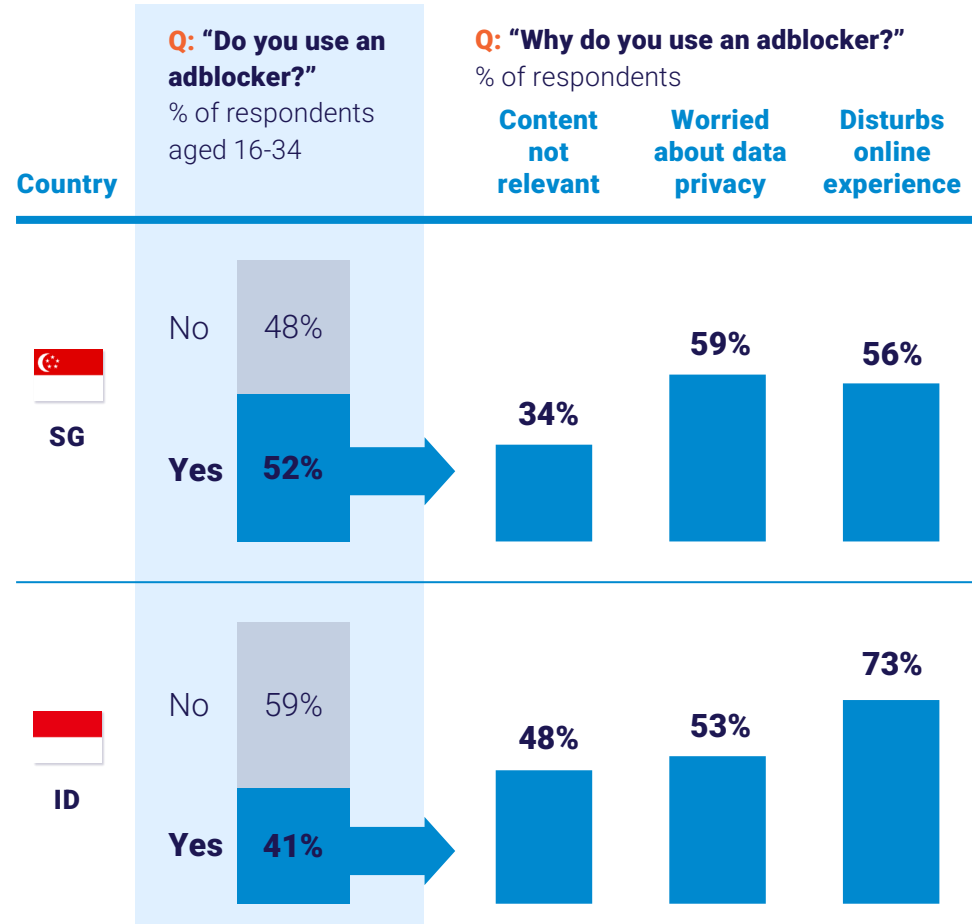
Implications for brands

- **Southeast Asia's young consumers are getting more difficult to reach through mainstream online advertising,** due both to use of Adblockers and other factors like the rise of advertising-free subscriptions like YouTube Premium

- **We predict this trend to continue,** requiring consumer brands to find new ways to reach consumers that they neither can, nor want to, suppress

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SECTION 6

Country deep-dives

- Social media platform usage statistics

- Purchase recommendation power of different influencer types

- Insights about influencer-driven purchases and top influencers

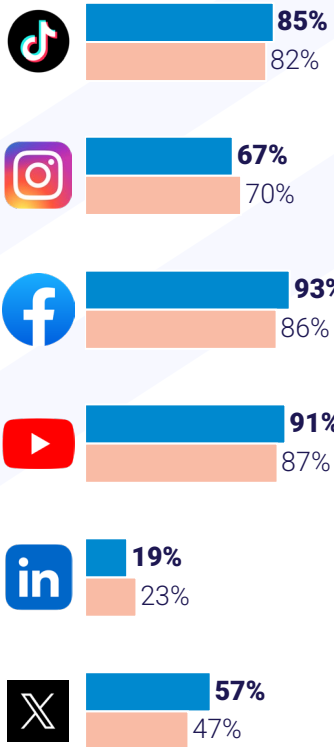cube asia   X   impact.com

Thailand Influencer Marketing Overview

■ **Thailand** ■ **SEA**

Social media platform usage

Current regular platform use, % of users

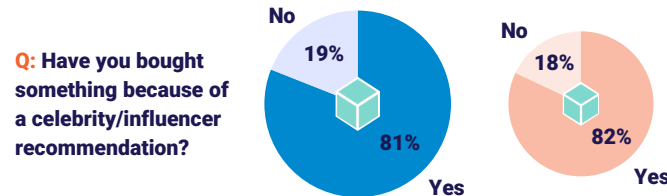TikTok — **85%** / 82%

Instagram — **67%** / 70%

Facebook — **93%** / 86%

YouTube — **91%** / 87%

LinkedIn — **19%** / 23%

X — **57%** / 47%

Influencer purchase recommendation power

'Positive' or 'Very positive' recommendation impact, % of users

Celebrities
Famous from TV/movies/etc — **64%** / 63%

Mega influencers
>1mn followers — **71%** / 67%

Macro influencers
100k-1mn followers — **70%** / 63%

Micro influencers
10k-100k followers — **59%** / 49%

Nano influencers
1k-10k followers — **45%** / 37%

Influencer-driven purchase behavior

Purchase adoption, category trend, and most popular influencers

Q: **Have you bought something because of a celebrity/influencer recommendation?**

Thailand: No **19%**, Yes **81%**
SEA: No **18%**, Yes **82%**

Q: **If yes, which categories of products and services did you buy?**

71%, **58%**, **42%**, **58%**, **33%**, **20%**, **30%**

Q: **Which influencer or celebrity were you influenced by?** [1]

BTS

Madam Pam

Feunglada

Bella

Pimrypie

Yodetch

Yaya Urassaya

Kaykai Salaider

Baitai

Nadech
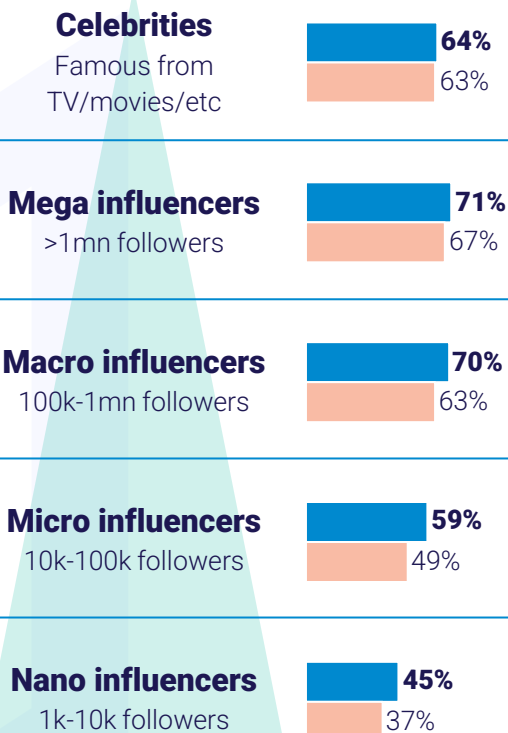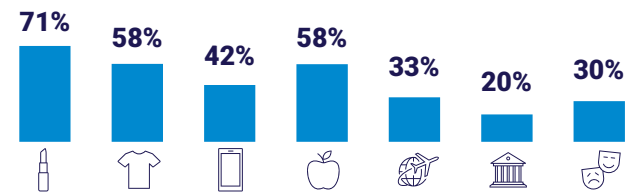
Key Insights

- **Facebook and YouTube are the most popular social media and content platforms in Thailand;** Thailand has the highest usage rate of X (Twitter) in Southeast Asia, with a high focus on consuming influencer content

- **Thai consumers weigh recommendations from influencers highly;** especially mega influencers and macro influencers over-index versus other groups and other countries

- **Pimrypie, a popular live streamer with a brash style and personality,** is the #1 influencer for influencing consumers' purchases; most Top 10 entries are local actors/actresses and influencers, except for the band BTS
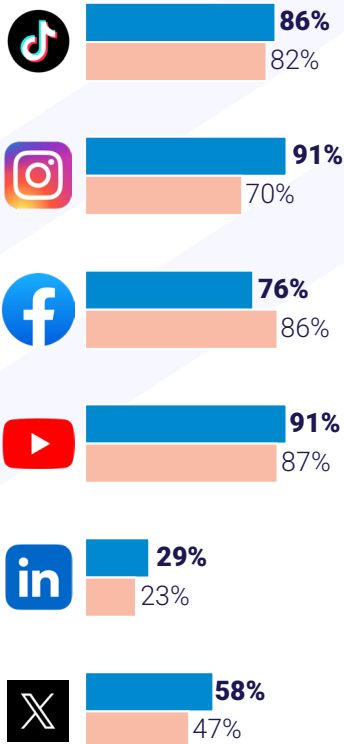
1: Most common free text entries
Source: Southeast Asia consumer survey, n=400

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Indonesia Influencer Marketing Overview

🟦 **Indonesia** 🟧 **SEA**

Social media platform usage

Current regular platform use, % of users

- TikTok: **86%** / 82%
- Instagram: **91%** / 70%
- Facebook: **76%** / 86%
- YouTube: **91%** / 87%
- LinkedIn: **29%** / 23%
- X: **58%** / 47%

Influencer purchase recommendation power

'Positive' or 'Very positive' recommendation impact, % of users

Celebrities
Famous from TV/movies/etc
66% / 63%

Mega influencers
>1mn followers
73% / 67%

Macro influencers
100k-1mn followers
62% / 63%

Micro influencers
10k-100k followers
46% / 49%

Nano influencers
1k-10k followers
37% / 37%

Influencer-driven purchase behavior

Purchase adoption, category trend, and most popular influencers

Q: Have you bought something because of a celebrity/influencer recommendation?

Indonesia pie: No 13%, Yes 87%
SEA pie: No 18%, Yes 82%

Q: If yes, which categories of products and services did you buy?

- 61%
- 67%
- 40%
- 38%
- 18%
- 18%
- 35%

Q: Which influencer or celebrity were you influenced by?[1]

Keanu · Atta Halilintar · Arief Mohammad · Raffi Ahmad
Deddy Corbuzier · **Nagita Slavina** · Baim Wong
Felicya Angelista · Tasya Farasya · David Gadgetin
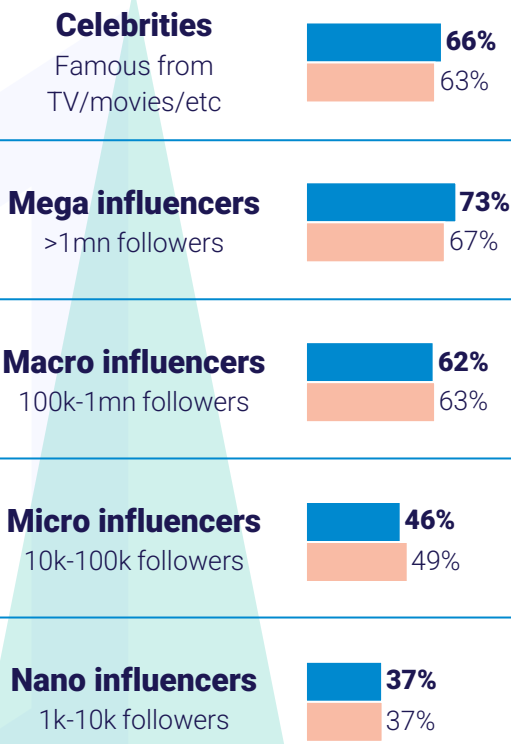
Key Insights

- **YouTube and Instagram are the most popular social media and content platforms in Indonesia;** the market particularly over-indexes on Instagram where influencer content is popular

- **87% of Indonesians surveyed have made a purchase due to a recommendation from an influencer or celebrity,** well ahead of SEA average; top categories are fashion and beauty

- **Local actors, actresses and influencers are the most powerful drivers of purchase;** Nagita Slavina (#1) and Raffi Ahmad (#2) are a married couple with a joint online presence

1: Most common free text entries
Source: Southeast Asia consumer survey, n=400

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Singapore Influencer Marketing Overview

Singapore   SEA

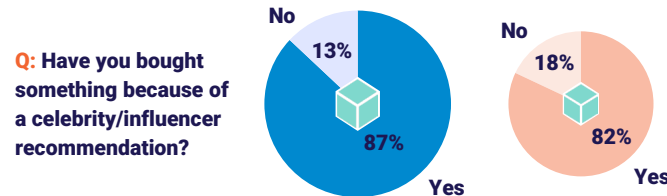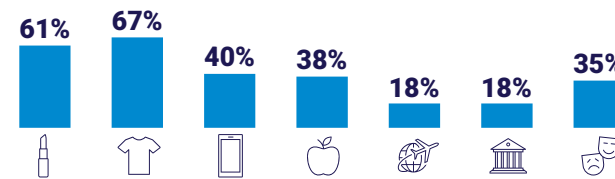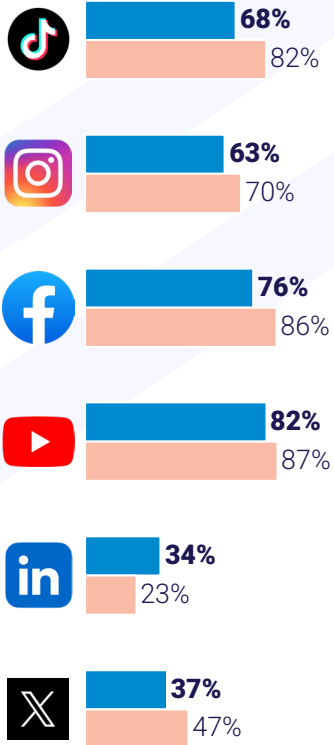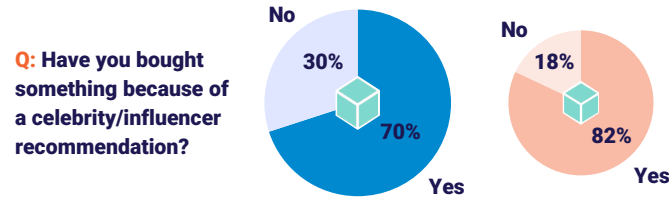## Social media platform usage

Current regular platform use, % of users

- TikTok: 68% / 82%
- Instagram: 63% / 70%
- Facebook: 76% / 86%
- YouTube: 82% / 87%
- LinkedIn: 34% / 23%
- X: 37% / 47%

Influencer purchase recommendation power

'Positive' or 'Very positive' recommendation impact, % of users

Celebrities
Famous from TV/movies/etc — 54% / 63%

Mega influencers
>1mn followers — 55% / 67%

Macro influencers
100k-1mn followers — 53% / 63%

Micro influencers
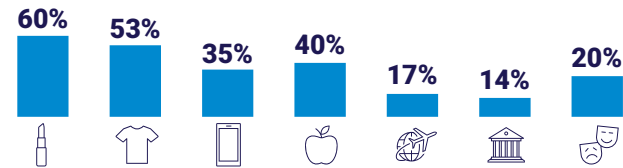10k-100k followers — 47% / 49%

Nano influencers
1k-10k followers — 36% / 37%

Influencer-driven purchase behavior

Purchase adoption, category trend, and most popular influencers

Q: Have you bought something because of a celebrity/influencer recommendation?

Singapore: No 30%, Yes 70%
SEA: No 18%, Yes 82%

Q: If yes, which categories of products and services did you buy?

- 60%
- 53%
- 35%
- 40%
- 17%
- 14%
- 20%

Q: Which influencer or celebrity were you influenced by? [1]

Zoe Tay, Elvin Ng, Naomi Neo, Taylor Swift, Mr Beast, **Li Jiaqi**, Jackie Chan, Fann Wong, Wendy Cheng, Aileen Tan
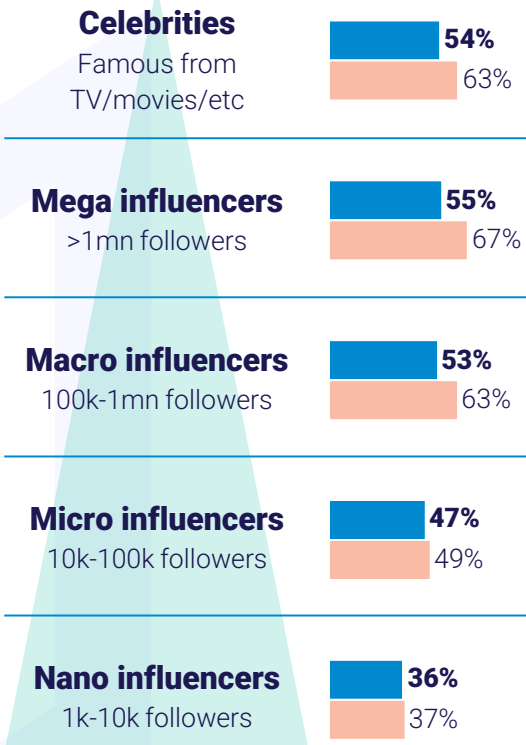
Key Insights

- **Singapore exhibits the lowest social media usage rates and influencer purchase recommendation power of the region;** YouTube and Facebook are the most popular platforms

- 70% of Singaporean respondents have purchased a product or service recommended by an influencer or celebrity before, **with beauty and fashion the top categories**

- **The top influencers and celebrities for driving purchase in Singapore are a dynamic mix of local, western, and Chinese stars** ranging from "Lipstick King" live streamer Li Jiaqi to Jackie Chan and Taylor Swift
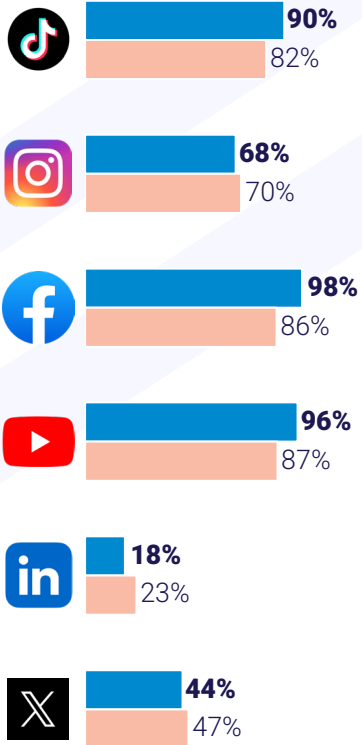
1: Most common free text entries
Source: Southeast Asia consumer survey, n=300

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Vietnam Influencer Marketing Overview

■ **Vietnam** ■ **SEA**

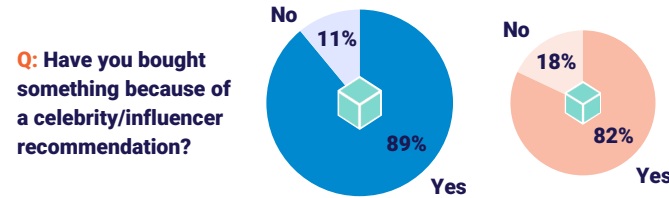## Social media platform usage

Current regular platform use, % of users

- TikTok: **90%** / 82%
- Instagram: **68%** / 70%
- Facebook: **98%** / 86%
- YouTube: **96%** / 87%
- LinkedIn: **18%** / 23%
- X: **44%** / 47%

Influencer purchase recommendation power

'Positive' or 'Very positive' recommendation impact, % of users

Celebrities
Famous from TV/movies/etc
71% / 63%

Mega influencers
>1mn followers
76% / 67%

Macro influencers
100k-1mn followers
73% / 63%

Micro influencers
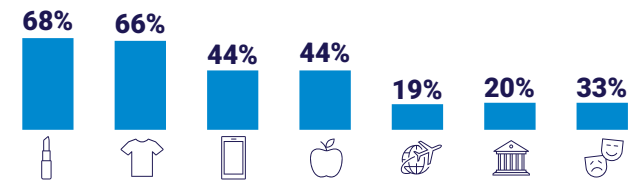10k-100k followers
45% / 49%

Nano influencers
1k-10k followers
30% / 37%

Influencer-driven purchase behavior

Purchase adoption, category trend, and most popular influencers

Q: Have you bought something because of a celebrity/influencer recommendation?

Vietnam: No **11%**, Yes **89%**
SEA: No **18%**, Yes **82%**

Q: If yes, which categories of products and services did you buy?

- **68%**
- **66%**
- **44%**
- **44%**
- **19%**
- **20%**
- **33%**

Q: Which influencer or celebrity were you influenced by? [1]

Độ Mixi
Sơn Tùng MTP
Phạm Thoại
Ninh Dương Lan Ngọc
Mỹ Tâm
Hà Linh
Taylor Swift
Elon Musk
Trấn Thành
Ronaldo
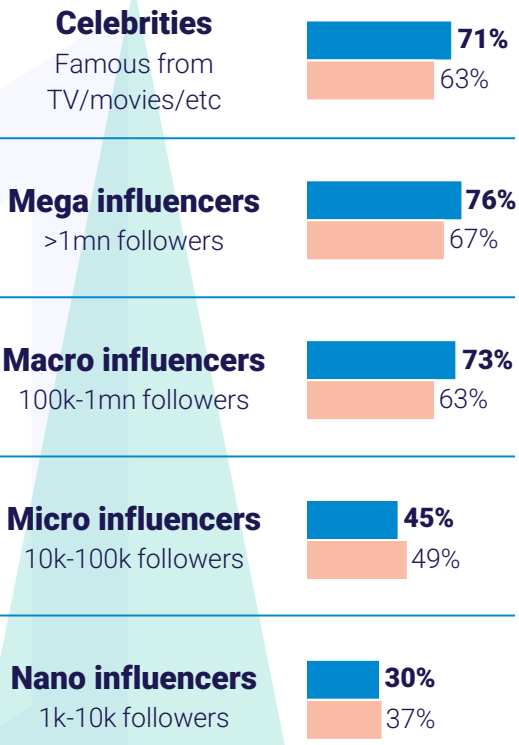
Key Insights

- **Vietnam has the highest overall use of social media and content platforms in Southeast Asia,** with both Facebook, YouTube, and TikTok showing +90% current regular use

- **The purchase recommendation power of influencers and celebrities is also very high,** although Vietnamese consumers value the recommendations of large-audience profiles far higher than micro and nano influencers

- **The top influencers and celebrities for driving purchases in Vietnam range from local singers and actresses to global superstars** like Ronaldo and even Elon Musk (for cryptocurrencies)
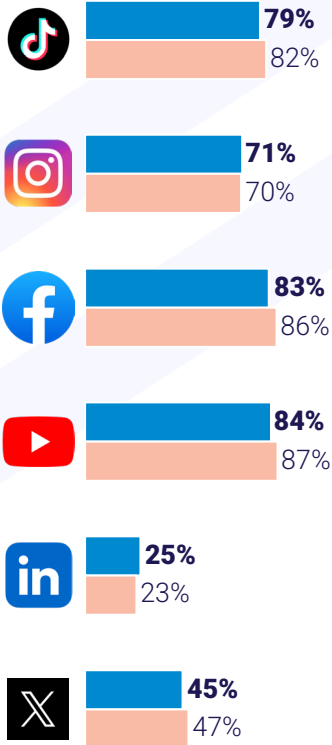
1: Most common free text entries
Source: Southeast Asia consumer survey, n=400

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Malaysia Influencer Marketing Overview

■ **Malaysia** ■ **SEA**

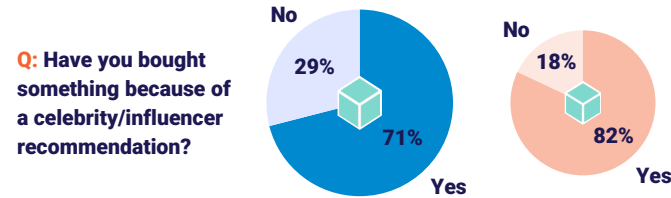## Social media platform usage

Current regular platform use, % of users

- TikTok: **79%** / 82%
- Instagram: **71%** / 70%
- Facebook: **83%** / 86%
- YouTube: **84%** / 87%
- LinkedIn: **25%** / 23%
- X: **45%** / 47%

Influencer purchase recommendation power

'Positive' or 'Very positive' recommendation impact, % of users

- **Celebrities** — Famous from TV/movies/etc: **55%** / 63%
- **Mega influencers** — >1mn followers: **59%** / 67%
- **Macro influencers** — 100k-1mn followers: **57%** / 63%
- **Micro influencers** — 10k-100k followers: **48%** / 49%
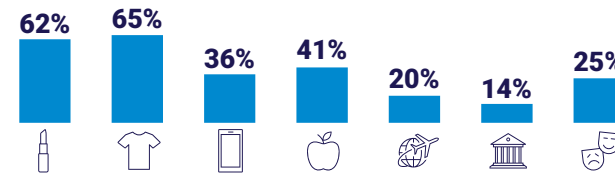- **Nano influencers** — 1k-10k followers: **38%** / 37%

Influencer-driven purchase behavior

Purchase adoption, category trend, and most popular influencers

Q: Have you bought something because of a celebrity/influencer recommendation?

- Malaysia: No 29% / Yes 71%
- SEA: No 18% / Yes 82%

Q: If yes, which categories of products and services did you buy?

- 62%
- 65%
- 36%
- 41%
- 20%
- 14%
- 25%

Q: Which influencer or celebrity were you influenced by? [1]

Neelofa · Nora Danish · Mira Filzah · Blackpink · EXO · **Khairul Aming** · Alif Satar · Siti Nurhaliza · Ronaldo · Wawa Zainal
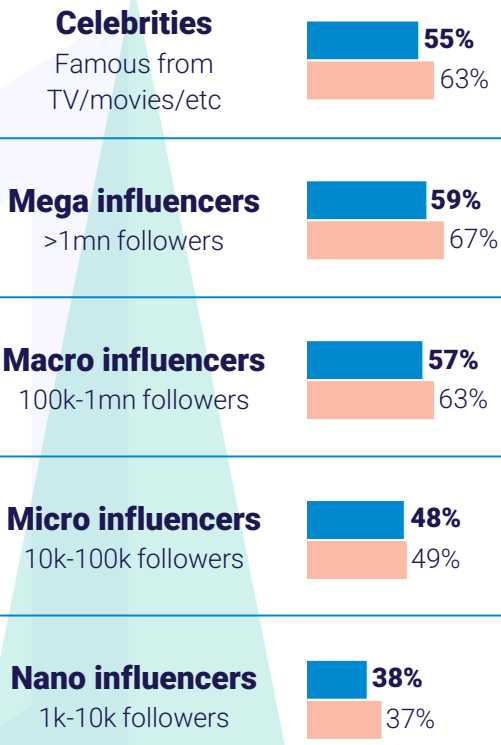
Key Insights

- **YouTube, Facebook, and TikTok are the most popular social media and content platforms in Malaysia;** overall usage trails Southeast Asia average

- **The purchase recommendation power of influencers and celebrities in Malaysia is significantly lower than its neighboring countries;** recommendations from mega influencers (>1mn followers) carry the most weight

- **The most influential celebrities and influencers for driving purchases are mostly local YouTubers and actors/actresses;** Korean boy band EXO and girl group Blackpink also make the top 10 list
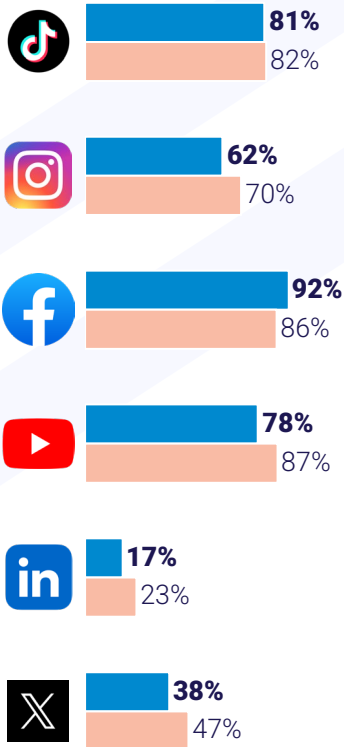
1: Most common free text entries
Source: Southeast Asia consumer survey, n=400

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Philippines Influencer Marketing Overview

■ **Philippines** ■ **SEA**

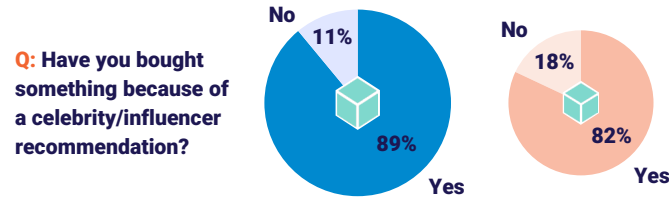## Social media platform usage
Current regular platform use, % of users

- TikTok — **81%** / 82%
- Instagram — **62%** / 70%
- Facebook — **92%** / 86%
- YouTube — **78%** / 87%
- LinkedIn — **17%** / 23%
- X — **38%** / 47%

Influencer purchase recommendation power
'Positive' or 'Very positive' recommendation impact, % of users

- **Celebrities** — Famous from TV/movies/etc — **65%** / 63%
- **Mega influencers** — >1mn followers — **68%** / 67%
- **Macro influencers** — 100k-1mn followers — **60%** / 63%
- **Micro influencers** — 10k-100k followers — **51%** / 49%
- **Nano influencers** — 1k-10k followers — **37%** / 37%
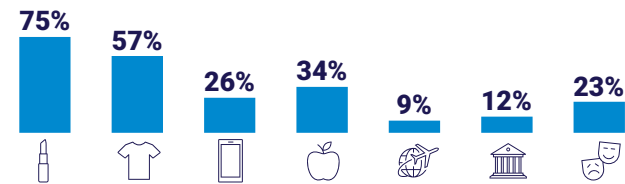
Influencer-driven purchase behavior
Purchase adoption, category trend, and most popular influencers

Q: Have you bought something because of a celebrity/influencer recommendation?

Philippines: No **11%**, Yes **89%**
SEA: No **18%**, Yes **82%**

Q: If yes, which categories of products and services did you buy?

- **75%**
- **57%**
- **26%**
- **34%**
- **9%**
- **12%**
- **23%**

Q: Which influencer or celebrity were you influenced by? [1]

Ninong Ry · Zeinab Harake · Andrea Brillantes · **Vice Ganda** · **Rosmar** · Marian Rivera · Kathryn Bernardo · **Ivana Alawi** · Cong TV · Viy Cortez
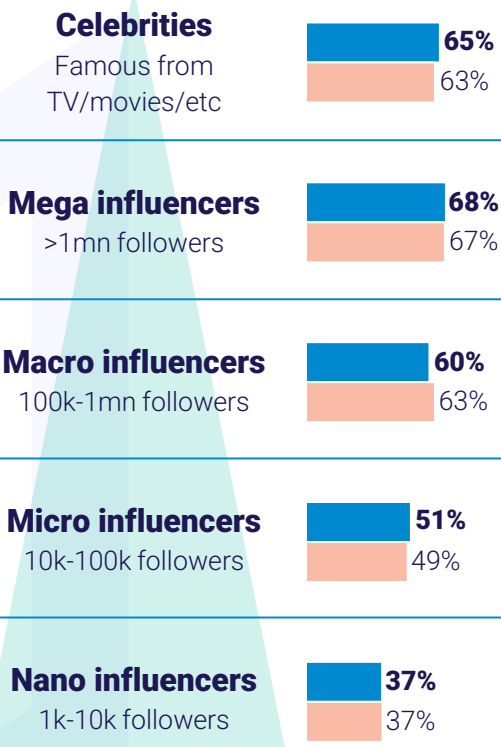
Key Insights

- **Facebook, TikTok, and YouTube are the most popular social media and content platforms in the Philippines;** especially Facebook has a much higher penetration than in other SEA markets

- **89% of Filipino consumers have previously bought a product or service due to the recommendation of an influencer or celebrity,** with beauty as the clear #1 category

- **The most powerful influencer and celebrities for driving purchase in the Philippines are all local;** a musical artist and cosmetic brand owner, is the #1, followed by a mix of actors, actresses and even comedian/tv host Vice Ganda

1: Most common free text entries
Source: Southeast Asia consumer survey, n=400

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Closing thoughts

Thank you for reading **The Power of Influence**, our research report about e-commerce influencer marketing in Southeast Asia. We hope you found the insights helpful.

We began this research project to better understand the link between influencer marketing and e-commerce in the region, and we close the report with high conviction that influencer marketing will become an increasingly important tool in the e-commerce marketing toolbox in the years to come.

We also urge brands to raise their expectations of influencer marketing. Influencers and enablers alike must be held to a high standard for execution, measurement, and tracking for the discipline to unleash its full potential.

We would like to thank our sponsor, impact.com, for making it possible to share this report for free.

Cube Asia September 2023

Get in touch

Cube Asia

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The leading partnerships management platform; transforms the way enterprises manage and optimize all types of partnerships

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