

● **influencer** intelligence



Influencer Marketing 2022

EXECUTIVE SUMMARY

- 43% of brands have been working with influencers for three to four years. A further 27% have been collaborating with digital talent for four years or more.
- Gen Z and Millennials represent the sweet spot for influencer marketing, but the demographic reach is broadening. Currently, 20 to 29 years is the priority age group for influencer marketing, for 69% of respondents. The 30 to 39 year-old age bracket is the second most important group, for 35%.
- 69% of respondents agree that over the past 12 months, influencers have helped brands to create content that they have used on their owned channels; and 69% of respondents agree influencers have helped to increase revenue generation for them, over the past 12 months.
- Over the past year, the purpose influencer marketing serves for a brand has “changed significantly” for 19% of respondents, and “changed slightly” for an additional 48%.
- Over a third (37%) of respondents say the pandemic has been the biggest driver of change for the industry. 41% of respondents say consumer demand for brand transparency, across factors such as sustainability, ethical supply chains, diversity and inclusion, has been the greatest driver of change.
- Influencer marketing budgets are bouncing back, after taking a hit last year. A third (34%) of respondents say they are spending between 30% and 50% of their overall marketing or communications budget on influencer marketing.
- Celebrity talent is losing some appeal, and just 15% of respondents say they have worked with celebrities in the past year. Rather, brands are looking for expertise, and 22% of respondents have worked with ‘authoritatives’ or those with expert professional experience, recently.
- 31% of respondents prioritise an influencer’s area of expertise within their talent selection. Also, 28% say partnerships that are utilising an influencer’s expertise for solutions content are delivering the greatest success.



- When identifying talent to work with, the personal values of an influencer is the most important criteria for selection, for 37% of respondents.
- For 36% of respondents, gaming influencers have delivered the most campaign success for brands, which sits slightly above beauty (35%), travel (33%) and fitness (32%).
- 29% of brands are finding success with long-term partnerships with a group of influencers, and a further 14% prefer a long-term partnership with an individual influencer. However, a campaign-specific engagement model is still performing the best for just over a quarter (26%) of respondents.
- Instagram was the platform of choice for influencer marketing in 2021, and 37% of respondents say it delivered the most success for them over the past year. In comparison, 19% of respondents say they saw more success with TikTok in the same timeframe.
- Two-thirds of respondents agree that influencers are being used to create professional-quality content on a brand’s owned channels.

- Three quarters (75%) of respondents agree that they are up-to-date with the advertising codes relevant to their country, however, 55% also agree that they regularly circumvent the rules. Additionally, 58% of respondents agree that there remains a blurry line between sponsored and organic content.
- Follower fraud ranks as the number one concern in influencer marketing.
- 41% of respondents say they are using engagement data to measure the success of an influencer campaign. Site analytics data, including traffic and dwell time, is also important, for 35% of respondents; and sentiment data ranks third, cited as an important measure of success by 29%.
- More than half (54%) of respondents are using trackable attribution or affiliate links within content created by their influencers. Additionally, 45% of respondents are using platform-specific metrics, such as trackable shopping links on Instagram.
- Just over a third (34%) say that influencer marketing is an intrinsic part of their digital marketing ROI calculations. Almost an equal number of respondents (37%) admit that influencer marketing is peripheral to their digital marketing ROI calculations.
- Almost a third (31%) of respondents say they plan to invest in TikTok this year, alongside 42% who (maybe also) intend to invest in Instagram. It is promising that 15% hope to invest in Twitch.
- 70% of respondents agree influencer marketing campaigns with live streaming will soon become commonplace across all sectors.



Methodology

This research report is published by Influencer Intelligence and explores the current state of influencer marketing, and the impact the COVID-19 global pandemic has had upon the industry.

There were 1,408 communications specialists who responded to the global research request, which took the form of an online survey, in September 2021. Detailed breakdowns of the respondent profiles are included in the Appendix of the report.

If you have any questions about the research, please contact Sarah Penny, Content & Research Director at Influencer Intelligence:

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Contributors

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INTRO DUCTION

The past two years have been extraordinary and unprecedented, and without doubt have had a significant impact on influencer marketing. The global pandemic, and successive lockdown situations gave brands an opportunity to pause and re-evaluate their overall approach to influencer marketing. “We started thinking more about, ‘why?’” says Lucy Robertson, Account Director at SEEN Connects. “We saw brands looking for a more authentic voice, and influencers who stand for something, rather than a hook to hang their product off.”

One notable shift has been in the perception of digital talent. While the term ‘influencer’ is very much alive and kicking still, industry professionals are often preferring to refer to their talent as “content creators” or “creators”. These individuals could be writers, photographers, designers, videographers, digital creators; and their quality of content is of far greater importance than their follower count. Increasingly, some brands are viewing these individuals as extensions of their creative team, and this couldn't have been more apparent than when former Love Island star, Molly-Mae Hague, was appointed Creative Director of fashion retailer PrettyLittleThing this year.

The Finnish government reclassifying influencers as ‘keyworkers’ during the pandemic, along with doctors, bus drivers and grocery store workers also served to highlight how legitimized influencer marketing has become as a formal communications channel, particularly during a time of crisis. In 2020, we saw US Democratic presidential candidate Mike Bloomberg pay influencers to amplify his message in the hope of reaching younger voters. His campaign commissioned some of social media's top creators to generate content about him that reached tens of millions of followers, also tapping into memes. US President, Joe Biden, also integrated influencers into his campaign strategy, albeit utilising a different approach, offering interviews to well-known influencers, such as YouTuber, Bethany Mota.



With shops being closed, consumers were also finding inspiration for products in their social media grid or stream, and advertising lost some appeal. This drove social commerce from advertising to transactions, with a push to live stream shopping beginning to make headway, opening up a plethora of new opportunities for brands and influencers. “There has been a big arms race over the past year, where the old guard have been rushing from ecommerce to social commerce. The mainstream social media platforms are in this arms race, to show how they can add features to entice their users to stay on their app as long as possible, and buy straight from them, in-app,” says Scott Guthrie, Influencer Marketing Advisor.

Throughout the pandemic, audiences also craved a more engaging, fulfilling and satisfying form of content, which has helped to boost the live streaming market, making it an exciting new prospect for brands and influencers. During a difficult year, it has offered audiences something fun and escapist. Charlotte McEleny, Publisher, APAC, The Drum, explains “gaming offers people a sociable, immersive way to spend downtime and since we've all spent more time at home, it's filled time for people in a really meaningful way. This also means the gaming community is incredibly sensitive to authenticity; they care a lot about the community and the influencers they've helped propel into the limelight and they can sniff out any inauthentic approach by brands. Get it right and it's very impactful, get it wrong and you'll soon know about it.”

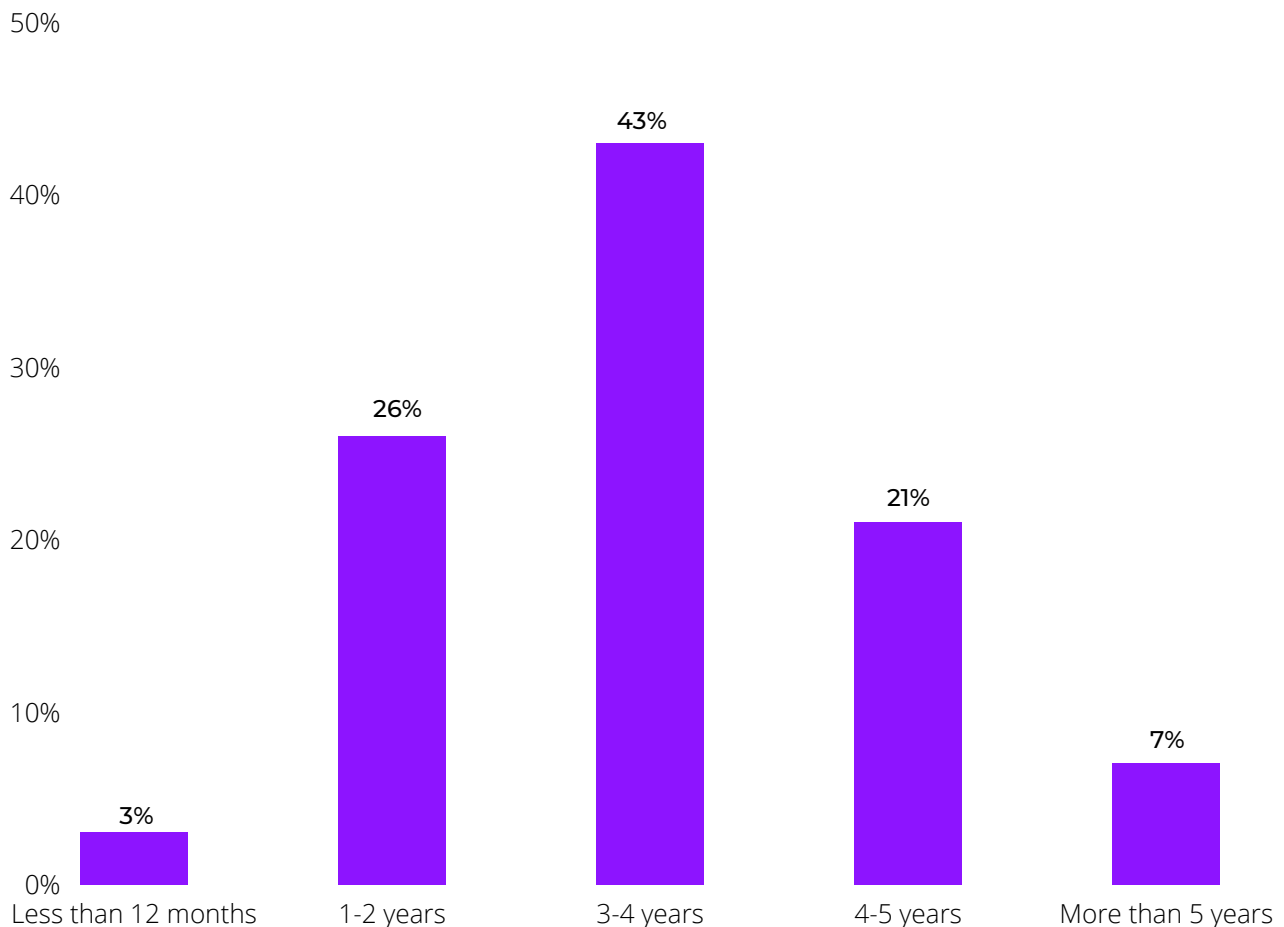
WHERE IS THE INDUSTRY NOW?

The influencer marketing industry is well established, but if there was any doubt, influencers emerged as some of the biggest content engines throughout the pandemic. Once the domain of B2C, recently influencer marketing has infiltrated every corner of society, from B2B all the way through to the upper echelons of government.

Furthermore, technological innovation, across tools and platforms, has helped to bring greater accountability and measurement to the influencer marketing space, making it more investable and sustainable over the long term, truly cementing it as part of the marketing mix.

Figure 1 below shows that most brands (43%) have been working with influencers for three to four years. A further 28% have been collaborating with digital talent for four years or more. A mere three percent of respondents say they have worked with influencers for less than 12 months. To compare these findings with our Influencer Marketing 2020 study, published three years ago, at that point 29% of respondents had never worked with influencers. Clearly, the industry has come a long way in that timeframe.

FIGURE 1. HOW LONG HAVE YOU WORKED WITH SOCIAL MEDIA INFLUENCERS AS PART OF YOUR BRAND COMMUNICATIONS STRATEGY?



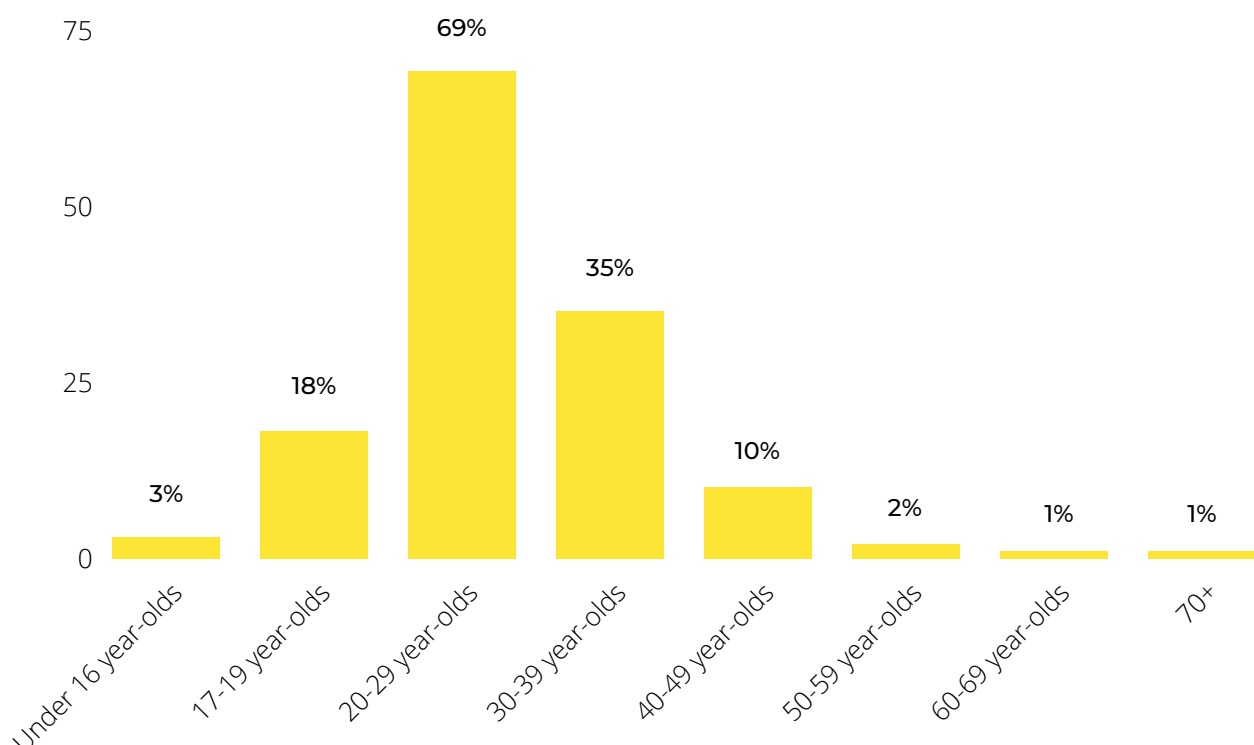
THE BORN DIGITAL GENERATION REPRESENTS THE SWEET SPOT FOR INFLUENCER MARKETING

Born Digitals (made up of Millennials, born 1981 to 1996; and Generation Z, born after 1997) are the first generation to grow up in an entirely digital world. Currently aged between 18 and 41, it makes sense that they represent the sweet spot for influencer marketing. Engaging this cohort is extremely important to any business since they also account for most of the global workforce and there is proven commercial benefit from brands investing in them.

Figure 2 below reveals that 20 to 29 years is the priority age group for influencer marketing, by quite a margin. Just over two thirds (69%) of respondents cite this audience group as a target for them. The 30 to 39 year-old age bracket is the second most important group, for 35%; while 17 to 19 year-olds rank third, for 18%. It is notable that just 4% of respondents are targeting individuals over the age of 50 with their influencer marketing strategies.

However, looking to 2022, some of the experts interviewed claimed newly emerging social media platforms, such as live streaming and gaming, are broadening the demographic reach of influencer marketing, potentially opening it up to other age groups. Charlotte McEleny, Publisher, APAC, The Drum, shares: "The gaming audience is essentially a mass audience because almost everyone now games, or at least all demographics. However, there are many layers and types of gaming, and it means you can find some tougher to find audiences through this. The key is to do your research on the audiences and how best to interact with them." Figure 3 supports this view, showing that 77% of respondents agree influencer marketing is helping to expose them to new audiences.

FIGURE 2. WHICH AGE GROUP DO YOU TARGET WITHIN YOUR TALENT MARKETING STRATEGY? PLEASE SELECT ALL THAT ARE RELEVANT



CONTENT CREATION IS A PRIMARY FOCUS FOR INFLUENCER COLLABORATIONS

The pandemic hit the marketing sector hard and across all verticals, marketers were compelled to rethink their strategies and investments. Photo shoots, travel and physical events were cancelled, and the nuts and bolts of traditional marketing were no longer accessible. Yet during such an uncertain time, it was crucial for brands to continue building content to maintain their connection with their customers. In most cases, digital influencers represented the much-needed solution, becoming content engines and ensuring that creativity did not suffer.

As Scott Guthrie, Influencer Marketing Advisor, explains, "if you wanted a TV ad created, you couldn't get access to front of camera talent, as everyone was in lockdown, or a camera or production crew. But an influencer is largely all of those roles: the writer, creative director, sound engineer, videographer, and distributor. At such a critical time, that is precisely what the industry needed."

As Figure 3 reveals, 69% of respondents agree that over the past 12 months, influencers have helped brands to create content that they have used on their owned channels. Renee Ogaki, Founder of OGAKI, shares: "since the pandemic, brands have come to rely on influencers heavily for content creation; not only social content, but also website content, ad content and newsletters. Now that the pandemic has calmed down a bit, brands are continuing to work this into their influencer marketing plan, and it is what a lot of brands are coming to us for."

Bex Ringer, Director of Summer, agrees and says: "there is new talent coming through the ranks because of Covid-19, who have higher engagement, and who are creating amazing content."

According to Ogaki, this shift has extrapolated itself into two primary goals for influencer marketing over the past 12 months: content creation; and traffic and conversion. "Those two goals have really replaced the brand awareness focus, that we were seeing from brands previously," she says. Figure 3 also shows that 69% of respondents agree influencers have helped to increase revenue generation for them, over the past 12 months. Additionally, 77% agree influencers have helped to expose the brand to new audiences.



FIGURE 3. HOW HAVE INFLUENCERS SUPPORTED YOUR MARKETING STRATEGY OVER THE PAST 12 MONTHS?



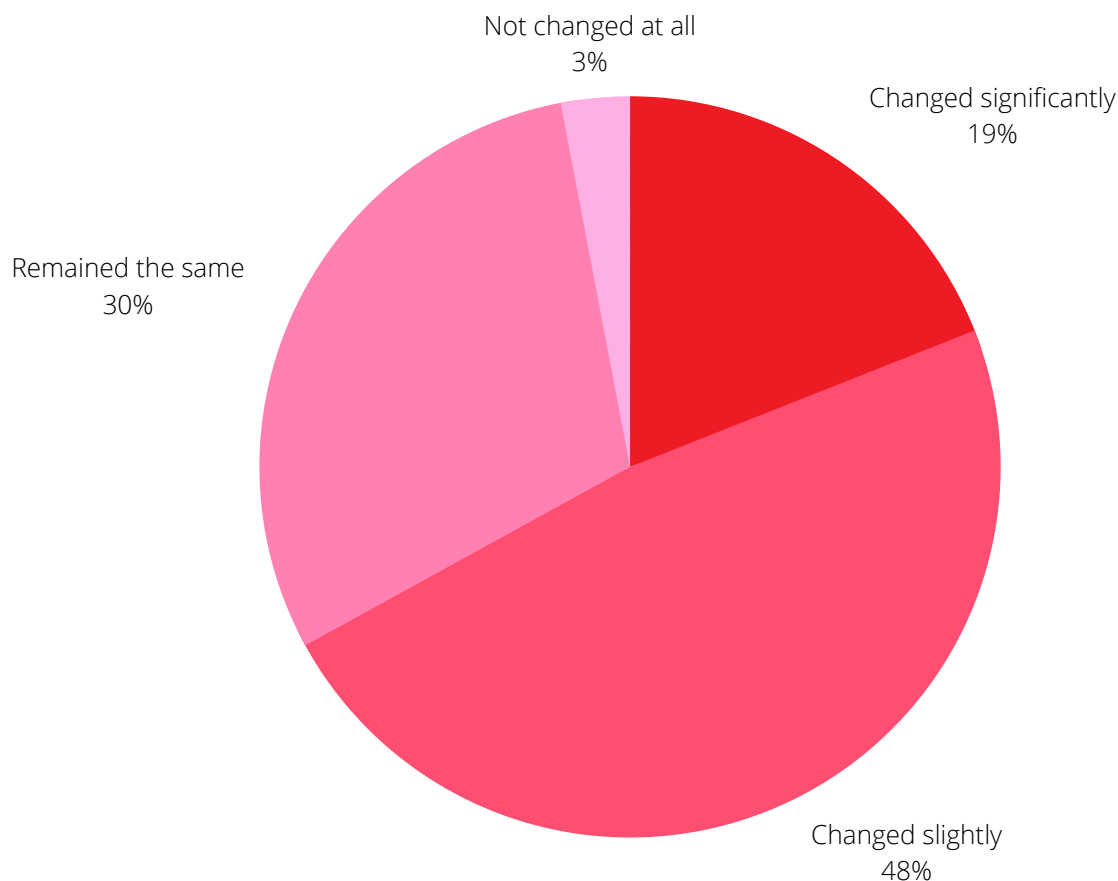
THE PURPOSE OF INFLUENCER MARKETING HAS SHIFTED FOR 67%

Figure 4 shows that over the past 12 months, the purpose influencer marketing serves for a brand has “changed significantly” for 19% of respondents, and “changed slightly” for an additional 48%. Only 3% claim their purpose has not changed at all.

“Everyone pivoted last year,” says Bex Ringer, Director of Summer. “People at the top have had a lot of time to re-evaluate their influencer marketing, and the purpose it serves for the business.” This is a sentiment that many of the experts interviewed agreed with, while also expressing a desire to build back better post-pandemic. “People have been through a tough time, and there has been a noticeable shift away from aspirational content, towards more raw content, that offers a better sense of reality,” says Lucy Robertson, Account Director at SEEN Connects.

In addition to the pandemic, the past two years have also been significant for politics and civil rights, dominated by huge social movements such as Black Lives Matter and Stop Asian Hate. This has prompted brands to scrutinise the “why?” in their influencer marketing activations, which has further impacted the purpose influencer marketing serves for brands.

FIGURE 4. HAS THE PURPOSE INFLUENCER MARKETING SERVES FOR YOUR BUSINESS CHANGED IN THE LAST 12 MONTHS?





The pandemic inspires MADE.com to refocus its influencer work

MADE.com had been working with influencers on product-focused activity for its YouTube series MADEover, which saw it collaborate with YouTube creators across Europe to makeover and redesign rooms within their home.

"We worked with different type of creators, such as architects and artists, and provided consultations; it worked well commercially," shares Lauren Spearman, Head of Consumer Communications & Social, MADE.com. "They created video content showcasing the MADEover room and featured product, in collaboration with us, with our product continuing to live on as a backdrop to their future content. We repurposed their footage into clips for paid ads. Each creator's MADEover also had a page on our site so that their viewers could shop their style."

However, when the pandemic struck, it forced MADE.com to rethink its influencer strategy. With marketing activity temporarily on hold, the initial response was to shift its influencer marketing budget to something more meaningful, which it decided to spend on furniture and furnishings in hospital staffrooms, to help support the keyworker effort. "We donated 3,000 items to 150 hospitals, from sofa beds to mugs and cutlery, blankets and throws," shares Spearman.

The event altered MADE.com's perception of influencer marketing. "When we came out of lockdown, it felt like our gifting exchange wasn't hitting the right tone, and instead we wanted to work with creators in a way that connects with community more."

Sticking with the successful MADEover series model, the retailer is now working with creators on making over community spaces instead. "Instead of creators focusing on their own space that they have already made over several times, we worked with them to makeover community spaces such as a care home, a classroom space at a pony club in Brixton for underprivileged kids, and a cancer support centre," shares Spearman.

"We are still getting the creative message out there, but it's not just sharing a cushion in an influencer's home anymore; instead, it is something more meaningful" says Spearman. "We have seen that people are more likely to engage and react to this kind of content: something that has a point of view and is a bit different. We care about having a positive impact."

THE PANDEMIC HAS BEEN A SIGNIFICANT CATALYST FOR CHANGE

The pandemic has transformed the logistics of influencer marketing, and so it follows that, as seen in Figure 5, over a third (37%) say the event has been the biggest driver of change for the industry. This isn't a bad thing, and many of the experts interviewed agree that the disruption has forced the industry to mature and evolve. Lucy Robertson, Account Director at SEEN Connects, believes: "the pandemic has pushed brands to be more open and trusting of influencers, and influencer marketing has become more grown-up as a result".

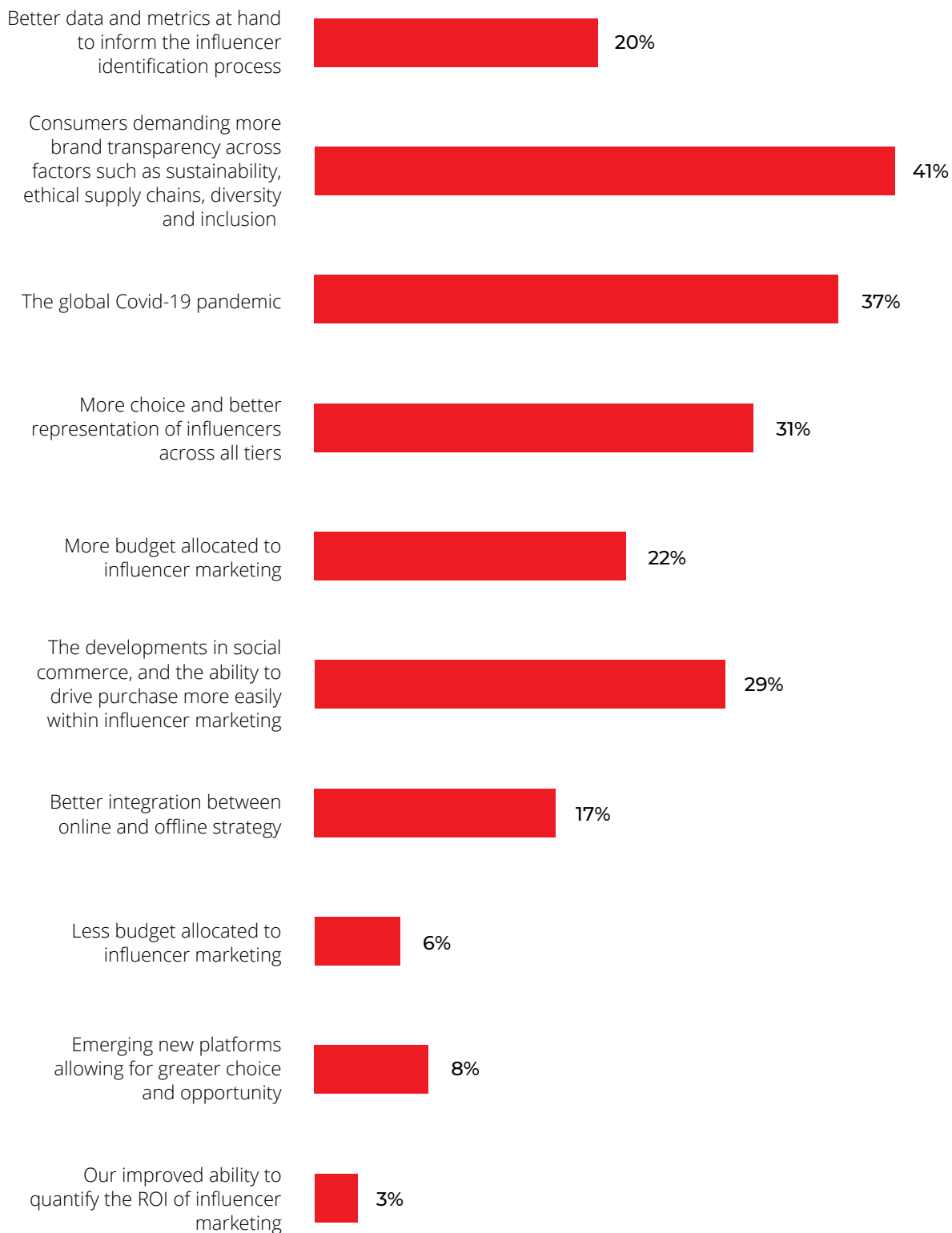
In addition, 41% of respondents say consumer demand for brand transparency, across factors such as sustainability, ethical supply chains, diversity and inclusion, has been the greatest driver of change.

The need for more choice and better representation of influencers across all tiers, has also been a significant driver of change, for 31% of respondents. For some time, brands have needed to demonstrate a greater purpose or commitment to a cause, beyond their raison d'être to make money, across all of their marketing efforts. With Generation Z being such a core focus for influencer marketing (see Figure 2), there is increasing pressure for brands to ensure they are fully transparent about what they stand for, since this is a generation that cares deeply about purpose.

The road to truly inclusive representation within influencer marketing is an ongoing journey. Although progress has been made and awareness raised, there is still much room for improvement. Representation matters, and it is important that influencer marketing campaigns are driving positive audience connections by authentically reflecting human diversity, in all its forms. As Robertson shares, "diversity cannot be a campaign. It should come from within and be reflected in the business. We would always challenge our clients to build influencer campaigns that accurately reflect the people buying their brand and products."



FIGURE 5. WHAT HAS BEEN THE BIGGEST DRIVER OF CHANGE?
PLEASE CHECK ALL THAT APPLY



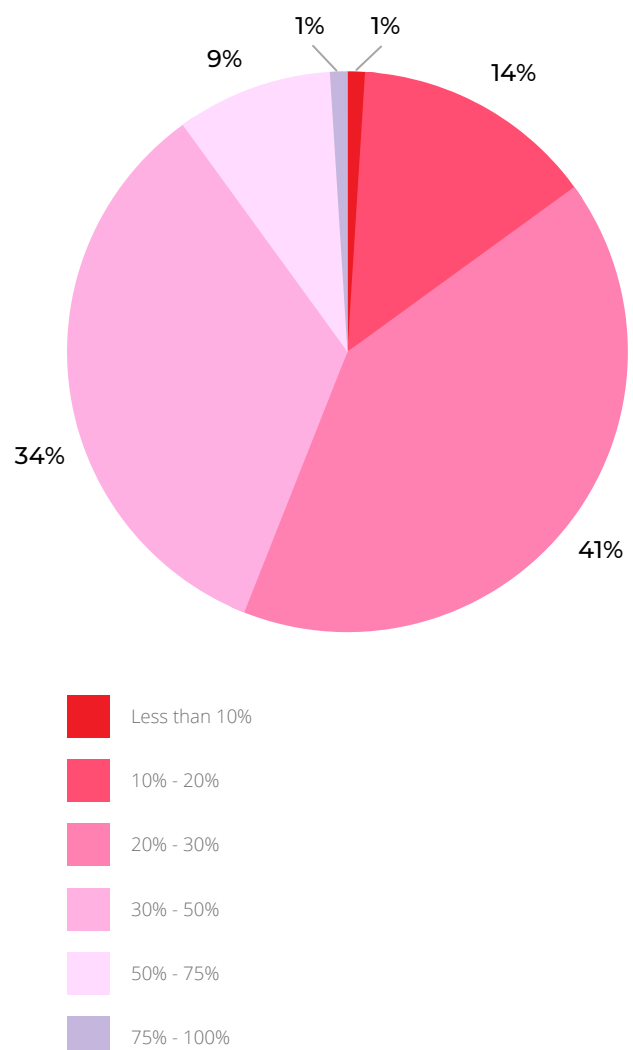
A THIRD OF RESPONDENTS ARE SPENDING UP TO 50% OF THEIR BUDGET ON INFLUENCER MARKETING

In our 'Measuring the effectiveness and ROI of Influencer Marketing' report, published in 2021 amid the global pandemic, 43% of respondents were spending less than 10% of their marketing communication budget on influencer marketing. It made sense that budgets were reined in, with so much economic uncertainty in the global marketplace. However, Figure 6 shows that budgets are already bouncing back. A third (34%) of respondents say they are spending between 30% and 50% of their overall marketing or communications budget on influencer marketing. An additional 41% are allocating 20% to 30% of their budget to influencers.

Renee Ogaki, Founder of digital PR agency OGAKI, explains: "back in March 2020, a lot of people held off on campaigns that were in motion, or that they were ready to embark on, because they were unsure how things would evolve and were worried how it may look if they continued to run sponsored content. So, at the very beginning of the pandemic a lot of budgets were being pulled back. However, since the summer, budgets are truly back to normal and in some cases, they are higher because people are redirecting money that they had assigned to traditional photo shoots, into influencer marketing, so that that they are able to create content more quickly."

Lucy Robertson, Account Director at SEEN Connects agrees, and says: "budgets set aside for influencer marketing continue to grow year-on-year, and today it is considered one of the most important marketing streams for brands. While influencer [marketing] was once the domain of fashion and beauty, now it is anyone's game. There is a space for influencer marketing everywhere."

FIGURE 6. HOW MUCH OF YOUR MARKETING AND/OR COMMUNICATION BUDGET IS CURRENTLY SPENT ON INFLUENCER MARKETING?



LATEST TRENDS IN INFLUENCER PARTNERSHIPS

BRANDS ARE DIVERSIFYING THEIR TALENT PARTNERSHIPS

Over the past year especially, we have seen brands become more open to working with a diverse range of talent, and Figure 7 confirms this, showing a broad spread of interest across all talent segments.

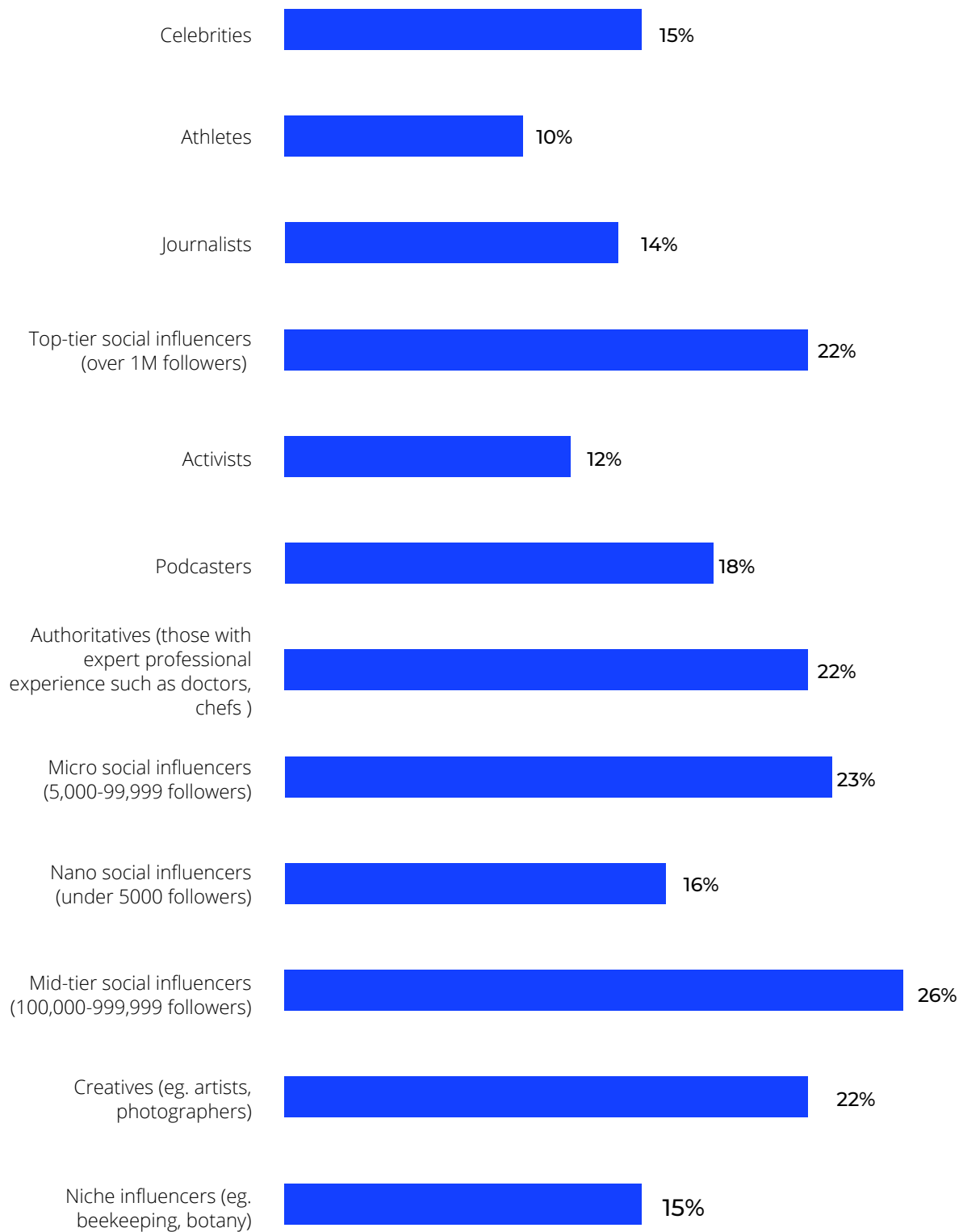
While historically, the follower count of an influencer was the starting point, increasingly it matters less and less. In fact, as Figure 8 highlights, follower figures count for just 25% of respondents. "It's all about getting the right person, with the right skillset, and the right audience demographic and strong engagement rates," says Lucy Robertson, Account Director at SEEN Connects. "The question brands need to be asking themselves now is if the platforms were to collapse tomorrow, what would be left? What skillsets would their influencers have, away from social media?"

It is notable that celebrity talent is losing some appeal, and just 15% of respondents say they have worked with such talent in the past year. This has much to do with the high price point that celebrities command, as well as the demand for authenticity, which can often feel more forced or contrived with celebrity talent. However, in some scenarios, the pandemic helped to show the human side of celebrity and early last year, we saw the influencer and celebrity worlds collide within a L'Oréal TV ad, featuring Hollywood actor Eva Longoria. With salons closed and her grey roots showing, she was a woman in lockdown, rather than a Hollywood superstar. To create the ad, Longoria filmed herself using two smart phones, with agency McCann Paris providing remote direction via Microsoft Teams. "It was a vulnerable moment," says Scott Guthrie, Influencer Marketing Advisor. "Influencers used to ape Hollywood, but in this, we saw Hollywood ape influencers. It was a crossover that characterised last year and brought unexpected authenticity."

Just over a fifth (22%) of respondents have worked with 'authoritatives' or those with expert professional experience, over the past year. According to Guthrie, a sweet spot in influencer marketing is individuals who straddle the line between celebrity and expert, such as Dr Alex George, who found fame on reality TV show Love Island, but equally, is an experienced physician which brings credibility to his influence. "He has used his subject matter expertise, along with personal experience of mental health through the early demise of his brother, to deepen his influence. He can speak articulately about medicine and mental health, but if it wasn't for his appearance on Love Island, it is doubtful Boris Johnson would have appointed him as Youth Mental Health Ambassador, as he wouldn't have had the profile. You need all of these qualities to be influential now."



FIGURE 7. WHICH TYPE OF TALENT HAVE YOU WORKED WITH IN THE PAST TWELVE MONTHS? PLEASE SELECT ALL OF THOSE THAT APPLY





The United Nations and Finnish government use nano influencer volunteers to share accurate information around Covid-19

Nano influencers have seen an increase in popularity over the past few years, but still, just 16% of respondents have worked with them over the past 12 months.

The United Nations turned to “everyday” nano influencers during the pandemic, to help squash the spread of misinformation around Covid-19, which was rapidly becoming a communications crisis, impeding the public health response and stirring-up unrest.

The United Nations launched ‘Verified’, an initiative that called on individuals around the world to become “information volunteers” and share verified, science-based content with their online communities. Anyone could sign up to be a volunteer. “Information volunteers” received a daily feed of verified content optimised for social sharing with simple, compelling messaging that either directly countered misinformation or filled an information void.

“We need to empower everyday people to spread factual trusted information with their friends, families and social networks” explained United Nations Under-Secretary-General for Global Communications, Melissa Fleming.^[1]

Separately, the Finnish government classified social media influencers as critical operators to society during the crisis, along with doctors, bus drivers and grocery store workers. It was the only country to do so.

Keenly aware that traditional media, such as TV, had lost its resonance with the younger generation particularly, and would not be able to reach the nation in a time of crisis, the Finnish government had already prepared for such a scenario, partnering with the country’s national emergency supply agency and PING Helsinki, a social media influencer consultancy. It was able to mobilize influencers quickly because they have been part of Finland’s emergency contingency plans for nearly two years.

When the pandemic broke, PING Helsinki edited the government’s messages into a social media-friendly format and sent it to its networks of 1,500 influencers. Influencers were free to use the messages and images as they liked, and participation was voluntary. No influencer was paid to be involved.

“This is an honor,” said Finnish influencer Inari Fernández. “I would refuse a fee. This is our duty as citizens...In a small country like Finland, you can be very influential in your genre with 5,000 or 10,000 followers,” Fernández explained.”^[2]

All influencers were able to take part. “If we can get a high school student with around 1,000 followers to share information, that is valuable too. They might have more engagement and influence in their own social circles than someone with more followers,” said Inna-Pirjetta Lahti, CEO of PING Helsinki.

^[1] <https://www.un.org/en/coronavirus/%E2%80%98verified%E2%80%99-initiative-aims-flood-digital-space-facts-amid-covid-19-crisis>

^[2] <https://www.politico.eu/article/finland-taps-influencers-as-critical-actors-amid-coronavirus-pandemic/>

BRANDS CARE MOST ABOUT THE VALUES AN INFLUENCER REPRESENTS

Having a strong sense of purpose within an influencer collaboration has become the priority, according to many of the experts interviewed for this report, which much of the survey data also supports.

Figure 8 reveals that when identifying talent to work with, the personal values of an influencer are the most important criteria for selection, for 37% of respondents. Brands are vetting influencers for what they stand for before entering a partnership, with issues such as climate change, zero waste, sustainability, female empowerment, diversity and inclusion, mental health and ocean protection sitting front and centre.

“Today, influencers become influential because they stand for something,” says Scott Guthrie, Influencer Marketing Advisor. “Brands also have to stand for something and live those values, too. Increasingly influencers vet brands to ensure that their world-view and values complement each other. There is a commercial imperative for brands to demonstrate their beliefs, and this heralds the big push into purpose-led influencer marketing. But declared values must always be in sync with enacted values.”

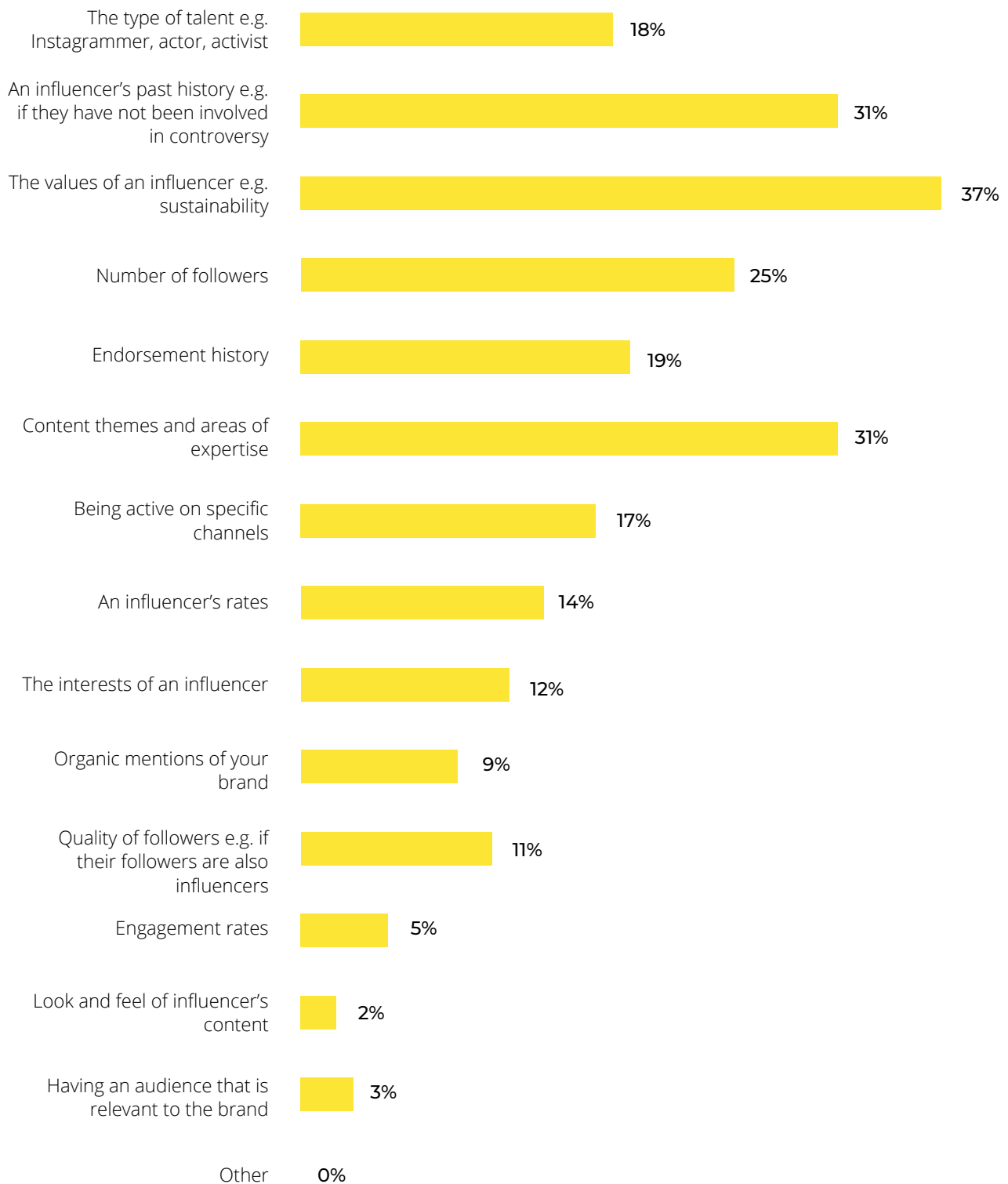
The experts interviewed for this report were careful to stress that the purpose must be genuine and not contrived. Purpose for purpose's sake, is superficial and will be exposed by the influencer's audience. Many consumers today, particularly Millennials and Gen Z, are looking to support the brands that put real action behind their stated values. A one-off campaign is not enough and will be construed as disingenuous. The influencer's past history becomes important here to ensure their values are sincere, and 31% of respondents are recognising this, within their talent identification process.

A recent global study found that that when a brand has a strong purpose, consumers are four times more likely to purchase from the brand; six times more likely to protect that brand in a challenging moment; 4.5 times more likely to recommend (champion) the brand to friends and family; and 4.1 times more likely to trust the brand.^[3] According to the same study, consumers are also looking to companies to advance progress on important issues within and outside of their operational footprint. Globally, 94% of consumers said it is important that the companies they engage with have a strong purpose, and 83% said companies should only earn a profit if they also deliver a positive impact. However, only 37% of consumers believe companies today have a clear and strong purpose, leaving much scope for growth.



[3] <https://www.forbes.com/sites/afdelaziz/2020/06/17/global-study-reveals-consumers-are-four-to-six-times-more-likely-to-purchase-protect-and-champion-purpose-driven-companies/?sh=af318be435fe>

FIGURE 8. WHEN IDENTIFYING TALENT TO WORK WITH, WHICH VALUES ARE MOST IMPORTANT TO YOUR DECISIONS? PLEASE SELECT YOUR TOP THREE OPTIONS



BRANDS ARE SEEKING PARTNERSHIPS THAT SHOWCASE INFLUENCER 'EXPERTISE'

Figure 8 shows that 31% of respondents prioritise an influencer's area of expertise, within their talent selection. Equally, in Figure 9 below, 28% say partnerships utilising an influencer's expertise for solutions content are delivering the greatest success.

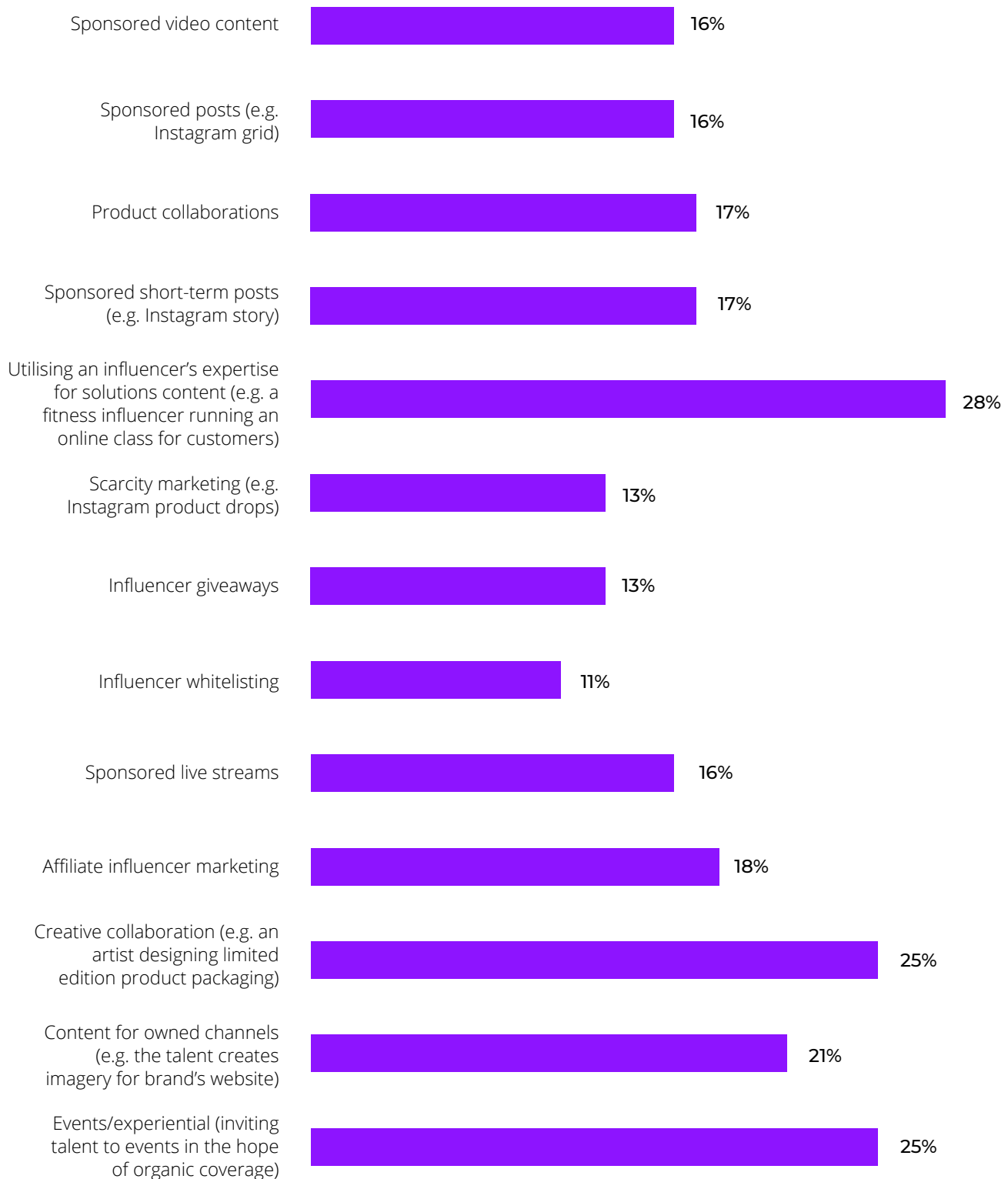
The experts interviewed shared the same view, claiming that expertise can help to bring credibility and trustworthiness to a campaign. Increasingly, audiences want to learn something from the content they view: this takeaway can be deemed as a fair exchange for the time they have invested in viewing the content. This was particularly true during lockdowns, when audiences were at home and had more time to consume longer-form content.



Renee Ogaki, Founder of OGAKI shares that "since the pandemic, brands have been looking more to tastemakers who aren't full time influencers, such as artists, poets, chefs and dancers. They are interested in their ability to story tell and offer that authentic point of view. While they may not be the ones creating the most beautiful content, brands are interested in editorial that tells the story of the day-to-day life on the job, whether that's a blog post or an authentic video, also sharing their expertise, advice and information."

To illustrate her point, Ogaki shares she recently "worked with Lucky Brand, to launch their Universal Fit Jeans which have incredible stretch. We worked with Aleksandra Zee, who is a woodworker, and Lauren Caruso who is a fashion editor. They were able to show how they wore those jeans in their work."

FIGURE 9. WHICH TYPES OF PARTNERSHIPS HAVE YOU SEEN MOST SUCCESS WITH THIS YEAR? PLEASE SELECT YOUR TOP THREE OPTIONS



INFLUENCER WHITELISTING

A point of interest within Figure 9 is that 11% of respondents have seen success with influencer whitelisting this year. Whitelisting is the process through which social media influencers give brands unfettered access to advertise on their social accounts. Although a relatively new practice, it is potentially a trend to watch since increasingly brands are looking for ways to extend their influencer partnerships.

Renee Ogaki, Founder of OGAKI, shares, “the blending of paid with organic media is becoming a bigger focus, and many of the brands we work with are interested in whitelisting influencer content, meaning they are able to run paid ads to that influencer’s audience, or they are using the influencer content to run paid ads on their own accounts. It is yet another way for brands to use influencer content in a different way in their marketing mix.”

Other experts agreed that whitelisting can give organic influencer content an additional boost.



GAMING INFLUENCERS ARE DELIVERING SUCCESS

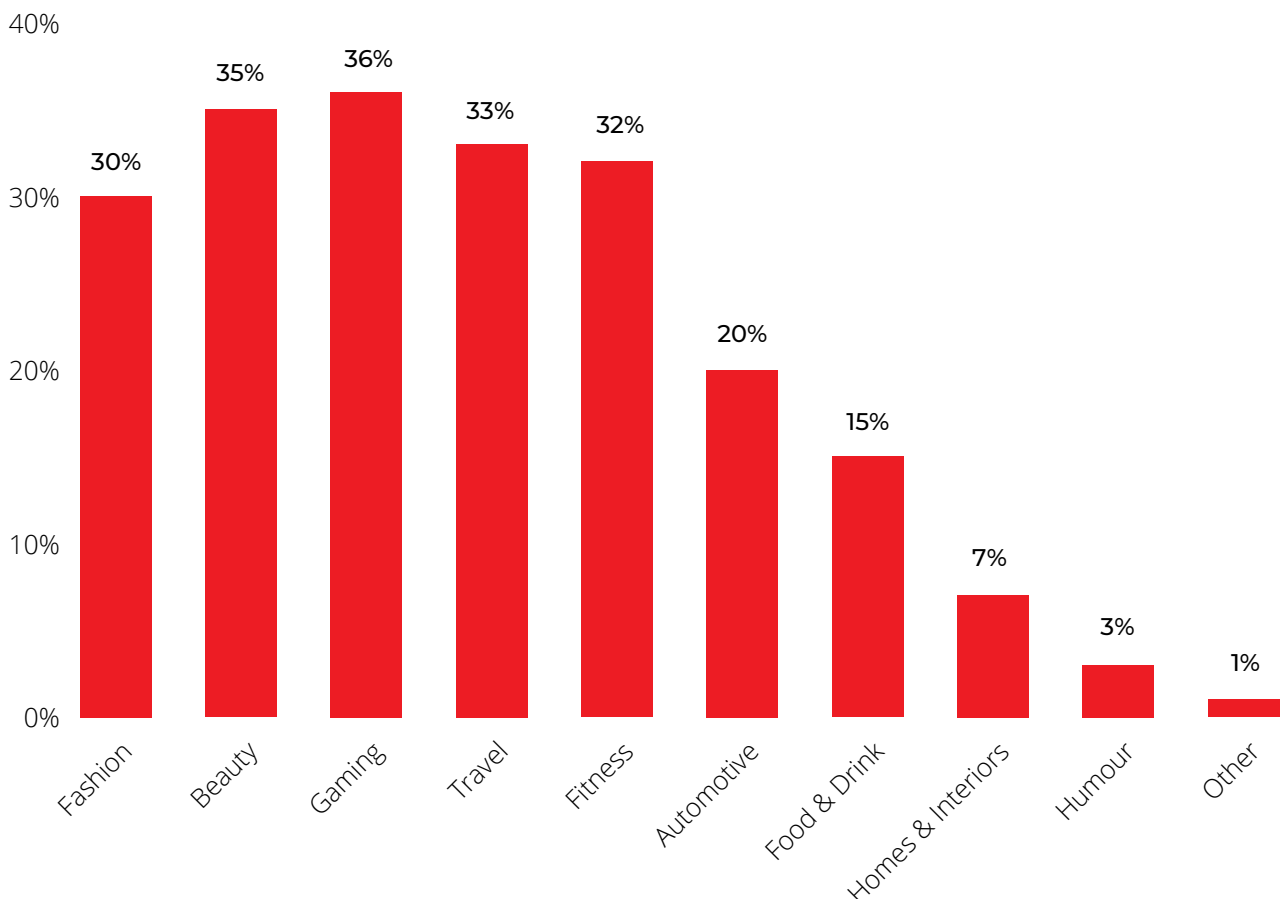
Gamers, once perceived as a niche audience group, have hit the mainstream thanks to the success of games such as Animal Crossing: New Horizons, Fall Guys and Fortnite, and video gaming live streaming platforms such as Twitch and Mixer, which have acquired highly engaged audiences in a fairly short timeframe.

Christian Perrins, Head of Strategy at Waste, explains: “younger core and midcore gamers are chronic ad-avoiders and marketing cynics. They take very little brand marketing at face value, preferring to get the opinions of their peers and the people they respect most, with elite gamers being at the top of the food chain. Also, during lockdown, lapsed and new gamers started entering the space, bringing much wider audiences to gaming influencers, and a concomitant increase in their reach for brands.”

Figure 10 below shows that for 36% of respondents, gaming influencers have delivered the most campaign success for brands, which sits slightly above beauty (35%), travel (33%) and fitness (32%). It is notable that fashion, historically one of the first sectors to find success with influencer marketing, is now ranking in fifth place (30%).

Charlotte McEleny, Publisher, APAC at The Drum, shares: “the pandemic has had a huge impact on how brands look at gaming. The truth is that gaming isn’t new at all, but the pandemic meant that brands had to find ways to reach people when traditional means weren’t having the same impact with everyone at home.”

FIGURE 10. WHEN WORKING ON CAMPAIGNS, USING INFLUENCERS FROM WHICH SECTORS HAVE PROVEN MOST SUCCESSFUL FOR YOU? PLEASE CHECK THOSE THAT APPLY





Uber Eats runs influencer marketing campaign on Twitch

Twitch is a live streaming platform owned by Amazon, with more than 15 million daily active users. Most of the content on the platform is video game live streaming and eSports competitions, but there is also a growing number of streamers who focus on music, DIY, creative, and lifestyle content. Currently, it is the most popular platform for live streaming, and since the first lockdown, streaming on the platform has seen a rapid surge in growth, with over three billion hours of content being watched.^[4]

Twitch's success as a marketing platform, is growing. According to reports, top streamers earn up to \$20 million a year from various revenue streams on the platform. Additionally, among its audience, 76% appreciate brands that help their favorite streamers achieve success.^[5]

Christian Perrins, Head of Strategy at Waste, shares "the real battle has been for the quality and integrity of executions brands have run with gaming influencers or pitched to them. The best gaming influencers are incredibly protective of their brand and content proposition, and they would balk at any shallow #ads. They want to work 'with' brands to deliver compelling content about things they truly love, because they know their audience can smell a sell-out a mile away."

Uber Eats was keen to tap into the success of Twitch, and the native behaviours of the community, putting the brand right at the heart of it. It teamed up with two of Twitch's biggest streamers, Manny and Miniminter, with the intention to reach out to and help champion some of Twitch's smallest streamers, for its #BringIt campaign.

The influencers hosted two 120-minute streams on their channels. Using Twitch's 'raiding' feature (when a streamer directs all their viewers to another person's stream), Manny and Miniminter dropped in on unsuspecting gamers over a series of live matches. "Together they opened these little-known streamers to thousands of viewers and a lot of love and engagement, at a time when they needed it most," explains We Are Social, who supported the campaign. They were also given Uber Eats voucher codes to redeem.

The brand also took over Twitch's homepage with an Uber Eats ad takeover that drove viewers to the streams, created custom Emotes to accompany the campaign and drive further engagement.

The result was "more viewers than they've ever experienced in all their hours/days/years put together streaming on Twitch and a rollercoaster of emotions," shares We Are Social.^[6]

^[4] <https://www.newsweek.com/twitch-amazon-viewership-statistics-growth-streamlabs-report-coronavirus-covid19-1495912>

^[5] <https://twitchadvertising.tv/>

^[6] <https://wearesocial.com/uk/case-study/uber-eats-bringit/>

BRANDS ARE FINDING GREATEST SUCCESS WITH LONG-TERM PARTNERSHIPS

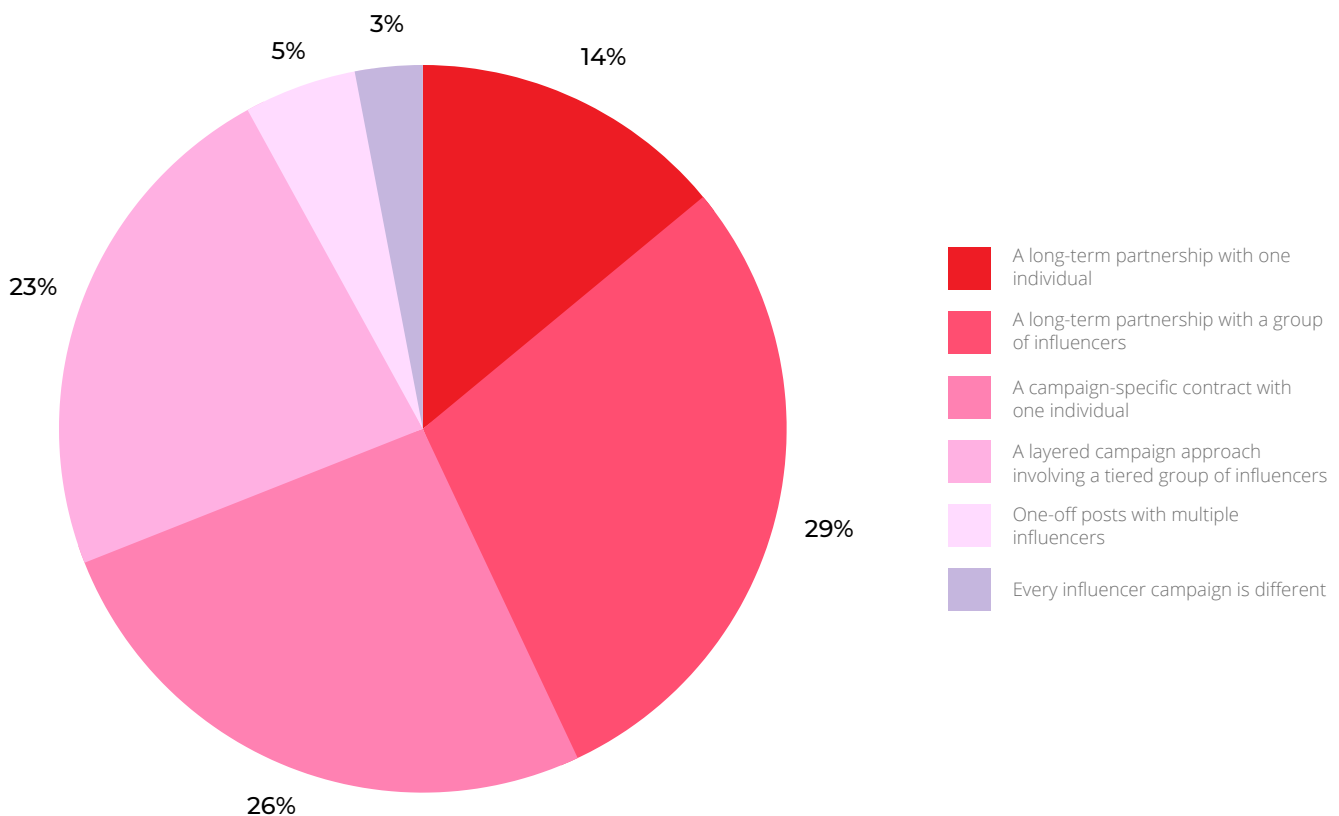
As influencer marketing has matured, long-term partnerships have become more entrenched, largely replacing one-off sponsored posts and collaborations.

Figure 11 below shows this largely remains the case, with 29% of brands finding success with long-term partnerships with a group of influencers, and a further 14% preferring a long-term partnership with an individual influencer. However, a campaign-specific engagement model is still performing the best for just over a quarter (26%) of respondents.

It is notable that just 5% of respondents are seeing continued success with one-off posts with multiple influencers, suggesting this approach has had its day, due to audience preference for more meaningful, ongoing collaborations. A single post can often seem more forced, and less sincere.

Figure 13 also reveals that three quarters (75%) of respondents agree that long-term partnerships are key to influencer marketing success.

FIGURE 11. WHICH ENGAGEMENT MODEL HAVE YOU SEEN MOST SUCCESS WITH THIS YEAR?



INSTAGRAM IS PROVING THE MOST SUCCESSFUL CHANNEL

As one might expect, Instagram is the platform of choice for influencer marketing in 2021, and 37% of respondents say it has delivered the most success for them over the past year. In comparison, 19% of respondents say they have seen more success with TikTok in the same timeframe.

However, many of the experts interviewed believe the margin that Instagram holds currently is under threat. TikTok presents the biggest competition, currently leading the video-first movement, but other newly emerging platforms are vying for attention too. Shoppable posts and videos, seamless transitions from influencer content to brand-owned channels, and deeper integrations between platforms and ecommerce solutions, are all emerging trends that could make or break platforms moving forward. It is rapidly becoming a more competitive space.

Renee Ogaki, Founder of OGAKI, shares: "The social space is becoming more crowded with new apps coming onto the scene. Instagram is using Reels to compete at the moment, in an attempt to become more of a video-first platform, which is forcing brands and influencers to adapt and become more video savvy. However, I think the conversation has shifted and while previously Instagram was leading the pack, it is now trying to chase other platforms; rather than setting the trend, Instagram is trying to keep up with the trend. So, it will be interesting to see whether Instagram continues to dominate the space and keep up with the changes it is making to the platform, or whether it will be toppled by another app like TikTok, enabling budgets and attention to be divided between a range of different platforms."

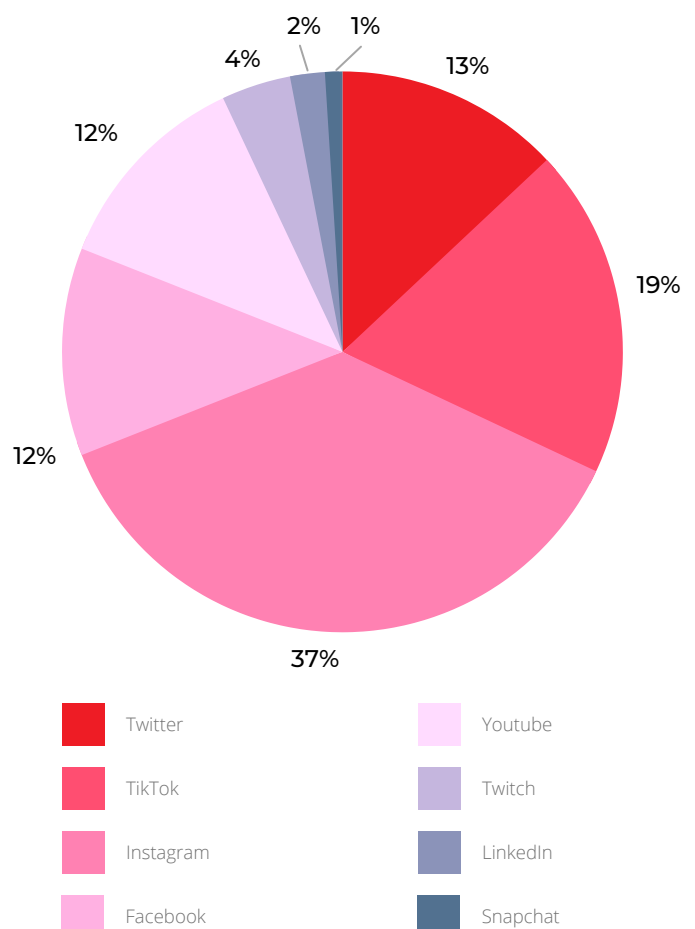
Indeed, in a recent UK study, Android users are spending a third longer on TikTok in 2022 compared to 2021, making it the platform with the greatest dwell time. On average per month, users spend 27.3 hours on the platform, compared with Instagram's 7.9 and YouTube's 16.1. [7]

Lauren Spearman, Head of Consumer Comms & Social at MADE.com, shares "this year, we have shifted 25-30% of our budget from Instagram to TikTok. The beauty of TikTok is that anyone can be a creator, and the creativity on the platform is incredible." TikTok usage surged during the pandemic's lockdowns; the app was downloaded almost 115 million times in March 2020, which is the most the app has ever achieved to date in one month. During a difficult time, audiences were craving something fun.

Fashion influencer and consultant Anna Rosa Vitiello, agrees, saying: "TikTok in particular has really found its place over this time, perhaps because there's never been a greater need for a silly meme video or brilliant dance routine performed with a gigantic smile, so there's been a huge shift towards creating that kind of content (possibly because we all need a bit of a laugh while trying to put these videos together!)."

According to the experts interviewed, YouTube remains a consistent focus for many brands, although Figure 12 suggests it is becoming more niche, with just 12% of respondents finding success with it over the past year. As Ogaki shares: "audiences are incredibly loyal to influencers they follow on YouTube, so when the focus is conversion, YouTube remains a very important platform."

FIGURE 12. WHICH PLATFORM HAVE YOU SEEN MOST SUCCESS WITH OVER THE PAST YEAR?



[7] <https://blog.hootsuite.com/simon-kemp-social-media/>

BRANDS ARE USING INFLUENCERS FOR PROFESSIONAL-QUALITY CONTENT

Two-thirds of respondents agree that influencers are being used to create professional-quality content on a brand's owned channels. The experts agree that influencers are becoming increasingly multi-faceted, taking on additional responsibilities, and as part of this, brands are increasingly asking for extended content rights to anything that an influencer creates for them, under the partnership.

The pandemic has provided brands with an opportunity to see what talented creatives can achieve for them, and in many cases, exceptionally high-quality content has been the result. This explains why there has been a shift towards influencers being referred to as creators.



Panasonic LUMIX offers a lesson in using influencers for professionally shot content

Panasonic's Limitless with LUMIX is the title of an overarching campaign that will run with a network of filmmakers across the UK and US later this year, to create content that promotes the LUMIX S5, a compact, lightweight camera that is optimised for shooting on the go.

As part of this campaign, a group of carefully selected influencers, chosen for their content creation skills and natural affinity with the product are briefed to work on "the shoot they have always wanted to do", says Lucy Robertson, Account Director at SEEN Connects, who is involved in the project.

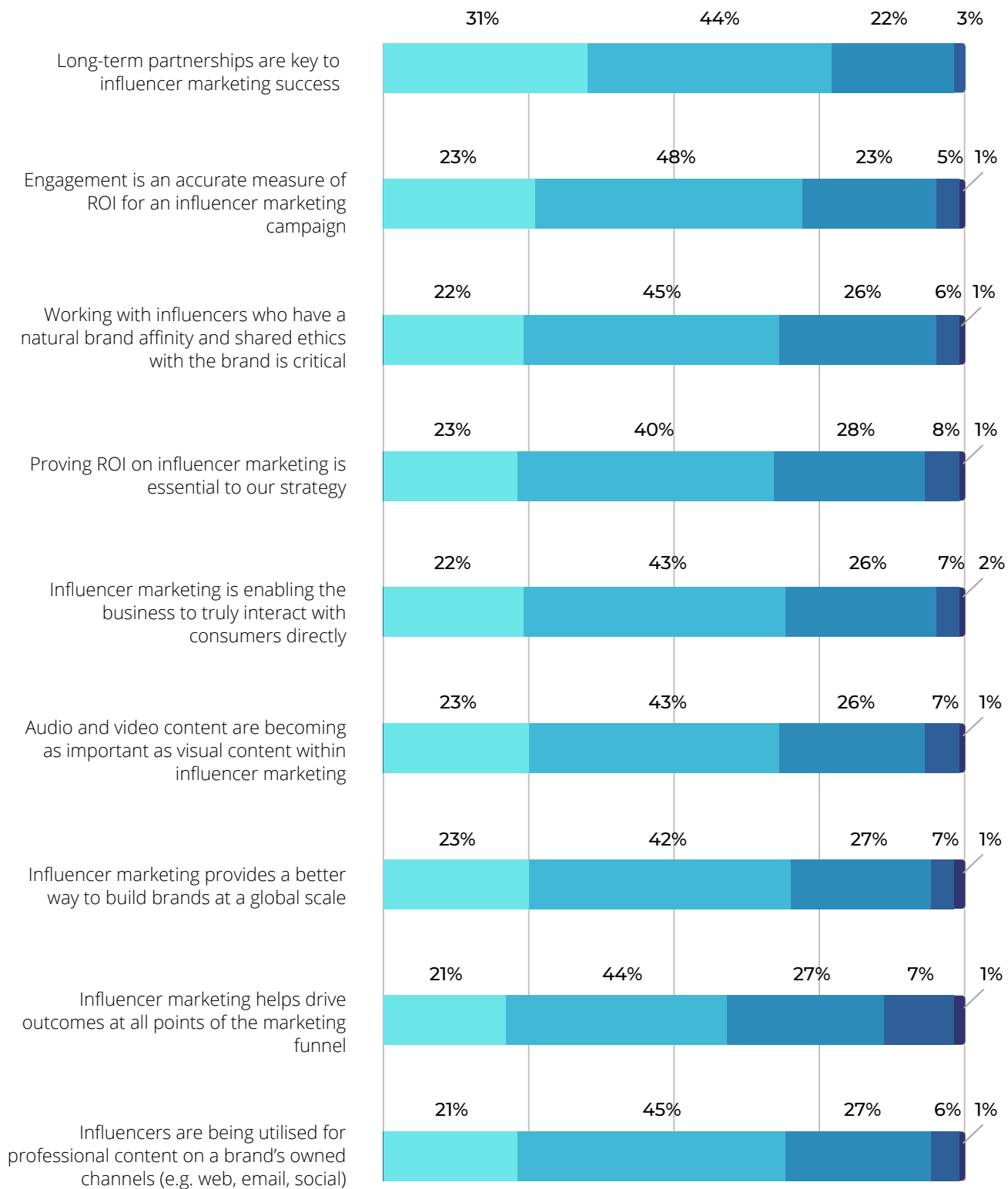
Filmmaker Clé Hunnigan, and US-based Alex Qian, are two of the group of influencers involved in the project who have both worked with LUMIX before, "so there's a long-established relationship there which is something we actively encourage with all our clients," shares Robertson.

The focus of the campaign is to partner with filmmakers to create a series of high quality, diverse content that can then be utilised by LUMIX in upcoming paid campaigns. Robertson shares, "the usage rights obtained as part of the campaign will mean that LUMIX can use the content in paid media for up to 24 months following the original live date. This gives them huge scope to repurpose that content, shot in a variety of locations, in ads across everything from Instagram to YouTube pre-roll. Having that additional lifespan means further down the line there's no back-peddalling to negotiate additional fees, and it also helps the influencer understand where their content will be used, which may even impact the way they approach the shoots."

To reflect the extended content rights, the influencer contracts will outline content usage by territory, length of time, and organic or paid. "We need to be upfront about where their content will be used so influencers can be charged accordingly," says Robertson. "That's why it's so important to have that information upfront from the client so that contracts are all encompassing."



FIGURE 13. TO WHAT EXTENT DO YOU AGREE OR DISAGREE WITH THESE STATEMENTS?



■ Strongly agree
 ■ Somewhat agree
 ■ Neither agree nor disagree
 ■ Somewhat disagree
 ■ Strongly disagree

THE RISE OF VIDEO CONTENT

The social media space is leaning increasingly towards video content and streaming. Figure 13 shows that the creation of audio and video content has become as important as visual content within influencer collaborations, for two-thirds of respondents.

Instagram has made a conscious shift towards becoming a video-first platform. Adam Mosseri, the head of Instagram, announced in 2021: “We’re no longer just a square photo-sharing app. At Instagram we’re always trying to build new features that help you get the most out of your experience. Right now, we’re focused on four key areas: Creators, Video, Shopping and Messaging.”^[8] He described some upcoming changes and experiments that Instagram will be doing, including making video more immersive by offering a full-screen experience. The app has also had full-screen video experiences for a while for content posted to IGTV, Reels, and Stories, but Mosseri says the company wants to “embrace video more broadly.” “People are looking to Instagram to be entertained,” he concluded. “We have to embrace that.”

Video content creation can be tough for brands to shoot and produce on a regular basis. “Working with influencers who really understand the platforms and can create engaging video content for brands, has become a really important part of influencer marketing, over the past six months to a year,” says Renee Ogaki, Founder of Ogaki.



[8]<https://www.instagram.com/p/CQwNfBJr5A/>

INFLUENCERS ARE INCREASINGLY INVOLVED AT EVERY STAGE OF THE SALES FUNNEL

In Figure 13, 65% of respondents also agree that influencer marketing helps drive outcomes at all points of the marketing funnel, and this is a growing trend. The growth of social commerce, along with a shift in consumer shopping behaviour during the pandemic, is creating this shift, according to the experts. Scott Guthrie, Influencer Marketing Advisor, explains, "Social commerce is going to be huge. Traditionally influencer marketing has sat at the upper end of the funnel, creating buzz and awareness around a product or service. Some influencers are very good at helping consumers to decide at the consideration phase. Now with social commerce, we are seeing influencers involved at every stage of the sales funnel."

Social commerce means that rather than sending audiences off-platform to the retailer's online store to complete their purchase, shoppers can complete their purchases on the social media platform itself, without going anywhere. This means that the entire shopping experience, from browsing to checkout, takes place on social media, on the influencer or brand page, leaving the brand ecommerce site out of the mix entirely.

These capabilities are game-changing for brands and are discussed in more detail further in the report. It is receiving high levels of interest from brands, creators, and the social platforms themselves. As an example of social commerce in action, hitting every stage of the sales funnel, Clarks Shoes hosted a live shopping event on Instagram, working alongside creator Nia Pettitt. During the 10 minute 'Live' event users could view and click on the shoes shown by Nia and purchase them.



SPECIALIST TALENT ENGAGEMENT TOOLS AND AGENCIES ARE AIDING PROCESSES

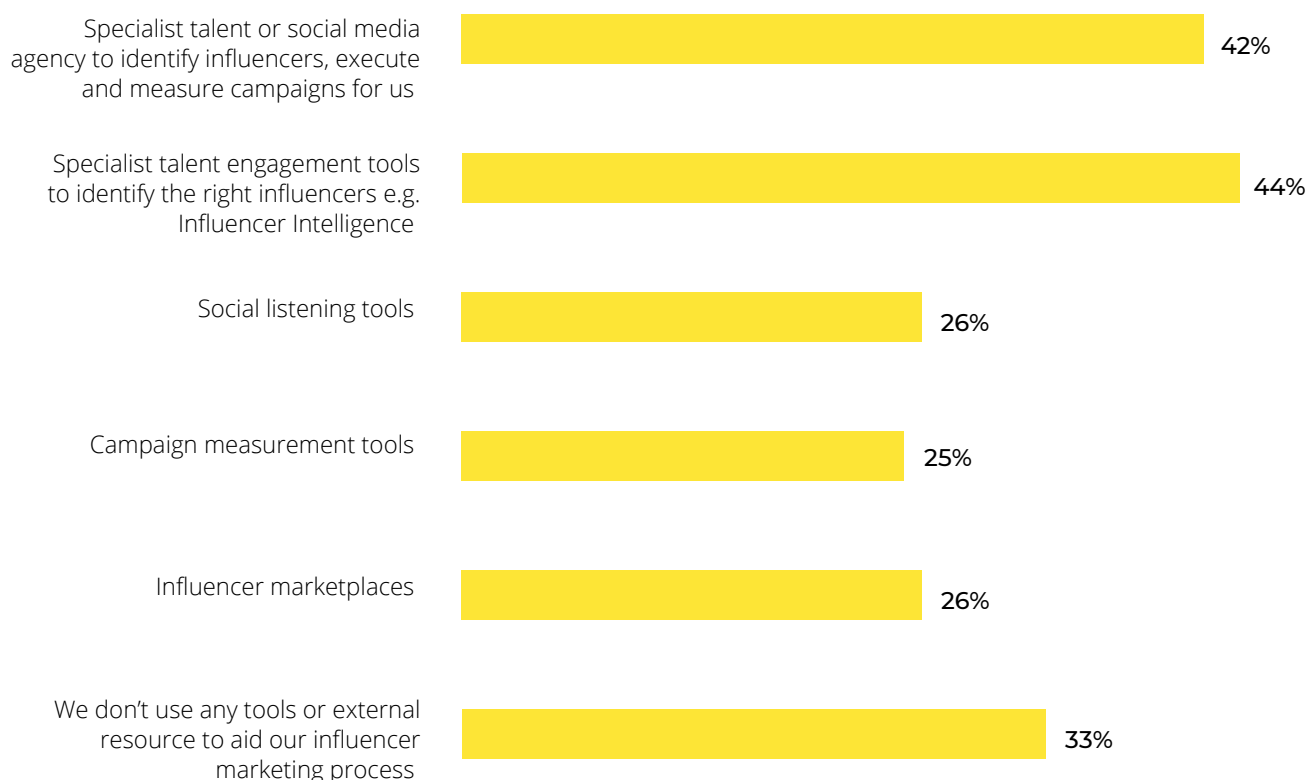
Figure 14 shows that 44% of respondents are investing in specialist talent engagement tools to identify the right influencer, such as Influencer Intelligence. In addition, 42% of respondents are working with specialist talent or social media agencies to identify influencers, execute and measure campaigns.

A lot has changed in the three years since the Influencer Marketing 2020 report was published, when just 14% of respondents were using specialist talent engagement tools.^[9] At the time, 54% of respondents were continuing to search for influencers manually, which was labour intensive and limiting in scope. It is pleasing to see an enhanced focus on data and analytics, and brands

investing in more sophisticated tools, which is a clear sign of market maturity.

Sarah Penny, Content & Research Director at Influencer Intelligence explains, "Identifying the right influencers to deliver the objectives of a campaign is not only critical, but is also a complex process. With so many variables at play, it is important to marry data with human expertise in order to find authentic and trustworthy talent that not only can reach the right audience, but is the right fit aesthetically and ideologically for your brand. At Influencer Intelligence, we combine data insight with the expertise of our in-house team to identify the talent that can truly deliver results to our clients."

FIGURE 14. WHICH TOOLS OR RESOURCES DO YOU CURRENTLY USE TO AID YOUR INFLUENCER MARKETING PROCESSES? PLEASE SELECT ALL THAT APPLY



^[9] <https://www.influencerintelligence.com/insights/vG/Influencer-Marketing-2020>

CHALLENGES

EMERGING PLATFORMS

As Figure 15 reveals, 14% of respondents say that keeping up with emerging platforms and understanding how to utilise creators on them, is their biggest challenge.

Renee Ogaki, Founder of OGAKI agrees, saying: "New platforms, platform changes, and the pace of change, make it a challenge to keep track and make appropriate suggestions. For example, when Clubhouse first came on to the scene, it was something a lot of brands embraced, but the initial buzz has recently died down. It is important to understand the rise and fall of different apps, and brands need to judge when they should participate and when they shouldn't. This is often simply a case of testing, since none of us can 100% know what the future holds."

Live streaming gaming platforms is one area that may seem daunting to some brands, and a big leap from Instagram, for example, but the experts

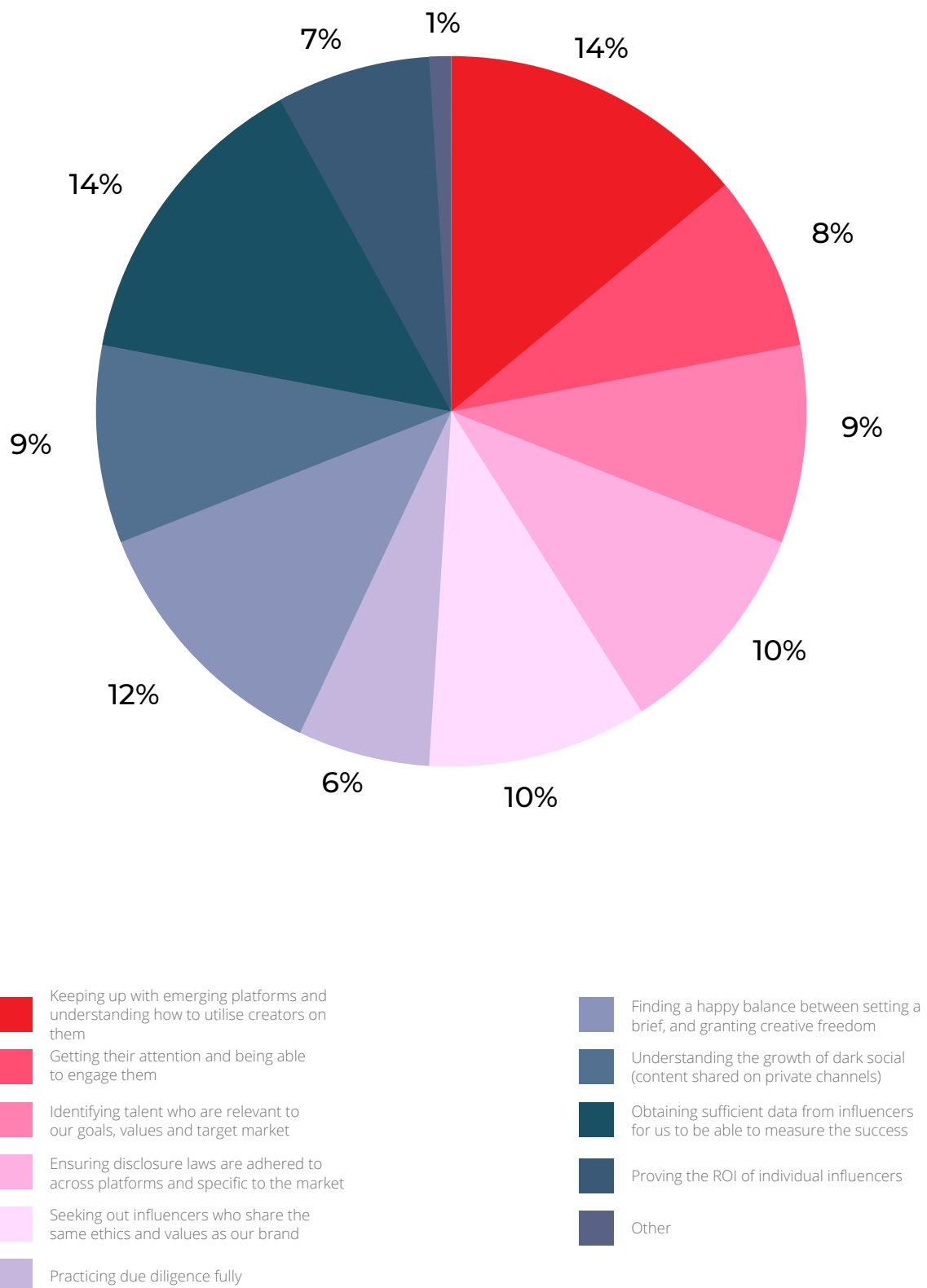
believe now is a good time to try. To delay will most likely mean lagging behind the adoption curve. As Charlotte McEleny shares, "almost all major brands will be at some stage of engaging a gaming audience now, but the differentiator is just how deep or at what level of investment. At this stage most brands are still very new to gaming, however, so while there are some stand out examples, many are still finding their feet and experimenting."

A platform like Twitch is a sensible starting point for brands beginning their live streaming journey.

McEleny advises, "the ways brands can interact and buy media would feel more familiar via Twitch, but it doesn't mean there's no opportunities to be creative. The big stars on Twitch are co-creating really interesting content with brands, which seems to be the way to be most impactful with streaming influencers."



FIGURE 15. WHAT HAS BEEN THE BIGGEST CHALLENGE WHEN WORKING WITH INFLUENCERS, OVER THE PAST 12 MONTHS?



GRANTING INFLUENCERS CREATIVE FREEDOM

The data shows that 12% of respondents are struggling to find a happy balance between setting a brief and granting influencers creative freedom.

This has been an ongoing challenge for the industry, and some brands have had their fingers burnt, but gradually brands are getting better at trusting influencers, providing they have done their due diligence in the selection process. This also builds a strong case for the benefits of longer-term partnerships since it can be easier for a brand to trust an influencer who they have worked with before.

Lucy Robertson at SEEN Connects, shares that for her client Panasonic LUMIX “we onboard influencers based on their content creating abilities; it's all about getting the right person, with the right skillset, and the right audience demographic and strong engagement rates. Beyond that, we do put a fair bit of trust in the influencers when it comes to output. They are still creatively briefed, but that process is a little more collaborative. We ask leading questions that might spark inspiration, and from there, they take an idea and run. If you give too many parameters to work in, the output isn't as impressive and diverse.”



TRANSPARENCY ISSUES

Transparency issues have plagued the influencer marketing industry for many years. Despite much improvement in this area, it remains a challenge for many, and there is much room for growth.

Figure 16 shows that three quarters (75%) of respondents agree that they are up to date with the advertising codes relevant to their country; a sentiment which just 4% of respondents strongly disagree with. However, being aware, and being compliant, are separate things. While 66% of respondents insist that their influencers use the relevant hashtags for all sponsored content, such as #ad, 55% also agree that they regularly circumvent the rules. Additionally, 58% of respondents agree that there remains a blurry line between sponsored and organic content.

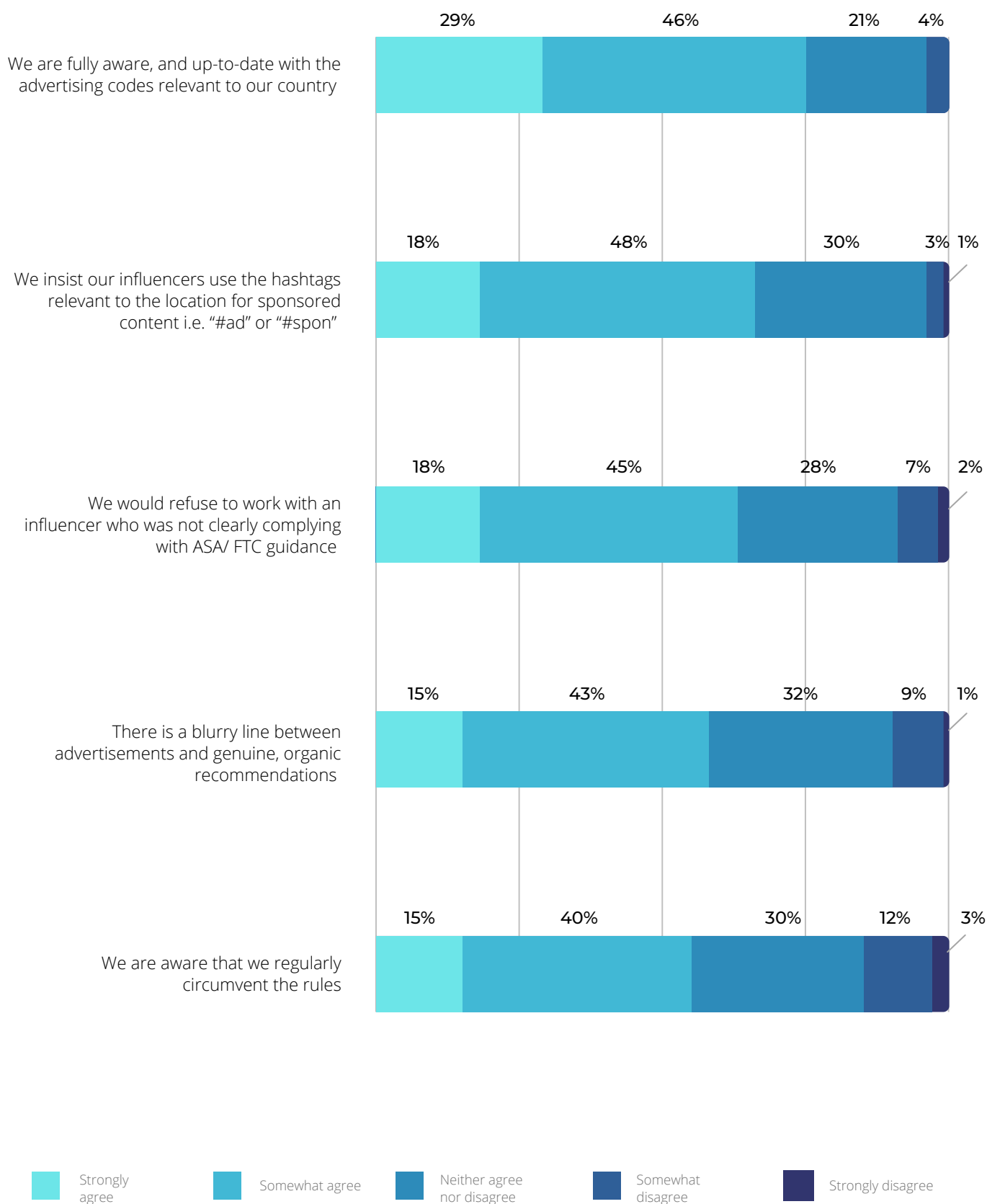
Social platforms have been introducing measures to help with transparency. Towards the end of 2020, Instagram's "paid partnership" labelling tool, which appears below a user's name to display the advertiser relationship, was extended to all users globally. However, Instagram confirmed that labelled posts would not be treated differently than organic posts by its feed algorithm, which was a significant move for the industry, who had been worried that paid-for posts would be deprioritized.



In the UK, in September 2021, ISBA launched a Code of Conduct for influencer marketing, aimed at raising standards, smoothing relationships between industry participants, and delivering transparency for consumers. It was designed in collaboration with representatives from talent agencies and a group of influencers, and the aim is that it will become an industry standard. While not a binding legal document, but rather a set of best practice guidelines, the Code could be appended to legal contracts.

Lauren Spearman at MADE.com worked with ISBA on the new Code, and shares: "Transparency remains a challenge. People still don't realise that when they have been paid by a brand, they should continue to declare any future posts featuring that brand, even if the partnership has ended and they aren't necessarily being paid for that post directly. There still needs to be a declaration."

FIGURE 16. HOW WOULD YOU RATE YOUR ORGANISATION'S EFFORTS TO BE TRANSPARENT IN PAID-FOR INFLUENCER ENDORSEMENTS, REGARDING THE STATEMENTS BELOW?

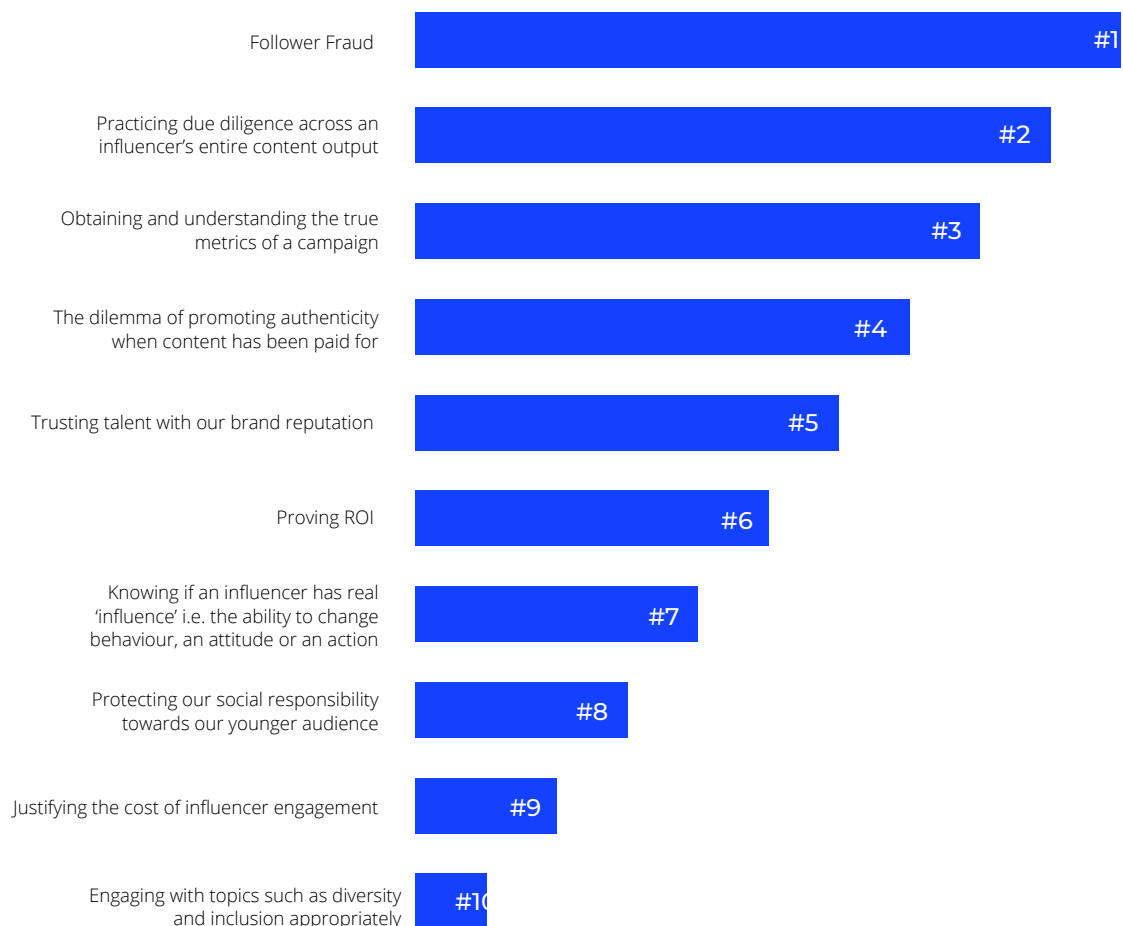


FOLLOWER FRAUD IS THE GREATEST CONCERN FOR BRANDS

It is notable that follower fraud ranks as the number one concern in influencer marketing. A few years ago, the market was rife with fraudulent behaviour, and bought followers was an issue concerning the industry greatly, receiving much publicity. Indeed, in our Influencer Marketing 2020 report, the question of fake followers ranked as the greatest challenge, with other issues trailing far behind. Authenticity remains critical in influencer marketing, and it is disappointing to see the issue of fake followers being so high up the agenda still.



FIGURE 17. WHAT ARE YOUR GREATEST CONCERNS RELATING TO INFLUENCER MARKETING, AT PRESENT? ORDER BETWEEN ONE AND 10 IN TERMS OF IMPORTANCE, WITH ONE BEING MOST IMPORTANT AND 10 BEING LEAST IMPORTANT.



MEASUREMENT AND ROI

For some time, brands have struggled with measuring the effectiveness of an influencer campaign. Vanity metrics, such as likes and follower figures, were prized for longer than they should have been. However, with more and more brands and audiences looking for purpose within a campaign, the industry has been forced to become more sophisticated in its approach towards measurement and evaluation.

Figure 18 ranks engagement data as the primary gauge of success. 41% of respondents say they are using engagement data to measure the success of an influencer campaign. Site analytics data, including traffic and dwell time, is also important, for 35% of respondents; and sentiment data ranks third, cited as an important measure of success by 29%.

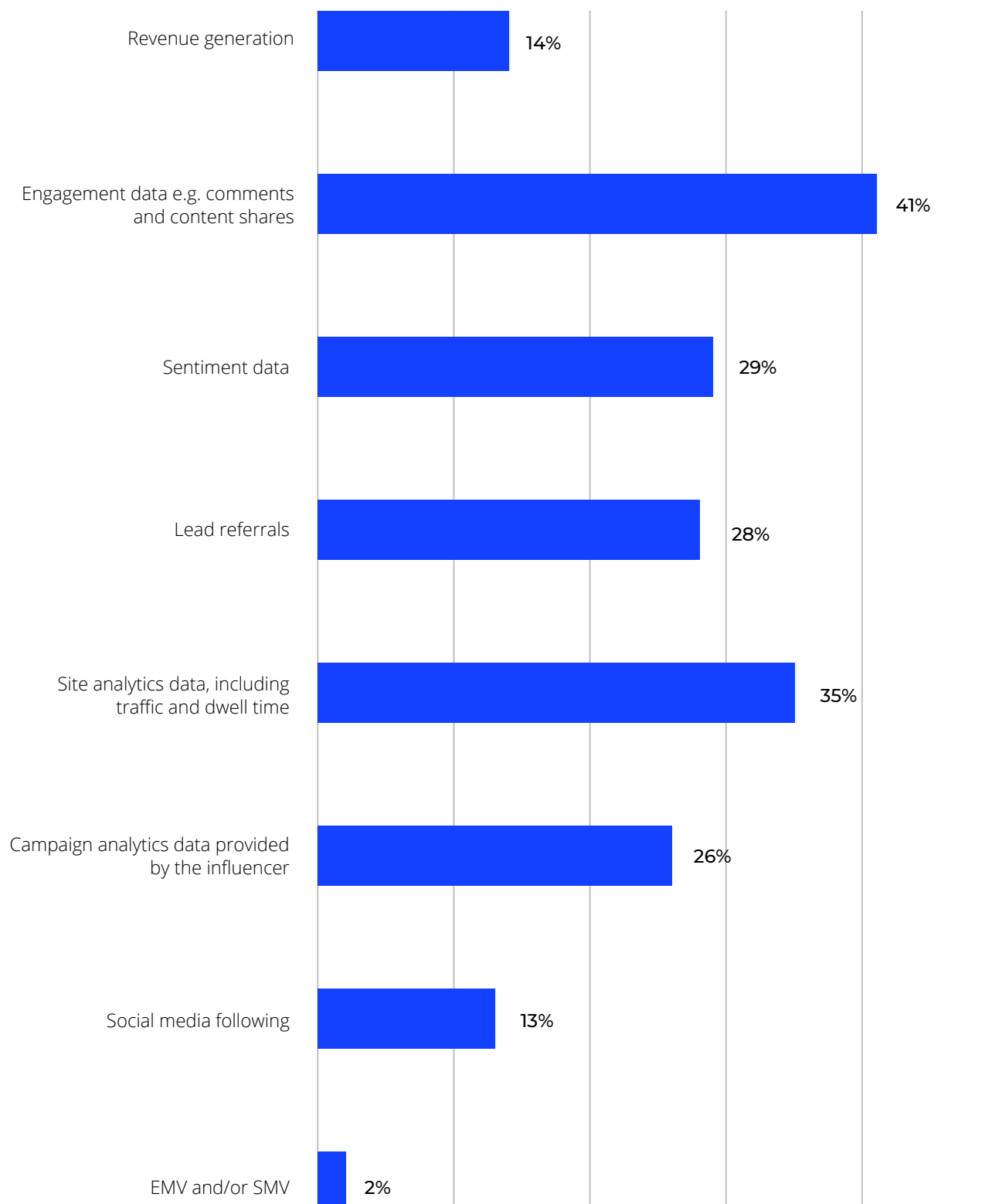
In regard to conversion figures, only 14% say they use revenue generation data, to help measure success. This figure is surprisingly low, bearing in mind the conversion data opportunities available.

At the beginning of any project, as part of the influencer selection process, Renee Ogaki, Founder at OGAKE shares how she uses data, to help establish some benchmarks. "If traffic and sales are the focus, we dig into past conversion metrics for the influencer, looking at how they have converted for similar brands in the past, so that we can gauge how they might perform for our brand. If we are tracking traffic and sales, we are logged into the Google Analytics of a brand, and we can look directly into the impact an influencer is having and see if they are really converting for our client.



"A lot of influencers use discount codes, and we can track on Google Analytics how many people use the code and check out. If the influencer is using affiliate marketing we can see if individuals actually bought via their affiliate link. We use other analytics tools too, including reach, EMV and engagement metrics, and we look to see if this data is stronger than the typical content they post, so that we can understand performance from a brand awareness standpoint too."

FIGURE 18. WHICH DATA DO YOU USE TO MEASURE THE INDIVIDUAL SUCCESS OF EACH INFLUENCER MARKETING PROGRAMME? PLEASE SELECT ALL THAT APPLY



TRACKABLE LINKS ARE DOMINATING MEASUREMENT

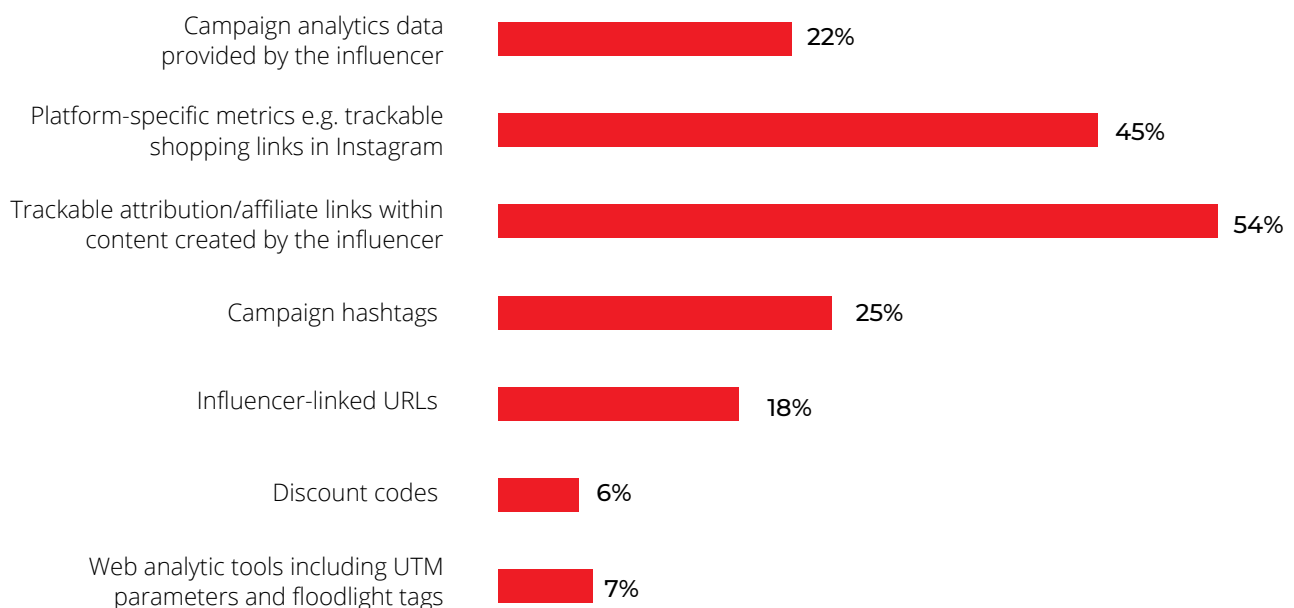
The beauty of influencer marketing is that it can be tracked, to a very granular level, and there is a plethora of tools on the market to help achieve this. Figure 19 reveals that more than half (54%) of respondents are using trackable attribution or affiliate links within content created by their influencers. Additionally, 45% of respondents are using platform-specific metrics, such as trackable shopping links in Instagram.

The industry is increasingly focusing on intent metrics, and now impact metrics, depending on the nature of the campaign. It is important to differentiate organic engagement from sponsored engagement. But after a user has engaged with a piece of influencer content, what happens next? Ultimately, this is what brands are wanting to understand. Swipe-ups, click-throughs and unique coupon codes have been helpful with this, alongside direct messages generated and how many times a post has been bookmarked or shared.

Rather than measuring the potential reach of a piece of content (quantified by an influencer's follower count), brands want to know the 'real' reach, meaning a detailed breakdown of who 'actually' viewed their content.

However, measurement shouldn't end there, and one of the benefits of influencer content is it can enjoy an afterlife, sitting in the individual's grid, or content archive, indefinitely. What this means for brands is that ROI continues to deliver, beyond the close of the campaign or partnership, and measurement needs to shift in line with this understanding. The success of a piece of content should continue to be measured for as long as it is live and social media audiences are deriving some benefit from it. It is important that brands are gathering first party data and updating regularly so that 'evergreen' results metrics can be tracked.

FIGURE 19. WHAT TOOLS OR METHODS DO YOU USE TO TRACK PERFORMANCE ON INFLUENCER-LED CAMPAIGNS? PLEASE SELECT ALL THAT APPLY



INFLUENCER MARKETING IS AN INTRINSIC PART OF DIGITAL MARKETING ROI

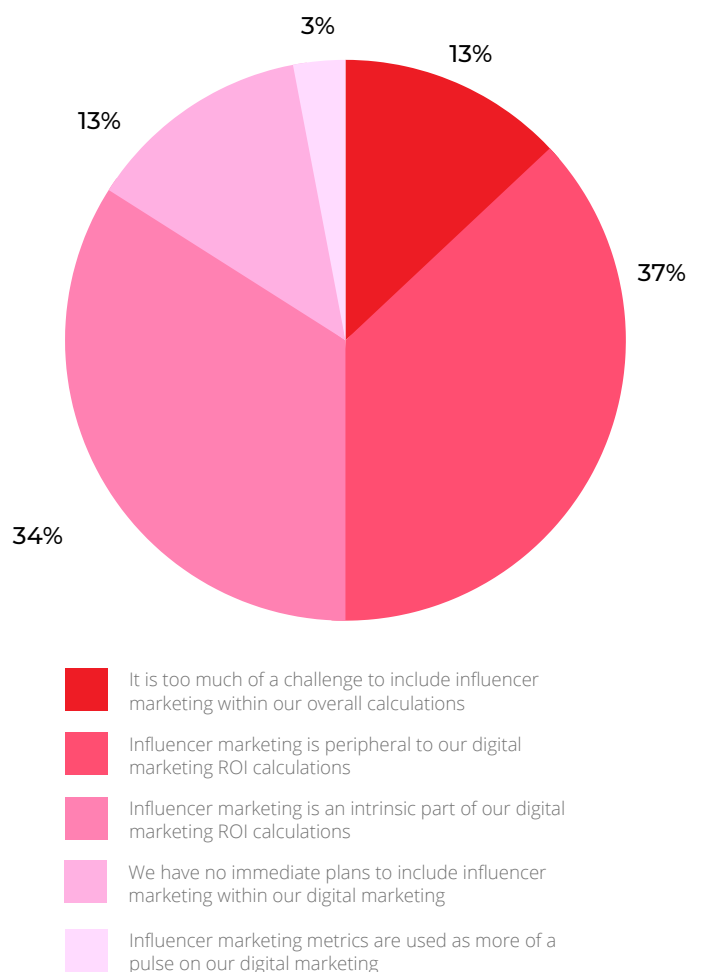
Brands have really grappled with the intricacies of measuring influencer marketing ROI, largely due to the many different variables in play. Additionally, with a lack of benchmarks for the industry and everyone measuring differently, it has been difficult for brands to understand the best approach, and ultimately what success should look like.

The ability to track ROI has come on leaps and bounds, yet as Figure 20 shows, just over a third (34%) say that influencer marketing is an intrinsic part of their digital marketing ROI calculations. Almost an equal number of respondents (37%) admit that influencer marketing is peripheral to their digital marketing ROI calculations. A further 13% say it is either too much of a challenge to include influencer marketing with their ROI measurement, and a separate 13% disclose they have no immediate plans to measure the ROI of influencer marketing. Overall, the data is disappointing, and leaves much room for growth and improvement.

The experts are far more optimistic about the state of influencer marketing measurement, and ROI. Renee Ogaki, Founder of OGAKI, says: "the industry is moving more towards being able to track the ROI of influencer placements. Many people are digging deeper in analytics, whether they are looking at audience insights or past projects. There has been a lot more education and understanding in the space since influencer marketing first started, and I think this will continue to evolve. Platforms such as TikTok, are working harder on their analytics, and brands are feeling more comfortable about running influencer campaigns on new platforms. I believe new apps and platforms launching on the scene will continue to focus on the analytics piece, because they know it is important to brands."

Figure 23 highlights that 65% of respondents agree being able to demonstrate the ROI of influencer marketing will be critical to its future.

FIGURE 20. HOW DOES INFLUENCER MARKETING FIT WITHIN YOUR OVERALL DIGITAL MARKETING ROI CALCULATIONS?



FUTURE TRENDS AND PREDICTIONS FOR 2022

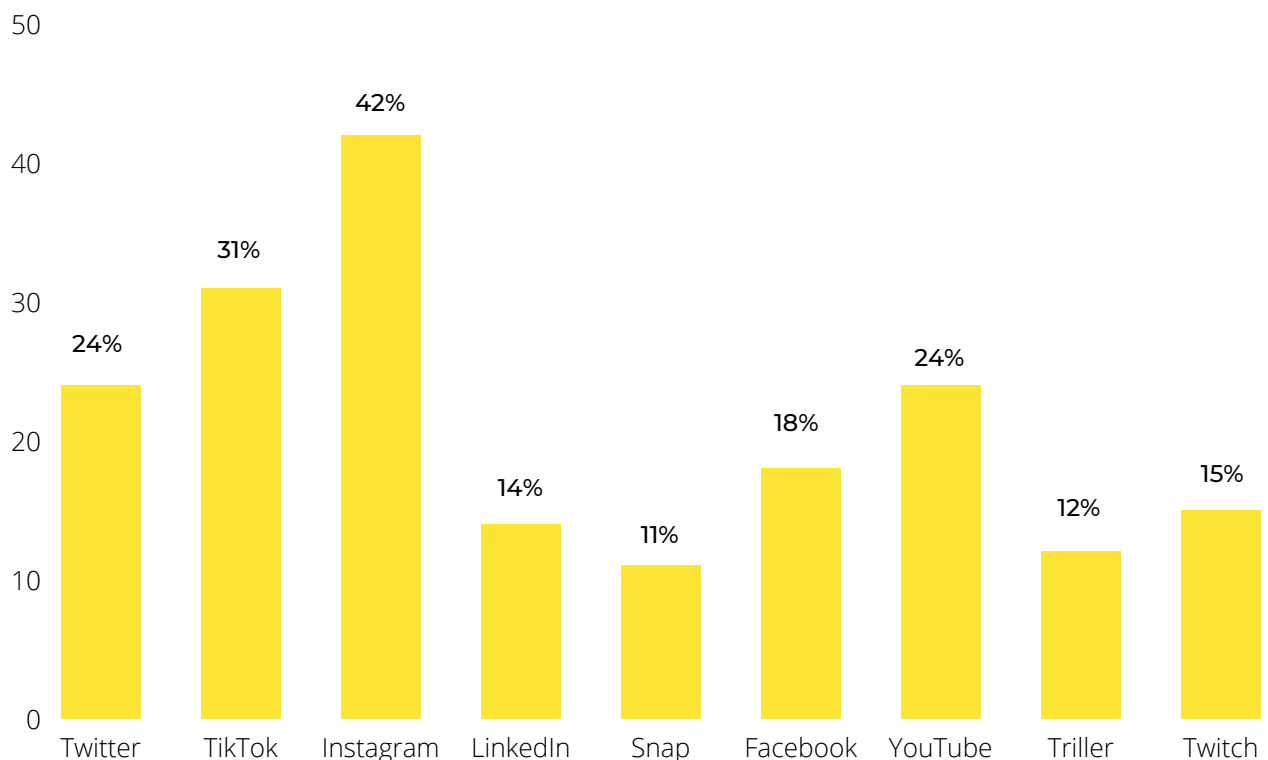
THE GAP IS CLOSING BETWEEN INSTAGRAM AND TIKTOK

TikTok is rising in popularity, and the experts interviewed agreed that it has the potential to become a bigger focus than Instagram in the next year or so. Figure 21 below disputes this slightly, but still, almost a third (31%) of respondents say they plan to invest in TikTok this year, alongside 42% who intend to invest in Instagram. It is promising that 15% hope to invest in Twitch.

Confidence in TikTok is building, according to many of the experts. "With TikTok, brands have needed

some hand-holding, but we have taken the time to show them that there are some niche, diverse, engaged communities on the platform," says Lucy Robertson, Account Director at SEEN Connects. "We have seen some brilliant ROI on paid media on TikTok recently. TikTok's partnership with Shopify has made the user journey so much easier. Previously, we were constrained by swipe-ups and pixel tracking. Ecommerce features are great news for influencer marketing, helping to put a spotlight on its revenue-driving potential."

FIGURE 21. WHICH SOCIAL PLATFORMS ARE YOU PLANNING TO INVEST IN MOST AS PART OF YOUR INFLUENCER MARKETING STRATEGY IN 2022? PLEASE CHECK ALL THAT APPLY



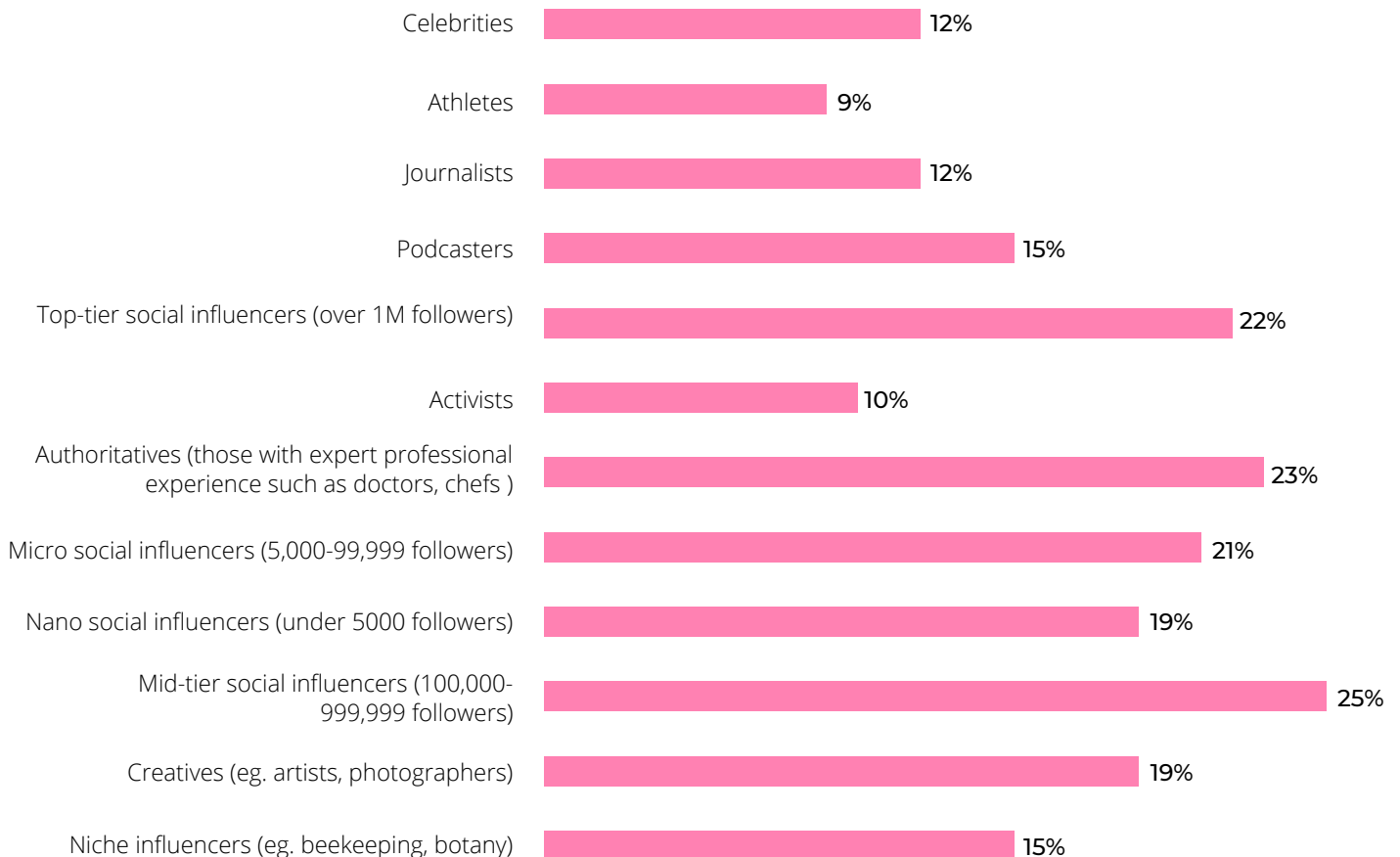
BRANDS WILL CONTINUE TO INVEST IN INFLUENCERS WITH AUTHORITY

Brand interest in authoritative influencers, who can showcase professional expertise, looks likely to continue into 2022. Figure 22 reveals that 23% of respondents plan to work with authoritative influencers next year.

Mid-tier social influencers, which 26% of respondents are working with currently (see Figure 7), are also likely to remain in high demand next year, with a quarter of respondents expecting to invest in them.

After a year of political and social movements, it is notable that only 10% of respondents plan to work with activists in 2022. This might suggest that while purpose-driven influencer marketing is a focus, tackling hard-hitting topics such as feminism, body positivity, mental health, plastics, climate change, for example, brands really need to get it right. Potentially, working with activists is too great a risk for many mainstream brands, who would prefer to be more cautious in their influencer partnerships.

FIGURE 22. WHICH TYPE OF INFLUENCERS ARE YOU PLANNING TO INVEST IN MOST AS PART OF YOUR INFLUENCER MARKETING STRATEGY IN 2022? PLEASE CHECK ALL THAT APPLY



LIVE STREAMING IS SET TO GO MAINSTREAM

Competition in the live stream space is heating up, from small start-ups through to existing giants such as YouTube and Amazon. It seems everyone wants a piece of the action, making it an exciting space for brands and influencers to be.

Figure 23 reveals that 70% of respondents agree influencer marketing campaigns with live streaming will soon become common place across all sectors. "Live streaming places added pressure on the brand for the product to be top notch," says Joe Mowles, Director of Celebrity Relations, SEEN Connects. Live streaming will understandably daunt some brands, and so it is helpful to see how trailblazing brands are exploiting the opportunity.

Audible Australia, for example, collaborated with Twitch ANZ, to launch the Audible Live Club: a modern take on the classic book club, with a unique "Awwdible" Twitch Emote. The two live 'episodes' featured popular Australian creators Stephen "Bajo" O'Donnell and iamfallfromgrace, offering a new, interactive way to experience audio storytelling.

The first episode featured Bajo listening to 'Nutmeg' (an Audible Original) live with his community. Episode two featured iamfallfromgrace teaming up with fellow Twitch streamer Reapz in an attempt to create an "Audible Original" of their own by performing a live, interactive, modern day take on Charles Dickens' 'A Christmas Carol'. The campaign also included two bespoke, native commercials created by Twitch ANZ's Branded Partnerships Studio, starring Bajo and iamfallfromgrace, sharing their favourite Aussie Audible Originals.

Audible Australia country manager Leanne Cartwright-Bradford said: "Working with the Twitch team, we've been able to create an engaging conversation about award-winning Aussie content, tapping into the shared listening experience offered by the platform." [10]

Live stream shopping is another growing opportunity, already big business in Asia, suggesting that it is only a matter of time before other territories follow suit. Last year's Chinese mid-year shopping festival in July generated revenues of \$449.5 million from live stream shopping.[11] Almost one third of internet users in China have purchased goods via live broadcasts that link directly to product web pages, research shows.[12]

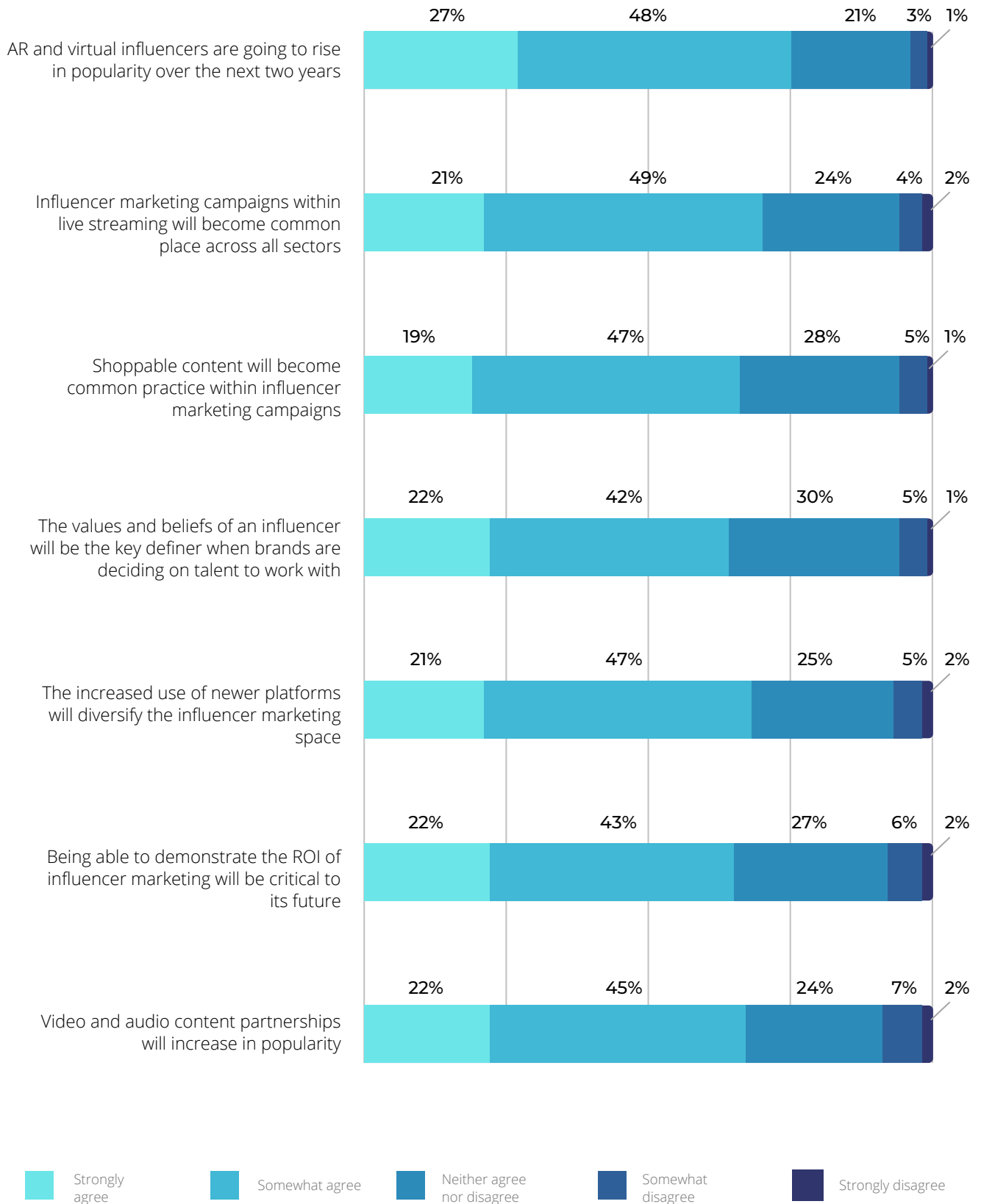


[10] <https://www.bandt.com.au/audible-and-twitch-team-up-for-awwdible-campaign/>

[11] <https://www.prnewswire.com/news-releases/livestream-shopping-market-contributing-24-2-billion-rmb-in-chinas-mid-year-shopping-festival---released-by-oratings-301091969.html>

[12] <https://www.spglobal.com/marketintelligence/en/news-insights/latest-news-headlines/tencent-targets-china-s-live-shopping-trend-with-platform-changes-59592799>

FIGURE 23. TO WHAT EXTENT DO YOU AGREE OR DISAGREE WITH THE FOLLOWING STATEMENTS?



SOCIAL COMMERCE IS PREDICTED TO BE A TOP TREND

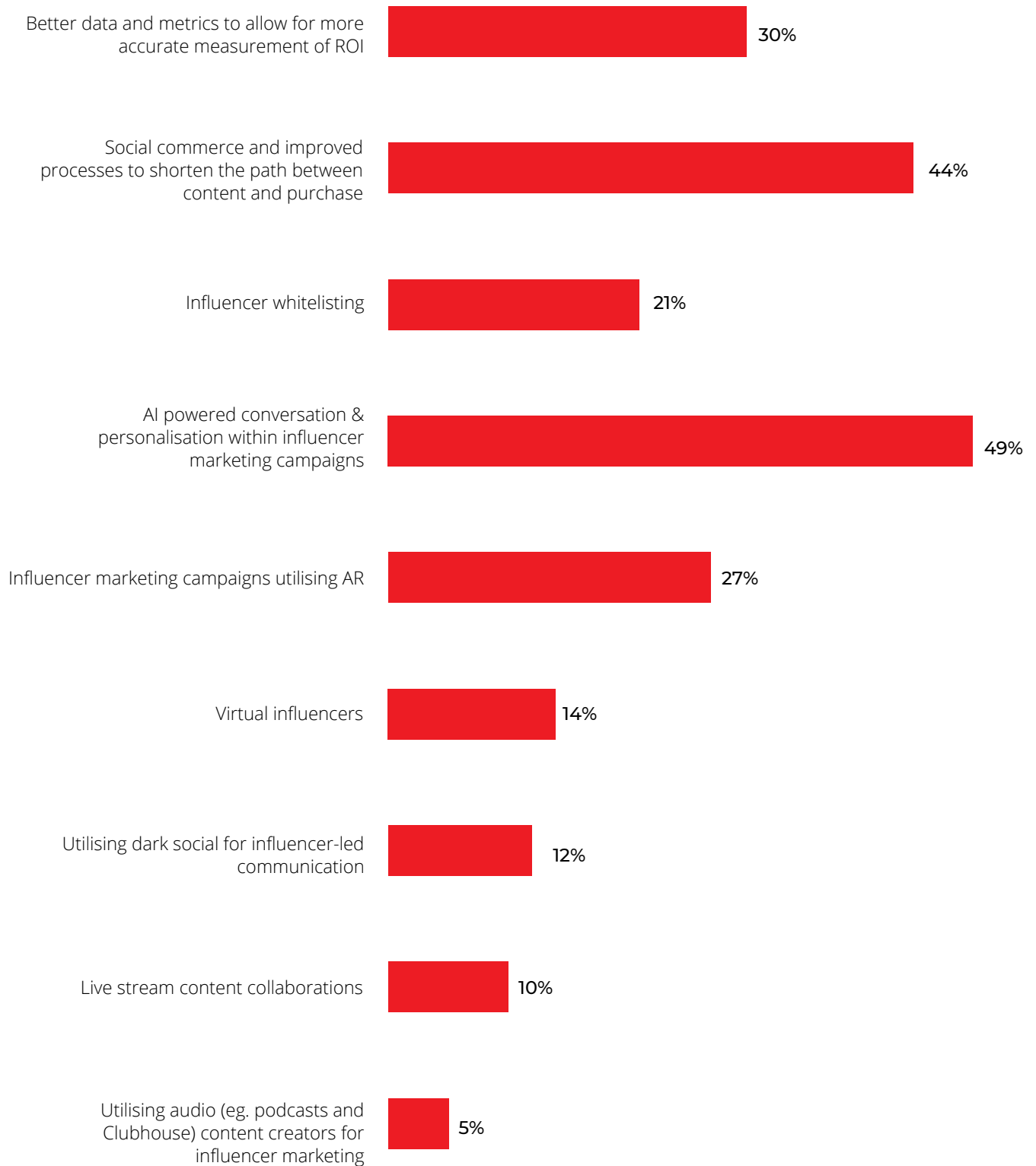
Figure 23 shows that 66% of respondents agree shoppable content will soon become common place within influencer marketing campaigns. Figure 24 also reveals that social commerce and improved processes to shorten the path between content and purchase, is one of the biggest trends expected to dominate influencer marketing over the next couple of years, voted for by 44% of respondents.

“Social commerce will include live stream shopping, and that is very exciting,” says Scott Guthrie, Influencer Marketing Advisor. “The mainstay platforms including Instagram, Snapchat, Facebook, TikTok and Twitter all now include live stream shopping features. Marketers should also pay attention to the raft of upstart platforms. We know about Amazon Live, but also consider NTWRK, Bambuser, Whatnot, Supergreat, and Talkshoplive. NTWRK recently raised \$50 million. Whatnot was recently valued at \$1.5bn. Live stream shopping is really going to escalate and be an important part of the influencer marketing mix.”

Live-shopping will call on influencers who are either good in front of camera, or who have expertise discussing a particular product type. Guthrie calls it the QVC-ification of influencer marketing. “Where influencers beat TV presenters is they come with much better expertise, with storytelling abilities, with an inbuilt community, so you are starting from a very positive position. Live stream shopping will be the sweet spot where creators, creativity, credibility, community and commerce collide.”



FIGURE 24. WHAT ARE THE TOP 3 TRENDS THAT WILL DOMINATE INFLUENCER MARKETING STRATEGIES FOR YOU FOR THE NEXT TWO YEARS? PLEASE CHECK UP TO THREE THAT APPLY



CONC LUSION

Over the past two years we have wanted to be cheered up and informed, and audiences have turned to influencers more than ever. One silver lining of the pandemic seems to be that it has served as a catalyst for change for the industry, helping to bring greater authenticity and quality of content. The event has shown brands what expert and authoritative creators can do for them, and particularly during a time of crisis. This, in turn, has allowed a deeper level of trust to form between brands and their talent, permitting more creative freedom.

Looking to 2022 and beyond, there is much for the industry to be excited about. The competition between social platforms is likely to spark further innovation, and the move towards live streaming and gaming has the potential to deliver engagement levels that supersede anything achieved before. Brands will need to be bold in

experimenting with these newly emerging platforms, keeping abreast of change and educating teams, where needed; this will all be important for growth and maturity to continue.

The measurement piece will become more and more critical, as the scope of platforms and breadth of opportunities increase. Brands will need to be able to accurately tell which activations are performing the best for them, at every stage of the sales funnel. Investing in tools and technologies to help support this will be important, to embrace the abundance of data available.

The pandemic situation, though easing, is by no means over, and there remains much uncertainty in every market. Whatever 2022 holds, it seems likely that audiences will want to continue to be entertained. Storytelling and live interactions will be key.



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FIGURE 25. WHICH OF THE FOLLOWING BEST DESCRIBES YOUR COMPANY?

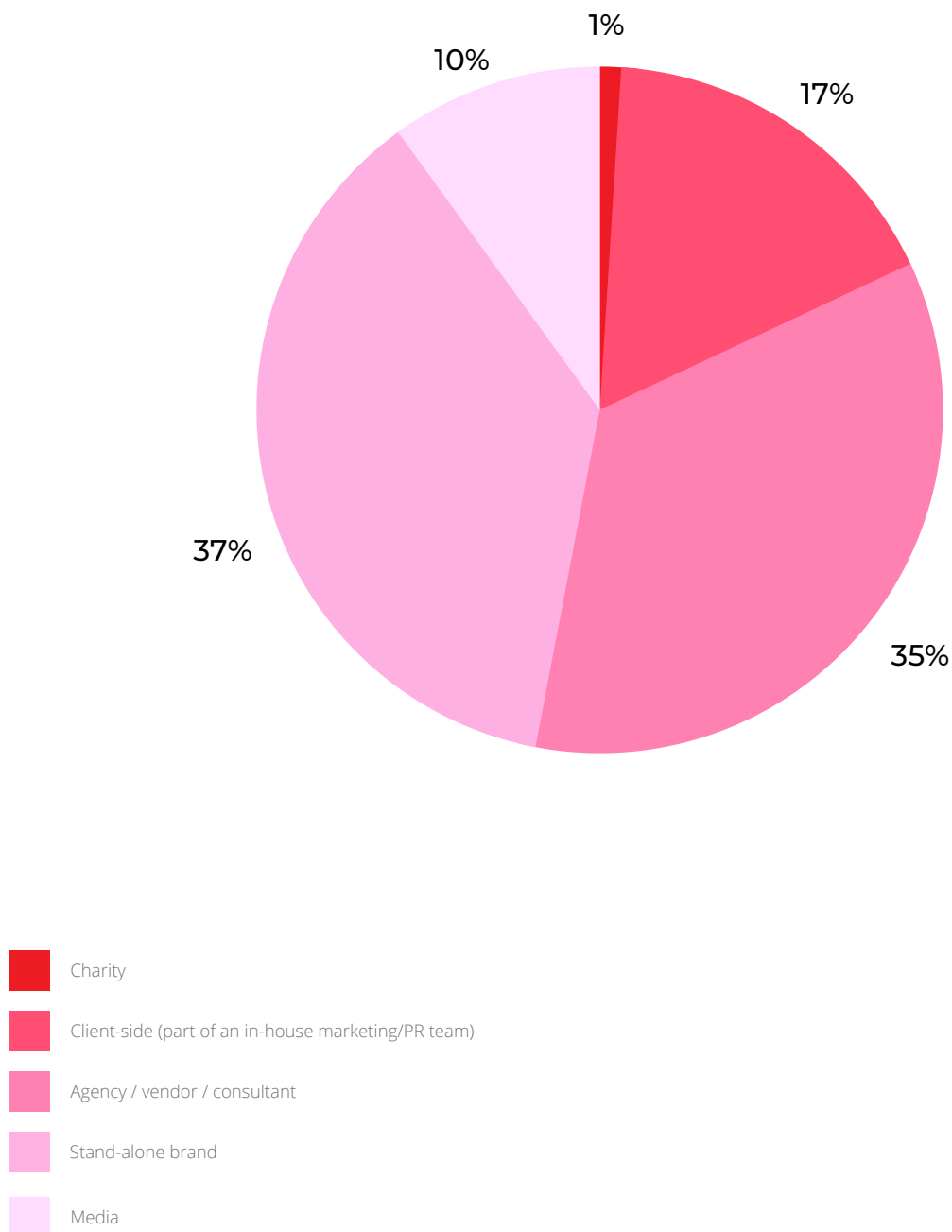


FIGURE 26. WHAT BEST DESCRIBES YOUR JOB ROLE?

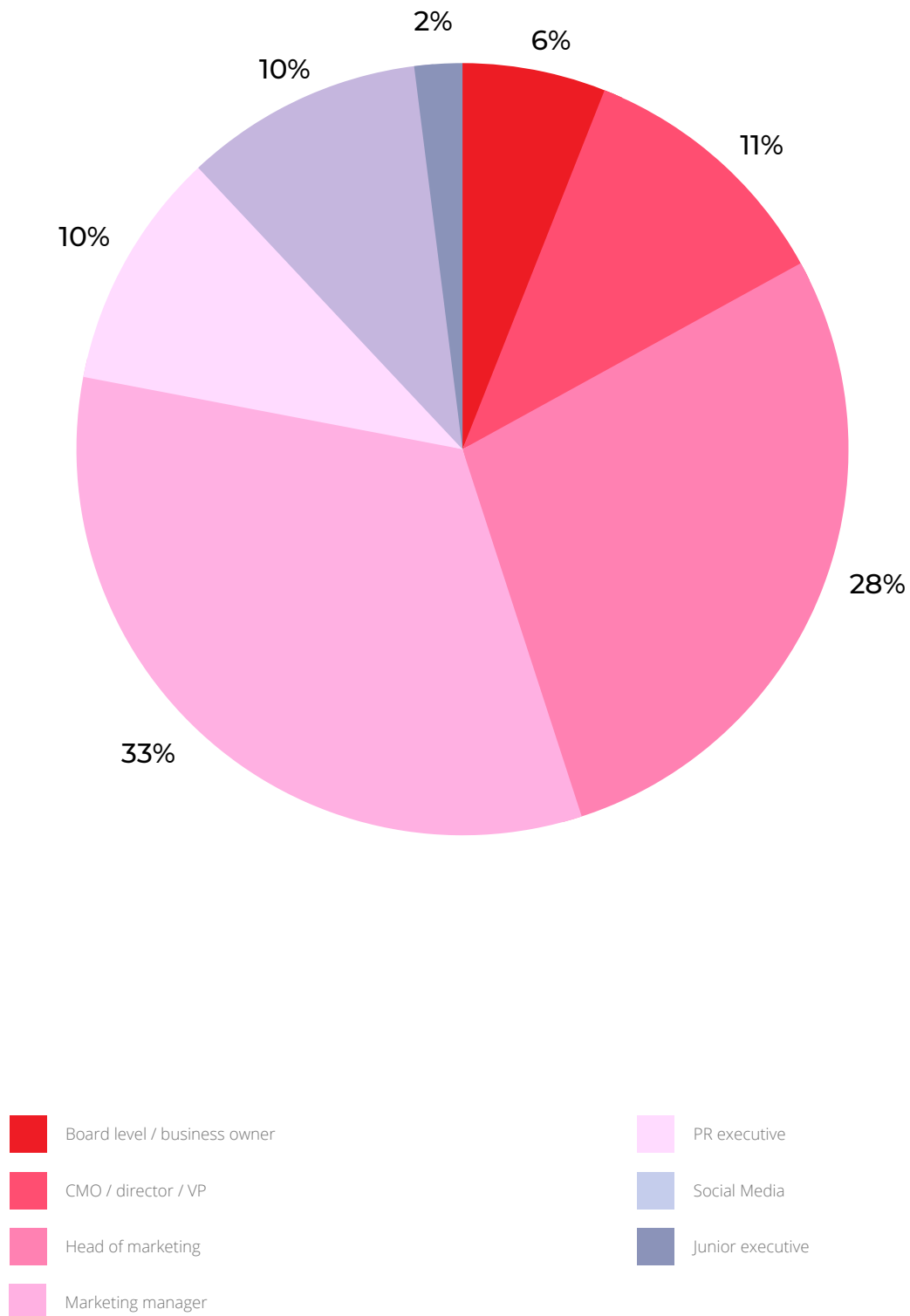


FIGURE 27. WHICH REGION ARE YOU (PERSONALLY) BASED?

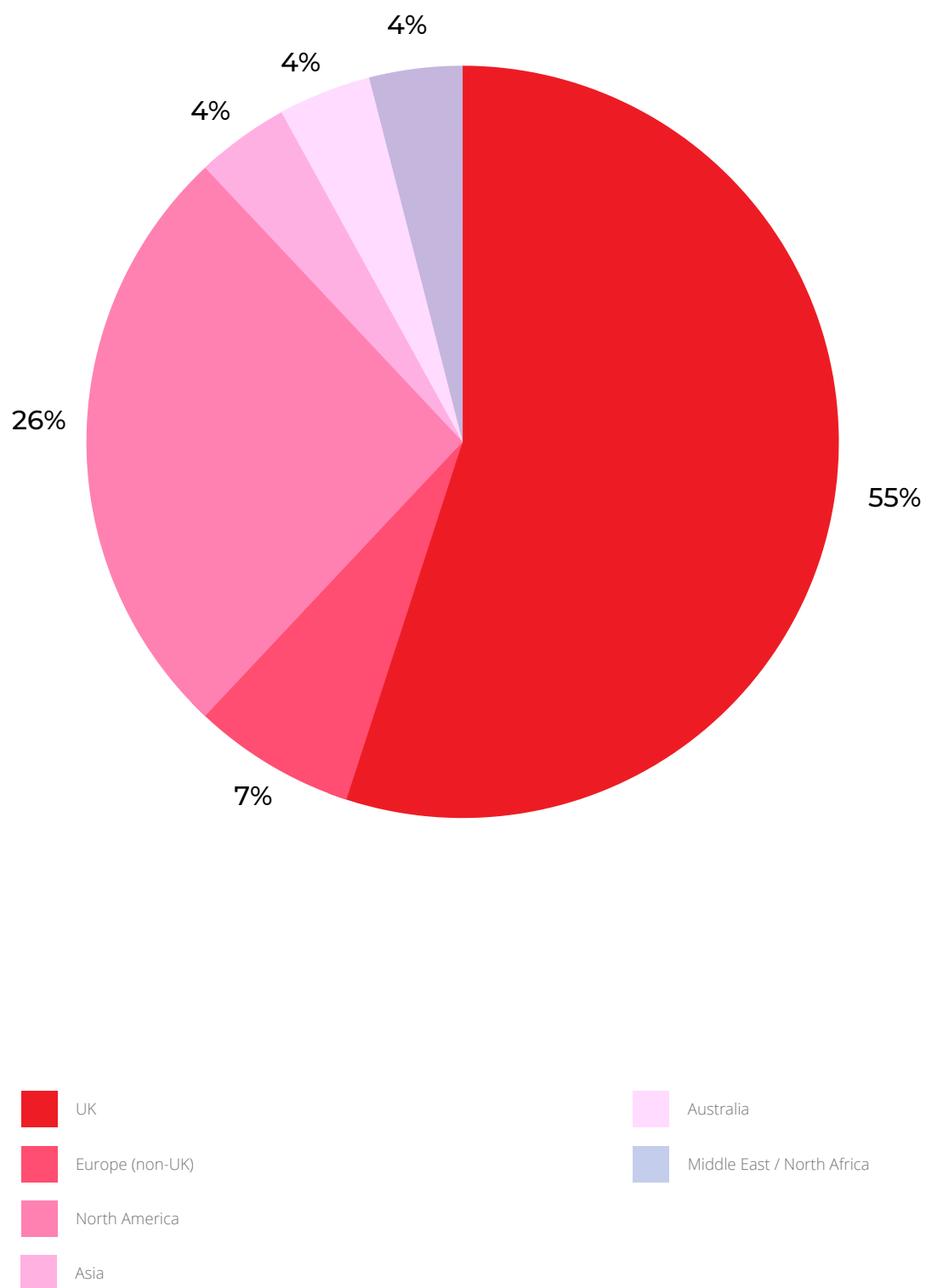
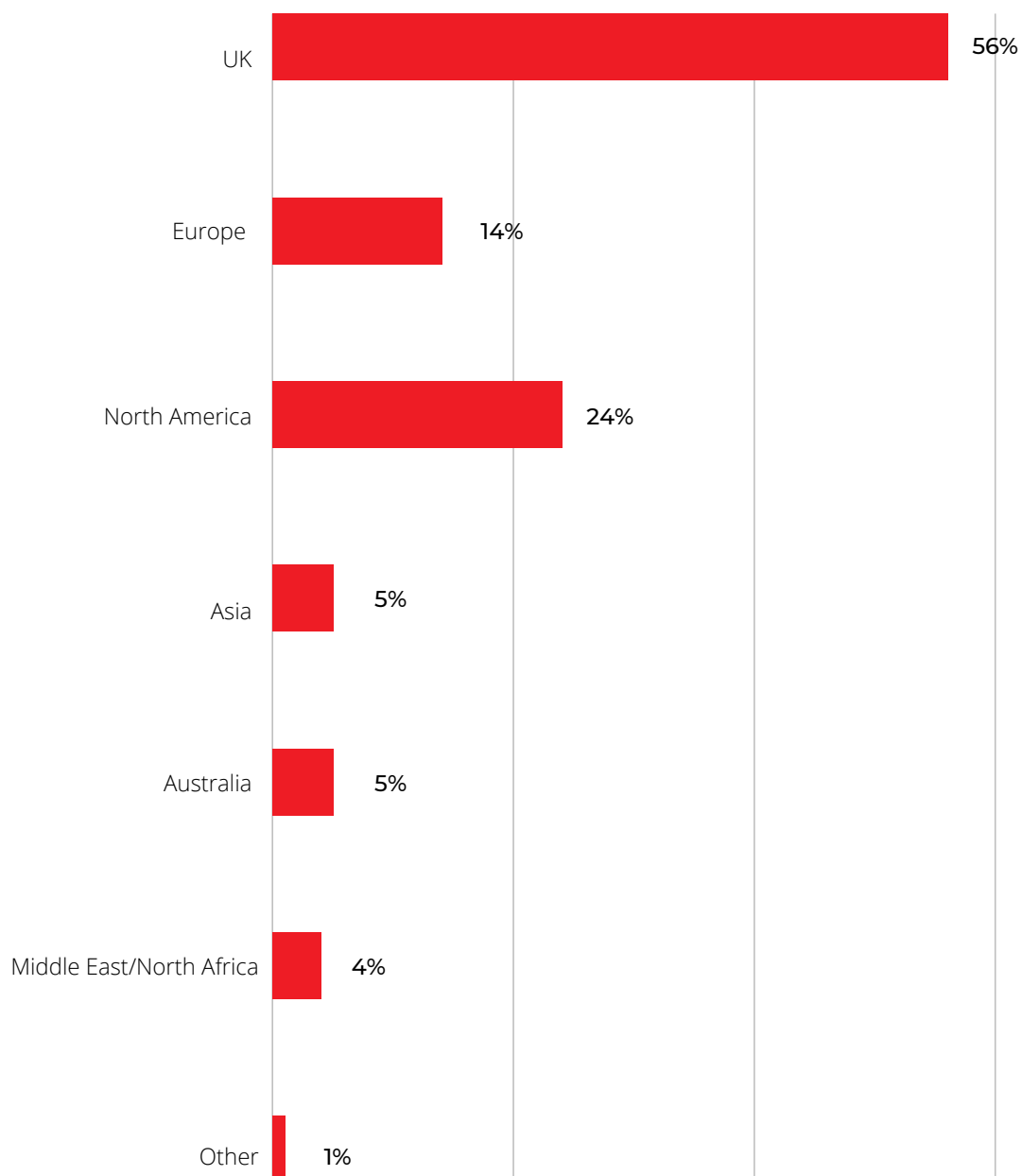


FIGURE 28. FOR WHICH COUNTRY / REGION ARE YOU RESPONSIBLE FOR INFLUENCER MARKETING CAMPAIGNS? PLEASE SELECT ALL THAT ARE RELEVANT



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