



August 2017

# INFLUENCER MARKETING ROUNDUP

With a little help from a brand's biggest fans, marketers can sway the buying decisions and loyalty of the broader population. They're identifying influencers and activating repurposed content for an ad on their brand site or a video placement on social. eMarketer has curated this Roundup of articles, insights and interviews to help you discern the opportunities and challenges of influencer marketing today.

presented by

**RhythmInfluence**  
by RhythmOne

## Overview

More than eight in 10 web users trust print ads when making a purchasing decision.

As the recent rise in spending on influencer marketing suggests, the methods and sources consumers use to vet products online is undergoing a significant shift.

Even as some consumers place less trust in brand messages like ads, and more trust in sources like online reviews, other consumers say the opposite. This split is creating a dilemma for marketers as they seek to find the most effective and trustworthy ad formats and marketing tools to reach online shoppers.

One sign of the evolving nature of consumer trust is reflected in buyers' shifting attitudes regarding what types of ads are considered most trustworthy. According to research, more traditional ad formats like print and TV often beat out their digital counterparts on this metric.

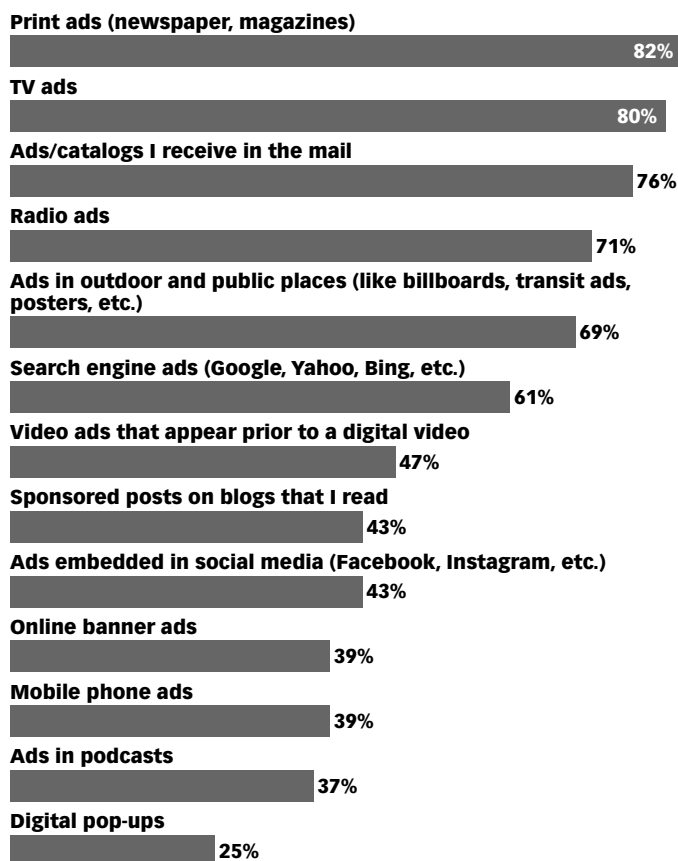
An October 2016 survey by MarketingSherpa found that at least 80% of US internet users said they trusted print ads in newspapers, magazines and on TV when making purchasing decisions. Digital ads fared worse. Some 39% of respondents said they trusted online banner ads, and another 39% trusted mobile ads.

Different generations ascribe to different levels of trust when it comes to sources of information. Take for example a May 2016 survey conducted by Salesforce, which examined the most trusted sources for accurate product information. While baby boomers put more trust in brands themselves compared with their younger peers, millennials were more favorable toward online reviewers than corporate-sponsored messages.

These somewhat contradictory conclusions seem to tie into larger consumer concerns about privacy and trust in 2016—a year that was dominated by headlines about data hacks and fake news. Though the impact may be minimal in the long term, it's likely that marketers will have to keep a close eye on rapidly shifting consumer sentiment in the months ahead as they look to find the most trustworthy methods of reaching online shoppers.

### Types of Ads that US Internet Users Trust When Making a Purchase Decision, Oct 2016

% of respondents



Note: n=2,400 ages 18+  
Source: MarketingSherpa, "Customer Satisfaction Research Study," Dec 12, 2016

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### Most Trusted Source for Accurate Product Information According to US Internet Users, by Generation, May 2016

% of respondents in each group

|                             | Millennials (18-35) | Gen X (35-54) | Baby boomers (55+) | Total |
|-----------------------------|---------------------|---------------|--------------------|-------|
| Online reviewers            | 40%                 | 32%           | 24%                | 31%   |
| Friends/family/colleagues   | 24%                 | 25%           | 21%                | 23%   |
| The brand itself            | 19%                 | 17%           | 23%                | 20%   |
| Retailers/retail associates | 11%                 | 11%           | 14%                | 12%   |
| News articles               | 2%                  | 2%            | 3%                 | 3%    |
| Other                       | 1%                  | 2%            | 3%                 | 2%    |
| None of these               | 3%                  | 11%           | 12%                | 10%   |

Note: among those who purchased consumer goods in the past 12 months; numbers may not add up to 100% due to rounding  
Source: Salesforce, "2016 Connected Consumer Goods Report," June 13, 2016

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# Five Things You Don't Know About Influencer Marketing

## Experts share tips on getting primo results

As influencer marketing evolves from a buzzed-about effort to a proven technique, marketers need to take stock of what they know is effective. Here are five important changes this year, and experts' advice about what to do about them.

### 1. FTC Guidelines Spell Scrutiny for Sponsored Posts

Federal Trade Commission guidelines require sponsored posts to be tagged as ads, meaning brands will have to be increasingly vigilant when influencers post on their behalf.

### 2. Micro and 'Middle' Influencers Are Gaining Ground

Celebrity endorsements may work for Super Bowl commercials, but some brands are seeing more success with micro-influencers that have up to 10,000 followers and "middle" influencers with up to 250,000 followers.

"Working with celebrities has become significantly less effective," said Gil Eyal, founder of influencer marketing platform HYPH Brands. "Their engagement rates are typically lower than similar influencers with a smaller audience."

Why? "Consumers can see right through it. A post from a person with millions of followers about a brand they've never talked about before seems disingenuous," said Mallorie Rosenbluth, head of social media at food delivery service GrubHub.

### 3. Instagram Is Becoming Influencers' Preferred Channel

YouTube has long reigned as a go-to channel for influencer content, but Instagram is catching up quickly.

Brands share that sentiment. "Instagram is huge for us because of the rich data and because you really get to know the influencers," said Delilah Nuval, marketing manager at H2O+ Beauty.

### 4. Video Brings 'Passion' to Sponsored Posts

There's no one-size-fits-all method for determining the right content for a specific influencer marketing campaign, but brands and influencers are leaning toward video to maximize the authentic feel of sponsored posts.

"We want influencers to highlight Mezzetta by creating content that feels personal and comes from whatever passion they have for the product," said Rajiv Doshi, director of digital marketing at CPG company Mezzetta. Often, video is the most effective route. "We feel very strongly about video and are starting to see more of our influencers create video content."

### 5. Effective Content Will Require a Leap of Faith

For influencer marketing to work, brands have to learn to trust their influencers—and that means letting go of the reins on content creation.

That makes the posts seem less authentic, and they become just another piece of brand marketing. The key is to let influencers do what they do best.

"Influencers' content should feel natural to their feed and fuel their story," GrubHub's Rosenbluth said.

# How Brands Repurpose Influencer Content

## Investment is expensive, so reusing it makes sense

Marketers are true believers when it comes to influencers, and many continue to spend big—investing anywhere from \$5,000 to \$100,000 on a single campaign.

One way they are stretching their ad dollars is by repurposing influencer content long after a campaign has run its course.

Bloglovin surveyed US marketing professionals from brands and agencies in February 2017 to find out how they are doing that. More than seven in 10 respondents said they repurpose influencer content on their own social channels after campaigns, and nearly half said they do so on their owned and operated sites.

One in five said they reuse influencer content for ads on other digital media sites, and another 14% said they repurpose it for programmatic advertising ads.

One big reason influencer marketing is becoming more important to brands is that as concerns about ad blocking grow, marketers are looking for alternative ways to reach consumers, aside from traditional digital ads.

But there's a lot marketers need to keep in mind. For one, Federal Trade Commission guidelines require sponsored posts to be tagged as ads—so brands must be increasingly vigilant when influencers post on their behalf.

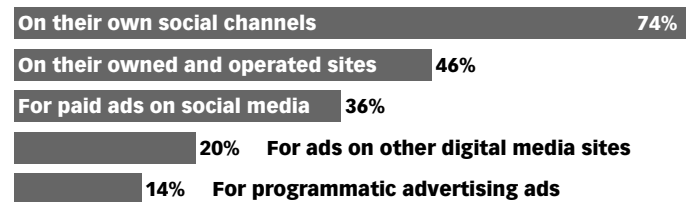
For another, Instagram is becoming influencers' preferred channel.

When it comes to their preferences, many influencers say they care more about a brand's values lining up with their own rather than how much a brand pays them.

And contrary to what some believe, influencers with the most followers don't necessarily get the most likes.

### Ways in Which US Marketers Repurpose Influencer Content After Campaigns, Feb 2017

% of respondents



Source: Bloglovin, "We Asked, They Answered: How Marketers Are Leveraging Influencer Marketing," March 21, 2017

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# Are Brands Spending Too Much Money on the Wrong Content?

## Speakers at Social Media Week grappled with the issue

One central theme running through content marketing sessions during the Social Media Week conference in March, which were held in New York, can be summed up with a question: Are brands spending too much money on the wrong content?

“Everyone is trying to figure out how much is the right amount [of content],” said Noah Brier, co-founder and CEO of social media marketing company Percolate, in a conference session called “The Spiraling Cost of Content.”

“All we know is it’s more than it used to be, and budgets aren’t growing [fast enough]. Brands are asking [their creative] partners to create 10 times the content, but they don’t have 10 times the money to support it,” he said.

A related challenge is the disproportional breakdown of what brands spend on content creation vs. content distribution.

Developing infographics, videos and other content of high production value can be costly, but only 10% of the technology investment brands make is geared toward creating content, while 90% is allocated to marketing it, according to Brier.

“The problem with that is 90% of the impact comes from content creation, not distribution,” he said.

In addition to balancing the investment equation, Brier said brands should hold their partners—and themselves—more accountable for creating the right content for their brand, not just using a traditional format because it has been effective for other companies.

“One brand we work with recently told us they believe they wasted \$2 million to \$3 million on off-brief creative, and felt that their agency was at fault,” Brier said.

Brands that produce their own content in-house are not particularly satisfied, either. For example, research from Clutch, a B2B software and professional services

recommendation firm, surveyed US content marketers in September 2016 and found that the types of content created weren’t necessarily the content respondents found most effective.

Nearly three-fourths (74%) of those polled created research and original data, and the same percentage created infographics and product reviews. Some 70% of content marketers said they produced video.

When it comes to driving action and sales—in other words, driving effectiveness—only 18% of those surveyed said research and original data was the most effective type of content, while 17% and 16% considered infographics and product reviews, respectively, to be effective.

Commenting during a session on brands creating content, Cara Friedman, head of social media at fitness company ClassPass, said, “Brands publish a lot of content, up to 10 times a day. But where does it come from? Is one person writing 10 blog posts a day? It’s very hard, because a lot of the time there’s only one person creating it.”

This divide between content usage and effectiveness might be one reason why user-generated content is becoming an increasingly powerful tactic among brands—one that not only drives engagement but also offsets cost.

### Types of Content Created vs. Considered Most Effective According to US Content Marketers, Sep 2016

% of respondents

|                        | Created | Considered most effective |
|------------------------|---------|---------------------------|
| Research/original data | 74%     | 18%                       |
| Infographics           | 74%     | 17%                       |
| Product reviews        | 74%     | 16%                       |
| Videos                 | 70%     | 13%                       |
| Blog posts             | 57%     | 14%                       |
| Case studies           | 56%     | 6%                        |
| White papers           | 55%     | 5%                        |
| Interviews             | 49%     | 7%                        |
| Podcasts               | 38%     | 2%                        |
| Ebooks                 | 23%     | 1%                        |

Note: n=300; numbers may not add up to 100% due to rounding  
Source: Clutch, “2016 Content Marketing Survey,” Jan 10, 2017

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# Study Sees Strong Impact of Social Video on Purchasing Behavior

## More influential than text and other formats

Nine in 10 social network users are influenced to make a purchase after seeing content on social media. And video has the greatest influence of all content types.

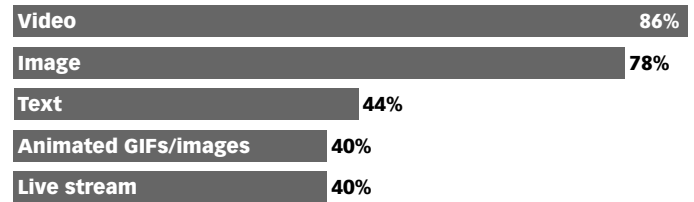
A study by gen.video and Geometry Global, conducted in March and April 2017, assessed the impact of influencer marketing and social media on purchase behavior among US internet users. Some 86% said they were swayed by video to purchase a product. Text proved to have about half the power of video, with only 44% of respondents inspired to purchase a product after reading.

Compared with other formats, video was almost twice as effective at driving sales across categories including electronics, fashion, food/beverage, health and beauty, and travel, and especially at retailers Amazon and Walmart, according to the study.

"Influencer marketing and video content are playing a growing role in shopper marketing and retail," said Tish Vallés, executive vice president and head of strategy at Geometry Global.

Advertisers are looking to be in the mix. According to an April 2017 study from cloud-based video creation company Animoto, a majority of US marketers plan to increase spending on video ads on various social media platforms over the next year.

### Social Media Content Formats that Influence US Internet Users to Purchase a Product, April 2017 % of respondents



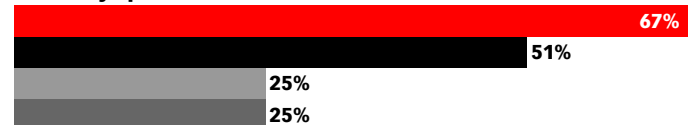
Note: ages 18+  
Source: gen.video and Geometry Global, "The Influence of Influencers," June 22, 2017

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### US Marketers Who Currently Spend vs. Plan\* to Increase Spending on Video Ads on Select Social Media Platforms, April 2017 % of respondents

#### Currently spend



#### Plan to increase\*



Facebook YouTube Twitter Instagram

Note: \*in the next 12 months  
Source: Animoto, "The State of Social Video: Marketing in a Video-First World," June 6, 2017

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# How Women Really Feel About Influencer Marketing

## Over-posting is annoying, and they can spot a fake

For the time being at least, influencer marketing is a popular and effective way to reach consumers. Influencer platform Bloglovin' examined how female consumers feel about the tactic, and what would cause them to respond in a negative way to influencer posts.

More than half (54%) of female internet users surveyed in November 2016 said they purchased a product after seeing it recommended by an influencer. And 45% said they have followed a brand directly from an influencer's post.

Women don't want to be inundated. Respondents said too many sponsored posts can be off-putting. The research showed that 37% of female respondents unfollowed an influencer because they posted too much sponsored content.

Authenticity also plays a key role in engagement: Six in 10 women said content that doesn't feel genuine would deter them from engaging with sponsored social posts.

The survey also asked respondents to describe what they consider inauthentic, and 59% said posts that are inconsistent with the rest of an influencer's feed felt fake. More than 30% said posts labeled with the hashtag #ad or #paid felt inauthentic as well.

According to new FTC guidelines regarding sponsored content, however, all paid posts must be labeled as such.

Bloglovin's report suggests that brands wanting to get the most out of their influencer marketing should run campaigns across social platforms.

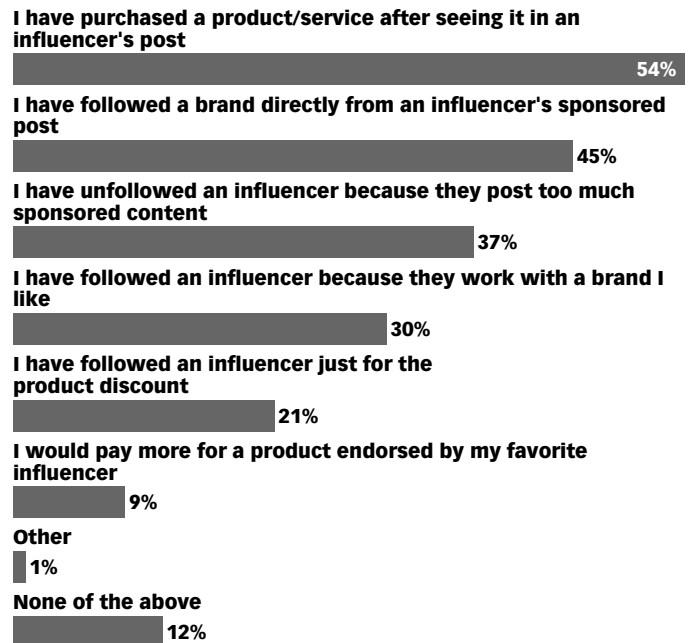
What social platforms are the most popular? According to the survey, more than six in 10 women follow influencers on at least two platforms. Out of this group, close to one-third follow influencers on three platforms.

Influencer posts on Facebook yield the highest engagements, with 57.1% of women saying they interact with sponsored content there. Instagram is a close second—48.4% of respondents say they prefer it.

Only 7% engage with influencer posts on Snapchat, likely because the company prohibits getting paid to post.

### Actions Taken by Female Internet Users Worldwide\* After Seeing an Influencer's Sponsored Posts, Nov 2016

% of respondents



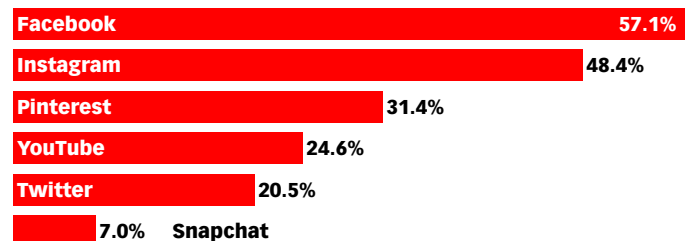
Note: all respondents were users of Bloglovin's blog reader platform; \*the majority of respondents were from North America  
Source: Bloglovin, "The Global Power of Influencers," Dec 15, 2016

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### Social Media Platforms on Which Female Internet Users Worldwide\* Engage with Influencer-Sponsored Content, Nov 2016

% of respondents



Note: all respondents were users of Bloglovin's blog reader platform; \*the majority of respondents were from North America  
Source: Bloglovin, "The Global Power of Influencers," Dec 15, 2016

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# For Kimberly-Clark, Coupon Codes Are a Step Toward Tying Influencer Marketing to Sales



**Jason Davis**

Senior Brand Manager, Shopper Marketing

**Kimberly-Clark**

Attributing influencer marketing campaigns to sales is a continuous challenge for brands, but some are finding creative workarounds. Giving influencers promotional codes to share with their followers is one way that personal care-focused consumer packaged goods (CPG) company Kimberly-Clark is not only driving sales, but tackling the attribution dilemma. Jason Davis, Kimberly-Clark's senior brand manager of shopper marketing, spoke with eMarketer's Maria Minsker about how the company works to maximize return on investment (ROI) from its influencer campaigns.

**eMarketer:** How has Kimberly-Clark's approach to influencer marketing evolved over the past few years?

**Jason Davis:** The importance of influencer marketing has grown exponentially. Consumers reach out to their online networks for advice on where to go on vacation or which products to buy because they trust those networks and, by extension, the influencers they follow. That's why the ability to leverage influencers has become important, especially for certain brands like our adult feminine care business. In this area, convenience and discretion are important. Consumers want to talk to people who are going through the same issues that they are.

**eMarketer:** What's your biggest concern about influencer marketing as you look ahead?

**Davis:** Choosing the right influencers for the story that we're trying to communicate is one challenge. Finding the right organization to execute the program properly is another. We've worked with a few organizations and frankly, some are better than others. It's important to

identify the right influencers and the right technology to ensure our brands are getting returns on their investments.

**eMarketer:** How do you evaluate influencers before deciding to work with them?

**Davis:** Understanding what niche of consumers an influencer will resonate with and then getting a grasp on his or her reach are key steps. We also think about how natural the interaction and engagement will be between the influencer and consumers. In other words, does it feel like it's a brand forcing a message, or does it feel like the brand is organically integrated into an influencer's story?

**"We rely on vanity metrics, but we're pushing hard to get beyond those and tie influencer marketing to sales."**

**eMarketer:** How do you determine whether to work with a celebrity influencer or someone with a more niche following?

**Davis:** If we're not generating sales, we're not going to have the funds to put toward influencer marketing. That's the argument for bringing a celebrity on board—especially on the national level. The thinking there is that we need to drive enough impressions and loyalty to get an ROI. At the retailer level, we need to create another layer that would include noncelebrity influencers to promote the retailer in a more organic way. There's a difference between what the brand is doing and what retailers have to do.

**eMarketer:** You mentioned the importance of ROI. What metrics do you use to measure the effectiveness of influencer campaigns?

**Davis:** We rely on vanity metrics, but we're pushing hard to get beyond those and tie influencer marketing to sales. We're able to do that through influencer-specific coupons and promotional codes. For example, an influencer shares a promo code, and when consumers use that code on Kimberly-Clark products, we can track it back to a specific influencer activation. Then we can say that code ABC drove



X many sales. Otherwise, with all the activity going on in the retail universe, it's hard to attribute sales to a specific influencer activity vs. another sales driver.

**eMarketer:** Will the new Federal Trade Commission regulations that require all sponsored posts to be labeled as ads have an impact on Kimberly-Clark's influencer efforts?

**Davis:** [They haven't] had an impact. Consumers should know if something's being sponsored and by now, people are savvy enough to know when posts are sponsored anyway. The regulations will just bring to the forefront some of what consumers and brands are already thinking about.

## Brands Using Influencer Marketing Still Want More Authenticity, Better Attribution



**Joy Chen**

CEO

H2O+ Beauty

**Delilah Nuval (not pictured)**

Marketing Manager

H2O+ Beauty

The influencer marketing space is getting noisy. Celebrities and bloggers are endorsing products left and right, leaving brands struggling to maintain authenticity when working with influencers. Meanwhile, attribution remains a major obstacle for brands trying to tie influencer campaigns to actual sales. Joy Chen, CEO of H2O+ Beauty, and Delilah Nuval, the skincare brand's marketing manager, spoke with eMarketer's Maria Minsker about their biggest influencer marketing concerns.

**eMarketer:** How has the role of influencer marketing evolved at your brand?

**Joy Chen:** We had focused on older, more traditional types of marketing until last year, when we made a big move to relaunch our brand. We took a fresh look at our target consumers and reshaped our distribution strategy, as well

as our marketing strategy. With that, influencer marketing became a big part of the plan. We'll probably invest more in it in 2017.

**eMarketer:** Which social platforms have the most potential for influencer marketing?

**Delilah Nuval:** Instagram is huge for us, because we're able to get a lot of data on influencers and really get to know them. YouTube has also historically been the No. 1 channel for influencers. Millennials—and other generations—consider these to be trustworthy platforms, so if they love a particular influencer, they'll follow them on these channels.

**eMarketer:** What are your biggest concerns about influencer marketing looking forward?

**Nuval:** A lot of brands reach out to influencers, but it's important to us to look for [someone] who truly loves our brand and connects with us. We're not looking to just hand an influencer money and say, "We want you to talk about these products," when they don't actually love them. We're looking for someone who is a true brand representative and uses our products on a daily basis.

**"It's been less about the content an influencer creates and more about the value they bring."**

**eMarketer:** What types of content do the influencers you work with typically create for your brand?

**Chen:** We have done a range of things with influencers. We've done videos, giveaways and takeovers. For us, it's been less about the content an influencer creates and more about the value they bring. If we're working with an influencer with consistently high engagement, whatever they end up doing will be more effective than an influencer who doesn't have that track record.

**eMarketer:** How do you identify the right influencers to work with?

**Chen:** The first question we ask is, "Who is the consumer we're going after?" Second, we determine [which influencer] will best personify our brand. It may not always be the most famous influencer—if our target consumer is a mom with children, we might go after "mommy bloggers" as influencers. It's a combination of our campaign focus and an influencer's personal interests or passions.

**"The industry is not yet close to linking influencer marketing with sales in a linear way."**

**eMarketer:** Is it a challenge to measure the return on investment (ROI) of influencer marketing? What metrics do you rely on?

**Chen:** Influencer marketing is in its infancy when it comes to analytics and connections to sales—that's one of the biggest challenges right now. The industry is not yet close to linking influencer marketing with sales in a linear way. As for other metrics, we look at impressions, engagements and reach.

**eMarketer:** Are there ways to link influencer marketing to sales in a more indirect way?

**Nuval:** Yes, there are ways. We can use trackable links, for example. The problem is that on Instagram, unless an influencer puts a link we provide into their profile page—which most won't do because they link to their YouTube channel there—viewers can't click anything, since Instagram doesn't support links anywhere else. Snapchat is the same way. Hopefully platforms will make posts shoppable in the future.

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