

The Performance Marketing Guide to Influencer Marketing

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Contents

- Influencer marketing in 2018: More than a buzzword 3**
- Finding the real ROI in influencer marketing 4**
 - Reaching a more targeted audience 4
 - Brand awareness..... 4
 - Engagement..... 4
- Brand loyalty..... 5**
- What's next? 5**
- How we do it..... 5**
- Q&A 6**

Influencer marketing in 2018: More than a buzzword

Online searches for “influencer marketing” have grown by nearly 90% since 2013 according to Google Trends¹, showing the quick rise and adoption of this tactic worldwide.

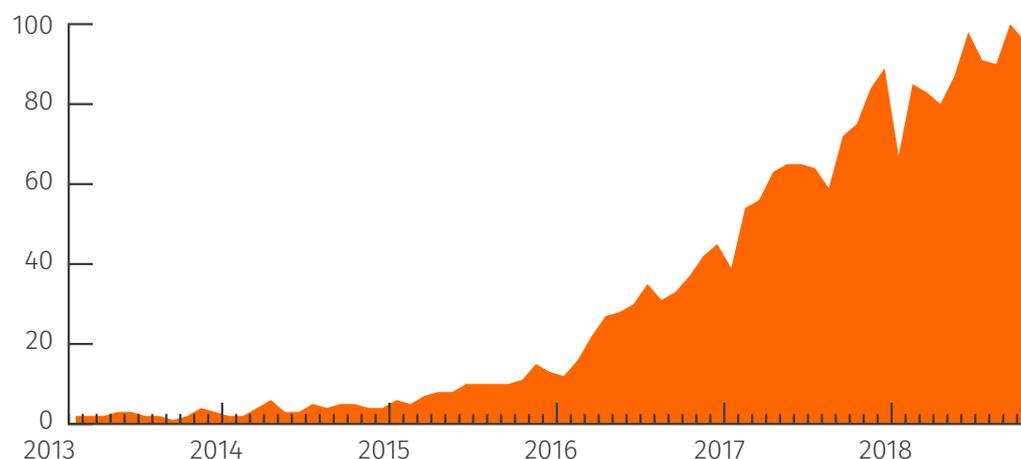
Existing marketing tactics such as celebrity endorsements and brand induced word-of-mouth are also being relabelled as influencer marketing when they happen on social networks, grouping it with content creators whose audience was entirely built online.

We're now years past the moment Brian Solis called “the age of measurable word of mouth”², and nurturing a positive image of brands online is a key part of the work done by influencers. According to McKinsey³, brand induced word-of-mouth marketing generates twice the number of sales of paid advertising, with acquired customers showing a 37% higher retention rate. Considering these figures alongside changes in content consumption (TV viewing among 18-24-year-olds is declining by 9.5% year on year⁴ and ad blockers reached 615 million devices in 2016⁵), the growing budgets being allocated to influencer marketing start to make sense.

The shift to digital media has escalated brands' need for constant fresh content. Gone are the days when marketing calendars could rely comfortably on one or two seasonal photoshoots, one TV commercial production that would then be edited into a few different 30 second spots, which would suffice for several months' worth of media placements.

Engaging with influencers has become a cost-effective way for advertisers to close the gap and fill the need for constant newness, transform ads into content audiences actually want to consume and place them within the channels they're already engaged with, all whilst leveraging the authenticity and personal endorsements of bloggers, YouTubers, social media creators and even celebrities. Investing in influencer marketing can solve many problems all at once, if done in the correct way.

GOOGLE TRENDS DATA FOR “INFLUENCER MARKETING”



Finding the real ROI in influencer marketing

The recent buzz and rapid growth of influencer marketing can be attributed to the high return on investment some are seeing when compared to traditional marketing channels such as TV, print media and banner ads. For performance marketers entering this space, a shift in perspective will enable businesses to see the real value influencers can bring to their brands.

Whilst several agencies and platforms have released case studies boasting high ROI figures – look no further than TapInfluence's Silk Almond Milk campaign⁶ which claimed an ROI 11x higher than traditional advertising – the Key Performance Indicators (KPIs) used in optimisation at the lower end of the purchase funnel differ greatly from traditional advertising, so adding more KPIs to the campaign analysis is essential when working with influencers via the affiliate channel.

In the same way that one wouldn't expect goals at a cricket match, sales and conversion rates are not the only success measures for influencer marketing. Additional objectives and metrics that can be added to campaign analysis include:

Reaching a more targeted audience

Brands looking to reach a specific community or make their brand resonate with certain values can engage influencers to take their campaigns beyond standard and generic demographic brackets. Influencers are a representation of their audience, who have built a relationship of trust and dialogue with their communities, so a well-placed branded content piece can be part of a bigger conversation for that specific niche.

Brand awareness

With more than 50% of internet users worldwide admitting to making purchases influenced by social media⁷, influencers can amplify a brand's visibility within these channels whilst leveraging their high engagement rates for a higher reach.

Engagement

Some sceptical marketers may see Likes, Comments and Shares as 'vanity metrics', however these interactions are what the algorithms of Facebook, Instagram, Twitter and YouTube rely on to make posts reach a broader audience. By focusing on engaging content, you'll be taking the campaign's reach even further.

Brand loyalty

With an influencer marketing campaign, the focus can be the product's features and the overall lifestyle that a brand represents.

A fairly recent type of advertising, influencer marketing can be seen as part of different departments including PR, so performance professionals need to be mindful of its interdisciplinary nature and work collaboratively on integrated campaigns for the best ROI.

What's next?

Influencer marketing will continue to grow and become a staple of marketing budgets in the coming years, taking up a bigger share as marketers move past the decision stage of whether to invest in influencers or not, and focus on how much to spend. As more players enter this space, competition for influencers will also rise, along with their fees. For new publishers, we will also see higher barriers of entry as social networks become more populated with content creators, becoming harder to stand out and grow an audience. This will in turn further solidify the status of established influencers, leading brands to shift from transactional one-off campaigns to long term deals.

2018 brought new regulations around disclosure for influencer marketing, and in coming years we will see the enforcement of these new policies. As consumers become more aware of paid content, brands will need to focus on authenticity and an 'always on' approach with influencers to establish trust with their audiences.

How we do it

With our global reach, powerful technology, data-driven insights and specialist account management teams, Awin is primed to deliver effective influencer marketing campaigns. Our experience with clients that have long been early-adopters of influencer marketing can also offer valuable, strategic guidance to advertisers new to this space.

We offer a wide range of influencer marketing solutions, dependent on each advertiser's objectives. Our comprehensive range of services goes from influencer programme management, influencer recruitment, strategic campaign management as well as a vetted list of partnerships that clients can tap into.

Q&A

PRETTYLITTLETHING

Since its start in 2012, PrettyLittleThing has made it

its mission to dazzle a young consumer audience with the latest trends at affordable prices.

Partnerships with celebrities such as Ashley Graham, Nicki Minaj, Kourtney Kardashian and Kylie Jenner have propelled the brand's rapid growth, sustained online by their constant relationship with influencers of varied follower counts to be always present in their customers' feeds.

Launching its affiliate programme on Awin in 2014, the brand's appeal to influencers is strong – in the first three months of 2018, PrettyLittleThing attracted 5% of global publisher sign ups to Awin. In this conversation, Chorley Wood from the brand's digital marketing department gives insight into their use of influencer marketing.

Awin: PrettyLittleThing has been using influencers for several years now, engaging with both online creators and celebrity influencers too, including the Kardashians. In the digital marketing industry, there has been a lot of talk about macro-influencers and micro-influencers. As a brand that works with both, what would you say the main differences and advantages of each are?

PrettyLittleThing: You can definitely work with both types of influencers to support different goals. The great thing about working with micro-influencers is that you get to see them grow and build that relationship. You also notice that the smaller influencers promote the brand more regularly. Macro-influencers can be more particular in which brands they choose to work with, and they're also more in demand. Both types of influencer are very valuable to our brand, we tend to have ongoing relationships with the micro girls and work with macro girls through specialised platforms. The obvious advantage to a macro-influencer is that they drive the most sales and have a larger audience, which will help brand awareness.

Awin: Your founder, Umar Kamani, in a recent interview⁸ highlighted PrettyLittleThing's youthful ethos and related this to influencers on Instagram, who may have a bigger audience than a magazine's circulation and so bring more value. How do you see influencers when compared to other publisher types? What are the biggest benefits that influencers bring to PrettyLittleThing?

PrettyLittleThing: Macro-influencers drive a lot of sales because of their larger followings, this means more people online are seeing the brand which is great for our brand awareness. Our customers are inspired by these influencers and style is important to them, this essentially makes us a go-to platform for our customers so they can get the best look.

Awin: Through Awin data, we see that PrettyLittleThing is one of the top brands that attracts bloggers and influencers. How do you keep them engaged with the brand?

PrettyLittleThing: Our brand is focused on constant newness, so we also apply this to our affiliate programme. We regularly update our banner page with fresh new campaign imagery. We have new lines dropping daily on the website, and competitive exclusive discounts. We will soon be launching more affiliate communication to let publishers know about what's new.

Awin: In influencer marketing, many talk about scalability, whilst others highlight personal and authentic relationships. Does PrettyLittleThing have a particular approach when selecting influencers to work with?

PrettyLittleThing: We work with different approaches with our different departments. We have an in-house PR team that have specific girls they will look to work with. On the affiliate team we are a little more open to who we work with especially because we work with smaller influencers. We still try to stay on brand showcasing that 'our girl is addicted to fast fashion. She is constantly seeking the latest on-trend looks at killer prices' and 'heavily influenced by social media, she lives for dressing up and going "out" out with her BFF's' and 'she loves documenting her latest look through a strong selfie game'.

Awin: If you were to give one tip to a marketer looking to start with influencer marketing, what would that be?

PrettyLittleThing: That there is so much potential even amongst the micro-influencers, branch out in all territories, and build up to macro-influencers from there, the more influencers you get on board the more visible your brand can be online.

[Contact Awin](#)

to find out how your brand can work with influencers.

ENDNOTES

1. <https://trends.google.com/trends/explore?date=all&q=influencer%20marketing>
2. <https://www.slideshare.net/Altimeter/the-rise-of-digital-influence>
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