

THE RISE OF INFLUENCERS

A Fashion and Beauty Monitor report, in association with Econsultancy, on the role influencers play in fashion and beauty

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59%

59% of respondents say engaging with influencers is a challenge

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EXECUTIVE SUMMARY

Over the past couple of years, more and more brands have begun to align themselves with social media influencers. This comes as a result of consumers expressing increasing preference for ‘authentic’, trusted opinion, over and above the voice of the brand itself.

In the process, we’ve seen the rise of consumers-turned-digital personalities, and some of the biggest names in the book have become brands in their own right, amassing a fortune of their own. It’s not unheard of for A-list bloggers to sell out an entire product line in one day from one Instagram image, or blog post.

But for many fashion and beauty brands, this represents a completely different way of working, and not everyone has rushed to embrace it. This Fashion and Beauty Monitor report, produced in association with Econsultancy, considers the rise of Influencer Marketing, assesses how brands are approaching it, and with what success. Backed by independent online research, in the shape of an Influencer Marketing survey of fashion and beauty experts, the findings demonstrate the impact digital media has had in this space and list what marketers need to do to make influencers work for their brand.

KEY FINDINGS INCLUDE:

- 1. 57% of survey respondents say they have an Influencer Marketing strategy in place; additional 21% are planning to invest in it over the next 12 months.*



A healthy majority of survey respondents, 57%, say they already have an Influencer Marketing programme underway. Currently a quarter are allocating between 30% and 75% of their marketing budget to Influencer Marketing.

Additionally, approximately two-thirds (67%) say their programme has been in place for two years or more, with 11% being already five years down the line with their influencer strategy.

2. 84% of influencer research is carried out manually searching social media platforms and forums; 73% state identifying the right influencer is the greatest challenge



As with all growth-stage markets, it's a while before processes are ironed out efficiently. At the moment it appears the majority of survey respondents (78%) are choosing to identify and manage their influencers in house, with 84% of these searches being manual. Not surprisingly 73% of respondents felt that identifying the right influencer is the greatest challenge when working with influencers

It comes as little surprise that 59% say they find this to be a difficult and time consuming task.

3. Product launch is top priority for 69% of respondents



Product is generally the core focus of any influencer campaign in fashion and beauty right now. Within the survey, 27% of respondents said product is "critical" and a further 42% admitted it's "very important". However, experts interviewed cautioned brands against rushing to product too quickly, and instead advised them to think about the territories they would like to be aspiring to, within the content they collaborate on.

4. 59% of respondents say engaging with influencers is a challenge



Recently, as brand desire for working with influencers has increased, influencers have become savvier about who they can work with, and what they can demand. This has led to the rise of increasingly commercial terms, and 59% of survey respondents say getting an influencer's attention and being able to engage them, is now an ongoing challenge.

5. 39% of respondents are held back by budget constraints



Budget constraints are the primary reason why brands and businesses responding to the survey have not yet explored Influencer Marketing. In fact 63% of survey respondents think influencers are expensive for brands with budget constraints.

Additionally, one quarter of respondents cite the absence of an Influencer Marketing strategy as their main reason for not yet being active in Influencer Marketing.

6. Context is King



Almost three-quarters (72%) of respondents think that relevancy in relation to subject area is more important than influencer reach. By contrast, just 30% think it's more important to have an influencer with reach, than one who relates specifically to the nature of the brand or campaign.

7. 85% say email is most effective channel to reach influencers



The majority, 85% of respondents said email was the most effective channel to reach influencers as it allows the influencer time to review the brand opportunity and decide whether or not to respond.

8. Budgets are set to increase for nearly 60% this year



Budgets for Influencer Marketing are set to increase for 59% of respondents in 2016. Just a 2% minority foresee their budgets decreasing.



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INTRODUCTION

Over the past couple of years, consumer trust in brand-driven advertising, including TV ads, company websites, online advertising and editorial content, has been in sharp decline. More than ever, consumers are in control of how they consume content and interact with brands, and they are showing increasing preference for the opinion of trusted individuals and influencers, over hearing from the brands themselves.

According to Nielsen's latest biennial [Global Survey of Trust in Advertising](#), which polled 30,000 online respondents in 60 countries, personal recommendation (trusted to some degree by 81% of UK respondents) remains the most trusted form of advertising or communication, with the credibility gap widening between it and other formats. It now stands alone as the only format trusted by more than 60% of UK respondents. 'Consumer opinions online' (58%) is now the second most trusted format (up from fourth two years ago). [In the US](#), 66% trust consumer opinions posted online, while 57% trust brand sponsorships, and just 41% still trust online advertising.

There's little doubt that it's becoming harder for brands to reach consumers through traditional advertising and marketing methods.

According to [research by Statista](#), only 23% of British consumers, and 27% of US consumers, think their purchase decision is influenced by 'great' brand advertising.

It is evident that brands must find new ways to reach consumers, and Influencer Marketing is increasingly filling that gap.

Influencers are nothing new to marketing, and particularly within the fashion and beauty sector. For many years brands have been collaborating with celebrities and models, leveraging their status and influence over consumers to help build brand, and shift product.

Today, however, the world has shifted towards social media, and we're seeing a 'new' breed of influencers: individuals who have the ability to influence the opinions or buying decisions of a brand's target audience, largely thanks to their social media following. Instead of looking at brands, as they did in the past, consumers now look at each other and at their favourite personalities, who are consolidating massive followings across the blogosphere, on YouTube, Instagram, Pinterest, and other platforms. This emerging form of influence is less about argument and coercion to a particular point of view, and more about advocacy, review and engagement.

According to the research carried out for this report, 57% of respondents said they are already using Influencer Marketing within their marketing strategy, with an additional 21% saying they are planning to get going with it over the next 12 months. While it's certainly not reached tipping point, this new form of Influencer Marketing is definitely here to stay, and brands that have so far been reticent to take a punt on it, will need to soon.

This Fashion and Beauty Monitor report, produced in partnership with Econsultancy, will investigate the extent to which brands and businesses within the fashion and beauty space are using Influencer Marketing, and with what success.

Contributors

The report features in-depth opinions from senior-level marketers, beauty retailers and bloggers, including iCrossing, BeautyMART, Liberty Marketing, 2X eCommerce, Millharbour Marketing Consultancy, Camuto Group and British Beauty Blogger.

Interviews were carried out over the phone and by email in December 2015.



METHODOLOGY AND SAMPLE

This is the first Influencer Marketing Survey, published by Fashion and Beauty Monitor in association with Econsultancy.

There were 348 marketing specialists who responded to the research request, which took the form of an online survey. Respondents included in-house brand marketers, agencies, consultants and media owners, all representing the UK and US fashion and beauty industry.

Detailed breakdowns of the respondent profiles are included in the Appendix.

If you have any questions about the research, please contact Centaur Marketing's content marketing manager, **Priyanka Mehra Dayal** by emailing priyanka.mehra-dayal@centaurmedia.com.



DEFINING AN 'INFLUENCER'

Influencers have been around for as long as marketing has been, but historically, they would have been the press, owned media, celebrities and other well-known and well-respected figures. Today, the social media space, and particularly the blogosphere and YouTube, are nurturing the talents of a new breed of influencer, who can very often come from nowhere, and over a fairly short period of time, amass thousands, to millions upon millions of followers.

These 'new' influencers are, in a nutshell, content creators, who wield their influence through their independence of opinions and personality, and ultimately their social clout. While they might be collaborating with a brand, and nowadays often be receiving substantial payment or incentive in order to write or talk about them, they ultimately have final say over what they create and publish.

As one might expect, the millennial generation is nurturing many of these new 'influencers'. Wishing to understand more about the media consumption habits of this generation of consumers, The Economist worked with Bloom Worldwide to survey nearly 90,000 millennials, Gen Xers and baby boomers (who fell within the 18-35 age range). The research

found a high ratio of this generation to be active, interested and entrepreneurial. **Nick Blunden**, global managing director of [The Economist](#), calls this subset "Gen-Narrators". Speaking in an interview with Adweek, he describes them as "a cohort of influencers who both are sophisticated media consumers whose reach is coveted by not only media companies but also brands...They curate, they consume and they create. And that's what makes them influencers," Blunden explains. "They don't just take on broad information, they DJ with it. They remix it and send it out."

When talking about such influencers, often it's the top tier bloggers or vloggers who find themselves central to the conversation. Just as any fashion or beauty brand would like to find themselves on the front page of Vogue or Esquire, within the Influencer Marketing space there's often the desire to be connected with influencers such as Zoella, The Londoner, British Beauty Blogger or those of similar calibre. But this is a myth that needs to be debunked, particularly as it may be deterring some brands from embarking on an Influencer Marketing strategy.

Increasingly, brands are recognising that Influencer Marketing isn't just for those with deep pockets. There are different kinds and scales of influencers, and it doesn't necessarily follow that the biggest influencers will reap the best rewards for a brand. Even if they are A-list, the impact an influencer can have on one brand will be different from the next depending on how good the fit is. For some smaller brands, the best opportunities might lie with those who represent an uptapped genre of influence, such as industry experts, journalists, professors or simply new bloggers who haven't yet reached the point of earning a living through their influence.

Anna-Marie Solowij, founder of online beauty retailer [BeautyMART](#), says *"an influencer is anyone who has the power and profile to make a difference to our opinion or that of our customers. She explains, "credibility is of ultimate importance. Someone may have a million social media followers but if they don't know what they're talking about or they're irrelevant to a brand's followers then those numbers have very little real value. We have seen big numbers in social media campaigns where the uptake in terms of sales conversion has been very low. Many influencers have teenage audiences who are not necessarily active consumers."*



EXPERT VIEW

Sophie Morris

Strategic marketing and sponsorship consultant, Millharbour Marketing Consultancy

"An influencer would be someone who represents your brand, or endorses your brand somehow, but is a third party to it. So they are giving credibility to your audience, as an independent reviewer or ambassador of it, rather than being a paid member of staff."

KEY TRENDS IN INFLUENCER MARKETING

57% of respondents already have an Influencer Marketing strategy in place

As the first piece of research of its kind, a crucial goal of Fashion and Beauty Monitor’s Influencer Marketing survey was to shed some light on the stage of maturity Influencer Marketing is at within the fashion and beauty sector. It’s encouraging to see in **Figure 1** below, that more than half (57%) of respondents are already actively pursuing an Influencer Marketing strategy, within their overall marketing plan. An additional fifth of respondents (21%) claim it will become a priority over the next year, and just 22% say they have no immediate plans for Influencer Marketing. This goes to show that the fashion and beauty market lends itself particularly well to Influencer Marketing.

As expert **Sophie Morris**, consultant at Millharbour Marketing, explains, *“Influencer Marketing works particularly well in the beauty industry, because consumers want to see the product in demonstration.”*

British Beauty Blogger **Jane Cunningham** concurs, saying *“for most women, their beauty products are saved up for, and it really matters to them that they get their purchase right. They want to read reviews that are honest, when they’re doing their research. So my blog is very truthful. If I don’t particularly like something, I will say so.”*

FIGURE 1: DO YOU CURRENTLY USE INFLUENCER MARKETING AS PART OF YOUR MARKETING STRATEGY?

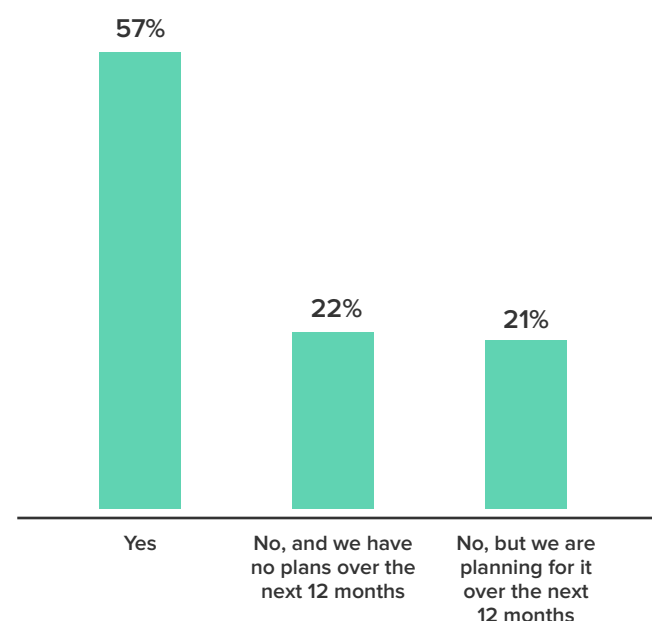
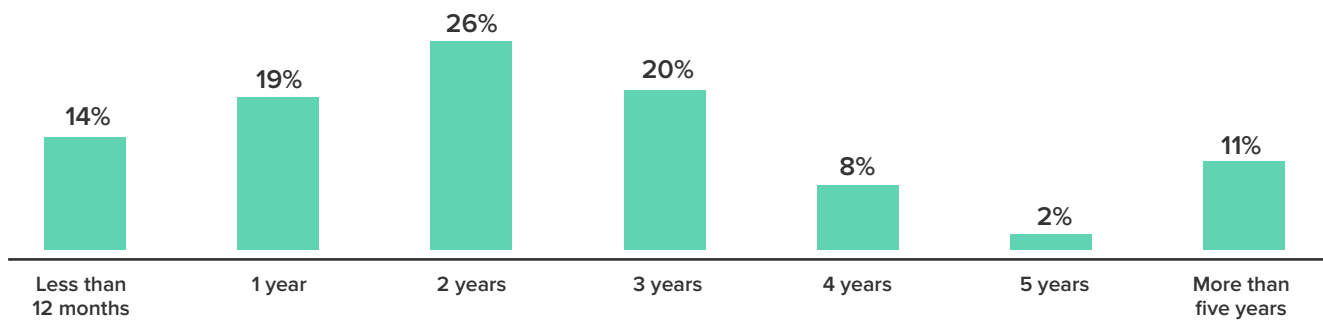


FIGURE 2: HOW LONG HAVE YOU USED INFLUENCER MARKETING AS PART OF YOUR MARKETING STRATEGY?



67% say they have used Influencer Marketing for two years or more

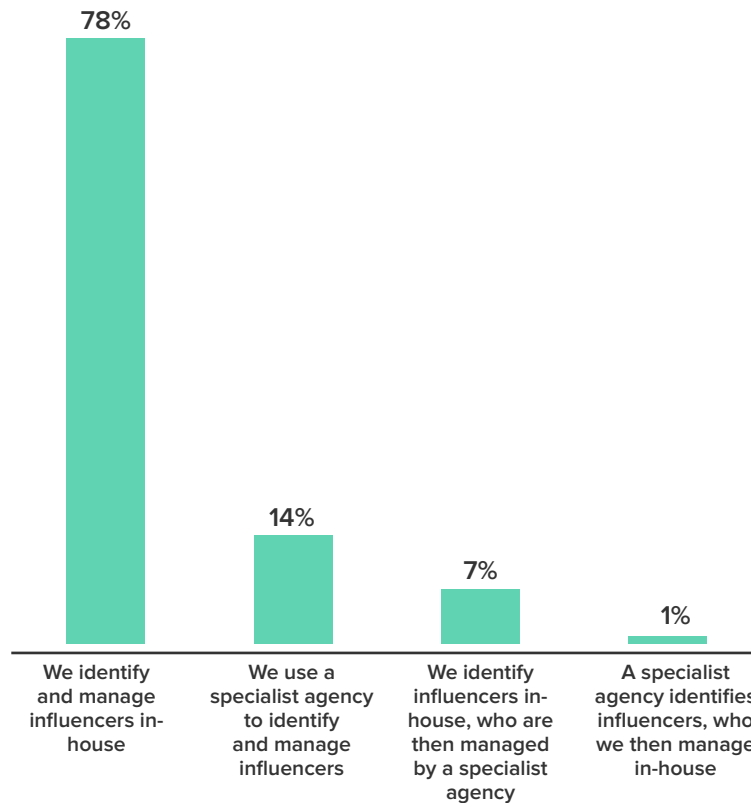
Not only are a large proportion of survey respondents active in Influencer Marketing, but approximately two-thirds (67%) say their programme has been in place for two years or more, with 11% being already five years down the line with their influencer strategy. Bearing in mind this is still a maturing space, on the face of it these findings are somewhat surprising and impressive.

78% identify and manage their influencers in-house

Where Influencer Marketing sits within the marketing mix is tricky to pinpoint exactly. Within the interviews conducted for this report, some talked of the lines becoming increasingly blurred between SEO, digital marketing (including social media) and PR. While a large number of specialist consultancies have sprung up in the UK, claiming experience in Influencer Marketing and blogger outreach particularly, the survey findings show that the large majority of respondents (78%) are currently choosing to manage their Influencer Marketing in-house (see **Figure 3** overleaf).



FIGURE 3: HOW DO YOU CURRENTLY IDENTIFY AND MANAGE INFLUENCERS WHEN USING THEM AS PART OF YOUR MARKETING STRATEGY?



A mere 1% of respondents are using a specialist agency to identify influencers for them, who they then manage themselves in-house.

84% say they are manually searching for influencers

From the 85% of respondents (combined figures taken from **Figure 3**) who are currently identifying their influencers in-house, the vast majority (84%) are doing so manually, searching through social media platforms and forums. Without specialist engagement tools or platforms, this can not only be a laborious task, but is also unlikely to yield the best influencer list. While follower data and activity can be reaped from social media platforms such as Facebook and Twitter, this is rarely the complete picture of influence.

EXPERT VIEW

Rachel Bloom

*Senior digital account coordinator,
Liberty Marketing*

“I’d look at an influencer’s social reach, but I would also dig a bit deeper to look at the engagement they’re getting. I would never just look at follower numbers, as quite often you can get a follower count, but they could have bought some of those followers. We would look at their blog metrics too, such as their domain authority and their trust flow, and we’d make sure the blog looked professional and was on brand for the client, with nice photography, because as well as receiving a mention, most fashion and beauty brands like to receive nice photography from bloggers as well, which they can then use themselves.”

According to the survey findings on the right, just over a third of respondents (36%) are either using specialist engagement tools, or investing in social media monitoring tools. Could this be down to budget constraints, or lack of awareness about such tools?

69% of respondents say influencers play an important role in product launch

When it comes to thinking about the role that influencers play in marketing strategies, the experts interviewed for this report agreed unanimously that product is generally the core focus of any campaign, particularly within the fashion and beauty space. This is echoed in the survey findings, showing that 27% of respondents agree using influencers for product launch is “critical” and a further 42% say it’s “very important” (see **Figure 5** overleaf).

This, however, comes with a note of caution, according to **Tim Bax**, creative director at iCrossing:

“Very often brands make the mistake of wanting to go to product too quickly. We’re currently working on a content partnership with a big client and a big media owner, and the media owner wants to run stories interesting to its audiences, and the client wants to push its product stories. It becomes our job to hold the ring and explain that you can’t push product that hard, as generally speaking, no one wants to read about it. We then have to say to the content producer you can’t run stories for your audiences alone, as then our client is getting no benefit. How you marry the two up is always the holy grail of Influencer Marketing.”

In addition to product, content promotion and distribution is another top priority for beauty and fashion businesses, with three-quarters of respondents citing it as either “critical” or “very important”. Events and webinar production is largely an untapped opportunity at the moment, with just 16% of respondents seeing it as a “critical” aspect of Influencer Marketing.



FIGURE 4: WHICH TOOLS OR METHODS DO YOU CURRENTLY USE TO IDENTIFY INFLUENCERS WHEN USING THEM AS PART OF YOUR MARKETING STRATEGY?

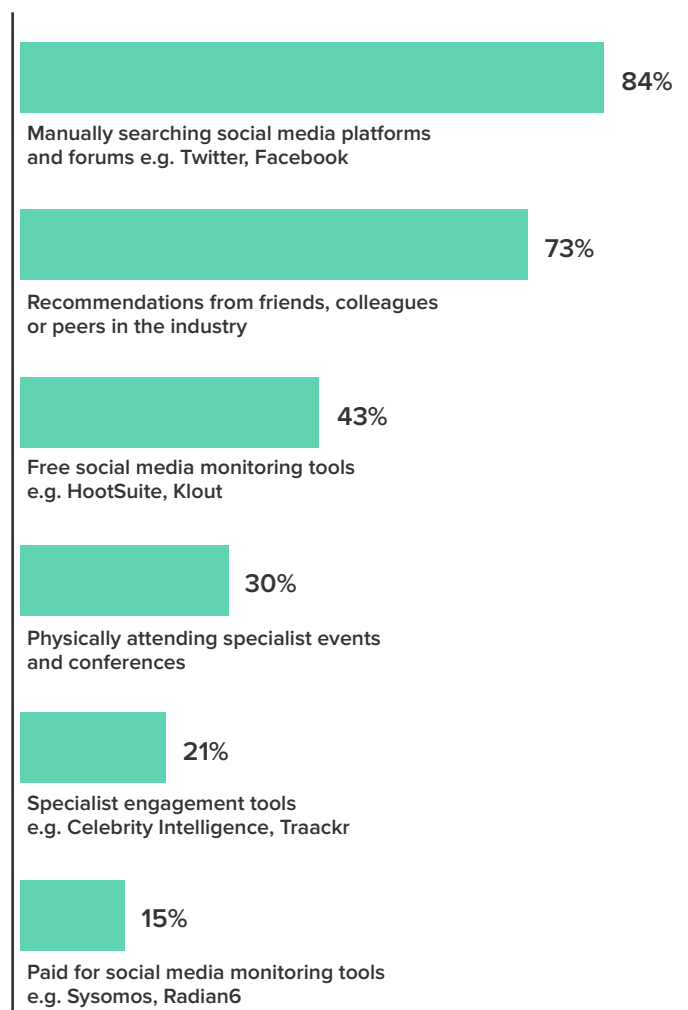
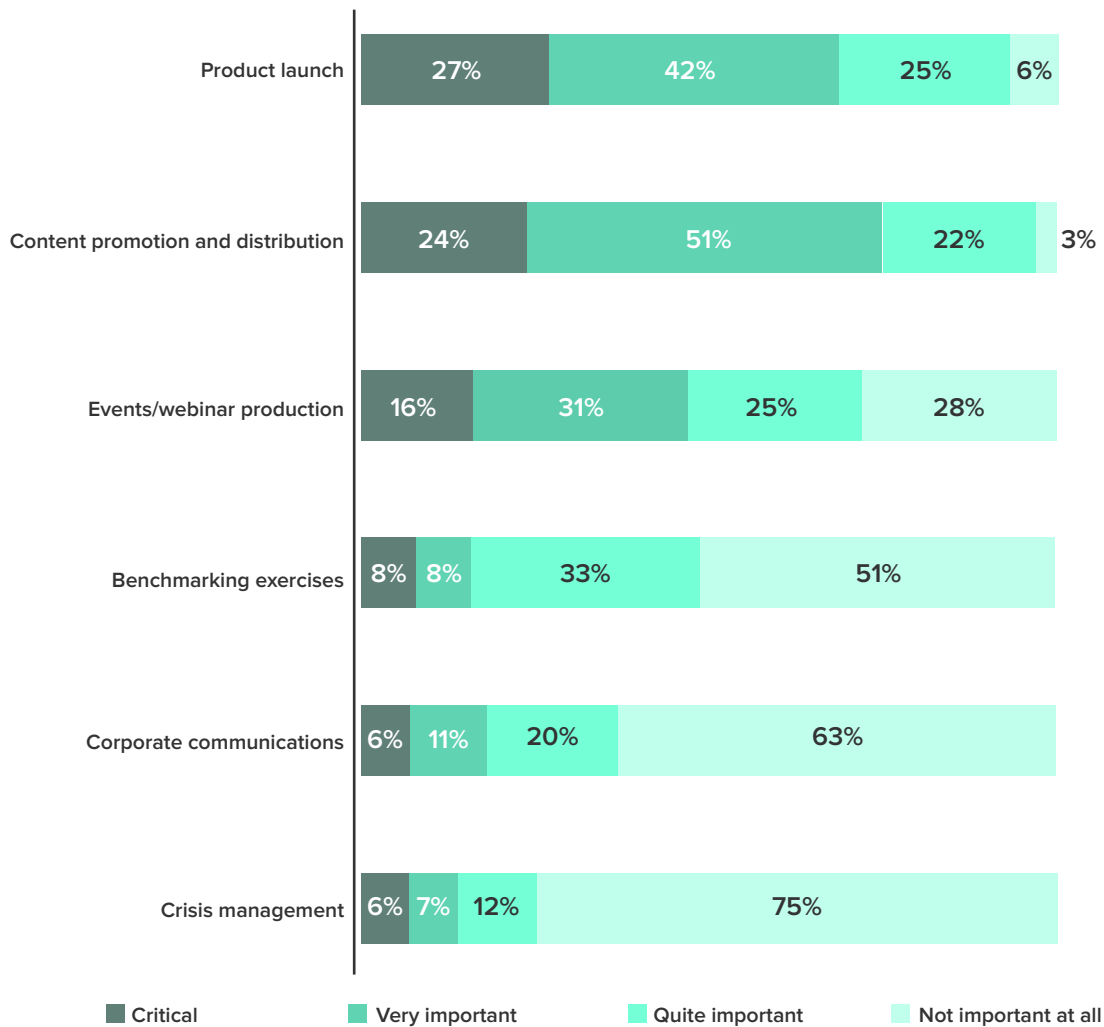


FIGURE 5: WHAT ROLE DO INFLUENCERS CURRENTLY PLAY IN YOUR MARKETING STRATEGIES?

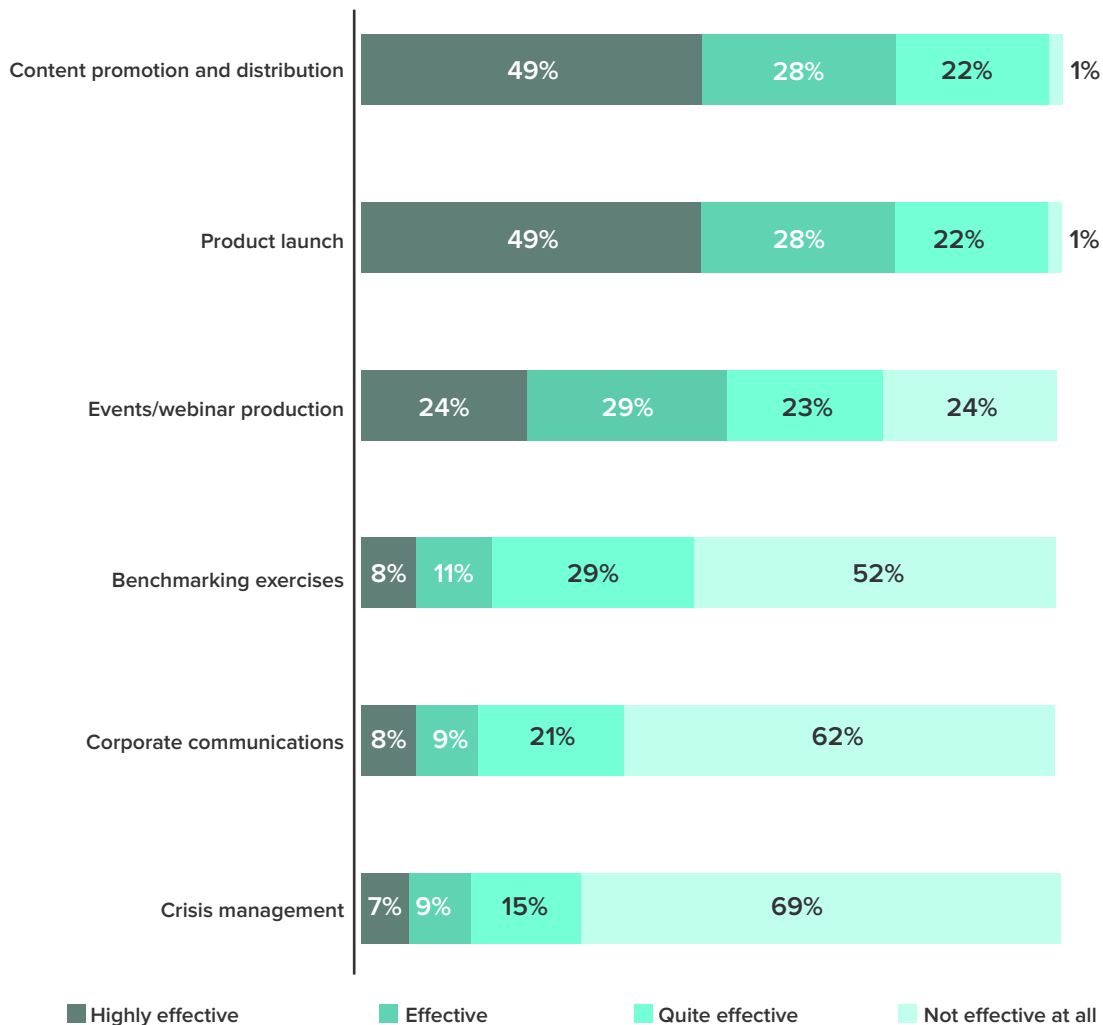


Nearly half think influencers are “highly effective” at content promotion and distribution

Comparing **Figure 5** above, with **Figure 6** below, it’s encouraging to see a strong correlation between the role influencers are currently playing in marketing strategies, versus their effectiveness in these areas. Respondents express identical levels of satisfaction with content promotion and distribution, and product launch, with more than three-quarters (77%) claiming influencers to be “highly effective” or “effective” in each of these campaign strands.

Similarly, at the bottom of both tables sits crisis management as the lowest priority for Influencer Marketing, with 75% saying it’s not at all important to work with influencers on this, and 69% (in **Figure 6**) claiming it’s not at all effective to do so, which makes complete sense as they are always going to be a third party to the brand or business.

FIGURE 6: HOW EFFECTIVE ARE INFLUENCERS AS PART OF THESE MARKETING STRATEGIES?



Influencer Marketing should be a part of a long-term strategy

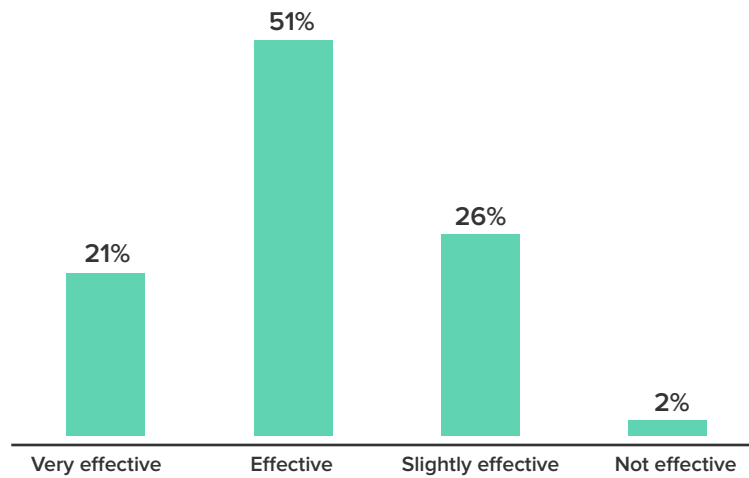
Taking a more general look at the overall effectiveness of Influencer Marketing, survey findings are positive on the whole. A fifth of respondents cite their investment as being “very effective”, and half claim it is “effective”. Only one-quarter (26%) seem less impressed with the success they’ve seen, claiming efforts have been “slightly effective” and unsurprisingly, only 2% admit their approach has been ineffective.

However, what **Figure 7** doesn’t show is the stage of maturity the “effective” Influencer Marketing strategies are at. Arguably, it can take one or two years before efforts begin

to pay off. The experts interviewed for this report repeatedly talked of Influencer Marketing being a ‘long term strategy’, where relationships and connections are established and then nurtured over a period of time.

Speaking at the Festival of Marketing, **Sarah Penny**, editor of Fashion and Beauty Monitor, argued, “*Influencer Marketing is not about throwing money at someone and expecting wonders to happen overnight for your brand. It is about a long-term partnership with a person who will consistently add value to your business because of the influence they yield online.*”

FIGURE 7: HOW EFFECTIVE OVERALL IS YOUR ORGANISATION'S APPROACH TO INFLUENCER MARKETING?



A quarter are allocating between 30% and 75% of their overall budget to Influencer Marketing

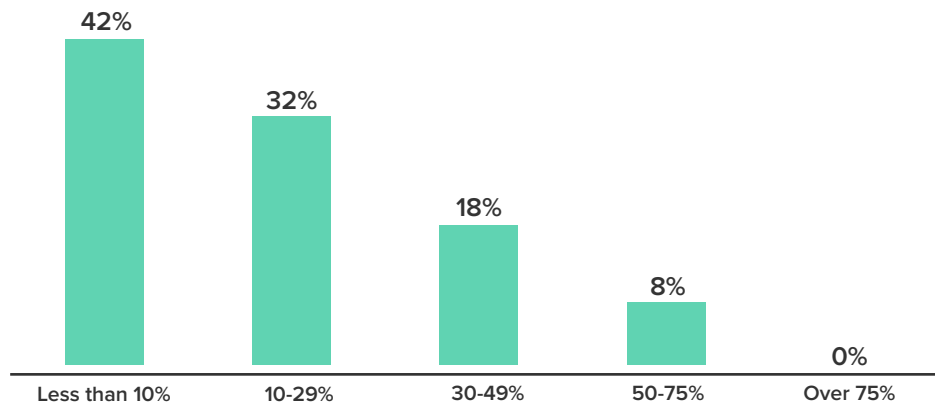
Budgets are often a good indicator of how much trust a brand or business has in an emerging field of marketing. Ten years ago, many businesses were reluctant to invest in social media, but today, **53% of senior marketers** say they are spending a sizeable chunk of their budget on social media community growth and engagement. Similarly, as **Figure 8** shows, survey respondents are still at the stage of building confidence in Influencer Marketing. The majority (42%) say they are currently spending less than 10% of their marketing budget on Influencer Marketing, while approximately a third (32%) claim they are dedicating a respectable 10-29%. In all, a quarter are allocating between 30% and 75% of their budget to Influencer Marketing.

EXPERT VIEW

Tim Bax
Creative Director, iCrossing

“I think some clients are jaded about Influencer Marketing right now. It has been promised as a nirvana and it hasn’t materialised. But done properly, we are seeing budgets growing steadily. We’ll do a proof piece, so that the client can see that it works, and then they’re happy to put some more money behind it. Brands are eager for Influencer Marketing to work.”

FIGURE 8: HOW MUCH OF YOUR OVERALL BUDGET IS CURRENTLY SPENT ON INFLUENCER MARKETING?



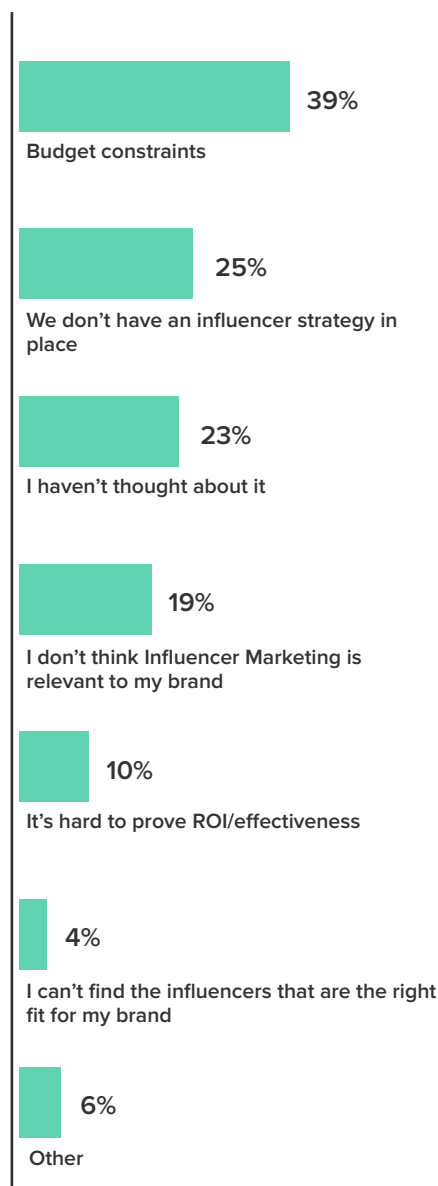
39% of respondents are held back by budget constraints

Budget constraints are the primary reason why brands and businesses responding to the survey have not yet explored Influencer Marketing (see **Figure 9** on the right). Additionally, one quarter of respondents cite the absence of an Influencer Marketing strategy as their main reason for not yet being active in Influencer Marketing.

It's pertinent that 10% say they are held back by the difficulty in proving the ROI/effectiveness of Influencer Marketing, as while some of the experts interviewed for this report echoed that point of view, others argued the contrary, claiming it is possible to measure investment.

For example, **Tim Bax**, creative director at iCrossing, says, *“You can track positions moving up in Google search, rankings for key terms in search, and you can use noise metrics. Sometimes you want awareness metrics, and sometimes you want conversion metrics. Generally we’d say look at the people moving up the funnel and who are paying attention to your stuff, as well as increasing site visits, etc.”*

FIGURE 9: WHAT ARE THE REASONS YOU HAVE NOT YET EXPLORED INFLUENCER MARKETING?





EXPERT VIEW

Sarah Penny
Editor, Fashion and Beauty Monitor

“Ask yourself if the person you are investing in echoes the same value and belief as your brand. Getting a famous person with a big digital network is not all there is to it.”

Context is king

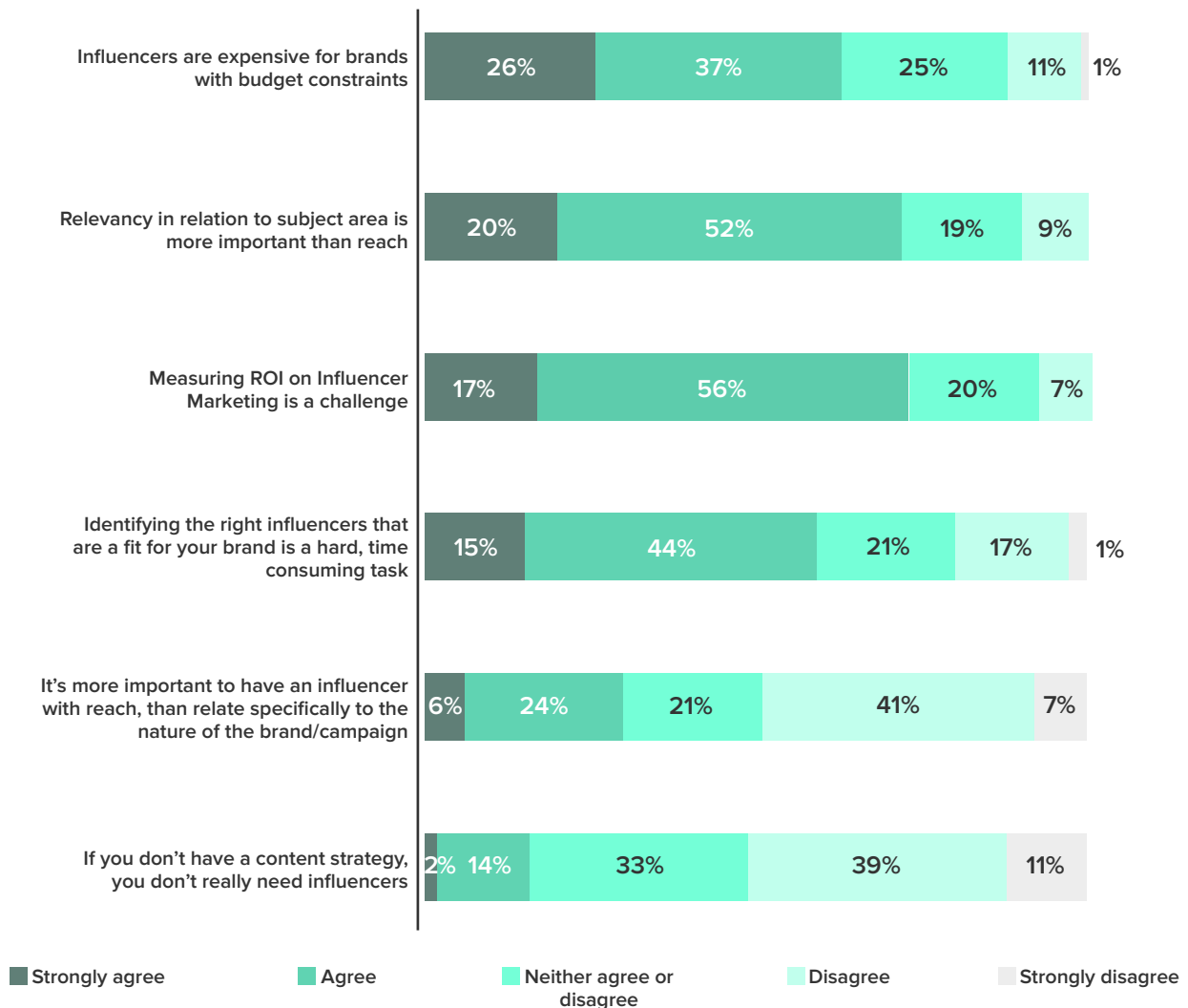
There are many popular myths surrounding Influencer Marketing, and the most common is often in relation to how much it costs. Those with bigger budgets can undoubtedly afford the price tags attached to the more powerful influencers, smaller brands can also optimise return on their investment if they adopt a smarter, more creative approach.

It therefore comes as no surprise that within the survey findings, 63% of survey respondents think influencers are expensive for brands with budget constraints (see **Figure 10**). The key is to know your budget, and be realistic about it, advises British Beauty Blogger, **Jane Cunningham**. If it’s limited, don’t approach a top tier blogger, hoping for a ‘freebie’.

“Some brands come to me and say straight away that they know they need to pay to work with me, and they will get a lot of input in the post I write,” she shares. “Other brands will say something along the lines of ‘we’ve chosen you as a lucky blogger to work with us’, and those emails get instantly deleted.”

It’s encouraging to see that almost three-quarters (72%) of respondents think that relevancy in relation to subject area is more important than influencer reach. By contrast, just 30% think it’s more important to have an influencer with reach, than one who relates specifically to the nature of the brand or campaign.

FIGURE 10: THINKING ABOUT THE FOLLOWING STATEMENTS WHICH DO YOU AGREE OR DISAGREE:

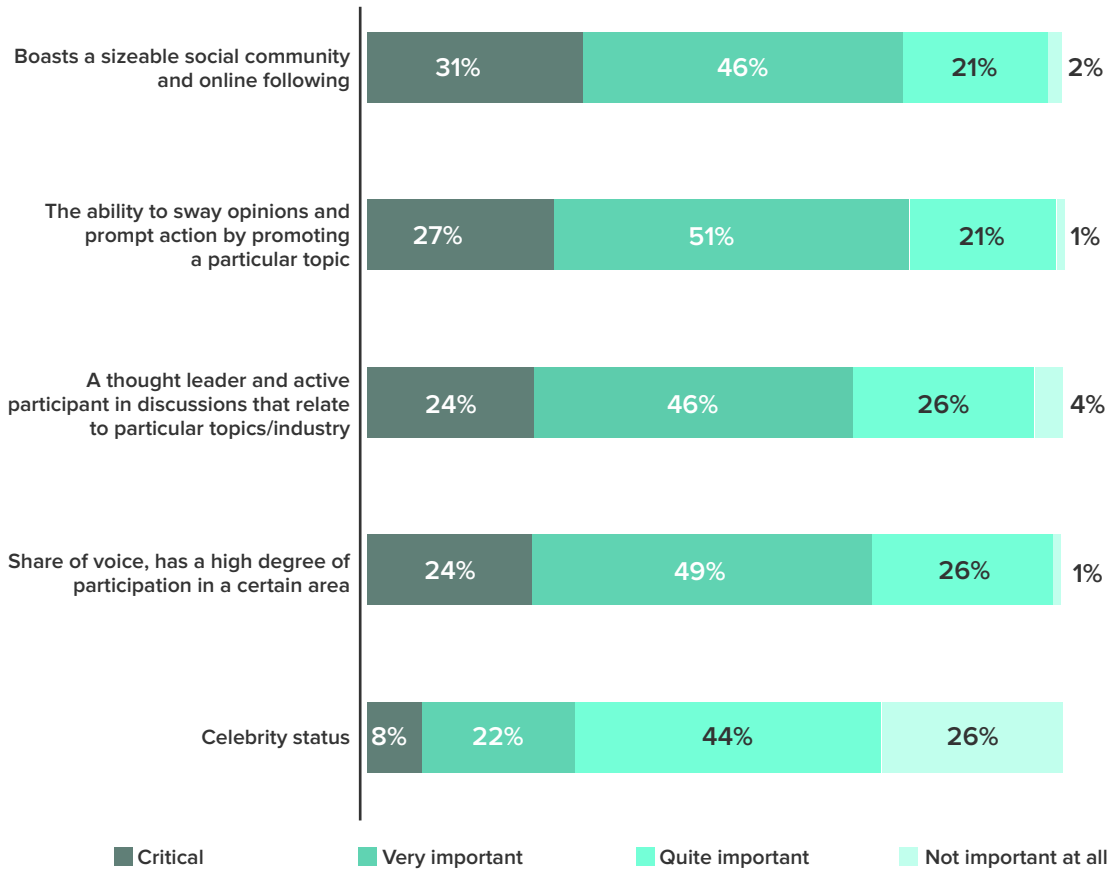


Credibility is of ultimate importance

There is no one size fits all approach to Influencer Marketing, and this becomes very apparent in the survey findings. When asked to rate the attributes of an influencer, responses were extremely varied (see **Figure 11**). Approximately three-quarters of respondents see boasting a sizeable following, and having the ability to influence and sway opinions, as being of almost equal importance. Being an active thought leader, and having a strong share of voice within a particular area, come slightly secondary, but all receive a good proportion of ‘votes’.

What’s particularly interesting to see is that ‘celebrity status’ sits at the bottom of Figure 11, with just 8% saying it’s critical. This goes to show that perceptions of influence have definitely shifted within the fashion and beauty sector, as a few years ago, that would almost certainly have appeared at the top of the table.

FIGURE 11: RATE THE BELOW ATTRIBUTES FOR AN INFLUENCER:



72% not yet active in Influencer Marketing, say they plan to identify influencers in-house

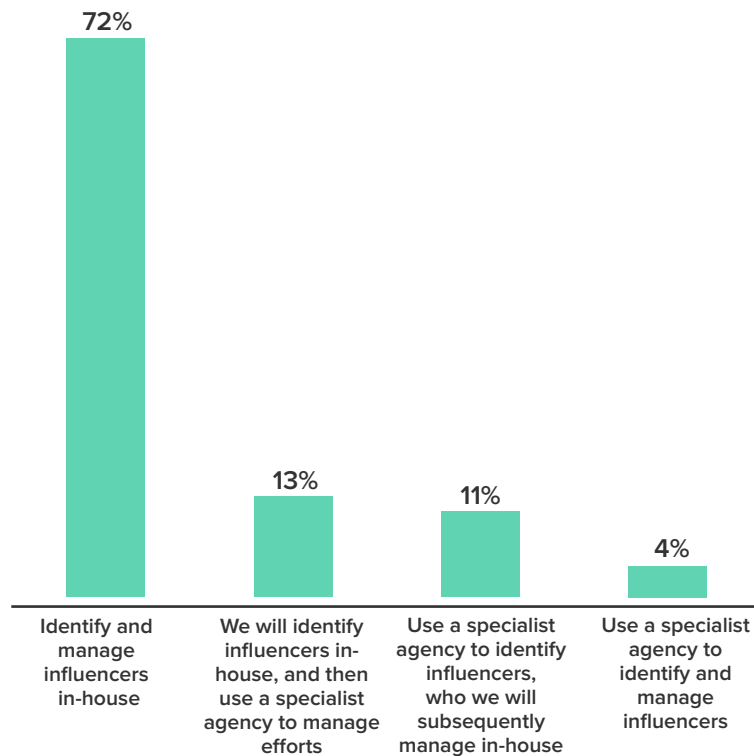
When considering the respondents who are not yet active in Influencer Marketing, but plan to be this year, **Figure 12** overleaf shows that almost three-quarters (72%) plan to identify and manage their influencers in house, and an additional 13% plan to identify their influencers themselves, which is reflective of the trend identified earlier in **Figure 3** (for those already participating in Influencer Marketing).

EXPERT VIEW

Anna-Marie Solowij
Founder, BeautyMART

“Credibility is of ultimate importance. Someone may have a million social media followers but if they don’t know what they’re talking about or they’re irrelevant to a brand’s followers then those numbers have very little real value. We have seen big numbers social media campaigns where the uptake in terms of sales conversion has been very low. Many influencers have teenage audiences who are not necessarily active purchasers.”

FIGURE 12: HOW EFFECTIVE OVERALL IS YOUR ORGANISATION'S APPROACH TO INFLUENCER MARKETING?

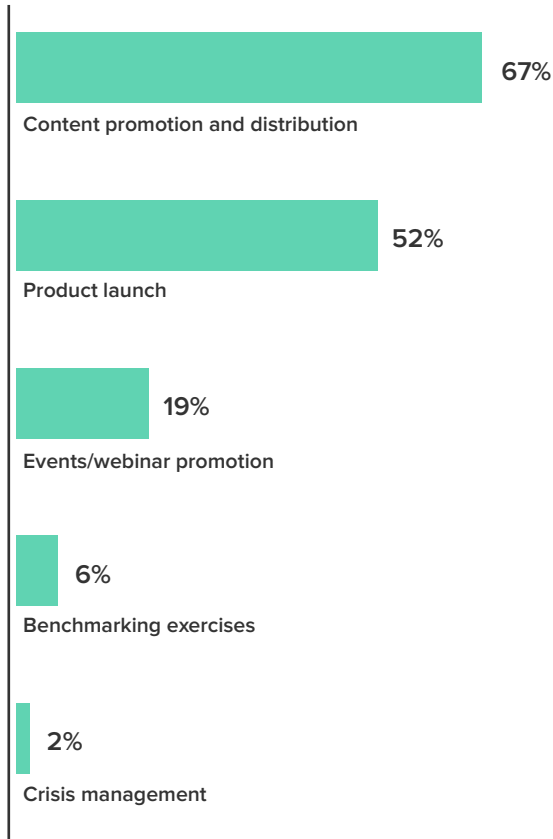


67% say content promotion and distribution will be top priority

It's interesting to see that those beginning their Influencer Marketing strategy this year rank content promotion and distribution as their top priority (67%), which is in contrast to the product focus expressed in **Figure 5**. Product launch still ranks highly though, with more than half (52%) of respondents saying it will be a part of their Influencer Marketing strategy.



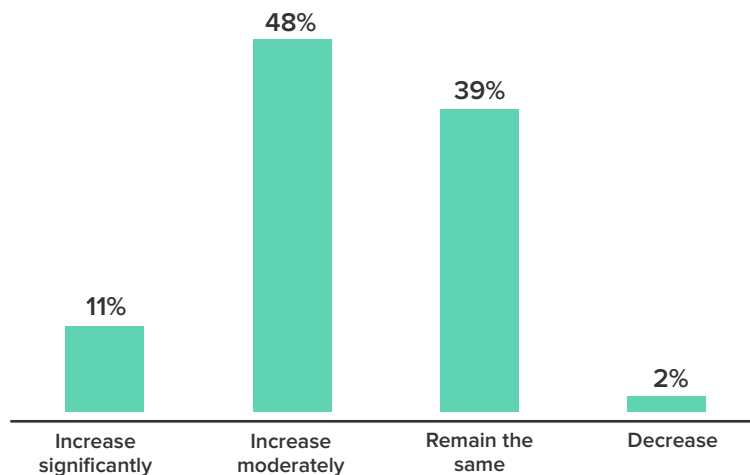
FIGURE 13: WHICH PART OF YOUR MARKETING STRATEGY DO YOU THINK WILL BENEFIT MOST FROM INFLUENCERS?



Budgets are set to increase for nearly 60% this year

Overall, the good news is that budgets for Influencer Marketing are set to increase for 59% of respondents in 2016. Hopefully this will help to override the current problem of budget constraints which have been hampering Influencer Marketing efforts for 39% of respondents. Just a 2% minority foresee their budgets decreasing, and it's probably safe to assume there are wider, unrelated business reasons for this.

FIGURE 14: IN 2016, WILL YOUR BUDGET FOR INFLUENCER MARKETING:





WORKING WITH INFLUENCERS

82% of influencers are in favour of monetary rewards

There's no denying, influencers are getting smarter about how they would like to work with brands. This view was confirmed unanimously by all of the experts interviewed for this report. A couple of years ago, when Influencer Marketing was in its infancy, it would very often have been the brand or business taking the lead. Influencers were content to receive product, in exchange for good copy, and their chance to associate themselves with a nice brand. But the tide has turned now that influencers have woken up to the potential rewards a brand can reap from their content.

For example, British Beauty Blogger, **Jane Cunningham**, shares, *"I am well aware that women buy products though links on my site - but selling can never be a primary concern because it changes how and why you blog. However, the right product on the right day can have a significant impact on a brand's sales."*

*"Brands that send a *free* product with the expectation that that is somehow 'payment'*

are deluded. There are shops... I can buy things!"

Some fashion and beauty bloggers go so far as to publish their **'mail haul' videos** on YouTube, which serves to showcase how inundated they can become with products.

Within the Influencer Marketing survey, respondents were asked what they feel influencers look for most in brands they would like to collaborate with. The response was a resounding 82% in favour of monetary reward (see **Figure 15** below). In second place, 60% of respondents ranked 'brand relevance' as an important requirement for influencers. A much smaller majority, 36%, said 'product testing'.

Interestingly, at the bottom of the table sits 'exclusive information', with just a quarter of respondents citing this as a priority for influencers. A great deal can be read into this metric. In previous years, where journalists were the primary influencer category, the need for exclusive information would have most likely ranked far more highly. For such influencers, monetary reward wouldn't even have been an option.

However, despite the commercial focus survey respondents talk of, it doesn't necessarily follow that every blogger can be 'bought' for a large fee.

Some of the experts interviewed expressed the opinion that the Influencer Marketing space is in danger of becoming too commercial. **Tim Bax**, creative director of iCrossing, explains: *"It becomes a race to the bottom between the brand and the influencer. You scratch my back, I'll scratch yours, and what's in it for me? And as soon as it becomes too commercial, people aren't stupid, they can see what the influencers are doing. If they're pushing stuff too much they'll lose their voice in the community. Of course they want to monetise their activity, but we've made it too much about commerce and not enough about the quality of content. This will be a trend that will change in the future."*

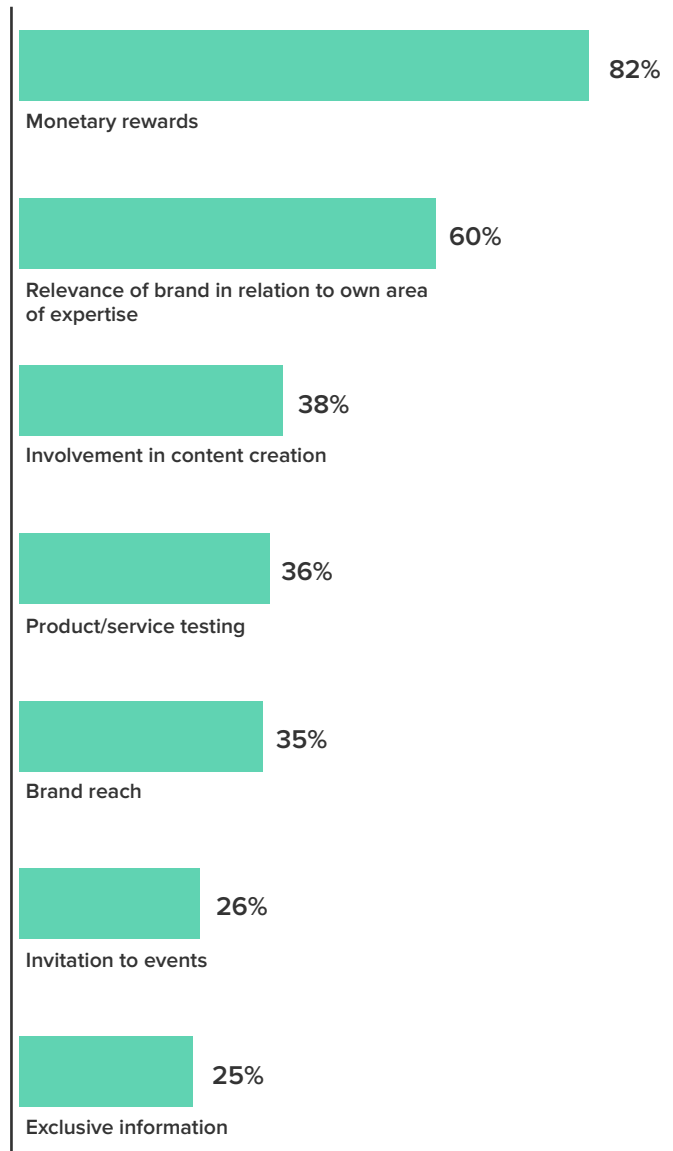
While influencers should be fairly remunerated for their efforts and the content they produce, the conversation doesn't need to centre around commerce. Brands need to be mindful of the fact that they are compensating the blogger for their collaboration, and not for their ability to drive sales. Brands are walking on dodgy ground if they make sales conversions a focus of the conversation.

Jane Cunningham [wrote recently on her blog](#): *"I've never been under so much pressure as now to prove myself not as a blogger or beauty expert but as a salesperson."*

85% say email is most effective channel to reach influencers

While some A-list influencers are able to earn a full-time living through their brand collaborations, that's certainly not the case for everyone. Many have an alternative day job, at least while their influence is growing. This is an important fact to consider when engaging influencers, in terms of how they are contacted, the manner of the approach, and also what is asked of them.

FIGURE 15: IN YOUR EXPERIENCE IN WORKING WITH INFLUENCERS, WHAT DO THEY MOST LOOK FOR IN COLLABORATING WITH BRAND MARKETERS?



EXPERT VIEW

Jane Cunningham
British Beauty Blogger

"I've never been under so much pressure as now to prove myself not as a blogger or beauty expert but as a salesperson."

Within the survey, respondents were asked to share some insight on the channels they use for engaging with an influencer for the first time. The overwhelming majority, 85% (see **Figure 16** below), said email was the most effective channel, as it allows the influencer time to review the brand opportunity and decide whether or not to respond.

platform for initiating contact with, and building up a rapport with a relevant influencer. To re-tweet some of their content, or comment on a blog post, for example, is a good way of demonstrating the brand's willingness to be 'social'.

EXPERT VIEW

Kunle Campbell

Advisor, 2X eCommerce

"Email remains the primary channel for effective engagement with influencers. Influencers typically share their email and contact information publicly for brands to get in touch with them. The key to effective email communication with an influencer is to be as succinct as possible, clearly communicate what you are looking to achieve, add a 'what's in it for them' statement, ask how they would like to be compensated and provide clear timelines for your campaign."

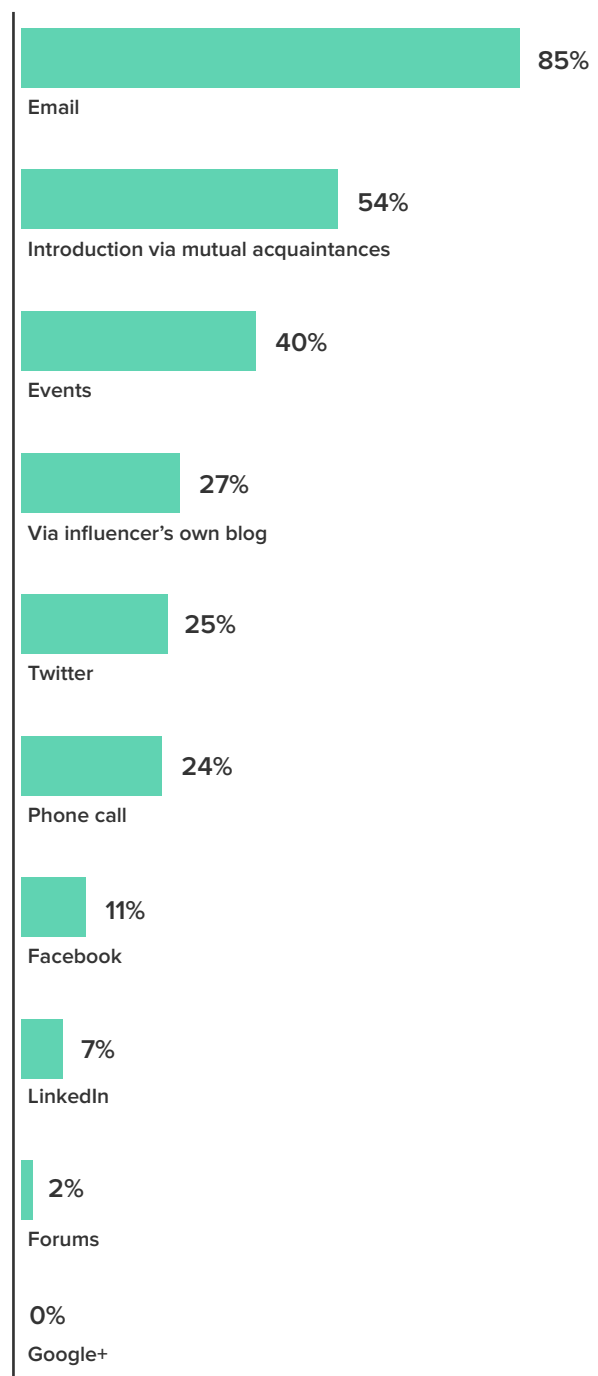
Jane Cunningham

British Beauty Blogger

"It's amazing how many prestige brands won't join in social media – they're the takers, not the givers. They've missed the 'social' point, and they don't want to do any running. If you don't promote in some way the positive image that's being represented, for free, by bloggers, they will eventually retaliate. I'm about pure social togetherness, through group activity."

What's interesting is that just a small proportion of respondents regard social media channels, including the influencer's own blog, Twitter and Facebook, to be an effective channel for first-time engagement. Bearing in mind many of today's influencers live and breathe social media, this could be a good

FIGURE 16: WHICH CHANNELS DO YOU THINK ARE THE MOST EFFECTIVE WHEN ENGAGING AN INFLUENCER FOR THE FIRST TIME?





Batch and blast versus targeted approach

Too often a batch and blast approach is the method adopted by brands when it comes to influencer outreach, but in most cases, it would be better to focus on quality rather than quantity. Identifying and connecting with influencers is only half the battle won; the other half is understanding whether they will be a good fit for the brand or business.

Relevancy is crucial. If budget is limited, one or two influencers, who have a strong affinity with the brand in question already and a highly relevant audience, for example, could be far more effective than engaging 20 or so more randomly researched influencers.

Tim Bax at iCrossing recommends the merits of working with a small group of influencers. He says, *“I think the great mistake of brands and agencies is their tendency to think they can talk to everyone. They’re lazy when it comes to being audience specific and instead say let’s just talk to everybody, so they blitz mid-range stuff out to a wide bunch of influencers who are a bit haphazard and the campaign fizzles and dies, and everyone is left scratching their heads saying ‘this stuff doesn’t really work’. Better to have a nice targeted group of influencers and do something that’s really interesting to them and their audiences.*

“A small, self contained campaign, involving maybe a dozen influencers, won’t cost the client very much money to run either.”

EXPERT VIEW

Katharine Plunkett

*Managing Director,
Centaur Marketing*

“Zoella may be a YouTube mega star but if there is a disparity in the kind of brands she recommends and those she represents, it’s only a matter of time before consumer trust starts waning.”

Channel specifics

The social media landscape is fast moving, and brands need to be nimble enough to engage influencers on the channel that’s best suited to their needs. In most cases it’s better to focus on one channel at a time. Fashion and beauty brands lend themselves very well to a variety of channels, depending on the campaign. Increasingly, YouTube and Instagram are rising in popularity for influencers, almost to rival the blogosphere.

Ultimately, if you’ve got good visual content it does well on Pinterest and Instagram, and if you’ve got witty things to say, it does well on Twitter. In-depth content is best suited to the blogosphere or YouTube. So it’s a case of being platform specific to the sort of content that is appropriate to the brand.

CASE STUDY: LORD & TAYLOR

In March 2015, fashion retailer Lord & Taylor partnered with 50 fashion influencers on Instagram, asking each to pose wearing the same dress. The Instagrammers were selected based on their aesthetic and reach.

The dress sold out in one weekend, but that wasn't the goal of the campaign.

*"The program was designed to introduce Design Lab to this customer where she is engaging and consuming content every day," said Lord & Taylor CMO **Michael Crotty**, speaking to Adweek. "The goal was to make her stop in her feed and ask why all her favourite bloggers are wearing this dress and what is Design Lab? Using Instagram as that vehicle is a logical choice, especially when it comes to fashion."*

Many of the posts generated more than 1,000 'likes' each, with several surpassing 5,000 'likes' and some reaching as many as 13,000.



The rise of talent agencies

Many of the experts interviewed for the report acknowledged the rise of specialist talent agencies, which some A-list influencers are increasingly signing up to, to help negotiate and manage their brand-led opportunities.

This seems likely to affect the way in which conversations are managed, and top tier influencers are engaged with, in the future. Although this development brings a new third party to the equation, it's not necessarily a bad thing for brands and businesses, as it will enable them to negotiate their requirements with experienced managers, and equally, it should help to ensure that influencers are properly compensated.

EXPERT VIEW

Rachel Bloom

Liberty Marketing

"Bloggers are getting savvier to the fact that there is a hell of a lot of money they can make out there, off the back of sponsorship and features. It is a full time job for them, and they need people to help them manage it. Even the big Instagrammers will be with management companies, looking to make big money out of a single photo."

Tim Bax

Creative Director, iCrossing

"If you're of decent talent, you want representation, and you don't want to be selling yourself all the time. They'll have better contacts, be able to cross sell and have greater expertise. Agents will probably drive better deals and be more sensible, they'll maximise the opportunities for the influencer but they'll probably take that arrogant edge off the influencer and make them more commercially realistic."



THE CHALLENGE WITH INFLUENCER MARKETING

The brands surveyed, and experts interviewed, were realistic about the challenges they face with Influencer Marketing, which fall into three key areas.

Identifying influencers is seen as the biggest challenge

Unsurprisingly, identifying the right influencers is the greatest challenge, according to 73% of respondents (see Figure 17 below). This is a recurring theme that has surfaced in a variety of conversations and data evident above, which indicates an education gap, as well as a lack of appropriate tools and resources. According to **Figure 10** 59% of respondents believe identifying the right influencers is a hard, time consuming task, yet the majority continue to identify and manage their Influencer Marketing programme in house.

It requires more than a quick search on Google or Twitter to find influencers, and very often, brands are relying on their agencies to conduct their influencer research, even if they have very little experience in Influencer Marketing. So the task of identifying influencers becomes an onerous one.

British Beauty Blogger, **Jane Cunningham**, has particularly strong views on the subject:

“Employing a digital person who has no PR skills and more importantly, no press contacts, is fairly pointless, as is using a PR person who has few digital skills to improve digital outreach.”

Engaging influencers is a challenge for 59%

Within the chart to the right, 59% of respondents say getting an influencer’s attention and being able to engage them, is an ongoing challenge.

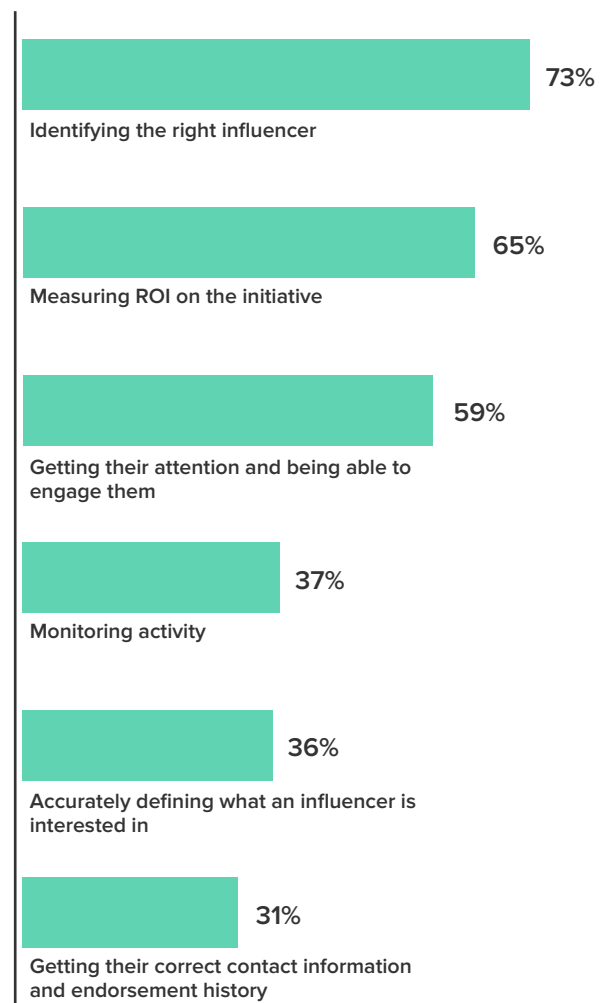
As the relationship between influencers and brands becomes increasingly commercial, influencers are becoming savvier about what they can demand, and this is making them harder to reach. On the surface, this might seem like more of a problem for smaller brands and businesses who are unlikely to command the budgets of bigger businesses, and therefore need to rely on their product and charm to engage the influencer. However, many of the experts interviewed claimed some of the bigger, more prestigious brands are unfocused in their influencer targeting, and over confident in what their money can buy. If the approach has no relevance to the influencer or their audience, it is in danger of being ignored.

Influencers are paid content creators. They want good content that is monetisable for them, yet they also want it to be relevant and of interest to their audience. They have a brand to protect, which they’ve probably spent several years building, and consequently they feel a sense of ownership towards the channel and their followers. Therefore, influencers expect to have a level of control over the content they produce for brands.

Likewise, brands have historically had control over how their products are presented, and they’re reluctant to hand over such editorial control. In their minds, if the influencer is being well remunerated, they feel they should be willing to share some control over what is produced.

“Influencers think that because they have some audience, they have the power. And of course they have some power, but they should be careful in how they use it,” concludes **Tim Bax** at iCrossing.

FIGURE 17: WHAT HAS BEEN THE BIGGEST CHALLENGE IN WORKING WITH INFLUENCERS?



Jane Cunningham, British Beauty Blogger, argues the contrary:

“It’s hard these days to hold your nerve and be the chooser rather than the chosen when pound signs are flashed in front of your eyes. If you’ve put all your eggs in the blogging basket, your choices are difficult...There’s no long view in the strategy of pushing bloggers/vloggers to their limits; tides turn very easily and quickly and one day, the current stream of product pushers will be yesterday’s news.”

65% struggle to justify the investment

Measuring ROI is cited as the second biggest challenge in **Figure 17** above, by 65% of respondents. This isn't a problem unique to Influencer Marketing. Measuring the effectiveness of any form of social media activity has been an ongoing debate among marketers for many years now.

Figure 18 shows how survey respondents are currently measuring their Influencer Marketing activity. The vast majority, 79%, cite 'web traffic generated' as their biggest indicator of success, with two-thirds looking at volume of content shares. Just over half, 57%, see revenue generated off the back of the campaign as being an important metric, which is what one would currently expect of the fashion and beauty sector particularly.

It's interesting to see that 'press coverage generated', quite a traditional metric, is still used by 54% of respondents.

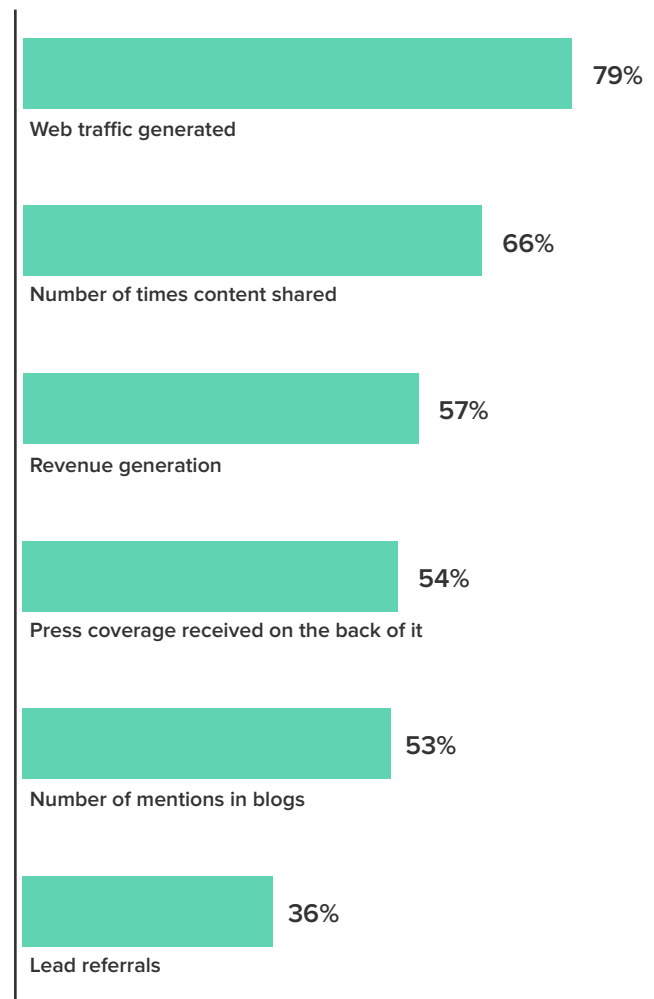
EXPERT VIEW

Sarah Rosen

VP of PR and communications, Camuto Group

"Campaign success depends on the framework of the campaign. You can partner with an influencer for a product review, content creation, collection campaign, contest, sweepstakes or any combination of these. It's most important to explicitly identify the nature of your goal so that you can properly determine the level of success. You can measure success by engagement, likes, visitors, click-through, awareness, follower increase, sales, data capture and more. Influencer Marketing is a creative vehicle and there are many reasons for collaboration. A proper assessment considers the audience and appreciates the diversity in the various values for an effective dynamic strategy."

FIGURE 18: HOW DO YOU MEASURE THE SUCCESS OF A CAMPAIGN WHERE INFLUENCERS HAVE BEEN USED AS PART OF THE STRATEGY?



CONCLUSION

Influencer Marketing is here to stay, and it's important that brands wake up to its permanence.

The survey data above confirms that many fashion and beauty brands have aligned themselves with social media influencers already, on the basis that the sector lends itself particularly well to Influencer Marketing. It's encouraging to see the progress that's already been made among the 57% of respondents who already have an Influencer Marketing strategy underway.

Taking a bottom-up approach, beginning with audience specifics, and then identifying appropriate influencers to work with, is without doubt the approach that brands should be pursuing. Moving forwards, it seems logical that businesses will begin to invest more heavily in specialist Influencer Marketing tools and resources, to help cut back on the time-consuming manual research which is currently troubling 59% of survey respondents.

While the commercial terms and balance of control between brand and influencer are still being thrashed out, it's important that brands are setting aside distinct budget for Influencer Marketing, so that they can properly embrace the upwards trend. It's extremely encouraging to see that a quarter of survey respondents are already allocating between 30% and 75% of their overall budget to Influencer Marketing,

and findings indicate this is only set to rise. But being realistic about what a business can afford to invest is also key, as it's possible to begin on a small budget and still have impact. While some brands with bigger marketing budgets might be able to go after the A-list influencers, almost three-quarters (72%) of survey respondents recognise that relevancy in relation to subject area is critical. There are different kinds and scales of influencers, and ultimately context is king. For some smaller brands, the best opportunities might lie with individuals who are still building their profile, yet already holding their own within their niche.

Moving forward, as Influencer Marketing matures, we're likely to see brands moving away from commercial objectives, to focus more on the quality of content being produced. This will require true collaboration between the influencer and the brand, and a two-way stream of content across social channels. While it's understandable that the majority of marketers see product launch as a key benefit of Influencer Marketing right now, it's not always what an audience wants to hear, or what an influencer wants to work with. As priorities evolve, it also seems likely that influencers will increasingly reach out to brands too, initiating the opportunity to work together.

APPENDIX: RESPONDENT PROFILES

FIGURE 1: WHAT BEST DESCRIBES YOUR JOB ROLE?

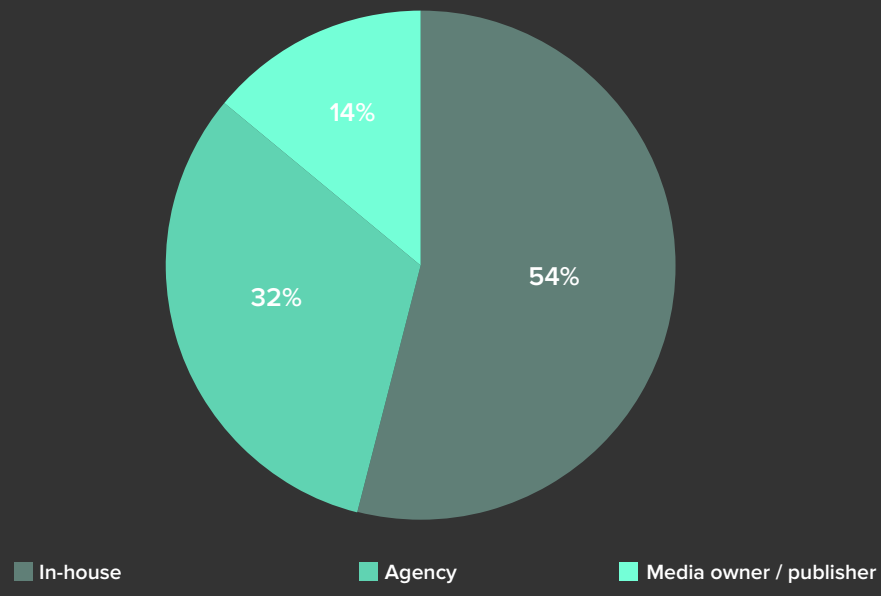


FIGURE 2: WHAT BEST DESCRIBES YOUR JOB ROLE?

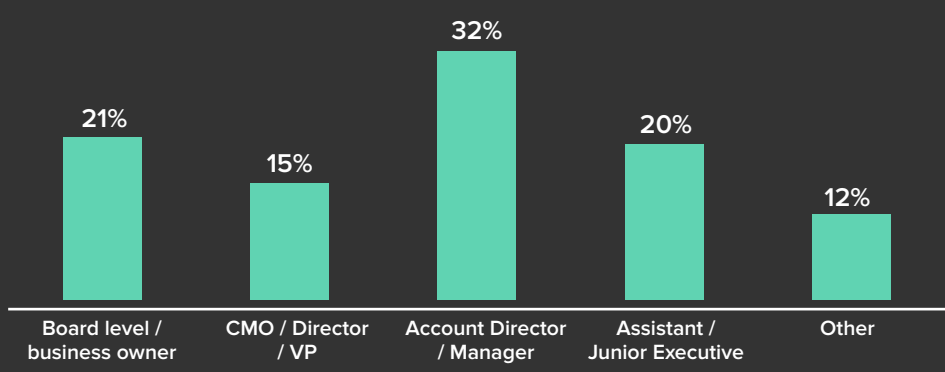


FIGURE 3: IN WHICH COUNTRY / REGION ARE YOU (PERSONALLY) BASED?

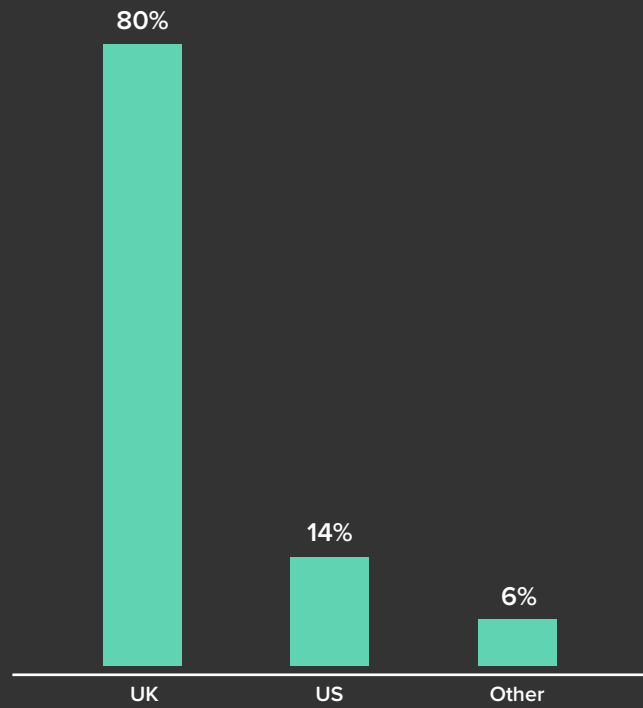


FIGURE 4: WHAT IS YOUR ANNUAL COMPANY TURNOVER / REVENUE?

