# PRCA – September 14, 2022

# 'Making influencers work for you'

It is more than just a trend when marketing products through celebrities and personalities gives way to influencers. In the old days brands used to speak in monologues. News about their products flowed from the manufacturing plants via TVCs, print advertising, outdoor and editorials to the consumers. In the age of social media when consumers want dialogue and engagement, content creators who not only have a large following, but are creative and savvy about the use of the social medium and make it their business to engage with their audience in a meaningful manner, are becoming a powerful force to reckon. They have certainly made a mark when the movie and entertainment businesses deploy influencers to draw attention to new content as has been recently seen for the streaming of Season 3 of Netflix's #NeverHavelEver.

More and more brands are finding greater value in shaping market appeal using influencers. Audiences no longer listen to top celebrities to the same extent they did, back in the days, instead, they trust recommendations from peers. 1 in 2 consumers believe anything an influencer says online (as per Nielsen's Global Trust Report) and 2 out of 3 consumers trust influencer messages about a brand more than the company's advertising (Edelman Trust Barometer). Even the influencer marketing campaigns that we have designed and executed have borne healthy return on investment. We have seen first-hand consumers subscribe to products and services as a result of influencer recommendations across beauty brands, fashion labels, hotels and smart phones too!

If you are seeking to attract the purchasing power of the millennial and Gen Z consumers, who will make up for 72% of the world's workforce by 2029, influencers are all at once a walking advertisement and a trusted friend to this cohort.

Given that India had as many Instagram users in 2021 as TV households (210 million as per Broadcast Audience Rating Council (BARC), it's not surprising that influencers have managed to charm and entertain their way into people's social media feeds in India. With the increasing access to Internet\* in India, and growing subscription to social media, we will see more and more influencers becoming brand ambassadors and the main protagonists in brand narratives!

Influencer marketing, which started out as one size fits all in when it was merely about number of followers, has matured to a more nuanced discipline where its important to consider engagement - likes, comments, and clicks! So vanilla efforts do not pay dividends if you are seeking an effective and impactful influencer campaign.

The framework for a successful influencer campaign begins with having a clear vision of the target customer and the objective. Are you seeking to **increase brand awareness** within a particular audience segment or **drive sales** of a new product or merely desire to encourage downloads or is the aim to **change / strengthen brand positioning** through creative

\*As per a report published by the Internet and Mobile Association of India (IAMAI) in July 2022, there were 692 million active Internet users in India, split almost evenly between rural and urban India. The report's projected estimates 900 million Internet users in India by 2025.

storytelling! Each objective will need a varied programme. Before kickstarting your campaign and building assets, spend time thinking the brand's style and what would define success. It's important to clearly establish the goal posts with accompanying key performance indicators (KPIs). KPIs should be specific and measurable, including timeframes, platforms, audiences and metrics. These will lay the foundation to drive successful influencer activations.

As user-generated content is valuable, the quality of content production must be carefully assessed to make influencer marketing work!

Audience relationship is the most valuable factor when considering engaging or collaborating with a particular influencer. There is little value in working with somebody who doesn't have real influence on his/her audience. Real influence truly is about leveraging authenticity. If your message is being endorsed by less than authentic people, then the audience won't trust your brand. Hence brands need to mine and work the right influencer(s). Blatantly sponsored posts themselves aren't the problem or you do not have to forgo production value to make your sponsored posts feel more authentic. What makes sponsored content authentic is a genuine sense of excitement about the brand and the product exhibition by the influencer.

A point to note is that nano and micro-influencers enjoy better engagement rates than the superstars of social media across platforms. By focusing on nano and micro-influencers, brands will be able to stretch their influencer marketing budgets while still working with influencers that are deeply connected to their audiences.

As you build your influencer marketing programme, be mindful of trends to improve influencer marketing.

#### Niche influencing

Brands are becoming more strategic in their use of influencers, and we will see fewer people featured across industries. As more people take to social media\* in India, we are already seeing influencers carving out niches for themselves. Influencers will continue to develop expertise in their niche or industry, making them even more sought after by brands in those verticals.

\*The most popular social media platforms in India are Instagram (503.37 million users), Facebook (491.53 million users) Source: the global statistics.com The primary medium being used in India for Influencer Marketing is Instagram and YouTube. LinkedIn has great potential is just beginning to get employed.

### **Brandships**

The time is ripe to seek ongoing partnerships instead of one-off projects with influencers. It will be more valuable to focus on finding and partnering those influencers who have shared values with your brand and enter into long-term relationships with them, rather than onboarding them on a contractual basis. Long term engagement with influencers will be able to foster not only greater brand loyalty but also have them standby the brand in times of crisis.

### Performance-based deals and influencer commerce will increase

Brands will expect influencers to deliver on their promises such as a specific number of sales or clicks. Globally 59% of brands deploying influencer marketing are using Affiliate Campaigns and we foresee the growth of this in India too. It is already being practiced by eCommerce Stores.

### Content creators become founders and brand owners

Just like celebrities who have founded brand labels to leverage their brand equity (Goop by Gwyneth Paltrow and Honest Company by Jessica Alba), influencers are embarking on the same journey too. Make-up artist and influencer Namrata Soni (IG: 474k) has created a beauty line called Simply Nam and Bhuvan Bam (IG 14.8 M) has a fashion line with Youthiapa, a fragrance line with The Man Company, etc. Global Indian Diipa Khosla (IG: 1.8M) has started a skincare brand using Ayurveda superfoods. This trend will grow stronger and offers opportunities for brands to collaborate with socially active natives.

Lastly the regulatory environment is evolving, hence keep a mindful gaze on the laws of the land.

When you use traditional advertising, you get the reach, but you do not get the power and trust that comes with the influencer marketing advocacy. This is reason enough to employ influencer marketing in your brand strategy.

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