



HOW TO WIN FANS &
INFLUENCE PURCHASES
The Low-Down on
Influencer Marketing

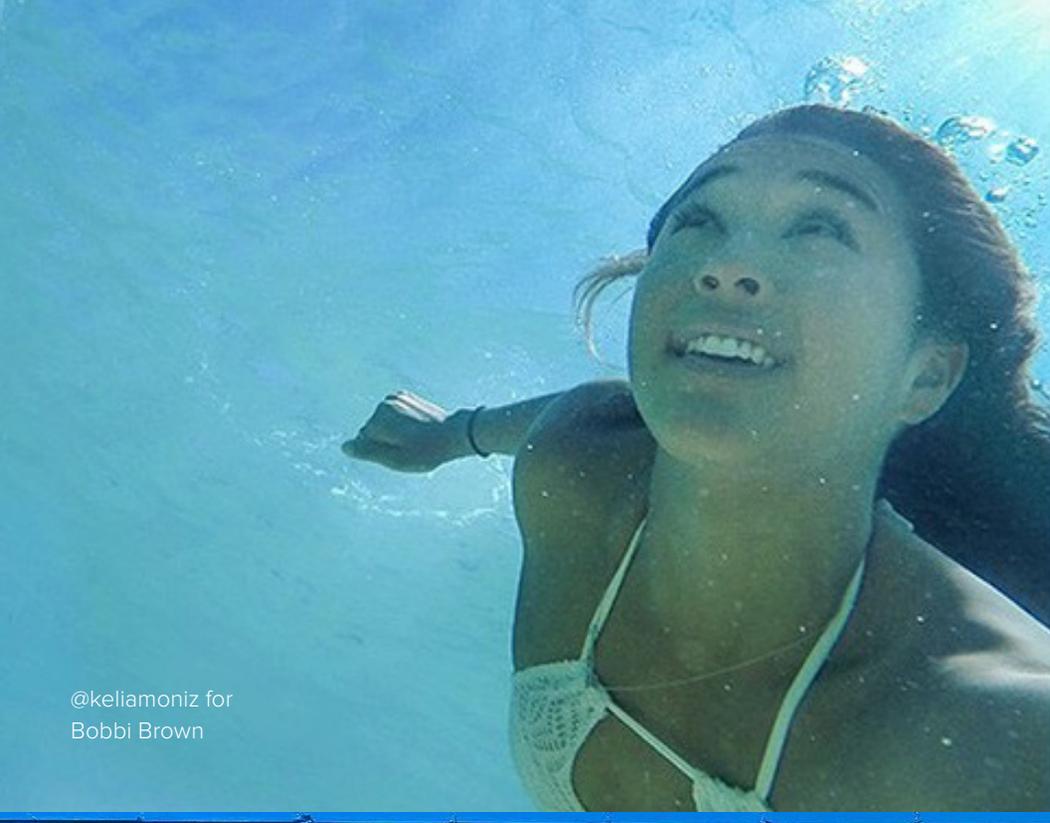




The Low-Down on Influencer Marketing

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@keliamoniz for
Bobbi Brown



@brendanlowry
for Kimpton Hotels



@TheCraftedLife
for TAKE5



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for Moët Hennessy

THE BIG PICTURE

DIGITAL MARKETING TODAY

The marketing evolution is moving at a record pace. Enter platforms and buzzwords like “Snapchat” and “influencer marketing”... words that just five years ago were not even on our radars.

Social and mobile has changed consumer expectations. The type of content they desire is the content they experience. Brands are adapting their commerce experience to match consumer expectations. Today’s consumers are interacting with one another, engaging with brands and celebrities, and digesting information in increasingly social and visual ways. To an unprecedented extent, consumers now have access to an endless supply of information, content, and opinions ... which in turn is driving a shift in how they discover and purchase products.

Today, marketing is evaluated by how quickly brands are able to keep up with digital trends and publish relevant content. Effective strategies are contingent on marketers acting in real-time to reach consumers across a multitude of touchpoints. This is the age of the connected, empowered, and visually-driven consumer. With 92% of consumers trusting recommendations from their immediate network over advertisements (as reported by *Digital Intelligence Today*), **influencer marketing is the next trend that will enable brands to authentically expand their reach and engage their fans.**

HOW BRANDS ARE FALLING SHORT

Reach

Even if you know how to strike algorithmic gold with each social platform's feed updates, organic posts have a reach limit. And sponsored posts can only go so far with that big "Sponsored" line stamped on their foreheads. For brands of all shapes and sizes, reaching and expanding their audiences proves to be a large challenge.

Authenticity

Today's consumers are bombarded with content and pitches from every corner of the internet. To cut through all the salesy noise, brands need truly captivating authentic content. It's key to reach consumers wherever they find inspiration – whether that's on social media, apps, ads or any other touchpoint.

THE SOLUTION? INFLUENCER MARKETING

Today, people increasingly discover products they want to purchase by following influencers—bloggers or Instagram celebrities with dedicated followings and dynamic opinions on fashion, food or a multitude of other topics. When done right, influencer marketing creates the perfect marriage between authenticity and promotion, allowing brands to reach pockets of target consumers that could have otherwise gone undiscovered. And it pays off – on average, influencer marketing returns \$6.85 for every dollar spent on paid media. With marketing and digital consumption now walking hand-in-hand, content creation and distribution has never been more vital or competitive.

**Influencer marketing returns
\$6.85 for every dollar spent on
paid media.**

(Pew Research Center)

MICRO-INFLUENCER MARKETING

UNDERSTANDING MICRO-INFLUENCER MARKETING

Recent research reveals that “micro-influencers” actually have more loyal communities and drive higher engagement than others on social media.

micro-influencer

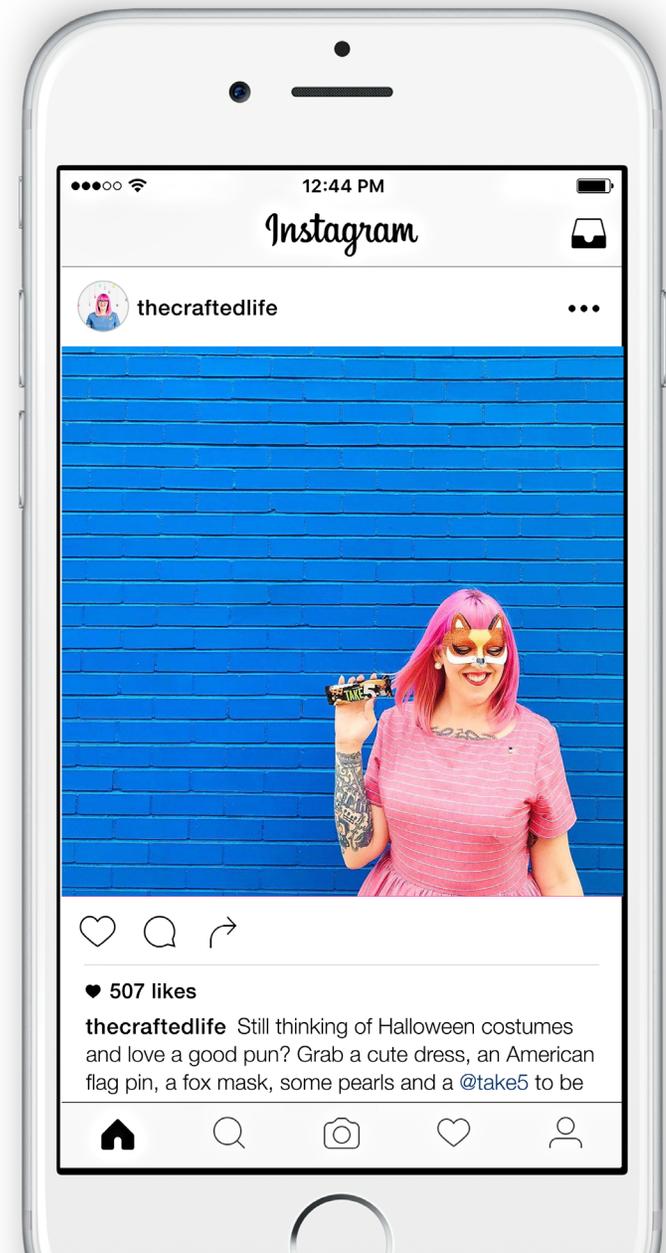
noun | micro · in-flu-encer

A person who has greater than average reach or impact through word-of-mouth in a relevant marketplace. Micro-influencers are not traditional celebrities, but rather individuals who work in their category or are truly knowledgeable, passionate and authentic and are seen as a trusted source when it comes to recommendations.

(Experticity)

Micro-influencers are not traditional celebrities. Micro-influencers are individuals who are truly knowledgeable, passionate and authentic and are seen as a trusted source when it comes to recommendations, within their specific category of expertise. While consumers might not follow a brand because the content feels salesy or isn't authentic, they follow influencers for the opposite reasons. When the two merge, it piques consumers' interest.

@TheCraftedLife
for TAKE5



THE FOLLOWER-TO-CONVERSION DROP-OFF

Influencers with followings past a certain point actually see diminishing returns in terms of influence and engagement. In a study by Markerly analyzing over 800,000 Instagram users, results revealed that “as the number of followers per user increased, the rate of engagement decreased.”

So what’s the sweet spot for driving the best combination of engagement and reach? Between 10,000 and 100,000 followers ... which is where micro-influencers come in hot. Aside from the increased reach and engagement, micro-influencers are also effective because they are much more likely than prominent influencers to share your content and try your products. Additionally, micro-influencers have invested so much thought and time into growing their personal brands that they are much more in-tune with the types of authentic partnerships that help them continue expanding their brands – a true win-win.



@TheCraftedLife
for TAKE5

As the number of followers per user increased, the rate of engagement (relative to total number of followers) decreased.

(Markerly)

THE POWER (AND ROI) OF MICRO-INFLUENCER MARKETING

Here's the conventional wisdom on Instagram influencers: brands can get the most exposure by throwing money at celebrities or bloggers with millions of followers, because more followers means more chances to drive purchases and build a large audience of your own. This is simply incorrect. Multiple studies show that partnering with micro-influencers can provide much better results at lower prices.

According to a study done by *Experticity* (a network of influential category influencers), micro-influencers have 22.2x more conversations (than typical consumers) each week regarding recommendations on what to buy, and 82% of consumers said that they were highly likely to follow a recommendation made by a micro-influencer.

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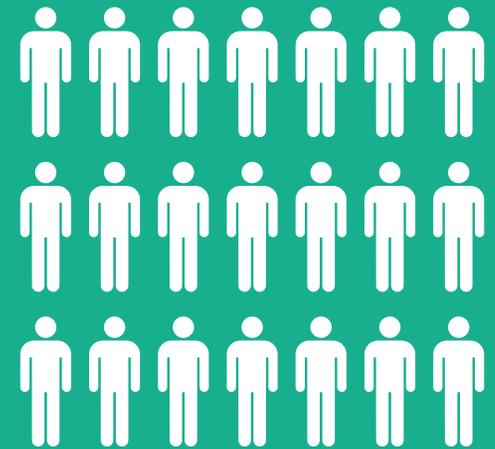
(Pew Research Center)



CONSUMER

Number of conversations a consumer has each week

VS.



INFLUENCER

Number of conversations an influencer has each week

(Experticity)

THE TANGIBLE ROI (CONVERSIONS, PURCHASES)

“These micro-influencers will move the needle for your brand and cost a fraction of what you would pay a mega-celebrity,” reported *Markerly* on their blog. Another study, cited in *Contagious: Why Things Catch On* by Jonah Berger, found that 82% of those who receive a recommendation from a micro-influencer are following that recommendation to purchase.



Micro-influencers are considered at least **10% more** credible and believable than the general population. ¹



The ideal range of followers for achieving the best combination of engagement and reach is between **10,000** and **100,000**. ¹



Mid-level influencers enjoy much higher levels of engagement when compared to the top tier influencers or celebrities. ²



90% of micro-influencers charge brands under **\$250** to write branded posts. ³



The research found that **34%** of influencers state that brands are unaware of the true costs of influencer marketing programs. ³

(¹Castleford, ²Econsultancy, ³ZDNet)

THE LESS TANGIBLE ROI (TRUST, AUTHENTICITY)

Beyond the hard influencer metrics, it is also important to consider perception. *Econsultancy* has found that audiences perceive micro-influencers who specialize in their passion points to be more authentic. And higher authenticity means increased trust in the content they share and the brands they recommend. In practice, this means beauty fans will be more likely to consider a recommendation from that fashion blogger than the red carpet celebrity.



70% of businesses are seeing a return of \$2 per \$1 spent, and the top **13%** of marketers are earning \$20 per \$1 spent.



Influencer marketing is the **fastest growing** channel for customer acquisition, with businesses making on average \$6.50 for every \$1 spent on influencer marketing.



59% of **marketers** believe in influencer marketing so firmly that they plan to increase their ad budgets for it.



51% of **marketers** believe they get **better** customers from influencer marketing as the relationship began with trust in the influencer.



60% of teens are more likely to believe and buy from **YouTube** stars than movie stars.

(Tamba)

INFLUENCER MARKETING BY CHANNEL



54% sponsored
blog posts



42% Instagram
collaborations



32% Facebook
collaborations



29% Twitter
promotions

(ZDNet)

Zooming in on Instagram

The millennial generation (the demographic aged 19 to 35) not only carries the bulk of the spending power in the U.S., but is also the largest audience on Instagram, accounting for more than half of its users in the U.S., according to a study by *eMarketer*. And influencers meet millennials where they are, across these social channels, making influencer marketing the true key to unlocking authentic audience engagement at scale.

When it comes to influencer marketing engagement, Instagram is king. Instagram has a stronger social amplification rate than any other social network, as determined by a *RhythmOne* study. And influencers' sentiments align with this; *ZDNet* discovered that 59% of influencers feel that Instagram is the most effective platform when engaging their target audiences, especially across the fashion, beauty, and food spheres.

THE KEYS TO EFFECTIVE INFLUENCER MARKETING



WHAT DOES EFFECTIVE INFLUENCER MARKETING LOOK LIKE?

The key to influencer marketing is identifying and building relationships with people you believe align with your brand and your story. The relationship between brand and influencer is a mutually beneficial one where both gain something meaningful. The best relationships ensure that the brand is in line with the influencer's aesthetic and audience, and the influencer has creative room to let their own voice shine. The whole collaboration needs to feel authentic and light, otherwise both parties get turned off and it looks like an ad, not a partnership.

The more quality influencer content you create, the more authenticity your brand breeds and the more human your brand becomes. To ensure genuine content creation, here are five quick checkpoints to guide your collaboration:

-  Know your brand
-  Know your audience
-  Create engaging content
-  Demonstrate your product
-  Play up the FOMO

INFLUENCER MARKETING EXECUTION

A close-up, side-profile shot of a woman with long, wavy blonde hair wearing a light-colored straw hat. She is looking out of a window, with her hand near her face. The background is blurred, showing what appears to be the interior of a vehicle or a train car.

59% of marketers are looking to increase influencer marketing budgets in the coming year.

(Experticity)

1. BUILD A STRATEGY

Figure out the core focus of your brand, determine your aesthetic and start honing in on your target audience.

Understand your own brand – just because an influencer has 1 million followers doesn't mean that all 1 million are (or will be) interested in your brand. Understand these two main aspects of your audience: the type of content they will respond to, and how they are evolving. Put yourself in the shoes of the consumer to determine whether you're picking the right partner to represent your brand. How?

- Read comments on existing posts.
- Explore the profiles of the users who are engaging.
- Look at past posts to see how the content – and consequently, audience – has evolved.
- Inquire about past campaigns that have resonated most with that fan base.



*@PhillyLoveNotes
for Kimpton Hotels*



*@kimptoninphl
(Organic brand content)*

2. FIND YOUR INFLUENCERS

Existing fans – First, be cognizant of influencers that may already be fans and followers of yours. These influencers are low-hanging fruit because your brand already plays a role in their everyday lives, making their images and messaging about your products or services more authentic in their followers' eyes. To discover them, look through images you are tagged in, attendees of your events, other posts of theirs that may subtly feature your brand, or photographs of them wearing any of your products.

New partnerships – Social media has made it easier for influencers to engage with fans, and also for brands to engage with influencers. Use these channels to research and identify which circles top influencers across different industries like to run in. Key things to keep in mind when searching for people you've never engaged with or heard of are:

- Find people who are talking about your products, competitors or sharing your content. You can start with your own followers and search by keywords and hashtags to narrow it down.
- Think niche, such as: Who is your audience going to for inspiration or tips for a balanced and fit life? This influencer may be someone you've never heard of; he or she might not even know your brand, but she uses similar products and lives the lifestyle you sell.



3. CURATE YOUR IDEAL PARTNERS

Understand the influencer's brand – Influencers come in many different forms – photographers, bloggers, DJs, foodies, industry experts. Avoid hiring influencers just because they have influence. Pay attention to their interests and expertise to align them with your brand and product. Remember to keep an open mind; some of the best campaigns come from unexpected partnerships. Avoid ruling influencers out just because they do not line up perfectly with your ideal user. Rather, it could be a great opportunity to reach new audiences, even if it means getting a little creative.

Understand the key influencer numbers – In addition to thoroughly researching the influencer's follower base, inquire these metrics up front — rate, reach, followers, monthly unique visitors to online pages, average site/blog views, and past collaborations.

Understand the value of the relationship – At the end of the day, the key to effective influencer marketing is identifying and building relationships with people you believe align with your brand story. Influencers should reflect the lifestyle that you're encouraging your consumers to follow. The worst thing a brand can do is partner with a celebrity or talking head for financial gain alone. If they aren't a fit for your brand, people will immediately disregard the influencer.



4. ACTIVATE & NURTURE THE RELATIONSHIP

Activate the relationship — Once you've secured the influencer partnership, it's time to activate and launch your campaigns.

- Use influencer content to activate your channels (i.e., Instagram takeover).
- Experiential/offline: treat micro-influencers to an experience of the brand lifestyle so they can get a photo or angle that no one else has access to.

Treat it like a friendship — From the initial pitch and inquiry, all the way through nurturing the content created, influencer marketing is all about creating the relationship. Approach the relationship like a friendship, and the authenticity behind the brand partnership will shine through.

Invest in the relationship — You want to develop trust, not just one-time promotional engagements. Remember that you are cultivating a relationship, not a transaction. The key is authenticity throughout, from beginning to end.

- Influencer marketing is an industry, and for many, blogging as an influencer is a career. While brand advocates (or up-and-coming figures) might be more inclined to get involved in gifting-in-exchange-for-posting, a rule of thumb is to pay for posts.
- For best results, personalizing gifts with notes and items for specific occasions is the way to go.



5. LEAVE AMPLE ROOM FOR COLLABORATION

Collaborate and communicate — Collaboration between a brand and an influencer should yield positive results. Instead of handing over a list of deliverables with hard dates and suggested copy, communicate objectives by having real discussions and agreeing on a method that works on both ends. It's important to remember that influencers and bloggers have their followers and credibility for a reason; no one understands the audience more than the person behind the account.

Maintain the story — When approaching influencer marketing, it's important to keep in mind the story you are creating. It should always be real, transparent and mutual. Let's speak the influencer's language first, before numbers and hard objectives come into the conversation.



@thefoxandshe
for Z Gallerie



@garnerstyle
for Z Gallerie

6. MEASURE SUCCESS

Metrics (the easily measurable ones) — Influencers themselves don't always operate as a strict ecommerce performance business so it is vital to provide the tools to pull the information needed to feel confident in an influencer partnership and strategy. Here are a few ideas to get you started:

- Product giveaway with promo code.
- Sponsored blog post with Curalate Reveal.
- Takeover with hashtag impression tracking.
- Perception measurement, tracking reach and engagement pre- and post-campaign.

Metrics (the ones that are a bit more difficult to track)—

- **Brand image, consumer engagement** — Influencer partnerships help to shed new marketing light on your brand, but oftentimes it is impossible to measure soft metrics such as the slight shifts in perception and drastic increases in awareness.
- **Offline sales** — In many cases, as delineated by the clients of influencer companies like IndaHash, brands are seeing that the products shown by their influencers disappear from shelves, which they are able to attribute on an anecdotal basis through sifting through comments below campaign posts.



PRICING BENCHMARKS



53% of influencers have never promoted a post on social.



34% of influencers state that brands don't have a realistic understanding of how much influencer marketing costs.



84% of influencers charge less than **\$250** for one branded Instagram post.



97% of influencers charge less than **\$500** per branded Instagram post.



87% of influencers charge less than **\$500** per branded blog post.



83% of influencers charge less than **\$150** for branded Tweet.

(ZDNet)

A man wearing a brown hat, a plaid shirt, a brown tweed vest, and grey trousers stands in front of a wall with graffiti. To his right is a glass door with a large white 'M' logo, likely a McDonald's. The scene is lit with warm, golden light, suggesting late afternoon or early morning.

Compare this to \$75K for the average celebrity (users with three-to-seven million followers) endorsement on social media.

(Captiv8)

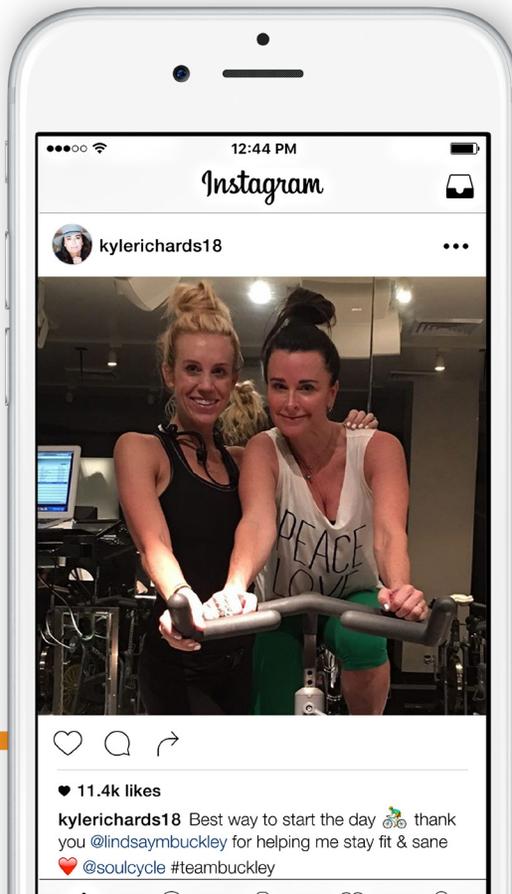
ANATOMY OF THE PERFECT INFLUENCER POST

Add context to products

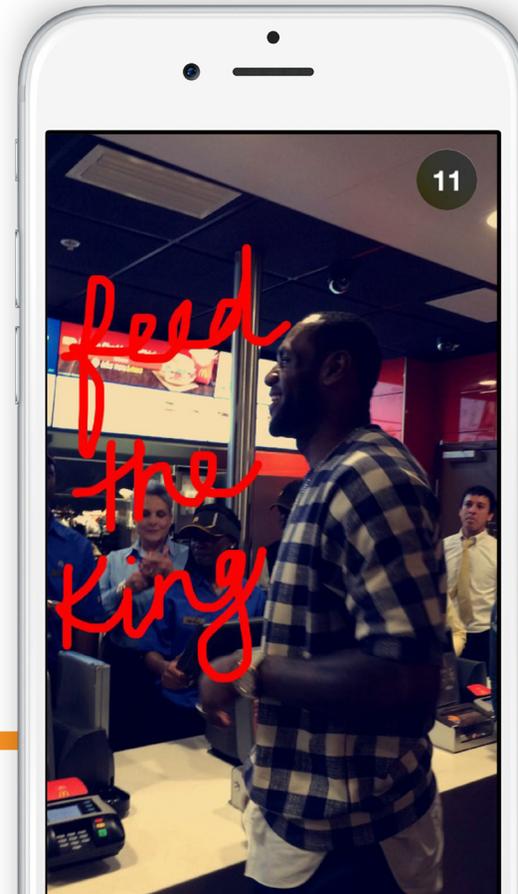
Influencer marketing enables you to showcase your products and services in the everyday life of the influencer. Avoid being overly staged or too salesy by providing your influencers with guidelines to post in a more casual, authentic way.

Put influencers behind the camera

If your influencer has enough clout, they won't need to always be in front of the camera. In a Snapchat campaign launched by McDonald's, the fast food chain partnered with LeBron James to snap exclusive behind-the-scenes commercial footage.



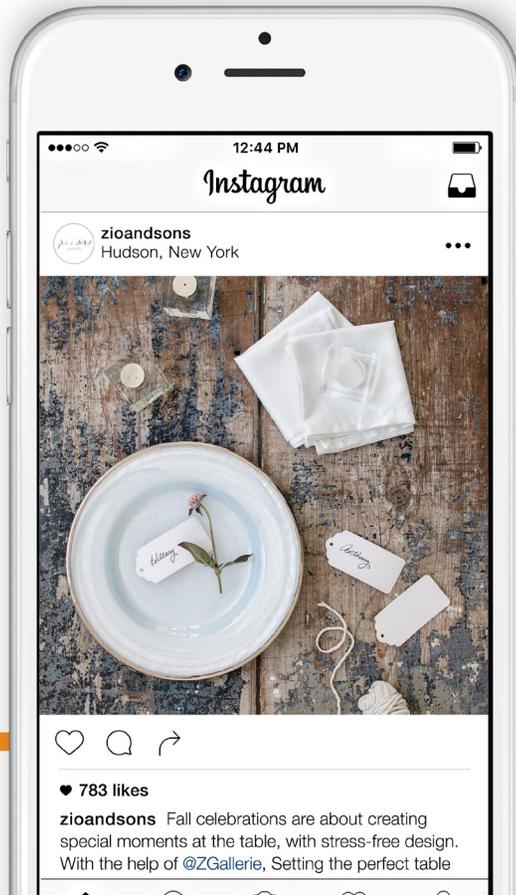
@kylerichards18
for SoulCycle



@kingjames for
McDonald's

Collaborate to balance voice and instruction

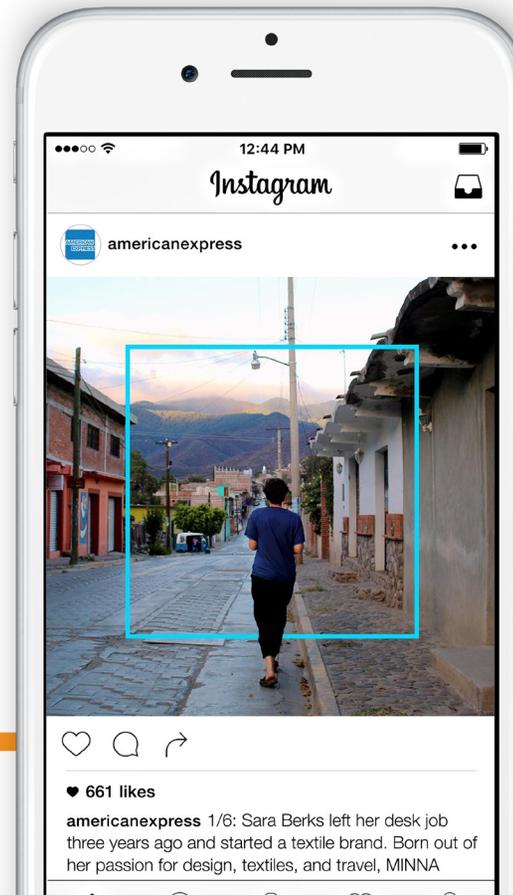
Listen to the influencer, but don't overly orchestrate. If you ignore the influencer's unique voice, it will come off as disingenuous. Rather than handing over a list hard dates and suggested copy, collaborate to determine a method that works on both ends.



@zioandsons
for Z Gallerie

Use full takeovers to give personality

During takeovers, influencers share the experience of engaging with your brand. This humanizes your brand by putting a face to what before was just a company name. Influencers also share the takeover on personal accounts, which in turn builds up your audience.



Small Business
Owners for
American Express

BEWARE: AVOID DECEPTIVE MARKETING

What it is

While the industry is booming, the influencer space is still developing in terms of rules and regulations from an Federal Trade Commission (FTC) perspective. Before, disclosure rules were more black and white, and it was easier to notice if a piece of content was an ad, since it would be glaring at you from the TV or staring at you from a magazine.

With influencer marketing, the lines are blurrier. Because many times it's difficult to tell if the influencer you're following genuinely likes that juice brand and is posting organically, or if the juice brand sent him or her a month's supply. Is it love, or just an ad?

The legalities of influencer marketing are still very murky. Instagram influencer Conrad Benner, aka @StreetsDept, said it best: "This is the Wild West, nobody really knows how it all works." The FTC apparently agrees, as it has "found itself struggling to articulate exactly how these sorts of paid brand endorsements should be handled to ensure that they are identified as ads," according to the *New York Times*.

How to avoid it

Although the FTC doesn't have hard-and-fast rules for influencer posts yet, *TruthinAdvertising.org* has provided some best practices for brands to remain truthful to consumers in their influencer marketing efforts. TruthinAdvertising.org recommends that influencers should be "putting '#ad' or '#sponsored' at the start of those kinds of social media posts, or providing verbal disclosures in videos," *the Times* reported.

Whether or not specific regulations have been drawn up to monitor influencer marketing on social, there needs to be a clear delineation between paid vs. social—a principle that has held true since the beginning of marketing. (*EContent*)

Influencers are experienced in learning to adhere to FTC guidelines while also maintaining their personal brand — and by extension, the partner brand. (*Luxury Daily*)



“...the same general principle – that people get the information they need to evaluate sponsored statements – applies across the board, regardless of the advertising medium”.

(Markerly)

CURALATE EXPLORE



MICRO-INFLUENCER SOURCING MADE SIMPLE

Curalate Explore makes it easy to discover and work with micro-influencers at scale. Whether you want to find and work with micro-influencers who offer an authentic voice, or discover high quality content piece by piece, Curalate Explore has you covered.

Discovering quality content at scale doesn't have to be a painstaking process. Explore lets brands browse thousands of pieces of beautiful content at once by searching hashtags, users, locations, and even emojis. Take action on great content immediately by requesting rights and distributing it out.

“Curalate Explore is proving to be a great resource. It identifies potential influencers in a fraction of the time and makes the initial touch with them very seamless.”

- Yvette Irvin, Director, Global Digital and Social Innovations, Banana Republic

The screenshot displays the Curalate Explore web application interface. At the top, the navigation bar includes the Curalate logo and menu items: Home, Media, Catalog, Touchpoints, and Insights. The main content area is titled "Discover Influencers" and features a search bar with filters for "Summer", "#Holiday", and "#2016". Below the search bar, there are sections for "TRACKED HASHTAGS" (including #ootd, #fashionweek, #streetstyle, #style, #model, #fashioninsta) and "USER METRICS" (including #vint, #summer, #nfw, #wiw, #fashionblogger). The interface shows a list of search results for influencers, with a highlighted profile for @summer | Andreea Panciu. This profile includes a profile picture, a bio, a "SAVE" button, and a "3 Lists" indicator. Another profile for @influencename | Andreea Summerfield is also visible, showing a bio, a "SAVE" button, and "1.3K POSTS 2.5K FOLLOWERS 500 FOLLOWING". The interface is designed to facilitate the discovery and sourcing of micro-influencers.

APPENDIX

THE HISTORY OF INFLUENCER MARKETING

Although the term was not recognized as a marketing buzzword in the past, influencer marketing is nothing new. Since the 1930s, movie stars and musicians would lend their celebrity to businesses trying to move products through television and radio ads. Athletes also graced the cover of the Wheaties cereal box.

To this day, marketers leverage celebrity partnerships to tell their brand stories and to drive awareness and loyalty online. Then with the rise of the internet and social media, brands had the ability to identify and work with new-age influencers. Social channels like Instagram and Snapchat have since democratized influencer marketing – everyday people grow their followings organically by simply making and sharing awesome and consistent content. These people are the new “celebrities,” and brands are taking note.

Today, influencer marketing has progressed beyond celebrities and traditional influencers to “micro-influencers,” who have smaller but more organic and dedicated followings (with the most effective audience size ranging from roughly 10,000 to 100,000). Because micro-influencers have more authentic followings, marketers are tapping them to help reach audiences and increase conversions.



1930 - Celebrity, Garry Moore for Kellogg's



2012 - Celebrity, Carrie Underwood for Almay



2016 - Celebrity, Kim Kardashian for Airbnb



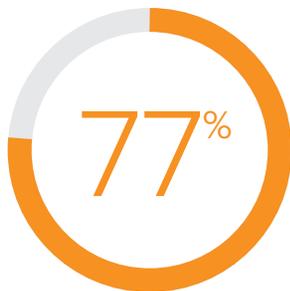
2017 - Influencer, Daniela Ramirez for Hanes

INFLUENCER MARKETING TODAY

Influencer marketing allows brands to access consumers in a direct, organic, and scalable way. It is a powerful way to share your brand's message with a niche audience. Not only are consumers more likely to respond to the recommendations of those they trust, but an influencer (that fashion-loving hipster in Brooklyn or that food blogger with 10K Instagram followers) has the ability to create a larger impact than traditional advertising.

IT ALL STARTS WITH WORD-OF-MOUTH

Historically, word-of-mouth is the most effective form of marketing when it comes to influence, conversion, and retention. This makes sense, given that we trust the people who we have voluntarily selected to be in our network as friends, colleagues, and confidants. **Influencer marketing = word-of-mouth at scale.** And now with influencer marketing, we have curated the feeds of people whose lifestyles we aspire to imitate and achieve.



77% of influencers say they're more likely to buy from their sponsors, becoming brand evangelists that way.



People referred by loyal **customers** have a **37%** higher retention rate.



Marketing-inspired **word-of-mouth** generates more than twice the sales of paid advertising.



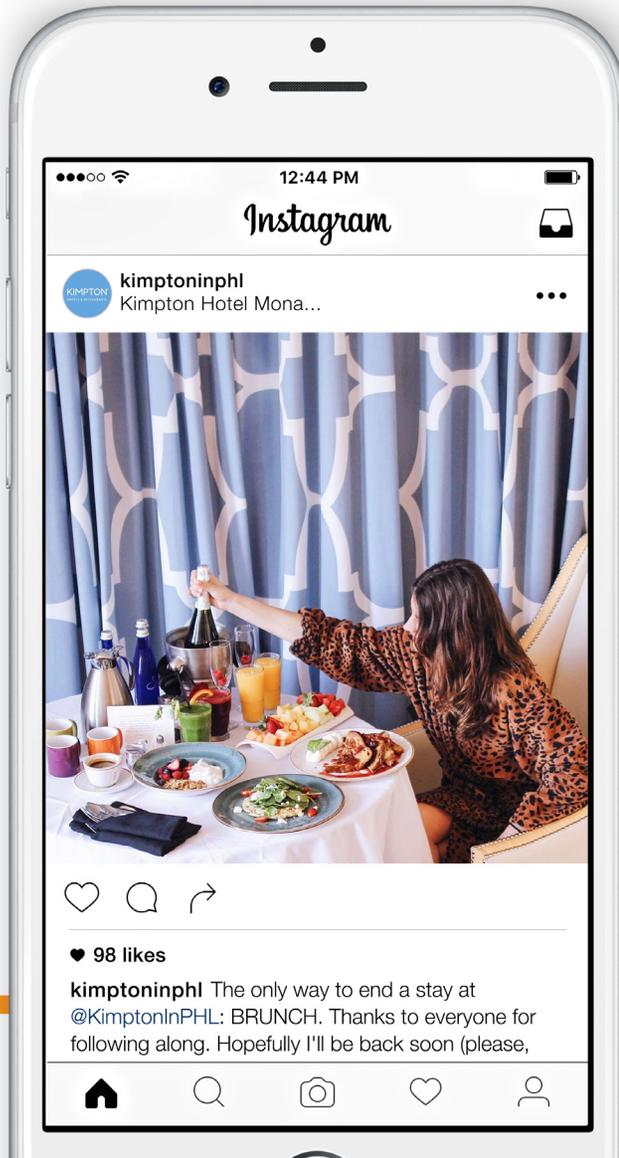
83% of consumers take action because of trusted recommendations, according to *Nielsen*, and 71% of consumers likely to purchase an item based on social media referrals.

(Nielsen)

WHAT INFLUENCER MARKETING HELPS YOU ACCOMPLISH

Authenticity

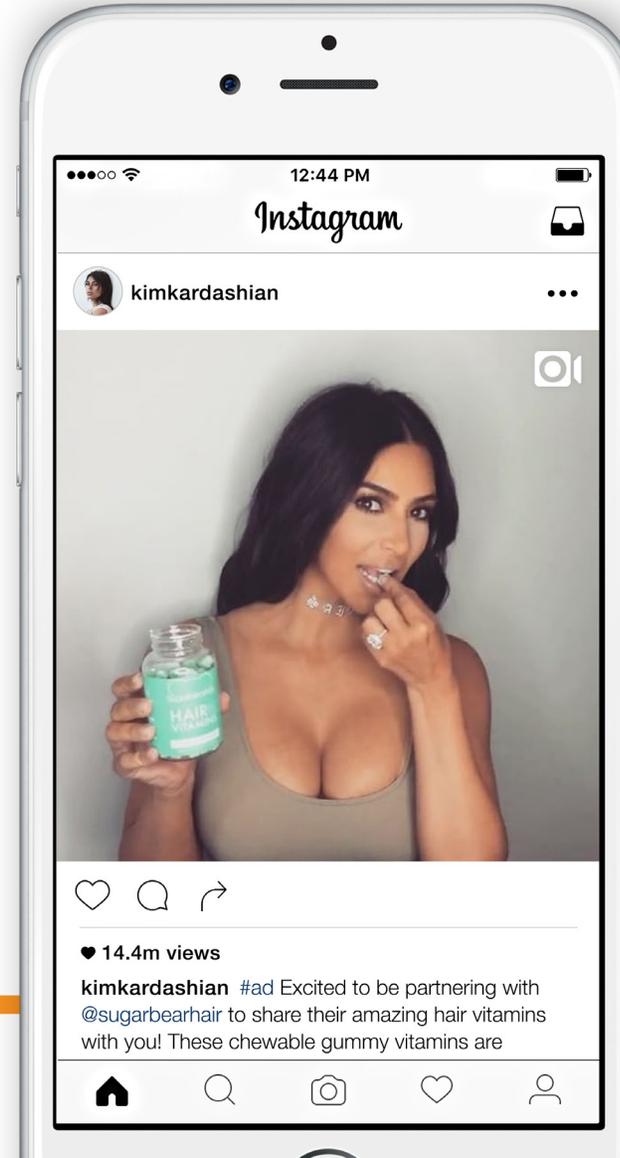
Humanize your brand.



@brendanlowry
for Kimpton Hotels

Credibility

Validate your product.



@kimkardashian
for Gummy Hair
Vitamins

Positioning

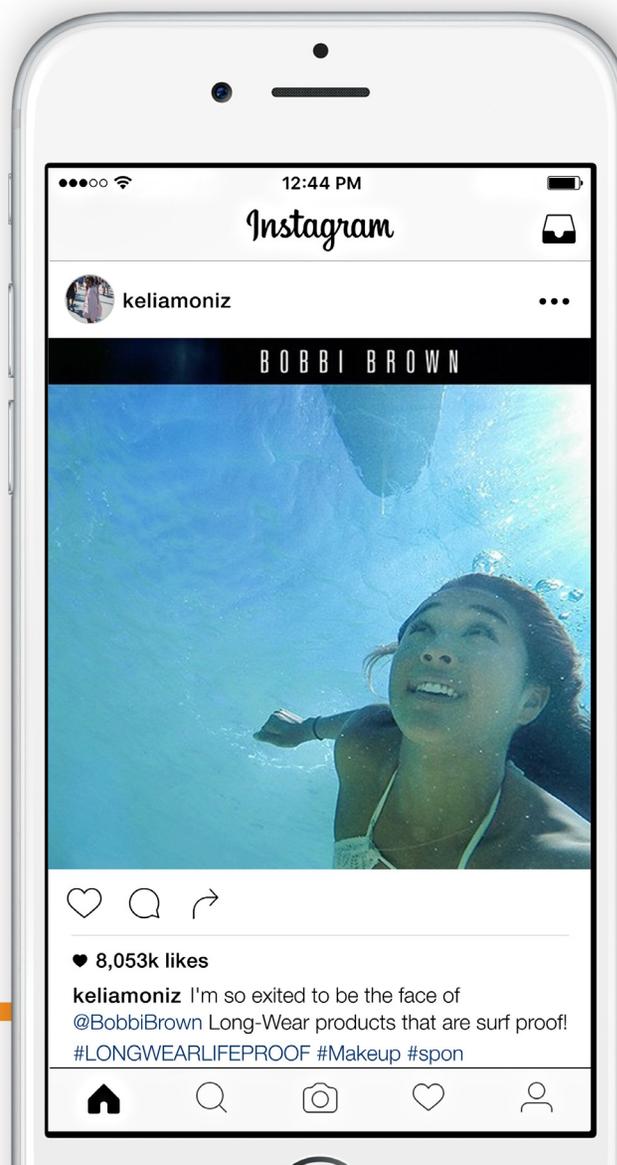
Clarify your brand lifestyle.



@juliaengel
for Moët Hennessy

Audience Growth

Reach new niches of fans.



@keliamoniz for
Bobbi Brown



ABOUT CURALATE

Curalate is a leading marketing technology company that enables brands to sell online more effectively. The Curalate Discovery-Driven Commerce Platform is currently in use by over 800 of the world's most-loved brands including Urban Outfitters, Neiman Marcus, Sephora and J.Crew, and touches hundreds of millions of consumers, monthly. With Curalate, brands grow engagement and revenue, at scale, utilizing images and videos from a wide variety of sources, including user generated content (UGC).

On average, our clients see the following lift in key metrics:

-  Time on site +79%
-  Average Order Value +16%
-  Conversion Rate +31%
-  Revenue per Visit +45%
-  Page Views +41%

LET'S CHAT | hello@curalate.com