



Build a Predictable Revenue Engine Through Influencer Marketing

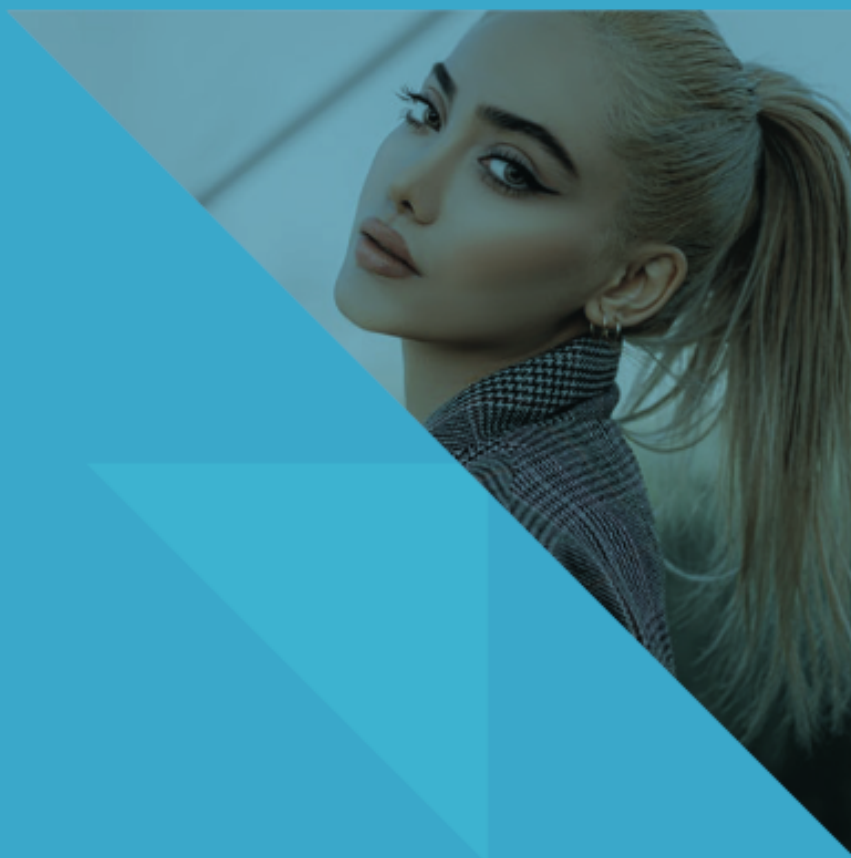


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Introduction

Influencer marketing continues to grow at an explosive pace year to year. Just from 2020 to 2021, the market's value grew from \$10 billion to \$13.8 billion. Statistics show that consumers trust influencers on their purchasing decisions more than they do from traditional advertising, so using them for your brand campaigns is key to maximizing your revenue this year.

But not all influencers are created equal, especially in terms of what they can do for your brand. By learning more about the different types of influencers, along with some key attributes that make some a better fit for your campaigns, you'll be poised to make better partnership decisions, and watch your ROIs soar in 2022.

\$10B

influencer market value in 2020

\$13.8B

influencer market value in 2021

Mega influencers

These are the influencers that have at least 1 million followers across all their platforms. They can be anything from A-list celebrities and professional athletes, to individuals that are massively successful in their particular niche.

PROS

As you might imagine, there are some serious advantages to working with Mega Influencers.

Reach - By raw numbers alone, this tier reigns supreme on overall reach. When you have a name and face like Rihanna, LeBron James, or Chris Pratt attached to your campaign, a large audience will immediately notice your product.

Experience - Most of the influencers you'll work with at this level will have a level of experience and professionalism you might not get from lower tiers. They know how marketing campaigns work, they know how to present themselves to the public and the board room, and they usually have assistants to help keep communication consistent.

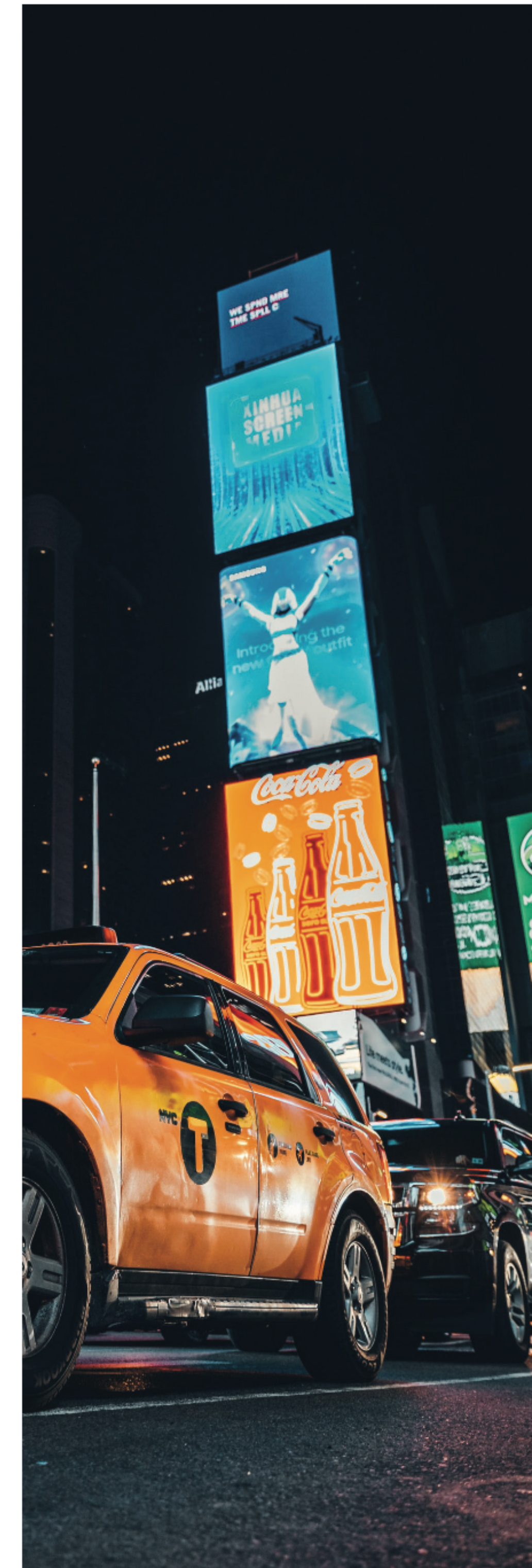
CONS

But you should also be aware that Mega Influencers bring their own unique set of challenges to the table.

Scheduling - Influencers on this level have a large number of entities constantly competing for their time and attention. Between filming schedules, season schedules, and other responsibilities, they are constantly busy. No matter how badly you might want that one name that's perfect for your brand, the timing may not work for them. Some names on this level already have their schedule planned out a year in advance at any given time.

Cost - These influencers do not come cheap. They're used to massive fees and payouts for their time. Most of the time, they're worth the price. But make sure your budget is ready to handle it.

Personal issues - Most influencers at this level are smart enough to protect their own personal brand, or have managers for that purpose. But a sudden scandal or controversial quote can turn your ace in the hole into a nightmare with one impulsive action, post, or tweet. For example, the rapper DaBaby was dropped from many major music festivals and brands after he made homophobic comments on stage at a concert in 2021. If you're not quick to respond when this happens, your brand could be seen as condoning or even supporting the controversy.



Macro Influencers

Just a step below the Mega Influencers, Macro influencers are the people who've made a name for themselves on nontraditional media like Youtube or Tik Tok. They also can include C or D-list celebrities, and other famous people who just aren't as strongly in the limelight as mega influencers. In the gaming sphere, most famous streamers and esports competitors fit into this category. By social media metrics, these are the types who have somewhere between 100,000 to one million followers.



PROS

Macro influencers can be a sweet spot for a lot of marketers to work with. They're famous enough to have good reach, professional enough to handle what your campaign demands, and generally lower stress on what they demand.

Social media expertise - They're usually more savvy with social media platforms than larger celebrities, since so many of them achieved their level of following by building it from the ground up. Their knowledge of social media platforms, and what works best can be invaluable.

Creativity - Since you're working with influencers that found a way to make their content stand out on crowded social media platforms, you know that they have creative ideas. They can offer their own suggestions to optimize your campaign from their end that you might not have been aware of before.

Direct communication - With Mega Influencers, you can often find yourself not even working directly with that influencer. Instead, often you'll be working with their assistant, manager, or some other kind of handler where you communicate your needs, and hope that your desired messaging and tone shine through in the finished product. Macro influencers, on the other hand, will often work with you directly, taking out the middleman so that they'll immediately have an understanding of what you want out of the campaign.

CONS

Scheduling - Even though this won't be as pronounced an issue as it can be with Mega Influencers, Macro Influencers are still very busy people. They have their own content creation schedules, communities to manage, and relationships to support. On time critical campaigns, give yourself as much time as possible in the preparation stages to plan out the campaign with them and make sure that they can deliver on what you need.

Nano Influencers

With a following of 1,000 or less on social media, Nano Influencers are just as likely to be consumers themselves as they are influencers. These are the types of people that wield a strong influence over a small group of people. Some good examples of possible nano influencers are local business owners, local politicians, or the head of a church.

This tier of influencer brings an interesting mix of challenges and benefits to a brand willing to take them on.



PROS

They're teachable - Any influencer in this tier won't have enough marketing experience to have strong disagreements with you on how you want to push your brand to the public. If you want to build your own influencer from the ground up, nano influencers are far and away the best choice.

Authenticity - This tier will be unbeatable on authenticity. Their audience won't just feel like they know that influencer personally; more than likely, they do know that person personally, and will regard that person's recommendation as a more personal touch than an advertisement.

Organic growth - When you start with an influencer this small, their social media following and consumer audience will pretty much be one and the same. If you have patience, you can see larger dividends as that audience grows.

CONS

The learning curve - There's no way around it. For some of the tasks that larger influencers can perform as second nature, nano influencers may not have the skills to do it for themselves. You might have to hold their hand as they build their toolset and grow. You might even have to flat out do some tasks for them.

Small initial impact - If you're looking for a massive burst on sales, a nano influencer can't deliver that. Their audience simply isn't large enough for you to see a massive ROI at first. Look elsewhere if you're looking for large numbers right away.

Micro Influencers

Micro influencers are another tier below Macro Influencers, but are similar to them in many ways. Most of them found their following on social media like Macro Influencers did, but often specialize in more niche categories of content that make their following slower to grow than most Macros.

For example, Macros often specialize in fashion, makeup, or food, while Micros can specialize in almost anything that has a smaller but passionate audience. Some examples can include film critique, video game reviews, gardening, and music covers. These influencers typically have somewhere between 1,000 to 100,000 followers.

PROS

Authenticity - With this level of influencer, authenticity shines through. Their audience is smaller, but passionate about what that influencer covers. This can work to your advantage, since that audience is less likely to think that influencer is selling out for a quick buck, and instead really believes that your product is something that their following will enjoy.

Audience size and makeup - As an added bonus, if your product aligns especially well with the audience's interest, your conversion rate is likely to be higher than campaigns than even with larger influencers. This is because despite being smaller, their audiences are much more engaged with the influencer. Their audience might even think of them more as a trusted friend than just a face on a screen that they watch. As a result, there's a trust there that's hard to replicate with larger influencers.

CONS

Slow growth - These influencers' audiences may be more engaged, but they're still considerably smaller than a Mega or Macro's audience. If you're looking for a massive burst on your ROI, these influencers probably aren't going to be your best bet. Instead, treat these influencers like a slow burn that can promise gradual growth instead of anything rapid.



The Financial Benefits of Consumer Marketing

Associating a face with a product is a marketing tactic that has existed for almost a hundred years. However, a lot has changed in that time frame. In the 1930s, companies like Red Rock Cola hired names like Babe Ruth because celebrities and sports stars were their only option. In 2022, however, your brand has the power to customize what face you associate with your product. You can choose or create an influencer that fits the mold of your ideal customer and is instantly relatable.

But using influencers in your marketing isn't just about fresh, charismatic faces representing your brand. They also represent the opportunity to see a massive ROI. Influencer marketing has grown from a \$5 billion business to almost a \$14 billion business in just the past five years, so there's plenty of capital to go around.

17%

of companies say they spend over half of their marketing budget on influencers

89%

of marketers said that influencer marketing was comparable or better than other marketing channels that they used in 2021

But what can you really do with Influencer marketing? Let's go over some of the more popular options. Many of them resemble traditional marketing tactics, but using social media to augment them makes them much more effective at reaching specific audiences.



Reviews

Reviews are an incredibly powerful tool to close sales. It's why so many companies provide incentives and future discounts to consumers in return for just an honest review of their product. It's also how companies like Amazon grew into commerce behemoths: the average consumer likes to know the pros and cons of what they buy, and they'll usually pick the product that they can learn more about after a google search or two.

So how do you leverage that with an influencer? A popular method is to give an influencer access to your product or service, free of charge. In exchange, you have that influencer provide their honest take and reactions on their social media channels.

A good example of this is unboxing videos, a trend that is still going strong years after the concept debuted. An influencer receives a box from your brand, and opens it either live on stream or in a video to be used later.

There's a few really strong reasons why they're still popular: viewers enjoy vicariously getting to experience opening a box (especially if that box is a rare or limited edition item), and influencers in any category can use them effectively. Any demographic, from kids to adults can enjoy them too. The audience can range from Ryan's Toys Review, featuring a child's reaction to toys he opens, to Unbox Therapy, a Youtube channel that opens up a wide variety of products ranging from smartphones to dog toys.

These videos have an advantage for the influencer as well. Promoting the right product can elevate their own personal brand, and make them a more appealing partner for future collaborations with even higher profile companies. No matter the platform, whether it's long form videos on Youtube or short clips on Snapchat, these kinds of videos and the reactions they bring create a strong feeling of authenticity.





Product Placement

In a world full of DVRs and ad blockers, product placement has become an increasingly powerful tool for marketers to get their product in front of the eyeballs they want. You see it in movies and tv shows all the time: ever notice how everyone drives the same brand of car in Marvel movies? No brand name or logo appears on screen by chance: just their mere presence is enough to plant a seed in the audience's mind later when they're making a purchasing decision.

But how does that apply to influencers? Perhaps this won't shock you, but product placement with influencers dramatically ramped up during the Covid pandemic of 2020, when many were stuck at home. Nike launched a "Play Inside" campaign with a large cast of micro influencers, showing them performing solo athletic activities while wearing Nike gear. Not only did this encourage consumers to stay active, it kept the brand's presence at the front of their mind.

More recently, Gucci allowed Roblox users to deck out their avatars in Gucci gear by way of a "Gucci Garden Place". Not only did users advertise the brand by wearing the virtual gear, they also had to pay a small fee for a chance to get it. Gucci and Roblox both enjoyed a strong revenue stream from the event.

Affiliate Campaigns

If a brand has a looser budget to use for campaigns, they can consider creating an affiliate program. This works by choosing influencers that are the right fit for your product, and allowing them to represent your brand for a commission created with each sale. This is easy to implement and also track, just by giving each influencer their own unique promo code to give out to their followers. This method is also popular because it motivates the influencer to create content promoting your brand on their own to encourage more sales, and by extension, more money in their pocket.

This method is growing especially popular on live streaming sites like twitch.tv. Brands like Corsair invite streamers with audiences of all sizes to join their affiliate program and promote Corsair's line of premium gaming accessories to their audience that is made up of gamers themselves. Even food brands like HelloFresh have gotten in on the action, encouraging streamers to augment their food choices with the meal boxes the brand provides.

As you can tell, the only real limiter on what an influencer can do for your brand is the imagination and creativity of both your brand and the influencers themselves. With the right partnerships and ingenuity, the sky is really the limit on where your brand can go.

Not sure where to get started on choosing the right influencer for your brand's campaign? Email us today and learn more about how Sideqik can help your brand with a free demo.



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