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Mass Media Research Paper

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### **The Impact of Influencer Marketing: A Relationship Defined by Persuasion**

Social media has blurred the line between editorial and advertising content enabling the showcasings of popular social media platform users to promote and sell products and services. “Influencer Marketing” has grown in popularity as the number of eCommerce contributors rises. Audiences are turning to Social Media Influencers (SMIs) for advice and recommendations regarding purchasing decisions now more than ever before and brands have picked up on their success. (Digital Marketing Institute, 2018) Since 2019, more than 240 Influencer Marketing agencies and platforms have been established. (Influencer Marketing Hub, 2021) Influencer Marketing is paving the way as the marketing technique of the future which leads me to ask, what makes Influencer Marketing successful, how does it work, and what impact does it have on Influencers, brands, and their consumers?

A Social Media Influencer (SMI) is an online opinion leader who uses their social media platforms to gain and engage with their following on those platforms. (Influencer Marketing Hub, 2021) (Burke, 2017, pg.1) Similar to producers, (Pavlik & McIntosh, 2019, pg.18) SMIs create and post content displaying personal updates and/or products and services they are endorsing that doubles as entertainment. (Burke, 2017, pg.1) Influencer Marketing is the use of SMIs by brands to promote products and services to a large audience in a less formal and more traditional form of media. (Audrezet, De Kerviler, & Moulard, 2020, pg.558) There are different types of SMIs and each one is useful to a different type of brand. Idols are popular and create self-focused content. Experts are considered authoritative beings in a specific field due to high

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levels of knowledge or skill displayed in their content. Lifestylers produce content about lifestyle topics such as health, beauty, and design. Activists promote specific ideas correlated with social change. And Artists create content with high aesthetic and visual appeal. (Wielki, 2020, pg.5)

Each type of influencer is ranked by their number of followers. (Influencer Marketing Hub, 2021) To be considered an SMI they must have in between 15k and 5 million followers. All SMIs can be found on one or more social media platforms such as YouTube, Facebook, Instagram, Twitter, and TikTok in either an active or passive state of promotion. (Wielki, 2020, pg.5)

Users with over 5 million followers can be considered a celebrity. (Wielki, 2020, pg.4) In 2016, research showed that 70% of teens trusted SMIs over celebrities on social media. That research is still correct. (Digital Marketing Institute, 2018) SMIs gain 3 times as many views, 2 times as many actions, and 12 times as many comments on social media content compared to celebrities. (Digital Marketing Institute, 2018) This is because SMIs with smaller followings have better engagement rates. (Influencer Marketing Hub, 2021) A study done by Google in 2016 said that YouTube creators listen to and interact with their fans resulting in communities that look like friendships through an engaged audience. (Google, 2016) The average engagement rate in 2020 for Micro-Influencers (less than 15k followers) is 3.86% while the rate for Macro-Influencers (500k to 1 million followers) is 1.21% (Influencer Marketing Hub, 2021)

SMIs are considered successful when their opinion is seen as credible and trustworthy. (Burke, 2017, pg.2) SMI success is not measured by the number of followers they have but by

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the behavior they exhibit. (Influencer Marketing Hub, 2019) According to research done in 2020 at The Hong Kong Polytechnic University and The University of Tennessee, the relationship between SMIs and their audiences can be explained by Human Brand Theory. The theory states that a media persona can develop into a human brand by providing a sense of attachment to their audience, fulfilling their intrinsic psychological needs, and as an outcome, yielding positive marketing results. (Ki, Cuevas, Chong, & Lim, 2020, pg.2) These needs include autonomy, a feeling of self-determination in choice and action, relatedness, a sense of intimacy, and competence, a sense of proficiency. (Ki, Cuevas, Chong, & Lim, 2020, pg.3) The theory states that people like and imitate behaviors and attitudes they find relatable and inspiring which leads to modifying their own attitudes and beliefs to match their influences' (Ki, Cuevas, Chong, & Lim, 2020, pg.5) which explains why a successful human brand possesses qualities that create the feelings of inspiration, enjoyment, and similarity through informative and well-curated social media content. (Ki, Cuevas, Chong, & Lim, 2020, pg.9)

In support of Human Brand Theory, Social Comparison Theory states that people have a natural desire to compare themselves to others to evaluate their own opinions and abilities. Comparison can take place during the processes of self-evaluation, self-enhancement, and self-improvement. (Burke, 2017, pg.15) Social media platforms were originally designed to facilitate personal connections and bonding. (Ki, Cuevas, Chong, & Lim, 2020, pg.2) That initial foundation has created a place for SMIs to grow their audiences through high levels of engagement and discussion. (PR Daily, 2021) Because SMIs offer fulfillment through personal

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content that looks genuine and inspirational, (Digital Marketing Institute, 2018) they are looked to by their audiences during these daily psychological processes to have their needs met (Burke, 2017, pg.14) and gain a sense of support to aide their sense of self-concept. (Burke, 2017, pg.19)

In recent years, marketers have caught on to the power of the SMI and the potential impact they could have on brand sales through psychological persuasion. The Influencer Marketing market size increased by \$3.1 billion between 2019 and 2020 (Influencer Marketing Hub, 2021) and it is expected to grow to \$13.8 billion by the end of 2021. (Influencer Marketing Hub, 2021) Marketing firms are recognizing that consumers find products that are endorsed by SMIs to be more attractive and trustworthy. (Kay, Mulcahy, & Parkinson, 2020) It has also been found that consumers have a higher purchase rate when the product is purchased while social comparison is in use meaning consumers are more likely to purchase an item online if they are able to compare their opinions with others and be influenced. (Burke, 2017, pg.17-18) The most defining factor that could affect a marketing campaign is the medium in which information is shared in correlation to increasing brand awareness. (Wielki, 2020, pg.15) This means, Influencer Marketing is an excellent communications technique to encourage sales (Influencer Marketing Hub, 2021).

While effective, Influencer Marketing has some weaknesses. As Influencer Marketing becomes more mainstream, the SMI/brand/audience relationship is not being tended to as it usually is affecting sales, content creation, and SMI and brand reputation. (Influencer Marketing Hub, 2021) eCommerce saw 10 years of growth in the first 90 days of the pandemic leading

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marketers and SMIs to race to make and distribute content. (Influencer Marketing Hub, 2021) In the process, some left behind the principles of influence, scarcity, reciprocity, commitment, social proof, likability, and authority (Raven, 2017, Slide 29) to focus on the payout rather than strategy. (Influencer Marketing Hub, 2021)

The key to a successful influencer marketing campaign is matching the brand with SMIs whose fans are similar to the brand's preferred customers and whose values match the company's. (Influencer Marketing Hub, 2021) However, marketers are starting to value automation over personal touch by using an algorithm rather than creating a campaign with the audience and SMI in mind. (Influencer Marketing Hub, 2021) This communicates to SMIs that they have a platform to inform but a duty to deceive audiences. (Suciu, 2020) In a study done by Influencer Marketing Hub in 2020, 5000 marketers were surveyed. 22% reported finding it hard to find appropriate influencers to work with and 38% reported they have experienced influencer fraud in 2020. The same survey unveiled that the most common way marketers pay SMIs is through free merchandise and only 32.4% give their SMIs a paycheck. Respondents also reported valuing their relationship with their audience. The outcome went down from 53% to 45% in the last year. (Influencer Marketing Hub, 2021)

Consumers desire authenticity from SMIs, brands, and products and authenticity improves message reciprocity, enhances perceived quality, and increases purchase intentions. (Audrezet, De Kerviler, & Moulard, 2020, pg.559) But, it has been found that most brands rely on their relationship with SMIs and the amount of authenticity SMIs generate to save the brand if ever

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caught in an undesirable situation like uncovered deceit. (Influencer Marketing Hub, 2021)

Research from the IESEG School of Management and Louisiana Tech on Authenticity

Management confirms this in a report from 2018 that states: SMIS are considered the human equivalent to product placement by brands because followers tend to develop an impression of friendship with influencers they admire and who are always online posting new material.

(Audrezet, De Kerviler, & Moulard, 2020, pg.558) Authenticity management displays the combination of the brand's world and the SMI's world and the consistency of intentions and content produced through the expression of passion and transparency by the SMI. The same research found that when brands allow SMIs to be passionate and transparent their life satisfaction rises because their behaviors are aligning with their true selves. (Audrezet, De Kerviler, & Moulard, 2020, pg.565)

90% of marketers out of 5000 say Influencer Marketing is effective and 82.5% take their Influencer Marketing budget from their main marketing budget. Running SMI campaigns to gain an audience can be more costly than what will be brought in from those campaigns directly.

(Influencer Marketing Hub, 2021) **Influencer Marketing has set up brands for success with built in information and resources to create successful campaigns. If brands claim to value Influencer Marketing as an effective technique but also see it as a threat to the company, then they should focus less on making a profit quickly and focus more on investing time into their SMIs, paying their SMIs, and thinking about the well-being of their audiences.**

As the Influencer Marketing market grows, marketers, SMIs, and consumers need to be aware of

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the personal handprint that comes with the technique. Brands need to work on their authenticity management skills to remain consistent with their intentions and content being produced by allowing their SMIs to express passion and transparency. (Audrezet, De Kerviler, & Moulard, 2020, pg.563) Brands and influencers must understand that their contract lives under a microscope in the public eye and that they must work together to reach audiences in a healthy, effective way. (PR Daily, 2021)

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