Kill The Noise

Vol. 1

Understanding the Path to
Influence and Simplifying the
Influencer Marketing Landscape

SPEAKR

SKIP AROUND IF
YOU WANT!

___

We won't mind 😁

INFLUENCER MARKETING ISN'T NEW, BUT THE TECHNOLOGY BEHIND IT IS

The concept and primary mechanics of Influencer Marketing have never changed. Utilizing someone else's celebrity and/or credibility to help boost awareness or trial of products and services has been in the marketer's toolkit since kings and queens advocated their preferred vendors. What has changed today is the number of people who have "influence," and our ability to measure it.

As advertisers, we're transitioning into an era where human insights are complemented by machine learnings, which will eventually lead to uncovering some of advertising's most fundamental sociological mysteries.

In this report we will explore Speakr's Path to Influence, share a few best practices for selecting influencers, and clearly define the three types of companies and technologies that make up the Influencer Marketing space.

A NEW PERSPECTIVE IS REQUIRED

To understand Influencer Marketing, advertisers need to first shift their perspective of who or what influencers are in order to utilize them effectively. Rather than thinking of influencers as non-celebrities with little ROI value, marketers need to adopt one simple understanding: *Influencers are both the content creators and new publishers of tomorrow with pre-built loyal followings.* Influencers should be utilized to create on-brand content and build brand trust by naturally appealing to their audience without sacrificing their authenticity.

Being that brand trust cannot be properly measured, frustration has plagued marketers trying to understand the true value of their Influencer Marketing efforts, which is commonly blamed on the industry's lack of standardization. While the need for standardization is true, a part of this frustration also derives from having to adopt a new perspective that requires marketers to shift from a traditional digital media mindset to a native content creation one. This may be simpler for brands and ad agencies, but media agencies need to measure success of a campaign by quantifying its performance, despite the level of creativity, on-brand messaging, or distribution strategy. Similar to television, solely relying on robust campaign reporting is not 100% applicable to

Influencer Marketing because a large amount of added value exists in the non-measurable attributes, such as admiration, trust, and acceptance.

ADMIRATION TO ACTION

The Path to Influence

The most fundamental understanding of Influencer Marketing that every marketer should fully grasp is The Path to Influence. It's a very simple methodology that identifies the triggers that stimulate us as human beings, and push us to take action collectively.

Simply put, an influencer is a real person who has gained a loyal following across their social media channels from acquiring a level of admiration, trust, and acceptance from a unique audience. Influencers don't call one another influencers, but we as marketers call them "influencers" because they inspire crowds and have earned the power to push their followers from admiration to action down The Path to Influence.

In any form of advertising, there is a message being delivered to a set of viewers, where viewers determine in milliseconds whether they will be influenced by the message being received, or not. This thought process is what we call the The Path to Influence. The Path is a series of questions and answers that help guide the mind from determining the credibility of the person or message to deciding whether or not to take action. Additional factors such as personalization, message discovery and creativity, can also heighten levels of influence. However, before trying a laundry list of tactics, marketers should understand the basic steps needed to successfully build influential levels of admiration, trust, and acceptance from their viewers.

1 A viewer's first step towards taking an action or making a decision is determining the amount of admiration they have for the person delivering the message.

"How much do I admire this person?"

ADMIRATION

How much do I admire this person?

2 The second step determines the amount of trust the viewer has in the person delivering the message.

"How much do I trust this person?"

TRUST

How much do I trust this person?

3 The third step determines how much the viewer accepts the message being shared.

"How much do I accept this message?"

ACCEPTANCE

How much do I accept this message?

4 The fourth and final step graduates the mind from determining how credible the person or message is, to deciding whether or not to take action.

"Based on the amount of admiration, trust, and acceptance I have for this person and their message, will I take action?"

ACTION

Will I take action?

Since influencers are the ones who hold the power to guide their audiences down The Path to Influence, it's important for marketers to understand this methodology when determining the type of influencers to work with.

Defining Four Types of Influencers

We could segment influencer types into endless categories based on an infinite array of human characteristics, but to simplify things, let's first define the four most common types of influencers.

With a simple Google search, you can define what an influencer is and attempt to activate influencer campaigns based on common knowledge of what an influencer does. Unfortunately, this is the extent of what most marketers understand about influencers, as they fail to realize how different types of influencers perform individually, or when utilized properly, can **work collectively**.

When looking to work with influencers, marketers need to first determine which types of influencers they should activate to reach their campaign's goals and KPIs.

See next page for a breakdown of each influencer type.
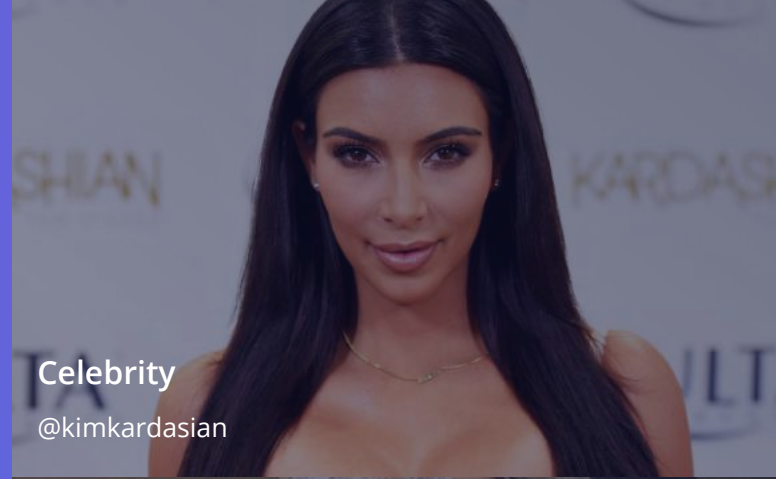
Celebrity

@kimkardasian

Social Celebrity (aka Macro-Influencer)

@princesspiamia
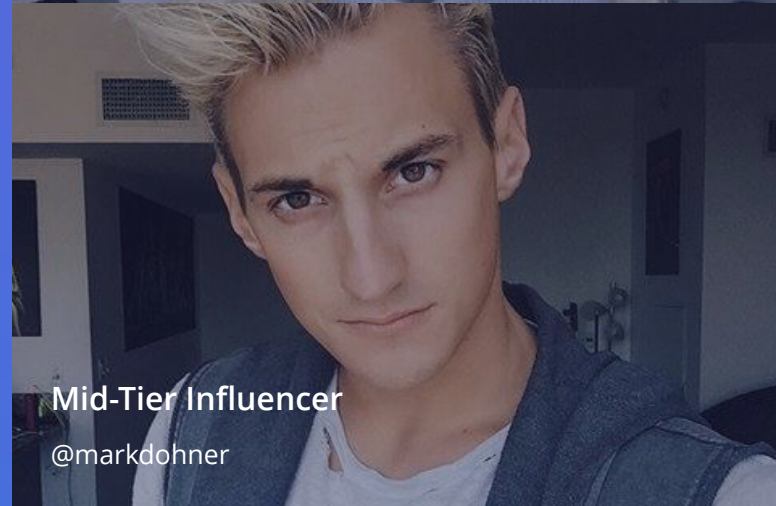
Mid-Tier Influencer

@markdohner

Advocate (aka Micro-Influencer)

@ivanorama

Celebrity

Famous individuals who are widely recognized across all media and not just online

@kimkardasian

Best for	Brand awareness
Activation Type	Content distribution, endorsements, product placement
Compensation	Financial
Challenges	Low participation, high cost

Social Celebrity (aka Macro-Influencer)

Famous individuals who are highly followed and widely recognized from their owned online media channels

@princesspiamia

Best for	Drive action, brand awareness, audience discovery
Activation Type	Content creation, content distribution, endorsements, product placement, experiential, conversational
Compensation	Financial
Challenges	Too many options, competitive pricing, low participation

Mid-Tier Influencer

Widely followed individuals who have gained large scale reach but have also built an audience more likely to take action, trust, and accept their reviews and opinions

@markdohner

Best for	Drive action, credibility, audience discovery
Activation Type	Contest, content distribution, endorsements, product placement, experiential, conversational
Compensation	Free accommodations, free products, and/or financial
Challenges	Time consuming creative management, content can vary from professional to amateur

Advocate (aka Micro-Influencer)

An individual who specializes in sharing content to a niche audience, typically in the early stages of becoming a mid-tier influencer

@ivanorama

Best for	Niche specific content creation, drive action
Activation Type	Experiential, conversational, reviews
Compensation	Free product and/or financial
Challenges	Small reach, low impact

Scaling Influence Down the Path

↑ High Reach	Low Reach ↓

↑ High Admiration	Low Admiration ↓

↓ Low Trust	High Trust ↑

↓ Low Acceptance	High Acceptance ↑

↓ Low Efficiency	High Efficiency ↑

★ **Celebrity** 💬 **Social Celeb** 📣 **Mid Tier** 👤 **Advocate**
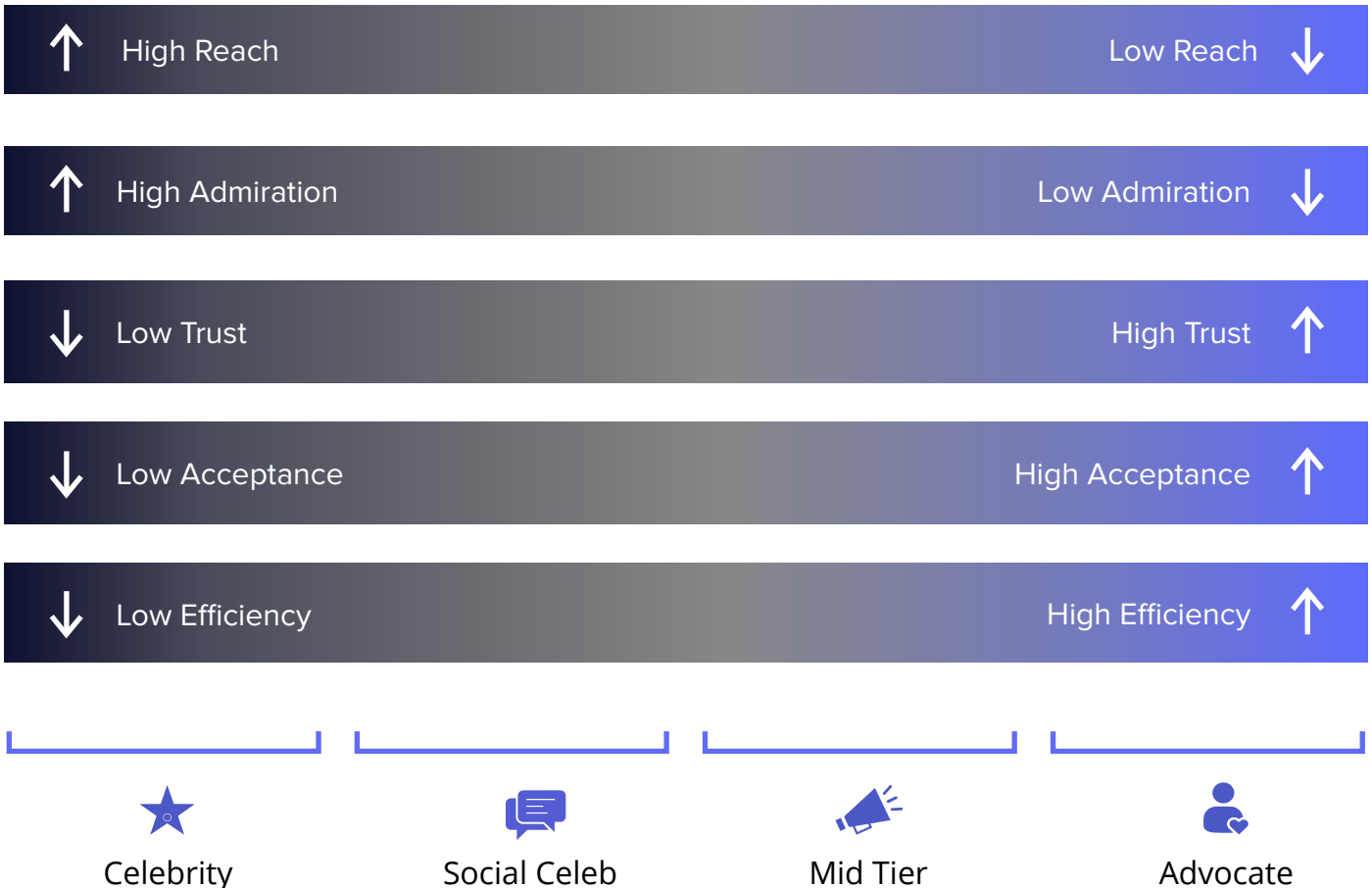
Determining whether to work with celebrities, social celebrities, mid-tier influencers, or advocates is only the first step in properly choosing the right type of influencer for a campaign. Once an influencer type is chosen, it is then up to the marketer to determine where each influencer fits on The Scale of Influence.

As you'll notice on The Scale of Influence diagram above, there is a spectrum of influence between Celebrities and Advocates. On one side of the spectrum, Celebrities will complement campaigns with high reach and admiration but sacrifice engagement due to
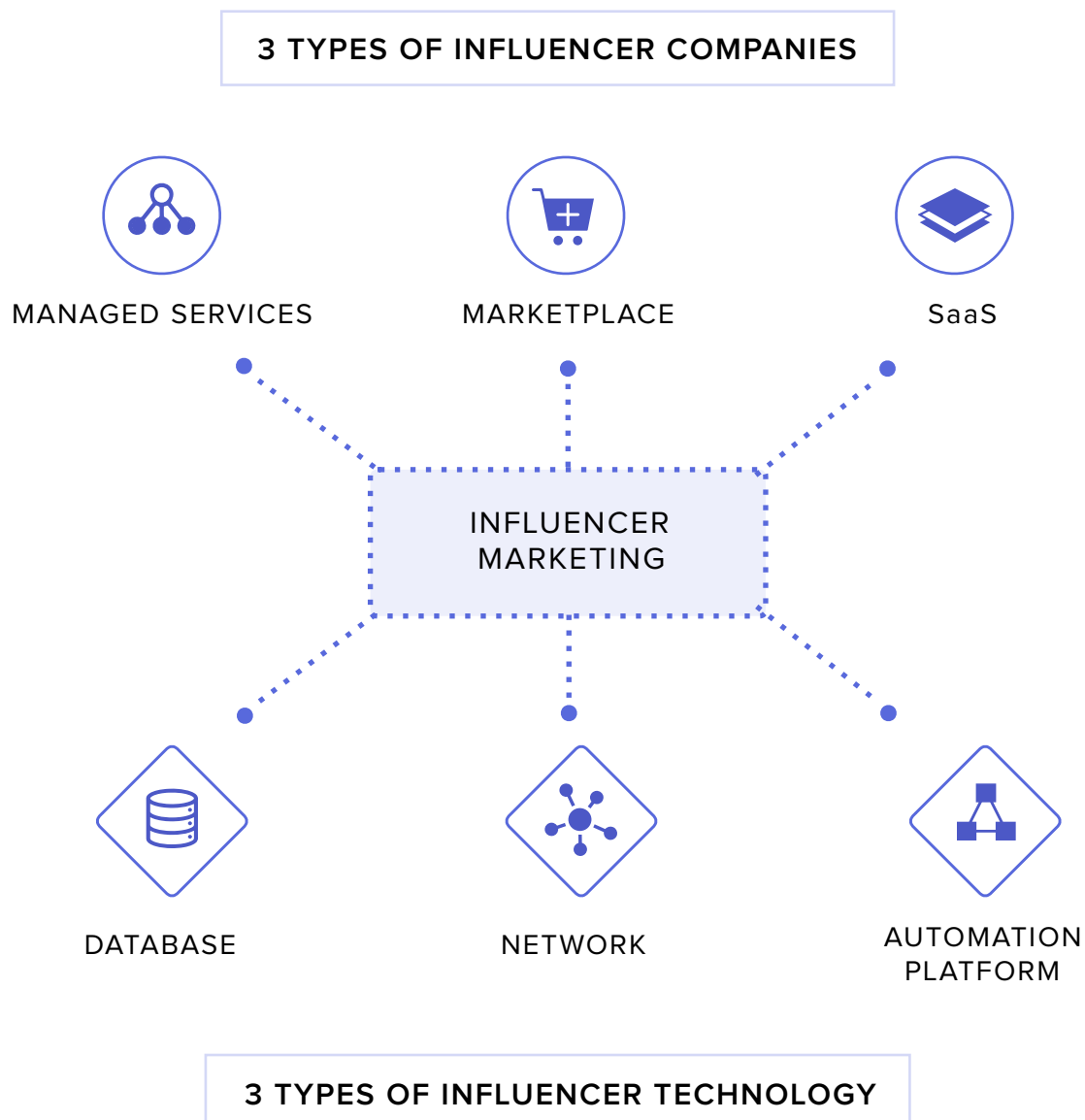
low trust, acceptance, and efficiency. On the other side, Advocates grant marketers the exact opposite with high trust, acceptance, and efficiency but with low reach and admiration. Social Celebrities and Mid-Tier Influencers fall right in the middle but their influence can scale depending on their content's strengths and weaknesses.

Finding the right balance of utilizing all influencer types and understanding how they contribute to your campaign goals is the key to deploying a successful campaign.

SIMPLIFYING A CONFUSING LANDSCAPE

Influencer Marketing is not a new industry, but with the advancements of social technology and content creation services the industry has become convoluted with new vendors and platforms.

The Influencer Marketing landscape can very easily be simplified into three separate types of companies utilizing three different types of technology.

3 TYPES OF INFLUENCER COMPANIES

MANAGED SERVICES

MARKETPLACE

SaaS

INFLUENCER MARKETING

DATABASE

NETWORK

AUTOMATION PLATFORM

3 TYPES OF INFLUENCER TECHNOLOGY

3 Types of Influencer Marketing Companies

The type of company you use for your Influencer Marketing will determine your ownership of influencer relationships and software efficiency. These companies can generally be categorized into three groups:

Managed Services

These companies run full-service campaigns for you. They serve as a middleman between you and influencers, although most do not have exclusivity with influencers. They have no proprietary technology and typically bill you a flat fee per campaign, from which they factor in their margins.

Marketplaces

These companies have a network of influencers that can be hired through their online portals. They have some proprietary technology typically built around a biding system, and will bill you a commission on each influencer payment.

SaaS

These companies provide software to manage your own influencer relationships and programs. You own the influencer relationships, and are charged a software licensing fee for helping scale your efforts.

Pros and Cons of each Company Type

Managed Services Tips

When working with a managed services company, it's advised to request performance guarantees (eCPM [cost per thousand impressions], CPV [cost per view], CPE [cost per engagement]) and approval rights on influencers and posts.

PROS

- Effective for one-off campaigns
- Less management required from you
- Good if you have no experience working with influencers

CONS

- Lack of transparent pricing
- Little to no technology
- Brands don't have direct relationship with the influencers
- Markups can be high

Marketplace Tips

Marketplaces facilitate transactions between you and influencers by quickly matching your campaign details to participating influencers. Marketplaces are useful if you are looking to quickly showcase your campaign needs to random influencers. They are designed to facilitate short-term influencer deals quickly and effectively. However, if you are aiming to design a long-term Influencer Marketing strategy, marketplaces fall short. Marketplaces do not enable you to establish your own long-term influencer relationships, collaborate across your organization or run more elaborate strategies than just a pay-per-post campaign.

PROS

- You can communicate directly with influencers
- Ability to use an escrow for payments
- Quick way to run a time-sensitive campaign

CONS

- You do not own the influencer relationships
- Marketplaces tend to serve a wider variety of lower quality brands and therefore don't typically house top-tier influencers

SaaS Tips

Influencer Marketing SaaS companies are designed to help buyers run their own influencer programs and manage their own influencer inventory. Some SaaS platforms provide one application, while others provide an end-to-end solution. Specifically, we can break up the different capabilities of SaaS platforms into the following categories:

Influencer Discovery
Finding, vetting and connecting with influencers.

Performance Tracking
Tracking campaign performance and measuring ROI.

Campaign Management
Creating campaigns, approving posts, signing contracts, and issuing payments.

Influencer Relationship Management
Tracking, nurturing, and sharing your influencer relationships.

| PROS	CONS
• Aside from a licensing fee, most of your spend goes to influencers	• You must train staff and set up a system to run programs in-house
• Managing 1st-party influencer relationships gives you more control over the individual engagement	• Strong implementation and nurturing relationships requires a lot of additional resources and support staff
• Building internal expertise and strong connections nurtures long term relationships and independence	

Other Company Types

A new increasing fourth company type is comprised of public relations, advertising, and marketing agencies. Growing in popularity, these agencies are third party brands with an influencer division who partner with other influencer companies, acting more as buyers, not vendors.

Talent agencies are another group who have exclusive contracts with influencers and take a cut from every influencer payment. The biggest differentiator between a talent agency and an Influencer Marketing company is that talent agencies represent their in-house talent first while Influencer Marketing companies place priority on the advertising brand.

Types of Influencer Technology

While choosing the right service partner is vital to scale your Influencer Marketing efforts, you must also make sure you or your Influencer Marketing partner is using the right technology. Influencer technology can generally be categorized in three groups:
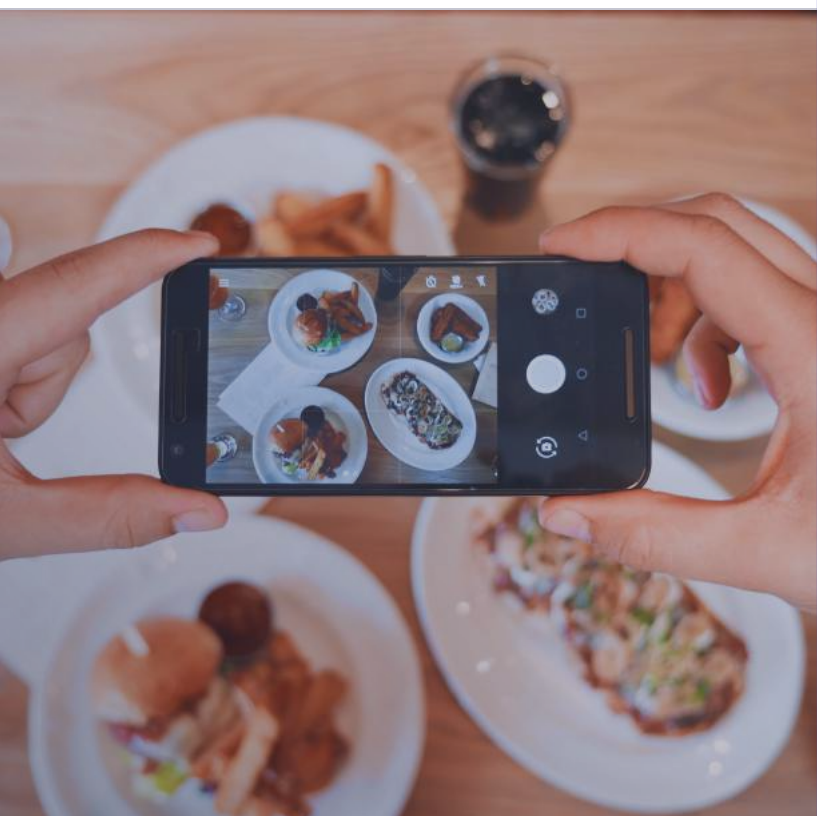
Influencer Database

An influencer database is an index of social media users who have been identified as "influencers" based on publicly-available online data such as website URLs, social reach, and contact information.

Influencer Network

A community of influencers who elected to become members of an influencer network, and typically have some degree of engagement or interaction amongst members.

Marketing Automation Platform

An Influencer Marketing Automation platform is a full-service software suite that has the capacity to execute end-to-end Influencer Marketing campaigns.

Don't Get Fooled 😈

One thing to be weary of is the rise of managed service partners disguised as technology platforms. These vendors are scrambling to catch up to the industry claiming to have proprietary technology but truthfully are limited to hashtag searches and basic profile scraping when servicing brand clients.

Pros and Cons of each type of Technology

Influencer Database

Influencer databases can be helpful in assisting with influencer identification. However, they typically also include people or entities that are not actual influencers. You're also responsible for manually contacting influencers and managing workflows.

PROS

- Inexpensive to access

CONS

- Includes people that are not available for opportunities (i.e. Barack Obama shows up under Influencers for Politics)
- Only grants you assistance with influencer identification
- Manually have to manage outreach and workflows

Influencer Network

Networks can be incredibly useful because influencers generally provide additional insights, and platforms typically include robust tool sets and resources that are relevant to members.

PROS

- Influencers must elect to become members
- Influencers typically offer additional voluntary information beneficial for brands
- Insights, tools, and resources are usually available to brands and members

CONS

- Network reach is limited to solely in-network members
- Automating Influencer Marketing can minimize relationships between influencers and brand partners

Marketing Automation Platform

An Influencer Marketing Automation platform is a full-service software suite that has the capacity to execute end-to-end Influencer Marketing campaigns.

PROS

Influencer Recruitment

Access to a network of influencers who have opted in, so they're ready to collaborate with brands.

Influencer Selection

A proprietary, algorithmic engine that allows marketers to identify influencers based on target audience, desired performance, and cost parameters.

Optimized Distribution

Ability to target consumers utilizing fan data through a distribution channel that delivers optimal traffic quality and ROI.

Predictive Campaign Modeling

Software that helps advertisers predict campaign performance, allowing users to play around with their influencer media mix to construct their planning for optimal campaign performance.

Workflow Automation

Software allowing users to build, execute, and report on influencer programs in hours, not weeks.

Analytics

Access to multi-channel tracking across all influencer social channels that allows marketers to instantly gauge accountability around program investment and impact.

CONS

- Automating Influencer Marketing can minimize human relationship between influencer and brand partners

- Content quality can suffer from sole in-platform communication

CHOOSING THE RIGHT PARTNER

This Can Get Tricky 🙈

Working with the *wrong managed service partner* will sacrifice your ability to

- self serve
- measure performance
- track inventory

Working with the *wrong technology partner* will sacrifice

- human-to-human influencer relationships
- experiential expertise and opportunities

Working with multiple partners to manage and self-serve your campaigns will cause

- no standardization
- less shared knowledge
- poor data analysis
- overall low efficiency

Choose Wisely 🤗

Speakr was originally built 5 years ago to service the market that exists today. So we have previously discovered, been affected by, and learned from the pain points the industry is currently suffering from. Since then, we have grown into an experienced managed services partner with a newly built Influencer Marketing automation suite to service your end-to-end Influencer Marketing needs.

16

With the only comprehensive solution that combines the industry ecosystem into one platform...

Speakr brings together a full suite of services and tools that allow you to activate and track all of your influencer efforts at scale.

MANAGED SERVICES	MARKETPLACE	SaaS

SPEAKR

DATABASE	NETWORK	AUTOMATION PLATFORM
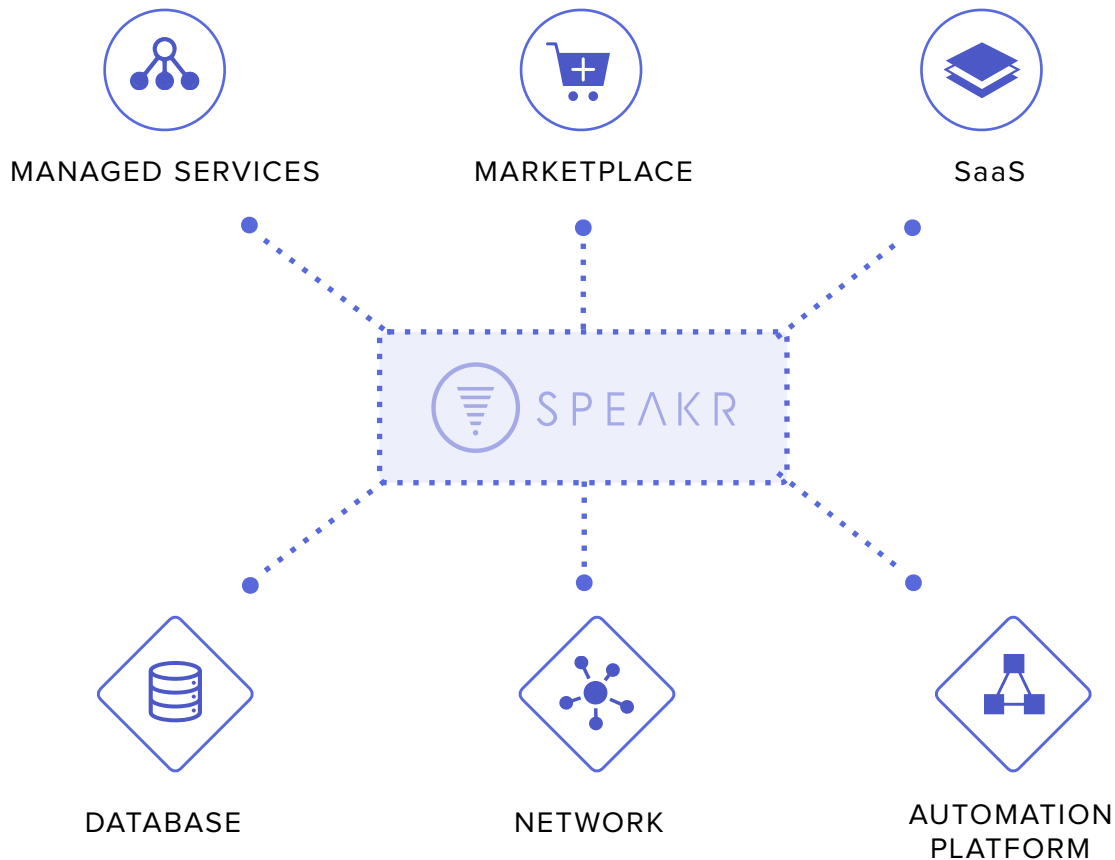
Based in Hollywood, Speakr is one of the leaders and founding companies within the Influencer Marketing space and has been marrying technology and social psychographic data, with highly creative content for the biggest brands, agencies, and publishers since 2010. Speakr has the only platform, housing over five years of actionable influencer and campaign data, allowing us to predict campaign performance at a near crystal ball level of accuracy. Granting advertisers the same control, scalability, and predictability of traditional media buying. With unmatched innovation and award-winning campaign creation, 90% of all Speakr campaigns over deliver to surpass client goals and KPI expectations. Making us the only tried and true end-to-end Influencer Marketing partner built for an ever evolving landscape.

For more information please email info@speakr.com