

The State of Influencer Marketing 2020

Influencer Marketing Grows Up

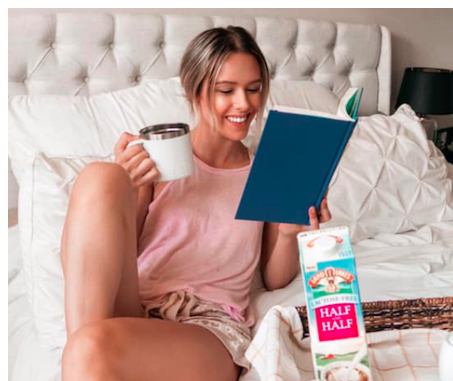


Influencer marketing is no longer the hot young thing making a splash on the party scene. It's a more mature, savvy grown-up strategy now, with the know-how and skills to help brands connect in meaningful ways with their target demographic. 40% of marketers ran 6 or more campaigns in 2019, and 57% said there were going to increase their budgets in 2020.

Last year, influencer marketing joined the big leagues, as both budgets and frequency of campaigns increased. Additionally, the breadth of influencers and tools for measurement enabled brands to initiate smarter activations with more visibility. More campaigns were run and with a wider variety of influencers.

In 2020, we'll see more growth, deeper impact, and greater reach thanks to a wide range of influencers across a wide range of platforms. There's still plenty of room to learn and grow, and this year will bring more accuracy in measurement and an increase in transparency.

Overall, 2020 will be more sophisticated, more thoughtful, more strategic, and more transparent. How so? Keep reading to find out.



More Budgets, More Campaigns

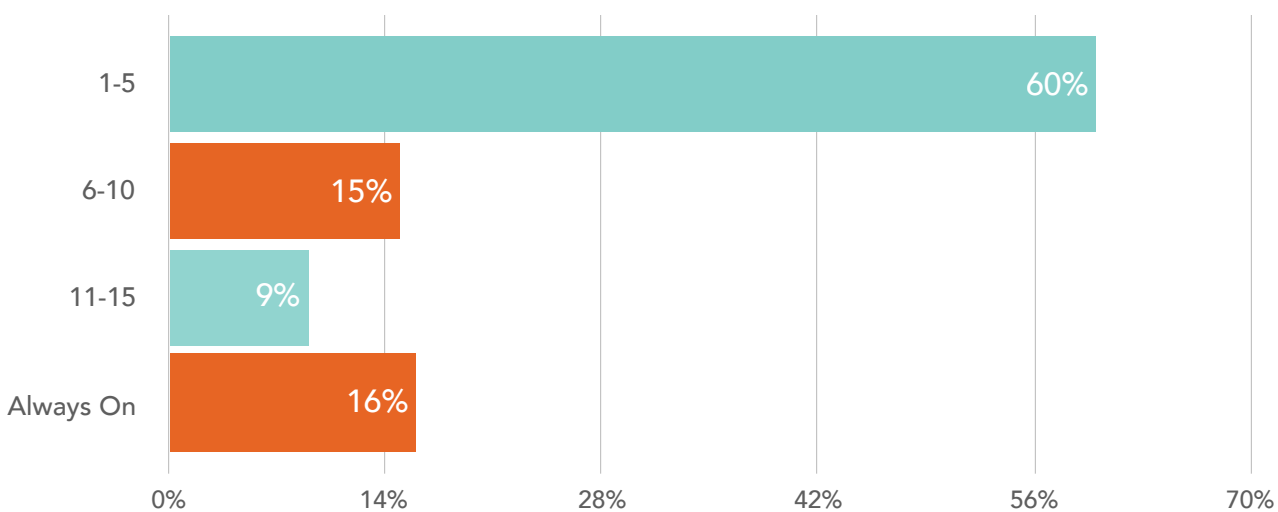
Marketers are running more influencer marketing campaigns, and a higher percentage are always on. Nearly 20% ran 6 or more influencer marketing campaigns in 2019, and almost 20% of the total campaigns were always-on. In 2018, marketers who ran 11-15 campaigns accounted for 3%; in 2019, that number jumped to 9%. Overall, marketers are doubling down on influencer marketing. Almost 90% of marketers surveyed ran multiple influencer marketing campaigns.

// *Nearly 60% of marketers plan to increase their budgets in 2020* //

When looking at budgets, 11% to 25% are planning to spend over 40% of their digital marketing budgets on influencer marketing. An ambitious 20% of marketers plan to allocate somewhere between a quarter to half of their budgets on influencer marketing campaigns.

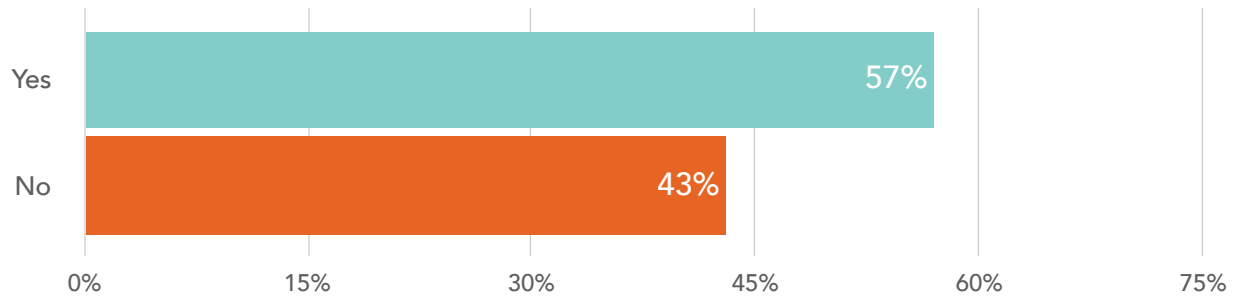
That's a vote of confidence in the success of influencer marketing.

How many influencer marketing campaigns did you run last year?

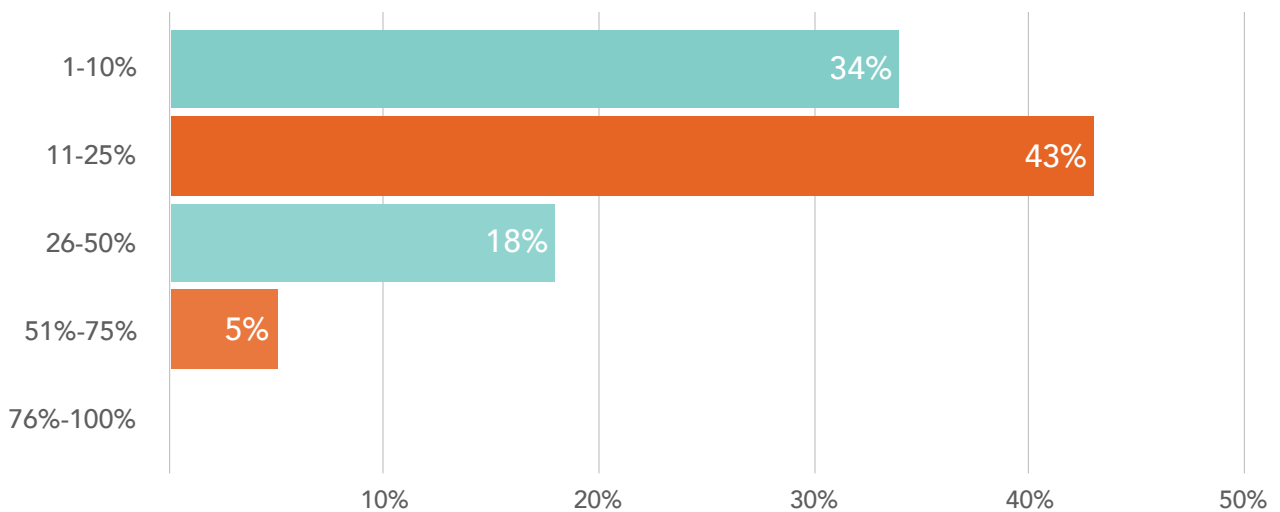


More Budgets, More Campaigns

Do you plan on increasing your influencer marketing budget in 2020?



What percentage of your digital marketing spend will go to influencer marketing in 2020?



Types of influencers: ¡Viva la Differenfluencers!

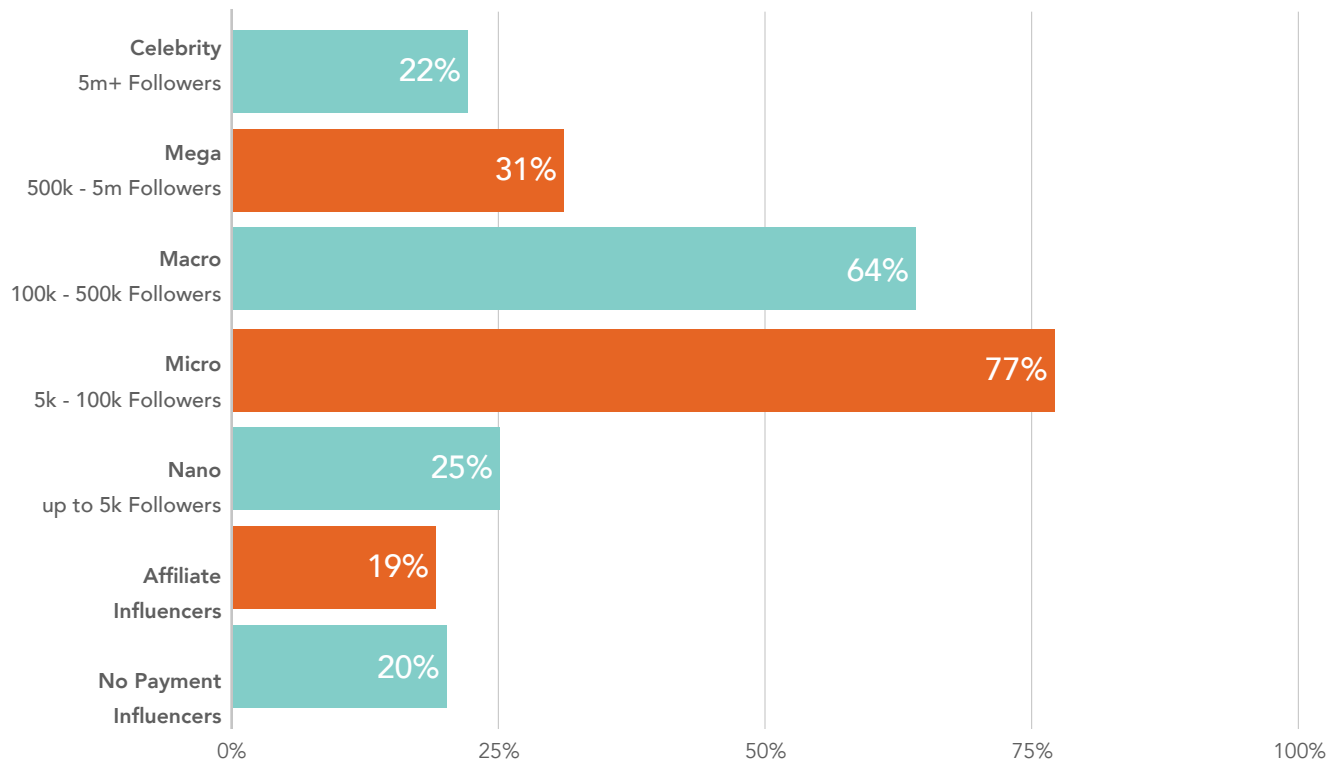
The variety and types of influencers continue to branch out and connect to new niches. In 2019, micro-influencers - those who have 5k-100k followers - jumped up in importance and stature, and that trend will continue in 2020.

77% of those surveyed want to work with micro-influencers. Additionally, 64% want to work with macro-influencers, those with 100k-500k followers.

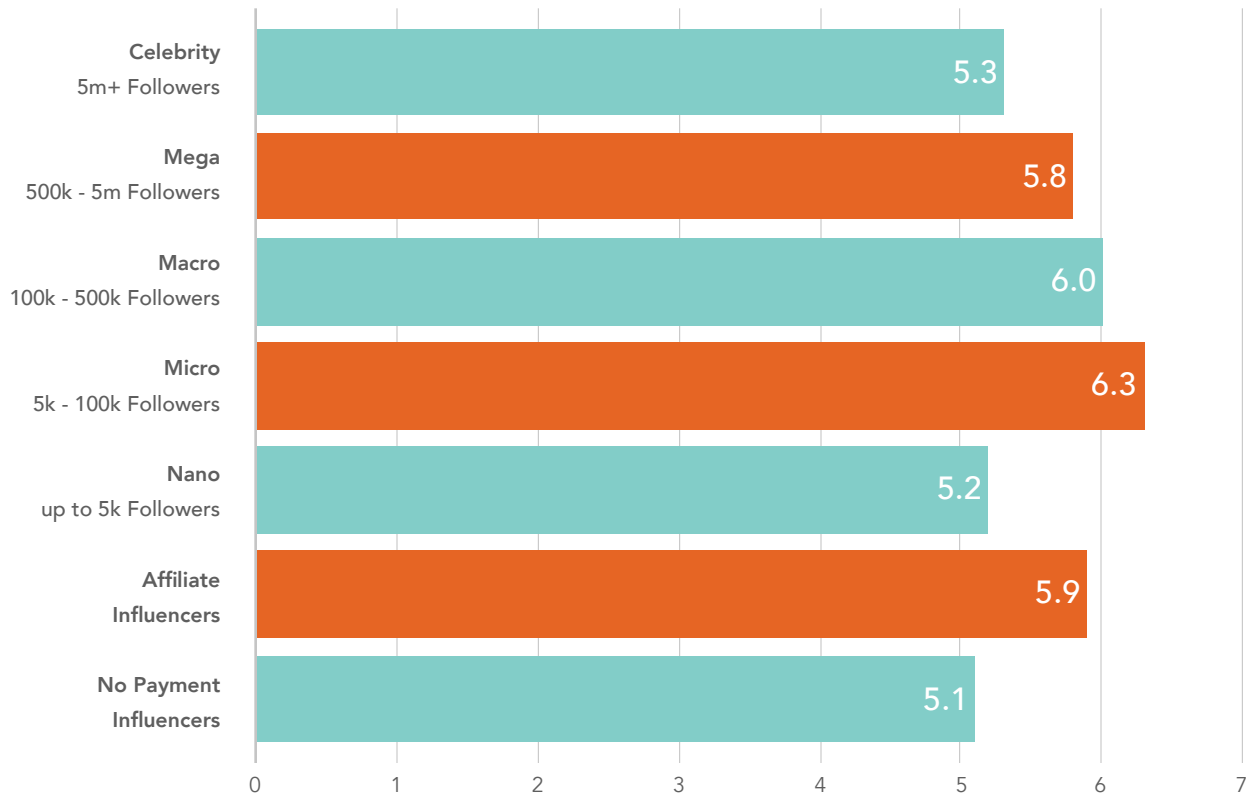
Mega and celebrity sit at around 30% and 22%, respectively. A “little surprise” might be that the intent to use nano influencers (less than 5k followers) was higher than the desire to use celebrity, with almost 26% looking to work with this smaller reach bunch. The graph on page 6 shows the weighted average score based on rankings.

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77% of marketers want to work with micro-influencers in 2020
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What influencer type do you want to work with in 2020?



Rank these types of influencers based on the amount of budget you plan to spend on each type



Platform Choice

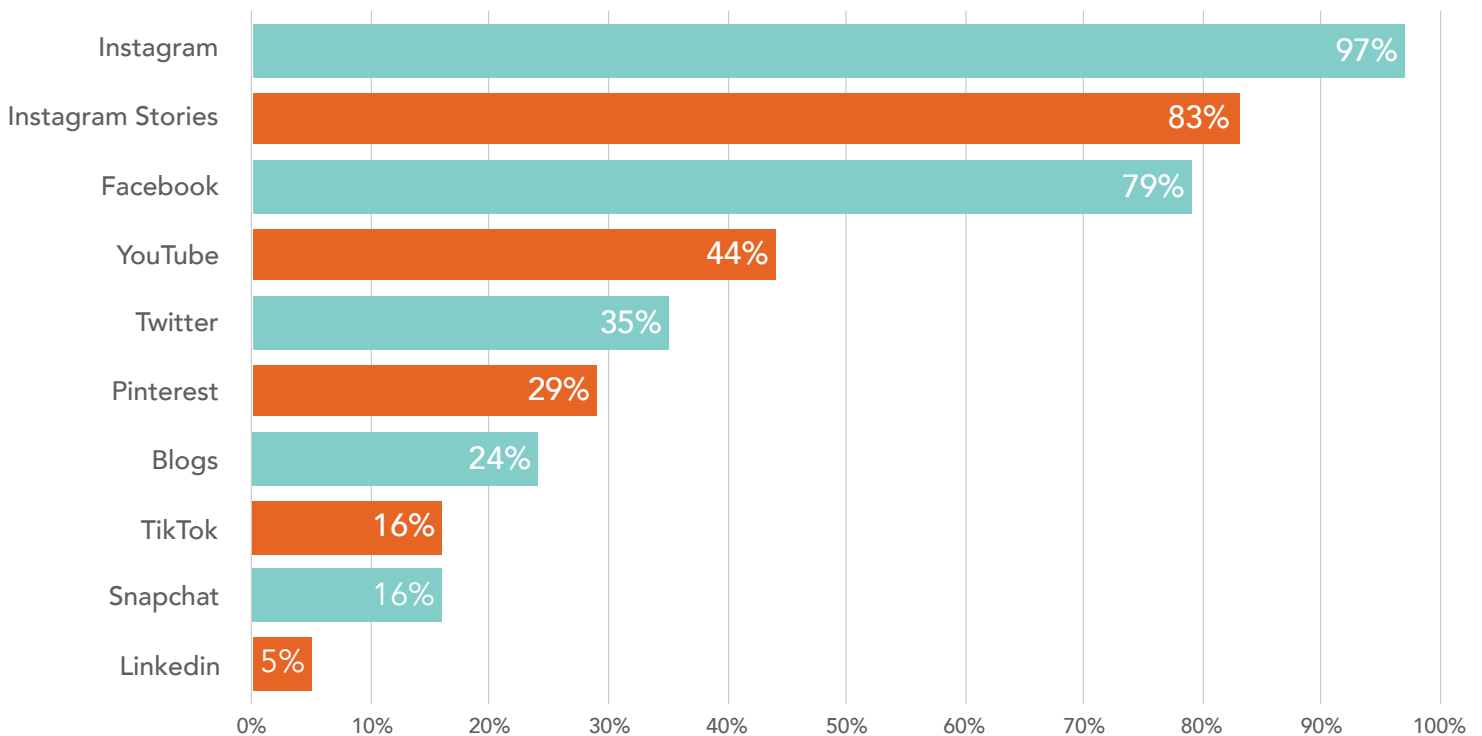
Platform continues to be a strategic element of influencer marketing campaigns. What plays well on Twitter may go unnoticed on TikTok.

Not surprisingly, Instagram continues to be the premiere platform for influencer marketing, with almost 100% of respondents planning to use it. This was closely followed by Instagram Stories, Facebook, YouTube, Twitter and Pinterest followed in that order, with TikTok and Snapchat tying for 16%. For all the buzz TikTok has gotten, it's interesting that marketers seem to still be selective around which campaigns they want to use the platform for.

The takeaway? Instagram is still king. It allows influencers and marketers to tell their stories easily and visually.

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97% of marketers and agency professionals plan to use Instagram
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Which social platforms are you planning to use for influencer marketing in 2020?

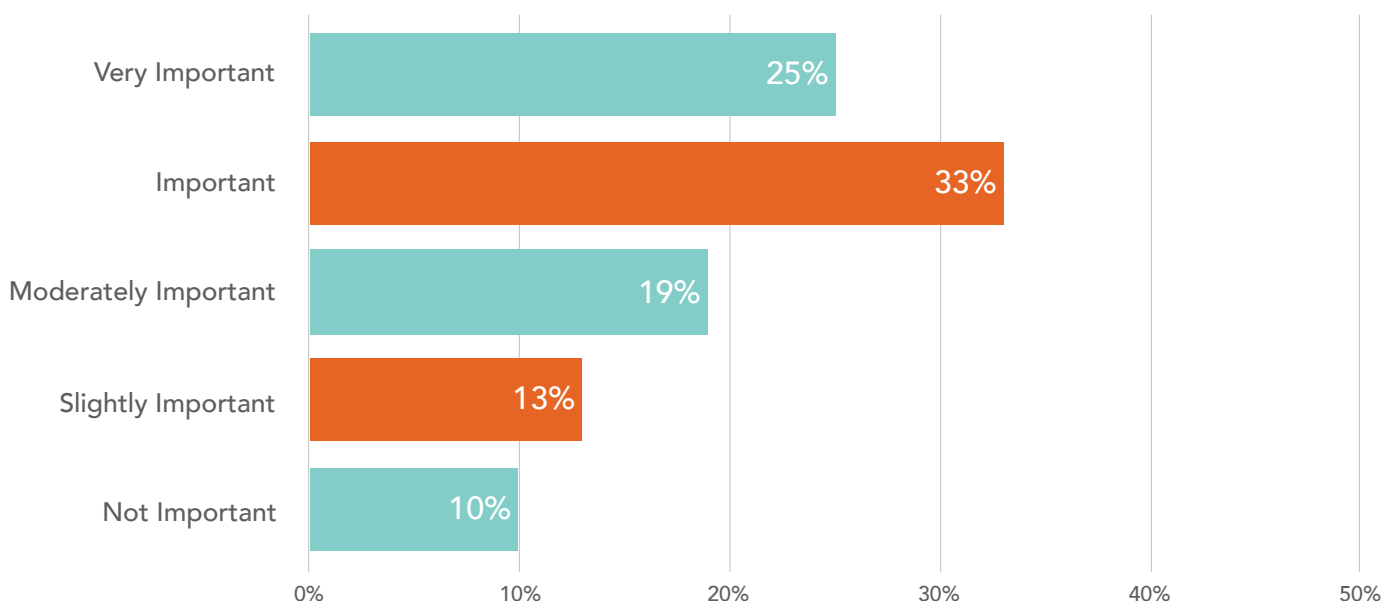


Rise of Vertical Video

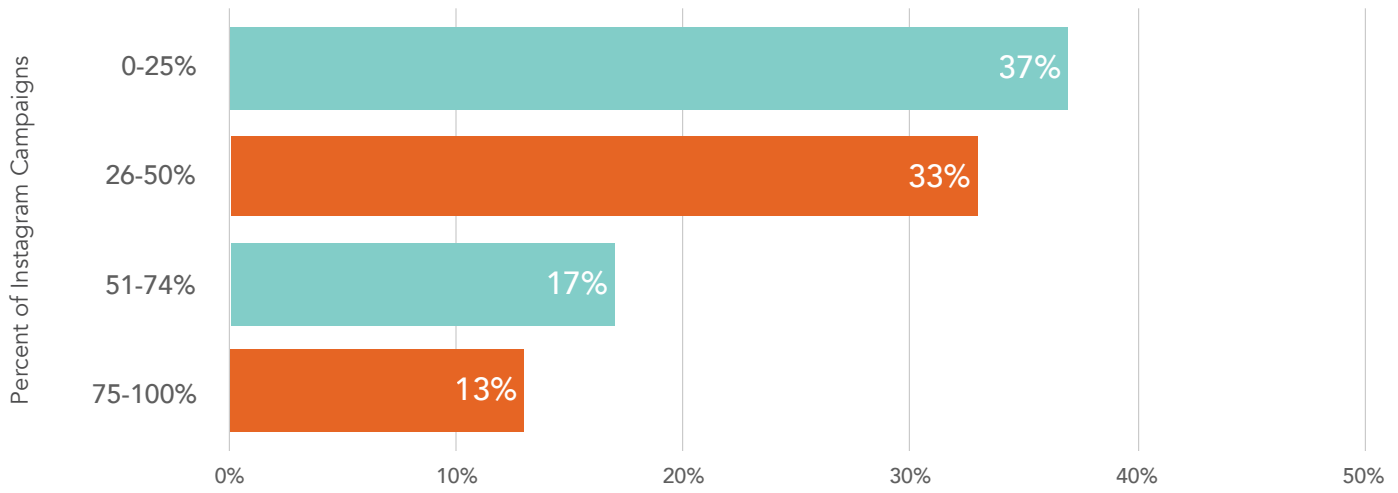
Marketers and agency professionals have high hopes for tall screens, with almost 60% of them thinking vertical video will be important to very important for them in the coming year. Instagram Stories is already in heavy use for brands, while brands are still experimenting and trying to figure out how to utilize TikTok and Snapchat.

Nearly 30% of marketers plan on using Instagram Stories as part of more than half of their Instagram campaigns. While Instagram Stories ranked second of all platforms, it's surprising this number isn't higher. It could be that marketers think using Stories could be more time consuming or don't know all the benefits this tactic has above and beyond traditional Instagram posts. Regardless, it's clear that vertical video will start to play a major part of influencer marketing in 2020, and will likely continue to grow.

How important will vertical video (i.e. Instagram Stories and TikTok) be in your influencer marketing efforts in 2020?



In 2020, what percent of your influencer Instagram campaigns do you plan to also use Instagram Stories?



Influencer Content: Finding a Repurpose

One of the best things about influencer content is that it can be repurposed across other channels, digital and otherwise. It's part of what makes influencer marketing so cost-effective.

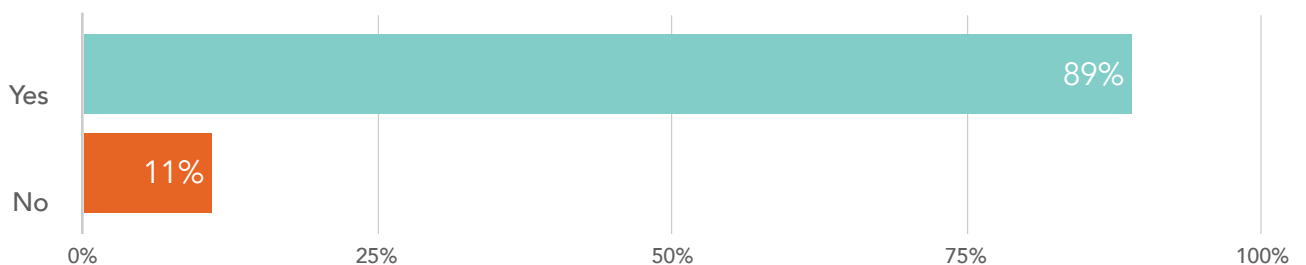
Almost 90% of those surveyed said that in 2020 they plan on re-using influencer content across social, website, emails, display ads and other areas. Of those, 90% said paid social would be the primary venue, and over 70% are also plan to use the content for their brand's own organic social channel.

Over 40% said their influencer content will also filter out across a brand's website, and 30% plan to use the content in emails. While only 20% selected programmatic, this is a growing area because influencer content can deliver strong results - in fact a Linqia study found that influencer content outperforms branded content by an average of 2.7x on paid channels - including programmatic.

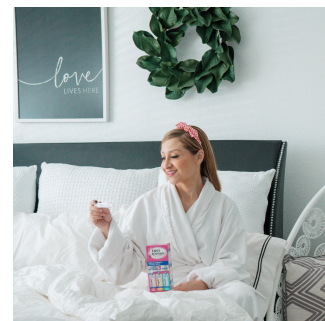
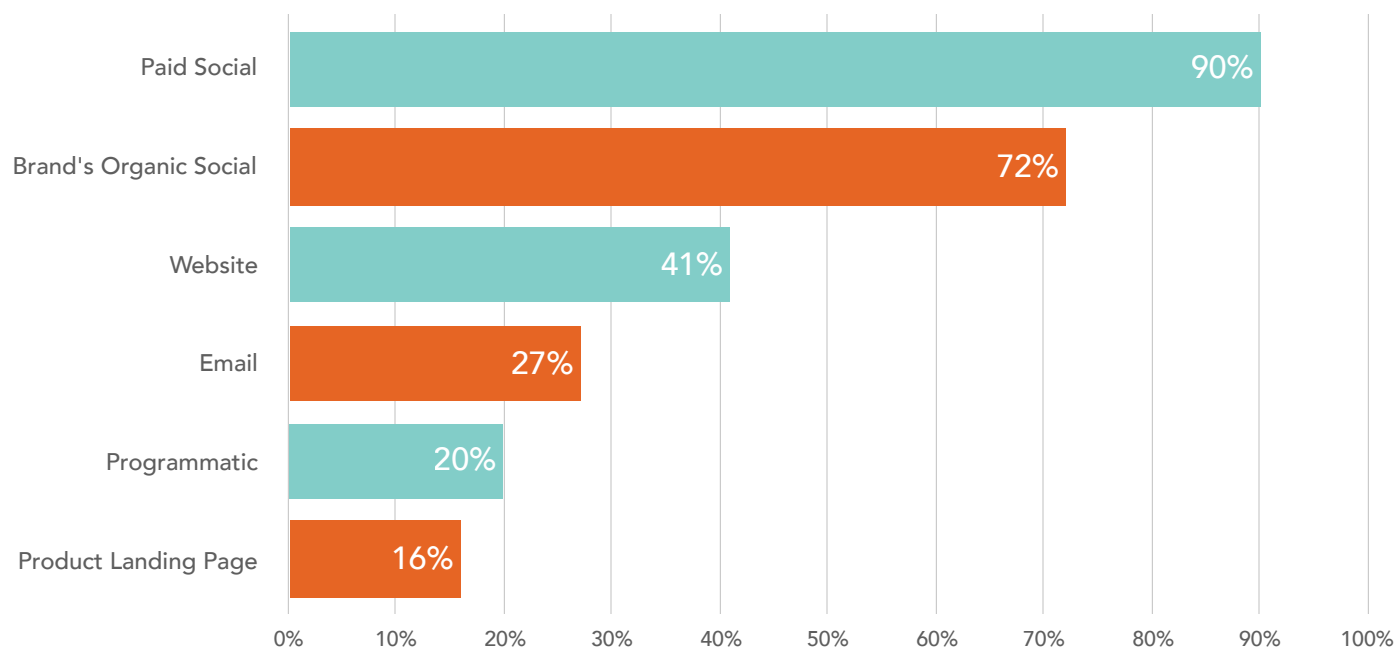
With an influencer marketing campaign, marketers gain access to a vast range of content that can be used throughout the year on other marketing channels to drive an authentic connection with target consumers.

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"Influencer content outperforms branded content by 2.7x"
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Do you plan to use influencer content in other marketing channels in 2020 (e.g. paid social, website, email newsletters, display ads, etc.?)



What channels do you want to use influencer content in 2020



Influencer Content Performance

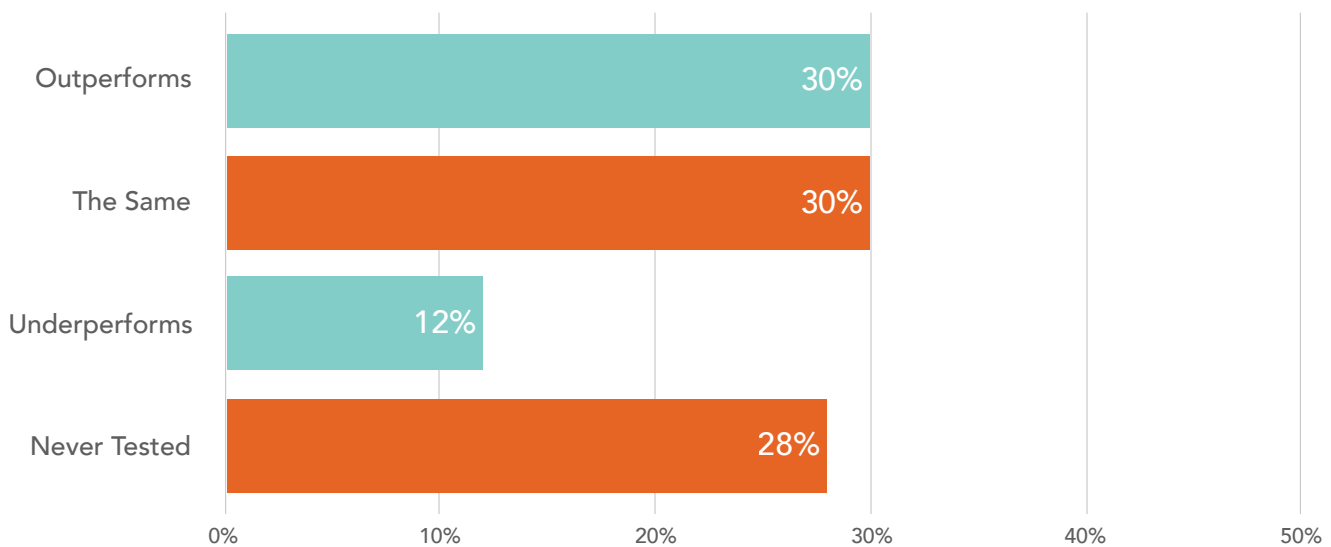
How does influencer content stack up against a brand's own created content?

According to the survey, 60% think influencer content performs as good as or better than their own branded content, with only 12% thinking influencer content underperforms. One data point that stood out is that 28% didn't test influencer content against their own branded content, which could mean that it will overperform for these marketers as well.

In 2020, it will benefit everyone to test influencer content against other branded content so you can be assured of putting your paid dollars where it is most effective. A partner with the right tracking and measuring tools can help with that.

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60% say
influencer
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content //

How does your influencer content perform in relation to your brand-created content when you use it in other channels?



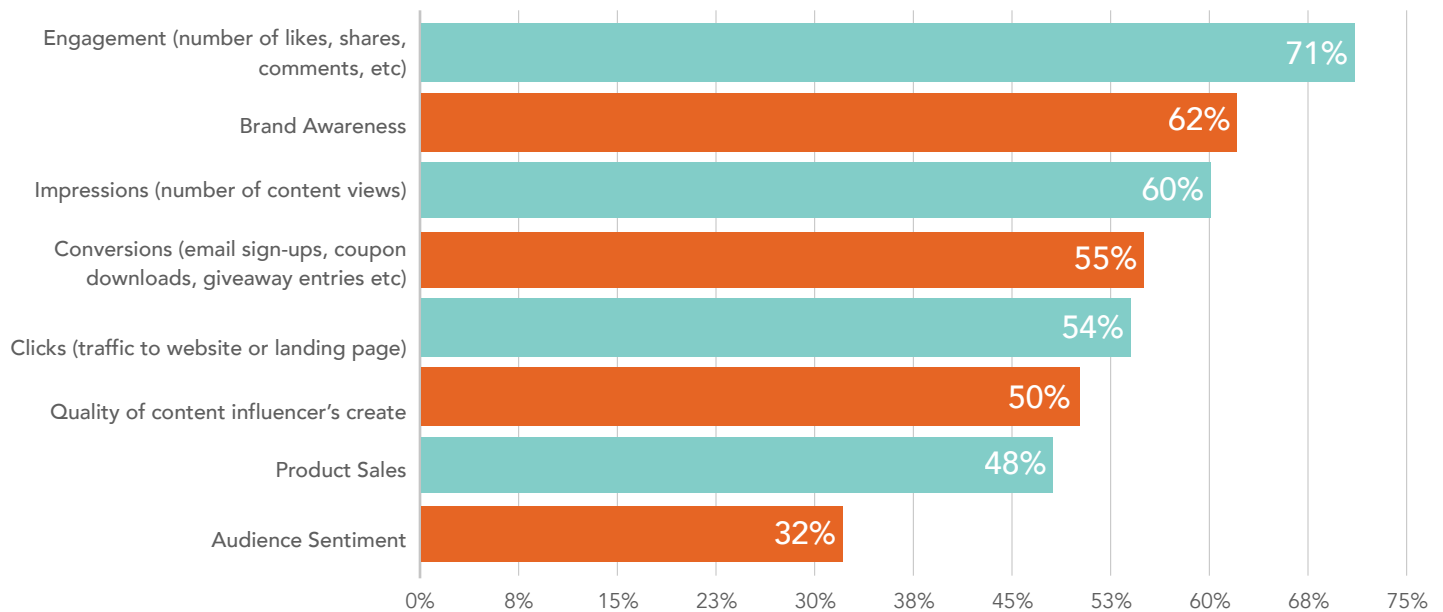
Measuring Success

How can you tell if your influencer marketing campaign is driving success?

Respondents were mixed in their assessments, but overall, engagements came in on top at 71%, a big decrease from last year when engagement was selected by 89% of marketers. Brand awareness and impressions were also very important at around 60% each. Clicks, conversions, and product sales all covered just under or over the 50% mark, which indicates there is still work to be done to crack the case on optimizing direct response influencer campaigns. In fact, sales are not the only big indicator of success, the quality of the content influencers create slightly outperform product sales by a narrow margin.

In 2020, these trends should stay steady, but we can assume that the benchmark for content quality as a measure for success will continue to rise.

How do you measure success of influencer marketing programs? Select all that apply.

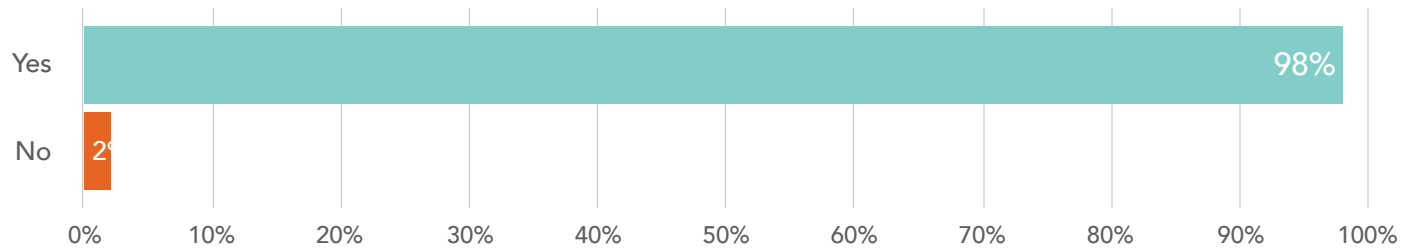


Transparency

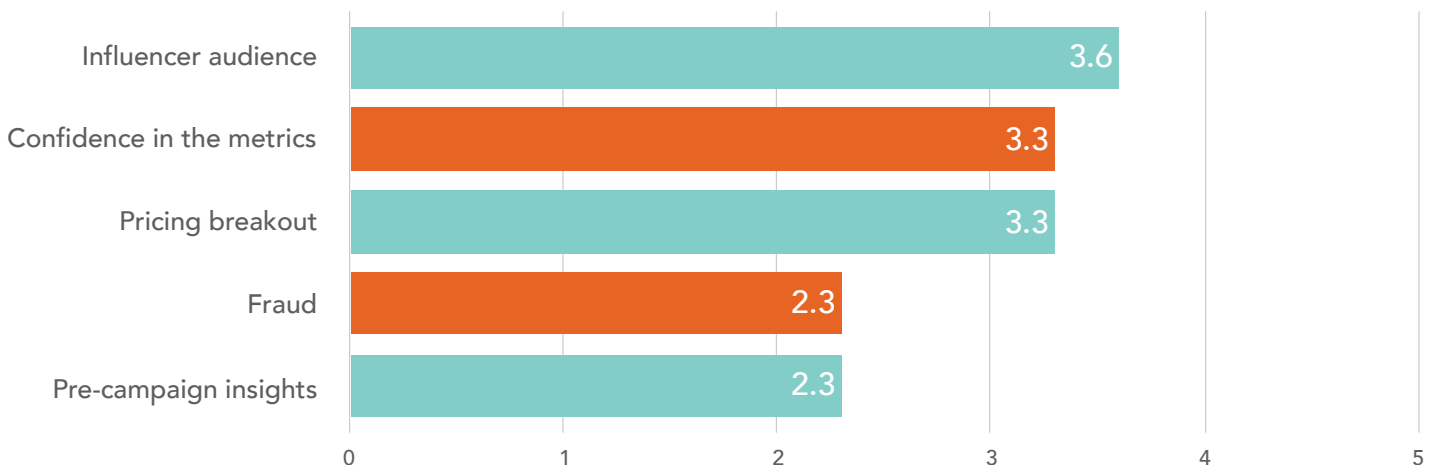
One thing is crystal clear: marketers want transparency. Nearly 100% said it was the top priority when evaluating influencer marketing.

Influencer audience accuracy was the top transparency concern, with brands justifiably wanting to be certain that the influencers actually have real followers to influence. Accurate pricing breakout and reporting of influencer metrics as well as influencer's audience demographics all ranked relatively equally important. Data shows that fraud is no longer an overwhelming concern, especially when compared to previous years reporting. This could mean that the industry has done a good job of working to combat fraud and providing visibility into fraud percentages by influencer.

Is transparency important to you with regards to influencer marketing?



What elements of transparency are most important to you? Stack rank your selections.

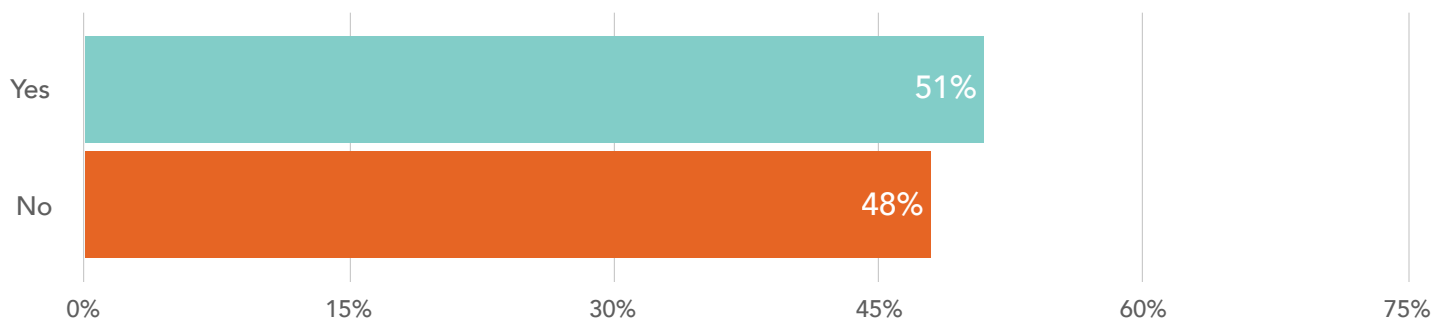


New FTC Guidelines

It goes without saying that abiding by legal guidelines is always important. But almost half of respondents hadn't learned about the new guidelines governing digital ads issued by the FTC.

The Federal Trade Commission crafted new rules for 2020 that detail how online influencers must disclose sponsorships to their followers. Fortunately, partners like Linqia can educate brands and help guide them through the sometimes daunting legalese.

Do you know what the most recent FTC disclosure guidelines are?

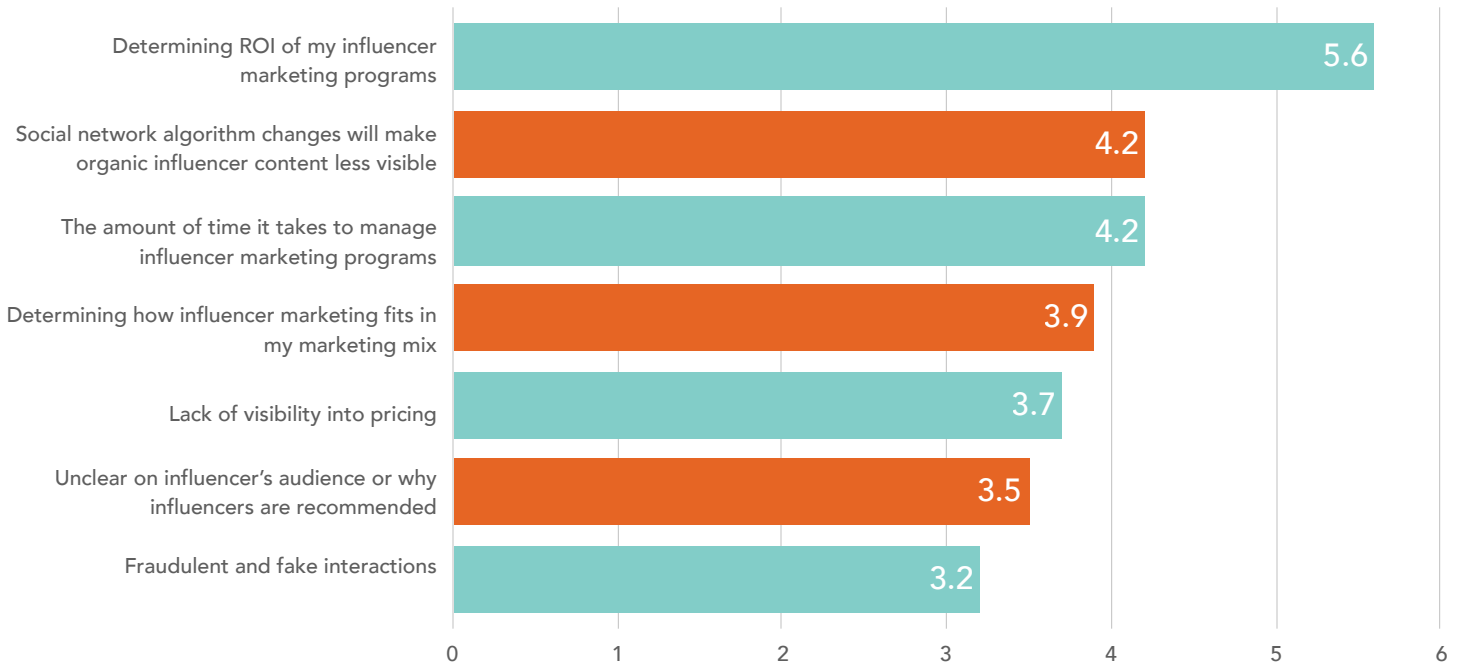


2020 Vision

Overall, marketers are concerned with getting more information about the nuts and bolts that go into delivering successful influencer marketing campaigns. Understandably, marketers want to determine the ROI of influencer campaigns to better justify their spend. While the industry still heavily relies on metrics like engagements, it's harder to draw a correlation between the online activity and the monetary impact of the campaign. This is why it's important to partner with an influencer marketing company that can also measure actual sales.

When it comes to priorities, marketers also want to get insights into potential changes to social network algorithms and how those will affect the visibility and reach of influencer content. Also, the amount of time it takes to manage the campaigns is a top concern, especially for marketers that might not have the right partner.

What do you see as your top concerns in using influencer marketing? Stack rank your selection.



Conclusion

Influencer marketing has now matured into an integral and unique way of connecting to the 21st century digital consumer in a meaningful and cost-effective way. To meet the needs of this new playing field, Linqia has cutting-edge, transparent tools, and a strategic lens when it comes to influencer marketing. We offer an Intelligence Suite that allows for deep reporting and accurate measurement beyond “likes” to measure what really matters to marketers - including brand awareness, store visits, and actual product sales. This way you don't waste time or money.

In 2020, marketers will be able to deliver more effective influencer marketing campaigns by planning how to create better campaigns and strategically re-using the content across relevant channels. As brands and campaigns get savvier, so will tracking, measuring, and reporting on every aspect. Influencer marketing vendors like Linqia will be there to help discover, devise, and deliver results so marketers and their agency partners can get the most out of their budgets and ensure influencer marketing campaigns really move the needle.

192 marketers and agency professionals participated in The State of Influencer Marketing 2020 Survey across a variety of industries including CPG, Food & Beverage, Media, Retail and their agencies. This survey was conducted in December 2019.

About Linqia

Linqia is a leading influencer marketing company leveraging AI to deliver high-quality influencer selection and executing high performing influencer campaigns that deliver business results. Backed by the most comprehensive third-party measurement suite in the industry, Linqia measures true business impact that goes beyond engagement to measure brand perception, store visits or product sales. Linqia also delivers qualified influencer creative for use in paid, earned and owned channels. Founded in 2012, Linqia works with over 500 leading national brands, including Kimberly-Clark, McDonald's, Nestle, Unilever, Anheuser-Busch and Walmart. Linqia is headquartered in San Francisco, CA, with offices in New York, Chicago, Los Angeles, and Bentonville. For more information, visit <https://linqia.com>.

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