Live Project-1 (NBA 111)
INFLUENCER MARKETING

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Session: 2022-2023

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This dissertation is submitted for the degree of

Bachelor of Business Administration in

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DECLARATION

I hereby declare that the project work entitled "**INFLUENCER MARKETING**" submitted to the "**Department of Management Studies**", is a record of original work done by me except of the experiments, which are duly acknowledged, under the guidance of my mentor "**Mrs. Priyanka Gupta**".

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Lastly, I would like to acknowledge the support received from (Department of Management Studies) for providing the necessary resources and encouragement that enabled this collaborative effort.

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INTRODUCTION

Influencer marketing campaigns are a kind of advertising that features and is usually created by influencers, also known as content creators. Great for driving brand awareness, these campaigns capitalize on an influencer's popularity and social media following, no matter how big or small.

Influencers with smaller followings, such as micro-influencers and nano-influencers, help marketers tap into niche audiences. On the flip side, marketers use influencers with large followings, such as mega-influencers and macro-influencers, to generate buzz.

While influencer partnerships have a lot in common with celebrity endorsements, they have some crucial differences. Often, influencers are trusted figures for specific audiences who, unlike most celebrities, are in closer contact with their followers.

They add a sense of trust and authenticity to marketing campaigns by interacting with commenters and, maybe most importantly, creating the content themselves. And though influencer digital marketing is relatively new, it's also hugely popular.

1.1. IMPORTANCE OF INFLUENCER MARKETING

The 2020 global lockdowns were a major stimulating factor for online commerce. TikTok has become mainstream; podcasts stick to our everyday life, and Instagram is now shopping-oriented. Wherever possible, customers stay away from advertising. We've been in a new stage of democratic media consumption where customers select what they listen to and who they trust.

This makes the digital marketplace become crowded. With the growth of the attention_economy, we witness a brand new form of exchange where brands find and acquire customer attention by creating interesting and appealing content.

Influencers are your content production. They generate native advertisements that tend to resonate well with customers, which can boost your advertising performance and increase overall conversion. Then analysts can then find out the best performing influencer content and generate paid ads to run to a specific target audience. As influencer content is considered more authentic, this usually brings in better engagement and conversion rates.

In response to this shift, advertising agencies in LA are collaborating with local influencers to produce native advertisements that resonate with their target audience. These influencers play a pivotal role in boosting advertising performance and enhancing overall conversion rates, offering a fresh approach to capturing customer attention in the age of the attention economy.

1.2. RESEARCH AIM AND QUESTIONS

The main aim of this bachelor's thesis is to explore the concept of influencer marketing. The researcher investigates in why companies should use influencer marketing as a marketing tool, and wants to know process of creating an influencer marketing campaign on Instagram. The researcher also investigates in how companies should go about to find the most suitable and profitable influencer to market their products. The study will mainly focus on using Instagram as a channel for influencer marketing, and the re-searcher will try to get a deeper understanding of the campaign process with the help of the Finnish social media influencer marketing agency Monochrome.

The researcher has decided to make the study about influencer marketing with interest in the power of using inspirational people for providing product context, expertise and trustworthiness to consumers.

The aim of this thesis is to give an answer to the following two questions:

Q1-Why should a company use influencer marketing as the marketing tool and why use Instagram for the purpose?

Q2- What does the process of creating an influencer marketing campaign on Instagram look like?

1.3. LIMITATION

The scope of this study is limited to influencer marketing on Instagram, because it is a rising channel for influencer marketing. The researcher is implementing a lot of international sources to her study, referring to influencer marketing in general. The reason for this is that there is limited theoretical material about influencer marketing on Instagram. The company of this study, Monochrome, is the only company in Finland that is working with influencer marketing on specifically Instagram, why the researcher choose to do the interview with them, and because of this, they are the only company being inter-viewed. Monochrome has carried out a number of social media influencer marketing campaigns, why they fit well to answer the research questions of this thesis. The company is working with influencers and companies in Finland, why the information gathered from the interview can mainly be generalized to the Finnish market, but can also to some extent be applied to international cases.

2. Literature Review

Literature Review in Influencer Marketing is a strategy used in marketing that uses the influential individuals to drive consumers' purchase intentions (Brown & Hayes 2008; Scott 2015). The inherent characteristics of these influencers' play a very important role in enticing brands and marketer to pursue them. Brand prefer these Social Media Influencers (SMIs) over renowned celebrity because compared to them the SMIs charge very less for partnerships and endorsement (Hall 2015). SMIs are people who have already established themselves on social media platforms, like Facebook, Instagram, TikTok and etc., meaning that the consumers following these social media celebrities are more likely to trust their opinion over renown celebrities (Hall 2016). A report recently stated that, 94% of the marketers found social media campaigns effective (Ahmed 2018), the same report also said that influencer marketing yielded 11 times more returns than traditional marketing. In the current media landscape, mass communication channels are not considered to be dominant sources for information instead the consumers have moved towards virtual communities like social media channels for interactive sources of information exchange (Hair, Clark and Shapiro 2010). SMIs use the same platforms to offer the unique proposition to both users and marketers

Social media marketing influencer is one of the digital marketing promotion strategies that is known to be very effective in approaching consumers. This research is a literature review study that aims to discuss more deeply about social media marketing by using celebrity influencers as their online

marketing communication in approaching potential consumers. Researchers take international articles from the data base of publishers Elsevier, Scopus and emerald that are in accordance with the study studied. From the articles that researchers have obtained, reviews are carried out to take important points about influencer social media marketing information. The result of this study is that promotional strategies that use celebrity influencer social media marketing are known to be more influential than other celebrities, because consumers feel more intense and feel close to the daily activities of celebrity influencers on social media. This research contributes as one of the literatures that discusses the study of digital marketing in social media and is expected to be a reference for readers and other researchers who want to examine the study of the same phenomenon regarding digital marketing promotion strategies using social media influencers.

3. Objective

The objective of influencer marketing is to leverage the credibility, reach, and influence of individuals (influencers) within a specific niche or industry to promote a product, service, or brand to their audience. It aims to drive brand awareness, engagement, and ultimately, conversions through the influencer's authentic connection with their followers.

- **Brand awareness:** The objective of influencer marketing is to leverage the credibility, reach, and influence of individuals (influencers) within a specific niche or industry to promote a product, service, or brand to their audience. It aims to drive brand **awareness,** engagement, and ultimately, conversions through the influencer's authentic connection with their followers.

- **Engagement:** Engagement in influencer marketing refers to the level of interaction and involvement that an audience has with the content shared by influencers on behalf of a brand. It encompasses likes, comments, shares, and other actions taken by the audience in response to the influencer's content. High engagement indicates active involvement and interest from the audience, which can amplify the reach and impact of the

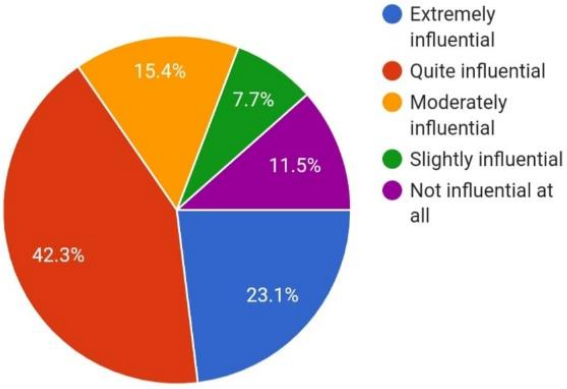
brand's message, leading to better visibility and stronger connections with potential customers.

	Nano 1K-10K	Micro 10K-100K	Medium 100K-1M	Mega 1M+
	4.4%	2.4%	1.8%	0.7%
	6.7%	6.2%	5.0%	4.0%
	0.42%	0.13%	0.03%	0.01%
	0.17%	0.04%	0.015%	0.008%

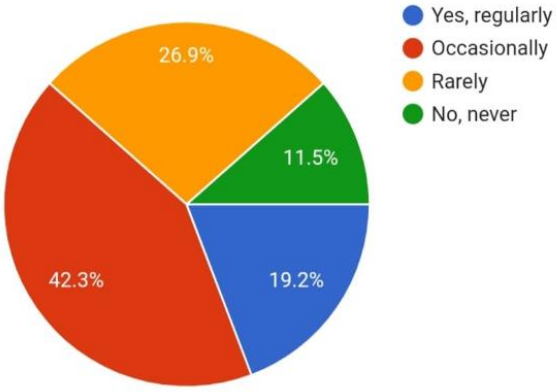
- **Conversions through the influencer's authentic connection with their followers:** Leveraging an influencer's authentic connection with their followers can significantly drive conversions by fostering trust and credibility in the endorsed products or services.

4. Data Collection and Interpretation

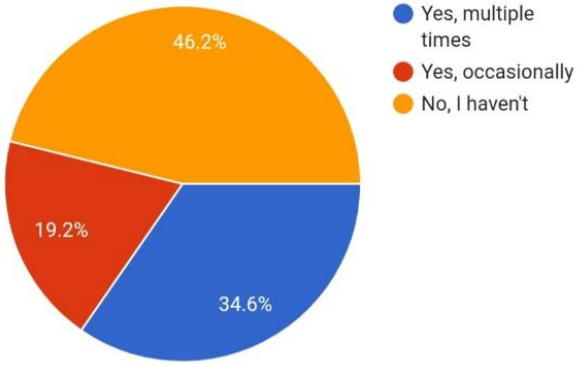
1.How influential are social media influencers in your purchasing decisions?



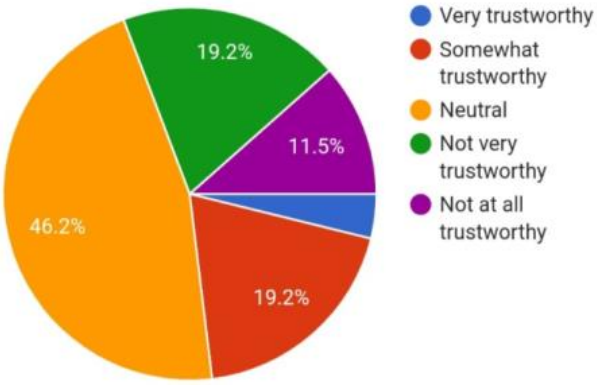
2.Do you follow any influencers on social media platforms ?



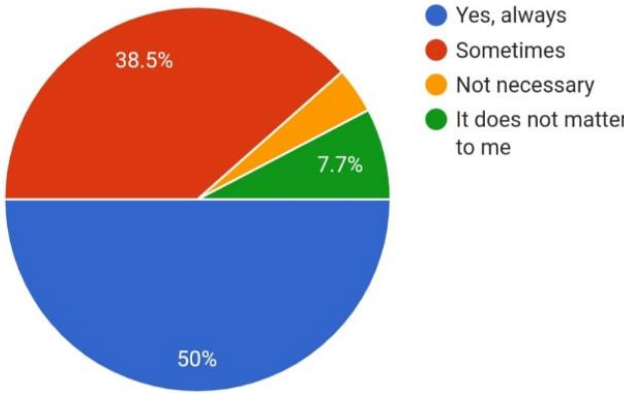
3. Have you ever purchased a product/service based on an influencer's recommendations ?



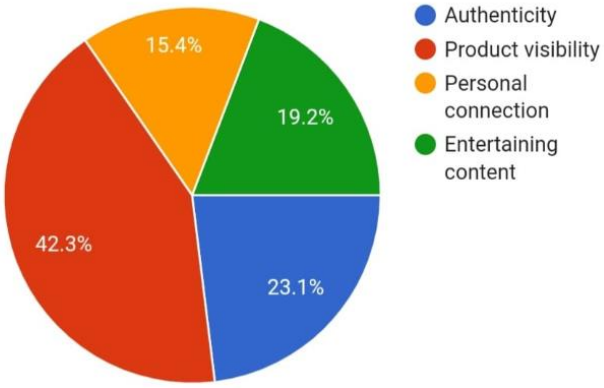
4. How trustworthy do you find influencer recommendations ?



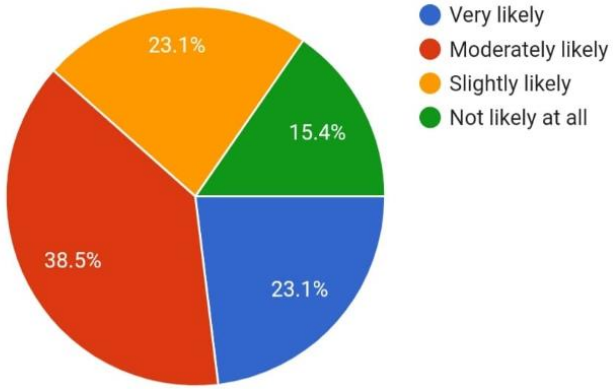
5. Would you prefer to see customer reviews alongside influencer promotions ?



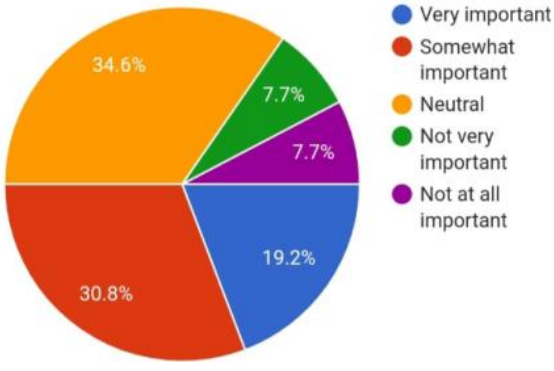
6. In your opinion, what's the most appealing aspect of influencer marketing ?



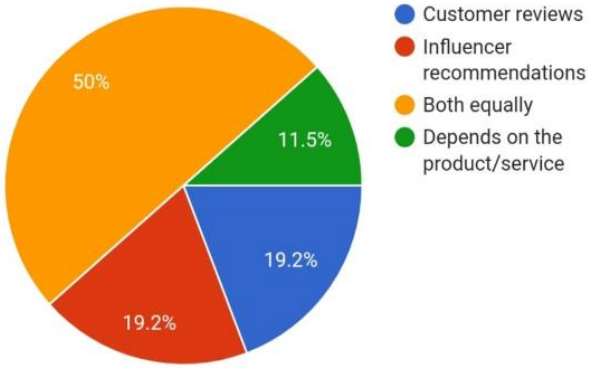
7. How likely are you to trust a product endorsed by multiple influencers ?



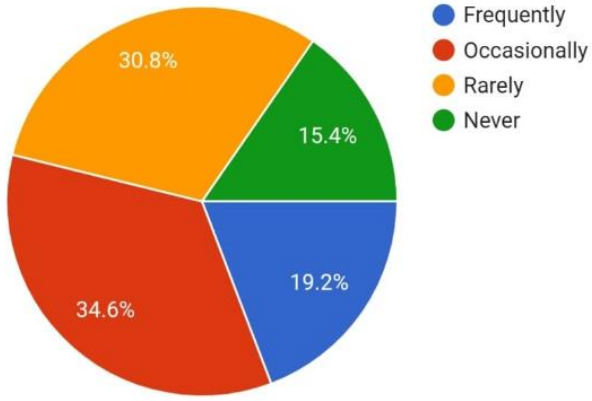
8. How important is transparency (disclosure of paid partnerships) in influencer marketing ?



9. Would you rely more on customer reviews or influencer recommendations when making a purchase decision ?



10. How often do you engage with or comment on influencer posts about products/services ?



5. Findings

Interpretation in influencer marketing involves analyzing collected data to understand campaign performance, audience behavior, and the impact of the influencer's content. This analysis guides decision-making for refining strategies and improving future collaborations.

6. Conclusion

Influencer marketing is a key component of growth marketing, and it can help brands achieve their acquisition and retention goals. By leveraging the power of influencer marketing, brands can reach new audiences, drive customer loyalty, and drive sustainable growth for their business.

7. Recommendation

Sure, for successful influencer marketing, consider finding influencers whose audience aligns with your brand, create engaging and authentic content, establish clear goals and metrics, and maintain strong communication with the influencers throughout the collaboration. Additionally, track and analyze the campaign's performance to refine future strategies.

8. Reference

Certainly! Here are a few reputable sources and references you can explore for insights into influencer marketing:

1. *Influencer Marketing Hub*: Provides comprehensive guides, case studies, and tools for influencer marketing strategies.

2. *Neil Patel's Blog*: Offers various articles on digital marketing, including influencer marketing tactics and trends.

3. *HubSpot*: Covers a wide range of marketing topics, including influencer marketing, with valuable insights and guides.

4. *Social Media Today*: Provides articles, tips, and trends related to social media marketing, including influencer collaborations.

5. *Marketing Dive*: Covers industry news, trends, and analysis in marketing, including influencer marketing campaigns and strategies.

These sources offer diverse perspectives, case studies, and practical tips to help navigate the landscape of influencer marketing successfully.

9, Appendix

Name *

Your answer

Email address

Your answer

Age *

- 18-24
- 25-34
- 35-44
- 45-54
- 55 and above

Gender *

- Male
- Female
- Prefer not to say

Occupation *

- Student
- Working Professional
- Homemaker
- Retired
- Other:

1.How influential are social media influencers in your purchasing decisions? *

- Extremely influential
- Quite influential
- Moderately influential
- Slightly influential
- Not influential at all

2.Do you follow any influencers on social media platforms ? *

- Yes, regularly
- Occasionally
- Rarely
- No, never

3. Have you ever purchased a product/service based on an influencer's recommendations ? *

- ◯ Yes, multiple times
- ◯ Yes, occasionally
- ◯ No, I haven't

4. How trustworthy do you find influencer recommendations ? *

- ◯ Very trustworthy
- ◯ Somewhat trustworthy
- ◯ Neutral
- ◯ Not very trustworthy
- ◯ Not at all trustworthy

5. Would you prefer to see customer reviews alongside influencer promotions ? *

- ◯ Yes, always
- ◯ Sometimes
- ◯ Not necessary
- ◯ It does not matter to me

6. In your opinion, what's the most appealing aspect of influencer marketing ? *

- ◯ Authenticity
- ◯ Product visibility
- ◯ Personal connection
- ◯ Entertaining content

7. How likely are you to trust a product endorsed by multiple influencers ? *

- ◯ Very likely
- ◯ Moderately likely
- ◯ Slightly likely
- ◯ Not likely at all

8. How important is transparency (disclosure of paid partnerships) in influencer marketing ? *

- ◯ Very important
- ◯ Somewhat important
- ◯ Neutral
- ◯ Not very important
- ◯ Not at all important

9. Would you rely more on customer reviews or influencer recommendations when making a purchase decision ? *

- ◯ Customer reviews
- ◯ Influencer recommendations
- ◯ Both equally
- ◯ Depends on the product/service

10. How often do you engage with or comment on influencer posts about products/services ? *

- ◯ Frequently
- ◯ Occasionally
- ◯ Rarely
- ◯ Never