Instagram Case Study

- Please note that I've **handled assumptions as per my knowledge**. Feel free to get back to me in case of any discussions or modifications.

Problem statement: To handle the request of helping advertisers find influencers to market their products/services and vice-versa.

Why should we create this solution?

- Instagram should build this solution mainly to be a **complete one-stop shop** for influencers and advertisers.
- This will improve **engagement** on the application.
- This solution will **stop any third party management tools** to squeeze out this **revenue** from Instagram. They can generate this revenue in two ways:
    1. They can have a **subscription based model** to earn a constant income every month.
    2. They can take a **small processing fee** for every match.

Who are the users?

1. **Influencers:**
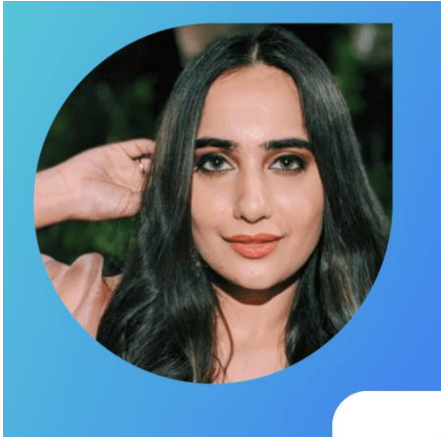
Kusha Kapila, Influencer.

Behaviours:

- **Creates** content/videos on YouTube, Instagram and other social media.
- No **time** to **handle advertisers**.
- Doesn't want to shell out extra amount to find/ receive ad requests**.**

Demographics of an influencer:

- Age group of 18-24.
- New to finding advertisers.
- New to dealing with brands.

Needs:

- Common platform to handle money related issues.
- Wants to handle multiple ad requests.
- Wants to deal with conflicts between the ad requests and a calendar to handle deal with it
- To handle revenue details earned from every ad.
- Have a common checklist with advertisers for every ad to make sure all steps are followed.
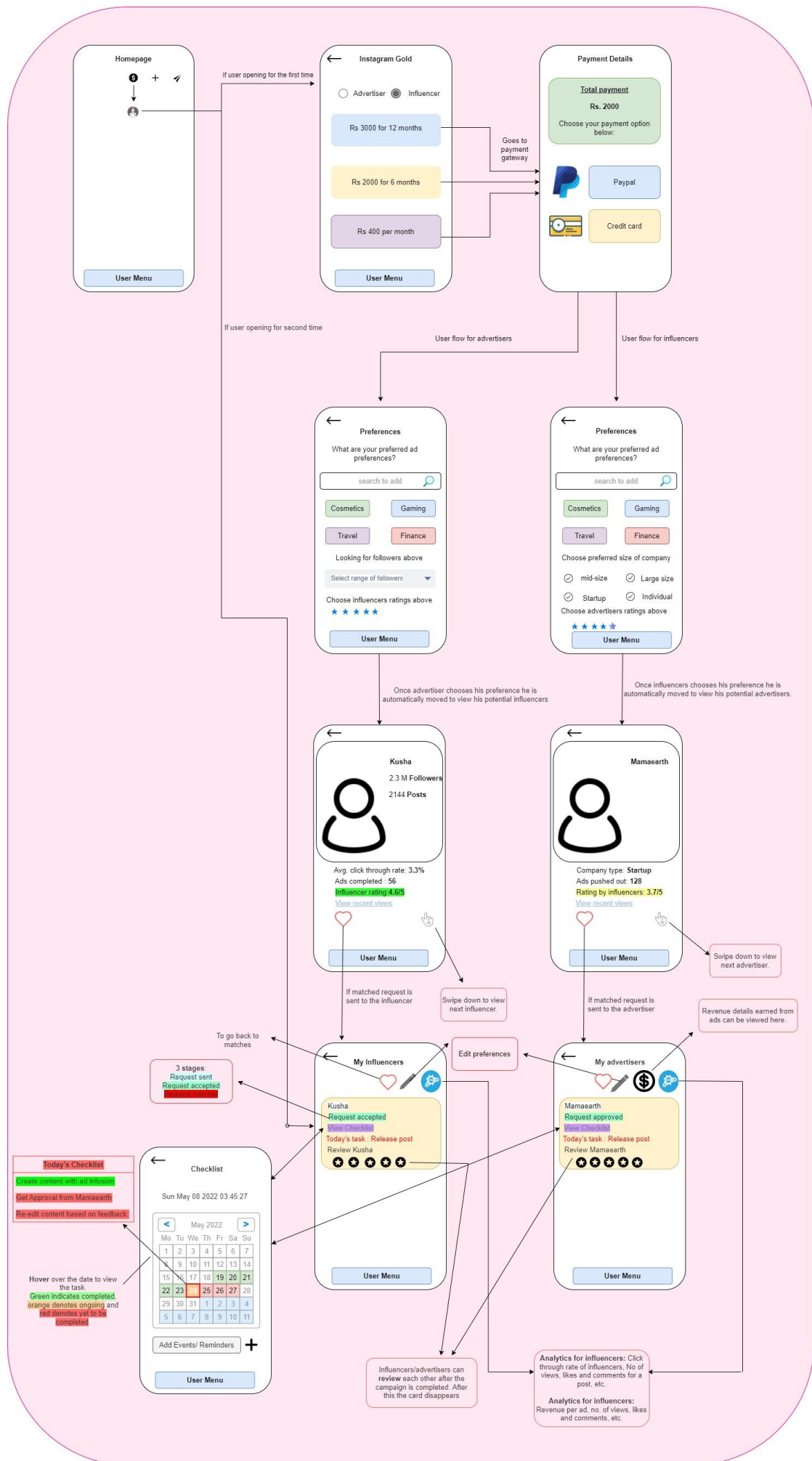
2. **Advertisers:**

	Behaviours:
mamaearth™	**Needs influencers** to promote their product/service. - No **time** to **find and follow up with influencers**. - Doesn't want to shell out extra amount to find/ receive influencers and their requests**.**
Demographics of an influencer: - Can be an individual, a group or a company. - Can be new to finding influencers for promotion.	**Needs:** - To find influencers for advertising. - To calculate the ROI and other important metrics achieved through the ad posted. - To get all the influencers post with a single button through an API. - To maintain common checklists of things to be done by the influencers to be on the same page.

Solution:

- Now that we understand our problem and users and why it's beneficial to solve this issue. Let's work on the solution :)

- My solution would be to **build a matchmaking process between the advertiser and the influencer based on their preferences.**

- I suggest we build a **subscription based model** to match influencers and advertisers. We can use a **three tier system**:

  1. Rs. 3000 for a year's subscription.
  2. Rs. 2000 for 6 months of subscription.
  3. Rs. 400 for 1 month of subscription.

- I've chosen the middle tier as the **decoy effect**. This will attract users towards a year's subscription instead of 6 months of subscription and will lead to longer subscriber of our service.

- Initially, we can offer a **month of free subscription** to influencers and advertisers to **acquire** customers.

- Do note that the pricing I've mentioned is in accordance with other matchmaking applications (of Indian market). This **price could however be A/B tested** with different prices for an optimal price.

- Once the user completes the payment, we will have **different userflows** based on if the user is an influencer or an advertiser.

- The advertiser/ influencer can **choose their preference** on what type of content, company and the range of influencer they want to work with. In my userflow I've shown very few filters but this can easily be extended for a lot more filters :)

- Based on the preferences, they can **get results of influencers/advertisers of their choice**. I chose this path as I felt sometimes influencers can be bothered with brands they don't want to deal with vice versa. This can help them greatly filter their choice.

- Once they match, a **common checklist** is provided to handle their process smoothly based on their timeline on a daily basis.

- They can handle **multiple influencers/advertisers** in a single tab with **required analytics.**

- After each advertisement requests influencers and advertisers rate each other out of 5, to know about the ease of working with them. This can be a useful data for new prospects as they can rely on this rating for confirmation.

- Please find the workflow below. Do note **that I've combined wireframes with userflow for better understanding**. I've also attached the better quality JPEG file of the same in the email in case the image seems blurry here.

Homepage

$ + ✈

👤

If user opening for the first time

Instagram Gold

○ Advertiser ● Influencer

Rs 3000 for 12 months

Rs 2000 for 6 months

Rs 400 per month

User Menu

Goes to payment gateway

Payment Details

Total payment

Rs. 2000

Choose your payment option below:

Paypal

Credit card

If user opening for second time

User flow for advertisers

User flow for influencers

Preferences

What are your preferred ad preferences?

search to add 🔍

Cosmetics | Gaming
Travel | Finance

Looking for followers above

Select range of followers ▼

Choose influencers ratings above

★ ★ ★ ★ ★

User Menu

Preferences

What are your preferred ad preferences?

search to add 🔍

Cosmetics | Gaming
Travel | Finance

Choose preferred size of company

✓ mid-size   ✓ Large size
✓ Startup   ✓ Individual

Choose advertisers ratings above

★ ★ ★ ★ ★

User Menu

Once advertiser chooses his preference he is automatically moved to view his potential influencers

Once influencers chooses his preference he is automatically moved to view his potential advertisers.

Kusha

2.3 M Followers
2144 Posts

👤

Avg. click through rate: 3.3%
Ads completed : 56
Influencer rating 4.6/5
View recent views

♡   ☞

User Menu

Mamaearth

👤

Company type: **Startup**
Ads pushed out: **128**
Rating by influencers: **3.7/5**
View recent views

♡   ☞

User Menu

Swipe down to view next advertiser.

If matched request is sent to the influencer

Swipe down to view next influencer.

If matched request is sent to the advertiser

Revenue details earned from ads can be viewed here.

To go back to matches

3 stages:
Request sent
Request accepted
Request rejected

Edit preferences

My Influencers

♡ ✎ 🔧

Kusha
Request accepted
View Checklist
Today's task : Release post
Review Kusha
✪ ✪ ✪ ✪ ✪

User Menu

My advertisers

♡ ✎ $ 🔧

Mamaearth
Request approved
View Checklist
Today's task : Release post
Review Mamaearth
✪ ✪ ✪ ✪ ✪

User Menu

Today's Checklist

Create content with ad infusion
Get Approval from Mamaearth
Re-edit content based on feedback.

Checklist

Sun May 08 2022 03:45:27

‹ May 2022 ›

Mo	Tu	We	Th	Fr	Sa	Su
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31	1	2	3	4
5	6	7	8	9	10	11

Hover over the date to view the task.
Green indicates completed, orange denotes ongoing and red denotes yet to be completed

Add Events/ Reminders ➕

User Menu

*Influencers/advertisers can **review** each other after the campaign is completed. After this the card disappears*

Analytics for influencers: Click through rate of influencers, No of views, likes and comments for a post, etc.

Analytics for influencers: Revenue per ad, no. of views, likes and comments, etc.

Prioritization

- I would focus on making sure the payment gateway flow works well, as users should not have any hassle while dealing with money.
- I would then focus on building the core matchmaking algorithm.
- We could then prioritize on post matchmaking userflows – handling request, checklists, etc.
- We could then build on basic analytics – click through rate, cost-per-mille (CPM) and expected profit per click.

Alternative solution

- Another option could to **search for specific influencers/advertisers** to work through the Instagram search page. We can add an option to send advertising request and handle a small processing fee on success. The same could be done for the influencer side as well.
- I didn't prefer this solution due to the following reasons below:
  1. Users will have to manually on their own research their prospects based on their preference. This will add an extra layer of effort for the users and may be reluctant to use it.
  2. Handling such enormous amount of processing fees scattered over might be a daunting task.
  3. Users will have to shell out money for every match which can make them conscious over their choice and might not lead to a conversion.
  4. Subscription based and matchmaking process eliminates all these issues and makes it fun and seamless for the users to use it well. After all, it's Instagram :)