



Influence Marketing: Life stages of identification, engagement to influence

Vijay Krishna J and Avanti Shukla

Image courtesy: Chief Marketer

Browne & Mohan

Board & CEO Advisors, Management consultants

Introduction

The Digital age is here. Social media is not only dictating what information we consume, it is also influencing how and when we consume. With about 2.5 billion social media users worldwide, social media is an ideal platform for companies to position and influence purchase of their products. With an average person spending at least 10 hours on social media a week, companies are keen to understand and engage with the online decision influencers daily.

Studies show majority of online users trust recommendations of few individuals whom they relate to and trust. Unlike physical medium where sportsperson or Movie stars emerge as influencers for people to admire and imitate, online influencers need not be celebrities. Teen and youth brands realize most significant influencers for their end consumers are fellow consumers whom the others can associate with and who can clearly articulate the expectations, experiences and opinions that correspond to the user community's interest, taste and practice. Hence, influencer management is emerging as a key component of overall social media branding. Smarter businesses have realized that working with the established influencer can be a costly affair. What they are doing instead is identifying a potential influencer early and bonding over time with them and converting them from stranger to insider. Spreading all the investment on few incumbent influencers may prove to be disastrous since tastes and styles emerge and die quickly online. With a short half-life identifying, aligning and sustaining influencers is required to benefit from influencer marketing.

Life-cycle of Influencer and Brand engagement

Interaction between a company and an influencer goes over multiple stages. Similar to human interaction in formal settings where two people meet as strangers and emerge as friends, the life cycle of influencer marketing witnesses four distinct stages, as shown in Figure 1.

In the first stage, companies seek out possible influencers from the mass of online users, identifying them for their online activity, their possible alignment with their products and their ability to incite or excite followers. Companies check their online presence and the richness of their content. Look into their online activities such as likes, pokes, flares and comments. These serve as a useful indicator of the likely influencer. Tools such as Buzzsumo, Social sprout and LinkedIn can be used to identify emergent influencers based on re-tweets, action ability, comments, likes and flares an individual can gather and create. Second, evaluate whether the person matches identity of your brand. Check the person's background, their online persona, their grunts and groans, and huzzah and hoorays. Next check their ability to hold across different products groups or communities. Do they represent universal schema that cuts across geography, race, religion, interest and consumption or limited to a specific group. Both types of influencers have their utility, some for driving generic interest and others for influencing in a particular context.

Figure1. Evolution of Influencer-Brand engagement



Once a potential influencer is identified, next stage is to engage and deepen the relationships so as to turn the acquaintance to an ally. The process of turning a potential influencer to a valuable community spokesman or an elder does not happen by accident. Companies need to invest time and efforts to engage, define the relationships, influence agenda and measure outcomes as the influencer embeds over time with its products and positioning. Smarter companies don several roles in this process: right from a rank outsider move over to a confidante who could bounce off ideas and a collaborator. Companies wilfully employ several tactics of “psychology of contract” in working with an emergent influencer.

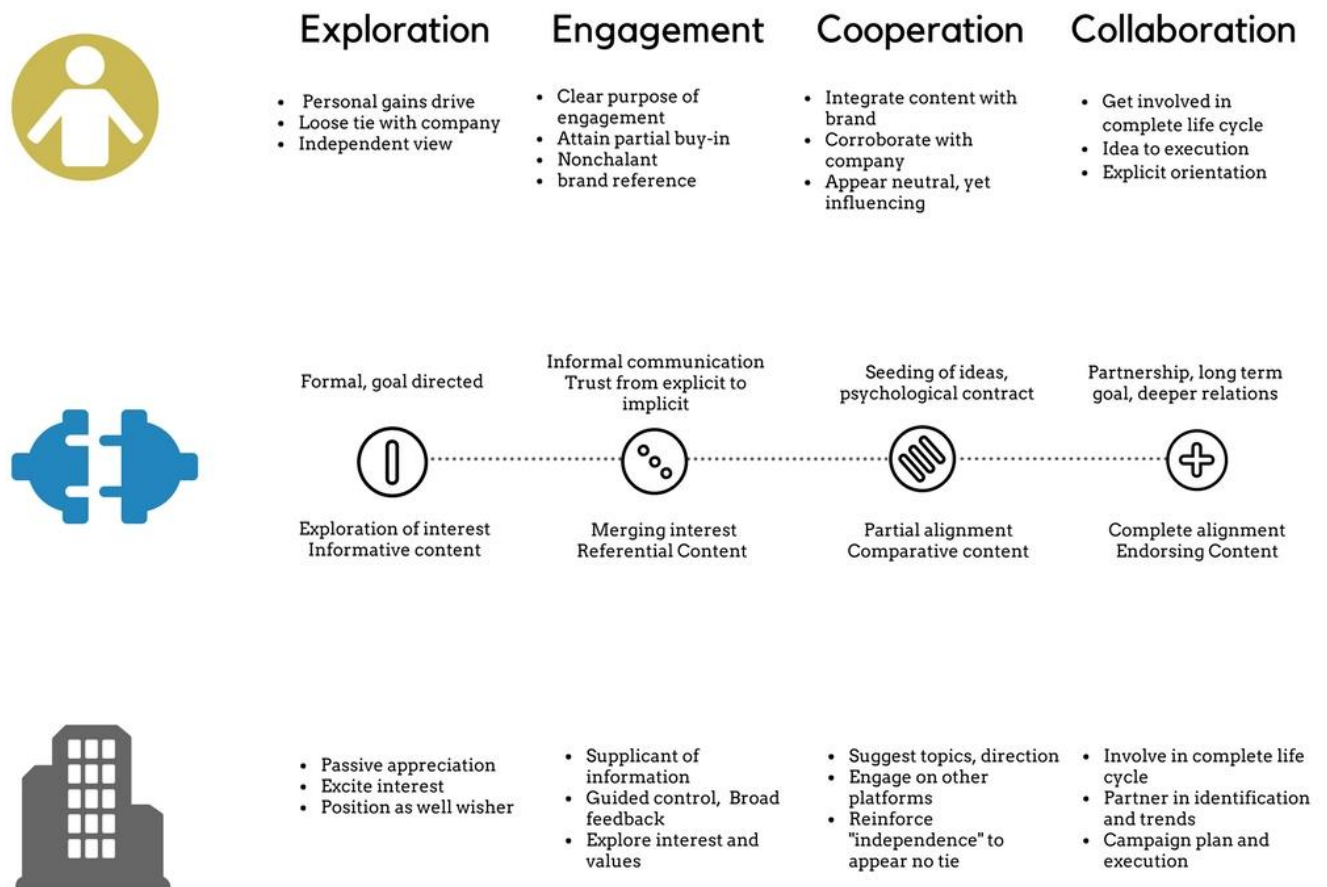
In our view the influencer company engagement model traverses four stages: exploratory, engagement, co-opt and collaborate. We surmise that relationship starts as arm length formal initially and as trust moves from external artefacts to internal, the relationship deepens from partner to partnership. While there could be no explicit rent seeking in the earlier stages of engagement, as goals becomes more aligned a principal agent relationships emerges. Figure 2 presents the

Browne & Mohan

Board & CEO Advisors, Management consultants

dynamics of the relationship, evolution of psychological contracts and convergence of alignment over the life cycle of influencer-brand interactions.

Figure 2: Modes of interactions and outcomes at each stage of Influencer-Brand engagement



The following paragraphs enumerate the behaviour, communication methods and outcomes at each stage. In the **exploratory** stage, both potential influencer and the company are getting to know each other. Influencer lacks strong tie with the brand and maintains a lightweight interest driven more by curiosity than commerce with the brand. For influencer knowing and mentioning the brand or the company is a means for accomplishment of other goals. She may use it as a piece of information to help understand a topic better or notice a trend. Influencer communication orientation is mostly "self-centred", how a particular schema of information helps them. There is no community orientation at this stage. Interactions tend to be formal and institutional. Company follows the influencer starts liking and sharing the content with increasing intensity to be noticed and raise the curiosity of the influencer. Smarter companies work on reciprocity, an influencer who receives information is obligated to the sender. The recipient therefore must furnish benefits in return. The

Browne & Mohan

Board & CEO Advisors, Management consultants

benefits may be tied to offering information about the company or products in a oblique way, suggesting situational nature of influence. Smarter companies weight their reciprocal benefits based on explicit voicing of gratitude that comes in multiple forms, including likes and mentions. Even if the influencer mentions the product or the company, information tend to be factual and mostly available in public domain. Trust at this stage is based on explicit artefacts including third party reports including analyst reports and awards.

From a formal transactional prefunctionary relationship, influencer and company traverse to an **engagement** stage. At this stage small talk about interests, background, vision, strengths, geographical and political views are attempted without being too intrusive. Both sides make efforts to move beyond "stranger zone", albeit company more active than influencer to acknowledge and elucidate interest to move into more meaningful relationship. At engagement stage, company moves pushing beyond recreational content to directed business content. It may also take indirect ways to offer unsolicited feedback on the content and build rudimentary community perspectives. The objective is broad base the horizon of the influencer and use industry trends and innovations as a means to reach at what the company is doing or what is unique about it. Influencer starts consuming the "directed" content and may start obliquely quoting or mentioning the company and its product however strongly guarding independence and lack of any tie with the company. Influencer may value company or industry specific information more credible when it is consistent with other sources of information, and can arm her with higher influence potential content. Whenever the brand name is mentioned by the influencer it is in a more nuanced neutral tone. Company uses to build trust through professional advice, sharing and corroborating data, validating and reinforcing influencer's argument or being a proactive supplicant of privy information that may be used for community interest. Influencer's communication about the company moves from "informational" to "referential" type. Company while sharing the required information and fault lines, is tacit in the feedback and always testing interests and needs that can deepen the engagement.

With more free flow of feedback and tacit appreciation about the interests and rents, the relationship enters the next stage termed **cooperation** stage. Influencer starts flaunting his tacit appreciation and leaning towards the company. Influencer outputs now carry explicit reference and content style becomes more "comparative". Company starts incentivizing the influencer mostly with non-pecuniary benefits including freebies. Company engages larger platforms like webinars and offline events to help position influencer to a larger audience but also to draw the influencer more into its community of influencers. From cooperation stage emerges the complete **collaborative stage**, where buy-in from influencer is complete and she has morphed herself into an insider. The influencer starts formally endorsing the brand, in a more explicit way. He can flare up discussions around the brand by criticising others and actively shares home brand campaigns. Influencer's communication style moves into more of advocacy zone. However, smarter companies realize the benefit of publicly posturing distance from the influencer and going extra mile to position them as independent voices. Their official pages profusely quote the influencer and share posts to influence larger audiences. Rent seeking is formalized both pecuniary and non-pecuniary benefits form the basis of engagement.

Influencer is very actively involved in ideation, seeding and distribution of the content. Smarter companies involve them in annual content plans and seek suggestions to make it more effective. She may also be involved scouting and identifying emerging influencers and how to work with incumbents in their horizon. Smart companies recognize unlike the two step influence model, both influencer and community must benefit equally from the information exchange. The stability of influencer's personal influence over time depends on reciprocity: of how much he is listening from the community, how much of it is embedded and what is he giving back. Companies realize the key to sustained value of an influencer is by offering methods and systems to process this community information, help channel them to refine content for the influencer and ensure market relevancy.

Navigating relationship between influencer and company is a tricky affair. Companies must be careful in selecting the right kind of relationship with each influencer. With some it can be symbiotic where the company tries to co-develop content and influence by itself and the influencer. While this is a great strategy to influence the consumer through subtle means of control, they may confront challenging managerial issues including sustaining motivation, independence and longevity of the influencer. Company can also pursue a less aggressive commensalistic approach where it does benefit from the co-opt behaviour but with lot of room for the influencer. Whatever strategy that is adopted the big challenge would be managing the itch factor of the influencer, minimizing the divergence of the influencer from the managed alignment. Second one is ensuring communication integrity especially once the influencer has been identified with his leanings. For influencer marketing to work adaptation from both actors is required. Co-creation and curation of content and distribution demand not only demand highly integrated task structures and yet a reasonable degree of autonomy. Effective management of the creative tensions between the influencer and company's goals is what drives sustainable value.

Selected Bibliography

Brown D and Hayes N, Influencer Marketing, Routledge, 2008

Dahlander, L and Magnusson, M G. Relationships between open source software companies and communities: Observations from Nordic firms, Research Policy, 34(4), 2005

Katz, E and Lazarsfeld, PF. Personal Influence, The Free Press, 1955

Islam U J, Rahman Z and Hollebeek L D, Consumer engagement in Online brand communities: A solicitation of congruity theory, Internet research, <https://doi.org/10.1108/IntR-09-2016-0279>

Murphy, T and Schram, R, What is it Worth? The value chasm between brand and influencers, Journal of Brand Strategy, 3(1), 2014

Veirman M D, Cauberge V and Hudders L, Marketing through Instagram Influencers: the impact of number of followers and product divergence on brand attitude, International Journal of Advertising, 36(5), 2017