

INFLUENCER PARTNERSHIP MARKETING: THE ULTIMATE GUIDE

Equipping brands with resources and knowledge needed to successfully build, strengthen, and integrate influencer marketing into their partnership marketing ecosystem

TABLE OF **CONTENTS**

Introduction	3
What Is Influencer Partnership Marketing?	4
Acceleration Partners' Approach: AP Influence	5
Benefits of Influencer Partnership Marketing	6
Integrating Influencer Marketing into Your Partnership Program	10
Choosing Between Influencer Networks and Individual Influencer Partnerships	11
Navigating Influencers by Audience Size	12
Influencer SaaS Platforms	15
Attributing Influencer Effectiveness: Key Metrics to Watch	16
Social Channels that Can Drive Value for Your Brand	17
About Acceleration Partners	25



INTRODUCTION

Influencer partnership marketing is rapidly becoming one of the most effective means of achieving brand goals and driving revenue. The efficacy of partnership marketing is demonstrated by the meteoric growth this market is experiencing.

By the end of 2022, the influencer market will grow to \$15 billion, and the U.S. influencer market size is projected to experience a compound annual growth rate (CAGR) of <u>29.3% between 2022</u> and 2030.

Affiliate and influencer marketing are now considered must-have marketing channels for brands, yet the strategies and responsibilities for these channels have traditionally sat with different teams. We are seeing these industries converging at a rapid pace as influencer teams are realizing there are ways to create more outcome-driven influencer programs, making it easier to prove overall value for program investment. On the other side, affiliate teams are interested in leveraging influencer opportunities to expand their programs with an influencer focus.

While there is no question that leveraging influencers can help your organization grow, getting the most out of this type of partnership marketing requires expertise and know-how. With that in mind, the influencer marketing experts at Acceleration Partners have created this ultimate guide to adding this brand-building strategy to your repertoire and partnership marketing ecosystem.

The information contained herein can be valuable to your organization, whether you are new to influencer partnership marketing or need to scale your existing network of influencers.

WHAT IS INFLUENCER PARTNERSHIP MARKETING?

Influencer partnership marketing is a strategy that involves **forging partnerships with social media influencers, using a performance-based lens.** Influencers are creators that have amassed a following on one or more social media platforms by developing a collection of content typically focused on a distinct niche or topic. For instance, a fitness influencer may primarily endorse supplements, athletic clothing, and gym equipment. They also have the power to affect purchase decisions of others because of the relationship and trust cultivated with their unique audience.

In exchange for endorsing your products, influencers working on a traditional partnership model are typically rewarded with free items and some compensation package. While there are several different compensation models, one of the most typical involves a flat fee and then a percentage of sales that the influencer generates.

However, some influencers are becoming more flexible with their payment terms to accommodate performance-based compensation models, or a hybrid version (e.g., cost-per-action + flat fee + product gifting).

To attribute sales to an influencer, you must provide them with a unique promo code, affiliate link, or both. In an upcoming section, we will dive deeper into attributions and performance metrics.

When leveraging influencer partnership marketing, it may be tempting to seek out individuals with the largest following. However, we often find that the macro creators do not generate the outcome-driven results brands are looking for. **By partnering with nano, micro, and mid-tier influencers, you can more effectively tap into niche audiences to drive favorable outcomes.** These types of influencers are also more cost-effective to work with, especially for initial testing and learning, because their rates come at a lower price point.





ACCELERATION PARTNERS' APPROACH: **AP INFLUENCE**

Acceleration Partners' influencer partnership marketing services are available via a program known as "AP Influence." This fully-integrated and transparent influencer program management service is designed to create outcome-based programs that produce measurable, scalable results.

AP Influence is highly successful because Acceleration Partners addresses every facet of influencer partnership marketing. Our team strategically acquires influencer partners for your brand to help you target the right audiences and generate quality leads, revenue, and much more.

We also implement precise processes to demonstrate our strategy's effectiveness and help you track measurable outcomes for your influencer partnership marketing program.



BENEFITS OF INFLUENCER PARTNERSHIP MARKETING

Influencer partnership marketing provides a multitude of different benefits for your brand. With influencer partnership marketing, you can:

ENHANCE BRAND AWARENESS

Brand awareness is a critical top-of-the-funnel stage of the buying journey. If prospective consumers are totally unaware of your brand, services or products, you will have a tough time turning those prospects into quality leads, revenue, etc.

Influencer partnership marketing can help you overcome this sales hurdle by introducing new audiences to your brand. While prospects may be completely unfamiliar with your product lineup, they will immediately be intrigued if they see one of their favorite influencers showcasing your items.

This approach is particularly useful when you are attempting to **break into new markets or release a unique product line**.

Influencer marketing is also a powerful mechanism for rebranding initiatives—for any companies that are wanting to change their brand perception or reposition themselves in their industry by going after new target markets.



ESTABLISH YOURSELF AS AN AUTHORITY

Did you know that nearly <u>half of consumers</u> (46%) are willing to pay more for products that are sold by brands they trust? Researchers found that consumers shared this sentiment in other markets, not just in the United States.

Building trust organically and establishing your brand as an authority in your field takes time. While influencer partnership marketing will not allow you to build trust and credibility overnight, it will accelerate the process. In a sense, influencers are "lending" your brand their credibility to help you **connect with audiences**.

REACH A BROADER AUDIENCE

If you have engaged in search engine optimization, then you know that this tactic can help you expand your reach. However, SEOcentric marketing strategies require patience.

You must be willing to grow your reach incrementally. The downside is that you need to generate a steady revenue stream in the here and now if you hope to achieve your growth goals.

Influencers can grant you near-immediate access to new audiences specifically their followers who may not be currently engaging with your brand.





ACHIEVE A STRONG RETURN ON INVESTMENT

According to a survey of business leaders, <u>89%</u> of participants state that influencer marketing produces a return on investment that is as good or **better than other marketing tactics**.

Naturally, you will need to choose the right influencer partners and invest in consistency of exposure if you hope to reap this benefit and drive strong conversions.

The good news is that Acceleration Partners can help match your company with influencer partners who align with your brand values, culture and goals. Influencer partnership marketing is a long-term marketing channel that requires a lot of investment and testing, but with guidance from experts, great returns can be achieved.







INCREASE MARKET SHARE

If you hope to grow your brand and generate more revenue, you must **expand into new markets**. However, this expansion can be quite challenging, especially if a competitor already has a firm grasp on sales in that region or audience segment.

Influencer marketing partnerships can help you sway public opinion or at least open consumers up to the idea of trying your brand. You can capitalize on this intrigue with quality marketing materials, great products and sales deals.

For example:

Acceleration Partners helped Renogy grow their influencer base and affiliate program into new regions, particularly focusing on targeting individual influencers in the same regions as the new audience they wanted to reach. As a result, they saw:

- +280% increase in click active partners
- ✓ 152% of yearly revenue goal reached
- ✓ 60% of sales were driven by influencers



INTEGRATING INFLUENCER MARKETING INTO YOUR PARTNERSHIP PROGRAM

You must deploy the right technology to integrate influencer marketing partners into your partnership marketing program. Acceleration Partners can connect you with the ideal software for facilitating this integration.

Before diving into how your brand can leverage influencer SaaS platforms to accurately attribute revenue from influencers while also providing insights into the customer journey, you must first decide if you want to work with an influencer network or individual influencers.



CHOOSING BETWEEN INFLUENCER NETWORKS AND INDIVIDUAL INFLUENCER PARTNERSHIPS

By integrating an **influencer network** into your program, you can leverage:

- Immediate scale with hundreds of influencers
- Proprietary tools and technology with certain networks
- Limited requirements for spend to begin engaging with creators to test proof-of-concept

By partnering with **individual influencers**, you have the opportunity to:

- Work with creators to develop content directly
- Own relationships with creators long term
- Negotiate appropriate rates without misaligned incentives from a third party network
- Ensure appropriate products are gifted to influencers
- Deploy a variety of optimization tactics that are aligned to different performance tiers; rather than a 'one-size-fits-all' approach to strategy, lean into a more customized approach based on your different value drivers to boost the effectiveness of your campaigns and deliver more value



NAVIGATING INFLUENCERS BY AUDIENCE SIZE

When crafting your influencer partnership marketing strategy, one of the biggest decisions you will make is choosing which size of influencers with which to partner.

Acceleration Partners sorts influencers by audience size into the following five tiers:



Depending on which tier you partner with, you'll find a variety in cost models. With mid-tier, macro and mega creators, be prepared to pay steep fixed fees for guaranteed content. With the nano tier and a segment of the micro tier, you may find that they are open minded about other cost models, such as product gifting + affiliate commission only, or are willing to negotiate fixed fees down with a hybrid structure (product + commission + fixed fees).

If you're interested in repurposing content assets and putting paid efforts behind usage, fees will be significantly higher with your macro and mega tiers than your nano, micro and mid-tier influencers.

MACRO AND MEGA INFLUENCERS

Generally, as influencer reach increases, the audience engagement rate decreases. Macro and mega influencers are often more effective at building awareness with their reach, but they don't garner the same engagement and conversion potential from their widespread audience as the lower-tier influencers.

Macro influencers usually have a broader approach to social media, and their content can be perceived as less relatable and more commercialized.

Larger tier influencers can also be more difficult to work with, as they operate their social channels like a business and typically have talent managers and full-fledged teams negotiating influencer media opportunities on their behalf.



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NANO, MICRO, AND MID-TIER INFLUENCERS

There is more inherent trust from audiences in the lower-tier creators, which translates to their stronger engagement rates and conversion potential. Lower tiered influencers are depicted as more authentic content creators that harness the power of their personal brand and niche focus to deepen connections with their unique audience.

Mid-tier can be a sweet spot between the lower and higher tiers—they have a wide reach, but still high potential to garner engagement and conversions. It's critical that as you move up the chain to mid-tier (and macro) creators, you determine that the influencers are the exact fit for your brand. If the fit is right, your mid-tier influencers could drive significantly more conversion volume than your micro tier, but it takes extensive testing and learning to find the right influencer with the right audience for your brand to deliver these results.

You also shouldn't underestimate the power of scale with nano and micro influencers in building brand awareness. If you can get hundreds of those smaller-sized creators posting about your brand, then you're bound to generate buzz and drive conversions across those highly-engaged audiences.

Micro influencers can also be easier to collaborate with, in terms of cost models, rates, co-creation of content, repurposing of content assets, etc. With these smaller tier influencers, you can avoid the red tape and break out of the quid-pro-quo transactional relationship that becomes commonplace with larger tier influencers.

INFLUENCER SAAS PLATFORMS

Influencer marketing partnerships are notoriously difficult to scale. The challenges associated with scaling influencer marketing partnerships led to the development of dedicated software as a service (SaaS) technologies. These solutions provide detailed insights into the effectiveness of your program and make it possible to scale it to fuel continued growth.

With influencer SaaS platforms, brands are able to:

- Merge their influencer SaaS platform with their existing tech stacks, layering on top of affiliate technology already in place
- Obtain detailed insights into the customer journey and maximize transparency
- O Track KPIs across your entire partnership network
- Look beyond traditional sales metrics to accurately attribute revenue
- Identify valuable influencers via detailed audience and performance data
- Scale recruitment efforts
- Streamline program logistics such as partner outreach, product seeding, contracting, content draft review, content auditing, etc.



ATTRIBUTING INFLUENCER EFFECTIVENESS: **KEY METRICS TO WATCH**

As with any marketing campaign, it is vital to track your influencer partnerships' results. While there are many different key performance indicators (KPIs) to choose from, we find that the **following five metrics** provide some of the best insights:

- 1 Video Views/Reach
- 2 Engagement Rate
- 3 Clicks/CTR
- 4 Conversion Rate
- 5 Sales/Revenue/Cost Per Acquisition

It's important to understand that it takes several instances of consistent exposure to your brand in order to start seeing conversions come through. During the initial 2-3 rounds of content, brands may see more activity in their upper funnel metrics than their lower funnel metrics, as brands are just beginning to build brand awareness and increase purchase consideration with these new audiences. During this time, it's crucial to analyze and ask yourself the following:

- ightarrow Are the actual video views/reach measuring up to what was estimated?
- → Is the engagement rate of your sponsored content aligned to the influencer's standard average for the social channel used? If it's stronger, that's indicative of strong brand alignment. Conversely, if the engagement rate is softer than the influencer's standard average, that's indicative that your content is not resonating well with their audience.
- ightarrow Are your engagements translating into clicks?
- What does the audience sentiment look like in the comments section of the influencer's posts for your brand? Get a feel for whether the content was well received; feedback in comments that point to reasons why click traffic is less than what was estimated gives you valuable insight to improve your content strategy.
- Is your sponsored content that the influencer posted under-optimized? Make sure the call to action (CTA) is clear and that the path to conversion can be easily followed. Optimize your content to try and capitalize on upper and mid-funnel success metrics to ultimately drive the lower funnel conversion results you're seeking.

After implementing all measures to enhance your influencer content to ensure it's being optimized toward conversions—and you've hit that mark of having repeated, consistent exposure to your brand with your influencer(s)' audience—start focusing in on those conversion metrics.

SOCIAL CHANNELS THAT CAN **DRIVE VALUE FOR YOUR BRAND**

Each social media channel has a difference demographic and audience that you can reach, depending on how you'd like to drive value to your brand. It's a smart value add to seek out creators who are present on two or more of these key social platforms. Finding opportunities to promote cross-channel with influencers widens your reach and expands the scope of actionable insights you gain from testing to help you continuously refine your influencer partnership marketing strategies toward success areas.

It can also be cost effective to contract influencers for content/video that's distributed across multiple social channels, rather than having them create something brand new for each channel—that way you test how their audience responds to your brand across multiple platforms at a much more affordable price point. The results will inform your future strategy and give you a stronger sense of direction for steeper investments.



INSTAGRAM

When it comes to influencer partnership marketing, the types of industries that tend to benefit most from Instagram include health and beauty, food and drink, travel, fashion, entertainment and media technology, and fitness. With that being said though, there is something for everyone to leverage on this platform, especially if you brand falls into a visually-oriented vertical.

Instagram Stories

<u>83% of marketing professionals</u> consider Instagram Stories the most integral component of their influencer campaigns. They have a lower reach rate relative to influencers' follower size, but they're **effective for driving conversions** due to the ability to embed links into story frames (easy conversion path). They also tend to be priced at a lower rate compared to in-feed posts, making them more cost-effective for testing. Since they're only live for 24 hours, there's a limited window to drive results through short-form video. However, influencers can add stories to Highlights, where they can live on and continue driving value via link stickers, which is effective for evergreen messaging and promotions.

Instagram Reels

These videos live on in perpetuity on Instagram Feeds, unlike Stories. They're a **huge industry focus right now** for testing with new influencers, given that the platform's algorithm is prioritizing Reels in discovery pages and newsfeeds. Reels must be paired with either a link in bio or an Instagram Story, as you cannot add a clickable link in the captioned text of a Reel—adding one of those pairings is crucial to ensuring your viewer has a path to conversion after hearing the CTA in your Reel and reading it in the captioned content. Influencers also have the option to pin a Reel to their Feed so that it stays as a top listing post on their page—this increases the long-term value of the content, at least for a week or two, versus a Reel getting lost on their page due to being pushed down by newer posts.

Instagram In-Feed Posts

Instagram In-Feed Posts can include several different types of posts beyond Reels, the most basic including static posts and carousels. Static content is typically **priced at a lower rate** than Reels—optimization tactics are similar, but these types of content are not prioritized in the platform's algorithm the way that Reels currently are.

Instagram Live

This is an interesting option if you want to test, especially with creators that have a wider reach. "Live shopping" is a hot topic in the industry and ecommerce world. Instagram Lives are temporary in nature, however, influencers have the option repurpose these Lives as an In-Feed Post, where they can live on in perpetuity and continue delivering value.



TIKTOK

TikTok is an extremely important channel for brands and their influencer partners, <u>with users spending 14% more</u> when TikTok is part of their purchase journey, and TikTok users being **1.4 times more likely than users on other platforms to research products** and brands they discover.

The <u>top five leading industries of TikTok</u> include:

- > Home and garden **237 million views**
- > Fashion 233 million views
- Food and drinks 205 million views
- Technology 224 million views
- Beauty 128 million views

Education is also a booming sector of TikTok, with **35% of users saying TikTok is a source for learning something new**, and 1 in 5 users make how-to or tutorial videos on TikTok.

The strongest TikTok content is creative and connects audiences through shared experiences. Brands that are comfortable minimizing content requirements and giving influencers creative freedom are going to better resonate with the audience and see the most success on this platform; fun, authentic and relatable content is crucial, as commercial language and imagery in videos stick out like an ad and don't garner the same engagement.

TikTok is a channel that is worth testing. Video views, engagement rates and conversions are notoriously unpredictable on this platform, and rates for content tend to be a bit unpredictable as well. Having a 1M following on TikTok isn't the same as having a 1M following on Instagram or YouTube, in terms of pricing. However, the algorithm's power—though unpredictable—could work in your favor. It's not uncommon for content to trend and go viral, which would blow your video views and engagement rate projections out of the water when it does.

TikTok videos must be paired with links in bio to support conversions. Clickable links cannot be incorporated into captioned text or comments yet; only if you were to convert the content into a paid ad can you have an easy path to conversion with a clickable link in the caption. CTAs must be introduced organically, usually verbally and in the video caption as well.



YOUTUBE

Some key industries for influencer marketing on YouTube include:

 \rightarrow Technology

ightarrow Toys

- \rightarrow Gaming
- \rightarrow Food & Drink
- \rightarrow Beauty
- \rightarrow Fashion
- → Education

- $\begin{array}{rcl} \rightarrow & \mathsf{Entertainment} \\ \rightarrow & \mathsf{Health} \& \mathsf{Wellness} \end{array}$
- \rightarrow Home
- \rightarrow Hardware & Outdoors
- ightarrow Finance

YouTube's strength is delivering content that **remains relevant over the long term** and continues to deliver value to brands long after it's been published. It's easy to incorporate links in the video description (above the fold) and continue to see residual traffic and conversions come through in the long run. While YouTube's staple is longer form video content, **brands have more options today for how they can partner with YouTube creators**. Long form dedicated videos are lucrative assets to create with more nano, micro, and mid-tier influencers as an initial test. However, as you get into the macro and mega tiers, these can become quite costly and push past the ideal spend threshold for an initial test with a new partner. At that stage, you can explore the option of paying for an integration within a longer form video, during which your brand has typically 60-90 seconds of coverage within a video that compliments your products/services.

YouTube's Shorts also can't be underestimated—this skyrocketing sector is driving high traffic and views for brands on the platform, with YouTube shorts hitting 30 billion views per day. These Shorts are YouTube's way of competing with shorter form video staples, like TikToks and Instagram Reels. Many creators have diversified their content focus into YouTube Shorts and are generating reach and engagement that is **on par or outperforming their core content** of longer form videos. Shorts tend to be a much more cost-effective route for testing with creators, especially those with a robust market reach. Affiliate links included in captions are not clickable and therefore not advised, but a known workaround is to include a clear CTA in the caption and incorporate the clickable link in a comment instead. Be sure that the influencer pins the comment, so it remains as the top listing.

Influencer Partnership Marketing: The Ultimate Guide



LINKEDIN

Known as the professional social network, LinkedIn is the most popular platform for B2B marketers, with <u>79% viewing LinkedIn</u> as an effective source for generating B2B leads. LinkedIn is also a good way to reach both older users AND millennials.

FACEBOOK

Facebook might be more suitable for targeting older groups of consumers, as <u>36% of Facebook's</u> <u>audience</u> is 45 or older. The Facebook <u>audience is also very loyal</u> to the site, with 70% of users claiming they visit at least once daily, and 49% check the platform several times per day.

TWITTER

Nearly <u>60% of Twitter users</u> were between 25 and 49 years old as of April 2021, making millennials one of their key demographics. Twitter is all about information, conversation, and customer service.

TWITCH

While many associate this social media platform strictly with the gaming industry, there are several other industries investing budget on complementary products and/or services to this channel, including food & beverage companies, technology & electronics, even fashion. In 2022, there have been 982 billion minutes watched so far, with 7.9 million unique creators streaming each month.



ABOUT ACCELERATION PARTNERS

Founded in 2007, Acceleration Partners is the recognized leader in partnership marketing and a five-time International Performance Marketing Award (IPMA) winner in the "Best Performance Marketing Agency" category.

Acceleration Partners manages programs in 40 countries for more than 170 brands including **Target**, **GoToMeeting**, **Noom**, **ButcherBox**, and **Betterment**. Acceleration Partners' fully remote global staff of 300+ maintains a singular focus on delivering exceptional outcomes; and delivers deep and data-driven expertise in all key partnership marketing tactics, including affiliate, influencer, content, mass media, and B2B partnership marketing.



Ready to incorporate influencer partnership marketing into your growth strategy?

CONNECT WITH US!

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