

The State of Influencer Marketing 2021

How Enterprise Marketers View Influencer Marketing -
The Need for Influencer ROI



Influencer marketing is entering a new chapter. It is now a highly sophisticated marketing strategy. For years, influencer marketing was synonymous with Instagram, that's no longer the case with the rise of TikTok and social media usage across all platforms hitting an all time high. That means marketers now have to navigate different social media platforms, determine when to use which size influencers and how to implement features like shoppability to drive success and measure the return on investment (ROI). To meet all of those demands, marketers need to partner with an influencer marketing company with the expertise and technology to deliver influencer ROI. This is especially true for enterprise marketers.

In this year's survey we focused on enterprise marketers, those at companies with revenue over \$1B, to understand the trends they are seeing. The results are in, marketers are finding success with influencer marketing but reporting and measurement is still a top concern, requiring the need for a guarantee in influencer ROI for enterprise marketers.

2020 was a big year for many in marketing and advertising, and the same is true for influencer marketing. When budgets were cut across many channels, influencer marketing was able to continue running - and delivered incredible results.

As we look ahead to 2021, it's clear that influencer marketing is no longer a one-off tactic and is a strategic and sophisticated part of the marketing mix. Instagram and Facebook are no longer the only platforms in the space, as TikTok is now a platform of choice for nearly 70% of marketers. And although most marketers still select micro-influencers as their top influencer size, the spend between all sizes is relatively the same. Showing that it's more important than ever to really understand nuances of this space and know everything from the size of influencer, the platforms to activate for organic and paid and the right creative concept that will make that lasting connection.

Three Takeaways:



Budgets Are Increasing

2020 was a pivotal year for marketers, but influencer marketing continued to perform well. So well that budgets are on the rise. In fact, 71% of enterprise marketers who have established their budgets will increase their spend in 2021 over last year.



TikTok is a Dominant Player

TikTok exploded in the last year for consumers and marketers alike. In early 2020, only 16% said they were planning to use the platform in their influencer marketing. In this year's survey that number exploded to 68% - a 325% increase!



Influencer ROI is Required

Measurement is still the top concern for enterprise marketers, 65% say this is the top of their list for 2021. This is why Linqia offers the industry's only guaranteed influencer ROI, to give full confidence to enterprise marketers.

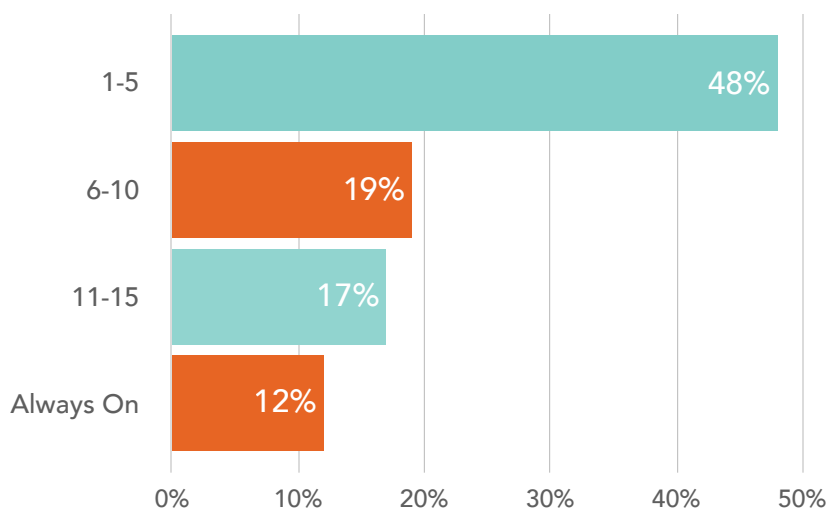
Commitment to Influencer Marketing

Influencer marketing continues to grow for enterprise marketers, as they run more campaigns and commit more budget. Similar to last year, 59% of marketers ran 1-5 campaigns in 2020 and almost 20% of marketers ran 6-10 campaigns, an increase from 15% in 2019. We saw a decline in always on campaigns from 16% in 2019 to 11% in 2020. This is likely due to the unpredictability of COVID-19 that could have pivoted some influencer marketing efforts.

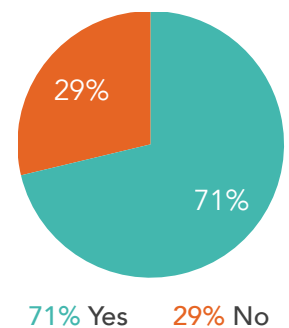
When looking at budgets, the vast majority of marketers plan to increase their spend over 2020. In fact, 71% of enterprise marketers who knew how the marketing budget would be allocated in 2021 said that their influencer marketing budgets would increase over 2020. That's a large increase from our 2020 report when only 57% said they planned to increase their budget. So while the number of campaigns were roughly the same, after a difficult year marketers are finding influencer marketing a successful strategy and are putting their dollars behind it.

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71% of marketers plan to increase their budget in 2021
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How many Influencer Marketing campaigns did you run in 2020?



Are you increasing your budget 2021?



Types of Influencers

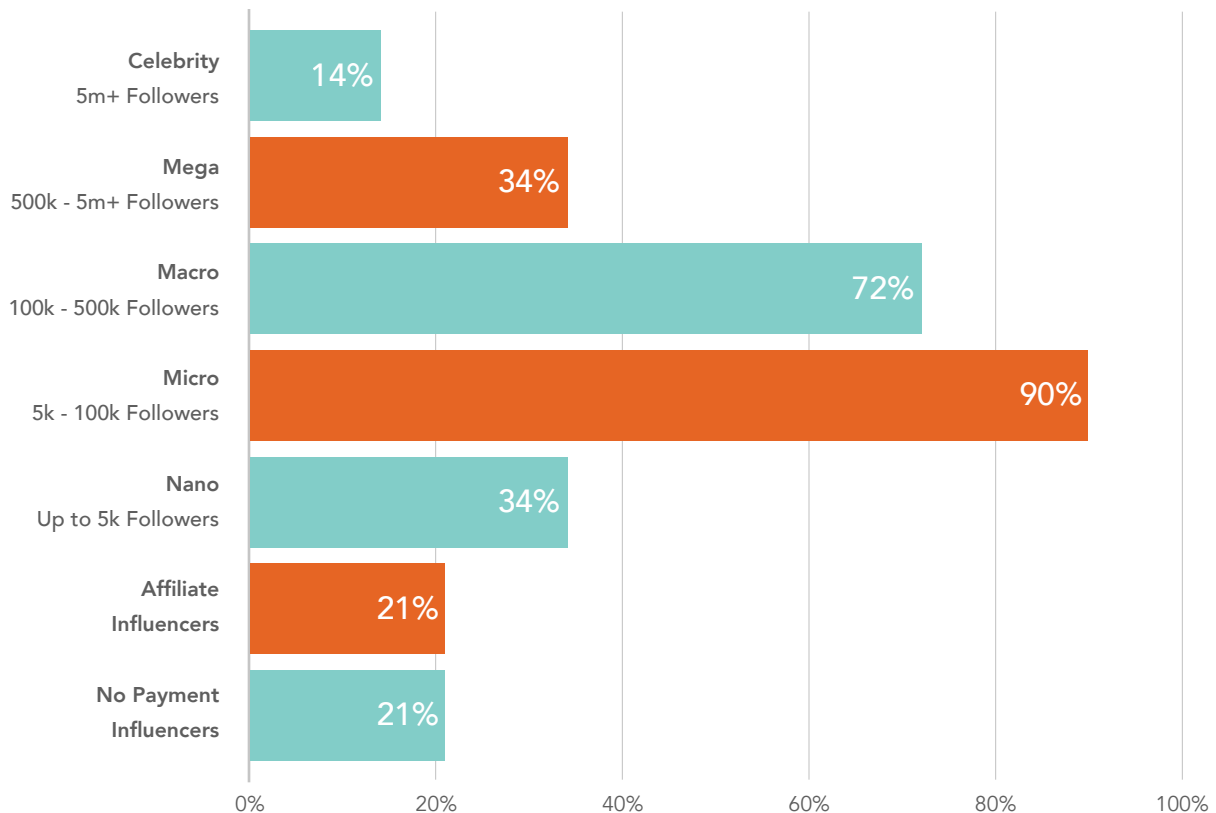
Micro-influencers have always been the top choice for marketers in our annual survey, but this year, there was even a stronger demand for this powerful group. In this year's survey, 90% of marketers selected that they wanted to work with micro-influencers, up from 80% in 2020.

Macro continues to be the next largest segment, with 72% of marketers selecting this group, up from 64% in 2020.

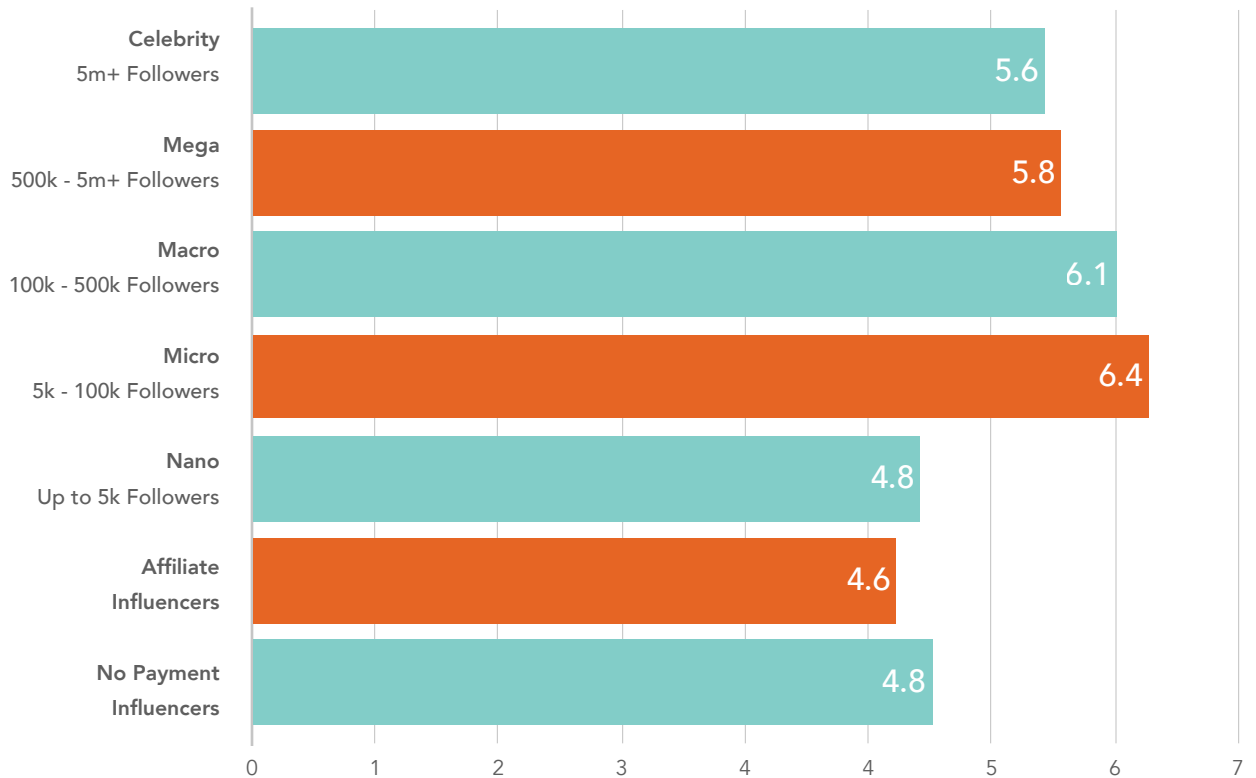
The biggest change was the desire to work with celebrity influencers. In the 2020 report, 22% wanted to work with celebrities, while this year the number decreased to 14%.

When asked how they want to distribute their budget across the influencers, we saw a different story. Marketers know that although they may not want to work with larger size influencers as frequently, they know they can take a larger amount of budget and allocate appropriately. We saw budget spend relatively balanced between these groups.

What influencer type do you want to work with in 2021?



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

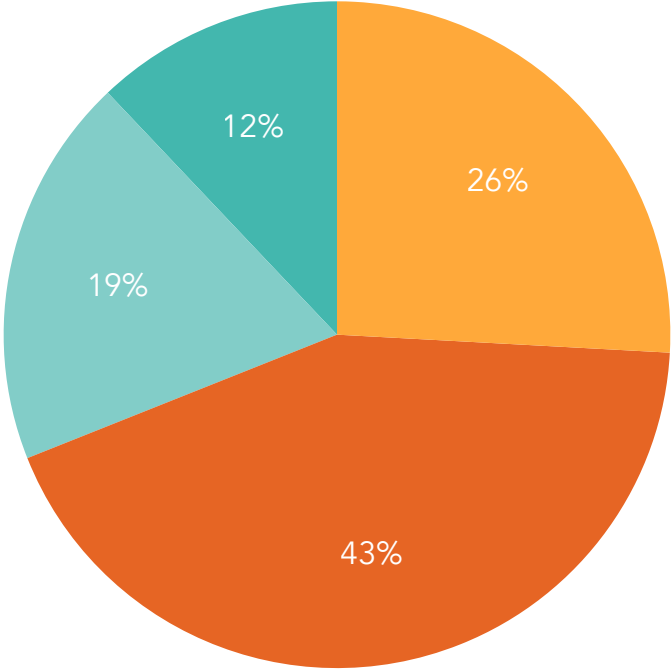


In addition to the size of the influencer, it's also important to activate the right amount of influencers to help tell a brand's unique story. In our 2018 report, we found that 62% of marketers activated more than 10 influencers on a single campaign. In fact, 28% said they activated more than 25 influencers.

A lot has changed over the last few years in influencer marketing, and one of the largest changes is to activate less influencers. The focus is on finding the right influencers who create the most compelling content that can make a connection. And with that in mind, the most popular set is activating 5-10 influencers at 43%, followed by 1-5 influencers at 26%.



On average, how many influencers do you activate on a program?



1-5 Influencer

5-10 influencers

10-20 influencers

20+ influencers



Social Media Platform of Choice

2020 saw spikes of social media usage across virtually all social media platforms. With that, marketers' desire to leverage influencers across these platforms was also top of mind looking into 2021.

Not surprisingly, Instagram continues to be the premiere platform for influencer marketing, with almost 93% of respondents planning to use it. This is closely followed by Instagram Stories at 83%. While Instagram Reels launched to take on TikTok, only 37% plan to use it in the coming year, but many more plan to leverage TikTok.

TikTok saw the biggest increase. At the start of 2020, only 16% of marketers planned to use the platform, but now 68% say they want to use it in their influencer marketing efforts. That's a 300% increase in just one year! At Linqia, we have seen a strong interest in TikTok campaigns, with a sharp increase in campaign activation and incredible results for enterprise marketers who are now investing in this hot platform.

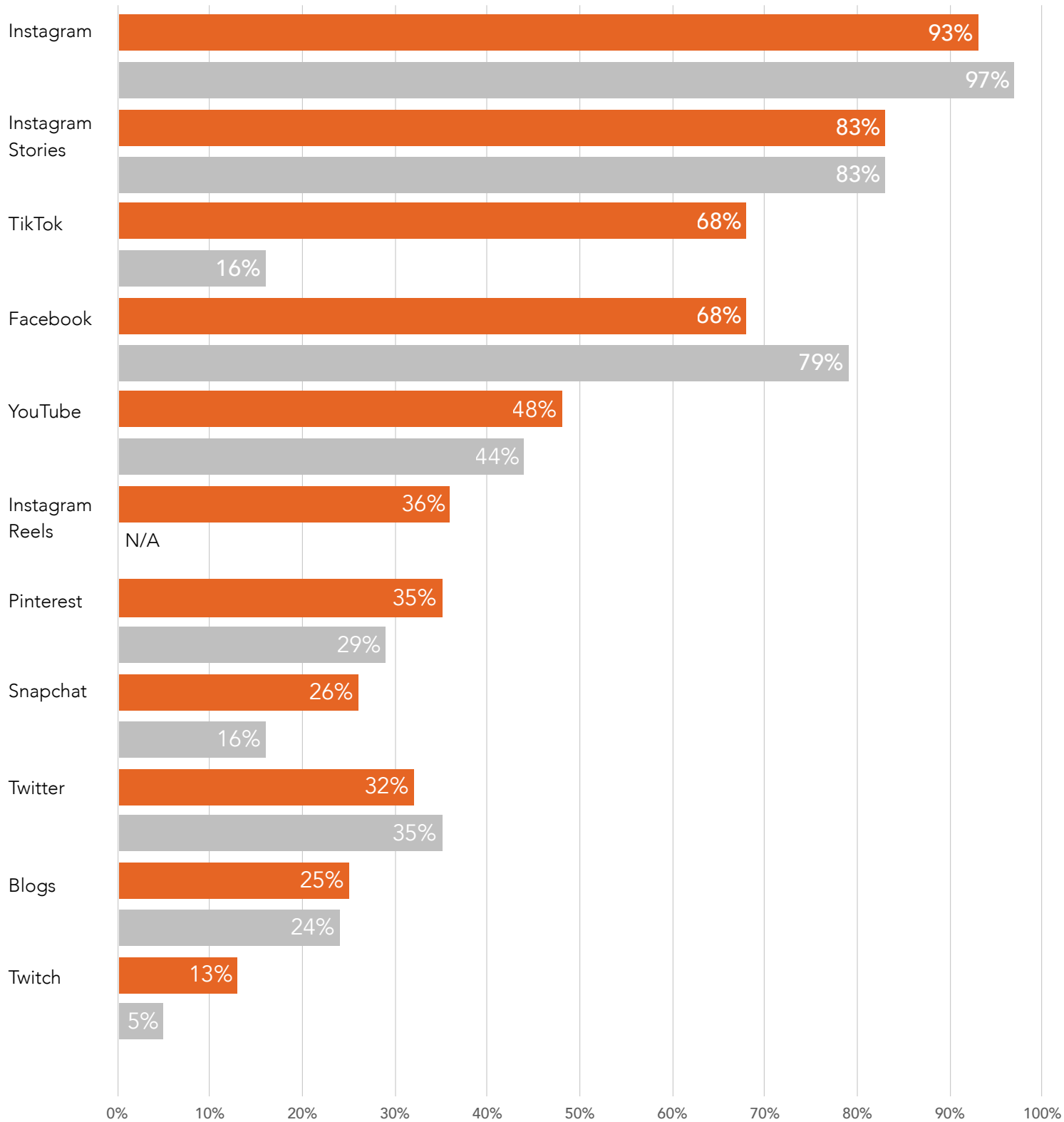
Pinterest increased slightly, from 29% last year to 35% this year, and Snapchat also saw a +10 gain, from 17% in 2020 to 27% this year. Twitter, YouTube and blogs remained relatively the same year over year.

*TikTok interest
year over year
grew 325%*



Which social media platforms are you planning to use for influencer marketing?

• 2020 vs • 2021

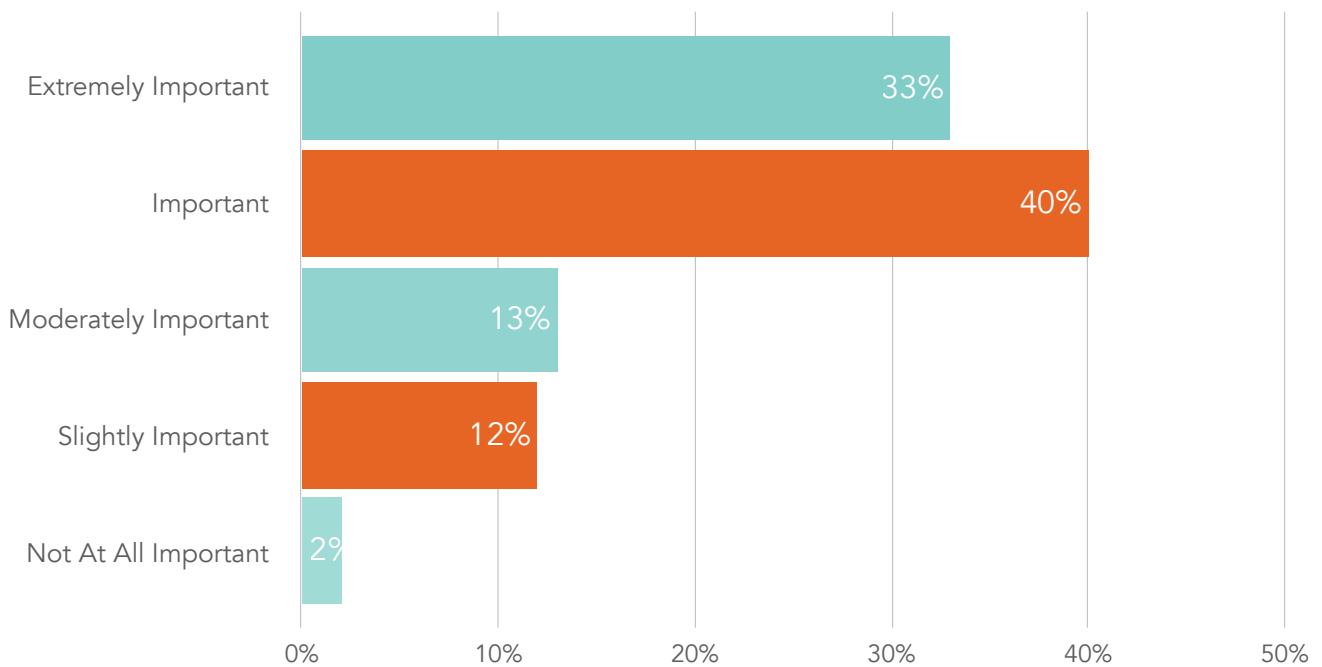


Vertical Video Continues to Grow

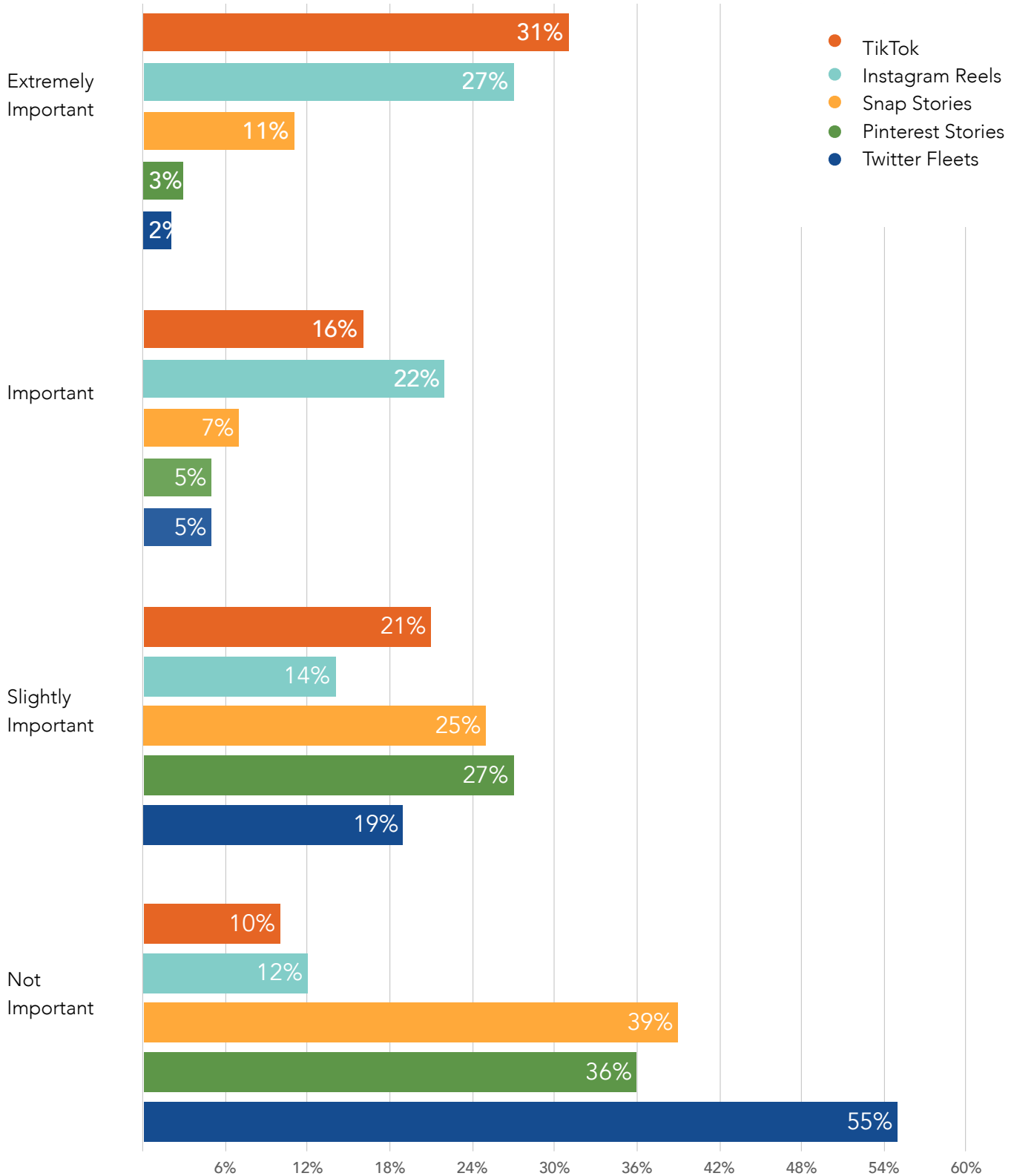
With the popularity of TikTok and Instagram Stories, it's no surprise that enterprise marketers are looking to vertical video as an important channel for influencer marketing. This year, nearly three quarters of respondents said vertical video is important to their efforts. In fact, one in three marketers said it is extremely important.

Today, many social media platforms have their form of vertical video. We wanted to know which ones were of the greatest interest. Not surprisingly, TikTok and Instagram Reels topped the list. Out of Pinterest Stories, Twitter Fleets and Snap Stories, the next most popular channel was Snap Stories. Twitter Fleets was at the bottom of the list with 55% of marketers saying this channel is not important at all.

How important will vertical video be in your influencer marketing efforts in 2021?



Vertical Video Continues to Grow



Influencer Content: Finding a Repurpose

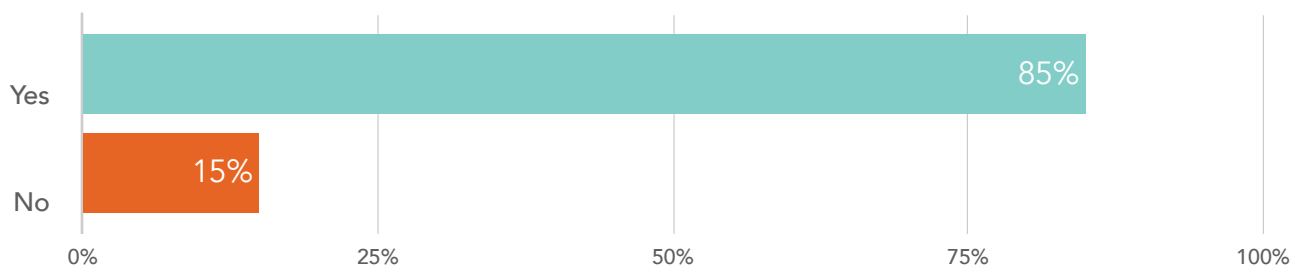
Influencers don't just have a connection with their own followings, they are also amazing content creators. Their images and videos are so compelling, they can be repurposed across other channels, across both paid and owned channels. It's part of what makes influencer marketing so effective.

Almost all enterprise marketers surveyed said that in 2021 they plan on re-using influencer content. Of those, 94% said paid social would be the primary venue, and 73% are also planning to use the content for their brand's own organic social channel.

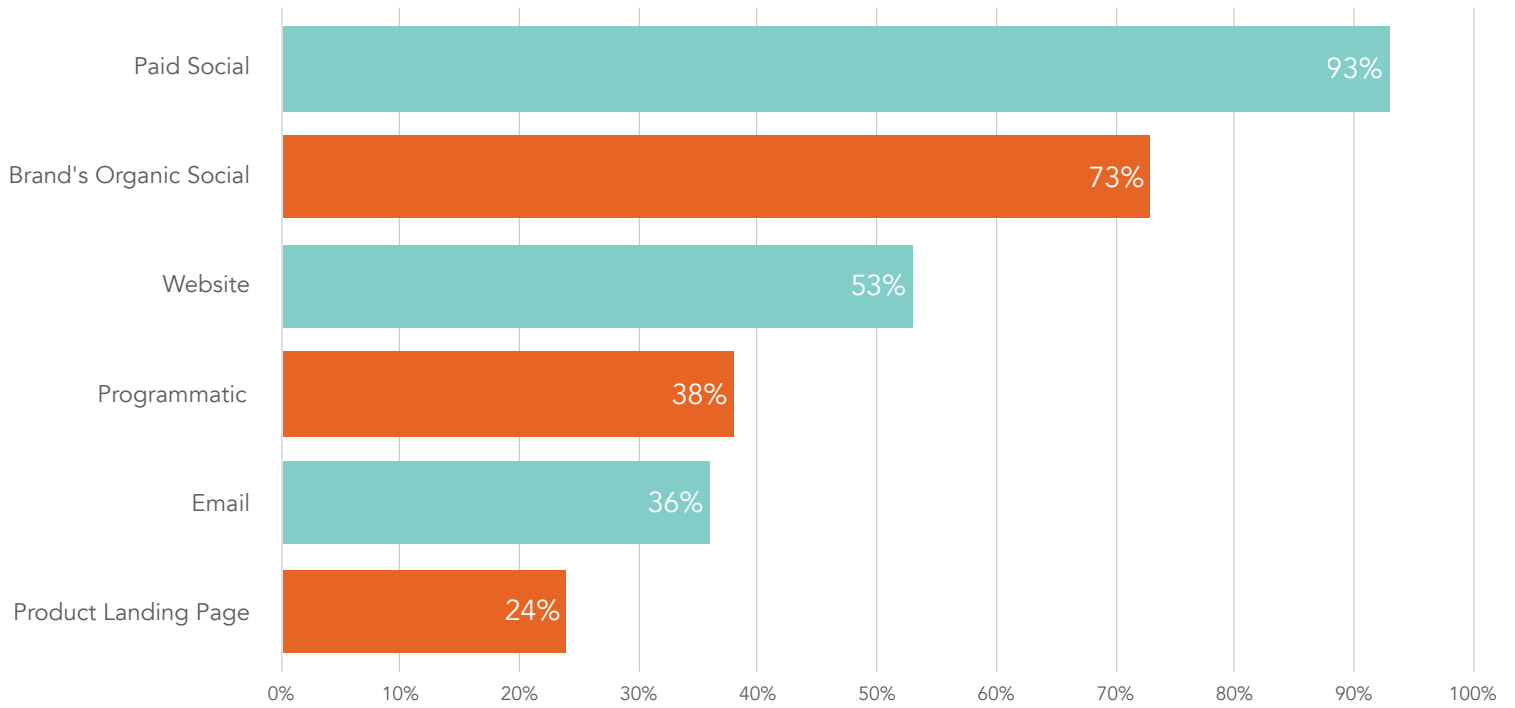
Compared with last year, we saw an increase in all other channels. Leveraging influencer content on their website is now over half, up from 42% last year. Display advertising also saw a huge increase from 20% in 2020 to 39% in 2021. That big increase shows that marketers are seeing the value in influencer content and are now using it in the largest advertising channel in the world - programmatic. This is likely due to seeing great results, that influencer content can outperform brand created assets.

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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 2021 (e.g. paid social, website, email newsletters, display ads, etc.?)



What channels do you want to use influencer content in 2021?



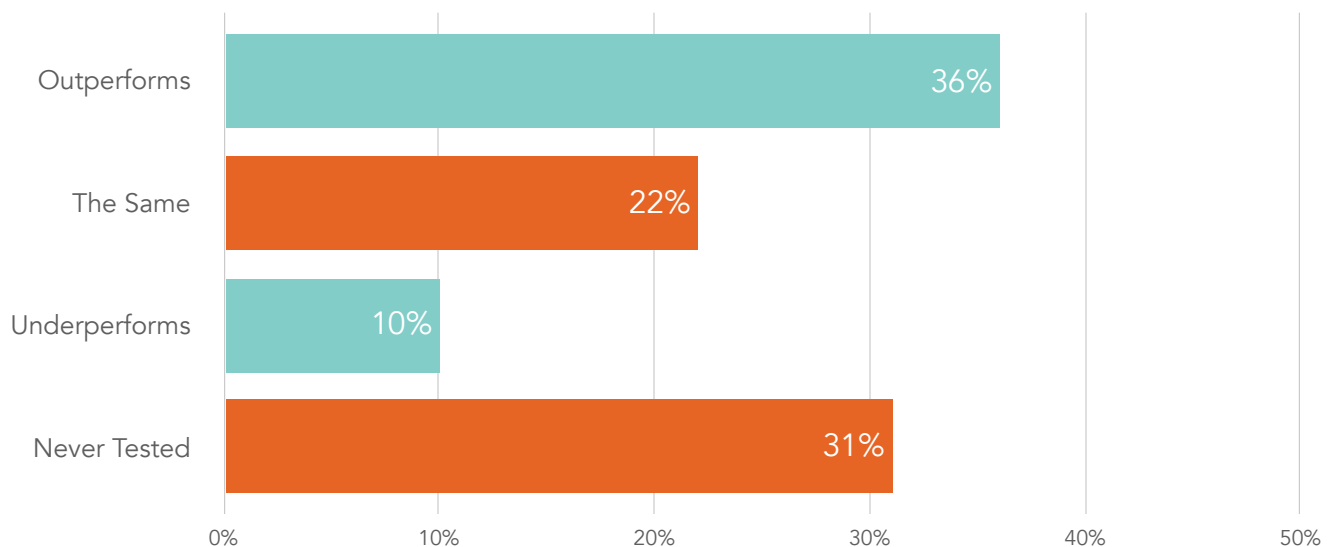
Influencer Content Performance

With the increase in influencer content leveraged in other channels, one of the main factors is likely that influencer content can deliver results. We wanted to see

According to the survey, of those who have tested how influencer content performs versus brand created content, more than 50% said it outperformed. Of everyone surveyed, only 10% said that it underperformed. One data point that stood out is that 31% didn't test influencer content against their own branded content, which could mean that it will overperform for these marketers as well.

With influencer content performing so well, it would be helpful for marketers to leverage influencer created content in other channels, and to test how it performs against their own brand created content. Partners like Linqia can include that as part of the program, and apply any learnings to future campaigns.

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



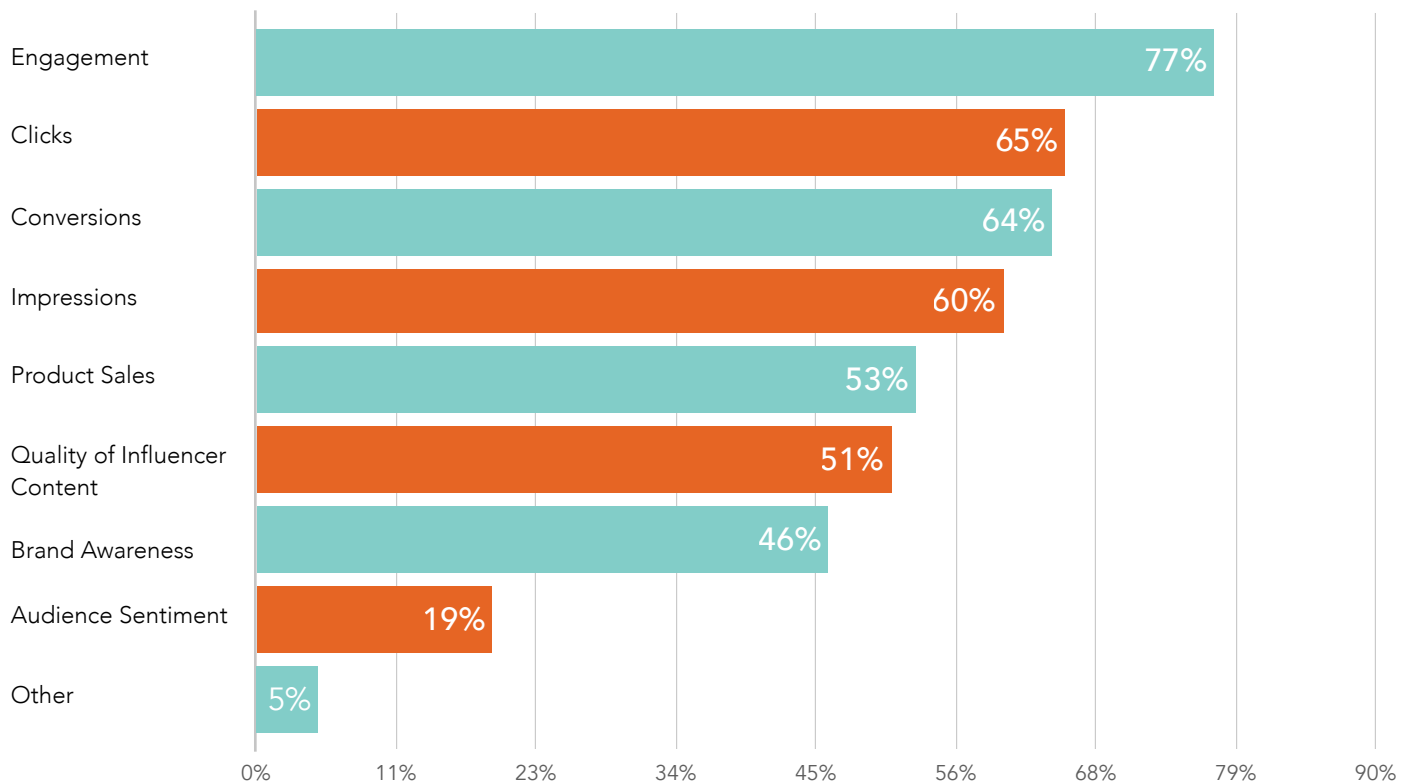
Measuring Success

With all the ways to track progress in influencer marketing campaigns, the big question is how do you measure success? Much like years past, we saw a wide variety of ways to measure success.

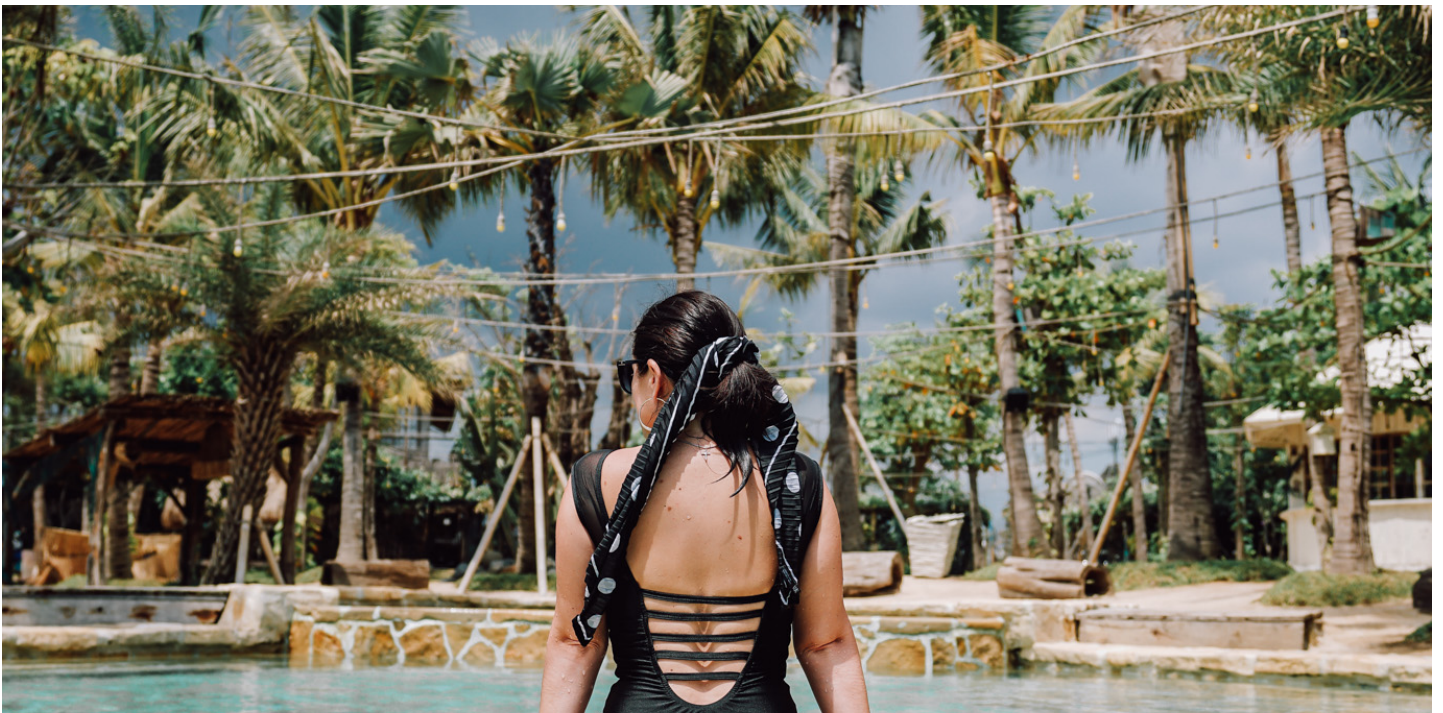
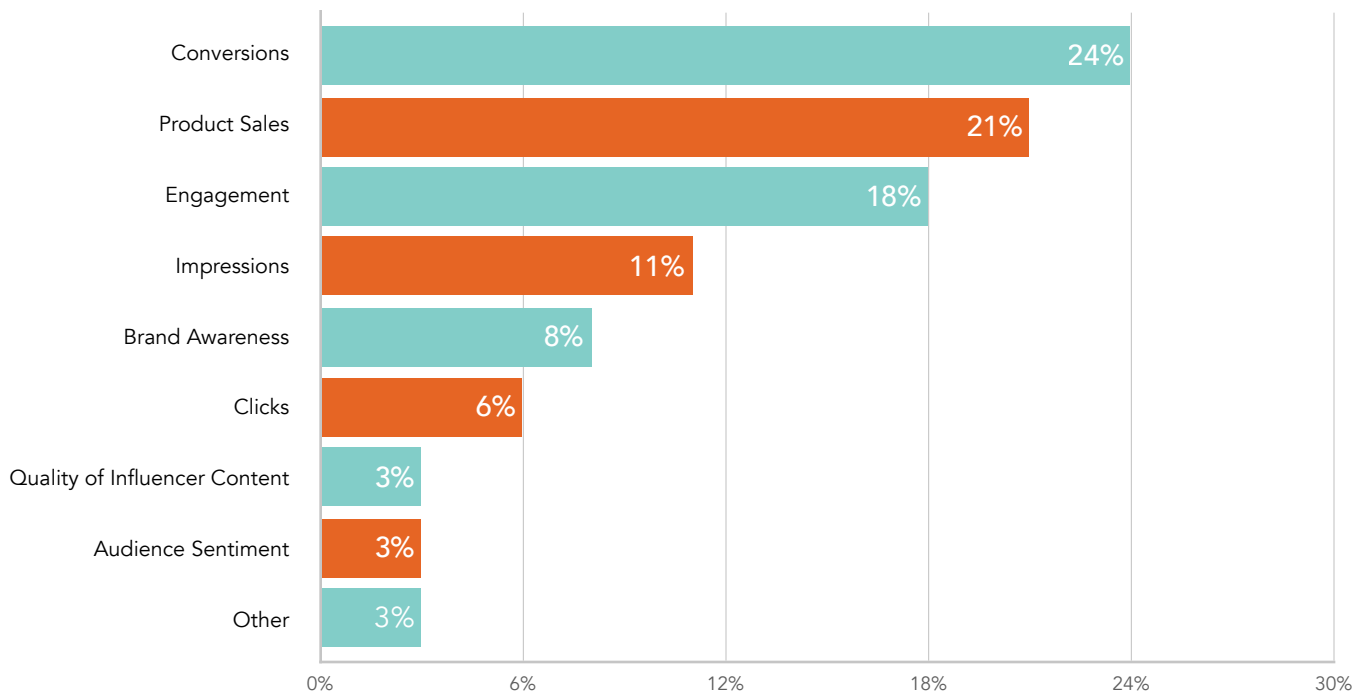
Engagements continued to be the most common metric used to track success, with 77% of marketers using that as a KPI. Clicks, conversions and impressions were also selected by at least 60%, and are being tracked to measure performance.

When marketers were asked to only select the top measure of success, things changed a bit to be more focused on product sales and conversions. Engagement was still the third most important metric, with 18% using that to measure program success.

How do you measure success of influencer marketing programs? (select all that apply)



What is the top measure of success for your influencer marketing program? (select one)



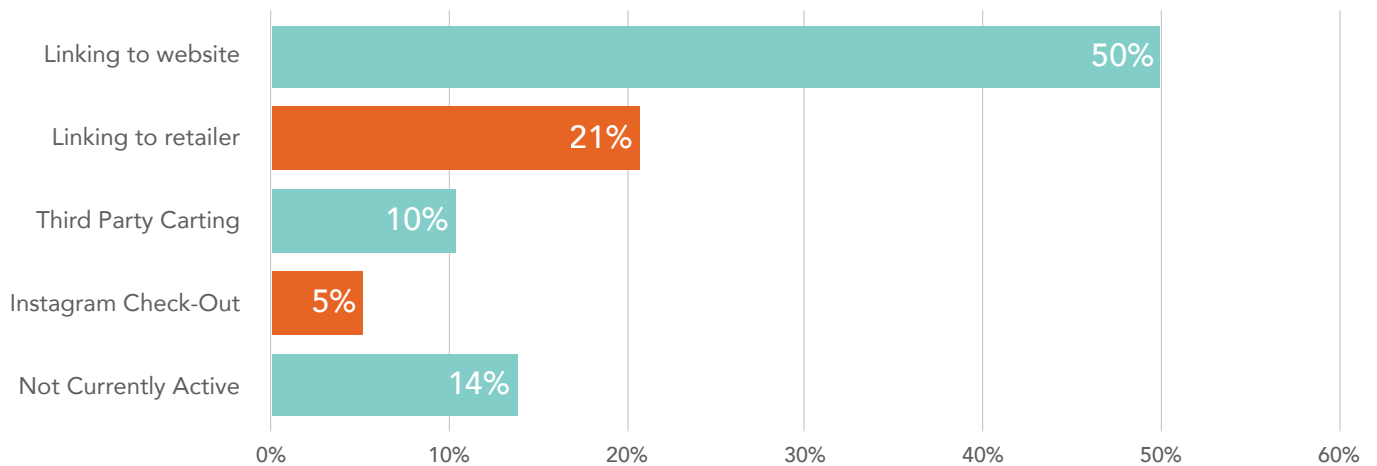
Shoppability

With a larger focus on down funnel metrics, it's important to enable shoppability in influencer marketing programs. When asked, only 14% said they are not enabling shoppability, while 86% are, showing this is a hot trend in influencer marketing.

Of those who are activating the ability to drive a purchase from influencer content, exactly half are linking to their own website. 21% are linking to a retailer's page while 10% are using third party carting. Only 5% are leveraging Instagram check-out, which is a hot new feature that we expect to see a lot of growth in the coming year or two.

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86% of enterprise marketers have shoppability enabled in influencer campaigns
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How are you enabling shoppability in influencer content on instagram?

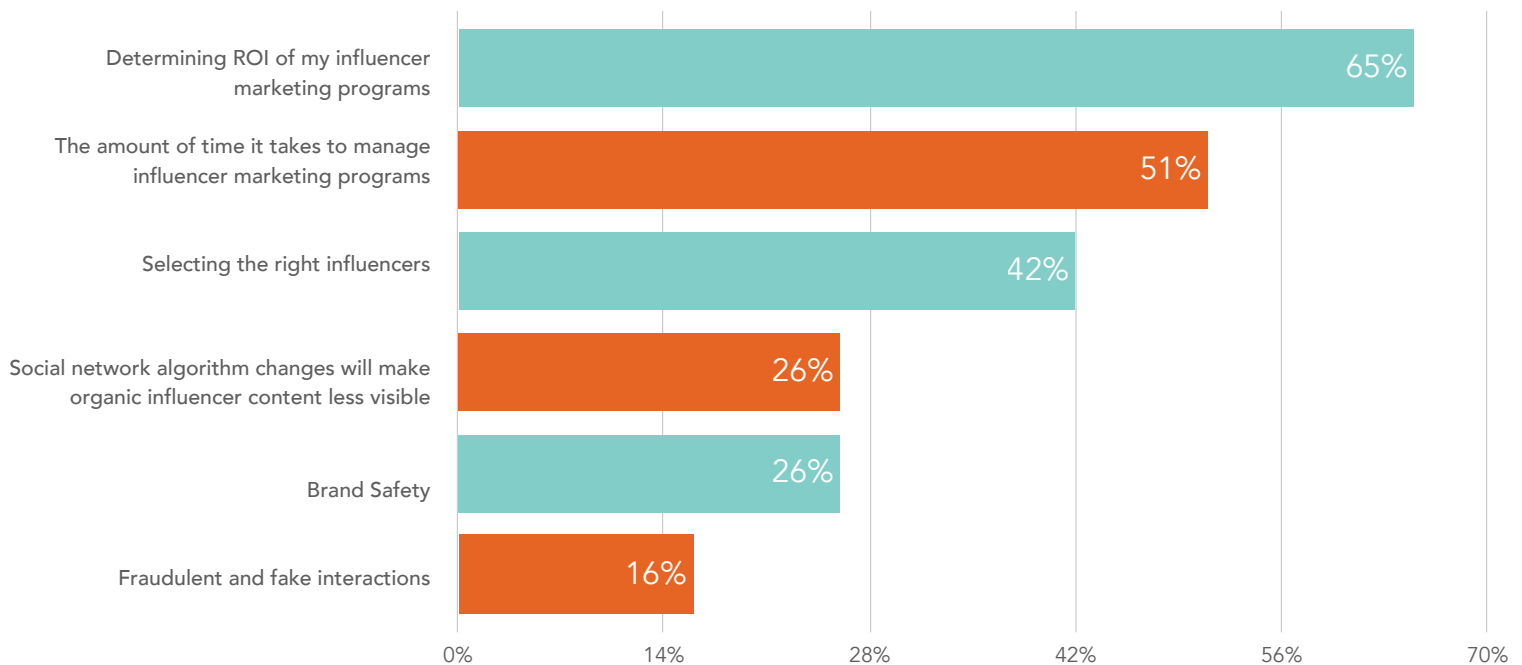


How to Improve Influencer Marketing

Although influencer marketing is a proven channel that delivers incredible results, some enterprise marketers still report some concerns. The first top concern according to 65% of marketers is the measurement of programs to prove ROI and to show it moves the needle. This is followed by the amount of time it takes to manage these programs at 51% and then selecting the right set of influencers for a campaign at 43%. Fraud and fake followers, is not as large of a concern, as only 16% selected this.

By partnering with an industry leader like Linqia, marketers can be more confident in the measurement and the selection of influencers, as well as helping to minimize the amount of time it takes to effectively run an influencer marketing campaign.

What do you see as your top concerns in using influencer marketing in 2021?



Conclusion

Influencer marketing is now strategy, not a tactic. Enterprise marketers need to understand the nuances of this space, or partner with industry leaders like Linqia to leverage technology and expertise to custom design effective campaigns.

In 2021, enterprise marketers can build on the success from previous years to run truly successful influencer marketing campaigns. To do this at scale, influencer marketing companies like Linqia can design, execute and measure campaigns that help marketers reach their goals. Linqia helped establish the influencer marketing space and has grown to be the leader to understanding the trends in this ever-changing industry.

Measurement is still the top concern for marketers, which is why Linqia offers the industry's only guarantee on influencer marketing. With Linqia, marketers can be confident that their influencer marketing campaigns will end in success.

163 enterprise marketers and agency professionals participated in The State of Influencer Marketing 2021 Survey across a variety of industries including CPG, Food & Beverage, Media, Retail and their agencies. Companies who participated in the survey include Allstate, Best Buy, Clorox, L'Oreal, Mindshare, Pespico, Publicis Sapient, Starbucks, and T-Mobile. This survey was conducted in February - March 2021.

About Linqia

Linqia is the only influencer marketing company that delivers guaranteed influencer ROI for the enterprise. Linqia's unique combination of strategy and technology provides the world's largest brands and their agencies seamless execution from influencer selection to closed loop measurement. More Fortune 500 brand marketers rely on Linqia and its Resonate platform than any other influencer marketing company to drive their influencer ROI. Founded in 2012, Linqia works leading national brands, including Bayer, Kimberly-Clark, McDonald's, Nestle, Unilever, and Walmart.

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