Branding in the Digital Age: How Influencers Marketing and Authenticity Reshape Brand Perceptions

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Abstract. The digital landscape’s evolution has catalyzed the rise of influencer marketing as a potent force, fundamentally reshaping brand perceptions and embarking on a comprehensive exploration of this phenomenon. This paper underscores brands' multifaceted objectives in the influencer marketing field, encompassing efforts to magnify brand visibility, precision-target niche audiences, and bolster sales conversions. The literature review session highlights the increasing pivot from traditional media outlets to dynamic social media platforms, each offering unique advantages and engagement nuances. At the core of this discourse is the indispensable attribute of authenticity, whose role is in establishing trust, credibility, and deeper connections in the influencer space. To illustrate these dynamics in tangible settings, the research ventures into case analyses of brands like Glossier and AG1, capturing the essence of effective influencer collaborations. Conversely, the Snap Spectacles-Luka Sabbat partnership is a cautionary tale, spotlighting the pitfalls when authenticity falters. Ultimately, the paper presents meticulous recommendations tailored for brands and influencers, guiding them towards a refined, impactful influencer marketing trajectory.

Keywords: Influencer Marketing, Brand Perception, Authenticity, social media.

1. Introduction

The evolution of the digital realm has not only altered the course of traditional marketing strategies. However, it has also paved the way for modern, more audience-centric methods like influencer marketing. These transformative times have ushered in the era of social media influencers: skilled digital navigators with extensive followings that cut across a multitude of online platforms ranging from visual-centric platforms like Instagram to narrative ones like personal blogs [1]. Beyond their staggering follower counts, the actual value of these influencers lies in their unparalleled connection with their audiences—a profound bond that seamlessly merges the essence of camaraderie and admiration, challenging traditional paradigms of celebrity and audience relationships [2].

In the vast marketing arena, influencer marketing stands out as a strategy that leverages these charismatic figures to deliver and personalise brand narratives to an extensive audience. This audience includes the influencer's dedicated followers and the brand's intended consumers. This new-age strategy diverges sharply from the conventional paths of brand advertisements. The heart of its success lies in its organic appeal and the perception of unfiltered, sincere communication it promises consumers. It offers a refreshing departure from overt sales pitches for today's discerning audience, providing them with a more relatable, authentic brand interaction.

In tracking the meteoric rise of this approach, data suggests a massive shift in marketing priorities. Researchers highlighted a revealing pattern, where a considerable fraction of investors were keen on significantly bolstering their investments in influencer marketing in the subsequent years. This was not a transient trend, limited to a specific time frame [1]. Fast forward to 2022, and there was a 17% ascend in US companies enthusiastically embracing influencer marketing, a testament to its effectiveness, with a significant portion of consumers crediting their brand affiliations to influencers and peer-driven recommendations [3]. Such adoption is not without its merits. The sector's valuation, touching an impressive $16.4 billion in the same year, signifies its critical importance in contemporary marketing. The underpinnings of such vast allocations become apparent when assessing the ROI. Even a modest 1% increment in spending was seen to drive a nearly 0.5% growth in audience engagement [4].
Nevertheless, as this method becomes more entrenched, it propels marketers to delve deeper and examine pressing matters. Brand perception is influenced in various ways within this context. The perceived authenticity of influencers plays a significant role in shaping these perceptions. Research offers insights into brand perception, defining it as a nuanced interplay of consumer attitudes, emotional bonds, and instinctual feelings towards a brand [5]. This research delves into the heart of these issues, probing the intricate relationship between influencer marketing, brand perception, and the pivotal role of authenticity. Through a rigorous literature review, in-depth case analyses spanning diverse industries, and culminating with strategic suggestions, this paper aims to illuminate the intricate interplay of influencer marketing dynamics and offer guidance for various stakeholders.

2. Literature Review

2.1. General findings on How Influencer Marketing Shapes Brand Perception

The marketing landscape has evolved considerably with the advent of social media and the rise of influencers. This evolution has highlighted distinct shifts in brand perception, primarily driven by the methods and mechanisms deployed in influencer marketing.

A seminal work by two researchers sheds light on brands' overarching objectives when incorporating influencer marketing into their campaigns [1]. Their findings suggest that brands predominantly engage with influencer marketing to serve three primary goals. Firstly, an inherent drive exists to augment brand awareness on a larger scale. By tapping into the existing follower base of influencers, brands can achieve greater visibility, reaching demographics that were previously inaccessible via traditional media channels. Secondly, they underscore the value of influencer marketing in penetrating niche or specific target audiences. This laser-focused approach ensures that brand messages are relayed to audiences more likely to resonate with the brand ethos and purchase their products or services. Lastly, but by no means least, two researchers highlight the criticality of influencer marketing in bolstering sales conversion rates [1]. With a genuine, organic touch lent by influencers, potential customers are more inclined to transition from mere viewers to actual purchasers.

Further deepening the understanding of the role of influencer marketing, some researchers present a nuanced perspective based on consumer involvement that illuminates the correlation between consumers' passion and confidence with their resulting brand attitudes when influenced by influencer marketing [6]. It was elucidated that fervent and self-assured consumers exhibited elevated brand attitude scores when encountering influencer-led promotions. Even more intriguingly, the study stratified respondents based on their levels of involvement. The inference was unambiguous; individuals with a high-involvement profile displayed more favourable brand perceptions than their low-involvement counterparts when influencer marketing came into play.

Diving into the essence of influencer marketing – the influencers themselves – three researchers contrasted the trust quotients of influencers against those of conventional celebrities [7]. Their findings were revelatory. Not only did influencers triumph over traditional celebrities in terms of trustworthiness, but their impact on consumer brand perception was also more salient. When customers were exposed to brand narratives via influencers, they manifested a more upbeat attitude towards the brand than when encountering traditional adverts. The ripple effects of this positive brand perception were manifold. It is elucidated that such exposure led to enhanced brand identification amongst consumers, catalysing increased engagement and fortified loyalty [7].

2.2. Platforms and Channels Used by Influencers

The transformation in the media landscape over the past few years is nothing short of remarkable. Traditional mass communication channels, which once dominated the information dissemination space, are witnessing a decline in pre-eminence. Television stations, radio broadcasts, and newspapers – platforms that once held sway in the consumer information ecosystem – are increasingly being overshadowed by the rise of social media platforms and virtual communities.
These platforms serve as information repositories and play a pivotal role in fostering relationships and facilitating interactive dialogues [1].

In influencer marketing, specific social media platforms have emerged as the most preferred conduits for influencers to engage with their audiences. A researcher lists a quintet of platforms that stand out in popularity and influence. With its visually-driven content, Instagram offers influencers a canvas to craft compelling narratives through images and short videos. TikTok, a more recent entrant in the social media pantheon, has gained meteoric popularity, particularly among the younger demographic, with its catchy, short-form video content. Facebook, despite facing challenges from newer platforms, remains a staple for many influencers, providing a diverse toolkit for audience engagement [3]. YouTube offers a platform for longer, in-depth content, allowing influencers to delve deeper into topics and create a variety of content formats. Lastly, Twitter is a real-time conversation channel, enabling influencers to engage in instantaneous dialogues and share quick updates with their followers.

It is evident from the evolving dynamics that the shift from traditional to digital platforms is not just about the medium but also about the manner and immediacy of communication. The selected platforms underscore the varied ways influencers connect with their audiences, each offering unique advantages and engagement opportunities [3]. The key for influencers lies in adeptly navigating these platforms to optimise their reach and resonance.

2.3. Authenticity in Influencer Marketing

In the digital age, where influencer marketing is a dominant force, the genuineness of the messenger is often as influential as the message itself. Drawing from the self-perception theory, a communicator's credibility significantly sways an observer's inclination to embrace the conveyed message without scepticism [7].

This emphasis on authenticity is also evident in the decisions of content creators. A striking majority, at 75%, express a willingness to collaborate solely with organisations that mirror their values and principles, underscoring the gravity of authenticity in their branding decisions [3].

Furthermore, the digital space has witnessed a surge in the influence wielded by micro-influencers—individuals who, despite having smaller audiences on platforms like YouTube, Instagram, and Facebook, are seen as epitomes of genuineness. Their audience, driven by the desire for authentic interactions, gravitates towards influencers they perceive as trustworthy. A stark contrast is observed in the perception of influencers who withhold personal details in their content. This omission often lands them in the unenviable bracket of being seen as unauthentic and potentially deceptive [2].

Diving deeper into the elements that contribute to this trust, researchers note that attributes like trustworthiness, allure, and the degree of similarity followers perceive with influencers play a pivotal role in building trust [1]. Given that influencers frequently craft online personas that resonate with credibility and charm, their overall perceived integrity and attractiveness naturally bolster the trust followers place in branded content. The semblance of similarity also enhances this trust, as followers often align with influencers, they perceive to share commonalities with. Interestingly, despite the aura of expertise that influencers inherently possess, it does not substantially impact the trust level in their sponsored content, indicating that authenticity transcends mere domain expertise in influencer marketing.

3. Beauty Industry: Glossier

3.1. The Power of Micro-influencers

Glossier has astutely recognised the paramountcy of cultivating trust and credibility as determinants of influencing consumer behaviour. Contrary to banking on celebrity clout, the brand's emphasis has been on fostering genuine influence. One innovative method the brand employs is the inclusion of whitespace and stickers with its products. This facilitates content personalisation,
enabling customers to create and showcase distinctive content centred around Glossier products. Remarkably, high-calibre content is noticed; Glossier often features such content on its primary social media platform, bringing it to its vast 2.7 million follower base [8].

Central to their strategy is the cultivation of an online community. Glossier has birthed a robust community sentiment by offering customizable products that inspire content creation, promoting and sharing customer-derived content by incentivizing the production of superior user-generated content. Their ambassador program is an extension of this ethos. Esteemed and prolific content creators associated with Glossier are inducted into this program, wherein they promote products using a distinct coupon code and gain commissions on sales. This arrangement, rather than appearing transactional, exudes authenticity. It presents ambassadors as genuine product enthusiasts rather than profit-driven promoters, bolstering both the ambassador and the brand's credibility [8].

3.2. Barbell Strategy

Despite a formidable customer foundation of 5 million and an impressive valuation pegged at $1.2 billion, Glossier exercised restraint in its influencer strategy. The brand waited until it firmly entrenched its market position and achieved the coveted 'unicorn' designation before onboarding a celebrity ambassador.

Barbell Strategy is a nuanced approach that positions itself at the two extremities of the risk spectrum. On one end are the low-risk, low-reward undertakings, exemplified by affiliate-only partnerships with micro-influencers. Conversely, the other end encapsulates high-risk, high-reward ventures, such as celebrity affiliations [8].

The genius of the Barbell Strategy lies in its avoidance of the mediocrity of average risk and reward. This stratagem enables brands like Glossier to contain risks while simultaneously availing the potential for boundless returns. The strategy's essence is meticulously evaluating opportunities, selecting those that seamlessly dovetail with the brand's aspirations and risk appetite. By adeptly leveraging this strategy, Glossier has exploited the virtues of both risk paradigms without exposing itself to unwarranted hazards [8].

4. Health and Wellness Industry: Athletic Greens

Athletic Greens, stationed in New York, is renowned for AG1—a comprehensive green powdered concoction that combines dried vegetables and fruits, probiotics, digestive enzymes, and a broad range of vitamins and minerals to optimise nutrition [9].

4.1. Creating a Hub for Potential Partnerships

One of Athletic Greens' intriguing tactics includes a dedicated page tailored for aspiring partners, furnishing details on the requisites for a perfect influencer fit, the perks awaiting them, and a simple mechanism to communicate directly with the influencer marketing crew. This focused approach provides clarity and ingeniously inverts the influencer search, inviting inbound inquiries rather than expending resources in outbound outreach [9].

4.2. The Art of Content Repurposing

Pioneering the 'allowlisting influencer ads' technique, Athletic Greens capitalises on the credibility of influencers. Rather than confining themselves to the influencers' native reach, they extend their brand message using the influencer's platform to run their promotional content. The advantages are multifold: it taps into fresh audience pools, is perceived with heightened trust as it appears organically endorsed, and economises resource expenditure on native ad creatives [9].

4.3. Valuing the Influence Partnership

Unlike brands that majorly transact with influencers on a give-and-take basis, Athletic Greens emphasises forging relationships. They believe in returning value far beyond mere commissions or
discounts. Athletic Greens underscore the mantra of reciprocation in influencer partnerships by bestowing influencers with branded goodies, offering unique experiences like factory visits, and bolstering their online presence via targeted ads [9].

5. Snap Spectacles and Luka Sabbat: A Case of Misplaced Authenticity

5.1. The Incident

An American influencer, Luka Sabbat, found himself ensnared in controversy when he allegedly failed to honour a contract, he had inked with Snap Spectacles. According to the details, the agreement mandated Sabbat to publicise the product through three Instagram Stories and a distinct post on his profile. However, PR Consulting Inc., the public relations firm handling the campaign, contended that Sabbat only accomplished one story, and the primary post did not receive its nod before being broadcast [10]. Compounding the issue, Sabbat was also expected to be captured publicly donning the product linked to the ‘Spectacles Marketing Campaign’ during the Fashion Weeks of Milan and Paris, an obligation he purportedly overlooked. This breach prompted PR Consulting to demand the upfront payment of $45,000 and additional fees to compensate for related damages [10].

5.2. Lessons Drawn from the Incident

The burgeoning realm of influencer marketing, though nascent and somewhat chaotic, is gradually sculpting its business framework. With big brands recognising the potency of this marketing avenue, several management entities have emerged, proffering the necessary toolkit, talent lists, communication channels, and representation that lubricate the collaborations between corporate brands and influencers. Historically, influencers thrived on the perceived authenticity, reminiscent of what Sabbat epitomised. However, the landscape is shifting. The onset of meticulous contracts and unerring metrics allows the marketing industry to appraise an influencer's worth and impact critically. This transition underscores a new dawn: the age of influencer responsibility [11].

6. Suggestions

6.1. For Marketers and Brands

Drawing insights from the Glossier case, it is clear that in influencer marketing, authenticity and genuine influence often have a more significant impact than merely having a celebrity name attached. However, by wisely employing the barbell strategy, brands can effectively recover their initial investment [8]. Another critical aspect to consider is the frequency of posts. Overloading followers with excessive content can result in disengagement. By allying with influencers who maintain an optimal posting frequency, brands can significantly augment the ROI of their influencer campaigns. In fact, the potential ROI boost can be as high as 53.8% through such astute influencer selection [4].

The alignment between the influencer's followers and the brand also plays a pivotal role. There is a marked potency in partnerships when roughly 9% of an influencer's followers share an alignment with the brand's interests. A shift away from this percentage can negatively affect ROI. However, it is encouraging to observe that many brands today instinctively forge well-matched partnerships, indicating an innate understanding of the benefits of medium-follower-brand fit [4]. Furthermore, integrating direct links to a brand's website or other platforms within influencer posts can significantly enhance engagement, leading to an 11.4% surge in ROI. Such strategies promote increased interaction between the consumer and the brand. However, brands should exercise caution when using influencers to announce new product releases. Such posts have shown to be less impactful than others, with a 30.5% drop in ROI for these specific announcements [4].

When influencer marketing is implemented with a genuine emphasis on authenticity and underpinned by strategic insights, it can profoundly bolster consumer brand perception. Brands must
tread carefully in this domain, ensuring genuine engagement and well-informed strategies to guide their influencer collaborations.

6.2. For Influencers

In the evolving landscape of influencer marketing, the critical differentiator between successful influencers and the rest is often their genuine authenticity and original content. Influencers whose content is original, steering clear from redundant ideas and repetitive narratives, can potentially elevate the ROI of their posts considerably. Specifically, if an influencer's original content rate is higher than the average by one standard deviation, the ROI can surge by a noteworthy 15.5% [4].

Furthermore, while the tone of an influencer's posts can significantly influence consumer engagement, maintaining it is a delicate balance. Undoubtedly, consumers are more inclined towards posts that radiate positivity, as they often translate to a more robust endorsement. However, influencers need to tread with caution. Over-enthusiasm or exaggerated positivity can come across as inauthentic and potentially counter-productive. Influencers must strike a balance, ensuring their positivity feels genuine and isn't perceived as hyperbole. Again, it is a testament to the value of authenticity in the influencer ecosystem [4].

In essence, for influencers keen on making a lasting impact and fostering trust among their audience, the way forward lies in crafting original content and adopting a genuinely positive tone. The focus should remain on maintaining genuine engagement, ensuring that collaborations and endorsements are consistent with their authentic voice and style.

7. Conclusion

In the dynamic and fast-paced realm of influencer marketing, many untapped avenues await scholarly and practical exploration. Foremost among these is the quest to pinpoint the most effective social media strategies that lead to optimal sales conversions. Current observations indicate that the influence of various mediums—be it the lure of giveaways, the simplicity of pictures, the immediacy of short videos, or the depth of long-form content—each carry distinct persuasive powers over consumers. However, the depth of their impact and comparative efficacies remains rich for study.

While specific industries, such as beauty, personal care, and fashion, have been quick to harness the benefits of influencer marketing, other sectors, including fitness, food, and emerging niche markets, present a broad horizon of untapped opportunities. These sectors stand to benefit immensely by tailoring influencer strategies to their unique product offerings and target demographics.

Furthermore, authenticity, a cornerstone in influencer marketing, varies significantly across global geographies and cultural contexts. Every nation brings with it a set of regulatory frameworks surrounding advertising. These guidelines, in turn, play a pivotal role in moulding the local audience's perception of how genuine a given influencer campaign appears. Additionally, deep-rooted cultural norms, traditions, and societal values invariably impact and shape the lens through which authenticity is judged and perceived.

By delving into these multifaceted layers of influencer marketing, scholars and businesses can cultivate a more comprehensive understanding of its effectiveness. Such insights are invaluable, enabling the adaptation of influencer marketing strategies to cater to diverse audiences, thus ensuring that the messaging resonates deeply and drives tangible outcomes across varied global landscapes.

Given the complexities above in influencer marketing, a clear pathway emerges for future research endeavours. While the current understanding provides a foundation, there remains significant scope for a deeper dive into integrating evolving technologies in influencer marketing. These technologies could involve exploring the impact of augmented reality, virtual influencers, and artificial intelligence-driven campaigns. Additionally, studies could probe further into how different generations—especially the digital natives—respond to various influencer marketing tactics, thereby equipping businesses with data-driven strategies tailored to specific audience segments. With the rapidly changing landscape of digital marketing, it becomes crucial for scholars to continuously
assess, refine, and innovate within the domain of influencer marketing, ensuring its strategies remain relevant and impactful in a globalized world.

References


