



More than meets the eye: The functional components underlying influencer marketing



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Abstract Influencer marketing is the practice of compensating individuals for posting about a product or service on social media. Influencer marketing is on the rise, and many marketers now plan either to start using influencers or to increase their use of them in their media mixes. Despite such growth, relatively little strategic or academic insight exists that is specific to influencers. In this article, we describe the roots of influencer marketing and the many different types of influencers that now exist. We identify influencers' three functional components: the audience, the endorser, and the social media manager. We then detail for each of these components the different sources of value influencers potentially offer marketers. We draw on relevant academic research to offer advice about how to leverage each component strategically. We close by describing how the interplay of these functional components makes influencers a potentially powerful—and undervalued—marketing tool.

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1. Influencer marketing

Once a small movement, influencer marketing is estimated to become a \$101 billion industry in 2020, with 75% of advertisers reporting using influencers and 43% expecting to increase their

spending on influencers in the next year (Association of National Advertisers, 2018). While brands often struggle to create engaging social media content, influencers are specialists at generating content consumers interact with, which helps it spread more widely on social media. In exchange for their ability to garner such reach, top influencers can command over six figures for a single social media post and in aggregate can earn millions per year (McCoole, 2018). This has led to

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an influx of people into the field, particularly young people who consider it an easy and lucrative summer job (Lorenz, 2018). Growth in influencer marketing is also leading to the rise of ad agencies, clearinghouses, and talent agents specialized in the industry, with one review¹ finding nearly 1,300 influencer agencies alone.

While the Interactive Advertising Bureau (IAB) recently released a detailed operational guide on influencer marketing, featuring a multitude of case studies from major brands (IAB, 2018), relatively little strategic or academic insight is available for marketers looking to better understand and capitalize on this new tool. In this article, we explore the opportunities possible through influencers by examining their three core advertising functionalities: the audience, the endorser, and the social media manager. By examining these components first individually and then collectively, we show how marketers can best harness influencers in their campaigns.

2. The rise of influencers

An influencer is someone who posts to social media in exchange for compensation (Campbell & Grimm, 2019). Influencers can post to any social media platform, though Instagram and Facebook are the most popular (Association of National Advertisers, 2018). Companies compensate influencers either with money or in kind, such as with free products, services, trips, or experiences.

Influencers' advertisements appear online and typically blend into their environment by matching the format of surrounding content, similar to an advertorial or infomercial (Campbell & Grimm, 2019). The recent growth of influencer marketing can be attributed to the intersection of several different forces. First, consumers have shifted their media consumption from print to online media. Second, consumers react differently to advertising when they are online. When online, consumers are known to be goal-directed, which makes them more averse to overt advertisements (Cho & Cheon, 2004). This makes advertising in online environments difficult and has led to the use of softer, less overt, and more authentic advertising approaches (Association of National Advertisers, 2018; Campbell & Grimm, 2019). Third, consumers spend a large proportion of their time online on social media, a fact not exclusive to millennials (Gajanan, 2017). Unlike print media,

social media platforms like Instagram and YouTube are open forums where consumers compete to garner audiences. Consumers field-test their content against the live responses of fellow consumers, resulting in the emergence of talent that is highly compelling and often seen as more authentic than brand-created content. Fourth, social media extends the consideration and evaluation stages in consumer decision making (Lindsey-Mullikin & Borin, 2017), requiring lighter but more frequent exposure to information on products and brands. Finally, the internet enables easy aggregation of consumers based on shared interests. This facilitates the emergence of influencers who appeal to relatively niche, long-tail audiences.

All of these forces combined are driving rapid change in the advertising industry, as many agencies are not set up to build digital experiences for consumers who spend more and more time online (Mallia & Windels, 2011). Marketing on social media carries with it the expectation of 24/7 engagement and response, as well as the need for a fluid marketing structure that is nimble and dynamic in reacting to consumer response patterns and trending topics. As such, some marketers are shifting some control out of the agency and into the hands of influencers, leveraging their skill sets and close connections to the target audience. This has created a rapidly expanding, increasingly powerful group of influencers and constitutes a prominent shift in online marketing.

3. The scope of influencers is expanding: From nanoinfluencers to celebrity influencers

Influencer marketing is a large and expanding phenomenon. Upfluence² reports their database spans 1.2 million influencers across 250 categories, while Captiv8³ and Mavrck⁴ report over 1 million and 2 million influencers in their respective databases. Even assuming some overlap in these databases, these numbers are impressive. Influencers are often associated with millennials in categories such as clothing, cosmetics, and luxury travel, but they are also emerging across a wide variety of ages and product categories. This includes the elderly, such as Iris Apfel (@iris.apfel) at 97 years of age; those in midlife, such as Jessica Gottlieb and Stefanie Pollard (@wearemidlife); and even

¹ <https://clutch.co/agencies/social-media-marketing/influencer>

² <https://search.upfluence.com>

³ <https://captiv8.io/marketplace/index.html>

⁴ <https://www.mavrck.co/how-mavrck-is-different/>

unborn babies, such as Halston Blake Fisher (@halston.blake). Influencer marketing is also expanding into pets, such as Loki the Wolfdog (@Loki), as well as AI-generated influencer accounts, such as Lil Miquela (@lilmiquela). Influencers appear able to form around any topic for which a consumer audience exists.

Perhaps the most interesting and dynamic element to influencer marketing is the notably wide range of characteristics among the available talent. Influencers differ significantly in branding and focus, follower base, engagement rates, monetary requirements for collaboration, and skill sets—all of which compose the package the influencer is able to offer a brand. Given these differences, we draw from a variety of sources to develop the five distinct influencer categories shown in Figure 1. These categories are based not only on follower counts but also perceived authenticity, accessibility, expertise, and cultural capital. We note important distinctions between categories, incorporating insights from industry sources (Association of National Advertisers, 2018; Launchmetrics, 2018) to define influencers within five distinct categories: celebrity influencers, megainfluencers, macroinfluencers, microinfluencers, and nanoinfluencers.

3.1. Celebrity influencers

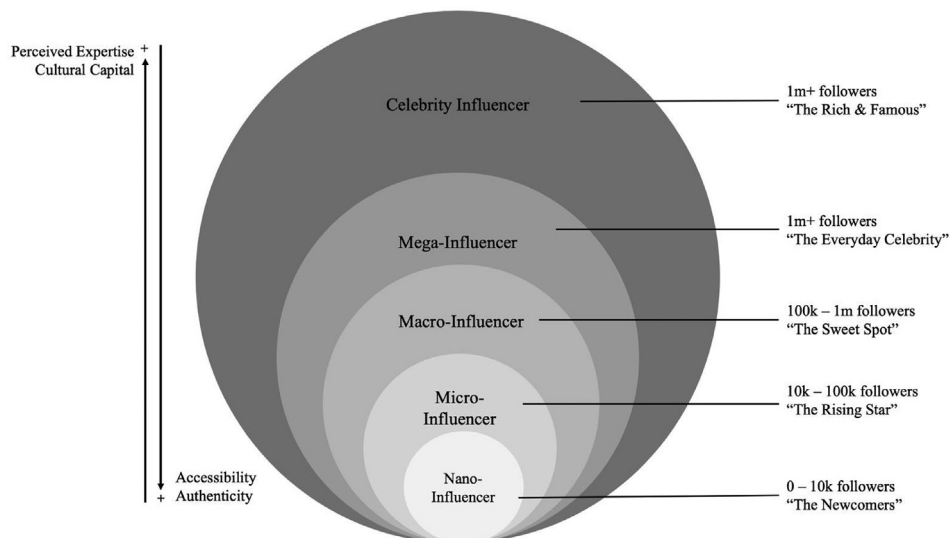
A celebrity influencer is any individual who enjoys public recognition outside of social media and is leveraged by brands for their large follower base.

Celebrity influencers such as Selena Gomez, Paris Hilton, and Kim Kardashian experienced fame and notoriety prior to or independent from the evolution of social media, though they now use their social media presences to support their careers and propagate brand partnerships. These influencers often have over 1 million followers and major endorsement deals with well-known brands. Celebrity influencers frequently work with brands associated with their prior work (e.g., music or film), and this cultural capital lets them command significantly higher price tags than other, noncelebrity influencers. Though they tend to form weak brand connections, celebrity influencers can carry high levels of perceived expertise, which is another factor behind their high pay. Despite their relatively low engagement rates overall, celebrity influencers are infamously known to charge over \$250,000 per Instagram post (Chen, 2017).

3.2. Megainfluencers

Like celebrity influencers, megainfluencers are individuals who have experienced significant follower growth on social media and who have created a celebrity status from an established expertise, having attained 1 million or more followers. But unlike celebrity influencers, megainfluencers, such as Zoë Sugg (@zoesugg) and Josh Ostrovsky (@thefatjewish), are people who lacked celebrity status prior to their becoming social media mavens. While they may be “internet

Figure 1. Types of social media influencers



famous,” they are typically relative unknowns outside their sets of followers. Nonetheless, their significant audiences enable them to garner compensation of \$50,000 per post. In contrast with celebrity influencers, megainfluencers often align their brands more closely with paid partnerships.

3.3. Macroinfluencers

Macroinfluencers are influencers who have yet to gain celebrity but nevertheless are extremely successful, with followers numbering between 100,000 and 1 million. Two examples are The Sister Studio (@thesisterstudioig) and Alyssa Rimmer (@simplyquinoa). Macroinfluencers achieve strong engagement rates and can harness their large followings for substantial brand exposure, yet they typically command a lower price per post compared to mega- and celebrity influencers. Macroinfluencers can thus provide brands with the most bang for their buck. Macroinfluencers can earn over \$1 million a year and up to \$5,000 per post, mostly through selective brand partnerships and appearances. These influencers are dominant within their subject domains (e.g., travel, food, music), and their audiences often aspire to be like them.

3.4. Microinfluencers

Microinfluencers are successful enough to make a career out of being an influencer, but they are smaller than macroinfluencers in both scale and scope. Their audience tends to be more localized to their geographic base, and most of their income comes from affiliate-link programs or occasional partnerships with brands (e.g., Nordstrom, the Amazon Influencer Program). Their influencer brands are also more fluid, as they often partner with multiple and diverse industries. With follower counts between 10,000 and 100,000, microinfluencers usually depend upon social media videos (e.g., Instagram stories), which help them connect with their followers and heighten their perceived accessibility and authenticity. Such videos can influence sales significantly, as many followers find microinfluencers’ recommendations more genuine than those made by larger celebrities, whom they may view as more prone to “sell out.” For this reason, marketing managers are increasingly working with microinfluencers, who harness greater authenticity and trust and often are more connected to the needs and interests of their followers (Wissman, 2018).

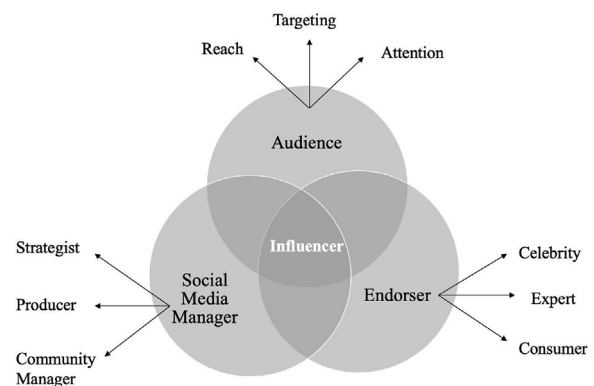
3.5. Nanoinfluencers

Nanoinfluencers, such as Alexis Baker (@alexisbakerrr), are at the beginnings of their influencer careers, and their followers are mostly friends, acquaintances, and others who live close by. Because nanoinfluencers offer their followers the benefits of personal accessibility and high perceived authenticity, they often generate the highest engagement rates of all influencer categories. Nanoinfluencers may be individuals looking to become prominent players within the industry, or individuals who have organically experienced a growth in followers through ordinary social media behavior. These influencers are just beginning to grow their follower bases and have fewer than 10,000 followers. They are just beginning to understand the industry and to establish their personal brands. As such, nanoinfluencers may be lucrative prospects for brand partners since they are often more open to unpaid partnerships and free product samples in return for networking opportunities and increased exposure on social media. Nanoinfluencers also tend to be the most proactive influencers, in that they approach brands to inquire about partnerships rather than being approached themselves.

4. Unpacking the advertising functions embedded in influencers

Having reviewed both the history and scope of influencer marketing, we next turn to understanding the underpinnings of the influencer phenomenon. In this section, we identify influencers’ component “parts” and discuss them in terms of the advertising functions they offer. We argue that

Figure 2. Advertising functions that influencers represent



all influencers, irrespective of their size, embody three critical marketing functions: (1) access to a potentially highly engaged audience, (2) an established endorser persona, and (3) skills in social media management. [Figure 2](#) is a graphical representation of these functions.

4.1. Influencers as audiences

To marketers, one of the most important components of an influencer is their audience. An influencer's audience comprises a set of consumers who have opted in to seeing the influencer's social media content. An influencer's audience provides value to marketers by offering organic reach, specific targeting, and increased attention.

4.1.1. Organic reach

Influencers' posts often achieve sizable organic reach, meaning that they are often seen by consumers without any spending on advertising. Similar to how social media platforms such as Instagram report organic reach, many influencer marketplaces now provide organic-reach metrics to advertisers. While organic reach depends on factors such as how much engagement a post receives ([Lipsman, Mudd, Rich, & Bruich, 2012](#)), influencers are skilled at creating content that maximizes engagement. Influencers' organic reach enables them to take advantage of indirect appropriability ([Liebowitz, 1985](#)) and to charge brands for the value their organic reach provides. Since organic reach is often difficult for corporate brands to achieve ([Tien, 2018](#)), many large brands use influencers to promote new ventures—just as the Chicago Bears did to promote local clothing designer Joe Freshgoods ([Association of National Advertisers, 2018](#)). Influencers often drive increased engagement to brand-related messaging in a more effective and personal manner than brands can do themselves.

4.1.2. Targeting

Most influencers' audiences reflect specific targeting, as most influencers specialize in a particular topic or niche area. Since consumers opt in to following influencers, they often align closely with their preferred influencers in terms of age, geographic location, and stage of life (e.g., college, pregnancy). Many of these audience attributes are listed in influencer marketplaces, so targeting via influencers is similar to placing ads online and on social media. Such targeting is valuable not only because consumers are more likely to respond positively to ads that are relevant to them ([Taylor, 2009](#)) but also because influencers

inherently increase the level of trust within the relationship, as consumers may feel the influencer understands and appreciates them.

The targeting afforded through influencers is even more valuable if a target audience's interests are not reflected in a brand's current list of targeting options. This can occur when emergent trends have yet to be incorporated into targeting settings, or in the case of niche groups. For instance, advertisers can use influencers to reach consumers interested in a specific disease, a particular type of wine, or a certain style of decorating. Influencers have even greater targeting value as the increased adoption of privacy settings makes it hard to determine consumers' interests. Consumers' privacy concerns are growing following a series of high-profile privacy breaches involving social media ([Baccarella, Wagner, Kietzmann, & McCarthy, 2018](#)). While increased consumer control and greater transparency of data collection can mitigate these concerns ([Aguirre, Mahr, Grewal, de Ruyter, & Wetzels, 2015](#); [Tucker, 2013](#)), influencer marketing is a promising alternative; marketing through influencers can enable specific targeting without needing to collect private data. Influencers also naturally cede control to consumers who opt in to following them, making influencer placements more valuable in cases where consumers or brands are sensitive to privacy violations.

4.1.3. Attention

Influencer posts are likely to garner more consumer attention than ads from a brand itself ([Pereira, Salgueiro, & Mateus, 2014](#)), something that can easily be assessed by comparing engagement and response rates. Posts by influencers often are more candid and real, especially posts from nano- and microinfluencers, and these characteristics can make influencer content feel more authentic than traditional ads ([Kowalczyk & Pounders, 2016](#)). This helps advertising agencies and marketing managers confront a prominent problem: Consumers often find digital advertising annoying and untrustworthy ([Cho & Cheon, 2004](#)). Consumers prefer less intrusive advertising when online, so they respond more favorably to influencer content, which is generally more subtly styled and less overtly promotional than brand-created ads.

Researchers have found that the content that surrounds an ad's placement affects how consumers respond to it. Consumers respond better to ads appearing within content they like ([Coulter, 1998](#)), content they find informative ([Van Reijmersdal, Smit, & Neijens, 2010](#)), or content

that fits the surrounding mood (Lord, Burnkrant, & Unnava, 2001). Placing an ad within the right influencer's content is likely to boost consumers' motivation to process the ad (MacInnis & Jaworski, 1989) and facilitate their comprehension of its message (Goodstein, 1993). Ad-context congruity has been shown to boost consumers' recollection (Yaveroglu & Donthu, 2008) as well as their attitude and purchase intentions (Shamdasani, Stanaland, & Tan, 2001). For advertisers, these findings point to a need to ensure a good fit between influencer and brand.

As the consumer decision-making journey lengthens and becomes more cluttered (Lindsey-Mullikin & Borin, 2017), the importance of multiple ad exposures is growing. Influencers can gradually introduce consumers to new products, keep them informed, and remind them about the products later on. Influencers offer a relatively easy means of achieving serialized targeting, which is often impossible through the standard advertising tools found on social media ad platforms. When targeting influencer-specific audiences, brands can break down their more complex narratives and communicate them over time as a simpler series of posts.

4.2. Influencers as endorsers

A second component of influencers is the role they play as endorsers. Influencers act as a reference group to consumers, on whom they can exert aspirational, informational, or attachment-driven persuasion (Bearden & Etzel, 1982). Reflecting these three respective effects, we next discuss influencers as celebrities, experts, and fellow consumers.

4.2.1. Celebrity status

Some endorsers are effective because they are celebrities. A celebrity is someone "who enjoys public recognition and who uses this recognition on behalf of a consumer good by appearing with it in an advertisement" (McCracken, 1989, p. 310). Not all endorsers are celebrity influencers (see Figure 2), but many endorsers' followers view them aspirationally. Celebrity influencers exert value-expressive influence in that their persuasive power stems from consumers liking or even wanting to emulate them. They are particularly effective at endorsing flashy luxury products (Bearden & Etzel, 1982). Endorsers use their celebrity status to promote awareness (Kelting & Rice, 2013), increase exposure in the press (Erdogan, Baker, & Tagg, 2001), and both improve attitudes toward the brand and increase purchase

intentions (Carrillat, d'Astous, & Lazure, 2013). Research has shown that celebrities' cultural associations can be transferred to a brand or product (McCracken, 1989), and consumers can be motivated to purchase advertised brands in order to acquire the same associations (Bearden & Etzel, 1982; Biswas, Biswas, & Das, 2006).

Influencers are becoming celebrities in their own rights; they are often recognized and approached on the street, and they are admired for their styles and opinions. Many consumers tune in daily to watch influencers, whom they view as a source of entertainment and inspiration. Given that advertisements have a higher chance of success when consumers find them entertaining (Taylor, 2009), influencer marketing is an opportunity for advertisers to tap into engaged and receptive audiences.

The persuasiveness of an advertisement that features a celebrity is dependent upon the perceived fit between the celebrity's image and the endorsed brand (Kahle & Homer, 1985; Kamins, 1990; Till & Busler, 2000). Researchers have found that strategies using celebrity partnerships should consider not only celebrities' physical attractiveness (Kahle & Homer, 1985; Kamins, 1990) and likeability (Miciak & Shanklin, 1994) but also their perceived fit with the advertised brand (Fleck, Korchia, & Le Roy, 2012). Marketers should therefore seek influencers who not only match their brand but whose audience aspires to be like them.

4.2.2. Expertise

Many influencers are experts on specific product categories, ideas, or lifestyles. For example, Kylie Jenner (@kyliecosmetics) is a cosmetics expert, and Gina Homolka (@skinnytaste) is a cooking expert. An endorser's credibility in a given area affects their informational influence on consumers (Bearden & Etzel, 1982; Lin, Bruning, & Swarna, 2018), and this effect is heightened the more a product fits within an endorser's area of expertise (Till & Busler, 2000).

Whereas the effectiveness of celebrity endorsers is driven by consumer aspiration, followers of expert endorsers seek deeper evaluations of messages and their sources (Biswas et al., 2006) and wish to reduce uncertainty (Bearden & Etzel, 1982). Consumers often seek expertise as they consider purchasing high-involvement products, such as technology or cars, so marketers who wish to leverage expert endorsers should look to lengthier formats that enable more information to be conveyed (Mudambi & Schuff, 2010), including blog posts, videos on YouTube, and Instagram stories. Expert endorsers' trustworthiness has a

significant effect on the persuasiveness of their message (Chu & Kamal, 2008); endorsers whom consumers suspect of hawking products they do not themselves use are less effective (Kapitan & Silvera, 2016). Expert endorsers often highlight both the positive and negative attributes of products they review, and this has been shown to make reviews more persuasive (Mudambi & Schuff, 2010).

4.2.3. Fellow consumers

Influencers often present themselves as fellow consumers. This makes them more persuasive, as consumers view word-of-mouth product reviews from fellow consumers as more trustworthy than other reviews (Nielsen, 2015). Consumers are persuasive since other consumers often perceive them as disinterested parties (Dichter, 1966) and as more similar to themselves (De Bruyn & Lilien, 2008). Many influencers have much in common with their followers, such as similar interests, demographics, life stages, or life events. Influencers tend to cultivate a strong bond with their viewers, stoking perceptions of authenticity, and in some cases creating a kinship and sense of community. This is valuable since consumers are more prone to support individuals they like or are attached to (Bearden & Etzel, 1982). Marketers should examine each prospective influencer's engagement rate and place a premium on more effortful engagement, such as comments and shares. Influencers who form more intimate bonds with consumers tend to carry more persuasive power. While this can take some work to assess, marketers should look at how often influencers respond to followers and at how much personal information they share in their posts.

4.3. Influencers as social media managers

Influencers can act as social media managers on behalf of their advertisers, and this role forms their third major component. This role is best considered as a spectrum. On one end, a brand may want an influencer to do very little aside from appear for a photoshoot and then post resulting brand-created and approved images to their social media. In other cases, a brand may expect an influencer not only to strategize and create the content they post but also to manage resulting interactions with their followers.

4.3.1. Content producers

Content production is the most visible aspect of the influencer's role. Influencers and their teams are often notably skilled at directing, producing,

and editing social media content for their brand partners. For example, influencers working with the restaurant chain Sonic created engaging, branded videos to introduce the company's new lemonade and limeade flavor combinations (IAB, 2018). Influencers' content-production functions may be particularly important to small companies that don't know how to create content that will resonate with a particular target audience. The public nature of influencers means marketing managers can review an influencer's creative talents before drawing up a contract, which lowers the risk of hiring a creative agent who does not match the vision or objectives for a given campaign.

In other cases, brands may prefer to give influencers much less autonomy or creative control. Just as when dealing with advertising agencies, brands may supply influencers with a creative brief and detailed guidelines about how a brand and product should be depicted, and they may require that all content be vetted before posting. Brands should know both that this content-production spectrum exists and that an influencer's place within it is negotiable.

4.3.2. Strategists

In addition to being content producers, influencers can act as content strategists. By blending their knowledge of their audience and the needs of their brand clients (Zhu & Chen, 2015), influencers can work to develop compelling content that resonates with their followers. Influencers have extensive experience with and insight into their followers. This is not always true of advertising agencies, which may represent a portfolio of brands with very different target audiences. In partnering with influencers, marketing managers have the unique opportunity to work alongside creative agents who are intimately involved with their customer bases. As many influencers operate within niche categories (e.g., everyday fashion, DIY home decor, international travel), they can advise at a strategic level how best to appeal to their followers. They are also aware of which creative approaches provide their followers with the most value and entertainment, factors that are known to reduce the intrusiveness of online ads (Ying, Korneliusen, & Grønhaug, 2009). This combination of strategic and creative insights enables influencers to know which content will resonate with, and be seen as authentic by, their followers.

4.3.3. Community managers

After posts go live on social media, influencers and their teams often interact with their audiences,

potentially acting as community managers. This not only encourages and amplifies engagement, further expanding organic reach, but also provides a support function. In many cases, influencers provide a complete content-creation package that otherwise might require the collaboration of multiple agencies and contract professionals. Influencers constantly engage with their followers through stories and live sessions, as well as by asking for feedback, cocreating content, and responding to comments and messages. While such engagement not only serves an important social media response function for advertisers, research has also found that interactive digital marketing efforts are more effective than noninteractive ones (Taylor, 2009). This is especially true of marketing that targets millennials, who are known to care more about engaging in communities than about ads themselves (Newman, 2015).

5. Advice for marketing managers

In this article, we describe the three component parts of influencers: the audience, the endorser, and the social media manager. Influencers are playing an increasingly significant role within marketing, as consumers are becoming more active participants in the marketing process (Hanna, Rohm, & Crittenden, 2011). We advise marketing managers to scrutinize the value influencer's offer in terms of their different functionalities and to consider how combining these functionalities may prove more effective than traditional forms of advertising.

5.1. With influencers, the whole is greater than the sum of its parts

While influencers provide three unique components of interest to brands, greater strength potentially arises when all three arise in a single person. The interplay of deep audience insight, creative expertise, and experience managing social media make for a powerful combination. In many cases, influencers may embody more knowledge about a target audience than many advertising agencies, which often only address a single aspect of a client's work (e.g., market research, social, or creative). Bundling these functions into a single entity facilitates greater creativity and faster execution of processes, with the inherent benefit of lower associated costs given the one-stop-shop setup. Macroinfluencers in particular provide brand managers with a highly skilled, highly trusted, and—compared to

celebrity influencers—relatively cost-effective marketing outlet that is positioned to garner high engagement rates and more exclusive brand awareness (Main, 2017). Marketing managers can thus exploit influencers' functional components either discretely or as an entire marketing package.

5.2. Influencers may be undervalued

A good starting point for assigning value to influencers is to consider how many followers they have, which is a proxy for their reach (Chen, 2017), though full valuation of influencers should account for all sources of value. Such a valuation would include organic reach, engagement, and such qualitative criteria as post consistency and quality. Assessment of these criteria is driving strong interest in micro- and macroinfluencers, who often represent better value than their counterparts due to their higher engagement rates (Wissman, 2018). Targeting is an additional source of value, as some niche audiences tend to be more expensive or even impossible to target using standard targeting tools. Beyond audience characteristics, marketing managers should expect to pay a premium for well-known celebrity influencers or expert endorsers, as both carry with them higher degrees of consumer trust, and the halo effects of their endorsements may linger (Erdogan et al., 2001). This is especially true of cases in which a brand contracts with the same influencer over an extended period of time, as the value of their endorsement and community management may increase with stronger association. Finally, both the value of ideating and developing content and the value of active engagement with consumers should be considered given the immense time, effort, and energy each influencer contributes to the brand partnership. We encourage marketing managers to carefully consider all of the components, looking beyond reach and engagement metrics.

5.3. Not all influencers are created equal

It is helpful to understand the differences among influencers in terms of skill sets, engagement approaches, and power sources. Each influencer category (see Figure 1) comes with a unique skill set and therefore a unique strategic marketing purpose. As a result, marketing managers may want to use several influencers from different categories within the same campaign to make the most of their unique contributions. Influencers within the celebrity and megainfluencer categories harness both developed and established cultural

capital, granting them perceived expertise (Biswas et al., 2006). Partnering brands will especially benefit from these influencers' endorser functions because many consumers idolize celebrities' personas. But such celebrity appeal should be balanced through the use of micro- and macro-influencers, as brands may be able to capitalize on the air of accessibility and authenticity that comes naturally to these smaller-scale influencers. Given the personal nature of these influencers' interactions with their followers, brands may benefit from more engaged audiences and active social media managers. The development and implementation of an influencer marketing strategy should therefore entail careful consideration and a collaborative fit between influencers of different sizes and capabilities.

5.4. Risks of influencer marketing

Marketing managers should be aware that influencer marketing campaigns also come with risks. One risk comes simply through involving multiple people in content creation for a brand. If clear guidelines are not in place, brands risk diluting their brand meanings or even diverging from corporate goals. Brands also run the risk of close and negative associations with individuals prone to personal indiscretions or scandal. With the growth of influencer fame comes increased public visibility. As discussed earlier, influencers often carry with them a celebrity status that has the potential to denigrate the brand reputation should the influencer deviate from brand expectations or engage in morally offensive behavior. Knittel and Stango (2013) estimate that shareholders of Tiger Woods's sponsors lost between \$5 and \$12 million following revelations of his infidelity and his arrest for driving under the influence of alcohol or drugs. Brands that partner with mega- and celebrity influencers must remain cognizant of the often sensitive and fickle nature of highly visible partnerships.

Another risk inherent to influencer marketing arises because of a historical focus on metrics, which causes many influencers to pay for follower bots or engagement bots in order to inflate their success metrics. While firms can attempt to circumvent this issue by focusing on more robust engagement-rate metrics (e.g., comments and shares), many influencers still purchase follower bots to appear more competitive and attractive to brands (Daniels, 2018). As such, managers should assess the full spectrum of engagement and view historical follower-count patterns to check for drastic and inexplicable increases in followers.

Finally, we caution marketers that they are responsible for ensuring adequate disclosure is present on any posts made by influencers on their behalf. The Federal Trade Commission has published an endorsement guide and associated FAQ (FTC, 2017) that, along with the IAB's (2018) guide, all marketers should review. Since the influencer market is an evolving space (Campbell & Grimm, 2019), best practices may change, and advertisers who employ influencers would be wise to keep abreast of those changes.

6. Conclusion

Influencer marketing will undoubtedly continue to gain traction in the coming years. In a movement that some have called confluence culture, there is broad recognition that the advertising industry must "adapt to embrace the new reality of interactive content, emerging media, and production/consumption methods" (Sheehan & Morrison, 2009, p. 40). Even for skeptics, the significant influx of players into the influencer market, coupled with influencers' effectiveness, makes the marketing tactic difficult to ignore. Marketing managers should be prepared to use influencers within even their broadest marketing campaigns and to consider how this emerging marketing phenomenon may improve their overall brand strategies.

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