

2022



# THE STATE OF INFLUENCER MARKETING

The Marketer's Edition



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# METHODOLOGY



To understand the state of influencer marketing in the UK in 2022, Cure Media conducted extensive research into the channel and the people who work within it, surveying over 1,000 consumers and 208 consumer marketing decision-makers across the UK.

The surveys were carried out in Spring 2022 to ensure findings were relevant and contemporary, and respondents were sourced from across different age groups, regions and genders to offer a broad spread of insights and opinions indicative of the wider market.

While this report focuses on the experiences, challenges and priorities of marketers, the findings from the consumer survey inform our conclusions and full reports on consumer shopping behaviours and attitudes towards influencer marketing are also available.

Now, let's dive in!

# THE PREMISE

Let's address the elephant in the room: there seems to be some misunderstanding around the role influencer marketing should be playing in a brand's wider marketing strategy.

Let's take a closer look...

- **72% of marketers say that social media is a primary channel for their brand**
- **Whereas only 31% regard influencer marketing in the same way**

Yet we know from our previous research that roughly half of consumers trust an influencer's recommendation over a brand's. So while the majority of marketers clearly recognise the importance of social media for communicating and engaging with their audience, it's likely that the minority are using the right people to do it, or at least to the extent that is needed to stand out in a hectic consumer landscape.





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SECTION 1.

# THE RETAIL LANDSCAPE



## **THE RETAIL LANDSCAPE**

We know that the consumer marketplace is a chaotic one. With historical barriers to entry eroded by the accessibility of e-commerce, and new generations of shoppers directing the action, the competition is fierce and the consumers are fickle.

To understand how marketers were faring in such a challenging environment, we asked them about **their biggest challenges:**

- 1 Competitive marketplace
- 2 Shifting to digital-first consumer landscape
- 3 Keeping up with digital natives

And their **top priorities** for 2022 and beyond:

- 1 Engage new audiences
- 2 Digital transformation
- 3 Increase revenue



## **INTERESTINGLY, ONE OBJECTIVE THAT EMERGED AS A HIGHER PRIORITY**

for 50% of companies who described themselves as digital natives was the expansion into new markets. Meanwhile simply staying afloat was a priority for 31% of digital transformer respondents, compared to just 16% of digital native brands.

50%

of digital natives are  
expanding into new markets

31%

of digital transformers are just  
trying to stay afloat



SECTION 2.

ENTER **PLAYER Z**

## ENTER PLAYER Z

With new audiences in the crosshairs for brands across the digital divide, coupled with the fear of a digital-first consumer landscape, we wanted to understand how brands were feeling about the new kids on the block: Gen Z.

With the eldest players in this new audience now comfortably in their 20s, brands are realising that this is not a consumer base to take lightly. Born on the internet, these shoppers set the bar high for retailers, expecting convenience at a reasonable cost without compromising their conscience. And with significant purchasing power already entering the market from this audience, understanding them will be crucial to securing a brand's long-term success.

**Acknowledging that only 42% of marketers feel like their brand completely understands Gen Z-ers might be confronting.**

However, for brands who have used influencer marketing at any point, that number rises to a marginally more optimistic 50%, while for brands who are yet to use influencer marketing, the number drops to a measly 19%.

**"My brand completely understands the needs and priorities of Gen Z."**



50%

of brands who have used influencer marketing



19%

of brands who haven't used influencer marketing

## FURTHER TO THIS...

for 45% of brands who claim to understand Gen Z completely, influencer marketing represents a primary marketing channel, compared to the industry average of 31%.





**BUT ONE TYPE OF RETAILER IS ALREADY TAKING THE LEAD IN THE RACE FOR GEN Z'S HEARTS.**

**60%** of digital-native brands claim to completely understand this audience. And when we look at their marketing tactics, we're inclined to believe them...







SECTION 3.

**DIGITAL NATIVES**

**DOMINATE**



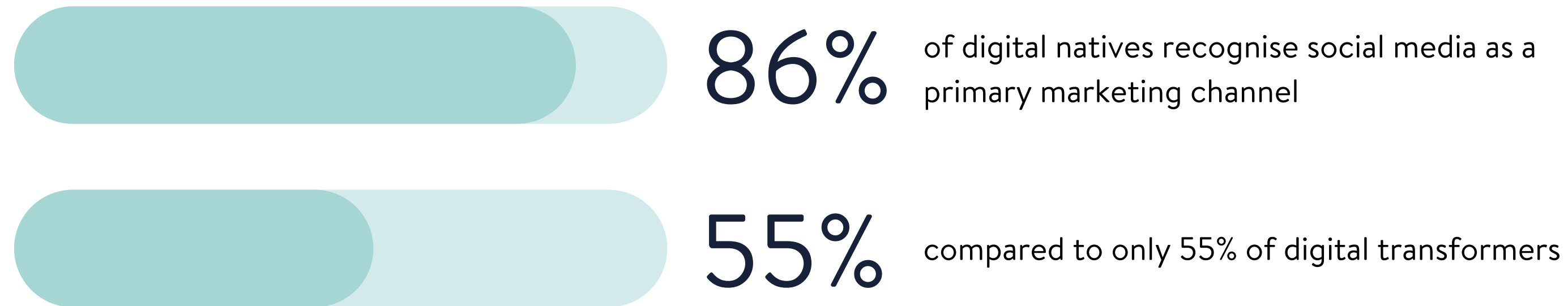
## **DIGITAL NATIVES DOMINATE**

Much like their Gen Z customers, digital native brands are harnessing the power of social media and it's giving them a head start on the digital transformers. But, what's crucial is their investment in and commitment to influencer marketing.

Knowing that consumer trust in brands is shaky at best and, as we found, inclined to decrease with age, compared to trust in influencers which remained consistent throughout generations, they have incorporated influencers as spokespeople and ambassadors for their brand.

And it's paying off.

# DIGITAL NATIVES ARE MORE LIKELY TO VIEW SOCIAL MEDIA AS A PRIMARY MEDIA CHANNEL.



**73%** OF DIGITAL NATIVES ALSO  
BELIEVE SOCIAL MEDIA  
REPRESENTS ONE OF THE  
BIGGEST GROWTH  
OPPORTUNITIES FOR  
MARKETERS

vs 54% of digital transformers.





## WHILE DIGITAL TRANSFORMERS ARE STILL ON FACEBOOK...

84% of digital natives are actively using Instagram for marketing, reflecting the preference for the platform among digital natives and consumers generally.



# DIGITAL NATIVES ALSO HAVE THE EDGE WHEN IT COMES TO INFLUENCER MARKETING.



**38%**

of digital natives see influencer marketing as the channel with the greatest growth potential, second only to social media

**74%**

of digital natives are already incorporating influencer marketing compared to only 62% of digital transformers.

**87%**

of digital natives still plan to increase their influencer marketing spend within the next year



SECTION 4.

**INFLUENCER MARKETING:**

**THE DEEP DIVE**

# INFLUENCER MARKETING: THE DEEP DIVE



Influencer marketing is a powerful tool for modern brands, and while digital natives might be taking the lead, positive trends across the board were easy to spot from our research. However, unfortunately, so were negative trends.

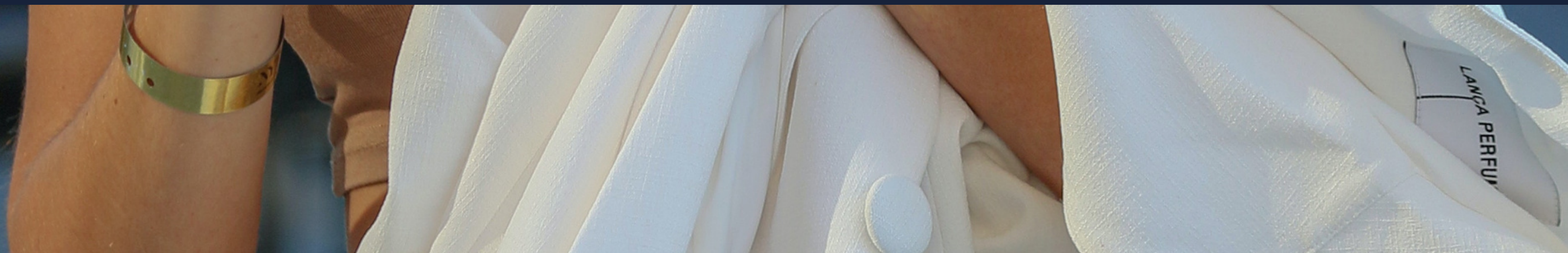
While brands and consumers are aligned on some elements of influencer marketing and even marketing more generally, in others a disconnect is starting to appear.

Falling out of touch with your audience can be enough to put your brand at risk. So let's look at where brands are getting influencer marketing right. And where it's all going wrong.





# INFLUENCER MARKETING: THE GOOD



# UNDERSTANDING THE OBJECTIVES

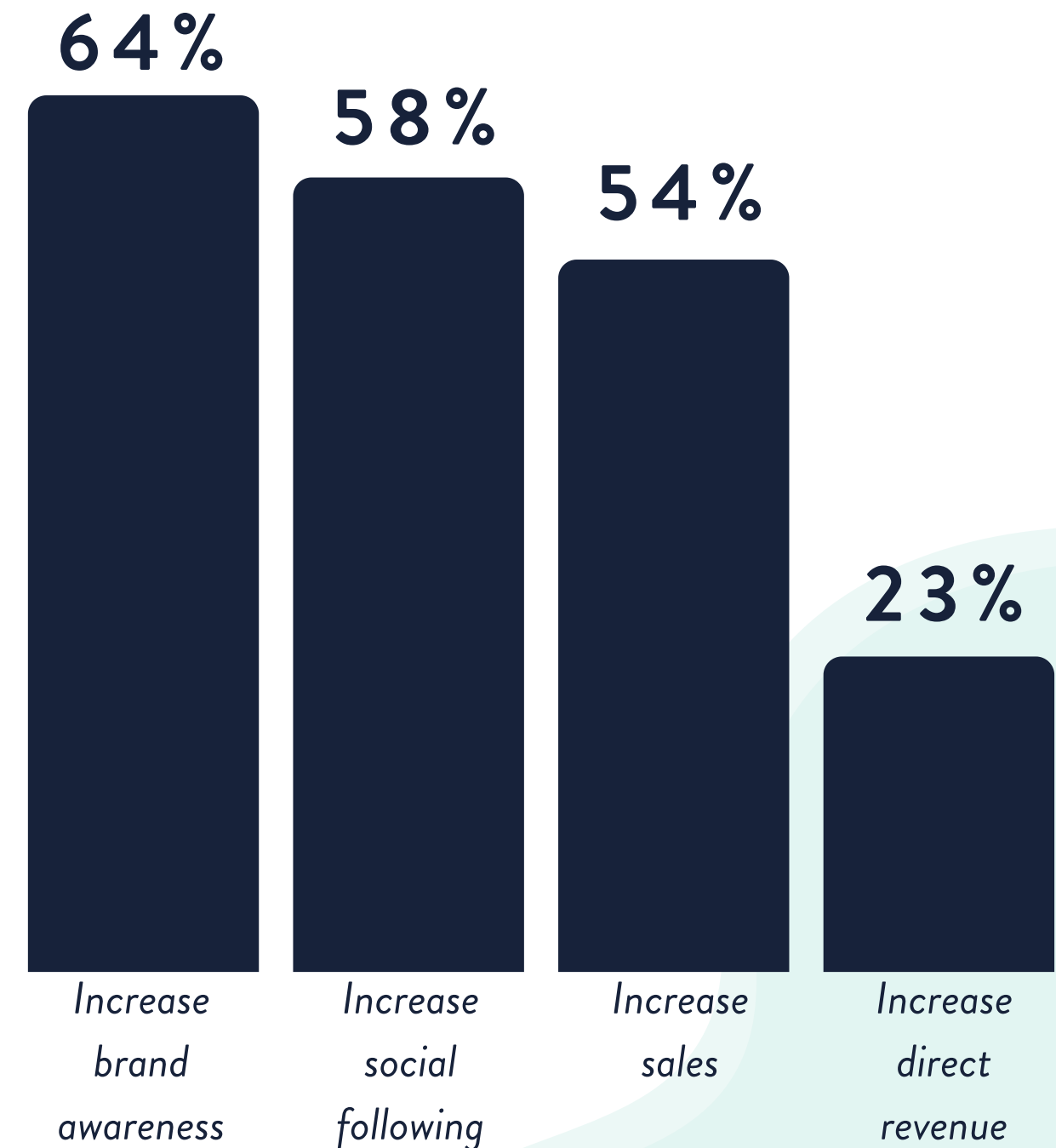
When asked what they wanted to achieve from their influencer marketing, three top objectives emerged: to increase brand awareness, increase social media followings, and increase sales.

Meanwhile, direct revenue from the channel was an objective for just 23% of marketers.

While influencer marketing is absolutely a revenue-driving channel, short-cycle sales tactics previously associated with the channel (things like discount codes and one-off promotions) are simply no longer effective at cutting through the noise on social media.

Instead, brands are wise to look at influencer marketing as a way to introduce and ingratiate themselves to new audiences, cultivate brand preference, and nurture prospects throughout the conversion process.

*Top Objectives for Influencer Marketing, 2022*



## TACTICAL SPREAD

**While sponsored content emerged as the most popular format for influencer activations with 52% of marketers incorporating it into their strategy,** a generally positive spread was demonstrated across the various forms that influencer marketing can take, with half of marketers incorporating a minimum of two tactics.

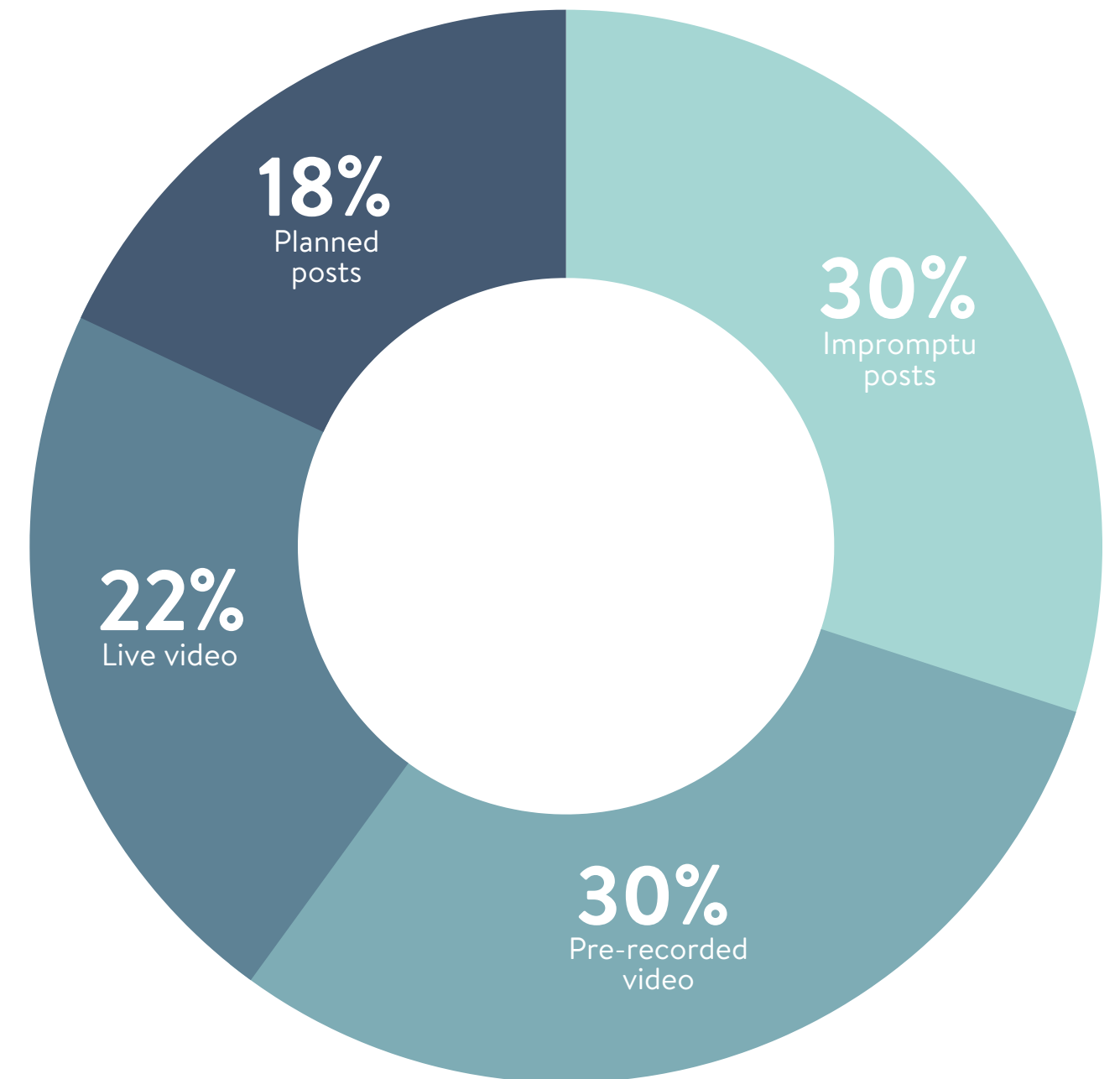
## TACTICAL SPREAD

Influencer marketing appeals to the individualistic nature of the modern consumer, allowing consumers to build connections with personalities that resonate with them rather than the one-size-fits-all approach of more traditional marketing.

**Brands who recognise this will also understand that even within influencer marketing, different formats will appeal to different social media users.**

To give this some context, in our consumer research we found that while 30% of respondents expressed a preference for impromptu static content such as in-the-moment stories, an equal amount preferred pre-recorded video such as edited reels, and a further 22% preferred live video. Investing in a spread of influencer marketing tactics and formats is evidently the only way to make sure your brand reaches all of your intended audience.

*Consumers' Content Format Preferences, 2022*





## INCREASING THEIR INVESTMENT

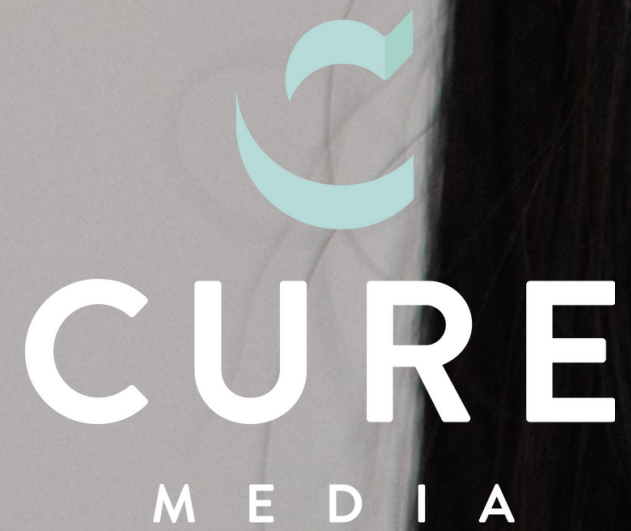
And speaking of investment - one of the most important positive trends we saw was the widespread intention to increase influencer marketing spend in the year to come with **36% planning for a significant increase and 49% planning for something a bit more modest**. Especially encouraging to see was the fact that only **2%** of respondents plan to reduce their investment in the channel.

Looking again at our consumer research, we can see that this is a smart course of action. With 64% of consumers exposed to influencer marketing every day and 42% having previously made purchases following recommendations on social media, influencer marketing continues to be a lucrative channel for brands hoping to engage and convert shoppers.



**85%**

of marketers plan to increase their influencer marketing investment.



# INFLUENCER MARKETING: THE BAD



## STAYING IN CONTROL

Wanting to stay in control of your marketing tactics (not to mention budgets) is natural, but when it comes to influencer marketing it could be compromising your results.

**50% of the marketers we spoke to believe they should retain full creative control over an influencer's content throughout a collaboration, dictating any copy and visuals used.**

However, with 52% of consumers demonstrating a preference for live or impromptu content and 67% confirming that an influencer's authenticity is one of the most important factors in whether they follow them or not, brands keeping a chokehold on influencer content is likely to prove harmful to both the influencer and the brand themselves.



# THINKING SIZE MATTERS

**57%** of marketers prioritise working with influencers with 100,000+ followers

When asked, 57% of marketers revealed that they prioritised working with influencers who have over 100,000 followers - which on the surface seems sensible! Unfortunately, our research into consumer preferences and behaviours doesn't exactly back it up.



**33%** of consumers don't care how many followers an influencer has

So for just over a third of shoppers, the size of an influencer's audience bears no relevance to their propensity to follow or even trust them. But wait, there's more! A further 35% of consumers actively prefer to follow smaller influencers (those with fewer than 100,000 followers).



## THINKING SIZE MATTERS

**The bigger the account, almost invariably the bigger the price tag - a correlation that our research would seem to suggest is unwarranted.**

So for the 55% of marketers who expressed concern over the cost of influencer marketing as a channel, there could be a very simple solution: stop wasting budget on mega or celebrity influencers. Instead, redistribute the budget you would have blown on a one-off ad with a big name, and enjoy greater or the same coverage and higher trust from a number of smaller accounts.

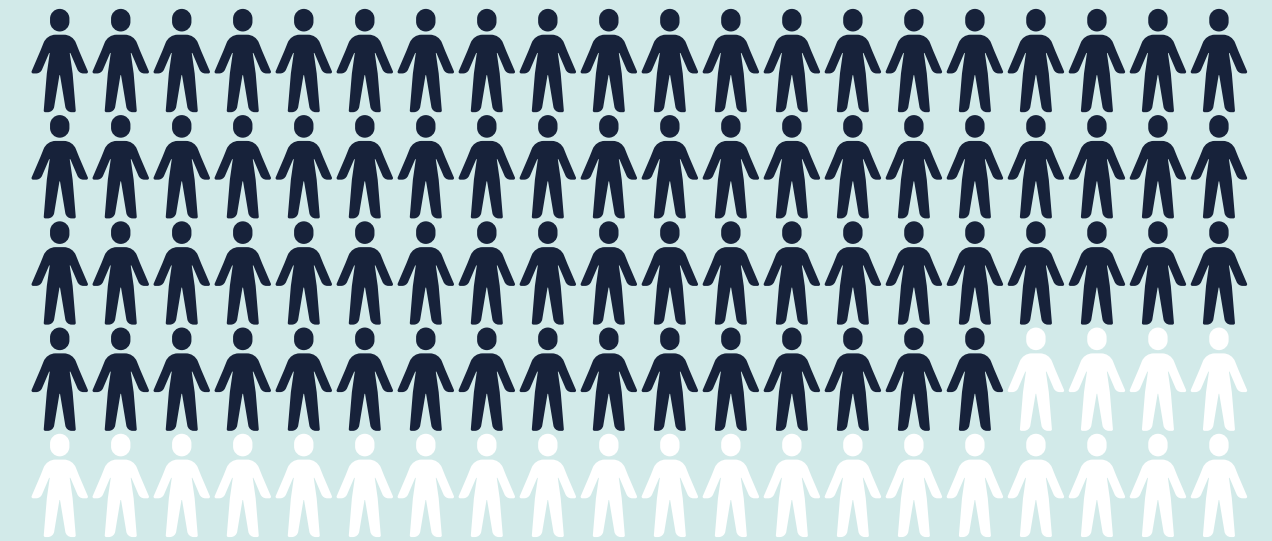
# NOT VIEWING INFLUENCER MARKETING AS A PRIMARY CHANNEL

Ok, hands up - our bias is showing here. But after almost a decade in the industry, we like to think we've got a pretty firm and realistic grasp on the capabilities of influencer marketing, and we also believe that consumer behaviours and preferences back it up.

For 42% of the shoppers we spoke to, a recommendation from someone they trust is the second most influential factor when they are contemplating making a purchase, second only to price. Further to that, 76% are spending over an hour a day on Instagram alone - a platform that will continue to invest heavily in influencer functionalities as part of its monetisation strategy.

Social media's sway over the average human's daily life will only increase, but its appeal rests in its leverage of people-to-people communication, and that's something a brand will struggle to deploy without a middle-man or an ambassador or indeed, an influencer.

**76%** of consumers spend over an hour on Instagram daily





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# INFLUENCER MARKETING: THE CHALLENGES



## INFLUENCER MARKETING: THE CHALLENGES

Nothing worth having comes easy and influencer marketing, as with any other channel, is not without its challenges. When speaking to our pool of marketers, three challenges, in particular, emerged as the most frequently cited concerns when tackling the channel.

Let's take a look...



## 1. COST

Done well, influencer marketing is not necessarily a cheap channel. With social media platforms becoming only more crowded, **the days of one-shot ads or short-lived campaigns are over** as they simply won't generate enough intrigue for your audience to commit your brand to memory, let alone part with their cash.

So if the answer is not to spend less then it has to be to spend well. As demonstrated by the mismatch between influencer sizes favoured by marketers and by the consumers they're speaking to, it's clear that budget is being mismanaged within the channel and that some marketers may not even be aware of it.

Regularly test your strategy and ensure data is guiding your choices, not gut instinct or personal preference. Then, once you're happy that your activations are optimised, ensure you're looking beyond last-click measurement to get a holistic view of true ROI.

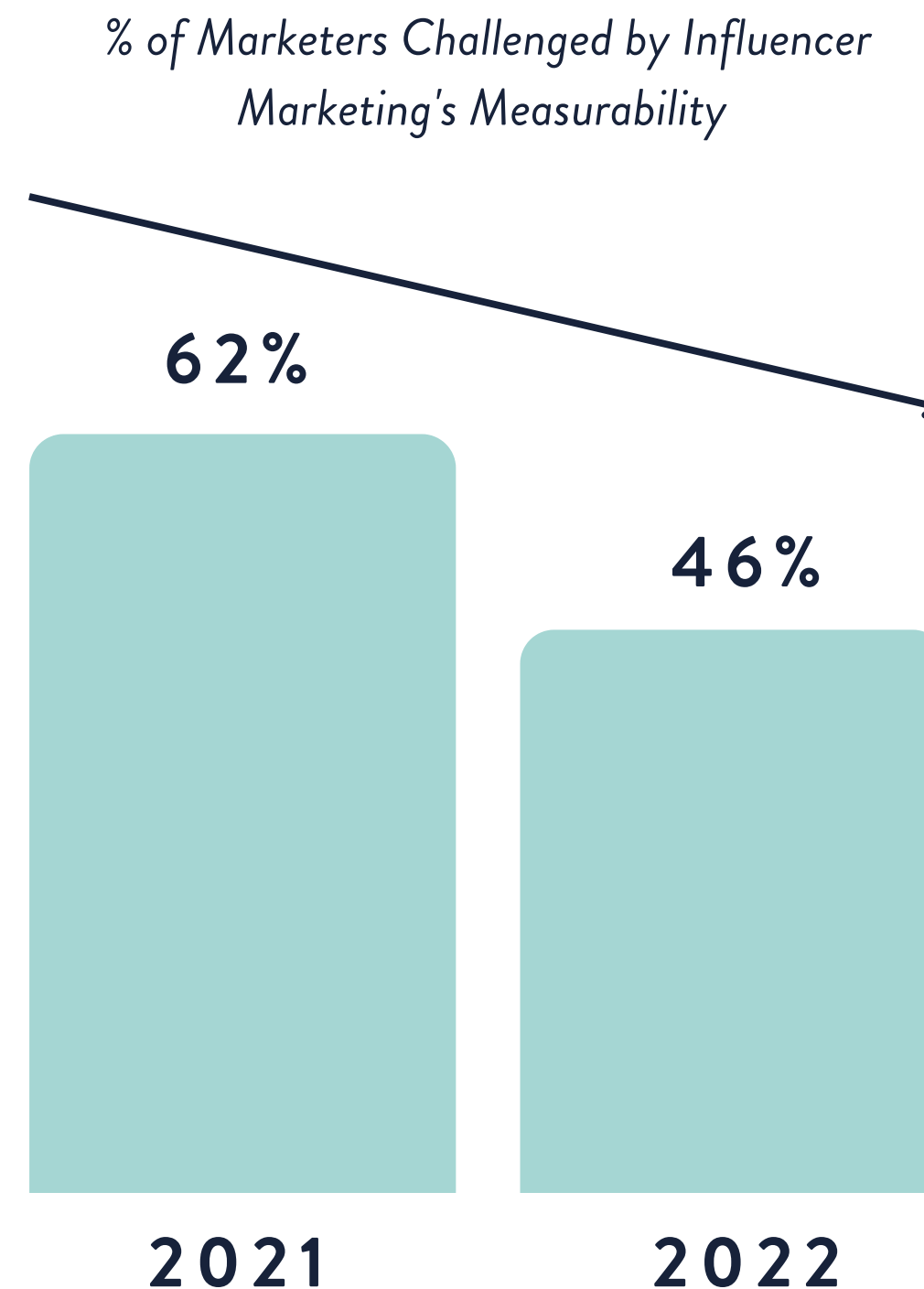


## 2. MEASURABILITY

**A major concern for 46% of marketers, this is a challenge that those who read the 2021 edition of this report will be all too familiar with. Though signs are promising (last year it was the greatest challenge for 62% of respondents) it's clear there is still a long way to go to ensure marketers and brands feel confident investing in influencer marketing.**

In addition to your holistic ROI analysis, make sure you're establishing clear KPIs and goals for every series of activations you will be running; the only way to measure success is if you know what it looks like.

While so-called vanity metrics can be useful for giving you an idea of engagement and consumer sentiment, make sure you're also tracking spillover effects like website traffic and sales revenue during the periods in which you're using influencer marketing. Look for correlative uplifts for evidence that your work in the channel is being effective.



### 3. AUTHENTICITY

**An increasing concern for brands and consumers alike, assessing the authenticity of an influencer was a worry for 42% of respondents. And with frequent headlines announcing influencer violations around advertising standards and DMs offering to sell followers, it's completely understandable that this would be a concern for brands.**

This is something that can be difficult to counteract manually but by incorporating technology you can elevate your influencer marketing game and ensure your investment isn't being misappropriated. Look for a bespoke influencer marketing platform that can assess the authenticity of an influencer's following as well as offer clear reporting on each activation. This will go a long way to preventing you and your audience from becoming rare but unfortunate victims of influencer fraud.

**42%**

*of marketers view authenticity as a challenge of influencer marketing*



# INFLUENCER MARKETING: THE OPPORTUNITIES



# SOCIAL COMMERCE



**As the social media giants rush to roll out in-platform shopping functionalities, consumers it seems are ready and willing!**

For a feature that hasn't even been properly released in the UK, **47% of consumers were already prepared to say they would happily shop in-app** as long as - and this is the crucial part - it was through a social media account they trusted.

While this trust can of course be nurtured with a brand's owned channels, they may also find a lucrative opportunity within the 45% of consumers who actively trust influencer content on social media, utilising influencers as live shopping hosts for that 22% of shoppers who prefer live video, or making the most of product tagging in influencer-generated content.

## LONG TERM COLLABORATIONS

Thinking long-term can give brands a serious advantage in the channel, and 68% of consumers are clear that they would trust an influencer recommendation more if it was repeated over a prolonged period of time, rather than simply as a one-off reference.

Leaning into the long-term offers brands a relatively easy way to stand out in a crowded marketplace where one-shot ads are still a popular MO for many, while also securing the confidence of the shoppers they hope to convert.



68%

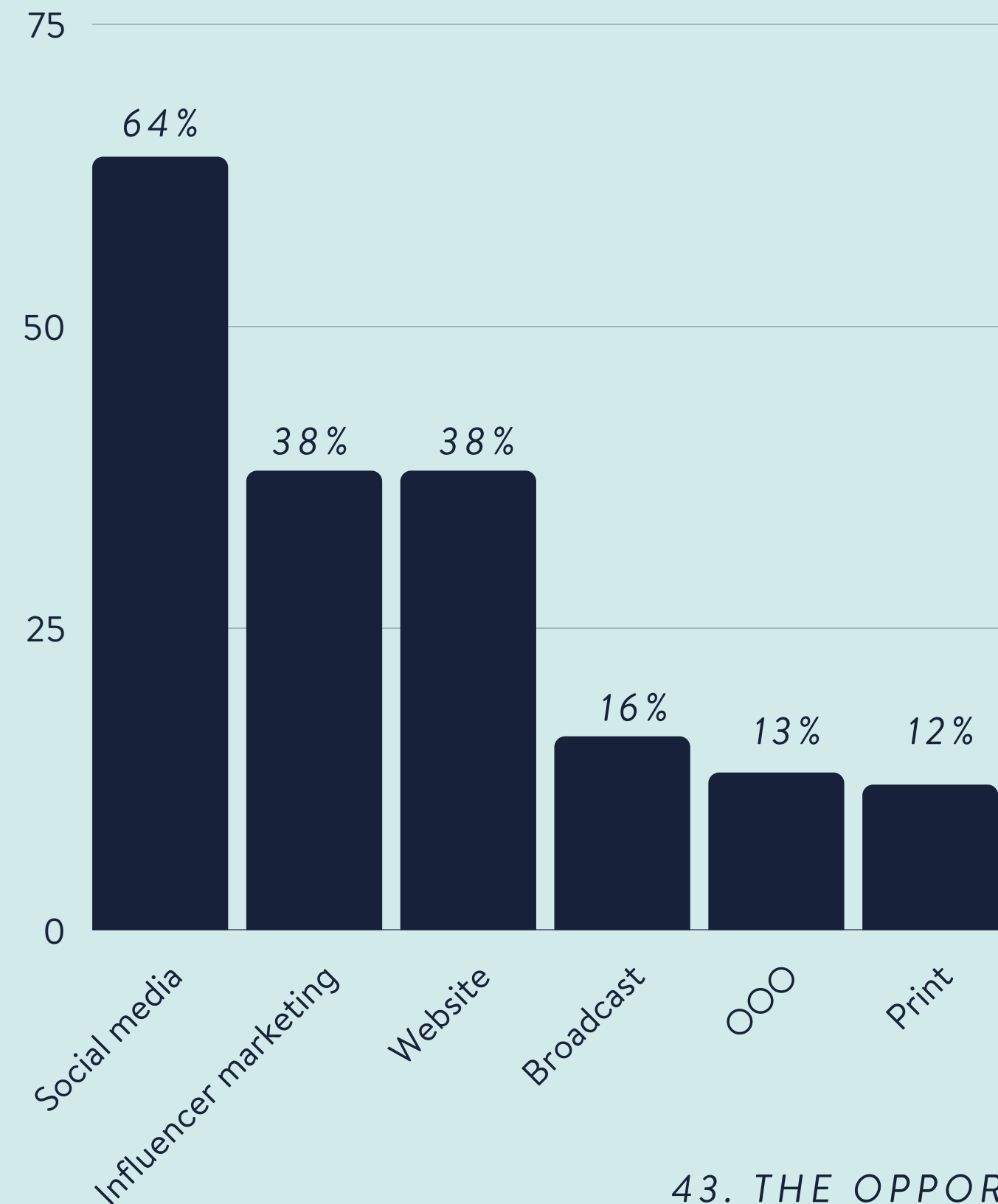
*Of consumers would trust an  
influencer recommendation more  
if it was repeated multiple times*

## LETTING GO OF THE PAST

While big budgets are still being spent on traditional marketing channels, our research found that even marketers themselves aren't convinced by their potential; print (12%), OOO (13%) and broadcast (16%) were the least frequently cited answers when we asked which channels presented the greatest growth opportunity over the next three years. For comparison's sake, even the metaverse was the channel of choice for 23% of respondents.

And just in case you're second-guessing your peers, our research into consumer behaviours certainly backs it up. While 100% of the 1,008 consumers surveyed said they look on social media for shopping inspiration, just 30% said the same about television, and only 26% turn to magazines.

*Channels that present the greatest growth opportunity over the next three years according to marketers, 2022*



## LET'S WRAP THINGS UP

The opportunity for influencer marketing to keep growing is clear to marketers and brands, with consumer habits and preferences certainly supporting it. However, as one of the fastest moving channels we are yet to see on the table, it's not surprising that there is still some uncertainty around it and that some challenges continue to frustrate even the smartest marketer's best efforts.

As the retail landscape continues to hot up, new players enter the market on both the brand and consumer side, and investments in the channel soar, it will become more important than ever that brands have the resources and knowledge they need to act quickly, decisively and strategically in the channel, and to properly dissect and understand the outcomes they see as a result.

With strong indicators of success already being displayed by many marketers, an excellent standard is being set for consumers. Though this will likely mean the level of competition will climb only higher for marketers, here at Cure Media we're optimistic that an exciting year lies ahead for influencer marketing.





Follow us on social media!





## REPORT

# Curious to learn more about the consumer perspective?

Check out "The State of Influencer Marketing 2022: The Consumer Edition" and "The State of Consumer Behaviour"

CLICK THE IMAGES TO DOWNLOAD