

Opportunities and Challenges for Small Brands with Social Media Influencers

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ABSTRACT

Recent years, has a witnessed a tremendous growth in social media influencers, the concept of influencer has been there from a very long time it was word to mouth promotion and now it is electronic word of mouth promotion, purpose of promotion is same but the platform are different .With the advent of digital technology, brands are collaborating with social media influencers across various channels to create, engage and retain the customers. It is estimated that influencers marketing would reaching from \$5-10 billion dollar industry by 2020 (economic times). In spite of having tremendous scope for influencers marketing in attracting, engaging, converting into loyalty customers not many small business have invested in this channel, the paper highlights on the opportunities and challenges that small business can have with social media influencers.

Keywords: *Challengers, Influencers, Opportunities, Small brands, Social Media Marketing.*

1. Introduction

These days online presence is must for the business along with effective social media marketing tools, brands are extensively using influencer's marketer as a tools to attract new customers and to engage the existing customers. The influencer has provided the advertisers with authentic opportunities to influence and create an impact in consumer buying behavior. Along with the basic websites, consumers are looking at blog, twitters, instagram, face book, e-brochures, snap chat, etc. to have enhanced buying experiences. 92% of the small businesses to agree that social media is an effective marketing tool for attracting new customers and engaging new customers (e-strategy trends).

1.1 Marketing

Marketing is a management process through which goods and services move from concept to the customer. Marketing mode to meet customer needs and their satisfaction. Marketing differs from selling because (in the words of Harvard Business School's retired professor of marketing Theodore C. Levitt) "Selling concerns itself with the tricks and techniques of getting people to exchange their cash for your product. It is not concerned with the values that the exchange is all about. And it does not, as marketing invariable does, view the entire business process as consisting of a tightly integrated effort to discover, create, arouse and satisfy customer needs." In other words, marketing has less to do with getting customers to pay for your product as it does developing a demand for that product and fulfilling the customer's needs.

1.2 Social Media Marketing

The best way to define social media is to break it down. Media is an instrument on communication, like a newspaper or a radio, so social media would be a social instrument of communication. Regular or Traditional media has a one-way street where you can read a newspaper or listen to a report on television, but you have very limited ability to give your thoughts on the matter.

Social media, on the other hand, is a two-way street that gives you the ability to communicate too. Social Media is the future of communication, a countless array of internet based tools and platforms that increase and enhance the sharing of information. This new form of media makes the transfer of text, photos, audio, video, and information in general increasingly fluid among internet users. Social Media has relevance not only for regular internet users, but business as well.

Social media refers to the means of interactions among people in which they create, share, and/or exchange information and ideas in virtual communities and networks

1.3 Influencer Marketing

Influencer Marketing is a hybrid of old and new marketing tools, taking the idea of the celebrity endorsement and placing it into a modern day content-driven marketing campaign.

1.4 Literature Review

Elena A. Zaitseva¹, Ksenia V. Srednyak (2019), The authors studied about the promotion of small and medium-sized business with the help of Social media marketing tools. The ability and skills to use effectively different Social media marketing tools are a competitive advantage of the company. It observed that internet is less expensive in attracting people's attention to a product or service than traditional advertising.

Renata Abrue (2019) author explore impact of micro influencers on online audience and its relevance to big celebrities online. An online survey was adopted to test a previous framework, and how are factors related to each other. The research show that Perceived Authenticity and Trust do have an impact on millennial buyer intentions.

Mia Angelina, Stephany Chandra, Yasa Singgih (2019) author explains how social media will help Indonesia brands to reach out to customers. The research is based on qualitative approach, and case study as a method, this study chose three Indonesian brands in F & B (CHAMBER), fashion (PVRA) and personal (Edho Zell). Content analysis were used to analyze and build common themes. The result shows that the utilization of social media for these three brands has more on short-term marketing goals or activations. While it has little or almost no long-term relationships engagement in the posts.

Zdenka Kadekova Maria Holiencinova (2018) researcher explain who influencer opinion have a powerful impact on people, especially on young generation. The aim of the study is to determine the impact of influencers on generation Y and Z buying

behavior and offers a comprehensive reflection on influencer marketing opportunities Author conducted survey on 459 respondents from the Slovak Republic. The research confirm that there is a differences between the above-mentioned consumer generations in the area of impact of influencers on consumer behavior, For statistical processing of the results, the researcher has used Kruskal-Wallis Test, Kolmogorov-Smirnov Test, Fisher's Exact Test and Dunn's Test of Contrasts.

K. Sudha M. Dr. sheena (2017) author identifies the changes that are happening in the world of clothing retail. Internet and social media play vital role in helping consumers find the items they are looking for and how customer can easily change supplier if not satisfied. The present study is intended to explore the influencer marketing techniques used by fashion industries and also the impact of influencers on the consumers buying decision process in fashion industry.

Chunmei Gu, Shanshan Wang, Zhejiang GongShang University, Hangzhou (2017) The scholars has use Social Sina Microblog, a most mature one among the domestic social media platforms. To find out the problems and difficulties when using microblog for marketing, survey is done to collect and analyzing the data enterprise, many problems have been found. Medium enterprises didn't take a full advantage of social media. Had low quality interaction with fans. Had enough attention for post. The research list the problem solving approach to takes advantage of social media.

Sofie Biaudet (2019) the purpose of paper is to understand why companies should use influencer marketing as a marketing tool and to know the process of creating an influencer marketing campaign. The qualitative study by administrating semi-structured interview with the Co-founder and CEO of the Finnish influencer marketing agency Monochrome to have a deeper understanding the importance of influencer in building the consumers.

2. Objective of Study

The primary objective of study is to analyze the various opportunities and challenges arising due to growth of influencers. How brands can leverage on influencers.

3. Research Methodology

The research is based on secondary data. The data has been collected from various sources like websites, blogs, Wikipedia, Google scholar, magazines, newspaper, articles, Journal.

4. Opportunities through influencers marketing

With the proliferation of websites and applications, the social media has become pervasive and ubiquitous and omnipresent. It is able to provide bi-directional suggestions and entirely influence the consumer's buying decision process from the beginning to an end. According to Forbes, influencers marketing is a new marketing tool adapted by business makers to reach the targeted audience. As media and technology has advanced it has opened a wide range of options to market their products. Companies are designing,

and evaluating marketing strategies to incorporate influencers with them. This has completely changed the way the business are done today.

4.1 Builds Trust

Building trust is an important thing the brands are trying for a very long time. Influencers provide with a chance to leverage on loyal audience. The study has revealed that, (business insider) 40% of the consumers do rely on influencers, hence influencer's helps in boosting credibility, improve customer retention. Influencers can be a nice platform to reach out niche customers. They are the experts, have a right pulse and content to narrate a story and win the hearts of the audience who are interested in them

4.2 Response and Engagement

Companies are doing easy business by having a direct response, easy servicing through apps to reach out the customers. In near future, social media influences is going to more effective and efficient marketing tools as brands are using updated versions of technologies with embedded artificial intelligence driven by chat bot to provide personalized customer service.

4.3 Influencers helps in online marketing and search engine optimization.

Companies are willing to increase domain authority on search engines and one way to create it is by building back link from trusted pages, which have high domain authority. Influencers can be a great source for improving domain authority by creating quality back links and boost tariff on brand websites.

4.4 Data Collection and Analysis

Influencers have right content to delivery to the targeted audience, this content are viewed, reviews, shared and recommended others too, hence influencers have authentic useful data which brands can use in data collection and analyzing anonymised data, which can later be used for early identification of problems and in-depth understanding can be made on customer's queries. Prompt integrated customer care services can be delivered.

4.5 Reducing Cost

Influencers are comparatively less expensive than traditional commercials. Influencers marketing are source of sales generation. Any business would like to sell as long as cost is less and it adopts any marketing promotion which reduces the cost and has maximum reach out. Influencers marketing has proved that for every \$1 spend on influencers, they give \$8 return on investment. They can reduce the need for agents, call centers, friction with sales person and consumer and increase the customer convenience. In this way customer engagement is good. So, influencers marketing can really boost conversions and increase the sales volume.

4.6 Public Relation

The use of influencers marketing has reduced the restriction imposed by the traditional marketing between consumers and the brands, Influencers, with their strong image presence can have greater impact in building customer trust. The consumer can have anytime and anywhere contact, this was possible because of smartphone and new application

4.7 Long Term Relationships and authentic content

Usually brands are spend in hiring expensive teams to create strong content which have high attention. But influencers marketing has simplified the process for brand, they create content, generate and retarget the audience. Influencers marketing with well-designed marketing tool which helps in creating brand credibility and helps to maximize effectiveness in reaching out to exact targeted audience.

5 Challenges through influencers marketing

The state of small brands using Influencer marketing has increased drastically, it estimated that from 12% to 24% last year (network solutions, LLC) Different brands are adopting different platform to reach more customers. Each platform is not free from challenges. Influencers marketing in spite of having drastic growth. Some of the challenges are:

5.1 Measuring results

The biggest challenge for the brands is to measure the marketing campaign results of the influencers. To some extent this challenge can be reduced by measuring the number of page use, shared, click, like, commented, recommended number of social media followers and to the extent of converting fans into actual buyers.

5.2 Remuneration

The price paid to influencers marketing can be in the form of money or can be in the form of a deal to ambassador your product. The study reveals that, the micro influencers charge less than \$200 to connect with targeted audience and their average engagement is 3.7%. Comparatively better than a celebrity endorsement

5.3 Targeting right platform and creating content

There is never enough time to draft a right content to target a right audience. To keep changing the content as per audience taste is necessary for the brands. This can be solved by planning ahead and scheduling and making updates ahead of time. Ideas and varieties is a spice of life brands constantly changing the visual content, add enough graphics to keep the audience engage.

5.4 Limited social media budget

The companies have to have very specific planned budget allocated for social media marketing. Brands should not have one size fits all approach. They adopted different marketing strategies to different demographic audiences.

5.5 Ethical Issues

Usually companies struggle with influencer as they sponsored content may not be with aligned objective of the company. To overcome this difficulty brands should carefully select the influencers, how can highlight brand personality in a unique way. Even well framed rules between the influencers and brand can help in maintaining amicable long term relations.

CONCLUSION

But with a well-designed thought out media strategies the companies can achieve the objectives. Social media with its challenge is still a widely used platform to work smarter and to have competitive edge. This is a new trend and this year there is more scope for live streaming and artificial intelligence and raise in influencers marketing. With the progression of smart phones, technologies at their fingertips small influencers are building loyal followers, engage audience and build trust. They understand what customers are willing to see and deliver the same in no time. Selecting a right influencers and effective campaigning can be completely a game changer for the business.

Scope for future research work

A new research topic has been created to explore called social media influencers. There is very limited research that is done on the emerging marketing tools. Brands are interested to know how to create an impact on consumer's buying behavior with influencers these question cannot be answered in past research works.

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