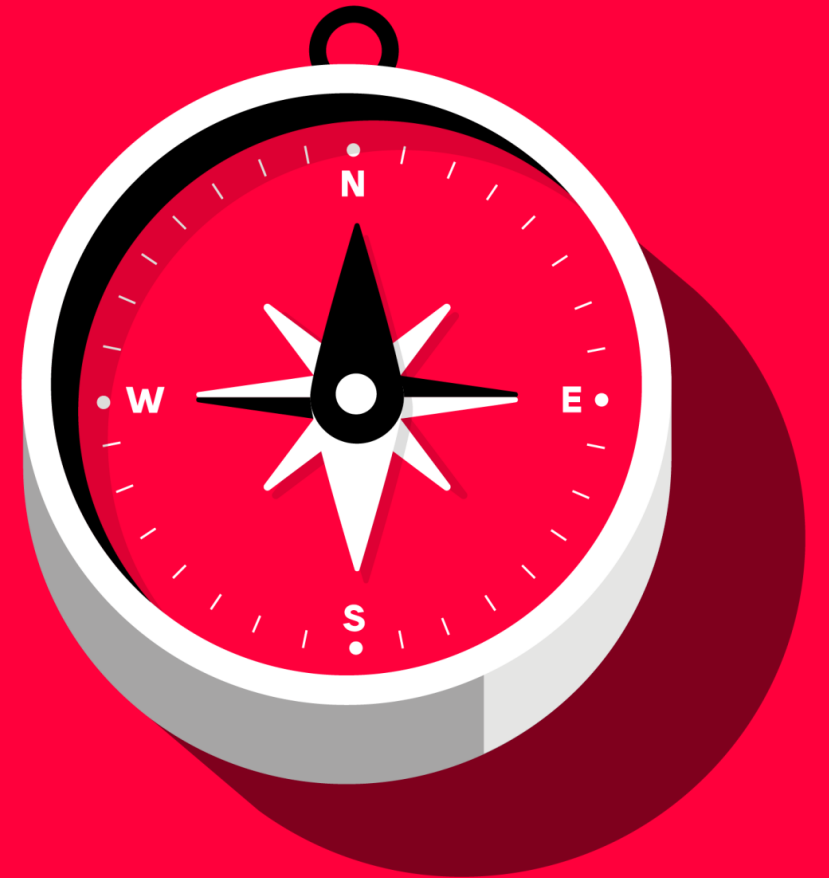


WFA Webinar:

# A Strategic Global Sourcing Approach to Influencer Content Production

20<sup>th</sup> of June, 2018



# Our network of 100+ brand owners

 Abbott	 AB InBev	 adidas GROUP	 AirAsia	 Arla	 BAGARDE-MARTINI	 BARCLAYS	 BDF Beiersdorf	 Booking.com	 bp	 BROWN-FORMAN	 Carlsberg	 CATHAY PACIFIC	 citi	 Coca-Cola
 COLGATE-PALMOLIVE	 COTY	 DANONE ONE PLANET. ONE HEALTH	 Deeigal.	 T	 DIAGEO	 ebay	 Emirates	 ESTÉE LAUDER COMPANIES	 FERRERO	 FrieslandCampina	 GENERAL MILLS	 GM	 bel	 GRUPO BIMBO
 gsk do more feel better live longer	 Hasbro	 HEINEKEN	 Henkel	 HERSHEY'S The Hershey Company	 hp	 HUAWEI	 IKEA	 intel	 JDE JACOBS DOUWE EGBERTS	 Johnson & Johnson	 JUST EAT	 Kellogg's	 Kimberly-Clark	 LEGO
 L'ORÉAL	 LVMH MOÏT HENNESSY - LOUIS VUITTON	 MARS	 mastercard.	 MATTEL	 mazda	 McDonald's	 Mondelez International	 mundipharma	 Nestlé	 Nike	 NISSAN MOTOR CORPORATION	 NOVARTIS	 orange	 PEPSICO
 Pernod Ricard	 Pfizer	 PHILIPS	 P&G	 RBS The Royal Bank of Scotland Group	 Reckitt Benckiser	 Red Bull	 SANOFI	 Santander	 SAP	 J&J Johnson A FAMILY COMPANY	 Shell	 Singapore TOURISM BOARD	 SONY	 Standard Chartered
 SWAROVSKI	 TATA	 Telefónica	 telenor group	 TOMTOM	 Unilever	 VESTEL	 VISA	 vodafone	 VOLKSWAGEN AUTOMOBILELERNST	 VOLVO	 YILDIZ HOLDING			

# Introductions...



Terence Sullivan  
Sr. Digital Subject Matter  
Expert, **APR**



Laura Forcetti  
**WFA**



Natalia Echeverri  
**WFA**

# Influencer Marketing 2018 WFA Survey

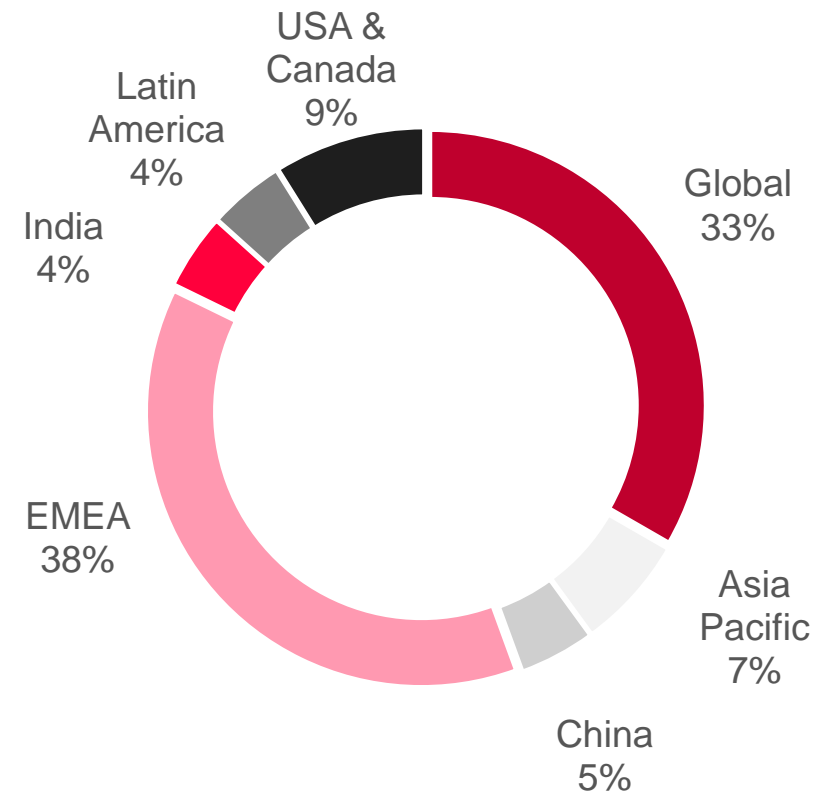
20<sup>th</sup> of June, 2018



# Respondent base

- This document contains results from an online survey of WFA members in Q1 2018
- **34** multinational companies took part representing **15** categories and approximately **\$59 billion** in global media & marketing spend
- All respondents use influencers to market their products online: **54%** “only occasionally / in some markets” and **46%** “very often”

Q: Which of the following geographies best describes your area of responsibility?





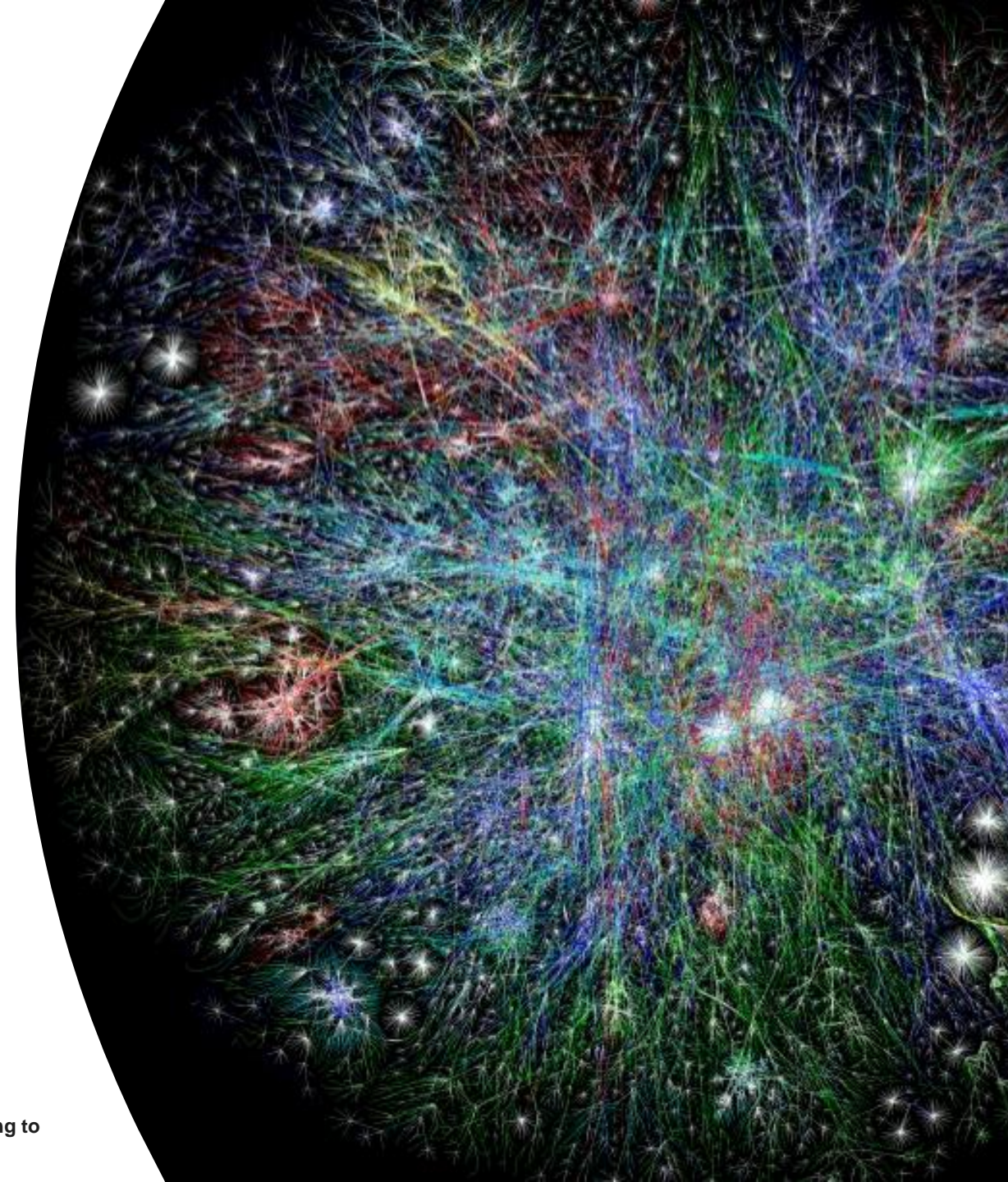
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# Pre-peak for Influencer marketing

- Whilst all participants **use influencers (100%)**,
- **64% of respondents** stated it will become **more important in the future** - or stay the same (32%),
- **65%** shared their influencer marketing **budget is likely to increase in the next 12 months** (anywhere from 10-100%). 30% said it will stay the same.

Q: How important will online influencer marketing become for your company in the future?

Q: Looking ahead to the next 12 months, how is your company's online influencer marketing budget likely going to change? (Including all resource costs, activation costs, agency fees, technology, etc)



# Multinationals seeking awareness & new audiences

Q: What are the top goals your company wants to achieve through online influencer marketing?



**86%**

**Increase  
brand  
awareness**



**74%**

**Reach  
targeted/new  
audiences**



**69%**

**Improve  
brand  
advocacy**



**46%**

**Increase  
sales  
conversion**

**Note:** manage reputation also cited by 11%

# Majority have an **influencer policy** in place

Q: Does your company have a policy on how to work with online influencers?

Q: Is influencer marketing covered by: Your marketing policy/A company policy specific to influencer marketing/Don't know

Covered by:

- **45%** marketing policy
- **55%** specific policy for influencer marketing

**BUT:**

"Currently working on it"  
"Coming soon"

3%  
DK

26% No

71% Yes

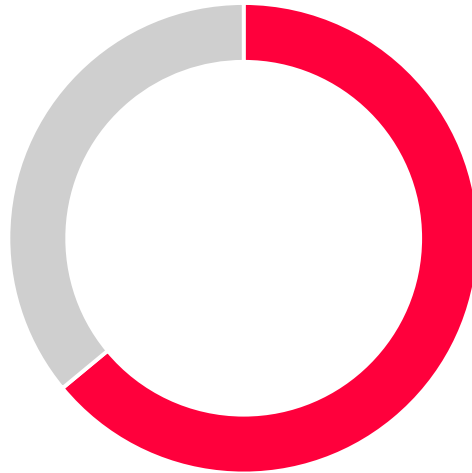


# Majority rely on **external partners** to identify and manage influencers

Q: Who identifies the online influencers your company is working/wants to work with?

## Influencer identification

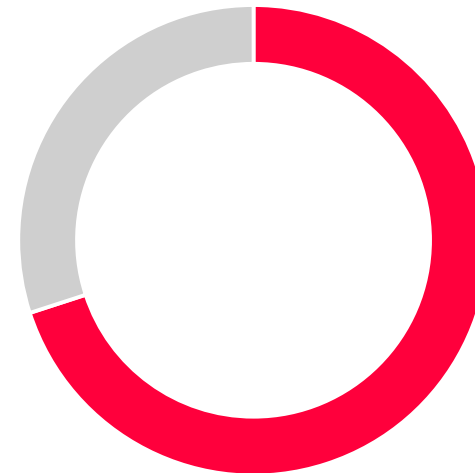
64%



Q: Who manages the online influencers your company is working with?

## Influencer management

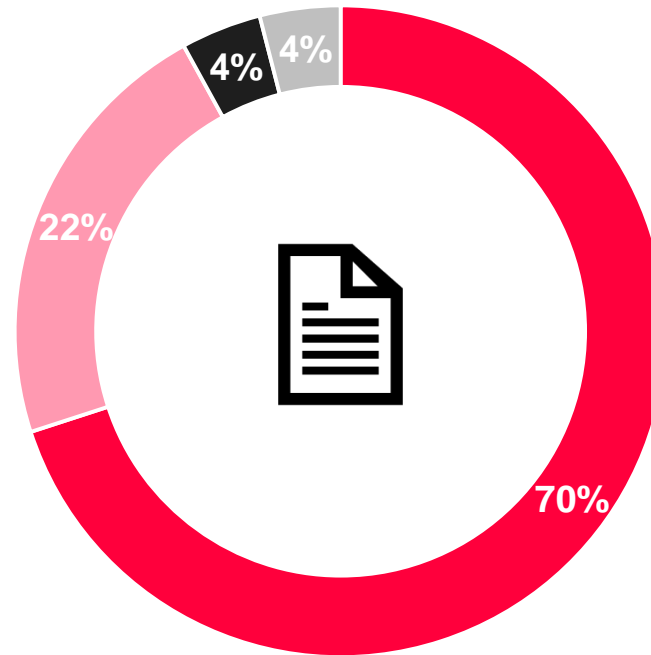
63%



- External partner (e.g. agency)
- We do it internally

# 70% of brands always **sign contracts** when working with influencers

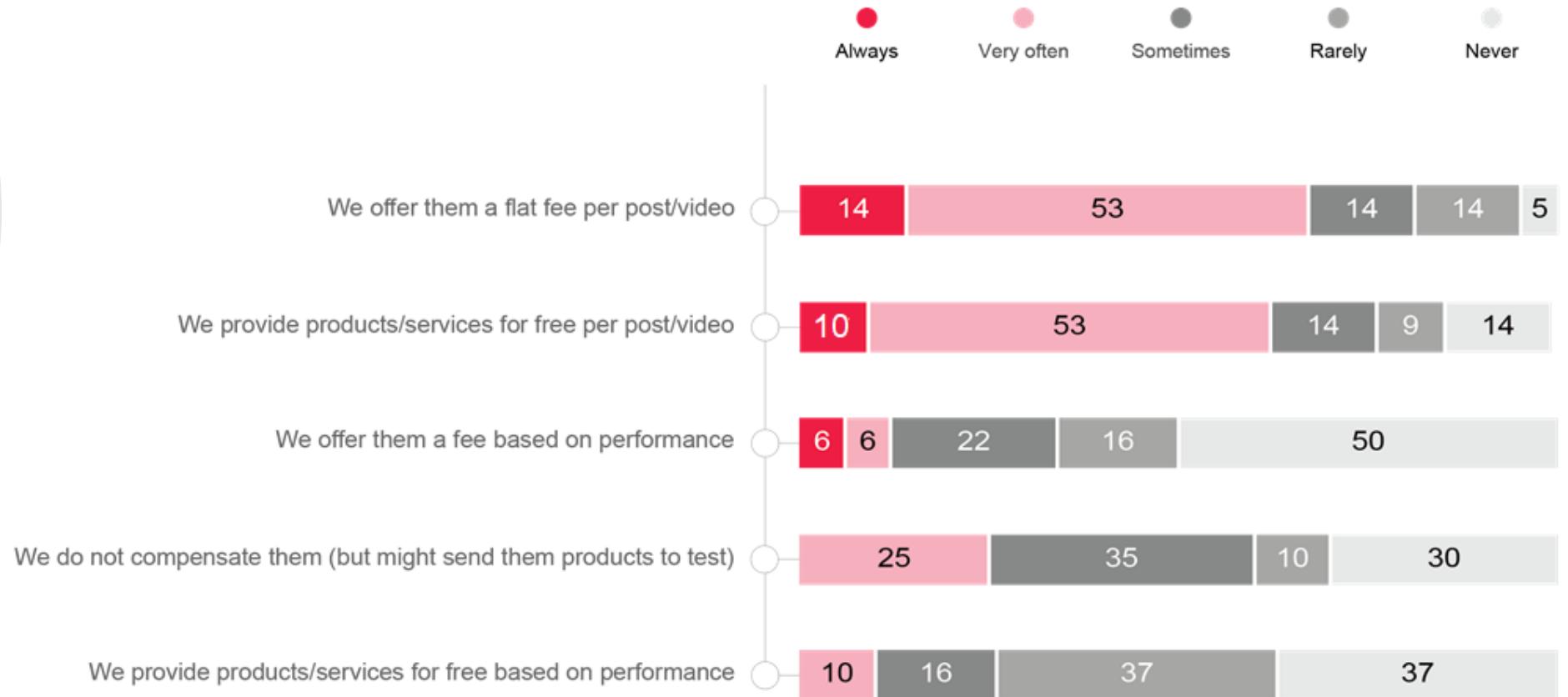
Q: Does your company sign contracts when working with online influencers?



■ Always ■ Sometimes ■ Never ■ Don't know

# Flat fee per post/video or products/services offered as main current remuneration models

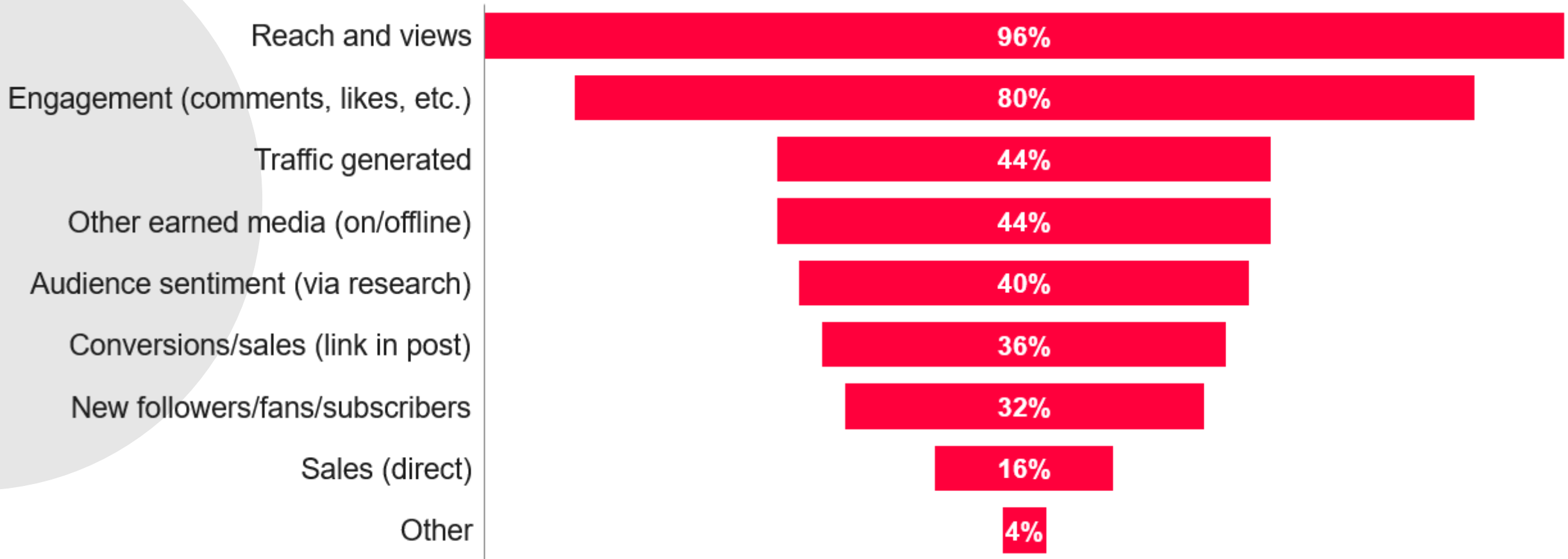
Q: How are the online influencers you work with remunerated by your company?



Values represent percentage (%)

# Success = reach (and engagement)

Q: How does your company measure the success of online influencer collaborations? (KPIs)



# Main **challenges** when working with influencers

42%

Lack of editorial control  
& therefore risk for brand  
reputation

38%

Non-compliance with  
regulations/standards

33%

Lack of transparency -  
non-disclosure of the  
commercial relationship

## Others:

- Moving from an ad-hoc to **long-term** relationships
- Choosing the **right influencer** for the right challenge
- Agree on **deliverables** and quality
- Ensure **strong risk management process** and get a **legal agreement** to cover risk
- “Payment should be **performance orientated**”
- Proper **set-up of KPIs** and clear performance measurement
- **Resource**: lack of time to manage influencers - “We sign them up and forget about them”
- Lack of **authenticity** and brand fit – “Having a collaboration that goes beyond just money”
- Measuring **ROI** – “Business fails to understand the impact”





# INFLUENCER MARKETING



# AGENDA

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**TERENCE SULLIVAN**

Sr. Digital Subject Matter Expert

Advertising Production Resources

- Influencer Landscape
- Influencer Strategic Approach
  - Content Strategy
  - Production Strategy
  - Process
  - Execution
- Q & A



# **INFLUENCER LANDSCAPE**

# INFLUENCER DEFINED

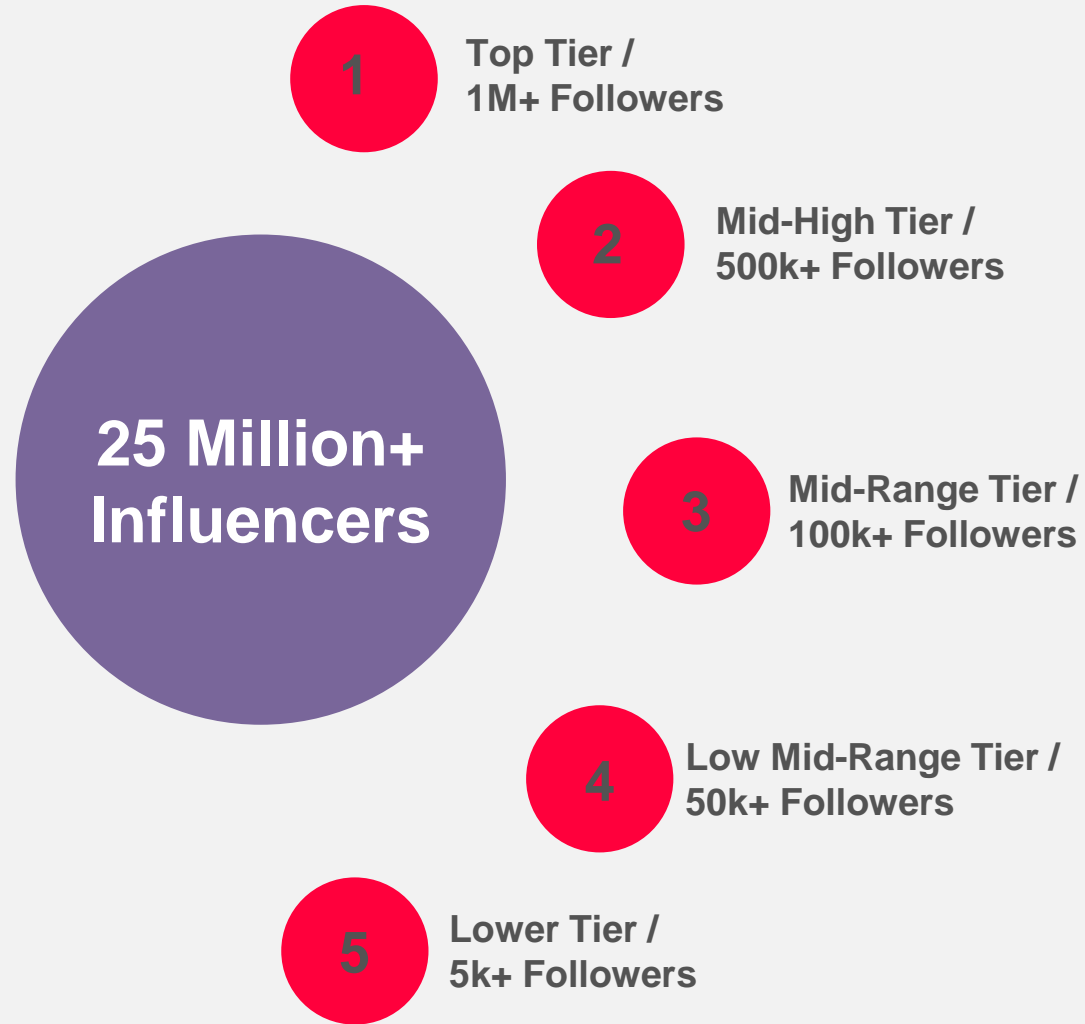
**“... someone who affects or changes the way that people behave”**  
— Cambridge Dictionary

**“Individuals who have the power to affect purchase decisions of others because of their (real or perceived) authority, knowledge, position, or relationship.”**  
— Business Dictionary

KOL | Blogger | Social Influencer | Maven | Tastemaker | YouTuber | Creator | Ambassador

---

# INFLUENCER NUMBERS CONTINUE TO INCREASE





# THE MARKETPLACE GROWS EXPONENTIALLY

**\$10B Industry  
(\$15B China)**

"The [influencer] market is  
set to reach \$10 billion by  
2020  
-ADWEEK

**220% Increase**

220% Increase in  
Influencer Marketing Tools  
and Agencies in 24  
Months.



# COMPETITION FOR BRANDS INCREASES



2016  
Brands Pilot



2017  
Brands Evolve



2018  
Brands Compete

# INFLUENCER MARKETING IS REGIONAL



**Social Use Varies Both Globally  
& Within Regions**




**Influencers Drive Different  
KPIs globally**



**Challenges & Risk Mitigation  
is Unique Regionally**



# BRANDS REQUIRE A SOLUTION



To successfully navigate the challenges posed by the rising *numbers of influencer options, available tools, marketplace competitors, & regional nuances*, brands now require a strategic approach to influencer marketing management.

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# A GLOBAL APPROACH TO MANAGING INFLUENCER MARKETING



## CONTENT STRATEGY

- Define Regional Content Needs
- Budgets & KPI's
- Segment Content By Tier



## PRODUCTION PLAN

- Production Models
- Production Partners /Tools



## EXECUTION STANDARDS

- Universal Influencer Brief
- Influencer Outreach & Selection Guidelines
- Contracts & Usage





# **CONTENT STRATEGY**

# REGIONAL CONTENT PLANNING

Develop an influencer platform strategy that aligns with regional consumer social use.

USA



BRAZIL



CHINA



DUBAI

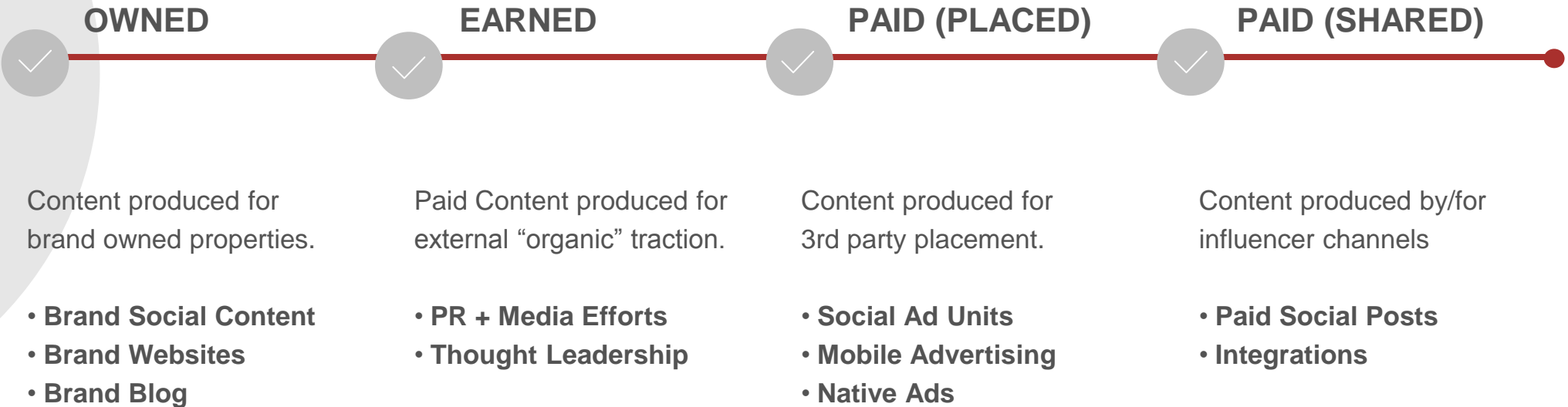


INDIA



# DEFINE CONTENT NEEDS

Identify all deliverables by media channel & platform to assess required content need.



# REGIONAL PERFORMANCE DRIVERS

Regional Influencers drive various KPIs. Leverage influencers for optimal performance metrics by country.

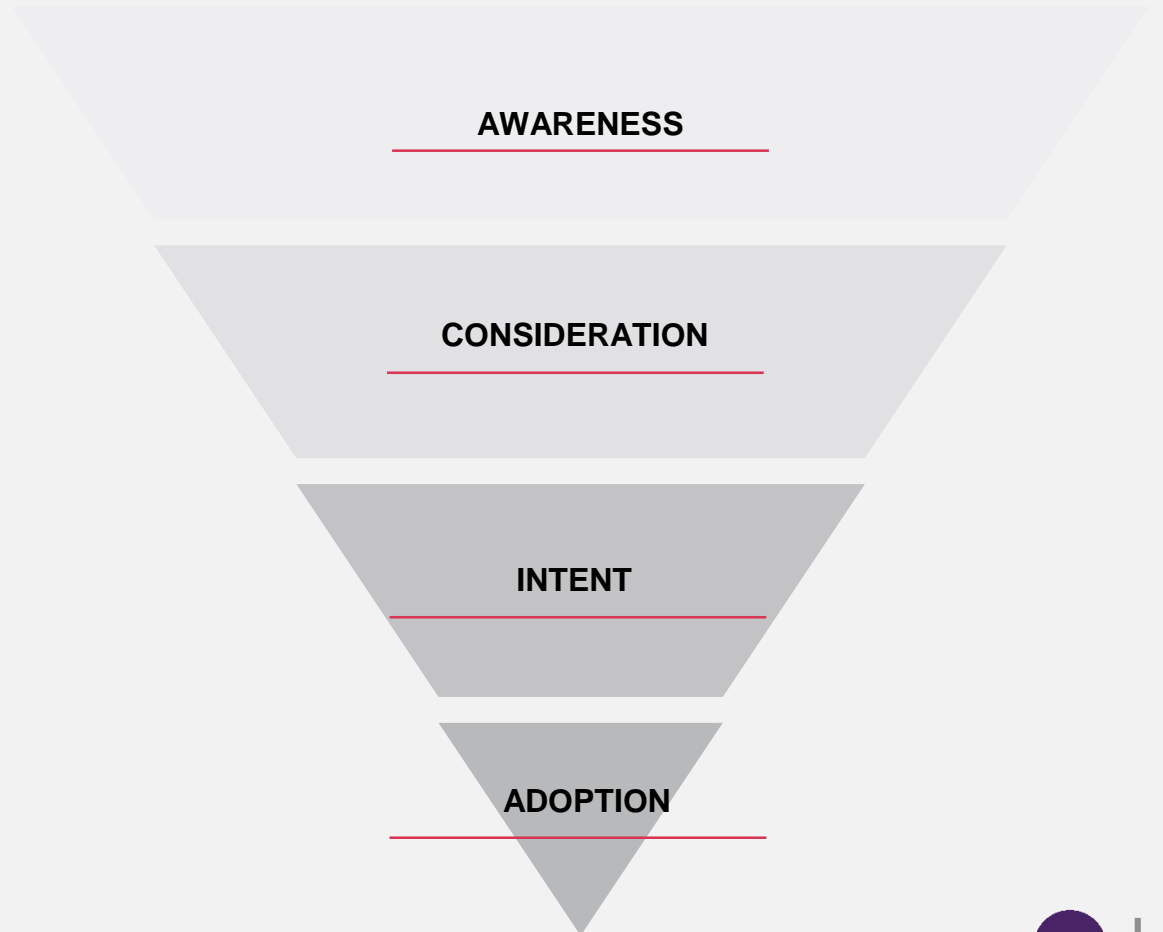
**US** / Broad Awareness & Engagement

**BRAZIL** / Broad Awareness & Engagement

**DUBAI** / Engagement & Event Attendance

**INDIA** / Engagement & Advocacy

**CHINA** / Advocacy & E-Comm Sales



# DEFINE BUDGETS & KPIs

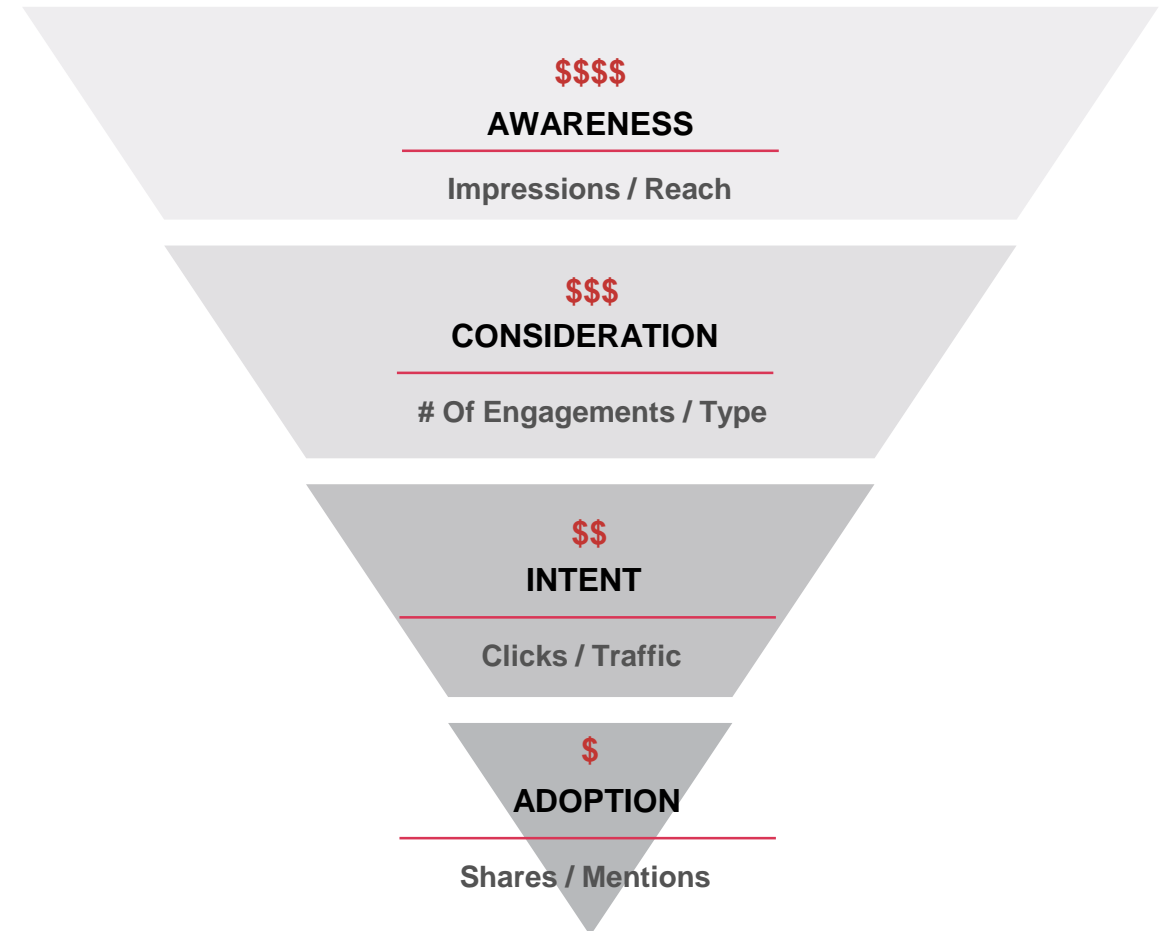
Establish a funneled approach to measurement and budgeting by region.

**5-25%**

Overall Marketing Spend\*

● Influencer Costs    ● Production Fees    ● Services & Tools    ● Media Support

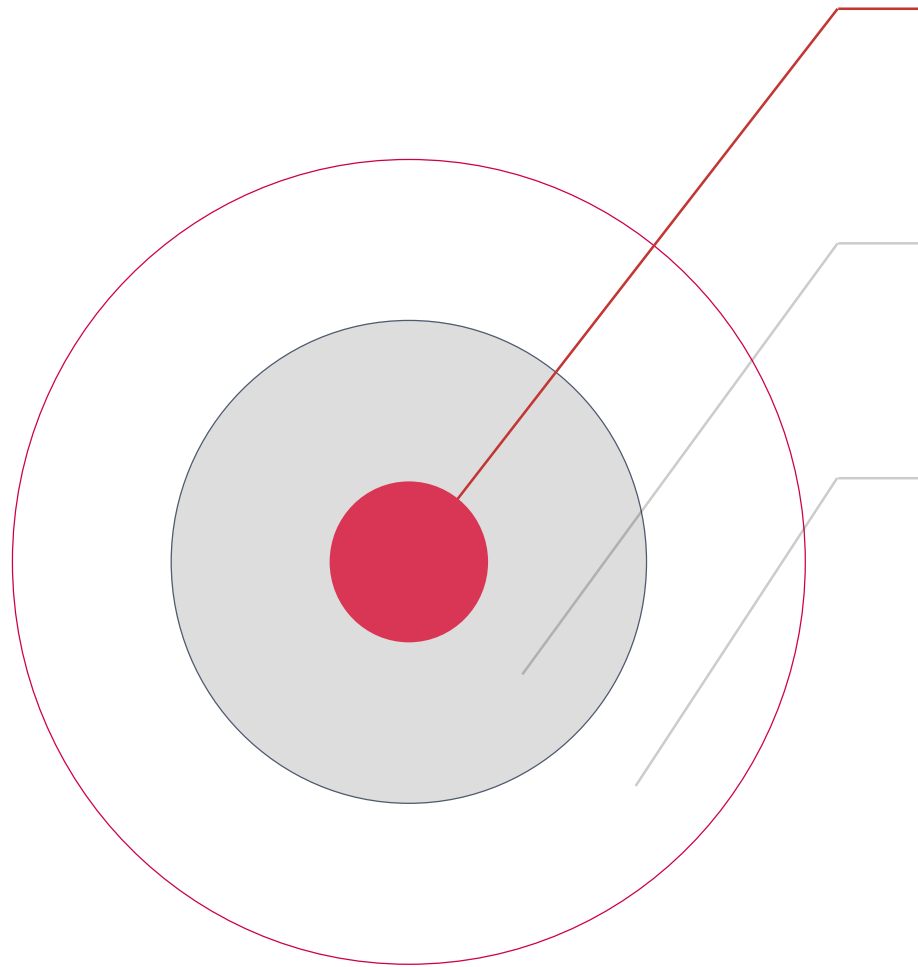
*2018 Linqia Survey\**





# SEGMENT CONTENT BY TIERS

Audit content needs  
& identify common  
denominators.



## **TIER 1 — BRAND CAMPAIGNS**

Content designed to promote overall brand message

## **TIER 2 — PRODUCT INITIATIVES**

Content specific to individual product initiatives

## **TIER 3 — ALWAYS PRESENT**

Evergreen content to allow the brand constant social presence

Example Tiers Only\*



# **PRODUCTION PLAN**

# SELECT PRODUCTION MODELS

There are 3 primary production models that can be applied to influencer content production.



## **Manages In-House**

- Influencers / Direct to Influencer
- Proprietary Platforms
- Use of Discovery Tools



## **Manages Specialized Agency**

- Brand > Influencer Agency
- Brand > Production Company



## **Manages AOR; AOR Outsources**

- Brand > AOR > 3<sup>rd</sup> Party
- Brand > Media Co > 3<sup>rd</sup> Party
- Brand > PR > 3<sup>rd</sup> Party

# ASSIGN PRODUCTION PARTNERS & TOOLS

Selecting a production model regionally is impacted by budget limitations, available service providers, & localization needs within countries. Many brands leverage all of the below.



## SERVICE PARTNERS

## TOOLS & TECH



**Holding Company /  
Traditional Partner**



**Influencer Agency /  
Specialized Partner**



**Self-Service /  
Search + Discover**

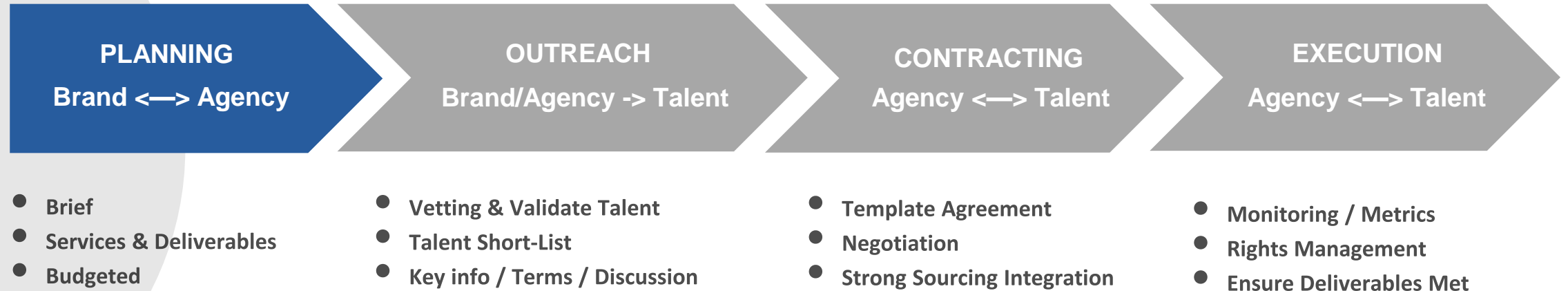


**MCN Networks + Campaign  
Management Tools**

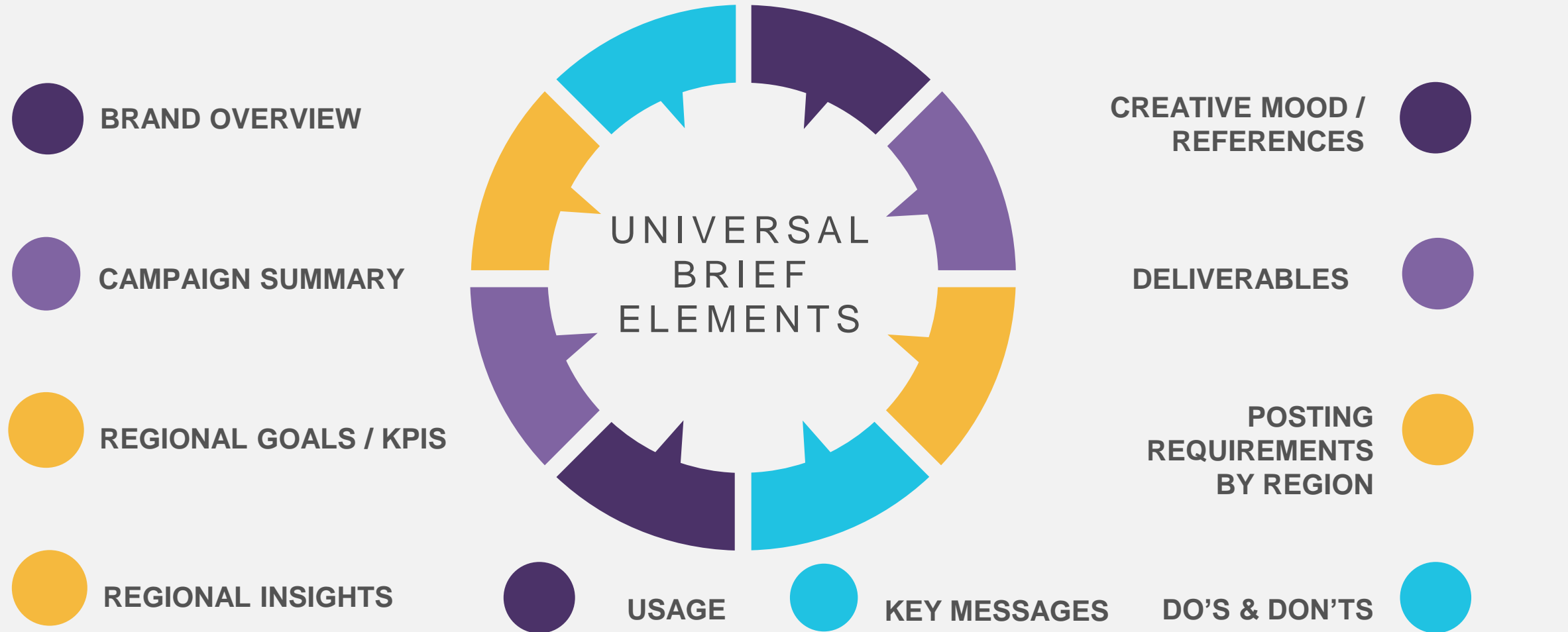


# **EXECUTION**

# THE PROCESS



# INFLUENCER BRIEF



# INFLUENCER PROFILES REGIONAL APPLICATION

## Global



100M+

- US / Global Following
- Hero Campaign Star + Content
- Global Asset Re-Use
- Campaign Lead

## Broad Market



2.2M

- China / Multi-Regional Following
- Hero Campaign Star + Content
- Multi-Regional Asset Re-Use
- Campaign Lead

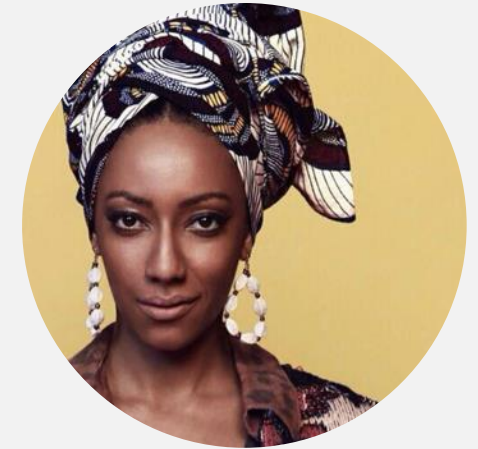
## Targeted Region



150K

- India / Primary Regional Following
- Social Content
- Singular Asset Use
- Ancillary campaign / Event

## Localized Region



30K

- Brazil / Localized Following
- Social Content
- Singular Asset Use
- Ancillary campaign / Event



# INFLUENCER OUTREACH & SELECTION

Define Regional  
Influencer Profiles

Align Parties On  
Selection Criteria

Provide Clear  
Brief & Budget

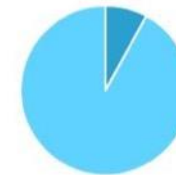
Source  
Multiple  
Options

Prepare  
Background &  
Impact  
Analysis

Negotiate

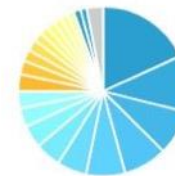
- Audience Size / Impact
- Audience Geo Makeup
- Competitive Posts
- Content & Comment Quality
- Reach Vs. Engagement
- Sponsored Vs. Organic Performance

GENDER



● Male 8.0%  
● Female 92.0%

COUNTRIES



● United States 18.2%  
● Germany 10.7%  
● Russia 8.6%  
● France 8.3%  
● Italy 7.4%  
● Poland 5.7%  
● Spain 4.9%  
● United Kingdom 4.4%  
▲ 1/4 ▼

UpfluenceDB

# PRODUCTION EXECUTION

There are 3 primary ways to leverage influencers in production.



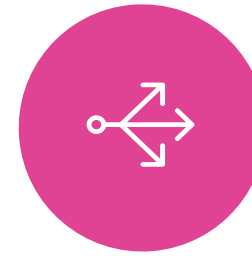
## Talent

- Influencer Scripted Content Experience
- Director / Production Co Influencer Experience
- Allow room for collaboration on script
- Avoid celebrity name trap
- Vet influencers for Brand Authenticity



## Producers

- Ensure content type fits their capabilities
- Treat them as artists
- Align internal team on approval limitations
- Consider channels, usage, versions up front
- Plan to amplify with paid social and distribute



## Distributors

- Select influencer size that aligns with social KPIs
- Select influencers who genuinely align with brand
- Select influencers that share similar content
- Articulate desired audience response and allow them to develop CTA

# INFLUENCER CONTRACTING

## KEY BUSINESS TERMS

- 1 **Exclusivity** - Category, Competition, Time
- 2 **Services / Deliverables** - Clearly Defined
- 3 **Term** - Specific Start / End
- 4 **Territory** - US et al.  
- WW – Internet / New Media
- 5 **Media** - Internet Only. Celebrity Broader.
- 6 **Compensation** - Fee, Product, Expense, Terms

## KEY LEGAL TERMS

- 1 **Termination** - Convenience, Material Breach
- 2 **Status** - Independent Contractor, SAG If Applicable
- 3 **Ownership Rights** - “Work Made For Hire”
- 4 **Name and Likeness Release**
- 5 **Reps and Warranties by Influencer (Mutual)**
- 6 **Morals / Professional Behavior**
- 7 **Confidentiality** - During Term and # Years Post
- 8 **Indemnification**

# INFLUENCER CONTRACTING

## DISCLOSURES & GUIDELINES

- ✓ Disclose relationship with company, campaign, or products
- ✓ Disclose influencer is being compensated
- ✓ Follow company influencer guidelines (Robust; in Agreement)
- ✓ Influencer signs FTC disclosure
- ✓ Immediate termination if influencer fails to make disclosures
- ✓ Require influencer edit, take down, revise or delete, if needed

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# Thank you



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