

The power of everyday influencers in driving business outcomes

Ed Keller, Brad Fay and Matt Dodd

ADMAP

Source: Admap, February 2019

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Highlights the opportunity for marketers to cultivate strategies that would put the power of everyday influencers to work on their behalf.

- Focus marketing on the “influencer next-door” who is happy to tell friends and family about great products without being paid.
- Success with everyday influencers is a driver of business success and brands that gain the attention of consumer influencers tend to see improved short-term sales and long-term brand equity.
- Everyday influencers are the one in 10 consumers with large social networks who frequently make product and service recommendations – they are more educated than average, but otherwise similar to all consumers.
- Influencers are quick to join campaigns designed for them, so invite them from your customer databases and via your brand website to participate in marketing programs that empower them to talk about your products and share your content.

Influencer marketing: beyond the hype

This article is part of a series of articles on influencer marketing. [Read more.](#)

The social media era has placed a spotlight on those celebrity and near-celebrity “influencers” with thousands, even millions of followers on YouTube, Instagram, and other social media platforms, most of them paid to endorse brands. Largely on the strength of these online influencers, Business Insider Intelligence has estimated that the industry will reach \$5 to \$10 billion by 2022.

While these paid influencers can drive surges in demand, marketers have a much more sustainable opportunity to engage everyday influencers whose value comes from personal relationships with their closest friends and families. Because of the fascination with paid influencers, we believe marketers overlook a massive—and proven—opportunity to cultivate strategies that would put the power of these everyday influencers to work on

their behalf.

This is a theme we have sounded regularly over the years in Admap ([April 2009](#); [December 2012](#)). Most recently, we have joined with colleague Rick Larkin and professor Koen Pauwels of Northeastern University to write “*Deriving Value from Conversations about Your Brand*” in the MIT Sloan Management Review (Winter 2019). The article shows that 19% of all consumer purchases are motivated by consumer conversations and recommendations—about half of which are driven by offline conversations, and half by online discussions in social media. As part of this extensive analytics undertaking, we have been able to prove the impact of everyday influencers in driving business outcomes.

Today, Engagement Labs is tracking hundreds of brands in the US and UK and linking conversation performance to business outcomes such as sales and—in partnership with Kantar Analytics—long-term brand health and customer experience.

Early indications from the collaboration between Kantar Analytics and Engagement Labs indicate that word of mouth can contribute to between a quarter and half of long-term brand equity. In particular, for a leading alcoholic beverages company, we found that offline word of mouth was a stronger contributor to top-of-mind awareness than online.

Social metrics that matter

The social metrics that are the biggest drivers of business impact are offline conversation volume, or the amount of offline conversation that a brand gets, and net sentiment both online and offline, which relate to the degree to which it is positive versus negative in two separate conversation channels. On average, these three metrics combine to account for 70% of the impact of all social metrics on brand purchases.

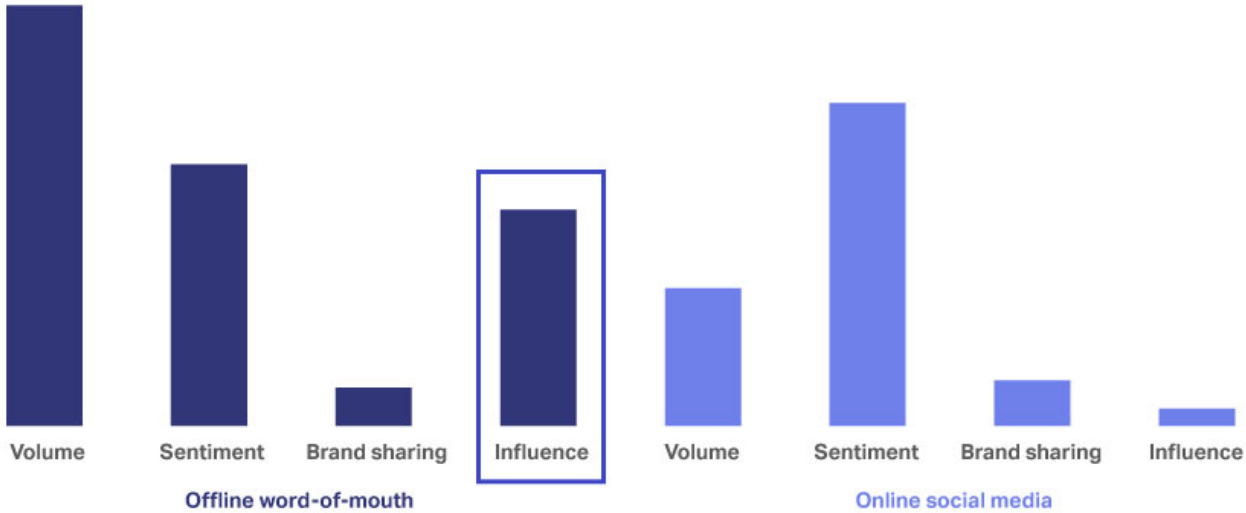
The fourth-most important metric we call *offline influence*, which is based on the extent to which a brand is performing above-average among the 10% of consumers who are most influential within their peer group. For some brands, offline influence can actually be the most important metric, as we found in the case of driving brand awareness for the beverage alcohol client mentioned above.

These everyday influencers are neighbors who are first to try new electronics or beauty products, and eager to tell you what worked and what didn't. These influencers are defined by the number of people they talk to on a regular basis and their inclination to give advice about a variety of products.

We also identify a group of *online* influencers comprised of social media users with an above-average number of followers posting original content. Interestingly, among the eight metrics in our platform, online influence is, on average, the least impactful on near-term brand sales.

Offline influence is the fourth most important social metric for driving sales

Relative impact to sales



SOURCE: ENGAGEMENT LABS' TOTALSOCIAL®

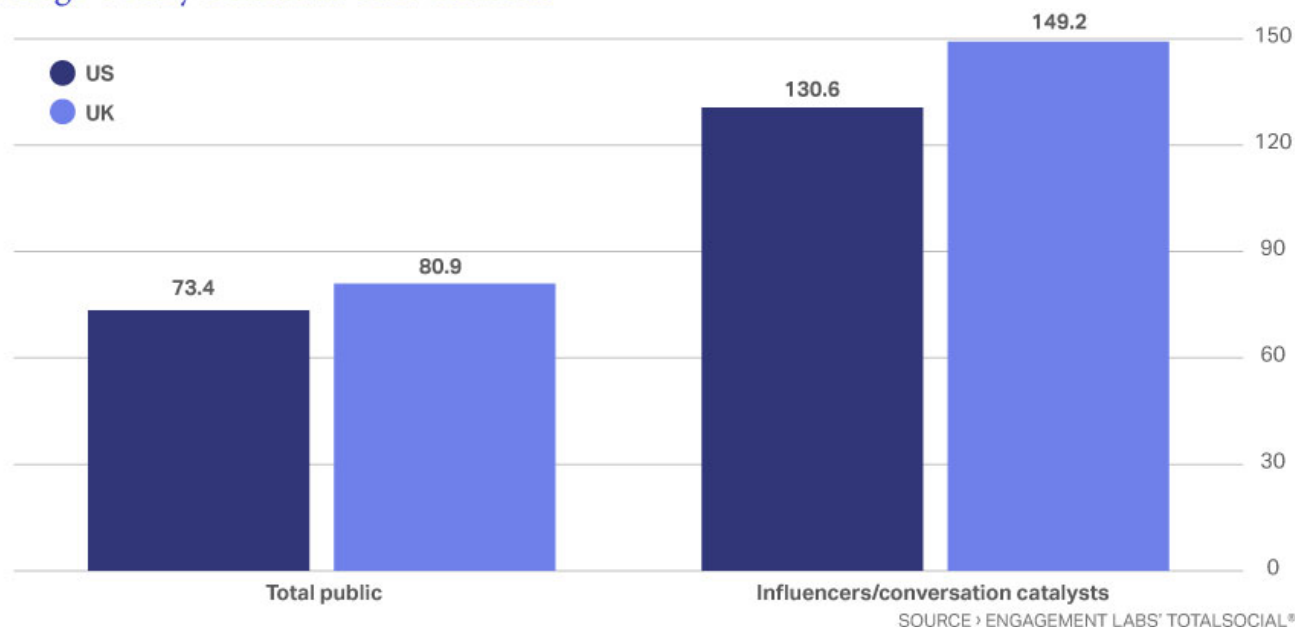
Offline influence gets its power from the close, trusted relationships that these influencers have with the people they influence. Brands that gain the attention of the offline influencers—we call them the 'Conversation Catalysts' segment—are well positioned for market growth, because they will benefit from the recommendations of these highly-connected people.

Who are these offline influencers? They are a bit younger and more educated than the average person, earn more money, and they consume more media, but otherwise they are rather average. Importantly, their conversations occur not just offline, but online as well. They over-index in their use of every social media platform, particularly LinkedIn, Instagram, and Snapchat.

What is most important is the level of engagement these influential consumers have in product and brand conversations. In the US Conversation Catalysts have 131 consumer conversations per week, compared to the average of 73. In the United Kingdom they are even more talkative, having 149 consumer conversations weekly, versus the national average of 81. Far from their reputation for being reserved, Brits are downright chatty with friends, co-workers, and family when it comes to talking about products and services.

Weekly consumer conversation

Average weekly consumer conversations



These one in 10 consumers can be found everywhere in the marketplace. They are in every neighborhood, every post code, and on every brand marketers' database. The key is to identify them. Fortunately, they are very good at self-identifying. If you design an influencer marketing program, they will be the most eager to join. If you offer shareable content on your digital media, they will be the most prolific sharers. They are so eager to share, in fact, that they don't need to be paid when they support your brand and like your content.

While offline influence is a proven driver of sales, online influence has a role to play as well. In work we've done for a major US telecom brand, we found that online metrics—including online influence—can be quite important in driving bigger spending by current customers. While offline dominates in recruiting entirely new customers, online helps to increase engagement with current customers. That's one reason it makes sense for companies to identify the influencers in their existing customer databases, so they can tailor marketing campaigns to prioritize these loyal advocates.

Brands performing best with influencers

Many brands have been successful in connecting with influencers. Some of the most successful in doing so in the US are the beauty brand Clinique, the travel brand Marriott, and retailers HomeGoods, Dick's Sporting Goods, Whole Foods, and Trader Joe's. Dick's has been in the news a lot lately because of its decision to stop selling assault rifles, which has caused the Dick's conversation to shift to a more influential segment of the population that is engaged in such topics. Whole Foods and Trader Joe's are highly trendy supermarket chains that have cultivated upscale and influential shoppers.

Retailers rank high with influencers in the United Kingdom, as well, with Waitrose, Burger King, and Starbucks on the list of brands talked about much more often among influencers versus general public. In addition, the innovative technology company Bosch is ranked first, and premium health care provider Bupa is ranked second.

Brands that over-perform with conversation catalyst influencers in 2018*

WARC[^]
BY ASCENTIAL

*Brands over-indexing by largest margins among Conversation Catalysts versus general public for full year 2018. Includes brands averaging at least 2 million weekly conversational impressions in the UK and 4 million in the US

US brands	UK brands
Clinique	Bosch
Marriott	Bupa
HomeGoods	Sprite
Century Link	Burger King
Dick's Sporting Goods	Sports Direct
Kitchen Aid	Land Rover
Whole Foods	Waitrose
Trader Joe's	Starbucks
Bacardi	Android
Aleve	Audi

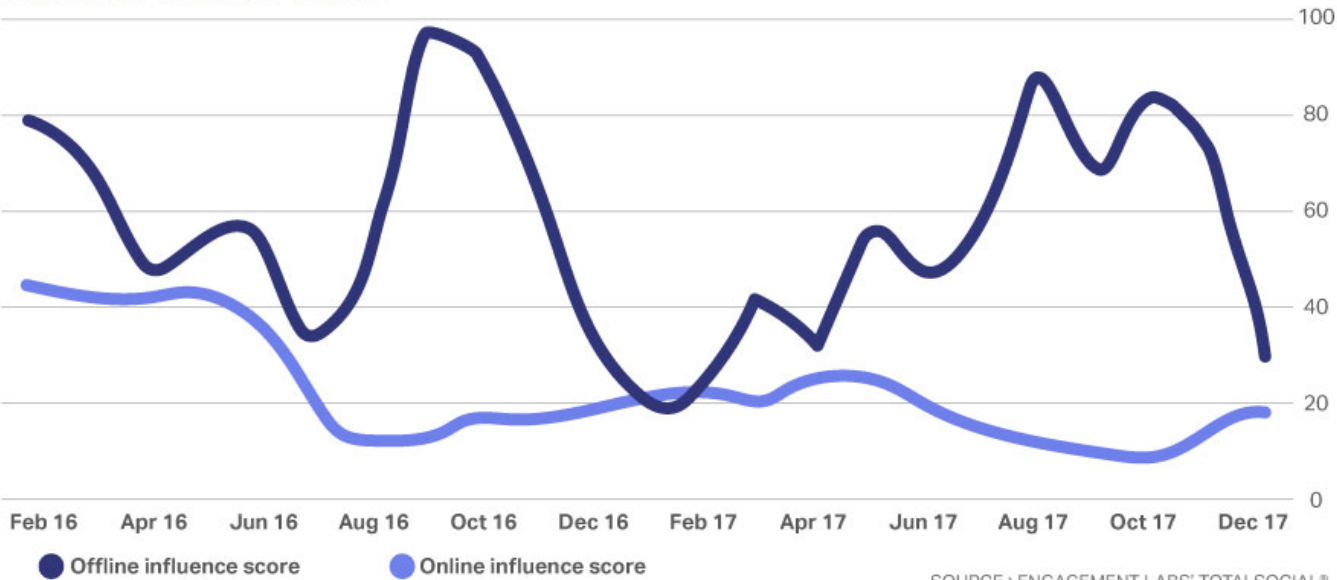
SOURCE › ENGAGEMENT LABS' TOTALSOCIAL®

Revlon “Slays” with offline influence

An excellent example in the US is the Revlon beauty brand. In our study, Revlon was profiled as a brand for which “Offline Influence” was the most important metric. Fully 9% of Revlon sales could be tied to the offline influence metric, three times the average for 20 other brands for which we included the eight TotalSocial metrics in market mix models (MMM) to help us quantify the impact of conversation on sales. For Revlon, offline influence was more important than any of the other seven metrics.

Revlon campaigns connect with offline influencers more than online

All online & offline scores



How is Revlon harnessing offline influence? For the last few years, the Revlon brand has been working hard to reach Millennial beauty product buyers through social media campaigns, particularly with its “Choose Love” and “#GoSlay” campaigns during the summers of 2016 and 2017. These campaigns have been based on a combination celebrity and everyday women telling their personal stories of love and empowerment.

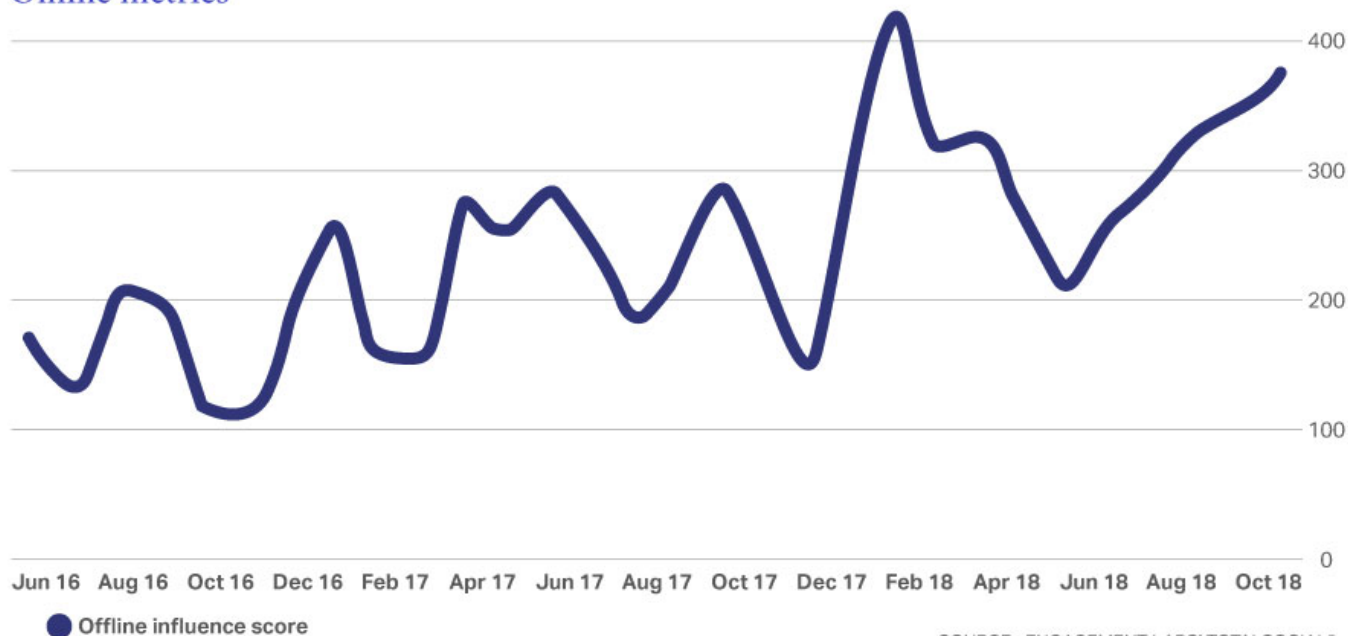
But in a sign that the world is no longer divided simply between digital and non-digital, an important factor in the success of these campaigns has been the *offline* conversation of *offline* influencers, in response to a largely digital campaign that drove engagement with the brand during key moments of the campaigns.

In the United Kingdom, the Bacardi rum brand makes a good case in point. The 154-year-old brand was recently surpassed in rum sales by Captain Morgan and needed revitalization. In 2018 it launched a new premium rum, Bacardi Cuatro, and a new campaign “Do What Moves You,” featuring dance performances by celebrities and partnerships with artists and festivals. These efforts have helped to power steady improvement in the brand’s offline influence metric, as its new relevance has led to conversations and sharing about the brand, as illustrated in the chart below.

Bacardi's offline influence performance is rising steadily

WARC[^]
BY ASCENTIAL

Offline metrics



Bacardi's VP of Marketing in Europe had it exactly right when declaring: "It's really about embedding ourselves in the day-to-day life of people in a way that seems authentic." As the trendline shows, that's what they are achieving in the UK today.

Marketers who want to ride the influencer marketing wave have many reasons to do so, particularly at a time when ad-supported television is in decline among younger people. But make sure you don't focus exclusively on the shiny-new-toy of paid online influencers. Authentic, real-word, everyday influencers offer the biggest and most sustainable opportunity to use social influence to grow your brand for the short-term (sales) and the long-term (brand equity).

Key takeaways

- Influencer marketing is a bigger opportunity than paid celebrities and YouTube stars. Focus marketing on the "influencer next-door" who is happy to tell friends and family about great products without being paid.
- Success with everyday influencers is a driver of business success. Brands that gain the attention of consumer influencers tend to see improved short-term sales and long-term brand equity.
- Everyday influencers are the one in 10 consumers with large social networks who frequently make product and service recommendations. They are more educated than average, but otherwise similar to all consumers.
- Influencers are quick to join campaigns designed for them. Invite them from your customer databases and via your brand website to participate in marketing programs that empower them to talk about your products and share your content.

Further reading

Ed Keller, '[How influence works](#)', Admap, December 2012

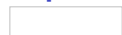
Ed Keller and Brad Fay, '[Influencers are essential in driving WOM and affinity with the brand](#)', Admap, April 2009

About the authors

Ed Keller

CEO, Engagement Labs

<https://www.engagementlabs.com>



As CEO Ed has spearheaded the company's development and commercialization of TotalSocial®, a patent-pending technology solution that combines online social media listening data with offline word-of-mouth tracking to provide marketers with a complete view of consumer conversations about their brands.

Keller has authored The Influentials, and The Face-to-Face Book (co-authored with Brad Fay), which was named 2013 Best Book in Marketing by the American Marketing Association.

Brad Fay

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Brad shares responsibility for developing the company's new TotalSocial® platform, a powerful tool that helps brands improve marketing effectiveness and ROI by leveraging social influence among consumers.

He has had been a leader in the research and marketing industries for more than two decades, recently serving as Chairman of the Board of the Word of Mouth Marketing Association, and President of the New York-based Market Research Council.

Matt Dodd

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<https://www.engagementlabs.com/contact-us/>



Matt Dodd leads the Analytics and the Media & Digital businesses in the UK & Ireland, which embraces brand & media ROI, customer/data analytics, advanced segmentations, advertising effectiveness and social/AI analytics.

He also works with key Global Accounts to support their analytics needs and has over 25 year's analytics experience, both client and supplier side.

Read more articles on influencer marketing

[Eight tips for spotting fake influencers on Instagram](#)

Rochelle Bailis

Harnessing the influencer ecosystem

Joel Davis

Exerting your influence: Benchmarking influencer marketing

Farhad Divecha

India's Influencer Marketing evolution

Ana Thorsdottir

Look East to know the future of influencer marketing

Elijah Whaley

The rise of micro-influencers and why they are important

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Influencer marketing in Asia: time for brands and influencers to reclaim its true promise

Ida Siow

Celebrities, macro influencers, rising-star creators and micro-influencers: what brands need to know

Tania Yuki

How to work effectively with micro-influencers

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