



SOCIAL MEDIA INFLUENCE

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Or, Why 'Influence' is Effectively a Massive Scam

Joanne Jacobs, UTS Industry Fellow, Co-CEO Disruptors Inc

WHAT MAKES AN 'INFLUENCER'?

FOLLOWERS, FRIENDS AND OTHER BIG FISH

Influencers usually are defined as social media users with “the ability to influence potential buyers of a product or service by promoting or recommending the items” on their social media presences.

They generate buzz among their own audiences.



WHY INFLUENCE IS PROBLEMATIC

BIG FISH INFLUENCE IS
USUALLY IN A SMALL POND

Social media channels naturally pool around people with like minds, similar networks and similar tastes.

In an echo chamber, influence is often the loudest voice or the most consistent contributor, rather than the best qualified speaker.



MYTH #1: INFLUENCERS CREATE SALES



NO THEY DON'T.

THEY MIGHT DRIVE TRAFFIC. THEY MIGHT EXPRESS AN INTEREST TO PURCHASE. BUT THERE IS NO CORRELATION BETWEEN INTENTION TO PURCHASE AND ACTUAL SALES.

An Instagram star with 2 million followers couldn't sell 36 T-shirts, and a marketing expert says her case isn't rare

Rachel Hozak May 30, 2019, 9:22 AM



Getty/istock

- Instagrammer @Arii said she failed to sell 36 T-shirts to her 2.6 million followers.
- In a now-deleted Instagram post, she said she was launching a clothing line, but had to sell 36 items from the initial drop in order for the company to continue producing them.
- She wasn't met with much sympathy.
- Some people pointed out that the Instagram star didn't promote her products well, while others suggested the news is a sign the influencer bubble is set to burst.

EXAMPLE



SOURCE:

<https://www.businessinsider.com/instagrammer-arii-2-million-followers-cannot-sell-36-t-shirts-2019-5/?r=AU&IR=T>



WHEN INFLUENCE CONVERTS

#WINS, MICRO-INFLUENCE AND SHEEPLE

Influencers are useful in driving engagement around new ideas, new products and new fields of expertise.

They have an educative role and they help move from Awareness to Interest and Desire, even if not necessarily Action (AIDA Purchase Funnel).

Micro-influencers are category experts who will appraise brand value in very niche areas.

MYTH #2: INFLUENCERS ARE TRUSTED AUTHORITIES

NOT NECESSARILY.

THEY CAN BE MAD, BAD AND DANGEROUS TO KNOW.
THEY CAN SPREAD TOTAL FABRICATIONS SIMPLY TO DRIVE
THEIR OWN INFLUENCE RATINGS, AND NOTORIETY.

Rising Instagram Stars Are Posting Fake Sponsored Content

“It’s street cred—the more sponsors you have, the more credibility you have.”

TAYLOR LORENZ DEC 18, 2018



SHUTTERSTOCK

Tapping through Palak Joshi’s Instagram Stories recently, you might have come across a photo that looked like standard sponsored content: a shiny white box emblazoned with the red logo for the Chinese phone manufacturer OnePlus and the number six, shot from above on a concrete background. It featured the branded hashtag tied to the phone’s launch, and tagged OnePlus’s Instagram handle. And it looked similar to posts from the company itself announcing the launch of its new Android phone. Joshi’s post, however, wasn’t an ad. “It looked sponsored, but it’s not,” she said. Her followers are none the wiser. “They just assume everything is sponsored when it really isn’t,” she said. And she wants it that way.

A decade ago, shilling products to your fans may have been seen as selling out. Now it’s a sign of success. “People know how much influencers charge now, and that payday is nothing to shake a stick at,” said Alyssa Vingan Klein, the editor in chief of *Fashionista*, a fashion-news website. “If someone who is 20 years old watching YouTube or Instagram sees these people traveling with brands, promoting brands, I don’t see why they wouldn’t do everything they could to get in on that.”

MORE STORIES

Instagram’s Wannabe-Stars Are Driving Luxury Hotels Crazy
TAYLOR LORENZ



Instagram’s Creepy New Ads Look Like Posts From Your Friends
KYLE CHAYKA



The Strange Brands in Your Instagram Feed
ALEXIS C. MADRIGAL



The Coalition Out to Kill Tech as We Know It
ALEXIS C. MADRIGAL



EXAMPLE



SOURCE:

<https://www.theatlantic.com/technology/archive/2018/12/influencers-are-faking-brand-deals/578401/>



INFLUENCE AS A LIABILITY

WHEN INFLUENCE DAMAGES PERCEIVED VALUE

The more influence a social media user has in one area of expertise, the less their other skill sets are given any credibility. This can be problematic when an individual wishes to be valued in more than one area of influence.

Further, influence in one professional role can be lost if an individual moves from one job to another, or if their name changes.

MYTH #3: INFLUENCERS ARE GOOD VALUE / COST EFFECTIVE

COMPARED WITH WHAT?

MEDIA IN TRADITIONAL (PRINT, BROADCAST) MEDIA HAS DROPPED DRAMATICALLY, SO IT'S NO LONGER NECESSARILY CHEAPER TO USE PAID INFLUENCERS.

HOW MUCH SHOULD A BLOGGER CHARGE FOR SPONSORED CONTENT?

UNIQUE VISITORS PER MONTH	DA 15 to 25	DA 25 to 35	DA 35 to 45	DA 45 & UP
5K	\$75 to \$275	\$275 to \$545	\$545 to \$825	\$700 to \$950
10K	\$150 to \$425	\$425 to \$700	\$700 to \$950	\$950 to \$1,250
20K	\$425 to \$545	\$545 to \$825	\$825 to \$1,125	\$1,125 to \$1,500
30K	\$545 to \$825	\$825 to \$1,125	\$1,125 to \$2,800	\$2,800 to \$4,200
50K	\$700 to \$1,125	\$1,125 to \$2,800	\$2,800 to \$4,200	\$4,200 to \$5,500

HOBOWITHALAPTOP.COM/BLOGGER-RATE-CARD

EXAMPLE

**FWIW, My DA is 34.
And I haven't updated
my website since February 2017**

DA = Domain Authority

(see <https://www.seoreviewtools.com/website-authority-checker/>)

SOURCE:

<https://hobowithalaptop.com/blogger-rate-card>

INFLUENCERS KNOW THEIR AUDIENCE



MOSTLY.

THE MOST CELEBRITY-OBSSESSED ENGAGE A
LOT WITH THEIR AUDIENCE, AND GET TO
KNOW THEM RATHER WELL.

INFLUENCERS DRIVE LEADS



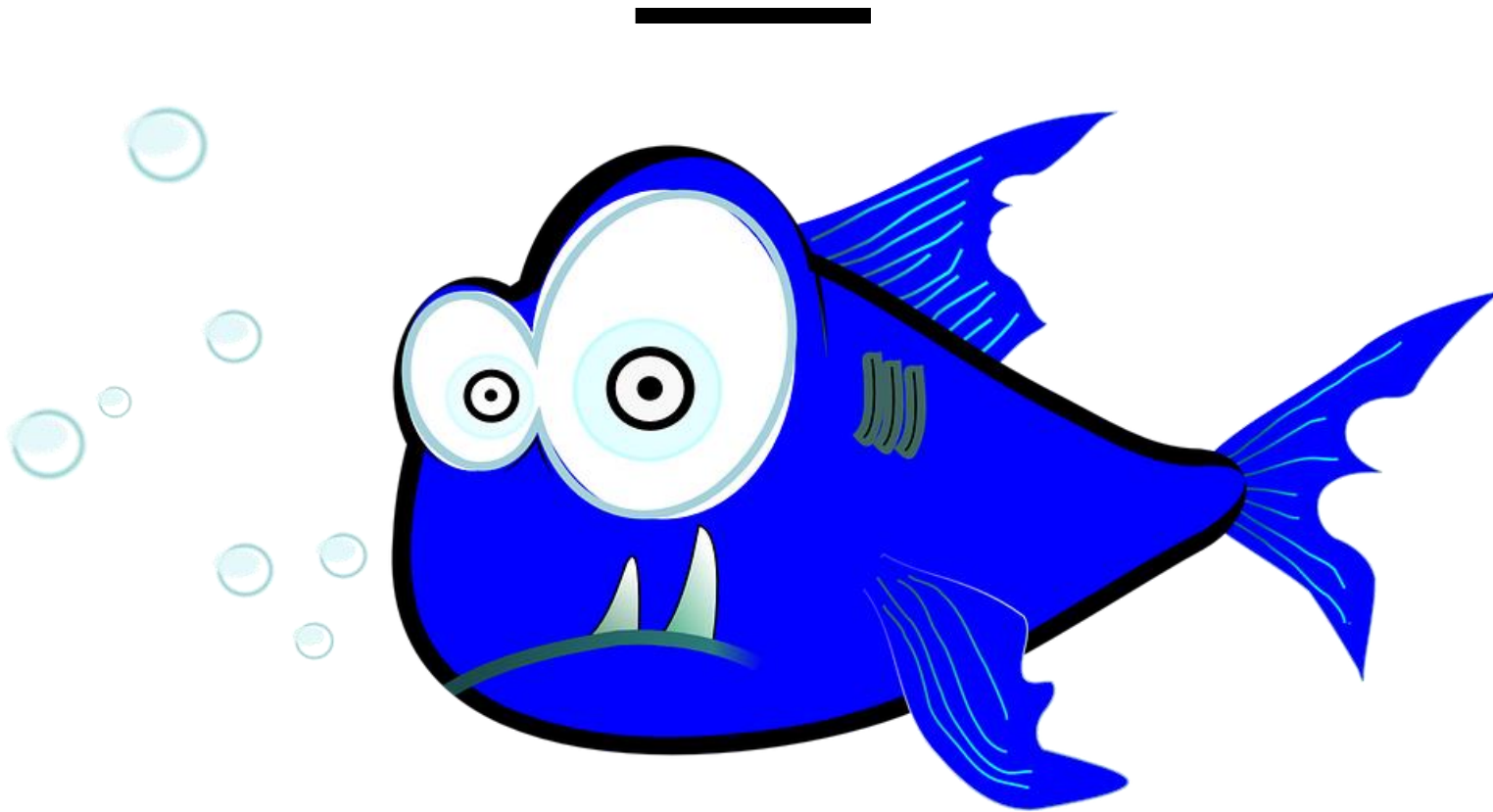
THEY ARE GREAT AT AWARENESS RAISING.
THEY JUST DON'T NECESSARILY CONVERT
THOSE LEADS.

INFLUENCERS IMPROVE BRAND SEO



AGAIN, MOSTLY. DEPENDS ON THE CHANNEL. BUT THEY TEND TO LINK TO BRANDS THEY LIKE ON CHANNELS WHERE LINKS DON'T IMPACT THEIR RATINGS.

**BEING A BIG FISH
DOESN'T MAKE YOU BEAUTIFUL**





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WHO AM I? WHO IS DISRUPTOR'S HANDBOOK / DISRUPTORS INC?

I am an Industry Fellow in the Faculty of Arts and Social Sciences. I also wrote the capstone unit in Digital Futures in the Digital and Social Media program at UTS.

I'm also Co-CEO of Disruptor's Handbook, a company that facilitates innovation in enterprises. That means we use rapid prototyping and other design thinking processes to help companies stay ahead of the technologies that may disrupt their business.

I'm also a total geek. I've even been to Star Trek conventions.