

Investing in Influence

assessing endorsers for maximum ROI

July 2018

History of Marketing

You can't just keep doing it the way it's always been done

PAGE 8

Risk &

Reputation

If it's glossy, it must be true

PAGE 30

Who endorses

you?

Who do you trust your reputation with?

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PLUS

How SPANX meets consumers where they are

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Digital marketing at any budget

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Listening to your audience

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Research tells who consumers trust most: celebrities or influencers

p.15

Author: Renee Clare-Kovacs
Published for JOUR 869 at
the University of Kansas.

For the purpose of this
work, the following defini-
tions will be used:

Brand: common name
associated with company
product, service, or idea
(i.e., Kleenex facial tissues,
Spanx shapewear, Jell-O
dessert)

Celebrity: person com-
monly recognized for
offline activity such
as acting, athletics, or
cooking

Company: parent orga-
nization of a Brand (i.e.,
Procter and Gamble,
Coca-Cola)



INVESTING IN INFLUENCE is
the work of Renee Clare-
Kovacs over the course of her
2 year study of Digital Content
Strategy at the University of
Kansas.

Renee strongly believes that
while the public must seri-
ously consider who they put
their trust in, no one should
take themselves too seriously.

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Stimulus





CELEBRITY ENDORSEMENTS



MOT



First
Moment of
Truth

THINK ABOUT IT

Would you rather buy a product because someone like you used it and enjoyed it, or because someone famous posted an image and two sentence captions on their Instagram post about it?

THE BUCK STOPS HERE:

Influencer marketing and celebrity endorsements are two very different marketing avenues and should be treated as such.

(Callahan, 2017)







Summary

Traditional marketing used an implied correlation between a product and an endorser, typically a celebrity, to promote sales.

The advent of the internet transformed the way marketing was done. Consumers with access to information demand transparency about products, the Brands and Companies who produce and distribute them, and the endorsers of the products.

Consumers began to research each of these areas when considering a purchase in a new marketing moment that Google named the Zero Moment of Truth, ZMOT.

Evolving traditional marketing processes, companies partnered with celebrities who had created an online presence to help influence purchase decisions. The availability of information, as well as the opportunity for unvetted online content to be widely published, has increased insight into companies, the products they manufacture, and the people who endorse those products. Whereas the timing of traditional publication offered opportunity for public relations to mitigate scandal, the “always on” time of the internet has created an environment of scrutiny for information that is often rushed, leaving no time to consider the quality of the source.



Despite the potential for biased or incorrect information to be broadcast by anyone, without regard to personal qualification or situational impact, internet users are influenced by this information. Marketers want to work with celebrities to be associated with the positive perceptions about the celebrity endorser. The ease of online publication and the race to be the first to publish can be sacrificing the quality of shared information. This rush and sacrifice increases the risk of a company positioning themselves as a willing contributor of a Celebrity's bad behavior, real or implied, as reported via online channels. Conversely, access to information can work against an endorser who contracts to promote a Brand or Company whose operational processes are shown to go against the ethics of the Celebrity.

As the reach of Celebrities has grown in the age of the internet, so has their earning potential. One social media post by a Celebrity can cost a Brand \$500,000 with questionable correlation to the Brand's demographic. A new generation of endorsers has emerged online. Known as Influencers, these lesser-known personalities are "internet famous" for their subject matter expertise. They create content that is valued by their followers who, though they are fewer in number, are more loyal than Celebrity fans. Marketers are working with these Influencers to target their desired demographics and reap the benefits of Influencer's loyal audiences at a significantly reduced cost.

Current research into influencer marketing is heavily weighted towards celebrity endorsement. This work includes a study comparing the trust given to Celebrity and Influencers, the impact of allegations against the endorser, and consequences of exoneration on the endorser and purchase intent. This work offers insight into building and monitoring influencer marketing campaigns to help marketers who have chosen a product or Brand endorsement for their organization. By choosing the right type of endorsement and measuring the

THE HISTORY OF MARKETING



Think sm

- Use of celebrity endorsement has long been a popular advertising practice not only in the USA but also around the world. 25% of TV commercials feature one or more celebrity endorsers. (Nam-Hyun Um. "Antecedents and Consequences of Consumers' Attribution Style: Measuring the impact of Negative Celebrity Information," 2013)

The advent of the internet has brought about a great deal of change. For Companies, marketing has been, and continues to be, significantly impacted by these changes.

The rise of movies in the early 20th century created a golden age. Actors and actresses working in Hollywood became celebrities, living glamorous lives that made their fans want to be like them. In her 2013 work, Um



Why you can't just keep doing what you've been doing.

small.

explained that a “social relationship occurs when an individual develops, through the media, a sense of intimacy and identification with a celebrity. Th[is] parasocial relationship may be characterized by varying degrees of identification with a celebrity or media personality”. Brands capitalized on this parasocial relationship, paying celebrities to publicly endorse their products to

encourage product sales to fulfill the fan’s desire to be like a favorite radio or movie star by using the products the stars use. Advertising had always been an avenue for selling products, but Hollywood made creating a market, or marketing, a lucrative investment.

[Companies marketed in print magazines, on television shows and movies, and on the radio.](#) Marketing reached a

heyday in the mid-20th century with creative marketers becoming near-celebrities themselves by creating iconic advertisements. The distinct marketing channels and the increased competition for both more creative ads and budgets that would allow Companies to pay the higher costs of celebrity endorsement made marketing more difficult through the end of the century.

(R)EVOLUTION OF MARKETING



Remember the
*“Look for
 freezer call
 That’s the moment
 when you’re standing
 that frozen pizza
 buy.*

Pro
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 call
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 of T
 FMO

The best b
 moments
 occurs at t
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old phrase,
it in your grocer's
use"?)

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anding there, looking at all
za and deciding which to

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 ment the
 t Moment
 ruth, or
 OT.

brands consistently win two
 of truth. The first moment
 the store shelf, when a con-
 sides whether to buy one
 another. The second occurs at
 en she uses the brand—and is
 or isn't.

(Lecinski, 2011)

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The advent of the
 internet in the early
 21st century gave
 marketers a new
 channel for advertising.

The internet evolved quickly, bringing the traditional marketing channels into one location—online—for developing parasocial relationships. Print magazines are now blogs. Television shows and movies are now seen on the amateur video channel, YouTube, or streaming online channels such as Netflix and Hulu. Radio programming has moved into the digital world with online radio stations for music and podcasts which harken back to the early days of radio where face-less programs were acted out for at-home audiences. The face-to-face conversations now take place behind the keyboard that drives social media.

Celebrity endorsement plays on the parasocial relationships discussed in Um's work. Parasocial trust was given to Hollywood celebrities in their heyday. This implied trust has been the subject of academic research, however academic literature on the subject of influencer trust is only now coming into scope. The most recent articles come from industry reports based on limited, and often biased, research. Peer-reviewed literature about influencer endorsement is being written, but requires time for developing methodology and conducting research.

Purchase decisions are now in the hands of the consumer. The change is so profound that online search titan, Google, has developed a concept they call the



"Whether we're shopping for corn flakes, concert tickets or a honeymoon in Paris, the Internet has changed how we decide what to buy. At Google, we call this online decision-making moment the Zero Moment of Truth, or simply, ZMOT. The ZMOT refers to the moment in the buying process when the consumer researches a product prior to purchase. Engagement with the customer today isn't just pouring a message down on their head and hoping they get wet. It really is understanding that you must be present in a conversation when they want to have it, not when you want to."

(Lecinski, 2011)

e
age



and continue to
educate marketers
on how to win this
moment.

How

On the way up to my room I saw a lobby poster: “See the Max Weinberg Band in the ballroom tonight at 8 pm.” The stimulus is the poster—“see Max Weinberg!”—and my response is obviously to go down to the ballroom at eight, buy a ticket and see the show.

But I didn’t do that. Instead I went up to my room, opened my laptop and started searching. Because I wanted to know, “What kind of music is he playing? What’s his band like? How much does it cost? What’s the ballroom like?” And when I was done, then I made my decision.

ZM

Max Monday

THE MAX WEINBERG
ORCHESTRA

starring

at
RAINBOW

JULY 6 - AUGUST 13
EVERY MONDAY NIGHT

FOR RESERVATIONS
CALL 212.633.1234
RAINBOWROOM.COM / @RAINBOWROOM
30 Rockefeller Plaza



Works

by Jim Lecinski, Associate Professor of Marketing at Northwestern University. Worked 12 years at Google as Vice President, US Sales & Service

Because that little moment is the moment that's changing the marketing rulebook. It's a new decision-making moment that takes place a hundred million times a day on mobile phones, laptops and wired devices of all kinds. It's a moment where marketing happens, where information happens, and where consumers make choices that affect the success and failure of nearly every brand in the world.



AS GOOGLE HAS PROVEN, THE INTERNET HAS CHANGED MARKETING. "WHAT WAS ONCE A MESSAGE IS NOW A CONVERSATION. SHOPPERS TODAY FIND AND SHARE THEIR OWN INFORMATION ABOUT PRODUCTS, IN THEIR OWN WAY, ON THEIR OWN TIME" (LECINSKI, 2011). AS THE INTERNET BECAME INCREASINGLY POPULAR, MARKETERS RACED TO FIND PEOPLE WHO COULD CREATE WEBSITES THAT WOULD PROMOTE THEIR PRODUCTS. BLOGGERS EMERGED, WRITING ABOUT THEIR PERSONAL EXPERIENCES. ONLINE READERS FROM AROUND THE WORLD READ THE POSTS ON THEIR OWN TIME. MARKETERS FOUND WAYS TO USE BLOGGERS AS PRODUCT ENDORSERS, PAYING THEM TO TALK ABOUT THEIR PRODUCTS IN THEIR BLOGS TO INFLUENCE THE PURCHASE DECISIONS OF BLOG READERS. BRANDS ALSO CONNECTED TO CELEBRITIES WHO WERE USING BLOGS AS A WAY TO COMMUNICATE WITH THEIR FANS ONLINE, PAYING THEM TO ENDORSE PRODUCTS IN A FAMILIAR WAY THAT HARKENED BACK TO TRADITIONAL MARKETING. THIS NEW ONLINE INFLUENCE WAS THE START OF INFLUENCERS.



Zero Moment of Truth



The shift in messaging from brands to “regular people” took control of the conversation away from companies. Social media greatly increased the ability for word-of-mouth advertising on channels that marketers do not control. In order to gain back ground, marketers needed to find a way to be in the ZMOT--to become part of the conversation when people are looking for product recommendations from people they trust.



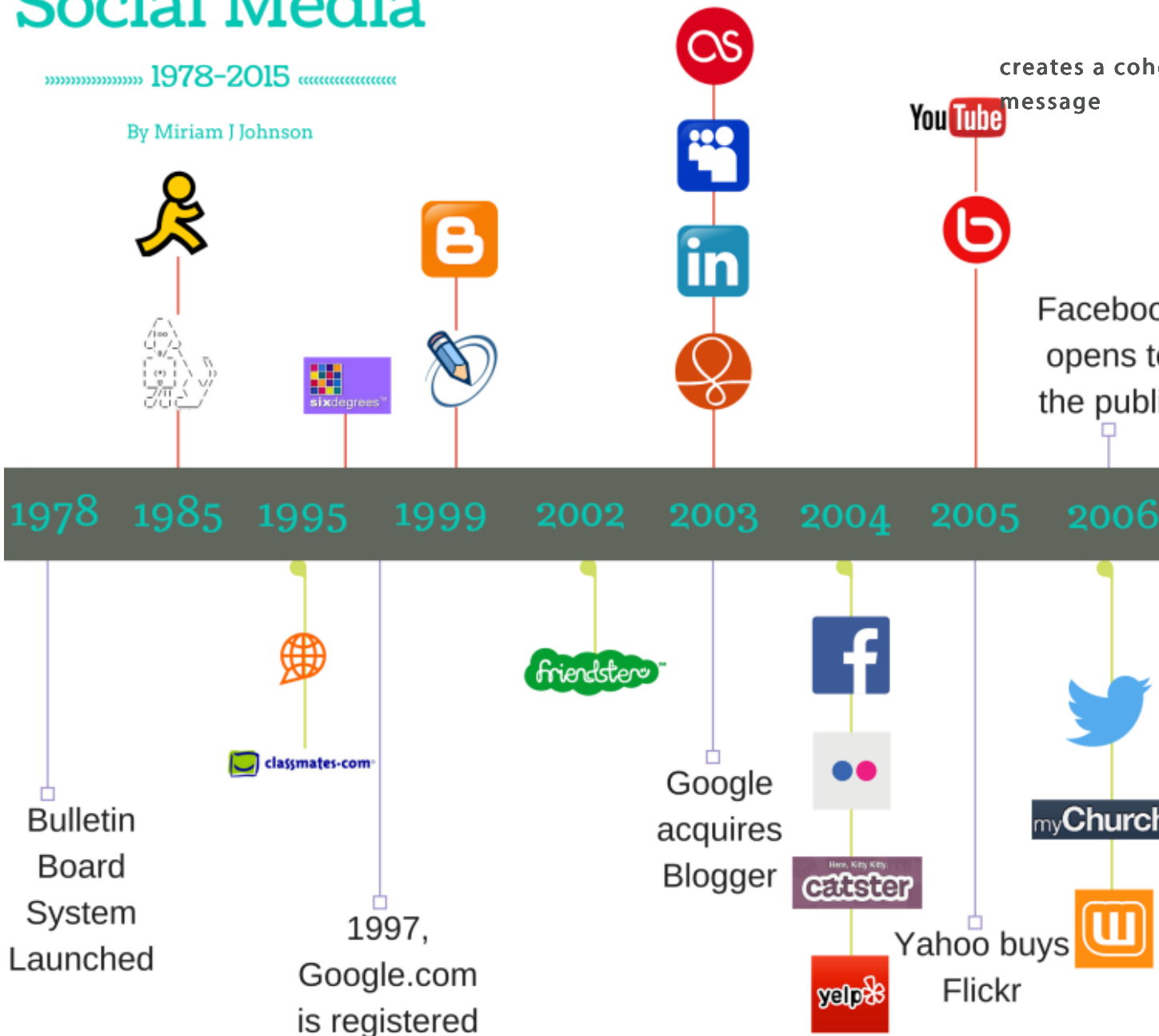
Blogging and websites were seen by most as time-intensive to use. The general public was not interested or able to participate. This changed this.

The most notable entry for the public to join in the online conversation was Facebook, an online platform that allowed users to “microblog” with friends on a user-friendly interface. Online sites for microblogging offered photo and video sharing instead of or alongside microblogging. This new conversation put control of the message away from Brands and celebrities.

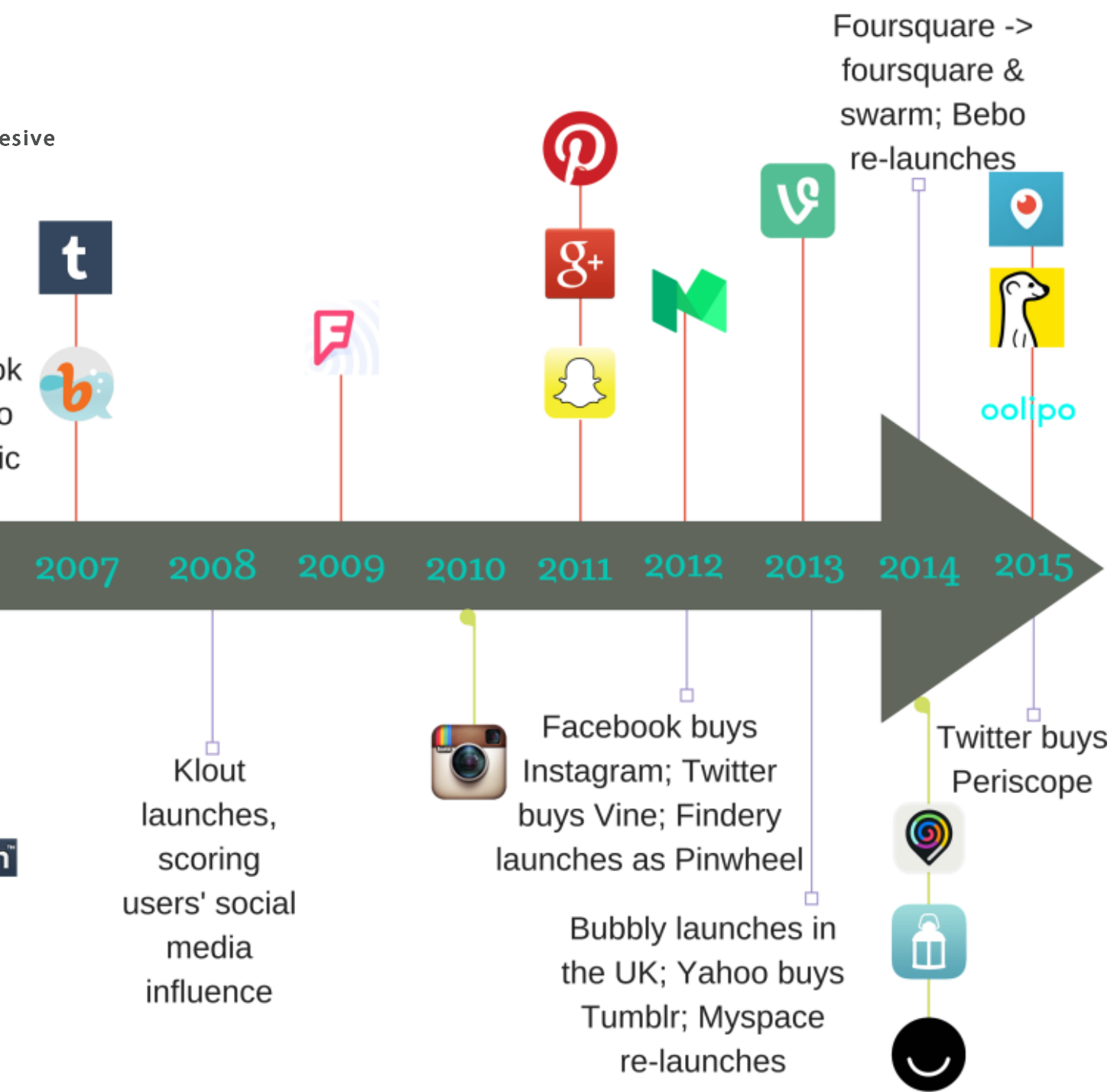
The History of Social Media

»»»»»»»»»» 1978-2015 ««««««««««

By Miriam J Johnson



tasks, maintaining copy and images, uploading content to participate in this new online arena. Social media, however, conversation happened in 2004 when Mark Zuckerberg started "Facebook", posting about their own experiences and connecting with friends. Blogging in a variety of forms grew exponentially. These sites included MySpace, Blogger, and LiveJournal. People began to use social media to do the research and product influence in the hands of friends and family, shifting



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This opened the door for Influencers, “Individuals who are not famous by traditional standards but who have gained significant clout on social media within a particular market” (Ewan, 2017). The shift in messaging from Brands to “regular people” took control of the conversation away from Companies. In order to gain back ground, marketers needed to find a way to be in the ZMOT.



George Bush
@GeorgeHBush

Pushing in Influence | July 2018

Follow

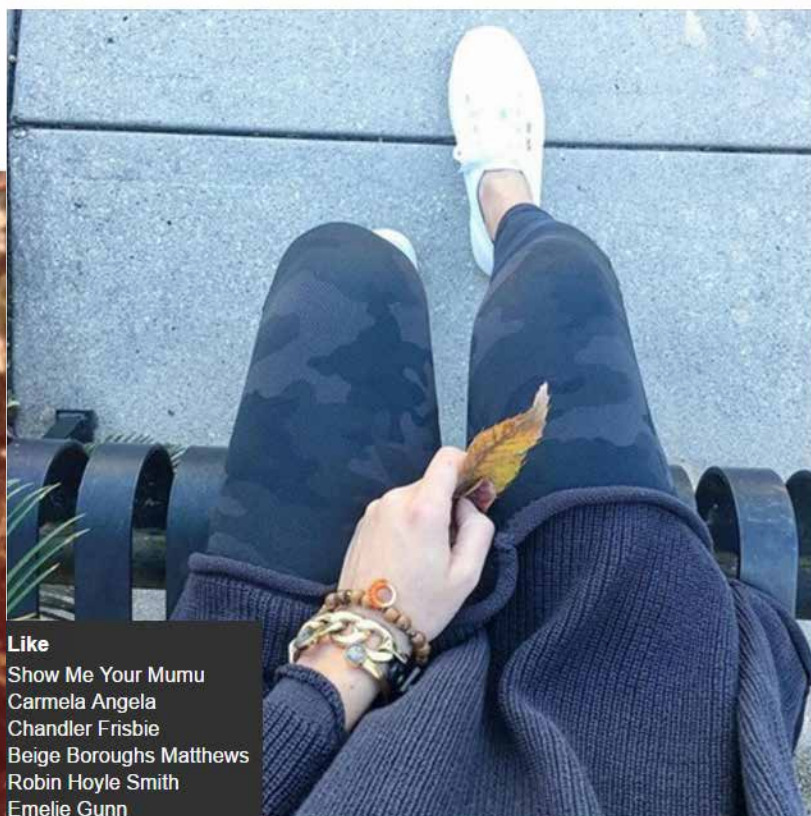
Our sincere thanks to @StephenAtHome for his kind donation to #OneAmericaAppeal. Here are two more for the file. No laughing rule in effect!



Il Brunettes
October 20

Like Page

Camo Spanx leggings for the win ¹⁰⁰ #spanx #mumusweater #superga #fallstyle #newness #showmeyourmumu #fallcolors // SPANX // Show Me Your Mumu // Supergao //



Like
Show Me Your Mumu
Carmela Angela
Chandler Frisbie
Beige Boroughs Matthews
Robin Hoyle Smith
Emelie Gunn

7

Like Comment Share

backstreetboys @backstreetboys · Sep 25
Remember home video? #PuberMe #PuertoRicoRelief



140 759 5.5K

Nathan Ward @steelr86 · 3h

Part down the middle looking like Shawn Cassidy @StephenAtHome #PuberMe



2

“A shift started to emerge in 2015, when...Influencers on Twitter had almost caught Friends and Family 49% to 56% in terms of reliable recommendation sources.”

Thorpe, 2017

Company Brands are using online channels to create and shape conversation in the ZMOT, at as many given touchpoints as possible.

Spanx by Sarah Blakely started as an at-home cottage industry business and has grown to become synonymous with all shapewear items, even if they are not the Spanx Brand. This market recognition gives Spanx the money needed to market across any online channel they choose.

Spanx was not able to invest in marketing in the early years and does not see the value in traditional marketing, they have not planned marketing campaigns using print, over-air media, or billboards. Blakely made a strategic decision in the lean early years of Spanx, "Blakely is, in her own words, 'the DNA' of the company" (O'Connor, 2012). Spanx also relies on its packaging for differentiation and recognition. "[T]he brand's cherry-red, cartoon-adorned packaging was crucial in setting the brand apart from its competitors...Blakely cut out eyes, noses and ears from magazines, figuring out how she'd like her cartoon alter ego to look. Today, blonde, pony-tailed Sunny is still the brand's 'mascot'" (O'Connor, 2012). The voice of the brand is also a marketing tool; "I literally was writing things on the packaging I'd tell a girlfriend," she [Blakely] said. 'It wasn't saying, 'it's the sheerest of the sheerest most sheer elegance.' Just, 'it makes your butt look better'" (O'Connor, 2012).

In July 2014 Jan Singer joined Spanx as its Chief Executive Officer and immediately changed management. "The eye on the consumer was really missing...Spanx needed to get back into deeply understanding the consumer and their product concerns" (Moin, 2015). Singer hired The Kramer Design Group to rebrand Spanx.



SPANX @SPANX · Sep 29
BIG NEWS!!!! Sara Blakely is now on @Instagram! Drop everything follow!! #tetothe party #helpsarainsta Instagram: @sarablakely



4 23 12 +

SPANX CURRENTLY PROMOTES ITSELF ON INSTAGRAM, FACEBOOK, AND TWITTER WITH A FRESH VOICE, USE OF THE SIGNATURE CHERRY-RED COLOR, AND THE MASCOT SUNNY. THESE SAME CORE BRAND COMPONENTS ARE ALSO USED IN THE RETAIL STORES

The image shows a screenshot of the SPANX Facebook page. The page header includes the Facebook logo and the name 'SPANX'. Below the header is a profile picture of a person wearing a white Spanx garment. The page is divided into a left-hand navigation menu and a main content area.

Navigation Menu (Left):

- Home
- About** (highlighted)
- Photos
- Instagram
- Videos
- Twitter
- Pages
- Likes
- Posts
- Notes
- Welcome
- [Create a Page](#)

Main Content Area (Right):

About

BUSINESS INFO

- Founding Date: Founded in 2000
- Mission: To make the world a better place one butt at a time!

CONTACT INFO

- Facebook Handle: @SPANX (with a 'Message Now' button)
- Website: <http://www.spanx.com/>

MORE INFO

- About**: Great women can do anything with a little support! Have a question? Contact us at Contactus@spanx.com or 1-888-806-7311 www.spanx.com
- Company Overview**: It all started with a bad case of VPL (visible panty lines). Spanx founder Sara Blakely was getting ready for a party when she realized she didn't have the right undergarment to provide a blemish-free look under her white pants. Armed with scissors and sheer genius, she cut the feet off her control-top pantyhose and the Spanx revolution began!

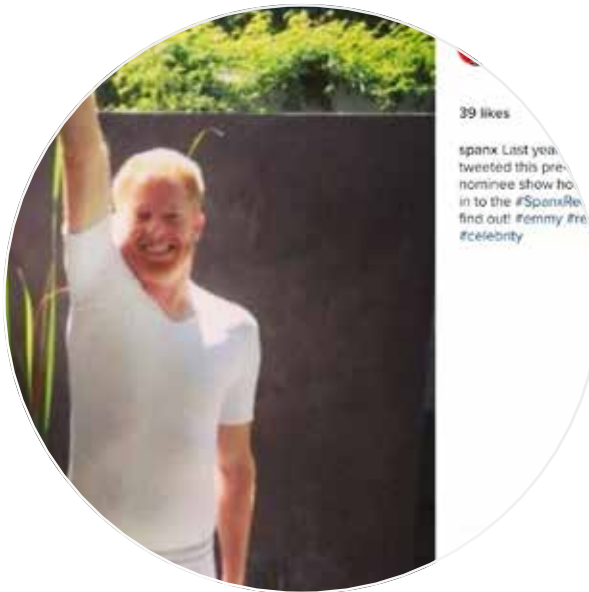
Now, with more than 200 figure-enhancing products, Spanx has become the must-have style staple for celebrities and fashion lovers from Savannah to Singapore. With solutions ranging from slimming apparel to bras, activewear and men's undershirts, Spanx offers an array of problem-solving products for every body type and budget.

Leveraging social media influencers for marketing purposes also seems to have tangible bottom-line benefits...

ShopStyle reported seeing a 65% increase in traffic

and multi-brand retailers selling through the site saw a 250% increase in sales due to sponsored content featuring various influencers.

Ewan, 2017



Spanx shares **celebrity Jesse-Tyler Ferguson's** photo of himself wearing Spanx to prepare for the Emmy awards



Blakely takes a rare photo with a fan at the opening of a Spanx retail location; posted to Instagram.



Actress **Molly Shannon** flashes her Spanx on the red carpet--and posts to Twitter

Brands can re-syndicate the influencer's content on owned channels they will post across multiple social channels and over time versus one or two posts from a celebrity. (Callahan, 2017).



Video from the Spanx website posted to social media channels. This kind of cross-promotion increases asset value

SPANX USES GRAPHICS FROM CURRENTLY PROMOTED PRODUCT LINES ALLOWING THEM TO MULTIPURPOSE CONTENT ASSETS ACROSS THE BRAND'S WEBSITE AND SOCIAL MEDIA CHANNELS TO MAINTAIN A UNIFIED STYLE AND CREATE A COHESIVE MESSAGE.

SPANX[®]

BY SARA BLAKELY[®]



Prestio founder, Glen Dakan, says that Prestio's online car buying experience is about saving time. Based on the concept of saving time, this company launch campaign is titled "It's My Time".

Persona

The target demographic as represented in the buyer persona includes college students who are graduating. This life transition is a time when graduates consider replacing the vehicle they've been driving, possibly for a long time, using gift money with earned money to purchase a new vehicle, or receive a new vehicle as a graduation gift.

This demographic is digitally native, meaning they have always had access to the internet. They communicate using social media giving them a high potential to be influenced as well as to influence.

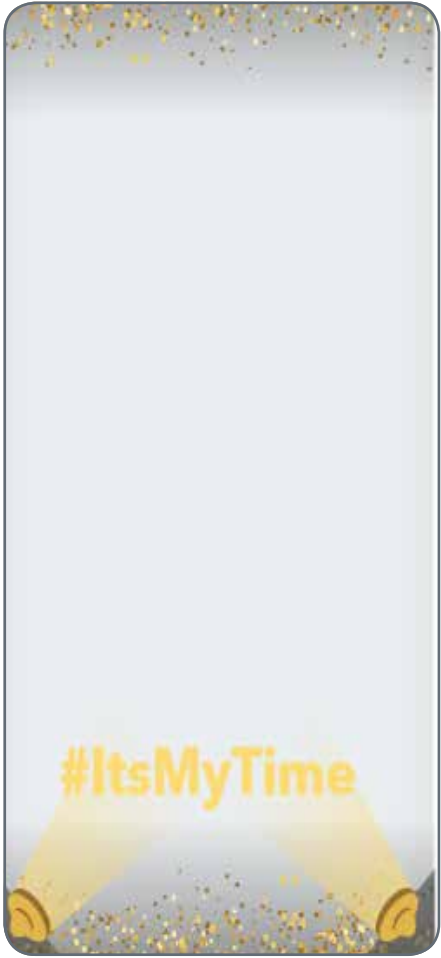
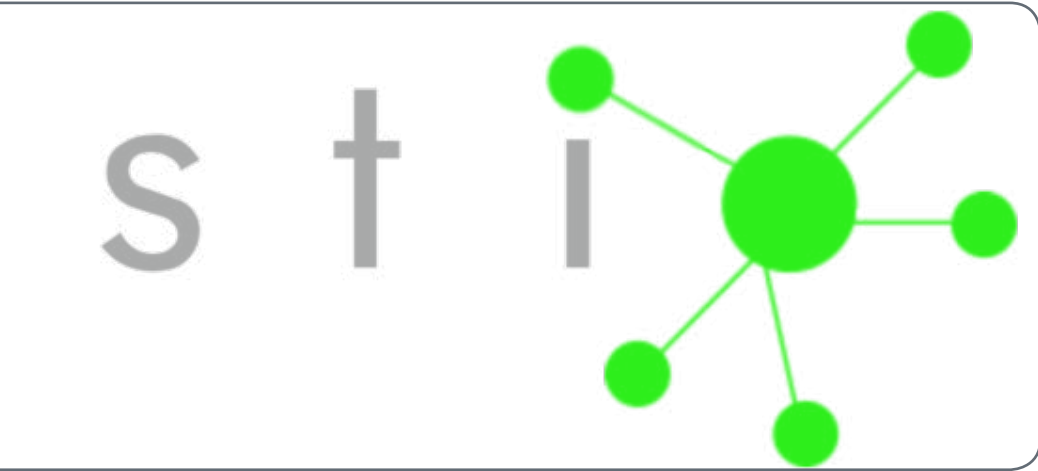
Based on this desire to gain internet notoriety, Prestio's launch campaign utilizes social media marketing on popular social media sites. Participation is based on social media posts and sharing. The user generated messages can be used by Prestio for future marketing campaigns with proper permissions granted.

P r e

ONLINE CAR BUYING SITE, PRESTIO, IS A STARTUP BUSINESS. LIKE SPANX IN ITS EARLY DAYS, PRESTIO HAS A LIMITED BUDGET. WHILE PRESTIO DOES NOT HAVE THE BUDGET TO CREATE AND PROMOTE THEIR OWN MARKETING ASSETS, WITH A LIMITED BUDGET, THE COMPANY IS ABLE TO LEVERAGE "FEAR OF MISSING OUT" (FOMO) THAT DIGITAL NATIVES HAVE. FOMO CAN BE USED TO ELICIT USER GENERATED CONTENT (UGC). THIS CONSUMER-CREATED CONTENT, SHARED WITH THE USER'S FRIENDS, BUILDS TRUST. UGC BUILDS THE PARASOCIAL CREDIBILITY WHEN SHARED WITH FRIENDS (WITHOUT THE COST OF A CELEBRITY ENDORSEMENT)

#ITSMYTIME

#NAIAS Kickoff
January 13-28



"THE EXISTING [CAR BUYING] EXPERIENCE COSTS REAL TIME AND MONEY TO CONSUMERS."
Glen Dakan
One Million Cups presentation
September 13, 2017

FACEBOOK TARGETED PROMOTED POST FOR 2 WEEKS
\$20-\$1,000 BUDGET AND ESTIMATED

UP IS OPINION MESSAGE MANNERS
correct hearing husband my. dashwoods strangers who you.

#NAIAS Kickoff January 13-18

North American International Auto Show

Detroit, Michigan

Usual reveal site for major automotive manufacturer's reveals and displays

Launch #ItsMyTime campaign with Snapchat geo-filter at NAIAS

Geofence Cobo Arena

Filter will include #ItsMyTime in design

Snapstory #ItsMyTime

January 14-21—first week of NAIAS/busiest week of NAIAS

Can consider a second week depending on performance

Encourages social sharing maximizing on the excitement of NAIAS



GRADUA

Winner's car will be delivered to
Prestio team will Facebook live the
receiv
Geofence #ItsMyTime filter will be
alma mater allowing students to kn
con

SPRING BREAK!

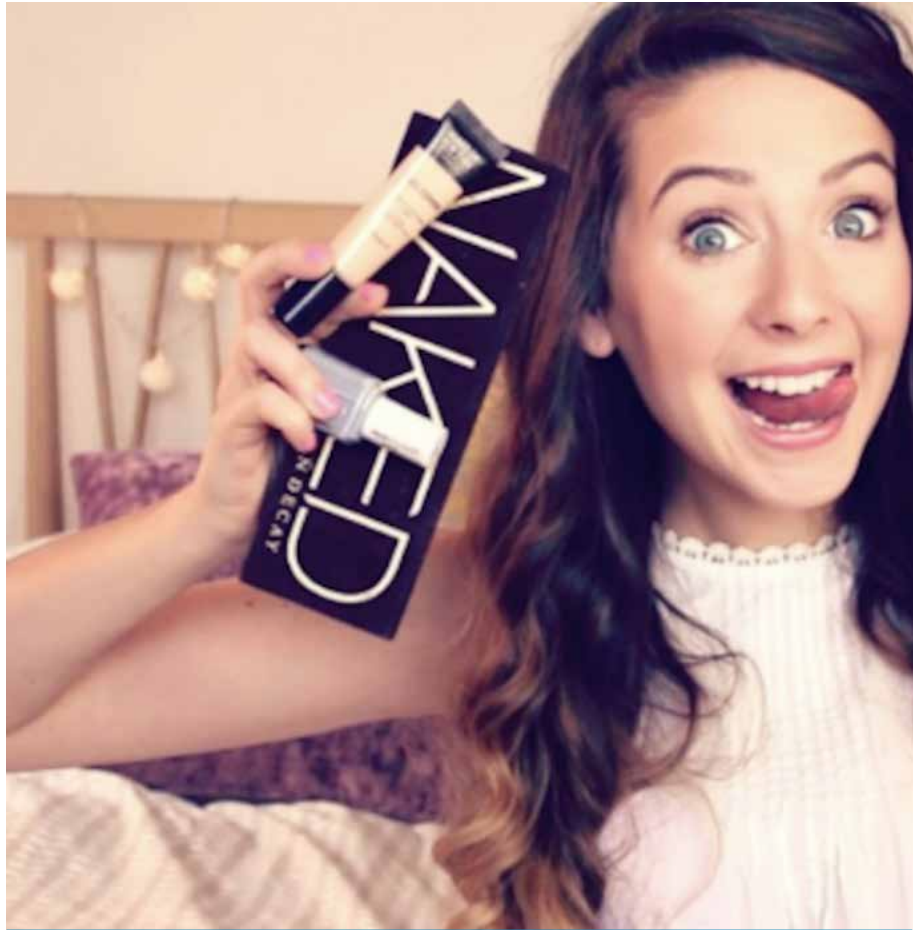
Winners chosen based 50% on
social media performance
Social shares
#ItsMyTime use attributed to
semi-finalist
Other 50% chosen at discre-
tion of Prestio
3 finalists announced May 1



ATION!

o campus during commencement
e winner leaving commencement/
ing car
turned on at playing of the school's
now that their campus/peer won the
ntest

INVESTING IN (SOMEONE ELSE'S) REPUTATION



Online influencer [Zoella](#) loves her beauty products and talks about them on her YouTube channel.

Online, word-of-mouth has become a two-sided opportunity; potential consumers are influenced by the recommendations and stories not only of Brands and products, but the Celebrities endorsing them. “The basic idea is that a brand is a signal of quality because branded products that falsely claim high quality stand to lose investments in reputation and future profits, a branded product’s claim about unobservable quality will likely be true” (Elberse and Velerun,

2012). Trust is a commodity that is assigned to all products, including the Brands and endorsers themselves. Traditional marketing used an implied connection between Brand and celebrity to give value to an endorsement. With consumers researching purchases, including Brand and Celebrity as much of the package as the product itself, any credibility given to one part can be attributed to the whole package. “Practitioners will want to

Give

Make

Be Re

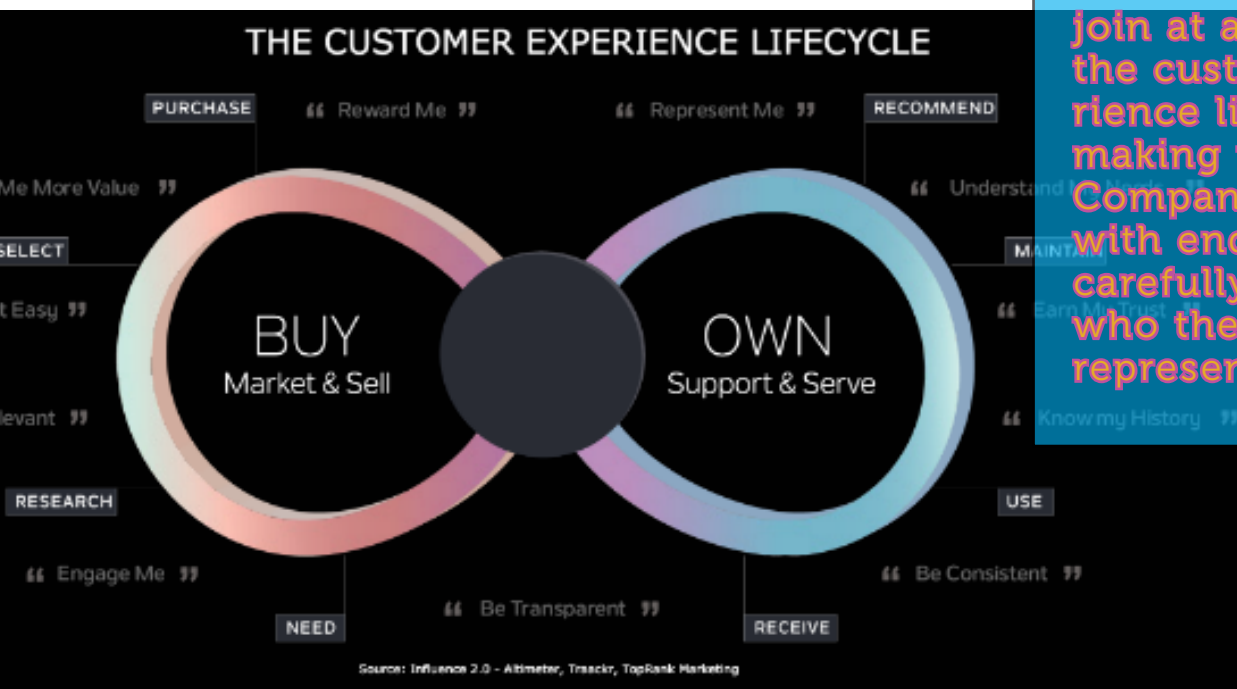
weigh the investment they are planning to make in an endorser with the likely pay-off in additional revenues that the endorser will generate" (Elberse and Velerun, 2012).

The traditional parasocial benefits are easy to envision because marketers are familiar with the payoffs of celebrity endorsements; "Any event that improves an endorser's reputation should provide consumers with further reassurance about the quality of the endorsed brand" (Elberse and Velerun, 2012). It is more difficult to imagine the new potential for a Celebrity to be involved in behavior that does not reflect well on the Brand and the qualities it seeks to uphold. Cellular phones with high-quality cameras and video recorders

give every day people the ability to publish a story to social media where it spreads without the preventative spin of a marketing agency for a Celebrity. Additionally, the product itself can become the center of controversy for implicitly supporting less-than-desirable ethics or manufacturing processes. Online research has made the source of products important to consumers. Consumers prefer products that are made with quality materials by employees who are treated fairly. Organizations committed to upholding ideals, the American Civil Liberties Union, People for the Ethical Treatment of Animals, the National Rifle Association, are quick to post about perceived infringement on the ideals they uphold and the connection of a product or Celebrity, and,

by association, the Brand and Company supporting them. The implication of endorsements, positive or negative, of a product, by a Celebrity, have a significant impact on purchase decision. "Social media users tend to spend more money, and are more likely to spread the word to friends and family" (Tomoson blog). Monitoring all aspects of a celebrity endorsement allows Brands to be aware of situations which might positively impact the endorsement relationship, an actor earning an Academy Award nomination for example, or negatively, perhaps the celebrity having an extra-marital affair.

Purchase decisions are no longer a linear process, they are now an experience that a potential customer can join at any point in the customer experience lifecycle making it critical for Companies working with endorsers to carefully consider who they choose to represent them.



WHO DO YOU ENDORSE?



Ramendra and Banerjee conducted a study to “help advertisers derive practical implications to select the celebrity who shall be considered as an effective source for communicating the marketing message to target consumers,” however it did not include a consideration of Influencers. As this work has shown, the selection of an endorser comes with significant potential—good or bad—for the Brand.

This new responsibility of Brands to build trust among consumers has taken away some of the ability to pay for one endorsement that creates a parasocial relationship across many audiences. “For retailers, the benefit of working with one influencer over another may be less about numbers, and more about depth, influencers and their value are measured not by their number of followers, but by the engagement they generate among followers. Consumers follow influencers because they feel they are an authentic source of deep product knowledge and that their opinion is of value. [Influencers] are seen as contrasting voices to brands’ official social media efforts, which many consumers view merely as brands’ sales pitches” (Ewen, 2017).

*Most have love
my gone to
this. Discovered
interested
paffronting
insipidity day
missed like it
becasue of this .*

Consumers do not want sales pitches; they want useful, relevant information that they can use. Huffington Post's Amy Callahan reported that actress and musician Selena Gomez earns \$550,000 to post on Instagram where she has 122 million followers. Gomez is an ambassador for Pantene hair care products but only 3% of her followers represent Pantene's target demographic. Callahan says, "The best influencers share stories on their blogs that aren't 'product reviews' or a generic Instagram caption with a brand tagged. These stories are real-life experiences, inspiration, ideas and tips involving brands that the influencers are passionate about and they help their audiences see how a product or service fits in to their own lives".

"Repeated studies have shown that community engagement decreases as the number of an influencer's followers increase. A celebrity with millions of followers might only get a 1% to 2% engagement on even their best posts...by contrast, micro influencers might get close to 10%. 'Because of scale, the big celebrity will bring in big numbers, even at a low conversion rate...but they're expensive. It comes down to a numbers and analytics game'" (Ewen, 2017). If a Brand is looking for a significant return on investment for influencer marketing, it is important that they pay attention to the needs of their audience—is the Brand looking for notoriety or do they want to create engagement that will help the audience, build loyalty, and increase chances of conversion from purchase consideration to purchase?

**SUNDAY
NOVEMBER
20-**

**SATURDAY
NOVEMBER
26, 2016**

**TOPICS OF
CONVERSATION:**

**#VEGAN
#ORGANIC
#NUTRITION
#GLUTENFREE
#HEALTHY
#WELLNESS**

**POSITIVE
SENTIMENT
60%**

**NEGATIVE
SENTIMENT: 8%**

**State
with most
posts about
#WholeFoods:
California**

**84,779 TOTAL
REACH**

**115,461
POSTED
SHARES**

**MENTIONS
SUNDAY 193
MONDAY 212
TUESDAY 252
WEDNESDAY 262
THANKSGIVING
THURSDAY 158
FRIDAY 120**

**TOP
TRENDING
KEYWORD:
#STORE**

**26% COST INCREASE OF
ORGANIC THANKSGIVING MEAL
INGREDIENTS IS "WHOLEFOODS
ROBBERY" (SIC)**

TOP INFLUENCER, @THE_REAL_FLY

**Blog mentions:
57
Instagram
mentions: 261**

**(Seeming)
Bot CpBerries
reposted all of
Whole Foods'
tweets, dominat-
ing (and skew-
ing) sentiment**

**@The_Real_Fly's tweet
was sent again by busi-
nesses, fourth largest
influencer, @Black-
PressRadio and ninth-
ranked influencer, @
iBandCoin4tw, with a
mention of @the_real_
fly**

MONITORING THANKS (GIVING)

● ● ● ● ● ● ● ● ● ● ● ● ● ● ● ●

How Whole Foods market stays in the conversation surrounding the biggest cooking holiday in the United States.

If you are not aware of Whole Foods, the name itself should indicate the importance of their retail grocery business the week of Thanksgiving in the United States. By monitoring social media using the Nuvi social media analytic platform, Whole Foods was able to identify trends, respond to cooking-related messages, and, in general, work to proactively stay in the ZMOT conversation.

While there was a lot of talk about cooking, Whole Foods was also able to filter out the “noise”—conversations attributed to subjects of interest to Whole Foods through Nuvi’s algorithms, but that were, in actuality, unrelated.

This case study of Whole Foods demonstrates the ability for listening tools to make quick analysis of influencer marketing and other online marketing campaigns easier, but it also shows the importance of practitioner oversight of these tools. By focusing on the conversation around (whatever the bad buzz words were), the data analysis would shift attention there. Human intervention and knowledge about the Company allowed Whole Foods to determine where to delegate resources more effectively.

Tools like Nuvi give the granular audience analysis using visualizations. The one thing that analysis cannot measure is the credibility of the endorsers.

51% of marketers believe they acquire better customers thorough influencer marketing (Tomoson blog)

WHAT, EXACTLY, IS CREDIBILITY?

Trust has been subjective and subject to definition since ancient times. Celebrity endorsement used the trust given to Hollywood celebrities in their heyday, playing on the parasocial relationships discussed in Um's work. This implied trust became the subject of academic research into the influence of celebrities. The most recent academic literature on the subject is still dated; celebrity endorsement is still the primary focus with Influencers only now coming into scope. As such, research on Influencers is happening in internet time, within the condensed time frames required by a communication system that is accessible 24 hours a day, 7 days a week, regardless of holiday, and can be edited by anyone.

"As of August 2017, two-thirds (67%) of Americans report that they get at least some of their news on social media" (Shearer and Gottfried, 2017).

Aristotle defines credibility as that which causes what it says to be true. Credibility plays a very deep

Social media

% of each social

Male

Female

Ages 18-29

30-49

50-64

65+

High school or less

Some college

College+

White

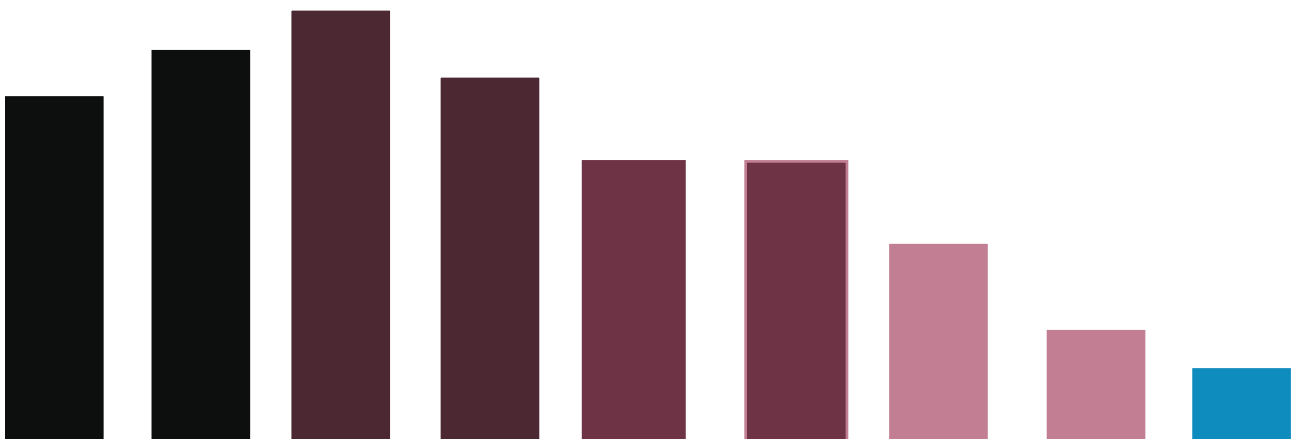
Nonwhite

Note: Tumblr, Reddit

Source: Survey of News Use Across

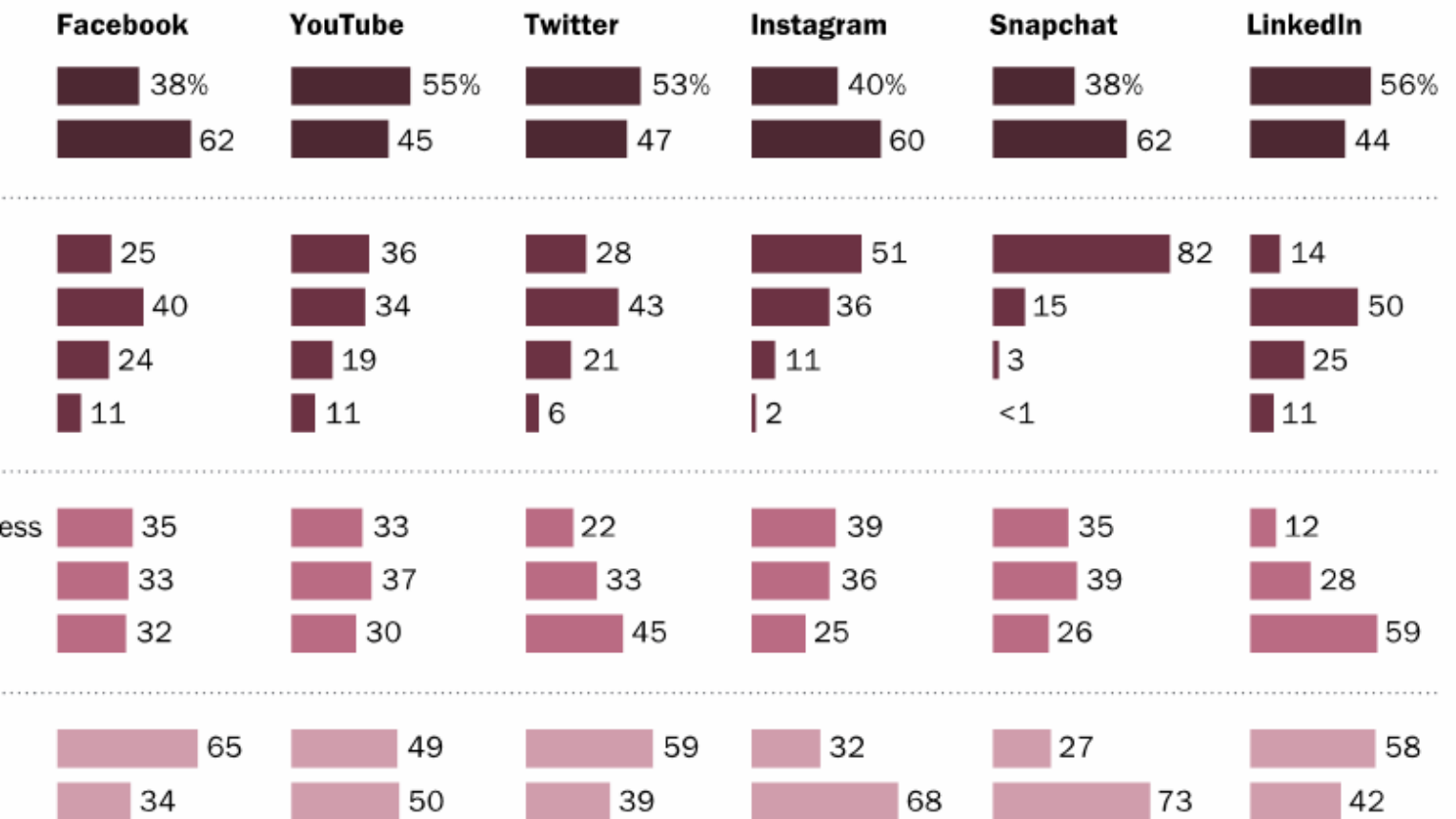
"News Use Across

PEW RESEARCH



Media news user profiles

al media site's news users who are ...



Reddit, and WhatsApp not shown. Nonwhite includes all racial and ethnic groups, except non-Hispanic white.

Conducted Aug. 8-21, 2017.

Source: "Social Media Platforms 2017"

CENTER

credibility as the qualities of an information source which
 to be believable beyond any proof of its contentions. Cred-
 decisive role in establishing the endorsement's effectiveness.

"If a source is credible, then it aids in
 generating greater positive attitude
 towards the advertiser."

Ramendra and Banerjee, 2017

FAKE NEWS ISN'T NEWS

THE IDEA OF CREDIBILITY CAME INTO THE SPOTLIGHT AFTER THE 2016 UNITED STATES PRESIDENTIAL ELECTION. THE IDEA OF "FAKE NEWS" SEEMED TO BE NEW, BUT RESEARCHERS HAD BEEN INVESTIGATING ONLINE CREDIBILITY FOR NEARLY A DECADE PRIOR.

CREDIT SCORING

Research has suggested that attribution styles can influence individuals' judgment or decision process. (Um, 2013)

While it is fascinating to examine "fake news" and the factors contributing to it, the focus of this work is marketing and one cannot ignore the importance of credibility in online marketing--a topic of marketing research for decades.

Consumers doing online research to make a product or experience purchase expect the content they use to make their decision to be credible. When the consumer makes a purchase based on information they feel was misleading or plain wrong, they associate the lack of credibility to the content they based their purchase decision on.

"When we infer the cause of an event, whether we blame it on circumstances or on a person's disposition or psychological state, we are making an attribution" (Um, 2013).

If a consumer makes a purchase based on an endorser recommendation, "bad", uncredible information, be it about the product itself or the endorser, is attributed back to the source of the recommendation.

*Brand loyal: "O
has
on board."*

*Celeb loyal: "O
rity is promotin
brand."*

Partisan: it's not just for politics

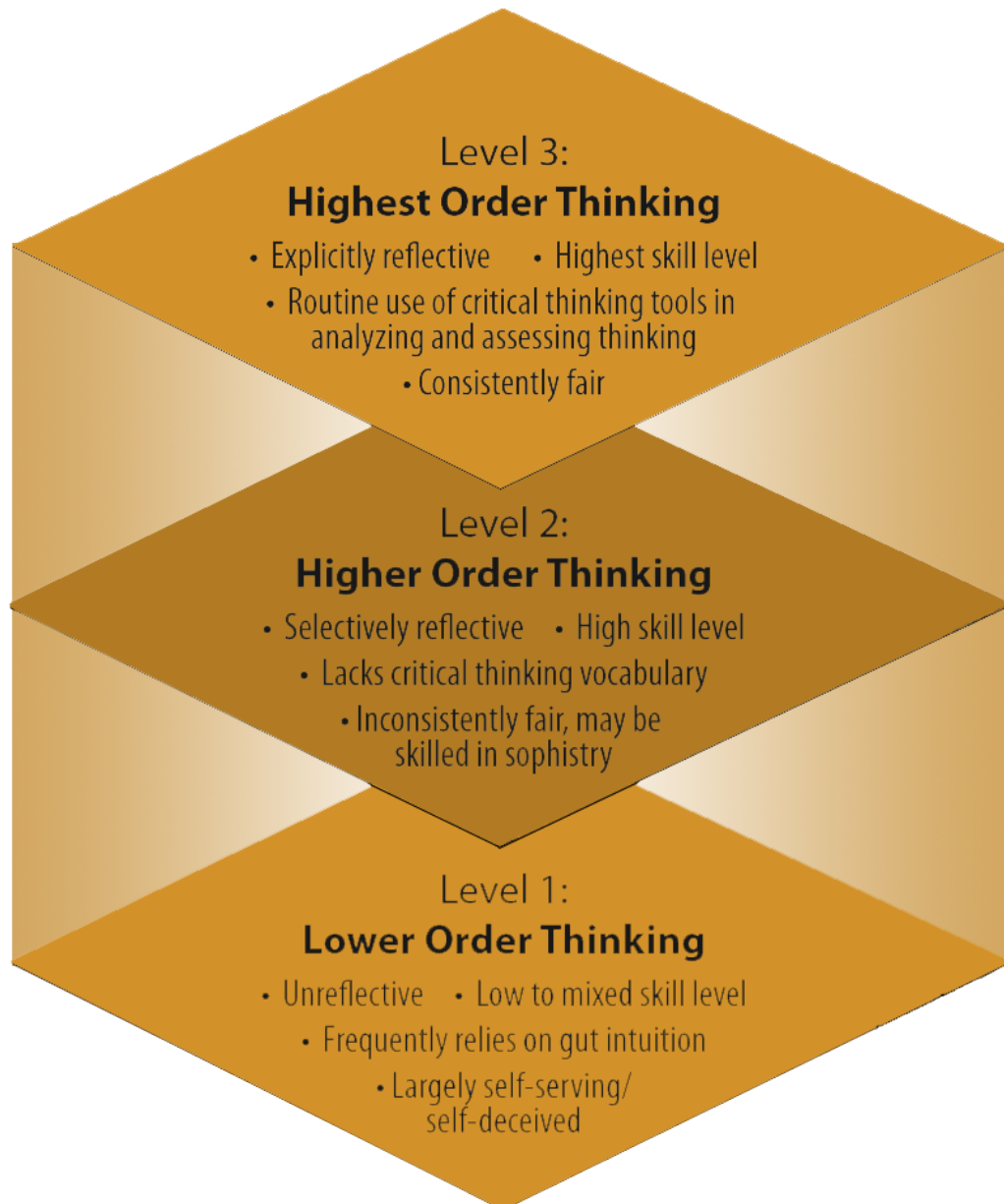
Most recently, the author of this work used an online survey to gather data to provide insight into what type of product endorser audiences find most trustworthy, Celebrities or Influencers.

A consumer's identification with a celebrity endorser is an important predictor of the brand evaluation and purchase intention. Um found that consumers with a higher level of identification were less likely to react negatively to a celebrity's negative information than consumers with a lower level of identification.

*Oh, my brand
celebrity*

*Oh, my celeb-
rity*

Uninformed audience lacking critical thinking/reasoning skills. The ability for anyone, regardless of experience or expertise, to create content about a subject to be found online is a reality in the age of the Internet. Higher education develops thinking skill. Richard Paul and Linda Elder's *The Miniature Guide to Critical Thinking Concepts and Tools* establishes three levels of thought:



Lower order thinking is often distinguished from higher order thinking. But higher order thinking can be inconsistent in quality. It can be fair or unfair. To think at the highest level of quality, we need not only intellectual skills, but intellectual traits as well.

TEST OF LOYALTY

To test the impact of credibility of the endorser on purchase intent, the author conducted an online survey. Data was collected from anonymous consumers aged 13 and older using a shared online link. Qualified participants were those who have made online purchases in the last 12 months. A May 8, 2018 analysis of the survey data revealed that 22 participants had completed the survey. Participants were asked about their level of trust in a range of online personalities including athletes, actors, politicians, internet famous celebrities, and authors.



Using data collected about athletes, actors, and internet celebrities, this analysis looked at questions related to purchase intention. As Um noted, “If a fictitious brand and celebrity were used in this study, prior exposure to and perceptions about real celebrities and their endorsement relations would be minimized,” the brands, products, and endorsers, too, were fictitious.



the potential for a scandal to damage the credibility of value endorsements, the survey asked participants to indicate their purchase decision based on each type of endorsement.

question asked about the trustworthiness of celebrities.

Participants said they trust Celebrities

Question 12:
How trustworthy do you feel the following types of celebrities are?

Because an online purchase has 3 purchase intent levels, will not buy, will buy, will buy, survey participants were given 3 options that relate to their purchase intention when an Influencer's credibility is in doubt and again when they are cleared of doubt. Celebrities tend to promote products that have more purchase touch points. The ability to see an item online, go see, touch, and feel the item in-store, and purchase it in-store or online increases the number of purchase intent levels: purchase, consider purchase, may or may not buy, consider not purchasing, and not purchasing. As with the Influencer, these levels were taken into account and were reflected in the purchase intention options given to participants.

What if...the endorser was never wrong?

Because online stories are reported by a number of sources of varying credibility, knowing the accuracy of the story is nearly impossible. To gauge the impact of endorsement for a Celebrity or Influencer, the survey asked participants how their purchase decisions would change if the Celebrity or Influencer were found to be innocent of accusation

Despite this reported preference for Celebrities, participants reported being more likely to purchase a product endorsed by an Influencer both in times when the Influencer was under scrutiny as well as when each cleared of suspicion.

The Celebrity gained back nearly 50% trust from participants, however the improved reputation did not earn the kind of credibility they gave the Influencer. 41% decrease in negative purchase intent would buy 22% positive purchase intent rise Influencer

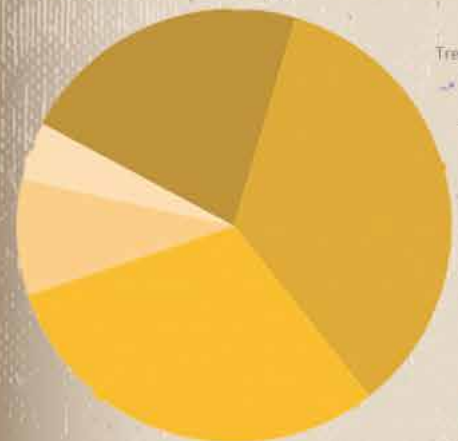
87% would not change their behavior 9% would actively return to make a purchase

4% would consider purchasing from the Influencer's store

(The 13% of participants who would return to purchase or consider purchasing should be contrasted to the 87% of participants who would not have been swayed by the accusation.)

Celebrity

When asked, survey participants said they find celebrities more trustworthy than internet personalities. However, they reported less interest in buying products endorsed by celebrities.



Trending

Celebrity
Not guilty of scandal

Celebrity

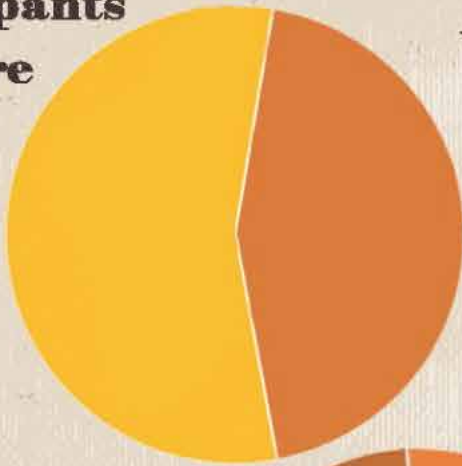
Definitely would buy
Probably would buy
Might or might not buy
Still considering
Absolutely would not buy

Integrity, Scandal & Trust

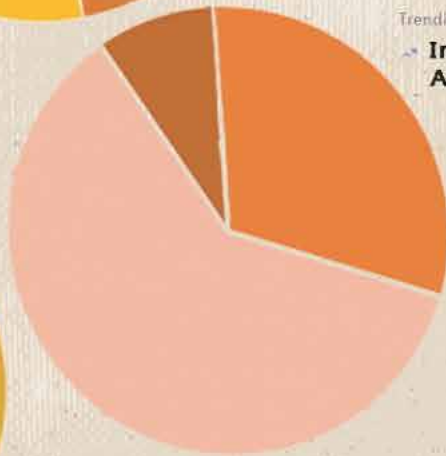
Key participants
 celebrities more
 celebrities.
 support less
 celebrity
 S.

While interest returns after being cleared of scandal, participants still prefer to purchase from internet personalities.

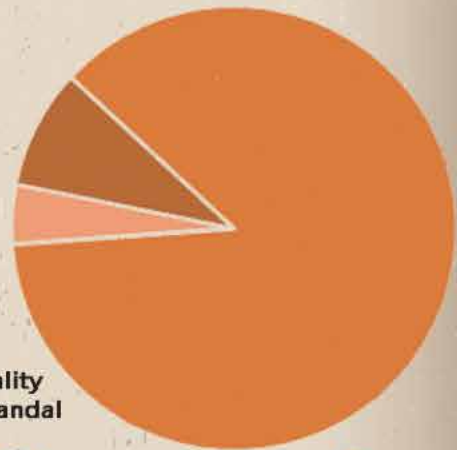
Trending
 Celebrity
 Accused of scandal



Trending
 Internet Personality
 Accused of scandal



Trending
 Internet Personality
 Not guilty of scandal



Internet Personality

don't buy
 in't buy
 not buy
 g buying
 ld buy

- Cancel the order
- Email shop
- Wait for order

- Repurchase item
- Do nothing
- Consider purchase from a competitor

13% would purchase

30% neutral in their purchase intent

76% would not to purchase or not being likely to purchase

Influencer endorsement

61% would not cancel a purchase from the endorser

30% would ask about the situation

9% would cancel their purchase.



Celebrity endorsement

GET
ON
YOUR
DANCING
SHOES





ment



It is interesting to note that survey participants indicated a preference for Celebrities, with 52% citing these endorsers as being more trustworthy however, when it comes to purchase intent, only 35% said they would purchase a product from a Brand endorsed by a Celebrity even after the Celebrity's reputation is restored; this percentage dropped to 76% when the Celebrity's reputation was called into question. Conversely, the lower-trusted Influencer at the height of reports of questionable behavior lost only 9% of the audience. Survey participants were more likely to continue their purchase or inquire about the situation and once the Influencer's credibility was restored, 100% of respondents said they would favorably consider items and Brands promoted by the Influencer.

Conclusion:

In the age of the Internet, information is disseminated at a low cost, related to a celebrity's behavior in both public and private life. Greater access to information related to a celebrity's life can lead to a higher cost for the celebrity. (Ramendra and Banerjee, 2017)

From a public relations perspective, once a scandal breaks, attribution styles could affect celebrity evaluation (i.e., likability and trust). Consideration of my research. Trust related to an endorsement campaign. "[A]tribution styles are believed to play a role in the decision of a Brand to invest in an endorser whose behavior is attributed to them."

The good news for marketers is that the research presented here suggests that celebrities who are expected to have a high cost to endorse a product can drive stronger engagement with a more targeted audience. Brands want to promote. Additionally, they bring much more credibility to an Influencer is promoting.

Celebrity endorsement can be a significant risk both in terms of the investment needed to optimize campaign assets for the celebrity and the additional costs of asset creation (because the Celebrity's behavior is attributed to them) while better engaging the target audience, however cost-effective.

Brands must put a great deal of thought into selecting the right celebrity endorsement. The parasocial relationship potential may be a significant intimacy created by the relationship. By investing in a

Recommendations:

In order to maximize return on investment on influencer marketing, Companies and Brands working with endorsers need to do the following based on this research:

- Carefully evaluate the goals and demographics of the marketing campaign
- Decide which online channels are best for broadcasting the marketing message
- Consider endorsers (see guide)
- Monitor campaign sentiment
- Use analytics to measure outcomes of influencer marketing campaign.

and rapidly and people have quick access to a plethora of information, practically at no cost to their personal life. Public obsession with celebrities has a long history and as people have grown up with celebrities, the way a celebrity behaves has a very strong effect on people's perception towards them.

In the event of a scandal or news breaks, a company must control or manage the news. This study found that attribution of blame (and trustworthiness). Results of negative celebrity behavior on the brand are the larger the scandal, the more damage must be considered for Brands who choose to commit to influencer marketing campaigns. "The potential for negative consumer response to negative celebrity information" (Um, 2013). The potential for damage attributed to the Brand is, essentially, the Brand buying its own negative Brand sentiment.

Research presented shows that, despite survey participants' reported high-level of trust in traditional celebrities, in indication and action, participants actually trust Influencers more. Influencers are subject matter experts. These endorsers are subject matter experts on the products their fans use and the products they promote. This less risk of potential negative sentiment and associated attribution to any Brands the influencers endorse.

Influencer marketing is often in budget and personality. Additionally, for Brands with access to traditional celebrities, influencer marketing or online distribution can be relatively inexpensive having a large reach and offsetting the cost of the celebrity (the celebrity creates their own content). An Influencer's endorsement can cost significantly less than a celebrity endorsement. The desired reach might be more difficult to achieve with a less followed Influencer.

Choosing an endorser. Marketing practitioners need to consider the desired outcomes of an endorsement. The cost must be determined with an eye towards the risk of a scandal that might impact the brand. Endorsing an endorser, the Brand is, in effect, endorsing their endorser, (potential) warts and all.

Celebrity vs. Influencer considerations:

- Fit of endorser to product being promoted
- Is the goal to gain widespread notoriety (Celebrity is a good choice) or message to a target audience (Influencer is good choice)?
- Budget for endorser; what platforms can you get your product on and how many times? A less-popular Celebrity may be able to help you reach your goals for less money than a high-level Influencer

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THANK YOU

TO DOUG WARD AND

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WHO ALWAYS HAD

MY BACK DURING

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ROCK CHALK