

**SAMPLE**

# **INFLUENCER MARKETING IN THE DACH REGION**

Market Structure, Size and Future Outlook



# Influencer Marketing in the DACH Region – Market Structure, Size and Future Outlook

STUDY BY

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# 1 Introduction

During two weeks in January 2018, the internationally renowned French beauty brand Lancôme received about 9,000 likes for a branded picture it had posted on its Instagram channel, featuring the word-famous actress Kate Winslet. At about the same time, the German blogger Leonie Hanne (whose Instagram profile has nearly one million followers less than the one of Lancôme) posted a picture from an event of Lancôme’s competitor Dior in Shanghai – and triggered about six times more interactions.

**Figure 1: Branded Instagram Post with Star Testimonial by Lancôme Paris (2018)**



Source: lancomeofficial (2018).

**Figure 2: Branded Instagram Post for Dior by Influencer Leonie Hanne (2018)**



Source: ohhcouture (2018).

strategically listen to, appreciate, and respond to those persons whose mutually beneficial relationships with the organization are necessary if it is to achieve its mission and vision” (p. 680). This implies that ***the management of important stakeholders is at the core of PR work, which might occur either offline or online***. In both instances, the role of PR is similar, but different communication tools (e.g. press statement vs. online corporate news portal) are employed. Meffert et al. (2015) point out that the external target groups of (online) PR can be the entire population, competitors, (potential) customers, experts in the field, or the press.

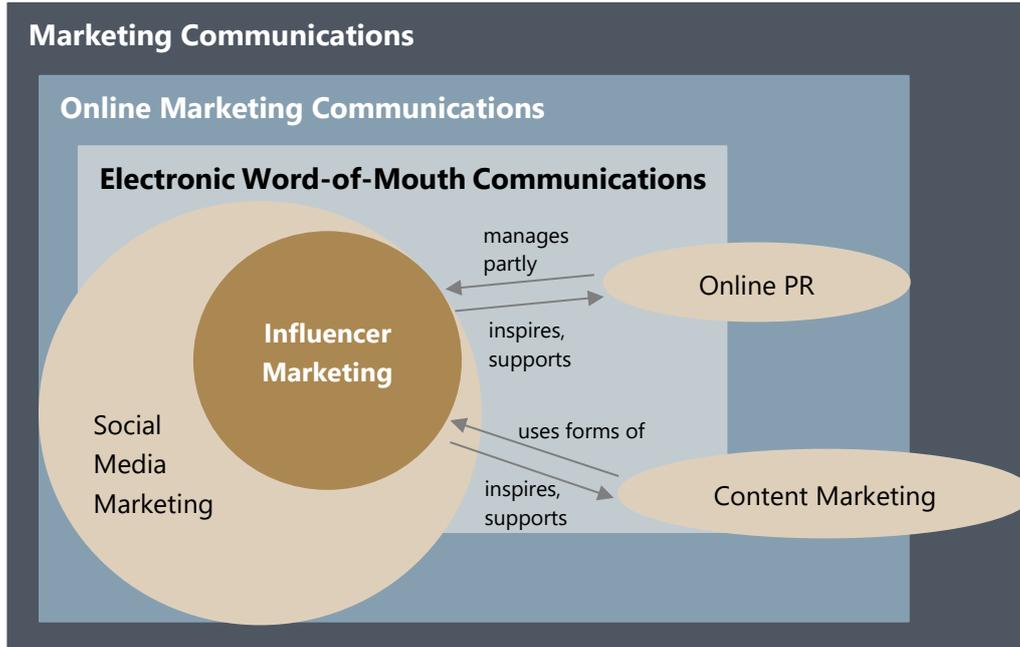
Influencers could be considered as one of these external target groups that online public relations manage. Based on a company’s PR activity, an influencer might be triggered to produce some related content or make a positive comment about the company and spread it among his/her followers. This can be a suitable approach for some specific influencers, for example bloggers, as Tamblé (2015) argues. Gerstenberg and Gerstenberg (2017) call it “Influencer-PR” (p. 21) and emphasize the versatility and creativity it implies. However, this argumentation does not consider the commercial dimension that influencer marketing – as practiced today – definitely has with companies often providing monetary (or at least material) incentives and rewards, if content about them is produced. Thus, managing relationships with influencers through measures of online PR is only one possible aspect of working with them. That is to say, ***online PR can have influencers as one target group*** and might support the activities of influencer marketing in terms of relationship building and maintenance. Moreover, just as in content marketing, ***online PR can use influencers as a source of inspiration or insight about target groups***.

### 3.1.5 Influencer Marketing as Part of the Marketing Communications Ecosystem

As discussed in chapter 2.2.2, the rise of the Internet made online measures become an integral part of every marketer’s communication toolkit. Apart from paying for different forms of advertising displayed to the user, visibility on the Internet is mainly achieved by large amounts of users reacting on and sharing content. Thus, as marketers take into account the social paradigm of the Web 2.0, electronic word-of-mouth generally is one of the major aspects to manage throughout different marketing approaches in online environments. Based on this reasoning, eWOM marketing is considered to be a principle of marketing communications (that can take different forms) rather than a form of marketing itself. It is therefore called electronic word-of-mouth communications and understood as part of a *cascade* together with marketing communications in general and online communications in particular (see Figure 9). Within the context of this communications cascade, the graphic below illustrates the positions and relationships of influencer marketing and the other marketing phenomena discussed above.

Social media marketing in large parts deals with eWOM, but not exclusively (e.g. display advertising within social media). In the context of leveraging eWOM, influencer marketing is one activity (or sub-form) within the broader complex of social media marketing. Online PR incorporates eWOM-related activities (managing relations with stakeholders who will spread the word online) but also other approaches of online communication (e.g. news portal for investors or journalists publishing offline). Content marketing as a concept can be applied both, offline and online communications. If applied online, one of its aims is to trigger positive eWOM. Both online PR and content marketing show strong interrelations with influencer marketing, which have been discussed above.

**Figure 9: Influencer Marketing in the Marketing Communications Ecosystem**



Source: Goldmedia graphic. Squares represent principles or categories of marketing communications, ellipses represent specific marketing forms or approaches.

### 3.2 Derivation of a Working Definition of Influencer Marketing Based on Existing Approaches

As has been noted before, the majority of authors of current literature does not refer to influencers in a modern sense, and hence, few studies deal with the recent approach of influencer marketing in particular. A major reason for this might be the novelty of the topic. However, we conducted a comprehensive synthesis of literature to identify existing definitions of influencer marketing, to critically evaluate these, and establish an own working definition afterwards.

After extensive desk research, eleven elaborate definitions could be identified in scientific, managerial and commercial literature. In the following synopsis (see Table 4), these are discussed in terms of their shortcomings, so that afterwards, a new working definition for this study can be derived. The definitions are sorted from least to most close to the current understanding of influencer marketing as referred to in marketing practice and in this work.

**Table 4: Synopsis and Discussion of Existing Approaches to Define Influencer Marketing**

Source	Key Points of Definition	Central Shortcomings
Brown and Hayes (2008)	An influencer is a “third party who significantly shapes the customer’s purchasing decision, but may ever be accountable for it” (p. 50). “Influencer marketing is an approach that identifies and targets influencers in a market” (p. 10). “The crux of influencer marketing is to communicate your messages to influencers, and then see those messages being communicated by influencers to your customers and prospects” (p. 143).	The authors describe influencer marketing in a very broad sense, which their definition of influencers makes clear: They argue that “only [in] a few cases [...] influence [is] gained through using social media” (p. 148). While the general idea of communicating through opinion leaders is similar, the concrete approach is different from today’s understanding of influencer marketing, which