

Narrator: Welcome to the Unfair Advantage Project - unique perspectives, practical insights, and unexpected discoveries directly focused on giving you the unfair advantage. Introducing your hosts, Nadia Hughes and Terence Toh.

Terence: Welcome to the Unfair Advantage Projects. I'm Terence Toh, I am the founder and managing director of StrategiQ Corporation and one of your hosts today and introducing Nadia.

Nadia: Hi I am Nadia Hughes. I am from Smart Business Solutions and I am very happy to be here.

Terence: And today we have, oh well really a regular guest back, Kate Fennessy from Paperboat Digital. Thanks for coming back today Kate.

Kate: No worries.

Terence: And we're going to continue our Social Check-in series. And we can have a bit of a chat about influencer marketing on social media.

Nadia: And the reason why she's regular because she keeps bringing value and we can't stop taking it.

Kate: Thank you! Yes, influencer marketing. So, I think this is a topic I know from my clients for example. Influencer marketing is one of the hot topics, it's what a lot of clients are saying What are we doing in this space? I want to be active in this space. People know about it but a lot of people don't really know what it is and haven't maybe tried it or just have a huge question mark over the whole concept of it. So, I thought it was a good topic to unpack and discuss because there's lots of elements to it and there's ways that you can do influencer marketing. But I think it's good to just stop and pause on that topic because it is a pretty big one, in the last couple of years in particular. So, an influencer, had a look at a few definitions last night, is obviously someone who has the power to influence in a marketing sense. They have the power to effect change which might be behavioural change, which might be purchasing a product for example, or looking differently at a brand. So, an influencer, we all know what influence means but in the sense of branding, I think there's a few factors to think about which is that influencers have an engaged audience usually. They have rich. And they have influence over that audience. So, it's that sort of trifecta that makes them almost like a property. Back in traditional marketing, you talked about a TV program or a radio program, that's like a property. And that might have a defined audience. You might have 100, 000 people listening to the AM breakfast radio show every morning or you might have 600,000 people watching the latest renovation show on Channel 7.

Terence: That seems like a long time ago.

Nadia:

Kate: Those people back in the days where traditional marketing was pretty much it, they knew the value of that audience and you paid through the nose for access to that audience. You paid tens of thousands of dollars for advertising on platforms like TV and radio. Whereas, if you think of the new world we're in, individuals now have their own properties. They have their own audience. And often, they're actually a much more captive and engaged audience than a traditional audience if that makes sense. So, I'll just keep going. You guys yell out if you've got a question.

Terence: Yeah. I got one quick question. So, I've got kind of a definition of influencers. People who have an influence, people who have an engaged audience. Is there a social media definition which says to be an influencer, you generally got a certain number of followers or a certain amount of engagement? And I've heard the term influencer but also micro influencer as well.

Kate: Correct!

Terence: So, I guess to me that means there's probably different levels of...

Kate: Definitely.

Terence: influencers. So, can you maybe give us a bit more information on that?

Kate: Sure. Absolutely. You're exactly right. One of the most sort of agreed upon definitions is about 3,000 followers on, its usually Instagram but it's not necessarily that that's the only platform people will be looking at. The reason that definition is quite accepted certainly in my world now is that TRIBE, which is the Jules Lund company that's in that space influencer marketing, they're an Australian initiative. TRIBE defines an influencer as 3,000 plus followers, on any platform, likely to be Instagram. So, when I look at an influencer sort of campaign for a client, I tend to rank them in sort of, depending on the client, I might look at influencers under 10,000. Maybe I'll look at influencers sort of up to 50. And then influencers over 50,000. Because obviously the cost associated with working with those people is going to change depending on where you are on the scale. And in fact, TRIBE which is again just Google, I think they've called it something else like you have Google TRIBE Jules Lund or Google TRIBE Influencer. They actually have a formula, like table that actually lists number of followers and what you could potentially pay per post. So that can be quite handy if you're a brand thinking about moving into this space. But I want to unpack because there's only one way to do marketing. It's paying per post. But yes, I guess if you want to think about it broadly it's 3,000 plus. However, the thing to keep in mind like with all things digital, there's no hard and fast rules really. And there's nothing sort of black and white and set in stone about how to know who's a good influencer because you might find someone with 20,000 followers who's actually got a whole lot of low quality followers who are not engaged at all. So, you might find better success with someone with 4,000 followers who really genuinely follow this person. So, you do need to put a filter of engagement over the top of numbers. Numbers alone can be misleading. A lot of people, particularly on Instagram, have bot followers with automated bots who like and follow. It's pretty common. And what it can end up meaning is you might be wanting to talk to a local Frankston mum who's got your target audience covered with 5,000 followers. But what if you dig a bit deeper and realise half of her followers are overseas? It is important that we look at engagement. And of course, content as well, quality of content.

Terence: Yeah. Okay. So, the first question that comes into mind there is then how do you measure? And in fact, I remember having a conversation with, who was it? Josh? Josh Brnjac. And he's got 31,000 followers.

Kate: Yep.

Terence: And we were talking about how to actually identify who is a legitimate influencer and who's going and got a lot of followers.

Kate: Yeah.

Terence: He was talking about some metrics around that.

Kate: Yeah.

Terence: Are there some metrics that we can look for...

Kate: Yep.

Terence: to actually identify who is a legitimate influencer and who's just playing the game? So, to speak.

Kate: Absolutely. I think the best thing you can do is just literally have a bit of snoop around. It doesn't take long to identify a genuine influencer just by looking at the last few posts. Look at the number of followers versus the number of likes. Although these days you don't get as many likes anymore per post. Instagram is getting more crowded. But have a look. You will soon see if you look at the last five posts of anyone, you will soon see if there's a genuine engagement or not. What you were looking for is good comments. You're not just looking for comments, you're looking for responding to those comments from the person. Looking for conversation. So, you're actually looking for, what you don't want to see is 100,000 followers but 100 likes only and some random comments that say Hey great post, thumbs up. That's automated.

Nadia: That's what I have seen and I...

Kate: Yeah.

Nadia: have seen like have they been copy paste, all of them.

Kate: That's automated. People are paying a program to do that on their behalf. That's to me, it's the chaff. It's separating the chaff from the wheat. So, you can see that very quickly. You don't need. There are programs you can punch in someone's account and it'll spit out an engagement ranking. There are plenty of those kinds of apps around.

Terence: Okay.

Kate: But for me, use your human brain, eyeballs

Terence: Intuition.

Kate: Intuition. Yes! All the things that automate. You will soon see very quickly. And I'm not saying automations totally wrong. Automation can help in. Some people like it. But what I'm looking for is conversation. In a really good, engaged influencer ecosystem, you will see them engaging with their followers. You'll see conversation. That's a different.

Nadia: What do you think about, slightly provocative questions, when the influencers post something, because this is more genuine than having great job or anything. This is would you consider quality because sometimes I see them having to go to just a. But then they're sort of friendly engagement.

Kate: I think when we talk about quality, and you'll hear this a lot and read this a lot, it's about providing value. It's about thinking about audience. So, quality content is usually giving value to the audience. Whether that value's entertainment. Whether that value is information. Whether value is insight. Whether that value is honesty, authenticity, making people think. Yes. So, it usually comes down to, good content is often where the person or brand knows its audience, and knows where its audience is at, and gives its audience things that the audience wants. It's audience-led thinking.

Terence: Yeah.

Kate: Putting the you in it all the time. Understanding who they're talking to which is sort of the basic principle of writing. Know who your audience is and start talking to them.

Terence: Yeah.

Kate: Yeah.

Terence: I love that. Audience-led thinking.

Kate: Well absolutely. So, I'm going to go down this list of definitions as well. So, sort of, we've defined what an influencer is but I want to define some starts and types I guess of influence of marketing is really not just one thing. So, in a sense, if we think about it, back to the good old days again, influencer marketing is not new at all. We've had celebrity endorsement for years. And I've picked an example when I think of it last night. Mark Taylor for Fujitsu. You still see the ads. I don't know if you even watch TV anymore. But...

Terence: I do remember those ads.

Kate: Well he's doing...

Terence: Now that you said.

Kate: He's been doing them for years. And Swiss of course, who I still work with four years ago. We're very famous for having a suite of ambassadors, a stable of ambassadors. And I think what people get tired of back in the days is they know that Mark Taylor doesn't necessarily love Fujitsu. It's just that he's being paid to say he does. We all know that. So, that kind of old style of influencer marketing is changing because audiences are getting more savvy. And we expect more. But essentially, the principle is you pay someone with influence with the profile to endorse a product. Right? That's sort of level 1 old of style of influencer marketing.

Terence: Just quickly on that.

Kate: Sure.

Terence: I think I know what's changing. But can we expand on why that's changing? What's the difference now? Well to me actually...

Kate: Yes.

Terence: I think it's trust factor. It's like, okay well if you know that somebody simply getting paid to say something, right? Then there's trust there. And also, you probably, unless you follow, for instance Mark Taylor, repeating on him now. We don't mean to...

Kate: I'm sure there'd be a lot of fans who love him.

Terence: But unless you know him quite well, you may not resonate with the fact that he's, well, he's backing up this product. And so probably to me there seems to be a lack of trust there with that style of marketing.

Nadia: I also really like the fact that you just said audience become very savvy. How many people tagged got sick and tired of being held like idiots and being force fed these advertisements? Now they have a choice of it. They have a choice what to watch, what not to watch.

Kate: Correct.

Nadia: They basically, everybody now at mercy we changed the table turn. That's what I...

Kate: I agree, totally. I think the current, the modern-day consumer has so much choice. Doesn't have to watch your ad anymore. They can switch off. They can mute it. They might have pre-recorded and be fast-forwarding anyway. So, the whole environment has changed even from 10 years ago where advertising was passive, your audience was passively receiving your message. End of story. Now advertising is a two-way. Your audience can get online and go Oh what a joke or I don't like that or I don't agree or this is ridiculous. It's two-way. The audience is much more empowered. We've seen examples of everyday consumers influencing massive corporations like Target. A few years ago, a mum got online, did a big rant and said I'm so sick of there being crappy options for clothing for girls once they hit age of 10, whatever it was, twins. She did a big old rant. A few months later, Target changed their whole offering in that area. So, the consumer is now very powerful and in a sense, has a silent seat at the boardroom I believe. It can't be ignored anymore. It's not the old way. So yeah, the modern consumer has exactly what you said – lots of choice. We're flooded with content options. They can certainly switch off so brands have to work harder. And in working harder, brands have to be more authentic. People, especially young people coming through now, they switch off on old traditional marketing. They know, they have a high, if I can say B.S. radar.

Nadia: Yes, it's a good radar.

Kate: It's true that they have a filter. They are not interested. They can sense in authenticity. It lacks credibility, they switch off. So good luck if you're thinking of millennials in the future because they don't buy traditional marketing at all. They don't watch normal TV. So, they're choosing their content already. My daughter pretty much exclusively watches content she chooses on YouTube. She listens to people who are creating their own content and she probably will listen to them if they recommend something because she respects them and their content. So, it's a totally different ball game. I think credibility is an important part of that conversation. And you still see brand ambassadorships, and they can work. I think that if the celebrity or the influence are genuinely, if you can sense passion or interest, it'll work better. But if it's a flat out Hi I'm a celebrity and I think this is fabulous. I mean that just doesn't wash anymore really. Really. But it still happens, you still definitely see it.

Nadia: I think the most empowering things happening in the consumers that everybody now in power of designing their own circles. They have choices on what to be educated. They have choice on what to be associated with. And if they don't feel warm and fuzzy about something, they don't have to be part of it.

Kate: Correct.

Nadia: This is where I think ability to design your own circle is very empowering.

Kate: Yeah. And that's the nature. That's the essence behind the algorithms that these social media platforms create is exactly who you're saying because Facebook wants your world to be curated. It wants you to choose what you like, it wants you to mute what you don't like. Instagram is headed that way. A lot of platforms now, they want your world to be tailored to content that you enjoy which is the basis of why the algorithm works. The more you like things, the more you get served it.

Nadia: I'm actually scared of this one because I don't want to be defined by what I have seen yesterday. I want to be defined what I'm potential of. It sorts of takes away, maybe my fear's unfounded, but it takes away my notion of development.

Kate: It's a good point and some people do talk about that in America. They've talked about, I think Brené Brown has touch on that topic. She's a woman who's spoken about topics like shame and other things but she also talks about this danger of only being surrounded by your own opinion.

Nadia: So, are they doing something about it or they just? I don't want to be constrained by my text-led legislation because that's what my first thing I will be looking for.

Kate: Look I guess my answer to that I believe in the personal agency of each individual still. There is all the content, you can do what you want to go and find it. So, find good content. Make that your responsibility. That's my answer to that.

Nadia: Okay. So, I can't possibly expect Facebook prepare for me my future education.

Kate: Don't rely on automation people.

Terence: Which just bring it back to the empowerment sort of thing.

Kate: Sure.

Terence: You're talking about the consumer...

Kate: Yes.

Terence: now is empowered.

Kate: Definitely!

Terence: But doesn't that also mean that brands, authentic brands, are also empowered?

Kate: Absolutely.

Terence: Because those brands then choose to really be authentic, to really be genuine, to work with the right, to create the right partnerships, to find the right audience and to work with the right clients or consumers or whatever you call them, that really is empowering brands at the same time...

Kate: Agree.

Terence: as it's empowering the consumer.

Kate: Definitely. And I think that there's a real rise in companies, particularly by younger people perhaps in their 20s and 30s, who are putting their values at the center of their product. I saw an example, I read Collective Hub's second to final issue this morning and yesterday morning I was reading it. And there was gorgeous young watch company where all proceeds, all profits went to charity. But beautiful watches. And it was the meaning of this particular brand was mindfulness. They wanted to remind people to be in the moment and know that their watch had sort of supported something meaningful. Stuff like that. I immediately followed it on Instagram. That's a brand that I'm going to absolutely have at the top of my mind when I want to buy watch Monday. That means that connects to me. So, that's authentic. So, if that brand attracted an influencer, which probably would, they'll probably get celebrity endorsement for free. Because if all that has to happen is a celebrity has to like that product. The same idea except I'm not an influencer. I'll try and find it before I go. People want to know what it was.

Terence: Well, we'll see if you find it, we'll put in the channel.

Kate: Yes. Okay that would be good. Yes, so definitely I agree. I think it opens-up a space for genuine brands to do cool things and they will naturally attract influencer marketing in a sense.

Terence: I guess it's not one-sided.

Kate: No, that's true.

Terence: It certainly works for both sides. But it just requires you as a brand...

Kate: Yeah.

Terence: to be more...

Kate: Dig a bit deeper.

Terence: genuine.

Kate: Yep.

Terence: To really actually do something that is more focused on your audience or on the consumer.

Nadia: And what I did like from the podcast, we had Josh here and it was quite interesting. We were talking about young brands. Well how younger you can get as an entrepreneur? He's 16 and he was talking about this. He's upset. He couldn't find passion but he did find what he hated.

Kate: Yeah. I've seen that video.

Nadia: Different type of passion but that's still a passion. And he just basically was helping particular need of the market to just overcome this problem. And this idea of being yourself and, which is all people always talk about, but I really couldn't understand because they just over used them. Not really resonated with me. Be yourself be yourself. What does it mean? He didn't care about any of it. What he cared is his true how he felt about.

Kate: Yeah. It's value-led.

Nadia: Yeah. And he just basically spilled it into their idea and just it was empowered by this passion.

Kate: Absolutely. And I do think you're right. There are a lot of young businesses flourishing in this new environment. So, I think that's definitely worth mentioning. I'll just finish the other two types. So, we've sort of spoke about the more common type of influencer marketing which definitely still see which is the sort of paid endorsement – ambassador type thing. That now happens at a next level in the world of, Instagram in particular, which is where you pay to access an influencer's audience. And it might be one of the transaction. That's what TRIBE is basically been set up to do. They used the example on their welcome video of Nutella. In Australia presumably sort of paid a whole lot of influencers to create cool photos on Instagram of Nutella. Cool kind of flat layers and creative looking breakfast scenes and moments. And they used that 30 post they could use or more to sort of use the consumer to define what Nutella can look like. If that makes sense. And they would have paid for those posts. Not a lot. Maybe 50 bucks or 100 bucks each to get these lovely posts. So, essentially this idea of sponsored posts has now become much more accessible. So, instead of paying an ambassador 50,000, 100,000 dollars like the

traditional model, you might be paying now 20 people a couple hundred bucks each to create some posts for you over the year. That's micro influencing and that's influencer marketing. But it's still, the latest thought is that, that's still a bit, in a sense, not where real benefits can happen. The real benefits can happen in more longer-term partnerships that are more genuine. So, essentially in that Nutella example, Nutella is getting 30 people to create great content. That's great but what perhaps is not happening is they're not diving into that world of each of those people and finding out some insights or maybe they didn't get the top fans in Australia. Maybe they...

Nadia: Perhaps they should talk to George Clooney and get inside of nappies where he had a prank and put Nutella in the, his kids' nappie.

Kate: Really?

Nadia: on his guests. Yes, that's true insight of Nutella. It's a different take but...

Kate: Yeah.

Nadia: Really practical joke.

Terence: I never heard that one before.

Kate: Neither I. I'll go and Google that. I'll put that in the notes.

Terence: There you go.

Kate: So, I think that's becoming more common now. The idea of, still a bit strange, but at a more accessible level. And then the sort of newer type of gain and a deeper level is where you're starting to see collaboration. You're starting to see the idea of a long-term partnership with an influencer who becomes a content creation partner. They might be actually really inputting into what you do together. It's not just oh here's my brief, I want a photo like this. Done. See you. It's more sitting down, having a coffee and saying here's my product or service and getting that influencer's perspective, getting their input and coming up with something entirely new maybe. Maybe coming up with a new product or service together with their input. Maybe working on content together. Maybe collaborating on a giveaway with more than one influencer. Or collaborating on a giveaway with multiple partners that are seeded out by multiple influencers. So, there's so many ways to do it. An example I thought of, this is a few years old, Adair's is a Manchester betting homeworkers type brand. For a while, in my personal opinion, they got pretty daggy. Wasn't sort of kicking goals. Now, they did a partnership with Rebecca Judd, wife of some footballer I say. But she's an incredible businesswoman and entrepreneur in her own right. Has created an audience probably bigger than most Australian TV shows right now. Becc didn't just sort of do the traditional celebrity endorsement. Adair's is wonderful, shop at Adairs. She has created lines within Adair's with her style. Her followers know her style. They want her style. They're going to buy her style. I feel like she really rejuvenated that brand. I still drive past the shop windows on that white street when you come out into Nepean Highway there and I thought Oh God she's done amazing things for that brand. Because whether or not she had 100 percent control over what she created, but they were very smart to give her some creative control.

Nadia: Is it when they are this type of people called ambassadors of the brand?

Kate: Yeah, it's a mix. But it's more than an ambassador because like I said, what she's really doing is infusing her style into the products.

Terence: She's really created something for me that the audience that's following her, right? Is obviously likes her style and she recreated something which specifically caters to that audience.

Kate: Correct. And the color palette seemed very her. And suddenly this brand got lifted in my estimates and bought into the sort of current on trend world of that particular audience. And I have no doubt that it's been a success. And she's an example of a very big influencer in Australia who probably has worked with lots of brands and had the same effect because people love her taste. That's why they follow her. She's giving value because she has good taste. She can decorate a home in a beautiful way that people go oh God I want that. So, I mean that's really clever. What I'm sort of saying is as the older type, there's the sort of transactional type. And then the newer type of influencer marketing is more long-term, relationship-based where you hope the influencer actually cares about your product or service and actually is interested and audiences can pick that up.

Terence: Yeah. Well in this case, that example, I mean...

Kate: Becc Judd, yeah.

Terence: that influencer is actually helping to create the product.

Kate: Correct.

Terence: Not only that, she quite obviously would be happy to use the products, right? And I think that's part of the disconnect between, like when you see somebody endorsing a product...

Kate: Correct.

Terence: you look at it and think well would actually ever use that product if they weren't...

Kate: That's right.

Terence: paid...

Kate: Yes.

Terence: to endorse it.

Kate: Exactly. Yeah. That's right.

Nadia: Well it's a lot of diet meals I always surprised they're all endorsing a lot of celebrities. But I wonder would you really eat it?

Kate: Yeah, exactly. And people can smell that a mile of.

Terence: Yeah. That's cool.

Kate: Yeah. So, I think that's really worth kind of thinking about is that it's happening all around us. Once you start to tune in, you'll see various forms of influencer marketing happening. But as you say when it's authentic, there's something about it rings true. And I think, one other tip as well for business is to think about is that often, if you're an established business or a new business really, you often have a current audience but you may have a desired audience. And they may be two different things. I've got a few clients who are in a position where their current audience, no offense to older people, but their current

audience might be older and not as. They want to be cooler and younger and hipper for example. Take a brand who's in that situation, they've got a bit of an older brand vibe and they want to reposition to be younger and appeal to more. So, that journey can often be very well helped by an influencer. So, all you have to do is think about targeting an influencer who has your desired audience. So, in the Adair's example, I bet you that's where they're at. Maybe their average customer was 45 years old shopping in stores. They wanted more 30-year olds buying online. So, they go to Becc Judd who's got lots of 30-year old buying online and off you go. So, that can be a really good strategy for when you want to talk to a different audience. And it comes back to that word again, audience. Because these people know their audience and people like Becc Judd, if they're any good at their job, which she certainly is, they know their audience not just well but fiercely. They're protective of their audience. So, they will not just align with anyone. You will not see, in my opinion, a Becc Judd type of person just endorsing any other brand because she will lose her audience. They know their audience and they'll be fiercely protective of what resonates with their audience. And so good influencer should be able to say no. No that doesn't work for me. That doesn't work for my audience. So, it's kind of like a matching. You got to match properly for it to be effective. One other definition I just wanted to get out there is gifting. I think gifting is now another pretty common strategy. Now this is again at the smaller transactional end of influencer marketing. Gifting can work really well if, particularly a product, could be services well though, where you essentially find a bunch of influencers or one influencer and say I'd like to gift you this and in response, there's a sort of understood agreement, or a goodwill handshake if you like, where you hope that that person will positively review it and put content out there.

Nadia: Well it's also NLP endorsed. If I may to say. It's basically when you gift somebody, the people feel obliged.

Kate: Of course.

Nadia: And this creates increased obligation in such a subtle way and really good returns. That's the thing.

Kate: And look it won't always work. Sometimes gifting will go belly up and you might give a gift and never get the credit for it. But, gifting alone can be one very good strategy that particularly a brand in fashion or beauty or retail might just employ that strategy year-long. Gifting certain people and just hoping for some positive responses. And that gifting might even be a good step to creating a long-term partnership. You might, through a gifting strategy, identify a really cool person you want to work long time with. And so, there's sort of all the definitions really. There is one other sort of thing as well. My friend Katie, who is an influencer locally, Miss Money Penny. She talks about affiliate marketing as well and I think this is something very common in that world of micro influencing. It's where you give your influencer a discount code for example, and again works well in the retail space. Miss Money Penny might be promoting a certain product and if you go through her channels, you can use her discount code and you might get 10 percent off. There might be an arrangement in the back there where she's getting a little bit of return on that as well. It's affiliate marketing. So, that's another style of using influencers. Gifting, sponsored posts, affiliate marketing, so they're all the sort of various ways that things can happen.

Nadia: And people also use cross promotion. I have seen them instead of being competitive, they're co-operative. And my...

Kate: Absolutely. Collaboration team.

Nadia: Collaboration is now which is really I like. And again, it just comes back to my favorite John Nash's theory – Game theory. That's basically you do not have to compete.

Kate: Yeah, I agree. And you can offer more value together. So, potentially if you pair up with a local business, think of a basic example of a hamper. If you want to create a local hamper. I mean what better way to promote a local area like Manolo's or Mornington Shops by putting a huge hamper together with things from local shops. Give it away. That's already providing much better value for the audience or the winner in that case. So, yeah.

Terence: Alright. So, I guess the next question is the how.

Kate: Yeah.

Terence: Like if you're a brand...

Kate: Yes.

Terence: how do you get started in influencer marketing? Or where do you actually start? So, obviously it's not a one size fits all. It's not every brand go and approach a certain influencer.

Kate: Yeah.

Terence: There has be very relevant. I think relevancy here is high on our right.

Kate: Absolutely.

Terence: So, yeah, how do we get started?

Kate: Sure. I think a good, and that's a great next step, yeah I think a good first step is first of all you got to know who's out there. So, if you're not already on Instagram, get on Instagram because, and start finding locals in your area. You can use literally hashtags. Like if you're trying to find a foodie influencer in the food space, start following the #melbournefoodieblogger or #melbournefoodie and hang around and spend time. So, first step I guess is identifying – finding out who is who. It could be through reading the local newspaper. They might do from time to time a little profile on an influencer. It could be looking at an influencer you already know like a Josh and look at who he follows. Look at who miss Money Penny follows or there's Mama loves to share, another great couple of, a duo Helen and Lisa who are local, look at who they follow. Look at who they're talking to. Often these people will work in little circles. They've literally friends with each other. So, it's sort of first step is identification. But you can't identify them if you're not on the platform. So, first step identify. The next step is like your thinking about their audience, so think about their audience and whether their audience is your desired audience. So, if that's the case and you've got a match, I would literally ask for a chat. I mean whether they're living in your local area and it's a coffee or whether it's a phone call, have a talk. Like they're just people.

Terence: Yes.

Kate: Arrange a time to talk and say “Hey, this is my brand. I was wondering if I could just have a chat to you. I'd like to learn more about your audience?”. Get to know them. Just say “Hey, tell me, like how often do you post or what do you find your audience loves?”. Ask them questions. Do you do endorsements? What sort of relationships do you have in the sponsorship space? Ask them. So that's way to find out. And then if it's a good match, say Hey, look I'm looking to do something. Can we come up with an idea together? What do you think would work well for your audience? Remembering that they're the expert on their audience. So, in a sense, again back to the old days, you couldn't have that conversation with a TV program. But you can have this conversation with a real human who can turn around and say oh my god my audience loves giveaways like this. Let's do this. They might connect you

up and say how about we put your product with this service and create blah – giveaway. Competition. Or this or that. So, give them some creative license. That's where I think the sweet stuff happens. So, be creative. Think about this is fun. My advice is to prepare for this to be a bit of a learning curve. Things won't necessarily work. It's going to be a bit of experimenting, testing and learning. But if you're open to it, if you say well I want to try some influencer marketing strategies this year, if your mindset is long-term and test and learn, that's probably a good thing as well. But yeah, depending on what you're doing. If you've got an event, invite some influencers for free. Now, events influencers go very well because you know why, they capture fantastic content. They tag, they hashtag. They know what they're doing. They might do more beautiful content than anyone you paid. Oh sorry than anyone who attends or what you'd think to do. So, if you've got an event, invite influencers. Don't just invite them for free, make them feel special. Give them a VIP pack, thank them. Give them a lunch. I don't know. Give them extra because they have an audience that you want to engage with. And if you want to be really savvy, get, have a proper conversation. Treat it like any campaign. Give them a brief. I'd really love you to mention the following three points, they're really important. Pay them. The higher up this influence goes, the more value you get. So, treat it seriously. Treat it like a campaign if that makes sense.

Terence: Treat it like your building a relationship.

Kate: Yeah. Treat it like any project.

Terence: Yeah.

Kate: Have outlined your objectives. Be transparent in the conversation. Say look what I'm really hoping to do Mr. influencer is I really want to reach the following people. Can you help me? Just be open and transparent with what you want. Ask them what would work for them. Say look I feel comfortable with this. How would you feel if I gave you the ticket plus pay for your accommodation? Great. We've got, talk. Get a good arrangement going. And to me that's a human to human thing. But there are things you could try. Guest blog posts. Try and get your voice on their platform. Say to them hey I'd love to do a guest post on your platform which I understand gets viewed by the following audience. Talk to them. What could I write about? What do you think they'd like? Is that okay? Do you mind if I do that? And in exchange, you start talking. Start creating some sort of agreements that are mutually beneficial to everyone including the audiences. You know what I mean?

Terence: Not really. So, it keeps coming back to that collaboration.

Kate: Absolutely.

Nadia: Collaboration is amazing because it releases, first of all, your creative choices. Another thing Terence, to you're a great belief of leveraging. It's suddenly. That's basically we are. We're hiring a huge mammoth of the rock to basically give us this leverage and that's suddenly all you can take off like a rocket. This is. That's what I'm see. Emergences saw and influences very heavy rock at the end of this.

Kate: Yeah. And I think there is a give and take I think. Yeah. I think don't be afraid to think about what you can give to. How can you give value to this influencer? Maybe, and that's just, again these are all things that are not new in human interaction, give and take. I'll scratch you back, you scratch mine.

Nadia: Well Terence let's not go too far. We have got podcast and we engage influencers in our podcast as speakers. How we give them value? What does they get out of it? Well first of all, they get, they've never been interviewed by Russian before.

Kate: A lucky experience.

Nadia: It's a cultural experience.

Terence: Yeah.

Nadia: I'm shocked I may say sometimes. But another thing is we are spinning from different perspectives. The same person. But when we ask questions, we ask completely from cultural point of view, from also business point of view. We. If they will have the same conversation with another person, they would completely be different facets of them being exposed.

Kate: Absolutely. And it's a payoff to them. So, for your guests, they're getting the ability to add to their own portfolio of reputations as a brand. So, I think you're giving them that. But the good thing about your podcast is that your audience is not only central to your thinking, it's part of the name. You've named your podcast about the value you want to give your audience. So, that's a good reminder for you guys and your guests that the insights are meant to be we're all trying to right now – add value to our audience.

Nadia: Exactly. That's the entire notion there.

Kate: That's awesome. So, a couple more tips if you do want to go into that space. So, yeah. Just to sum up, I think be honest and authentic. And that, it's not just about the content you want to create or the results you want to get. Be open and transparent in the whole journey with the conversation with the influencer. Then be open and transparent. Don't assume things because you might get disappointed. And expect things to not go perfectly to plan. That's what I'd say. They're not going to go perfectly planned. It's not a sort of formulaic process, it's a more organic process.

Terence: Pretty like life.

Kate: Yeah. I've had some experiences back with influencers that went really poorly. And you go alright well I work with that one again for my client. But, you wouldn't know that until you tried. So, you got to kind of have a test and learn mindset was everything digital I believe. Prepare for it to be a learning curve. Don't be nervous. Just remember these are people. If in doubt, pick up the phone, have a conversation. These are humans and they are the experts on their audience.

Nadia: I actually was shocked when people I approach they say yes.

Kate: Yeah. Of course.

Nadia: And they just don't even ask me. It was quite, it was very humbling experience inviting all our guest.

Kate: Absolutely. But it shows they're just people and they probably want to share what they are excited about and passionate about with an audience. And then the last step I would definitely recommend is analyse your results. Don't just sort of go Yay, I'm influencer marketing. Everything's awesome. If it's not working, don't keep doing it. Or if it's not working, try a different way. It's got to work. It's got to show visibly value. And luckily, again in the world of digital, we can see stats. Now I don't want to talk about this client because I haven't had that discussion with them. So, I won't mention the client but this is one example. This is at the higher end. So, we're talking a very big influencer. But one of my clients engaged in influencer. And in the first week, our Instagram followers increased by 39% in a week. That's 2,486 followers in a week. That's a lot. But the stats for me that were more interesting, our engagements on Instagram in the period of since the ambassador came on which is about eight weeks I think, increased by 1,278% engagements. Well actually the engagement per media increased by 607%. So, engagement

per post. There are the stats, and I know being the social media manager of this particular client. What increased and what excited me the most out of all of it was this, so many new questions about this product from new audience members. So many in fact that they had to update their FAQ page on their website with our commonly used questions. We were frantic in that first few weeks because this ambassador brought in a flood of new desired audience members.

Nadia: But I also want to warn our audience as an accountant, be very careful about listening to increased statistics. This is clearly not the case. But look at the starting point because if I had one client and I, the next year I had 2 it's just an increase of a hundred percent.

Kate: That's true. Of course, it's all contextual. But at the end of the day, you can see, I can visibly see and attest to the lift in conversations. And sometimes things are harder to measure. That's right and statistics can be easy to use in your favour that's true. But at the end of the day, green is green and red is red. If things have grown, they have. If they haven't, they haven't. So, I think, like I said for me, the most important stuff was the conversations and the questions that came to that brand. The quality of query totally changed in the frequency. So, it can definitely work. But like I said, take a long-term mindset and probably for most people, really step one is the most important step. Figure out who's out there. Know in your world who are the influencers. They might be youtubers, they might be podcast people, they might be LinkedIn influencers. So, it's not all about Instagram. Instagram definitely gets all the attention in this space and certainly almost lends itself to this but it's certainly not just Instagram. So, I guess back to all of the stuff around content and social media, get on the platforms and spend time even if you don't like it personally. You don't have to share. But just start to be familiar in that space because how else are you going to find out who is who.

Terence: Just taking a step further...

Kate: Sure.

Terence: Sort of Nadia's point, does this work for everyone? Because potentially, there are some brands or some businesses I guess it may not work for and how do you measure success?

Kate: Usually for me, success in anything in the world of social media always comes down to brand awareness and engagement. Because at the end of the day, what's the whole point of being on social or any form of marketing is you want to wave and go Hey look at me, I'm here. So, I think if brand awareness is an objective and it's measurable, then you can't go wrong in terms of understanding if what you've done is made a positive impact. Engagement is generally depending on the platform, about conversation, connection broadly. So, in my books, again with digital there's no hard and fast, black and white rules, but I would say it could work pretty much anyone but it might look different. So, maybe if you're in a B2B business it's about getting some really quality content written on LinkedIn that's in the real serious space of your world of business. And that could, there could be some collaboration involved in that. So, whereas in a more traditional sort of beauty product, it's very easy to see how influencer marketing can work in gifting. Yeah. It's going to apply differently but my belief is, I always think back to if the Victoria Police and the tax office can kill it on social, then surely anyone can. That's what I think. I think for example of someone saying Oh this doesn't work for me there'll be 10 examples of it working.

Terence: I guess they can measure by engagement. But what about for a small business who really needs to look at the impact on their bottom line, who really needs to look at profitability?

Nadia: Great question. I just ask, I'm reserving this as well.

Terence: Nadia's ready to go.

Nadia: Yes.

Kate: Sure. And my response to that is you're not going to have success with that mindset. If you're really focused on a pure black and white exchange for return on investment, it doesn't work that way. Social's a long-term play. It's about building your brand and that takes time. So, if you do one exchange and don't see an immediate lift, you won't do influencer marketing and you miss out on the benefits.

Nadia: So, with that when you've been working for big brands, have you ever seen what their formula allocation off towards the marketing? Would that be based on their revenue percentage or how did they get locate budget for the marketing?

Kate: I'm not sure whether it was based on revenue percentage. All I can tell you, from my time in advertising, is that digital budgets started to overtake traditional budgets in the years that I was there which was sort of was it six seven years ago now. All clients were starting to, inching to put more and more on digital and less and less on traditional. That's the only thing I can say for sure. Look, all marketing is the same principle. It's letting people know your there. It's brand awareness at the core really. And a lot of it depends on your product and service. If you've got a really crappy product and service, all the marketing in the world it's not really going to help you. So, it isn't to me black and white, and formulaic. It's about, and in the same way I say this to clients as well, 10 years ago, 20 years ago, people understood they needed to have a website. You don't hear people really often heavily talking about ROI, I invested 10,000 to this website, I expect 10,000 sales. Doesn't work like that. It's about are you there or not there. If you're not on social, you're just less likely to be discovered. So, it's sort of the ROI discussion I understand from a financial point of view is important but for me...

Nadia: I do have this discussion I confess and the reason being is because I do still think figures do not lie. And if your campaign is successful, you will have increase of far. Even with a bit of delay, but you still have to monitor what's happening to your figures because it's nowhere endless supply of money when they go to nowhere.

Kate: No, of course. But at the end of the day, a lot of the brands who do well on social don't see it like that. They see opportunity and long-term engagement with their audience as something they just have to have.

Terence: Yeah. But to me, maybe, what we can think about is say that the process of making it sell. So, if you're a business and you're, you need to be able to make a sale, there's a couple of elements. Right? There's your audience and there's your offer. And you've got to match them up really well. And your offer needs to actually convert well. Right? So, I guess if you're a business who has a really weak offer that's not converting well to begin with, maybe this is not the place to start.

Kate: Yeah.

Terence: So, maybe you would focus on fixing your offer and getting the conversion...

Kate: That's right.

Terence: sorted out. And maybe even making sure, and this goes back to what you said a little while ago about identifying, that you're working with the right influencer that's got the right audience, right? So, then you actually are targeting the right audience with the right offer to actually, if you want to sell a product. And I think that's why I mean, yes, it may not always be an immediate financial return but I think you will see a financial return if you get all those things right, it's probably.

Kate: Absolutely.

Terence: And I think your clients are who more likely seeing that financial return. Maybe they've got the other side of things right.

Kate: Yeah, that's right. And it's one element. It's one sort of weapon in your armoury, isn't it? And you're right. If your offer is lousy, product's lousy, marketing isn't going to do much. It's not going to help. And yes, I guess what I'm just trying to emphasize though, social is a long-term play. And for people looking for hard and fast ROI, they often go down the path which does brand damage. Which they're too pushy, they're too sales-focused. Sales-focused marketing doesn't work on social media. So, as long as people are prepared for a long term play, most of the clients who do and businesses who do well on social recognise they have to be there full stop first. Then they recognise that they want to bring people and connect with people. And then everything else will follow. Does that make sense? So, people with a really traditional mindset of I put this down, I expect this return often won't succeed using social because they don't get it. That's not what social is about. Social's about relationship building first and foremost. Yes, those relationships pay off. But back to those conversations at the start, authenticity. Young people these days don't want to be sold to. They want to connect and form a long-term relationship. So, if they get a sniff of a hard aggressive, must have ROI mindset, they switch off. So, you can actually lose people if you don't understand that. So, it's a funny way of coming at it. And I know for business, of course it's all about the bottom line. But is it really? Because look at this watch example that I said. For him it's not about the bottom line, and they'll probably do really well. Do you know what I mean? So, I think who you are and who your values are. Yeah. I see a lot of people who want automated funnels and sell, and this and that. At the end of the day, their brands awful. Their branding is awful. There's nothing for people to catch on to. So, it's a delicate balance. Of course, I'm not suggesting businesses just have bucket loads of money and throw it all around the Internet. Of course not. But if you are growing your awareness and you are growing your engagement, it will overtime do well for your business. Put it this way. Show me a brand who is doing brilliantly on social who is not doing well as a business and I'll fall off the chair. Brands who do really well on social tend, and that has been a study that prove that a few years ago now, but tend to do well as business. There is a correlation because they tend to know their audience. They are expressing who they are and they are growing those long-term relationships. So yeah, it's tricky. ROI is always tricky in the social space.

Nadia: Well I am, guess I have to defend slightly about the return on investment point of view. And this is what it makes a great. There is a thought is return on investment put on won't happen if it's an aggressive marketing.

Kate: Yeah.

Nadia: Mindset of pushing marketing is not a good marketing for me...

Kate: Yes.

Nadia: and it's not a good investment. So, I would discourage client go down this path. I would encourage them invest in a, yes it's a long term, however you still have to be sensible in monitoring.

Kate: Of course.

Nadia: Therefore, to begin with I would tell no push strategy.

Kate: Yeah, I mean I think in general social should be a non-sales strategy. In fact, platforms like Facebook actually penalize you for having a sales-only strategy. If your posts are post after post pushing for sales, they'll use, their algorithm will identify the certain words, you will actually get penalized. And your reach will decrease, your organic reach. So, social and pushy sales-focused marketing doesn't work and that's why these plays are long-term place.

Nadia: And I also have seen that even from our marketing experience as well. Sometimes people get fatigued from being bombarded with invitations. They actually are switching off. And what it means that we did not understand them, we did not understand how they felt at this moment and kept pushing with these information.

Kate: Exactly. So, it's just keeping in mind that the modern consumer can switch off very easily from that traditional marketing when its imposed in this space and everything was sort of talked about today as is the opposite of that. But yeah, it will always be the case that you've got to watch what marketing is producing. It's not there just for fun, it's there to make an impact. But I think, like I said, if your focus is on growth, engagement, brand awareness, you'll set yourself up for success.

Nadia: Spot on and upfront investment always required. What I do discourage is just having initially too many of test and learn because they do need to engage specialists straight away. That's what I encourage my clients. They're still not in this position of being able to throw money.

Kate: Yeah.

Nadia: And that they usually have very scarce budget. And when it comes to the people with startups especially, if I address this part of our audience, is they do have constraints – monetary constraints. That's why it's become such an important decision making this wise investment. They might get the grant from government grants and they operate. Like they have to also show them the budget what they are going to spend it on.

Kate: Yeah. And that's why gifting back at that sort of smaller end, gifting and test and learn can be great when you don't have to spend any money for one or spending a very little amount of money because then you can sort of collect your thoughts and your data before you make any sort of serious investment. Definitely. Yeah.

Terence: So, I think we've covered a lot. But what do you see is the biggest mistake that someone might make? As a brand for instance. Trying to get an influencer, while trying to work with an influencer.

Kate: That incompatible matching of audience. So, basically a bad match. Getting someone who's audience is stay at home mums to talk about golf clubs. It's just not a match. It's a waste of money. Or just inauthenticity. Anything that has to do with laziness. Or if the content provider doesn't care, is just sort of going through the motions, gets it incorrect. And there was a classic example of, Scott Disick who was the former partner of one of the Kardashian sisters, famously posted to his Instagram. He just copied and pasted the instructions. So, what he posted was Hey, post this at 4pm and then posted the caption so he posted the instructions to post the caption. Did that make sense?

Terence: Right.

Nadia: Yes, it does make sense.

Kate: It was bad.

Nadia: He done wrong range of copy and paste.

Kate: He copied the whole email instead of just the caption. So, what he posted to his audience of millions no doubt was Hey post this at 4:00 PM Eastern Standard Time. Say, I've just had this great smoothie by this Franti posted the whole lot, he posted the instructions and the copy, that's bad. That's a lazy, unengaged influencer. Doesn't care. Not interested. Sees it as I'm just going to post this, he would have got thousands of dollars for it. But that's lazy so that's not good. So, you want to make sure your influencer is a good match. Cares and understands, and takes a bit of care and has a genuine audience. Yeah.

Terence: Yeah.

Kate: Yeah. Does that make sense?

Terence: Yeah. Absolutely.

Kate: Yes.

Nadia: You can only sell what you believe in. That's all it is.

Kate: Yeah exactly. And the whole point of engaging them is because they should be a good sales person to their audience.

Terence: And maybe...

Kate: They should know their audience.

Terence: what you should only sell what you believe in. Because I think...

Kate: Definitely.

Terence: some people can sell things that they don't necessarily believe.

Kate: Yeah.

Nadia: But then they lead to this cognitive, a post-cognitive dissonance. This what you don't want to cause because there are people out there who are so talented to shove anything down other people's throats but would they are not good. They're not good at repeat sales because dissonance they're receivers will be experiencing. You are not going. You might be fooled once, but you're not going to do unless...

Kate: Well and that's where it comes back to that bigger picture. If the product is no good, if the service is no good, it does all amazing marketing in the world won't help it. So, it's got to fit in the context of a business that's sort of performing well in reading what its audience wants and delivering good offers. But yeah, I guess we're assuming that that's the case.

Nadia: So the engagement value. Isn't repeat business really. That's where it comes to.

Kate: Yeah and that's right. That's exactly why the long-term relationship is what's ideal in this space. Yes, it's looks complex but it's not certainly. There are lots of angles and different things to consider. And maybe it's not for everyone depending on the maturity of their business that the strength of their offering.

But it's certainly something to think about, explore and be open to because the benefits I think can be felt for pretty much everyone.

Terence: Absolutely.

Kate: Yeah.

Terence: All right. Well I think we've covered enough today. So, that was really helpful. And I've got a good page full of notes so thank you for that...

Kate: No worry.

Terence: I had a couple of little moments that I've been thinking Oh maybe there's something I can change here myself. And I think we all get those from time to time. So, Kate thanks for coming to see us again.

Kate: No worries.

Terence: And this is, what are we episode 3?

Kate: I think so.

Terence. And I think we finished off with three parts. Yes, I'm sure we'll have you back again.

Kate: Sure. Yeah.

Terence: for social check-in some time.

Kate: Yep.

Terence: And just tell us again where we can find you.

Kate: Thank you. Yes. So, I'm called Paperboat Digital. I am on Instagram. I'm on Facebook. Im on LinkedIn as me Kate Fennessy. And yeah, come and say hello. I'm in. I'm active in this sort of local groups, WTF Manalizer.

Nadia: And movie club.

Kate: Yes, I have a movie club as part of that, an offshoot of WTF. And yes, so, you probably see me in person around this area as well as online.

Nadia: Wonderful. Thank you very much. That's why you keep coming. You delivering value. You obviously did provoke some thoughts here in me and some resistance.

Kate: Sure.

Nadia: But this is, it's good stuff. Thank you.

Kate: Absolutely. No, you're very welcome.

Terence: Cool. Alright. So, we hope you enjoyed this episode of Unfair Advantage Project. We'd love you to subscribe to us. So, we are now, today's a huge day for us.

Kate: Yes.

Terence: Because we're actually, we looked at our phones this morning and we were officially on iTunes.

Kate: Exactly.

Terence: And the website. It's almost finished. It's almost there.

Kate: It's looking pretty good.

Terence: But we'd love for you to subscribe and we'd really love a review. If you had great value, 5 stars be great. And thanks for listening again and will hopefully see you again on a new episode. Thanks.

Nadia: Thank you.

Kate: Thank you. Bye.

Narrator: Thanks for listening to the Unfair Advantage Project. For more curated resources, visit us at [unfairadvantage.com](http://unfairadvantage.com).