

COLUMNS

Luxury brands should get influencer marketing right

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Let us get something out of the way. Influencer marketing is not a difficult-to-grasp marketing concept. It is basically like a sponsorship. You sponsor someone with a following on Instagram or YouTube, for example, to show and talk about your brand and its products to their followers.

Rather than just producing an ad, the influencer talks or shows your product in an authentic way and thereby lends his or her credibility to your company brand.

Influencer marketing is at the forefront of many luxury companies' marketing plans because it really is as close as you can get to translating your brand into the real world. Rather than a static, logo-driven and abstract thing, your brand can become a person.

This is, of course, why many luxury companies have historically used famous brand ambassadors.

Beyond brand ambassadors

The difference between brand ambassadors and the new influencer marketing is clear.

Famous people promoting your products in ads on social media and elsewhere lends some of their attributes to your brand. However, it is obvious to your target audience these famous people only promote the brand because they are paid.

Influencer marketing, on the other hand, still feels authentic, if done right. And given the thousands of ads people see, authentic is the goal to really reach your target audience.

For some luxury brands, regular social media influencers might be too low-rent.

In those cases, companies can still use brand ambassadors in the same way as one would a social media influencer. Rather than just using them for ads, they tell the inside story.

Celebrity or not, following a vlogger on YouTube feels like a friend catching you up on their live.

If you read comments and watch their videos you will notice there is not so much of the skewed power relation that celebrities have with their fans. These people talk about their lives as a friend does.

So here is someone your target audience follows on a daily basis in the most intimate ways, talking about a product that even though they get paid for talking about, believe in.

In some ways, that feels like a friend winning a product in a raffle and then telling you how nice it is. You pay attention.

Hawking your products?

Because influencers are such a natural fit, a lot of ecommerce companies are using the tactic to sell products online.

So we see 1-800-Flowers.com sponsor Justin Bieber for a mother's day post or a beauty products company with Kim Kardashian to promote lip balm.

This is reminiscent of the early days of television, when hosts confidently proclaimed that Camels were the superior brand of cigarettes or were hawking a particular type of cola.

This tactic still works well, but because it is a transactional relationship, and not an authentic relationship with the brand, it will quickly lose its power in the same way that those kinds of TV ads did.

Of course, regulation had something to do with the demise of this kind of TV advertising.

Similarly, there is already some regulatory backlash for social media stars.

But regulation is also a response to the attitudes of the general public.

Already we see the early signs of consumers becoming aware and very tired of their social media stars wantonly putting out ads to get a quick buck.

And since marketers ruin everything, instead of learning the right lesson, the trend in influencer marketing is towards doing the same things but with smaller influencers, where it still feels more authentic for them to hawk your product.

Becoming part of the story

The right lesson to learn is that the general public craves authenticity.

Promoting products using influencers should only be done if there is a clear and natural fit between that product and influencer.

For example, outside of the luxury industry, Red Bull sponsoring extreme skier Jon Olsson feels right, even if Mr. Olsson frequently overdoes the product placement and branded gear. His public knows there is a legitimate and authentic connection between the two brands.

In fact, Mr. Olsson is a living representation of the Red Bull brand, and his marketing the product feels like part of the narrative.

And that is a good point to make. For your influencer marketing to work, your brand or product needs to become part of the story rather than a distraction to it.

This concept can be applied to brand ambassadors, too.

TAG Heuer sponsors Tom Brady, the U.S. football player who just won the Super Bowl, and the watchmaker leverages him in a very traditional way. The company uses him in ads that it then also posts on social media, or it might have a slightly more authentic picture of him wearing the products.

All good things to do, but TAG is missing an important component, which is the real authentic angle of fitting a narrative.

If it would try to fit into a narrative, Mr. Brady could write on social media how this watch brand he has always liked invited him to collaborate. He could discuss helping design a product. He could show behind the scenes images of a photo shoot he just did for them. He could talk about meeting other brand ambassadors of the watch company.

There are so many potential story lines with which a brand can work. The point is this: there are exceptions, but social media users on the whole want the inside story from their social media stars, not ads.

Brand over sales

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So once you have found an influencer that fits your brand, the key is to leverage him or her in a way that drives brand awareness, shapes brand associations and, ultimately, drives sales.

Awareness and brand associations can be measured relatively easily, but unless you only post ads on social media, it can be difficult to unpick sales numbers directly from social media influencers.

If your advertising promotes a brand rather than selling products directly, you already know this, but this is partly because influencing brand associations and awareness can translate into sales over a much longer period.

What is more, consumers will be exposed to a variety of channels to come to a final purchase decision, which can also be either online or offline, making for a difficult journey to unpick exactly.

The lack of direct sales to be measured has some commentators and industry marketing people write off influencer marketing as a fad, while others note that TV, print or outdoor ads suffer from the same problems.

The truth is likely somewhere in the middle.

Having social media influencers with no connection to your brand hawk your products to his or her millions of followers for a big fee is not probably worth it.

To use relevant influencers to get attention from the right audience is probably more valuable than buying yet another glossy print ad though.

Attention is the KPI

This is the KPI you should be worried about when building a brand: Attention.

Where can you get the most attention that reflects positively on your brand? Luxury brands are all about emotional attachments. What better way to shape them than to have a good friend tell your story?

And, of course, influencer marketing is not the only thing on which a brand should focus.

PURCHASE DECISIONS are complicated and long multichannel processes, and brands should ideally ensure that they show up everywhere their target audiences' attention is. So, yes, that does mean print ads, TV or programmatic to name just a few.

The point I am making is that when done right, for shaping brand associations and gaining awareness, social media influencers are an essential part of the marketing mix.

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