In the digital space, influencers have the power of the ripple effect. With just one Instagram photo, Facebook post or SnapChat video, an influencer has the ability to make waves within the digital realm and fly onto the radar of thousands in just a matter of seconds. These influencers have built digital empires out of their reputation and cultivated strong communities, full of people who engage with their content on a daily basis. Over the past few years, many brands have learned how to harness influencers’ power to reach audiences that were once considered unattainable.

In our previous report — where we surveyed 600 Marketing, Communication and PR professionals on the state of influencer marketing — 84% of survey participants said that they would begin running influencer marketing campaigns in 2015. At that time, companies were just becoming familiar with the practice and figuring out ways to incorporate influencers into their overall brand strategies. According to this year’s survey results, 62% of brands have implemented campaigns with influencers — meaning those aspirations have become a reality.

For this year’s State of Influencer Marketing 2017 report, we’ve pinpointed several new trends and tendencies happening between brands and influencers across the globe. With an equal sample size of 600 Marketing, Communication and PR brand or agency professionals, 88% of all participants found that influencer marketing tactics were effective in raising awareness about the company or its products. Such a substantial finding suggests that many brands and their agencies have become much more adept at aligning influencer marketing campaigns with the core business strategy.

Through our analysis, we discovered that brands are moving past influencer identification and activation to the campaign implementation phase. As a result, 43% of our survey respondents said that campaign performance measurement was the greatest influencer marketing challenge. Influencer expectations are also changing. Now content experts with the ability to take campaign development to a more sophisticated level, influencers have begun monetizing their profession. This is causing overall budgets to increase. And as budgets increase, these professionals want to understand the ROI from their actions — data insights from each campaign will be a 2017 essential.

After all of our research, one thing is for certain: influencer marketing is here to stay. But to execute it effectively, strategy is crucial. Over the course of the year, we will watch brands grow in their campaign evolution and see how they measure success. Now we invite you to dive into the full report, where we explore and analyze the State of Influencer Marketing in 2017.

Alison Levy
Chief Marketing Officer at Launchmetrics
INFLUENCER MARKETING LANDSCAPE

62% OF ALL SURVEY RESPONDENTS IMPLEMENTED AN INFLUENCER CAMPAIGN IN 2016

After the first 3 editions of the report, we have changed the structure to fit the global landscape of influencer marketing today.

In previous years, brands were just starting to understand the concept and how to obtain meaningful results. But — as the data from this year will show — that is no longer the case.

Enthusiasm was at an all time high last year with 84% of brands claiming that they would resort to influencer engagement in 2015. In 2016, many of those aspirations became real.

Using an equal sample as the 2015 survey of 600 Marketing, PR and Communication professionals, 62% launched influencer marketing campaigns over the year.

In fact, 78% of those who ran influencer campaigns in 2016 said that they have been working with influencers for at least a year or more. This reveals how brands have grown their knowledge of the practice, developing and implementing highly targeted campaigns that include strategic influencer collaboration.

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EFFECTIVENESS

Influencer marketing continues to be an effective strategy — especially in terms of generating awareness and increasing overall brand value. Nevertheless, driving sales and increasing customer loyalty have also proven to be key objectives for these professionals to reach desired outcomes from their influencer marketing tactics.

Let’s examine the results:

- 88% stated that influencer marketing tactics were extremely effective or effective at raising awareness
- 65% claimed that it was effective for increasing customer loyalty
- 53% claimed that it was effective at driving sales

RAISING AWARENESS ABOUT YOUR COMPANY OR ITS PRODUCTS

- Effective: 49%
- Somewhat effective: 8%
- Not effective: 4%
- Extremely effective: 39%

DRIVING SALES

- Effective: 33%
- Somewhat effective: 13%
- Not effective: 13%
- Extremely effective: 20%

INCREASING CUSTOMER LOYALTY

- Effective: 41%
- Somewhat effective: 27%
- Not effective: 8%
- Extremely effective: 24%

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85% said that word-of-mouth strategies employed on social media to raise awareness were valuable

The most common tactics with influencers are developed in the social space — on Instagram, Facebook or other social networks. We asked Marketing, Communication and PR professionals about the level of business valued obtained from some of these methods. They responded the following way:

+ 85% said that word-of-mouth strategies on social media for awareness were valuable
+ 82% found working with influencers to promote content on owned channels to be effective at generating business value
+ 67% claimed that investing in social advertising created value for their business

It’s interesting to highlight that these percentages show that organic actions (word-of-mouth and content promotion) generate more value than investing in social advertisement for these professionals.
Product launches were reported to be the primary reason for seeking influencer collaboration. Although product launch strategy differs across industries, influencer marketing is becoming a solid tactic for B2C companies launching products into an ever-increasing competitive environment.

Every single release counts — and influencers have a way of amplifying a message to reach remote audiences.

Events were the second scenario in which brands said to collaborate with influencers the most. 33% of survey participants said to collaborate with influencers for events.

This was followed by the third scenario — content promotion — where 25% of brands said to collaborate with influencers this way.

The least popular influencer scenario was for corporate announcements. Only 7% of all survey respondents said to work with online opinion leaders for this type of situation.

This is a significant decrease in comparison to our 2015 report where 32% of professionals said to work with influencers for corporate announcements. We attribute this finding to the fact that corporate announcements are more related to traditional forms of communication with stakeholders. Influencer marketing strategies have moved past traditional tactics and channels to connect with audiences on social platforms.

To do this, influencers need to have room to express their personalities and corporate announcements usually do not fit this kind of mold.
TACTICS

**18% OF RESPONDENTS NAMED INVITING INFLUENCERS TO EVENTS OR NETWORKING AS THE BEST ENGAGEMENT TACTIC**

Influencer Marketing tactics used by these specialists were pretty even across the board and have diversified over the year. The top 3 tactics used by global brands to engage influencers this year were:

- **Invite to events/network** (18%)
- **Send product samples or gifts** (16%)
- **Email outreach** (15%)

The fact that the percentages have such a short range between them reveals that **brands understand the importance of variety when it comes to influencer engagement tactics**. Analyzing influencer preferences and reaching out to them in the right way is essential to promote lasting relationships.

This is not about which channel suits a brand best. While some influencers may be totally open to answer phone calls, others might prefer an email or to be invited to an event to get familiar with a brand before talking business.

That’s why **monitoring their activity online through social listening is a big part of developing influencer marketing campaigns that work**. Brands need to understand influencers’ online personalities, how they connect with their communities, what kind of content they post, etc., in order to know how to engage them.

**Which of the following tactics do you use to engage influencers?**

- **Invite to events / network** 18%
- **Send product samples or gifts** 16%
- **Email outreach** 15%
- **Social media outreach** 12%
- **Share your company’s digital assets (images, videos, etc.)** 11%
- **1-on-1 meetings** 11%
- **Phone outreach** 9%
- **Send press releases** 8%
25% OF PROFESSIONALS SAY THAT INSTAGRAM IS NOW THE LEADING CHANNEL FOR INFLUENCER MARKETING CAMPAIGNS

The main three channels used to develop influencer actions/campaigns in 2016 were:

- Instagram (25%)
- Facebook (21%)
- Twitter (16%)

The rise of Instagram and Facebook is worth evaluating. When Facebook bought Instagram in 2012 for $1 billion, many had their doubts. But just this year, Instagram surpassed 500 million users and introduced Stories — a new video feature similar to Snapchat — to keep its community all on the same platform.

And Facebook, which has approximately 1.79 billion monthly users, experiences a 16% growth rate every year.

Moreover, these results also show how the visual component for industries such as fashion, lifestyle or B2C brands in general has become necessary to emotionally connect with users in the digital space.

This is especially true for millennial audiences, the largest and most tech savvy generation of all time.

The consumption of online information is increasingly more focused on multimedia content. This is why the top two channels were Instagram followed by Facebook because they support the visual formats used to fuel influencer marketing campaigns.

As Facebook and Instagram are both visual platforms, the data from this year’s influencer marketing survey definitely reveals how

WHICH CHANNELS DO YOU PREFER TO USE WHEN DEVELOPING INFLUENCER ACTIONS OR INFLUENCER MARKETING CAMPAIGNS?

<table>
<thead>
<tr>
<th>Channel</th>
<th>Preference</th>
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<tbody>
<tr>
<td>Instagram</td>
<td>25%</td>
</tr>
<tr>
<td>Facebook</td>
<td>21%</td>
</tr>
<tr>
<td>Twitter</td>
<td>16%</td>
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<tr>
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</tr>
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<td>13%</td>
</tr>
<tr>
<td>Snapchat</td>
<td>7%</td>
</tr>
<tr>
<td>Linkedin</td>
<td>4%</td>
</tr>
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It appears that influencers’ expectations from brands have changed in comparison with 2015. This year, **42% of experts said that influencers are mainly looking for monetary compensation when collaborating with companies**. In 2015, the majority of influencers were said to be motivated by increasing their reach and growing their audience (55%). The second incentive is similar to last year: 32% said that influencers’ main expectation is to create valuable content and information to share amongst their communities. Exposure moves to third place with 13% of professionals considering it as influencers’ primary ambition.

So, it can be said that **influencers have started to professionalize their roles**.

After many years of practice, **influencers are now content experts**.

The market is overloaded with brands vying for consumers’ attention that is ever-so-fleeting. As a result, campaigns have become more sophisticated, meaning they require more talent and expertise when it comes to content creation to be able to attract and engage their audiences. Influencers have caught onto this new need for elaborate content that’s capable of influencing opinion and is most-likely the reason why monetary compensation has risen throughout the year.
82% of professionals have monetarily compensated their influencers to a certain degree

We were interested in finding out how the compensation factor has evolved over 2016. As it turns out, only 18% of all Marketing, Communication and PR professionals claimed to “never” pay their influencers. This is a 15% decrease when compared to last year where 33% of brands said to “never” compensate them for their work.

Following the same logic, we can also see that 44% of global brands are quite familiar with the payment procedure. This represents a 13% increase when compared to the results from last year. Such a substantial increase highlights how the majority of companies across the world are aligning their actions with influencers’ expectations to be monetarily compensated and confirms that a new shift in perception is taking place.
45% of respondents conceded to having less than 10% of their marketing budget designated to influencer campaigns. This was trailed by a close second with 36% stating to have between 10-30% of their budget allocated to influencers. However, 62% stated that they expected their designated influencer marketing budget to increase in the near future.

This final result is much different from last year’s — where 41% of Marketing, Communication and PR professionals claimed that their budgets would stay the same when it came to influencers. The rise in expected budget demonstrates how the practice is becoming a standard tactic that requires its own designated budget and planning for successful implementation.
53% OF SURVEY PARTICIPANTS SAY THAT THE PR & COMMUNICATION TEAM MANAGE INFLUENCER RELATIONSHIPS

In 2015, PR managers were said to handle influencer relationships with a score of 28%. Today, 53% of all participants marked the PR & Communication team as the people in charge of influencer relationship management. The second response — the social media team — is more accurately in line with last year’s survey answers (17% for Community Manager) with a 1% increase of opinion, equalling a total of 18% for 2016.

This overall increase for PR & Communication teams is to be expected as more of these brands are informed on what it takes to run a campaign with influencers, so they know who is involved. And as influencer engagement is largely “relationship-based,” the need to have someone with solid communication skills managing that is key.
25% OF PROFESSIONALS MEASURE THE EFFECTIVENESS OF THEIR INFLUENCER MARKETING CAMPAIGNS THROUGH LEVELS OF ENGAGEMENT

On a global scale, survey participants said to measure the effectiveness of their influencer marketing campaigns using the following three main indicators:

- Engagement (25%)
- Quantity and quality of audience reached (21%)
- Increase in website traffic (19%)

The measurement metrics from 2016 are quite balanced in comparison to previous years. This equivalence means that influencer marketing is not a trend anymore — solid KPIs are being used to measure success. What is more, the top three metrics listed (engagement, audience reach, and website traffic) are highly associated with the "awareness" stage — a tactic we saw brands were becoming quite skilled at over the year.

All of the KPIs unearth these professionals’ need to prove the ROI of their influencer marketing activities ranging from the awareness stage, to sales, all the way to customer loyalty. In any case, knowing how to target customers on any point of the campaign lifecycle makes accurate measurement imperative. And as budgets will be higher, putting numbers behind concrete actions will become a top priority.

HOW DO YOU MEASURE THE EFFECTIVENESS OF YOUR INFLUENCER MARKETING CAMPAIGNS?

<table>
<thead>
<tr>
<th>Metric</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Engagement</td>
<td>25%</td>
</tr>
<tr>
<td>Quantity and quality of audience reached</td>
<td>21%</td>
</tr>
<tr>
<td>Increase in website traffic</td>
<td>19%</td>
</tr>
<tr>
<td>Impact on sales</td>
<td>18%</td>
</tr>
<tr>
<td>Number of mentions in blogs and social media</td>
<td>17%</td>
</tr>
</tbody>
</table>
13 CHALLENGES

43% OF RESPONDENTS SAID THAT CAMPAIGN PERFORMANCE MEASUREMENT WAS THE GREATEST INFLUENCER MARKETING CHALLENGE

WHAT DO YOU CONSIDER AS YOUR MAIN CHALLENGE WHEN IT COMES TO IMPLEMENTING YOUR COMPANY’S INFLUENCER MARKETING PROGRAMS?

The main challenge identified for influencer marketing in 2016 was “measurement.” 43% of respondents said that creating and tracking the right KPIs to assess the performance of their influencer programs was difficult to achieve.

The second challenge aligns with last year’s results showing that “identifying” relevant influencers using reliable data was the next obstacle that brands face when trying to employ influencer marketing tactics as part of their brand strategies (32%).

What’s interesting to note here is that despite a few highly publicized cases or breaches of contract between brands and influencers, it seems that the legal component remains the least challenging for companies in 2016. A mere 6% of contestants marked this as their main obstacle.

Measurement: Creating and tracking the right KPI’s to assess the performance of influencer programs
Scalability: Managing relationships with a large number of influencers at the same time
Identification: Accessing reliable data to know which influencers are relevant to target
Legal: Managing monetary and contractual issues with influencers

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These types of campaigns are not solely quantitative with automatic results. They have a highly qualitative aspect as well due to the ongoing relationship factor — qualified people with soft skills are essential to nurture and manage those kinds of bonds.

Of the Communication, PR and Marketing professionals who said they did not implement influencer marketing tactics in 2016, 33% of them indicated that they were not able due to budget constraints.

This was followed by 24% saying that there was no dedicated team focused on maximizing the potential of influencer programs.

Influencer marketing campaigns that thrive don’t only depend on the budget allocated to them, but also on the team leading their execution.
KEY TAKEAWAYS & PREDICTIONS FOR 2017

1. INFLUENCER MARKETING WILL CONTINUE TO EVOLVE IN 2017
   Over the past two years, influencer marketing has become an established practice.

2. INFLUENCERS ARE AN ESSENTIAL TOOL FOR AWARENESS
   In a saturated B2C market, brands will rely on influencer collaboration to stay top of mind for consumers.

3. ORGANIC SOCIAL MEDIA ACTIONS ARE THE MOST EFFECTIVE
   The study reveals that consumers respond better to organic actions on social media as opposed to advertisements.

4. PRODUCT LAUNCHES ARE A KEY SCENARIO FOR INFLUENCER COLLABORATION
   Working with influencers during product launches is a sure-fire method to reach target audiences quickly.
**5. Inviting Influencers to Events is the Top Engagement Tactic**

Despite a strong digital presence, influencers are still people who are looking for real-life experiences.

**7. Multimedia Content Will Be Pivotal for Emotional Connection**

Consumers’ attention is ever-fleeting, and multimedia content is proving to be the most effective at cultivating communities through attention-grabbing imagery.

**9. Communication and PR Experts Will Be the Designated Leaders of Influencer Marketing Teams**

Soft skills are essential for engaging and managing relationships with relevant influencers — the first step of an influencer marketing strategy.

**6. Variation Is Crucial to Successfully Engage Influencers**

Influencers’ reach expands across multiple channels (blogs, Instagram, Facebook, etc.), and brands will need to develop solid tactics for each platform to attract them.

**8. Monetary Compensation for Influencer Collaboration Will Become a Standard**

Influencers have professionalized their roles as content specialists and monetized their profession.

**10. Measurement Is the Greatest Challenge Brands Will Face in 2017**

As budgets are increasing, showing the ROI for influencer marketing actions is necessary to align these campaigns with the core business strategy and prove their effectiveness.
This survey was created on Typeform — an online survey maker and data collector. It was answered by 600 PR, Marketing and Communication professionals. These are the main profiles of the participants:

**Methodsology**

**Area of Expertise**

*The top 2 profiles of survey-takers were PR & Communication (56%) and Marketing (31%) professionals.*

**What's your area of expertise?**

- PR & Communication: 56%
- Marketing: 31%
- Other: 13%

**Employment Level**

*The majority of people who took the survey held Senior (31%) and Middle (27%) managerial positions or were C-level executives (16%).*

**What is your current employment level?**

<table>
<thead>
<tr>
<th>Level</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Senior Management</td>
<td>31%</td>
</tr>
<tr>
<td>Middle Management</td>
<td>27%</td>
</tr>
<tr>
<td>C-level</td>
<td>16%</td>
</tr>
<tr>
<td>Entry level</td>
<td>12%</td>
</tr>
<tr>
<td>Other</td>
<td>9%</td>
</tr>
<tr>
<td>Intern</td>
<td>5%</td>
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</table>

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COMPANY SIZE

55% of those who took the survey claimed to have between 1-50 people working at their company. This was followed by 20% saying to have between 51-200 employees and 10% with more than 2,000.

LOCATION

The majority of people who took the survey were either from Europe (51%) or North America (39%).

Which continent do you work in?

- Europe: 51%
- North America: 39%
- South America: 8%
- Asia: 2%
- 2,000+ employees: 6%
- 501 - 1,000 employees: 5%
- 1,001 - 2,000 employees: 4%
- 201 - 500 employees: 6%
- 51 - 200 employees: 20%
- 1 - 50 employees: 55%
THE STATE OF INFLUENCER MARKETING REPORT
A FASHION & RETAIL FOCUS 2017
EXECUTIVE SUMMARY

Influencer marketing is nothing new for fashion and retail. These brands were working with influential and celebrity-like personalities before the practice ever existed. As a result, this industry was quick to catch onto the emerging trend. Many fashion and retail brands were among the first influencer marketing adopters, connecting with rising digital stars and getting them to become ambassadors before the rest. The fashion industry was built on sensory appeal — impeccable imagery, sleek design and careful compilation that speaks to consumers on an emotional level. This ability to emotionally connect with consumers is what drives the industry. When influencer marketing came into the picture, these brands already understood influencers’ potential to reach customers in a personal way.

There are already countless examples of fashion and retail brands collaborating with influencers for collection launches to promote their products and reach even greater audiences than before. Just this past year, Rihanna was called Puma’s secret weapon, launching the Fenty Puma line at New York Fashion Week. Since the launch, Puma is back on the map. It’s been rumored that they want to catch up with long time rival, Adidas, and working with Rihanna is how they plan to get there.

We also discovered that sending out product samples or gifts was the number one way fashion brands try to engage their influencers. 23% of all participants named this as their mainstay tactic followed by 20% inviting influencers to events to catch their attention. Producing samples is an integral component of the entire product launch lifecycle. It will be interesting to see how this method evolves over the course of 2017, as sample management becomes a top priority.

Throughout this report you will see just how advanced fashion brands are at influencer marketing in comparison to industry outsiders. You will understand how the people who run these types of campaigns perceive influencers in this industry — as gatekeepers between the digital and physical. Now it’s time to go ahead and get started exploring the State of Influencer Marketing 2017: A Fashion & Retail Focus. Enjoy!

Jessica Michault
Senior Vice President at Launchmetrics
INFLUENCER MARKETING LANDSCAPE

65% of fashion & retail participants implemented influencer marketing campaigns in 2016

More than half of fashion and retail survey-takers affirmed their collaboration with influencers over the past year with 65% selecting this answer. What’s more, 80% of those who replied “Yes” to this question also acknowledged to have worked with influencers for at least one year.

This 3% increase in comparison to the overall global results illuminates how fashion and retail brands have been able to really refine their expertise and expand their understanding of influencer marketing practices throughout 2016. These brands know the importance of developing relationships with influencers, especially for this particular industry.

HAVE YOU IMPLEMENTED ANY CAMPAIGNS WITH INFLUENCERS OVER THE PAST YEAR?

65% Yes
35% No

HOW LONG HAVE YOU USED INFLUENCER MARKETING AS PART OF YOUR MARKETING STRATEGY?

<table>
<thead>
<tr>
<th>Duration</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 12 months</td>
<td>20%</td>
</tr>
<tr>
<td>1 year</td>
<td>14%</td>
</tr>
<tr>
<td>2 years</td>
<td>18%</td>
</tr>
<tr>
<td>3 years</td>
<td>11%</td>
</tr>
<tr>
<td>More than 3 years</td>
<td>37%</td>
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</table>
Working with influencers is now an established part of any cohesive comms strategy because we can see proven results and these results get stronger each season. Influencers have shown that they can inspire and command an audience in just as powerful a way as the traditional media and in some cases by using just their social channels.
In terms of effectiveness, fashion and retail participants responded the following way:

- 84% of fashion & retail professionals say that influencer marketing tactics were effective at raising awareness for their company or its products.
- 74% of fashion & retail experts found influencer marketing to be effective at driving sales.
- 54% said it was effective at strengthening customer loyalty.

Raising awareness is a fundamental business objective at the first phase of a product launch. In this year’s survey, 84% of the fashion and retail sector revealed that influencer marketing tactics were effective (or extremely effective) in gaining awareness for the company or its products. This result is in line with the rest of Marketing, PR and Communication professionals’ answers on the global survey showing that word-of-mouth via online influencers is a powerful tool to gain visibility during a campaign.

However, it’s interesting to observe the global results of the survey and contrast them with those of fashion and retail in terms of sales. 74% of fashion and retail brands said that influencer marketing was effective at driving sales in 2016. This outcome can be attributed to the fact that fashion and retail companies are extremely product-oriented — influencer marketing strategies in this industry tend to be highly integrated into product launches as a means to boost sales when the final product goes live.
86% of fashion & retail brands cited that working with influencers for content promotion on owned channels was valuable to their business.

Overall, fashion and retail averaged 3-4% higher than global responses when asked about the business value obtained from word-of-mouth and content promotion tactics on social media. However, the major distinction lies in the third result: only 58% of fashion and retail experts found investing in social advertisements to be valuable to their business. This represents a 9% decrease in comparison to global responses. A finding such as this highlights the need for authenticity to connect with fashion and retail consumers. These brands have discovered that paid advertisement does not have nearly the same impact on business when compared to authentic (organic) ones.

Now it’s time to explore how fashion and retail professionals feel that influencer marketing contributes to business value:

- 88% said that word-of-mouth strategies on social media were valuable.
- 86% stated working with influencers for content promotion was valuable on owned channels.
- 58% found investing in social advertising with influencers to be a valuable tactic.

**ENCOURAGING INFLUENCERS AND ADVOCATES TO SPREAD AWARENESS VIA WORD-OF-MOUTH:**

- Not valuable: 4%
- Somewhat valuable: 8%
- Extremely Valuable: 41%
- Valuable: 47%

**INVESTING IN SOCIAL ADS (FACEBOOK, INSTAGRAM, ETC):**

- Not valuable: 15%
- Somewhat valuable: 26%
- Extremely Valuable: 27%
- Valuable: 32%

**PROMOTING CONTENT ON YOUR COMPANY’S OWN CHANNELS (BLOG, SOCIAL ACCOUNTS, ETC):**

- Not valuable: 6%
- Somewhat valuable: 8%
- Extremely Valuable: 44%
- Valuable: 42%
There was a slight difference between fashion and retail with the rest of the survey participants for the top three influencer campaign scenarios. Fashion and retail responded by marking the following:

- Product launches (38%)
- Events (36%)
- Content promotions (25%)

Although just a small percentage higher (3%), we can conclude that fashion and retail value influencer collaboration for product launches and events more other B2C brands do because they are constantly launching products into the marketplace — it’s the nature of the business. However, while product launch lifecycles are much shorter in fashion and retail, the need to create significant impact fast still remains.
I can see why launches are the most used situations to work with influencers, as I think time frames are much smaller and often brands feel they can have more control when working on paid activity with influencers. I just wonder whether the people who follow these influencers are aware that the content is paid for.

Darren Howells
Equipment
The three primary tactics used by fashion and retail to engage their influencers were:

- Send product samples or gifts (23%)
- Invite to events/network (20%)
- Email outreach (13%)

We see a shift in ranking between the global results and the fashion and retail industry. In this case, product samples and gifts were the number one tactic used for influencer engagement. This represents a 7% increase when examining the answers from industry outsiders.

The sample production and distribution process is an indispensable component of the fashion and retail sector. The entire industry is in a constant flux — creating prototypes, sending out samples and hosting showroom events where final cuts are made to the sample selection before the actual launch event.

And this happens multiple times a year (sometimes more). That's why sending product samples or gifts was the number one tactic for the industry — samples are the easiest way to test a product and generate interest. By sending samples to opinion leaders, brands can get the visibility they need prior to the launch date.
Social platforms that support multimedia content are exponentially growing in importance. And as fashion and retail are dedicated to design and visual communication, these multimedia channels are even more crucial to distribute content. The fashion and retail industries cited these top 3 choices as their preferred channels for influencer marketing:

- Instagram (34%)
- Facebook (17%)
- Blog (15%)

There was a 9% increase in fashion and retail responses of people in favor of using Instagram as the main channel for influencer marketing campaigns.

Instagram's dominance in this industry is to be expected as the platform was named the “top social platform where users engage with fashion brands.” According to a study by digital think tank, L2, Instagram is the most effective visual platform for driving likes, shares and comments on social media. In fact, **97% of all interactions happened on Instagram** at NYFW fall 2016. Next in line was Facebook, with 17% of industry insiders marking this channel for their influencer campaigns.

Apart from collaborating with influencers on blogs for SEO and awareness goals, the 15% of people who marked blogs reveals another key insight. **Fashion brands rely heavily on storytelling to emotionally connect with users, and developing strategies that include influencers’ blogs is surely a clever way to do it.**
The more immersive and experiential opportunities fashion brands can create for their customers the better. In doing so a brand transcends its mark, its products, and then forges a genuine relationship with its audience. Doing so enriches brand legacy while providing valuable opportunities for feedback and co-creation, all powerful choices brands can make to build long-lasting customer connections. Multi-media content is one way to do this, and Instagram, in particular, feeds our desire for eye-candy, inspiration, connection, conversation, and storytelling quite well. The same can be said for offline events, yet digital most often retains the upper hand in terms of potential for overall reach.
54% of fashion and retail professionals said influencers’ main expectation from companies was monetary rewards.

Monetary rewards was the highest ranking influencer expectation for both global and fashion/retail results. Compensation was 12% higher for this industry peaking at 54%. The second and third results are also interesting to compare. For fashion and retail, 23% of influencers expressed the desire to gain exposure followed by 13% wanting free merchandise.

The second and third response shed light on how these brands can strengthen their influencer marketing engagement strategies for the following year — knowing that besides being compensated for their work, brands can also find ways to ensure their influencer receives coverage, too (and catch their attention by sending out free samples). Having all of this out on the table will give brands a leg up, aligning influencer expectations with reality for 2017.
We believe very strongly in nurturing organic relationships with influencers who truly connect with our product and love wearing the brand. It follows that the audience will then love it too and not be wondering why out of the blue the influencer is suddenly doing a project with us. Of course some very targeted campaigns involve some form of commercial relationship but certainly not every time.

Nick Flynn
L.K.Bennett
The fashion and retail results in regards to compensation were unexpected. 34% of fashion and retail brands said to “rarely” compensate their influencers. The second highest response was “frequently” at 33%, just 1% shy of the lead.

The fact that these responses are so closely ranked for fashion and retail highlights two very different camps of perspective. One where paying influencers is common and the other where some other kind of incentive is at work. Imagine a world-renowned brand inviting an influencer to an “all expenses paid trip” — where the brand flies the influencer out to sit front row at a show and puts them up in a luxurious hotel during their stay. While there may not be an outright physical exchange of money, there is definitely investment involved for this kind of “white-glove” experience (not to mention giving the influencer access to craft extremely valuable content for their audience).

When examining the responses a little deeper, we discovered that 46% of fashion and retail brands claimed to compensate their influencers “always” or “frequently.” Although this only represents a 2% increase in comparison to the global responses, it can be concluded that fashion and retail brands are more familiar with the payment procedure and are more in-line with influencers’ expectations to be compensated for their work.
Fashion and retail answers were similar to the global analysis. 46% said to have a current budget of less than 10% followed by 33% saying they had a budget of 10-30% dedicated to influencer marketing. Moreover, — aligned with global responses where 62% responded with the same answer — 64% of fashion and retail brands expect that budget to increase in the near future.

This also shows fashion and retail brands’ increased anticipation to invest more time (and money) on implementing successful campaigns. Influencer collaboration is being taken seriously and is becoming a standard for product launches in the industry.
The answers from fashion and retail resemble the global sentiment as to who manages influencer relationships with PR & Communication teams taking the lead at 57%. Albeit it only a 4% increase, fashion and retail is traditionally a relations-industry which explains this difference when compared to the global data. Nonetheless, in the second result, 19% claimed that the Digital Marketing team was also responsible for influencer relationship management.

The fashion and retail perception of who manages relationships with influencers reflects their knowledge of where an influencer’s main capacity lies — in the digital realm. This deep understanding could be a contributing factor as to why brands also marked the Digital Marketing team as people responsible for handling influencer relationships in order to get the most out of each online campaign.
Engagement was the main way that fashion and retail brands stated to measure the effectiveness of their campaigns at 30%. However, the answer that follows is where the real intrigue lies. Let’s examine them first:

- 30% of fashion and retail brands measure effectiveness through engagement
- 23% of fashion and retail brands measure effectiveness through an impact on sales
- 17% of fashion and retail measure effectiveness by an increase in website traffic

The difference between the fashion and retail sector with the global results is compelling when examining the second top metric used for measurement: an impact on sales. This 5% increase shows how these respondents are tying the success of their influencer marketing tactics to a more tangible business objective than the rest. The fact these professionals consider an impact on sales as a key metric reveals just how much more evolved this industry is.

This is most likely due to the fact that these brands launch multiple collections a year and have more experience working with influencers, so they know how these types of campaigns affect the business.
47% OF FASHION AND RETAIL SAID THAT MEASUREMENT WAS THE MOST CHALLENGING ASPECT OF INFLUENCER MARKETING

On the fashion and retail side, the most challenging aspect of influencer marketing was “measurement” as well, with 47% of people from the industry marking this answer.

Also matching the global results from this year, influencer identification was named the second major challenge for implementing quality influencer programs. 32% of fashion and retail participants felt this way.

Fashion brands were among the first to try influencer marketing. Ahead of the curve, they were quick to realize influencers’ role as gatekeepers between the physical and digital. It’s not surprising that measurement was identified as the main challenge because identifying and engaging influencers is only the first step. Many brands have evolved past this stage and want to know the ROI for their influencer actions and campaigns to optimize for future ones.

The need to establish concrete KPIs ahead of time and track them throughout a campaign is an essential part of an influencer strategy.

To do this, fashion brands need have a very clear idea about what they want to accomplish before their campaign begins. Whether that is raising awareness, driving sales or increasing customer loyalty, having the end goal in mind is the only way to set up a measurement system that works.
I think it’s hard to really know how to measure success of working with influencers. I do feel that there is real lack of tools to see how followers really engage with content put out there from influencers, it’s easy to see likes on a picture, but how much further has this influenced someone than just hitting the like button?

Darren Howells
Director Of Public Relations at Dutch UK Equipment
13 CHALLENGES

OF THOSE WHO SAID THEY DID NOT IMPLEMENT INFLUENCER MARKETING CAMPAIGNS IN 2016, 51% CONCEDED THAT IT WAS DUE TO BUDGET CONSTRAINTS

Of the 35% of fashion and retail brands that said they had not run an influencer campaign over the past year, 51% disclosed that it was due to budget reasons.

Following budget constraints was the lack of proper tools to identify and manage the relationship with influencers at 25%. This second result differs from the global data where the second most challenging aspect of influencer marketing was having a team dedicated to the practice.

Though it may seem simple at first glance, targeting influencers that are the right fit can be a tedious process. Sometimes a niche influencer has the capability to generate a greater impact than a celebrity one. These kinds of campaigns are highly sophisticated and require the right tools to deliver expected outcomes by targeting the right people.
PRODUCT LAUNCHES AND INFLUENCER COLLABORATION GO HAND-IN-HAND FOR FASHION & RETAIL
Collection launch cycles are much shorter in the sector and influencers have the ability to amplify messages rapidly.

MORE FASHION BRANDS WILL RESORT TO INFLUENCER MARKETING IN 2017
65% of brands in the industry have already implemented influencer campaigns and that number will increase.

INFLUENCER COLLABORATION IS A STRATEGIC WAY FOR FASHION BRANDS TO DRIVE SALES
Apart from raising awareness, many fashion brands are discovering that influencer campaigns are effective at driving sales.

VISUAL PLATFORMS SUCH AS INSTAGRAM AND FACEBOOK ARE KEY ENGAGEMENT PLATFORMS FOR THE INDUSTRY
These social spaces contain the target influencers fashion and retail brands need to help distribute content that attracts consumers.
**5. Sending Product Samples or Gifts is the Main Tactic Fashion and Retail Brands Use to Fly on Influencers' Radar**

As fashion is extremely product-oriented, sending samples or gifts is an easy way for the industry to engage influencers and promote storytelling about their brand.

**6. Incentives Are a Determining Factor as to Whether an Influencer Collaborates with a Brand or Not**

Whether through monetary rewards or luxurious experiences, fashion brands will need to step up their game in order to win over target influencers' hearts.

**7. Fashion and Retail Influencer Marketing Budgets Will Increase**

The need to invest more time and resources to influencer campaigns will grow as the practice becomes even more sophisticated in the fashion industry.

**8. Influencer Campaigns' Effectiveness Will Be Measured by Impact on Sales**

Fashion and retail brands will seek reliable ways to track influencer campaigns' impact on sales to know the ROI of their actions as their designated budgets increase.

**9. Communication Experts and Digital Marketers Are Necessary to Run Powerful Campaigns**

This industry understands that relationship management and digital automation are crucial components to a campaign and will seek the skills necessary for both.

**10. Measurement Throughout the Campaign Lifecycle Will Become a Competitive Advantage**

With such frequent launches, fashion brands that use tools for reliable data extraction will take the lead, optimizing launch processes through data insights.

www.launchmetrics.com
INDUSTRY

THE MAJORITY OF SURVEY PARTICIPANTS WERE FROM THE FASHION AND RETAIL INDUSTRY (76%). THIS WAS FOLLOWED BY THE LUXURY INDUSTRY AT 11% AND THEN COSMETICS WITH 8%.

EMPLOYMENT LEVEL

THE MAJORITY OF PEOPLE FROM FASHION, LUXURY AND BEAUTY WHO TOOK THE SURVEY HELD SENIOR (42%) AND MIDDLE (26%) MANAGERIAL POSITIONS OR WERE C-LEVEL EXECUTIVES (21%) IN THEIR RESPECTIVE SECTORS.

METHODOLOGY

This survey was created on typeform — an online survey maker and data collector. It was answered by more than 600 PR, Marketing and Communication professionals. These are the main profiles of the participants from the fashion, luxury, jewelry & watches and cosmetics sectors.
COMPANY SIZE

40% of those who took the survey claimed to have between 1-50 people working at their company. This was followed by 23% saying to have between 201-500 employees and 20% having 2,000 employees or more.

LOCATION

The majority of people from the fashion, luxury and beauty industry who took the survey were either from Europe (49%) or North America (43%).