INFLUENCER MARKETING

THE CHARACTERISTICS AND COMPONENTS OF FASHION INFLUENCER MARKETING

Thesis for One-Year Master, 15 ECTS
Textile Management

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Abstract

The ad blocking hype has brought new challenges for fashion brands to be seen and heard. Therefore new marketing strategies have to be found. Since the usage of mobile devices increased and consumers spend more time on online social networks - influencer marketing had been found as a authentic marketing channel to reach the consumers. Therefore this thesis aims on providing fashion brands a guideline of the components and characteristics of influencer marketing. To accomplish this research objective the qualitative method approach of expert interviews had been chosen and four experts from the fashion influencer marketing were questioned about their daily work with influencers to elaborate their needs and the challenges they are facing. The interviews lead to four core components of influencer marketing: authenticity, long-term relations, co-creation and micro-influencers. Underneath these core components the following sub-components were found: brand fit, exclusivity, visual language, passion, trust, price, creative freedom, and frequent communication.

The main conclusion of this study is that working with micro influencers is key a component of influencer marketing. These influencers tend to have high authenticity, are experts in a certain niche and are not motivated by monetary reasons.

Keywords: Influencer Marketing, Social Media, Blogger, Instagram, Fashion, Brands, Micro-Influencer
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1. Introduction

1.1 Background - the social influence of a fashion buying decision

Everybody wears clothes. If we call it fashion or not, we get up in the morning and get dressed. The times when we just did this to cover our naked bodies or to keep ourselves warm are over. Fashion plays a more personal role, as we tend to express ourselves with the clothes we wear and let them become the symbols of our economical and social status (O’Cass, 2000). When we buy apparel, we make a decision to buy exactly these pair of jeans instead of the other pair hanging next to them. These decisions do not come from nowhere. We get influenced on a daily basis. Be it through television, magazines, our neighbours or celebrities. Silverman (2001) even calls these social influencers “the most powerful force in the fashion marketplace.” Since fashion brands are always on the forefront of new ways to reach their consumers and make them buy their products, it comes naturally that they try to use these influentials as a marketing tactic (Silverman, 2001 cited in Wiedman et al, 2012, p. 142).

Therefore, influencer marketing is becoming an important element of fashion marketing, when focusing on social media and mobile marketing - especially in the light of an advertising world where ad blocking is an big issue. Page Fair and Adobe released an ad blocking report, that shows that the “number of active ab block users has increased to 198 million world wide (2015). Hereby, traditional marketing faces many challenges in a consumers’ world where Netflix gains more popularity than television and Instagram inspires more people than Vogue. Studies show that television reception decreases and it gets therefore harder for marketers to reach their target group (Williamson, 2016). This is why brands have a hard time to be heard and an even harder time to be trusted. Therefore they look for new ways to reach out to their target customers. One of those new advertising strategies is social media marketing. According to eMarketer the most effective marketing tactics are sponsored social messages on Instagram with 56% (eMarketer, 2015). Those sponsored messages are mostly transmitted through a person with a great online audience: an influencer. Influencer marketing is gaining importance and popularity within the fashion industry. But why is that? There are more than 400 million mothy active users on Instagram, 3.5 billion likes daily and more than 80 million photos posted a day (Instagram, 2016). No matter if it is consciously or unconsciously - people on Instagram are viewing a lot of pictures within the shortest time,
while just scrolling down their Instagram feed, everyday. This is a great opportunity for fashion brands to market their products and spread out effectively in a short period of time. But how can fashion brands take advantages of Instagram? There are several studies that show, that brands plan more budget on social media marketing than ever before (Tomoson, 2015). But do they really know how to use that budged to meet their expectations and to rise sales? More and more platforms, services or agencies specialise on influencer marketings, which shows that there is an actual need. (Angels, 2016). But how do brands work with influencers? And what do they focus on when choosing an influencer to work with? This thesis wants to find out what the actual needs of fashion brands are and how they work with influencers. Therefore expert interviews with fashion brand managers as well as fashion influencers are conducted.

The following chapter will focus on the relevance of the topic, followed by the purpose and research questions.

1.2 Relevance and research problem

Influencer marketing became a must and an essential element in advertising. According to Augure (2015) 85% of the U.S. companies are currently implementing influencer marketing in their marketing strategy. For the report “State of Influencer Engagement Report 2015“ 600 marketing and communication professionals in 30 countries and 30 industries were questioned. Another study from the Fashion & Beauty Monitor report in partnership with Econsultancy focuses on the fashion industry and shows that 60% of fashion and beauty brands have an influencer marketing strategy in place, while further 21% plan to invest in it over the next twelve months (Fashion & Beauty Monitor, 2015). But since this topic is certainly new for marketers and not comparable to their regular PR work they face new challenges. Since Instagram does not provide applications or features yet, like filters where marketers can define their search in terms of geography and categories to target their consumer, brands find it very hard to find right influencers that could address their target group. That is why 75 % of the brands feel that identifying the right influencer is the biggest challenge (Augure, 2015).
Because of this, agencies, online platforms, and many other services start to specialise on influencer marketing these days. According to Angels, there are 160 startups in 2016 trying to serve the influencer marketing challenges and needs. As mentioned before, there are not yet the right tools or features to filter influencers by certain categories. This means that 84% of influencer research is carried out manually throughout marketers on various social media channels (Fashion and Beauty Monitor, 2015). Once a brand found the right influencer, they have to find a way to engage with them. According to a study conducted by Schlesinger Associates (2015) most of the marketers use influencers for content promotion and with for content creation. But how can fashion brands know how to generate this content best when working with influencers? This study aims on providing guidance for fashion brands and help fashion marketers to have a broader knowledge about working with fashion influencers.

All these above mentioned challenges and the fact that influencer marketing is a very new form of advertising, show that brands need guidance to develop influencer marketing strategies.

1.3 Purpose and research question

This thesis has the purpose on providing fashion brands a set of the components and characteristics of influencer marketing to generate transparency within this new marketing field. This contribution is of interest for fashion brand marketers to build influencer marketing strategies and implement them into their regular work. While there are already several studies about the positive outcomes of word-of-mouth marketing and the importance of social media influencers to create brand awareness and increase sales, there have not been many research on of what components influencer marketing is made of and on how brands and influencer can work together. Therefore I outlined the following research questions:

What are the components and characteristics of a collaboration between fashion brands and influencers?

What are the challenges fashion brand managers are facing when working with influencers?
To answer these research questions we have to take a closer look at previous literature and findings to direct this study.
2. Theory

The following paragraph will discuss the theoretical field that will be used for the analysis of data. It will take a deep look on previous studies and findings on fashion influencer marketing which will be the base to compare the findings of this study later on in the conclusion.

2.1 Decision making in fashion with influencers

Making a buying decision is a complex process that never happens accidentally. Before a consumer buys something they get through different stages while making their decision. The following figure of Kotler’s buyer behaviour model shows these stages and their dimensions.

Figure 1. (Buying behaviour model Kotler 2009)

Before a purchase happens the consumer gets activated by a certain stimulus. If it comes to a final buying action, it depends on the transformers. This activation and transformation can happen through out various marketing leverages, such as social influencers.

When it comes to a fashion purchase in particular it strongly depends on the demographics of the consumer. The two major impacts on decision making in a fashion related way are age and gender (Lizarraga et al 2007, Rocha et al 2005). Women for example get much more effected by fashion influencers as they are in general more adapted to fashion trends and to showing their personality with fashion than their gender counterpart (Bakewell and Mitchell 2003, Rocha et al 2005). Women in general enjoy shopping more than men, which goes hand in hand with the fashion purchase decision making. It is also striking that younger consumers get
more influenced by online social networks and social media influencers. Digital natives are more affected by influencers and interested (Attic and Firat 2012).

When starting to apply influencer marketing strategies, fashion brand marketers should consider these processes and learnings, as influencer marketing might not reach their target group.

The next chapter will concentrate on how influence actually works.

### 2.2 Principles of influence

Influence and persuasion has always been an aspect in marketing strategies. It is therefore important to understand how persuasion works and what affects us in our decision making when we want to take a deeper look in influencer marketing later on.

Cialdini sets up six principles of persuasion and influence that helps to understand what engages people. These six principles are reciprocity, consistency, social proof, authority, scarcity and liking. Adapting these principles on our digital status quo, they can be translated to “boosting conversations in online marketing” (Ioanid, Militaru & Mihai, 2015).

In these terms reciprocity means that people tend to return a favour because they feel indebted when they, for example, get a gift or something for free. Cialdini implies that the likelihood that people (or in our case influencers) give you something you want, is higher when you give something beforehand.

Another principle is social proof, which is a strong factor in decision making. It describes that people want and need to know, what everyone else around them is doing. It gives them a feeling of security and confirmation about their actions.

The principle of consistency comes together with commitment. People want to be consistent and to be true to one’s word. Therefore people rather commit to something if they have been actively involved in a decision. In 1996 Cioffi & Garner asked people to volunteer for an AIDS charity event. Those people who made an active choice were more likely to really volunteer than those who made an passive choice (Cialdini & Goldstein, 2004, pp. 591-621).

The clearest principle is the principle of liking. It says that people rather say “yes“ to others when they know them and like them. We are more likely to favour people that are similar to us, attractive, or who gives us compliments (Cialdini & Trost 1998).
The authority principle is to a certain extend indoctrinated into our lives though out social norms. People tend to believe experts and authorities which seem to have more knowledge than oneself no matter whether legitimated or illegitimated (O’Shaughnessy, pp. 106).

The last principle is the principle of scarcity. That is based in our love of freedom. When it comes to a buying decision, a product always appears more valuable when we know that the product will not available in the future. Our freedom to decide decreases and we are losing a part of it, which makes one feeling uncomfortable (O’Shaughnessy, pp. 107).

Having these principle in mind, this thesis wants to understand what effects influencers have on the consumer and how brands can use this knowledge to adapt their influencer marketing strategy.

But who is influential enough to be called an influencer? The next chapter will collect and outline definitions of influencers.

2.3 Influencers - a definition

To begin with - influencers are no phenomenon of our nowadays time. It is open knowledge that people are being influenced by other people since the beginning of humanity. Whether it has been for political, religious, or way of life reasons - there have always been leaders that directed and affected others in their decisions, way of thinking and opinions. Starting with Moses, who was for some the first executer of public relations (Burkhard, 2010), he was leading a nation based on a writing on two stone tablets, to Jesus who's narrations and actions affects people across the whole globe even until today.

Already in 1955 Katz and Lazarsfeld stated within their two-step flow communication theory, that there are people who have the ability to spread media information they receive to others and therefore give that information more meaning and value (Katz & Lazarsfeld, 1955). But who are these people?

Malcolm Gladwell separated three categories of people that have the ability to influence: connectors, mavens and salesmen (see Table 1).
Figure 2. The profile of the few: connectors, market mavens, and salespeople

<table>
<thead>
<tr>
<th>Category</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mavens</td>
<td>Information masters; they know about the best product in town; and are willing to share information with other consumers. They often solve their emotional problems by trying to solve the emotional problems of others.</td>
</tr>
<tr>
<td>Connectors</td>
<td>Well-connected individuals, finding jobs for people and brokerage business partnerships and deals. They amass a portfolio of favours that can cash at the appropriate time.</td>
</tr>
<tr>
<td>Salespeople</td>
<td>Highly persuasive individuals; deal masters. They are motivated by financial rewards and perks that come with the achieving of certain sales goals, as well as, the satisfaction of closing the deal.</td>
</tr>
</tbody>
</table>

Source: Adapted from Gladwell (2005)

Another terminus approach is the innovator and early adopter. These are people that figure as opinion leaders within their specific field. Opinion leaders are “a diverse group of individuals like columnists, commentators, artists and scientists who shape opinions” (Mourdoukoutas, and Siomkos, 2009, p.70). Characteristically they enjoy respect and reputation only in their specific field of expertise (Mardesen, 2006).

But what is the main difference between these five types of influencers? Credibility plays a big aspect in this case. Mavens, connectors and salespeople often gain a bad reputation because they tend to have a lack of credibility. Mavens like to show off with the information, connectors tend to connect people only when expecting something in return and salespeople simply want to sell (Mourdoukoutas and Siomkos, 2009, p.73). This lack of credibility leads to a decrease of influence.

Having the research question in mind, these theories will be compared to the findings of the analysis in chapter 6 to see what type of influential people are most suitable for influencer marketing.
2.4 The Social Media Influencer

A today’s definition of social media influencers focuses mainly on frequent spread of content through out social media channels. Therefore influencers are “people who possess greater than average potential to influence others due to such attributes as frequency of communication, personal persuasiveness or size of—and centrality to—a social network” (Nonprofit Business Advisor, 2015). Also Keller and Berry (2003) define influencers regarding the amount of followers and reach as for them “influencers are well connected (and) have a significantly larger number of groups than the average (American)”.

In an online perspective and through out this thesis, we connect the term fashion influencer with the term fashion blogger. Uzunoglu and Misci Kip (2014) state, that “bloggers, as content creators, have become digital influencers who are skilled at connecting with users through social media networks”. Social media influencers or bloggers have a great online audience and traffic on their own publishing platform, their blogs. Having generated a follower base there, they easily manage to transfer this follower base to different social media platforms, such as Instagram, which is the main platform for brands to spread influencer campaigns.

2.5 Influencer Marketing - the new word-of-mouth marketing

Marketing tactics spent lots of budgets on big advertisement campaigns ignoring the fact that the most convincing buying argument for the consumer are recommendations from a source they trust and they believe (Bughin, Doogan, Vetvik, 2010). Many studies show that people get more affected in their purchase decisions by their closest surroundings and their living environment than by classic marketing approaches (Kempe, Kleinberg, Tardos, 2003, Bansal and Voyer 2000). People trust their peers and adapt that trust also in purchasing activities. The World-Of-Mouth Marketing Association (2014) revealed that “13% of all consumer sales are the result of word-of-mouth sharing”. But word-of-mouth is no recent phenomenon that was developed out of the online social network era. Westbrook defined word-of-mouth already in
1987 as “an informal communication behaviour about the experiences with specific services, products or the characteristics of the providers that the consumers exchange among each other“ (Westbrook, 1987). The classical offline word-of-mouth describes a process when the information is transmitted orally from one person to another (Arndt, 1967). This can be adapted to the online word of mouth, which can be viral, visual and in text from one influencer to many consumers.

Facing the fact that people spend more and more time in online social networks like Instagram, it becomes natural that these people consider the fashion influencers they follow as trustworthy sources for information and recommendation. Keller and Berry (2003) point out that it is of major importance for a brand to find out who is influential in the online social networks. This is not easy. There are several studies that try to give guidance for the right search with internet-based information systems.

Since word-of-mouth mainly focuses on influential consumers, influencer marketing nowadays aims at influencers that are engaged in a online social network and have an impact on an even bigger audience (Duan & Whinston, 2008, pp.1007-1016). Therefore influencer marketing became the new hot topic for marketers, when it comes to new online marketing methods. In this context one can read a lot about the end of marketing as we used to know it and that marketers have to find new ways of reaching out to their consumers (Brown D., Hayes N., 2008, p.7). In early 2000 the term influencer marketing already rose and Gladwell described the growing importance of opinion leaders in the context of word-of-mouth. Close to that Rosen formulated the impact of social communication on consumer behaviour and how this could be used by brands in terms of marketing (Rosen, 2000).

One can argue that influencer marketing is nothing new since the approach is similar to such things as word-of-mouth and buzz marketing. Many previous studies in marketing have shown that opinion leaders play an important role when it comes to purchase decisions (Kotler, 2012, p. 189).

Since the internet offers many different channels to show and share someone’s opinion to an nearly unlimited audience in a very short time, the role of the opinion leader or influencer gains more impact for brand marketers than ever before. Speaking of influencer marketing in times of social media channels like Instagram and Snapchat, the term describes “the process in which companies compensate celebrities, social media “stars” or industry experts to create
content on behalf of brands or provide endorsement for brands (Williamson, 2016). Marketers see and use influencers as an additional advertisement channel. They tend to give influencers clear briefings und what the purpose of the campaign is, what hashtags should be used, how many postings should be done and often also pay the influencer a budget. Where once the influencer just got the product for free and could decide on their own how and when to post a picture with the product on Instagram, the industry gets more and more professionalized (Griffith, 2011). Influencers hire photographers and make-up artists, while the brands want to control every image from visual language, timing of the post and exact wording.

“Now fashion bloggers are leveraging their followers to become marketing machines for brands other than their own (in other words, to earn money), augmenting those companies’ advertising and PR strategies. They’re taking on numerous roles including guest bloggers, models, designers, and endorsers. They’re maintaining credibility with fans—they hope—by choosing partnerships discerningly, while discussing deliverables, audience composition, ROI, and conversions with their sponsors.” (Griffith 2011)

When it comes to the motivation behind this professionalisation money plays a big factor. Where influencer marketing was based at product seeding, where the influencer would get a free product in exchange for copy and integration in their own Instagram channel content, the emoluments have increased. A recent report from the Fashion and Beauty Monitor (2015) together with Econsultancy revealed that 82% of the surveyed influencers main motivation, when collaborating with a brand, is monetary reward. The study also elaborated that the rising costs of engaging with fashion influencers for collaborations are becoming a challenge for fashion brands, since the outcome and effect of these influencer marketing campaigns is hard to measure (Beauty and Fashion Monitor, 2015). Therefore 65% of the respondents of this study revealed that they feel it becomes hard to justify the investment in influencer, because their payment requests increase (Beauty and Fashion Monitor, 2015). Never the less only 31% to the questioned companies have paid influencers for the collaborations but the tendency is rising.
Keeping these findings in mind, this thesis wants to find components that make influencer marketing justifiable for brands.

2.6 Micro-influencers

For many fashion brands and marketers, influencer marketing is still a rather unknown area in terms of the actual outcome and return of investment. Finding the right influencer is crucial to reach the brand’s target group. Since there is no accurate access to the influencers audience data, most marketers assume that the more follower a influencer has the better. The average assumption goes in the direction, that the amount of followers, indicates that this person, functions as an opinion leader and attracts the right audience (Utz, 2010, pp 314-335). It implies that this opinion leader is more trustworthy attractive to its audience and therefore will be able to reach more likes and engagement (Graham, 2014 pp. 358–372).

But who are these followers? In the light of fake followers it is hard to find out which influencers have an organically growing follower base and which influencers might have bought followers. A common approach to measure the quality of an influencer is not only reviewing there amount of followers but also their reach and engagement. The engagement rate is an important KPI for brands to measure the success of their influencer marketing campaigns. The more engagement an influencer has the better. To generate the engagement rate one has to add all likes and comments and divide it through the amount of followers. The more engagement an influencer has on their posts the more meaningful they are for brands, as it indicates that their followers, who are ideally the brand’s target group, are actively involved and really see the posts.

What attracts attention is, that the more follower an influencer has the more derives the engagement rate. Considering this, brands have to weighting up what is more important to them - reach or engagement.

There is an early trend recognisable that goes to the direction of working with micro-influencers (Yuyu Chen, 2016).

Since influencer marketing is a rather new marketing approach, there is no clear definition about micro-influencers yet. According to Mediakix “most marketers consider micro-influencers to be any YouTuber, Instagrammer, Snapchatter, or blogger with a relatively small
(less than 100,000) follower-base of highly-engaged, extremely attentive social media users” (Mediakix, 2016). According to Marwick (2013) micro-influencer are, contraries to celebrities or tier-influencers, only popular to a rather niche group of people and have a more authentic approach to their followers.

In the following, this thesis will identify how much this trend is already adapted into the fashion brand marketers influencer marketing strategy and what the advantages are.
3. **Empirical field**

The empirical field is facing fashion brand managers from big commercial fashion brands, influencer marketing strategist from influencer marketing platforms and fashion influencers to get various perspectives on the industry.

4. **Methodological Framework**

The following paragraphs contain the applied methods to retrieve results with the aim to answer the previously specified research questions. It will also describe the research process and justify the chosen method.

At the beginning it briefly presents the motivation behind the approach and than state the research strategy, research design, data collection, and date analysis to provide transparency and reason the approach.

4.1 **Research Motivation and Research question**

In view of the theoretical framework given in chapter 2 of this research paper, it gets clear that research on fashion influencer marketing has been narrow and limited. Even though influencer marketing itself is versatile there is limited research from the influencer perspective in comparison with the brand perspective. This is why the thesis focuses on both, influencers and brands working with influencers. Thereby the aim of the thesis is to identify the needs of both sides and show the state of influencer marketing from many perspectives. Furthermore, this research paper wants to give a future prediction towards the trends of influencer marketing.

To narrow the focus and reduce the research scope, the German perspective of the topic was chosen, since the research conductor is situated in Germany during the time of research.

Deriving from these goals the following research question was raised:

**What are the components and characteristics of a collaboration between fashion brands and influencers?**

**What are the challenges fashion brand managers are facing when working with influencers?**
4.2 Research strategy

It is frequently pointed out that sufficiency is essential for the choice of the right research strategy (Flick, 2009, pp. 12–13; Ghauri & Grønhaug, 2005, pp. 108–109).

Since influencer marketing is still quite unexplored qualitative approach was chosen as most applicable to dig into components and characteristics of collaborations between brands and influencers. (Bryman & Bell, 2007, p. 266)

Dezin et al. (2005) define qualitative research as “[...] a situated activity that locates the observer in the world. It consists of a set of interpretive, material practices that make the world visible [...] qualitative research involves an interpretive, naturalistic approach to the world. This means that qualitative researchers study things in their natural settings, attempting to make sense of, or interpret, phenomena in terms of the meanings people bring to them” (Denzin & Lincoln, 2005, p. 3).

Based on this definition, qualitative methods aim to provide a complete picture of a phenomenon to get a in-depth understanding of its scope. In opposition to quantitative research strategies, qualitative research does not focus on quantification. The method has a rather inductive approach that is to examine how individuals depict their social world (Bryman & Bell, 2007, p. 28). This allows the researcher to focus only on a small number of observations to grasp them in-depth rather than justify with diverse quantitative data (Ghauri & Grønhaug, 2005, p. 112).

Taking into account, the objective of this study and the aims and standards of the qualitative research strategy, qualitative methods consequently seem appropriate in this research.

4.3 Research Design and data collection

With the aim to collect satisfactory information to elaborate micro influencer marketing strategies, the cross-sectional design of a qualitative interview was chosen (Bryman, 2004, pp. 55–58). Interviews are particular applicable for exploratory, theory building studies (Flick,
In addition they can elaborate complex topics with unstructured and flexible questions, which keeps the direction of the interview open (Ghauri & Grønhaug, 2005, pp. 132–133). Since there are not that many people with great knowledge about influencer marketing in total, choosing the expert interviews as an empirical method seems to be appropriate (Denzin & Lincoln, 2005, p. 186). As the aim of the thesis is to collect expert knowledge from various fields in influencer marketing to elaborate categories of influencer marketing components and give guidance to future influencer and brand collaborations, it is satisfactory to only have expert interviews as a data source (Flick, 2009, p. 168). The interviews will focus only on the knowledge and experience of the expert and not on the expert per se (Flick, 2009, p. 165). In this matter, the definition of experts are “[...] persons [...] who are particularly competent as authorities in a certain matter of facts.” (Flick, 2009, p. 165 with reference to Deeke, 1995, pp. 7-8). The actual aim of these, semi-structured interviews with experts is to generate knowledge that gives new insights and findings with regard to influencer marketing that were not elaborated in prior empirical research (de Reuver & Haaker, 2009, p. 244).

To guide through the interviews they have a semi-structured character. This is realised by questions, which are partly standardised. Considering the lack of knowledge of influencer marketing from the theoretical research perspective, all guideline questions have been derived from the research questions as well as the findings and definitions of chapter 2. The questions asked during the interview were individually adapted to the interviewee’s expertise, their occupation background, and on the behalf of the interview per se (Ghauri & Grønhaug, 2005, pp. 137–139). The main questions asked in the interviews are attached in the appendix 1.

4.3.1 Sampling approach

As this thesis focuses on interviewing experts from the specific field of influencer marketing within the fashion industry a purposive sampling strategy was chosen. Therefore 10 request for interviews were sent out to different stakeholders within the influencer marketing field such as brand managers, influencer key account managers, online public relations consultants and influencers in Germany. According to their expertise in the
influencer marketing business, these participants were sampled by purpose (Bryman, 2004, pp. 333–334). When requesting an interview the topic and objective was only introduced briefly to not bias the interview. In the end the sample consisted of a set of four experts, with different educational and business backgrounds (Bryman, 2004, p. 321). Since many of the interviews had to be confidential due to companies inside knowledge, all experts will be named “expert 1” to “expert 4”.

Table 2: Overview of interviews experts and their backgrounds.

<table>
<thead>
<tr>
<th>Interviewee</th>
<th>Occupation</th>
<th>Company</th>
<th>Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>Expert 1</td>
<td>Student and part time blogger</td>
<td>Own blog and Instagram feed</td>
<td>24</td>
</tr>
<tr>
<td>Expert 2</td>
<td>Global Influencer Marketing Manager</td>
<td>International online fashion retailer (&gt; 10,000 employees)</td>
<td>28</td>
</tr>
<tr>
<td>Expert 3</td>
<td>Senior Influencer Marketing strategist</td>
<td>International Influencer Marketing Plattform</td>
<td>30</td>
</tr>
<tr>
<td>Expert 4</td>
<td>Junior Influencer Marketing Manager</td>
<td>German media advertising company</td>
<td>28</td>
</tr>
</tbody>
</table>

The interviews were all conducted between the 14th and 28th of July 2016 in personal meetings. Due to organisational reasons expert number 4 had to be interviewed during a Skype call. None of the interviews were restricted to a certain time frame, but every interview took between 28 and 69 minutes. To ensure fluency and taking away barriers for the interviewees, the interviews took place in the experts mother languages. Therefore interview two and three were conducted in English and interview one and four in German.

Every interview was fully recorded and transcribed. Since the interview transcriptions should focus on the actual content rather that the context a simple but efficient way of transcribing was chosen. (Kuckartz, Dresing, Rädiker, & Stefer, 2008, pp. 27–33). Before presenting the findings the text chapter elaborates how the data was analysed.
4.3 Data analysis

In this part, the collected data will be analysed, which is a process where meaning is given to the material (Corbin & Strauss, 2008, p. 63). When analysing a large amount of data, it is important to break the data into its core components, structure and categories and to find characteristics (Dey, 1993, p. 29).

Due to immature theory and research in the field of influencer marketing, the Grounded Theory approach appears as a suitable analysis strategy. The aim is to gradually evolve theory out of data (Bryman, 2004, p. 402). To do so, coding becomes the cornerstone of this process. Strauss and Corbin (1998) described this activity as fundamental to evaluate the data. Coding formulates and defines specific parts to the collected data, points out collections of these and views each part in the context of the whole. This is developed with various layers of coding such as axial coding, open coding and selective coding. In conclusion, the main categories are identified. These are the base of a holistic theory (Strauss, 2007, p. 29). In the last step main categories will be divided into their core concepts to describe the basic cornerstones behind influencer marketing. (A. Strauss & Corbin, 1998, p. 20).

To analyse all the collected data the research software “Dedoose” had been used. With this software the previously written down interview transcript could be broken down into its main parts. Afterwards the transcripts were gone through an open coding process where concepts and categories where found. This open coding process can be reviewed in a screenshot in appendix 2.
5. Findings

In this part the findings of the data collection with expert interviews are presented in a detailed and in-depth way. To do so, the core categories, that were elaborated throughout open coding and axial coding, were sorted and contemplated with the theoretical framework from chapter 2 in mind.

The found core categories were divided into four groups, which describe the most important characteristics and components of influencer marketing, as shown in figure 3.

![Figure 3: Components of successful influencer marketing (own elaboration)](image)

The core categories are presented in the following chapters by each alongside with their components.

5.1 Authenticity: brand fit, exclusivity, visual language, passion

This section describes authenticity as an underlining component of all cornerstones of successful influencer marketing.
Summarised the experts all pointed out that authenticity is the component of good collaborations. The categories that were related to authenticity are: brand and influencer fit, target group and visual language, passion.

All experts stated that authenticity is the most important component in influencer marketing. In that matter the right brand fit was an often mentioned topic by the brand managers and influencer marketing managers expert 2, 3 and 4. When deciding on an influencer “we do not only look at reach but more at look and feel. Is it a brand fit? Is this the kind of image we want to have as a brand?” (Expert 2, p. 3). Also expert three looks for influencer that fits to the image of the brand: “I’m kind of crawling Instagram to find bloggers that could fit to our brand and that are not so hyped yet and too commercial” (Expert 3, p. 5). For brand managers it seems to be very important that the influencer embodies the style the brand wants to transfer as “we always like influencers that already wear our brand privately and bought our product also already before by themselves. That shows that they fit to us naturally.” (Expert 3, p. 5).

Authenticity is also reflected through the core category “exclusivity”. All experts agree that cooperating only with few brands increases authenticity. Expert 4 even rejects influencers that work with too many brands: “They really should be more exclusive and not work with every brand just because they would get money for it. It really makes them boring. I don’t book those kind of girls anymore” (Expert 4, p. 8) It is recognisable that authenticity goes hand in hand with the size of the bloggers, as experts describe that bigger influencers lack of authenticity: “I’m a really big fan of working with smaller influencers, because the big famous ones are selling their souls” (Expert 2, p. 3). This is also underlined by the interview expert 1, who is a smaller sized influencer with a Instagram reach of 10,000 followers. She strengthens the opinion that smaller influencers are more authentic due to exclusivity as she only works with “a few limited brands, that I really like” (Expert 1, p. 1). She would also turn collaborations down if the brand fit is not given: “I get […] request from brands that I don’t really like or which I think are not good for my personal feed, like for example software companies or a fitness club. I would not do that because it is not compatible with my profile. So I don’t do that” (Expert 1, p. 2).

The last core component that was elaborated during the data analysis is visual language. When planning an influencer campaign all brand managers consider the look and feel of an influencer’s Instagram feed and look for an authentic visual language. Expert 3 compares
authentic visual language with individuality as “it just got too much of the same content and every blogger looks the same. The visual language became one during the time. Also in my eyes German bloggers are very commercial. Every feels sponsored and there is nothing private and personal about it anymore.” (Expert 3, p. 5) Also the influencer expert 1 states, that in a collaboration with a brand her own visual language is of high importance, since she wants to remain trustworthy and consistent to her followers, even when collaborating with brands (Expert 1 p. 2). All experts agree that individuality is more important than mass and a high reach.

The common sense that all experts share is that smaller or micro-influencers are of note for their authenticity. Also in terms of credibility and future perspective micro influencers are positively mentioned by all experts, which will be also shown in the following analysis in chapter 6.

Throughout all interviews the tonality was driven by excitement for the theme, occupation and creation process. All experts brought up that there must be a basic devotion and dedication when working with a brand or with an influencer. Collaborations become a good experience for an influencer when they “truly love the brand” (Expert 1, p. 2). With passion the previously mentioned cornerstones in chapter 5.1 to 5.3 get positively effected: “When I really want to work with a brand it’s because I really love the product. And then I don’t care about the price they pay me. I just do it because I love the brand and I share as much as I can, since I want to support them” (Expert 1 p. 2).

5.2 Long-term relationships: trust, price

The experts exposed that long-term relationship between brands and influencers are essential for successful collaborations. Within this field trust and price were stated as two core components.

To create successful collaborations all experts referred to both sided trust as a strong factor in influencer marketing. This trust establishes within long-term relationships between the two
parties. Trust is especially of importance when it comes to contractual agreements and exclusivity as it is also the case for increasing authenticity in chapter 5.1. All brand managers stated that they not always have a “real contract that both sides have to sign before we work together” (Expert 2, p. 4) and that influencer marketing is less “organised and stiff” (Expert 1, p. 2) yet. Therefore trust is important when it comes to deliverables and agreements: “I have to be sure that I get what we agreed on. When I’ve already worked with that influencer for several times already, I know that this person is reliable and trustworthy” (Expert 4, p. 9). Trust also plays a role in terms of exclusivity when it comes to collaborations with different brands. Brands do not want to lose their own trustworthiness by working with influencers that also work with competitor brands a lot. Here trust is again very much connected to authenticity as “working with many different brands is not authentic” (Expert 2, p. 6). Brands and influencers get more committed to each other within a long-term relationship since they “can grow together and make each other stronger” (Expert 4 p. 10). Another core component and advantage of long-term relationships comes in terms of pricing. The experts argue that influencer pricing decreases within long-term relationships. Expert 1 explains that they “would charge a brand a smaller fee or even no fee at all” when knowing that there will be more collaborations following (Expert 1, p. 2). Also the other experts describe that within a longer relationship they recognised that “pricing gets more reasonable, because both sides know each other already longer and act more like friends” (Expert 4, p. 10).

It becomes clear that long-term relationships have an positive effect on collaborations. The next chapter will take a closer look at collaborations within co-creation as a cornerstone of successful influencer marketing.

5.3 Co-Creation: creative freedom, communication

As already described in chapter 5.1 authenticity is an important factor of influencer marketing. When it comes to creating content the visual language therefore plays an important role. Co-creation describes the formation of an authentic visual language.
The experts point out that when collaborating with an influencer co-creation increases complexity and brings advantages for the influencer as well as for the brand.

Expert 2 sees great opportunities in “involving the influencer in the process of a campaign more closely” (Expert 2, p. 4). When involving the influencers more a brand can also build deeper relationships and the influencer feels more appreciated. Expert 1 stated that she “just don’t want to be told how the certain picture should look like” (Expert 1, p. 1). Therefore room for creativity becomes a core component of collaborations.

As already mentioned, frequent communication is essential. The experts stated that frequent communication is given when it comes to co-creation and increases the quality of the outcome, since the briefing was done together and the level of communication was high: “When you talk a lot and brainstorm together about ideas, both sides get a clear picture of what is needed. Communication is key” (Expert 4, p. 11).

Within this co-creation process the two parties change perspectives and merge their goals. It allows to understand the needs and challenges of each side: “When you invite the influencer over to the office and meet each other offline, both sides see the real person behind this endless email communication. This makes it more personal and both appreciate each other and see for the first time what is behind all this business” (Expert 2, p. 5). Co-creation “gives back the humanity in this more and more professionalized influencer marketing industry” (Expert 3, p. 8).

### 5.4 Trend towards micro influencers

Within the previously described cornerstones, it was mentioned by every interviewee that working with smaller influencers would be preferred, since it affects every other aspect of collaborations.

Especially when planning specific campaigns to push certain products, working with smaller influencers was mentioned as an advantage. Smaller influencers are preferred because of their specific knowledge in a specific field: “We had a sneaker campaign and we really wanted to show our sneaker competence. I think it makes more sense to go for an actually sneaker freak that really knows a lot about sneaker and therefore is more authentic rather then just a big blogger that posts about a lot of topics but not really in depth about these topics. So therefore
we come to work with actual influential people who really have a story about sneakers in this case” (Expert 3, p. 7). When defining what a micro-influencer actually was, all interviewee mentioned that it’s people that have a certain skill set and are influential within their own peer group: “For me a micro-influencer is someone who doesn’t make money out of posting stuff on Instagram. Of course brands could pay them to do this but this is not their full time job or main income. They just do something and because of this they are influential to other people” (Expert 2, p. 4). Expert 4 mentioned also this skill set that comes naturally due to their occupation or way of life: “Well for me it’s really girls that just do what they do and kind of naturally document it with pictures from time to time. They are trendsetters or leaders in their own small environment and tend to hang out with the cool kids that are one step forward from the mass. It’s just their nature. And their life doesn’t only look good because brands invite them to cool fashion events or on journeys but their life is like that, because they have a different profession that takes them to those places. Let’s just say it’s people that still have a own real life that its naturally interesting.” (Expert 4, p. 10)

Influencers with an “actual skill set” are therefore the “cool girls” that brands prefer to work with rather than with influencers with a high reach (Expert 2, p. 3).
6. Analysis
This part connects the findings of both theoretical and empirical. The findings will therefore be discussed in the light of the principle of influencer theory from chapter 2.2 as well as compared to the definitions of influencer marketing within chapters 2.3 to 2.5.

6.1. Connections to the literature framework

The main connections to the literature framework are based on the trend of working with micro-influencers. The mentioned disadvantage of the rising costs of macro-influencers can be solved by working with micro-influencer as well as the decreasing authenticity due to working with too many different brands.

As mentioned in chapter 2.3 credibility and trustworthiness defines the difference between the five different types of influential people meaning, mavens, connectors, sales people, opinion leaders and early adopters. When it come to a decrease of credibility or trustworthiness the potential to influence also gets reduced. From the view point of successful influencer marketing, authenticity is therefore the most important thing. As mentioned in the findings in chapter 5.1 authenticity involves personality and exclusivity. It is therefore a hazard for Instagram influencers to work with too many brands and post too many sponsored posts. By doing so they risk to become sales persons or mavens that only want to sale or do things in return.

To increase authenticity the interviewees tend to more more with micro-influencers. As the literature preview showed, micro influencers speak for a certain niche group and generate more engagement rather then reach. Also our interviewees use micro influencers to leverage very specific campaigns where product knowledge creates the needed authenticity. This outcome has it’s theoretical support in Cialdinis six principles of influence. Cialdini mentions authority as strongly persuasive. In his terms authority also means the authority of knowledge, which makes people influence others.
7. Conclusion

After the definitions of the different types of influencers and nowadays state of influencer marketing were introduced in chapter 2, chapter 5 and 6 presented the research approach and the findings of the empirical study. This final chapter will outline and sum up the conducted research, its contributions to the fashion industry and give perspective and advice on future research.

7.1. Research summary and contributions

In this thesis influencer marketing was investigated from an in-depth status quo perspective. By that, components of influencer marketing were identified by interviewing 4 experts from the fashion marketing industry about their current work within influencer marketing. The research question behind these interviews aimed on clarifying the main characteristics and components of influencer marketing. Therefore these interviews lead to four core components of influencer marketing: authenticity, long-term relationships, co-creation and micro influencer. Within these core components eight sub-categories were identified which are: brand fit, exclusivity, visual language, passion, trust, price, creative freedom and communication.

By the means of this study the findings support the existing literature of influence in marketing. Cialdini’s (1993) six principles of persuasion as well as Gladwell’s (2000) and Mardesen (2006) classification of influential people added a useful frame to construct the components. Nevertheless this thesis shows that the component of micro-influencers was prioritised by all experts and had a positive effect on the other components. Therefore the thesis contributed to existing state of influencer marketing literature by proposing a new approach to exciting influencer marketing with a guideline for influencers and brand marketers to implement the findings in their current influencer marketing strategy.

Therefore the findings contribute to fashion marketers and create value when setting up a marketing strategy that includes influencers. Also it gives value to fashion influencers to plan their collaborations more strategically to remain authenticity and credibility.

But as any other study these empirical findings have its limitations. Therefore these limitations will be presented in the following chapter.
7.2. Limitations of the study

Although this paper provided adequate results to give fashion brands and influencers guidance to successful influencer marketing, the limitations have to be stated before giving advice for future research.

To start with, the goal of this research is generally limited as it focuses on elaborating characteristics and component of good influencer marketing. Only involving German influencer marketing experts or only experts working in the German market narrows the outcome.

When identifying the characteristics and components of influencer marketing the aim is to give stakeholders of this industry guidance and reduce complexity. By doing so relevance had to be prioritised which naturally does not show the whole scope of components of advertising with influencers.

Also the described definitions of influencers in chapters 2.1 to 2.4. are not distinct, as the topic is rather new to the industry. Therefore the analysis of the findings are already limited by the theoretical definitions.

Nevertheless this paper provides a qualitative look into the experiences within influencer marketing and can give directions on future collaborations.

7.3. Suggestions for future research

The mentioned limitations in the overall concept and method give a rough direction where future literature could continue.

To begin with, compensating the deficiencies of the qualitative research is essential. Therefore future research should conclude the interviews with quantitative research. having stated first in-depth insights on the components of influencer marketing an qualitative study could thicken the findings and take and more advanced look where this paper was limited. This could evolve a substantive theoretical framework of influencer marketing strategies and business models.
While this thesis focused on a in-depth understanding of the state of the actual work of fashion brand managers with fashion influencers, future research could set up a strategic model and find measurements to calculate successful cooperations.

To end with, longitudinal studies could provide confirmation and erase errors and give the possibility to track the development from working with influencers to micro influencers and give a more details trend perspective on consumer influencer.
8. Literature


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Appendix

Appendix 1: Interview guideline

QUESTION ABOUT THE PERSON:
First of all, what's your name and age and what are you doing?

QUESTIONS TO INFLUENCER MARKETING:
Why is it important for a brand to work with Influencers? Do you have examples?
How do you find matching Influencers? Do you work with specific criteria?
Are there differences between Influencers with a bigger reach and Influencers with a smaller reach?
What are the components and characteristics of a good collaboration?

Appendix 2: Illustrations of the open coding process in Dedoose

![Illustration of the open coding process in Dedoose]