

Beauty Under the Influence

Why trust is at the center of the industry's influencer marketing revolution.



BY SOURABH SHARMA, FIG or out

Impact Points

- Influencer marketing can provide a highly targeted, cost-efficient alternative to traditional advertising methods.
- To succeed, beauty brands must select influencer partners with the right audience to maximize trust and engagement.
- Failure to choose wisely can lead to alienation of consumers or even sanctions from the FTC.

There is always a popular kid in school that everyone wants to be friends with, one who often commands the attention of a growing fan base. In the age of social media, the metaphor of the popular kid has intersected with marketing.

Any individual on social media with a focused vision and specific niche can become a celebrity with a community of followers. This community enables them to acquire a level of trust, the very foothold of any marketing strategy.

To avoid narcissistic tendencies, advertisers have called this “influencer marketing,” which combines the evergreen success of word-of-mouth marketing and native advertising. Today, 60% of beauty and fashion brands are employing influencer marketing^a; there are several

reasons for its popularity, including cost, authenticity, trust and reach.

More Reach for Less

The beauty industry relies on one facet above all others: trust. Shoppers trust their friends and relatives, or even celebrities or socialites, when shopping for personal care or beauty products. Over time, they have also come to realize that ballooning hair or surreal eyelashes are likely the case of studio makeup and Photoshop, not product claims.

A lower tolerance for this artifice explains why ad blocking has been growing by almost 50% per year^b, triggering high-profile initiatives from social platforms, such as Facebook. At the same time, Google Adwords and Facebook advertising fees have been escalating, with

^a<https://econsultancy.com/reports/the-rise-of-influencers/>

^b<https://pagefair.com/blog/2015/ad-blocking-report/>

frequent algorithm changes that mandate brands to pay for views.

Influencer marketing, on the other hand, embeds brand messages into content in a way that resonates more authentically. As a result, an influencer post reaches its target market quicker than a paid 30-second media spot that will be seen by a general audience.

In addition, well-crafted influencer content can be stretched across marketing efforts, including social and print campaigns. Therefore, relying on the community of an influencer is sometimes more cost-effective than traditional marketing, especially if the community already represents the brand's target market.

Influencer 101

Having worked on multiple aspects of influencer marketing campaigns, I want to share four basic rules that showcase how brands can achieve measurable success.

1. Do not simply sell the product.

A brand has to fit into the lifestyle of the influencer, which is the basis on which his or her community has grown. As such, selling the product becomes a secondary goal.

Brands like TRESemmé understood this when creating a video ad with Chrissy Teigen^c. The ad was shot candidly, with Teigen being herself. Audiences felt they were just watching their trusted influencer, and ended up learning about the product via embedded messaging. This represents a shift from traditional sales and call-to-action based marketing.

2. Make the brand relatable.

Any form of marketing works best when the brand, its message or its core emotion resonates with a given community. When CoverGirl had women like Ellen DeGeneres, Pink and Queen Latifah, among others, talk about their setbacks in male-dominated industries with the #GirlsCan campaign, the sentiment struck a chord with women—even those who were not previously CoverGirl shoppers. The campaign connected consumers and influencers

Consumers enjoy hearing that someone they trust is connected to the product creation process, which speaks of transparency and authenticity.

through a relatable issue and captured 6 million YouTube views.

3. Make influencers the enablers.

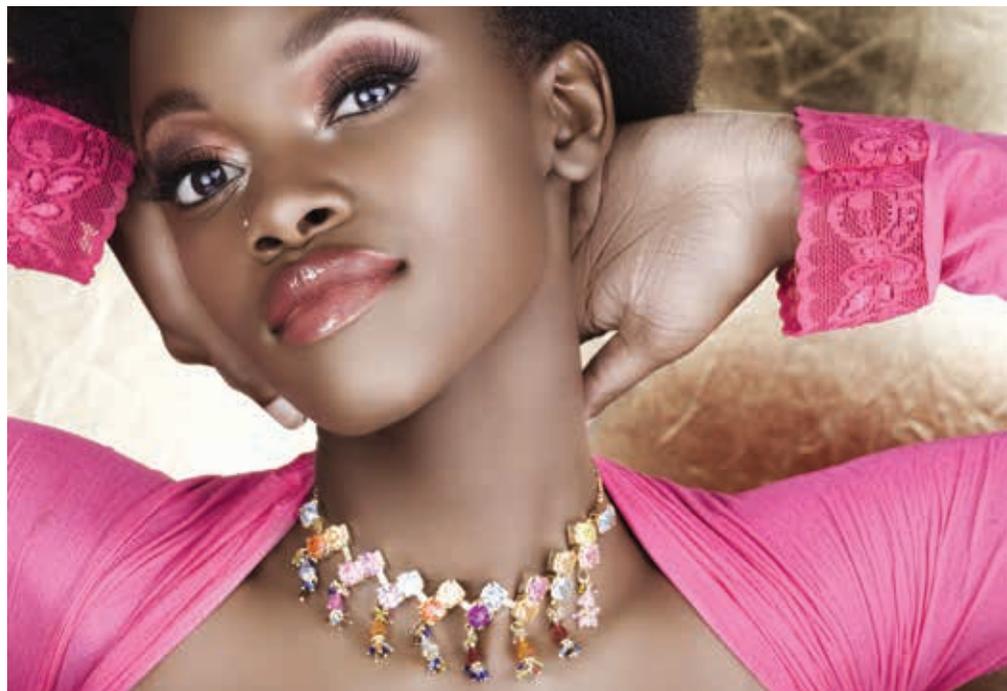
Consumers enjoy hearing that someone they trust is connected to the product creation process, which speaks to transparency and authenticity. L'Oréal collaborated with YouTube beauty expert Michelle Phan and launched a makeup line, em cosmetics, which it has since divested^d. BH Cosmetics roped

^dEditor's note: Late last year, *wwd.com* reported that the em cosmetics line, which may have suffered from pricing that was misaligned with its audience, had been sold back to Phan's own company, Ipsy. The news showed that, even as the marketing rules are being rewritten, basic product development principles continue to hold true.

in YouTube influencer Carli Bybel and co-created an affordable eyeshadow palette. Not only was the palette out of stock within hours, but the site crashed, heightening the buzz. Both examples show how making the influencer an enabler can be a mutually beneficial strategy.

4. Launch a new product or line.

Shoppers in a densely saturated cosmetics market are often faced with product overwhelm. In order to stand out, new entrants or brand extensions have often relied on influencer outreach, and for good reason. When a shopper sees their favorite icon or trustworthy source with a hot new product, their awareness and recall levels are higher compared to seeing an ad, which induces trial or purchase.



Over time, consumers have come to realize that ballooning hair or surreal eyelashes in ads are likely the case of studio makeup and Photoshop, not product claims.

^cwww.youtube.com/user/TRESEMME

When people saw bright blue bear-shaped hair vitamin supplements popping up on the Instagram accounts of several models and beauty influencers, both shoppers and media sought out Sugar Bear Hair. Brighter White took a similar route with its teeth whitening kit, targeting influencers because their communities guaranteed relevant awareness and trial.

Influencer Caveats

Despite its popularity, there are some reasons to be cautious with influencer marketing.

1. The saturation of influencers.

Before social platforms began ballooning with paid ads and analytics, influencers were easier to find due to sheer reach and follower ratios. Now there are industries that sell followers and likes, and while there are ways to spot red flags, brands need to be careful in identifying influencers who epitomize their target user. To balance findings, Malcolm Gladwell’s “Tipping Point” (Back Bay Books, 2002) has the following formula for brands to consider^c:

$$\text{Influence} = \text{Audience Reach} (\# \text{ of followers}) \times \text{Brand Affinity} (\text{expertise and credibility}) \times \text{Strength of Relationship with Followers}$$

^cwww.forbes.com/sites/kylewong/2014/09/10/the-explosive-growth-of-influencer-marketing-and-what-it-means-for-you/#1784e965595f



When CoverGirl had women like Ellen DeGeneres, Pink and Queen Latifah, among others, talk about their setbacks in male dominated industries with the #GirlsCan campaign, the sentiment struck a chord with women; Source: CoverGirl.



L’Oréal collaborated with YouTube beauty expert Michelle Phan and launched a makeup line, em cosmetics, which it has since sold back to Phan’s company, lpsy.

Other ways that brands can move beyond follower counts is by giving influencers unique clickable links or customized coupon codes. These custom codes allow for an accurate measure of conversion per influencer.

2. Questionable product loyalty.

Many influencers in a given niche tend to have many brands vying for them. Consequently, 59% of marketers say that engaging with influencers is a challenge^e.

Nonetheless, many influencers endorse competing brands over a longer time period. While brands can negotiate such terms, it becomes difficult to promise loyalty, which puts an industry based on trust and authenticity in a tricky position.

3. Beware the FTC.

The Federal Trade Commission (FTC) has been monitoring cases in which promotional arrangements are not disclosed appropriately. Per a 2013 update in the FTC’s guidelines on digital advertising, people must disclose when they are paid for posts in a “clear and conspicuous” way.

For its Design Lab launch, Lord & Taylor employed influencers, who posted images

wearing identical dresses on the same day. While the dress sold out within hours, many had to edit their Instagram posts by placing “#ad” in them. Nonetheless, the success of the campaign exemplified that audience engagement can still be strong, even with litigation in place^g.

In Relevance We Trust

The explosive growth of social media celebrities has made it aspirational to become an influencer. Brands must always identify influencers whose personalities and beliefs are relevant to the brand. Relevance fortifies trust, and ignoring it for metrics like reach and follower counts puts the brand’s identity at risk.

Only with relevance and trust will brand loyalty and sales follow suit. Ultimately, brands need to realize that, by understanding influencers and their respective communities, they are acquiring a deeper understanding of themselves. GCI

^gLord & Taylor eventually settled with the FTC on this matter; <https://www.mwe.com/en/thought-leadership/publications/2013/04/ftc-updates-guidelines-for-making-proper-disclos>

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