

Influencer marketing in the era of information parity

How can Lubawa's Riot Club brand use it as a promotion tool in the Russian speaking markets

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ABSTRACT

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The digitalization process has influenced all aspects of business conduction including marketing. With the social media rise a number of new opportunities were uncovered for marketers to tailor promotions that will reach the customers online. Instagram influencer marketing being one of the new trends of digital marketing.

The commissioner company Lubawa which specializes in clothing and textile challenged the writer to provide it with the introduction into phenomena of influencer marketing as well as research the opportunities the marketing practice has among users from the Russian speaking markets and suggest a practical way of implementing influencer marketing campaign.

The research has been conducted through investigating the available literature about the issue under study, together with gathering primary data via qualitative and quantitative approaches. The research methods included an online survey which was distributed among current and possible customers of the company, and an interview with the influencer to provide an insight into practicalities of influencer marketing.

The gathered data was analysed using the authors own skills and related theories. The research revealed the potential efficiency and positive attitude from the customers from Russian speaking countries and can be used as a marketing tool by Lubawa. The influencer provided the knowledge about the approach and enabled the author to formulate an influencer marketing strategy. Also, the author has been able to provide the commissioner with the list of recommendations to develop the company's social media marketing strategy and digital marketing in general.

Key words: influencer marketing, digital marketing, social media

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1 INTRODUCTION

Over the past decades digitalization has dramatically influenced the process of business operation. Automation and new technologies were introduced in accounting, supply chain, production mechanisms and what not. The marketing industry has experienced a technological rise and the Internet outbreak and had to be changed in accordance with the realities of the modern world. The marketing campaigns that were implemented through traditional channels of television, radio, press and billboards had to be moved online and computerized. Besides from that, customers have changed in their beliefs and habits, creating a challenge for marketers to find new ways of approaching them. Thus, a phenomenon of digital marketing was created.

Digital marketing comes in all shapes and forms. It has enabled companies to reach, attract and influence customers through a variety of channels using a number of tools. One of them is social media marketing. Social media marketing or SMM refers to activities performed on social media websites and networks in order to promote and market a company's products, engage with customers and build brand image and awareness (Kenton 2018). Social media have given a voice to a number of people who created a following base on the platforms and were named influencers. As a result of cognitive bias, using social media influencers to market products happened to be efficient. Consequently, the practice was transformed into a social media marketing tool and gained a name of influencer marketing. Influencer marketing creates a great opportunity for companies to stand out by choosing an influencer who shares the company's outlook and represents the brand to promote the company's products.

The phenomenon is proved to be an efficient marketing tool in many European, Asian and American countries. However, information about its popularity in Russian speaking countries is limited. Moreover, its effectiveness among users from those countries could be restricted due to cultural and behavioral reasons combined with differences in attitudes and perspectives. The author will investigate this issue together with uncovering the nature and possibilities of influencer marketing as a project for a clothing company Lubawa.

1.1 The commissioner and topic background

The commissioner is a Belarusian clothing and textile company Lubawa. The company was founded in 1994 as a small store. Back in the day the company was focusing on importing products from Poland. As a result of deficiency and limited product choice in post-Soviet countries, the company was growing promptly, creating opportunities for Lubawa to expand and start their own manufacturing. Nowadays Lubawa employs approximately five hundred people, has eight stores around the country and two production facilities. The products are famous for their excellent quality, outstanding characteristics of the materials, and unique handmade patterns. Moreover, the clothing is affordable and has a good price-quality ratio, especially when compared to such competitors as Mark Formelle, Gloria Jeans and LC Waikiki which are also favored brands in Belarus and Russia. The company exports their products to Denmark; however, the main and most profitable market includes Belarus and Russia, therefore all of the company's customers share the same language which is Russian and have common cultural traits and perceptions.

Throughout the lifespan of the company its products were targeted towards middle aged customer group, mainly women. The company describes its typical customer as a married woman with children, she is 40-45 years old, has a stable job with average income. However, Lubawa has offers for men and children as well. The products are mainly distributed through brick-and-mortar stores, but the company has a webstore where worldwide delivery is available. The products are also sold on a retailer online shop Wildberries, which helps to generate sales from Russia. Therefore, most of the marketing activities are done in a traditional way and digital marketing is being implemented slowly when the main production line is concerned.

Recently the brand added a new and fresh direction to their product line. There is a whole new branch of clothing designed for young women and teenage girls. The company decided to promote the line under its own name Riot Club and have a separate showroom for it located in Minsk, the capital city of Belarus.



PICTURE 1. Riot club's showroom. (Riot Club brand Instagram)

The company's justification for this decision states that the new products have a different target audience and the price range is different due to the exclusivity of the line. The company is using Instagram as the main marketing channel. Moreover, it is the main channel for distribution and online selling, as Riot Club is not available on the company's website. The company wants to implement influencer marketing as a tool in their digital marketing strategy. However, their knowledge of this marketing tool is rather limited, and the company is in need for reassurance and guidance on it. Lubawa wants to explore possibilities of influencer marketing campaigns and figure out buyer's perception of it, as usage of this marketing tool is not common yet among brands that originate from Russia and Belarus. Accordingly, the information about its efficiency and how it is viewed by the audience is limited. Moreover, the company is not utilizing Instagram to its full capacity and needs help with it as well. As Riot club is a new product, which

was introduced in the end of July 2020, the objectives that the company want to accomplish through marketing on Instagram are creating brand image, raising awareness, building the customer base and driving sales. It is important to note that Lubawa has decided to market Riot Club separately, thus the process of creating brand awareness seems challenging. The company plans to spend up to 500\$ a month for marketing on Instagram.

2 THESIS PLAN

The purpose of the following plan is to explain the thesis topic in greater detail, define the pursued objectives and the purpose of the paper, uncovering the research questions. Concepts and theories that serve as foundations for the thesis will be introduced in this chapter, together with describing the methodology of gathering required data.

2.1 Thesis topic

Influencer marketing is the core subject of the thesis. The main emphasis will be put on exploring and describing influencer marketing as a phenomenon of the new marketing era. The phenomenon will be introduced by researching related concepts, evaluating the attitude of the society and the company's customers both current and potential in particular towards this merchandising practice and discussing the essential parts to be considered when creating an effective influencer marketing campaign.

The main focus will be on Instagram as the prime social media channel and the research will be framed taking this central media into account. The specific choice of the channel is tied to the fact that the company is using Instagram as the main marketing channel. Moreover, it is the main medium for distribution and online selling, as the product to be promoted is not available on the company website. The commissioner noted that social media marketing is extremely critical aspect of the whole business operating process and plays a significant role in their business-to-consumer organization model.

Nowadays customers determine the way a company should adapt to their buying habits that are rapidly changing in the new age of digitalization. Consumers may feel overwhelmed by the amount of information that is shifting every day and that is why staying up to date with the change is vital to them, so they use the Internet and social media as a tool to stay current. Companies need to utilize most efficient techniques in order to be able to catch the buyer's attention. In order to do that, the business must be aware of the current trends, approaches and

techniques. That advocates the importance and relevance of the topic and the research in general.

2.2 Thesis objectives, purpose and research questions

The objective of this paper is to familiarize the commissioner with the concept of Instagram influencer marketing as a digital marketing tool. Determine the efficiency of the technique among the company's customers and most importantly the customers which Riot Club can acquire in the future by investigating the impact influencer marketing has on customers' decision-making process and introduce the important practical aspect of implementing influencer marketing approach in a form of an influencer marketing strategy.

Taking into consideration the outlined objective and the commissioner's task for the author, the main research question is:

"How can Lubawa's Riot club use influencer marketing as a promotion tool in the Russian speaking markets?"

However, the question does not reveal the nature of the project which in fact has more aspects to it. Therefore, it is necessary to add sub-questions that will bring depth, definition and will support and structure the main question. The supporting questions are:

"What is influencer marketing from a theoretical point of view?"

"What is the perception of and the attitude towards influencer marketing among current and potential customer base?"

"How to work with influencers on Instagram?"

The author's aim is to fulfill the objective of the thesis by resolving the proposed questions by acquiring and analyzing primary data, using appropriate literature and publications, together with applying the writer's own skills and knowledge. The desired purpose of the thesis is to assist the company in understanding the nature and evaluating possibilities of influencer marketing together with possible ways of implementing an influencer marketing strategy. Once the concept is clear to the company, it will be used to attract new customers, generate sales,

grow the followers count on the brand's Instagram page and create brand image meaning it will be able to fulfill its set objectives.

2.3 Concepts

The author will use the opportunity to introduce the concepts that are related to influencer marketing and that formulate the phenomena. The terms will be explained using literature review. Reviewing and defining the interwinding concepts will provide the theoretical framework for this study, which will link both the writer and the reader to the existing knowledge that influence or even form the influencer marketing. Key concept to analyze include digital marketing and social media marketing because they precede the phenomena in study. Another crucial topic to examine is looking into process of consumer behavior online.

2.3.1 Digital marketing

Lucy Alexander notes that marketing has always served the purpose of communicating with the business' audience in the right place, however, nowadays the right place is the internet (2019). The internet has modified the economics of marketing and had made the traditional strategies outdated, therefore using the old-fashioned way of doing business has a tendency of being unsustainable (Edelman 2010). Digital marketing has a very wide scope and numerous definitions that vary from author to author. One of the possible is that digital marketing is a form of direct marketing that channels traders and consumers in an electronic way through interactive media such as web pages, emails, blogs and forums, mobile communications and etcetera. Mankad has simplified the definition and considers it to be the way products or brands are promoted with the help of one or many electronic media (2019). However, it is important to understand that Digital marketing is not limited to only Internet marketing, as it could be conducted through other channels such as fax, television, radio and mobile phones and is categorized as offline digital marketing.

Nonetheless, online digital marketing is a concept connected to the main research topic. There are different kinds of digital marketing that are conducted in a contrasting way and vary by the channel they are managed with. Types of

digital marketing include search engine optimization (SEO), content marketing, social media marketing, pay per click (PPC), affiliate marketing, native advertising, marketing automation, email marketing, online PR, inbound marketing and sponsored content (Alexander 2019).

Digital marketing is suitable for any business field, as it includes determining and characterizing buyer personas, that help identify the needs of the customers. Lubawa offers consumer-based products and it is important to look into details of B2C (business-to-consumer) digital marketing. The marketing promotions should be smart, data-controlled, easily accessible for customers and concentrated on meeting their demands (Savidge 2020). The customer base of B2C companies consists of hundreds of individual shoppers. Taking this into account, the fundamental task in B2C marketing is to identify the character description of a company's typical customer. To do that a business should possess the demographical information about the audience. The demographical information includes gender, age, location and even marital status. Possessing this data will help identify the reasoning behind the decision-making process, together with determining the needs and preferences of the target audience. Those factors assist in tailoring unique and personalized marketing approach suitable for a specific buyer persona.

Although the generalization of customers helps form a common approach, the challenge of providing consumers with unique experience remains. This can be achieved through personalization which is a way of guaranteeing that special needs and preferences of the customers are addressed (Shepherd 2020). The common personalization technique in B2C marketing is storytelling. It is a marketing tool that allows customers to discover information about an organization, understand the value and beliefs, and it most importantly evokes wonder (Bubehiem 2018). Storytelling awakes the brain mechanism responsible for emotions which influence the brand perception and formulate the brand image (Castillo 2019). Therefore, it provides a possibility to develop a deeper connection with the audience and stimulates engagement (Whitler 2018). Other means of making the marketing actions personalized include sending special messages via email that are based on user-behavior on a digital platform, incorporating reward programs and sharing exclusive content (Shepherd 2020).

If Lubawa determines a consistent digital marketing strategy that is built in accordance with relevant trends and techniques it will result in accurate website traffic, higher conversion rates, quicker decision making and frequent sales, better customer retention and higher customer lifetime value (Zelm 2018).

2.3.2 Social media and social media marketing

Social media is the fastest-growing trend in the history of the world. Kaplan and Haenlein choose to describe social media as number of websites and applications operating online that formulate the ideological and technological base of Web 2.0 that enable users to create and share content and participate in networking (2010). Carr and Hayes on the other hand define it as online channels that allow users to connect and self-present, either instantly or asynchronously, with big and small audiences that stimulate value from user-generated content (2015). Below examples of a social medium and not a social medium are represented:

Contemporary Examples Derived from Carr and Hayes' Definition of *Social Media*

<i>Social Medium</i>	<i>Not a Social Medium</i>
<ul style="list-style-type: none"> ● Social network sites (e.g., Facebook, QQ, Google+, YouTube, Yelp, Pheed) ● Professional network sites (e.g., LinkedIn, IBM's Beehive) ● Chatboards & discussion fora ● Social/Casual games (e.g., Farmville) ● Wiki "Talk" pages ● Tinder ● Instagram ● Wanelo ● Yik Yak 	<ul style="list-style-type: none"> ● Online news services (e.g., <i>NYT</i> online, PerezHilton.com) ● Wikipedia ● Skype ● Netflix ● E-mail ● Online news ● SMS/Texts ● Oovoo ● Tumblr ● Whisper

TABLE 1. Contemporary Examples of Derived (Carr & Hayes 2015)

The definitions are focused on the type and functionality of the software however, it is important social media is also characterized by the contents that are posted on these platforms (Miller et al 2016).

As stated by Mathews and George, over the past ten years social networking have grown from a niche to a mass online activity (2013). The pandemic situation of Covid-19 has increased the number of social media users and the amount of time they spend online. According to Smart Insights, the most used social media with 1.69 billion users worldwide is Facebook, followed by YouTube and WhatsApp (Chaffey 2020). Instagram was placed sixth in the list; however, it remains one of the two most popular networks among millennials and Gen Z.

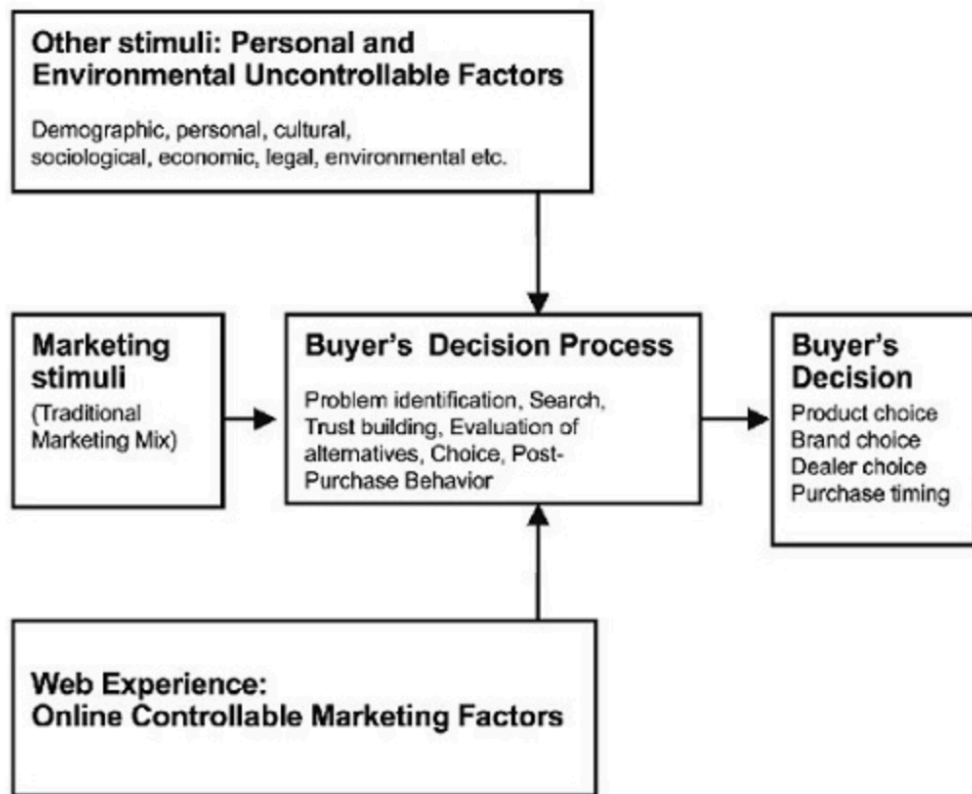
With the rapid growth of social media, a wide range of business opportunities was uncovered. One of them being social media marketing as a component of the internet marketing. It has become an absolute phenomenon and almost every business around the globe, local company or huge corporation, has adopted it as the part of their marketing activities. It offers companies an opportunity to promote their products and services, engage with customers, build new relations, and create brand awareness, together with strengthening brand image. Moreover, it provides access to competitors' activities. When it comes to implementing social media campaigns in practice, the success of the implementation involves careful strategic planning. Tuten and Solomon (2012) have identified key steps in the strategic planning process:

- Conducting a situational analysis and identifying key opportunities
- Stating objectives
- Gathering insight into and target one or more segments of social consumers.
- Selecting the social media channels
- Creating an experience strategy
- Establishing an activating plan
- Executing and measuring the campaign.

Nowadays there are platforms available to measure the efficiency of the launched marketing campaigns, as well as post content and keep track of all the activities. They are called social media management and listening tools. Among the most used platforms are Social Sprout, Agora Pulse, Buffer and Hootsuite. They are perfect to use for small to medium sized companies. To increase productivity and bring automation in the process it is advised to use them.

2.3.3 Consumer behavior and buying process under the influence of Digital Transformation

To be able to possess a competitive advantage it is vital to understand the psychology and motives behind online consumer behavior. The buyers of the present day are characterized by having a high buying power and being brand/quality conscious. Another phenomenon that is applicable to modern customers is consumerism. Consumerism can be described as the belief that it is good for people to spend their earnings on products and services. Factors that influence online customer behavior can be categorized as external, internal, functional and non-functional. Savidge has indicated possible motivations that drive purchase: the feeling of exclusiveness, satisfaction of a dream or desire, saving of resources, convenience, status improvement, self-rewarding (2020). However, there is a special category of buyers who do not need a reasoning to make a purchase but do it instantly and are driven by impulse. This type of customers is called micro-second buyers. Instant purchases are made to satisfy an emotional urge and lift the consumer's mood. The Study of Individual Emotional States in Social networks has come to a conclusion that emotional triggers stimulate customer minds 3000 times faster than rational thinking (Tang et al). Therefore, many marketers use the customer's emotion manipulation as a tool to generate sales.



PICTURE 2. Buyer's Decision Process

After the motives has been identified the customer starts evaluating the available options, looks for testimonials and do the research. The digitalization together with improved quality of life and money efficiency has influenced this stage dramatically because there is information available on any product which makes byers critical in their choice. They are seeking particular characteristics in a product and expect a certain level of standard. The product must provide the solution to a problem immediately, be a product of good or high quality, that worth relaying on and have a long lifecycle. Moreover, customers expect added advantages in a form of discounts and offers.

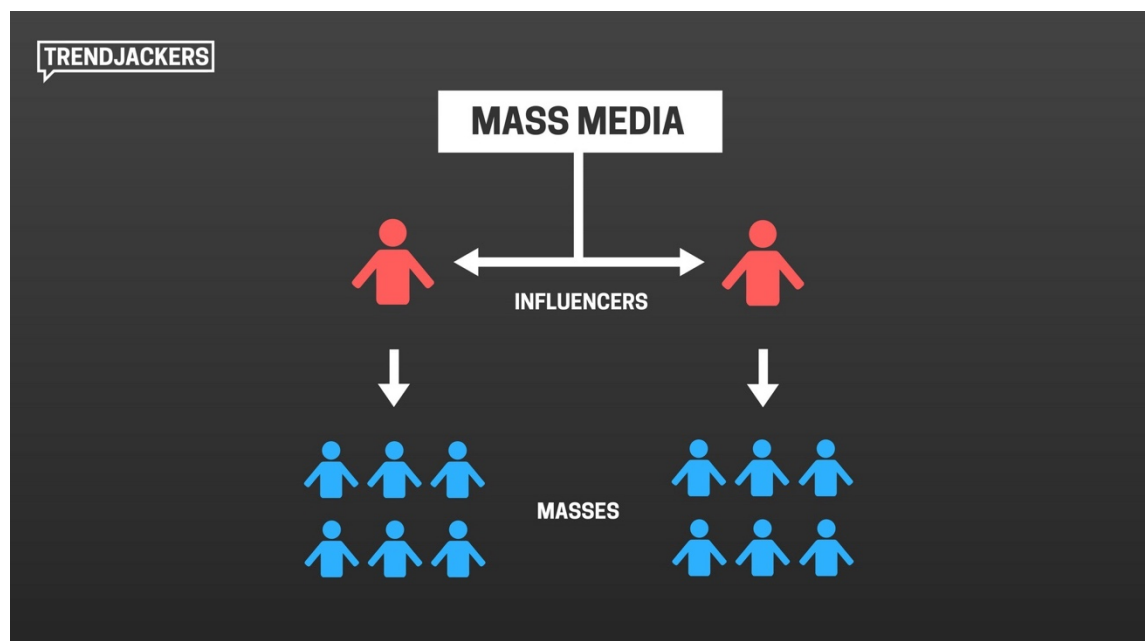
After a successful purchase a customer usually enters post-purchasing stage. The post purchase experience should include reinforcement and reassurance of a good product choice. Positive post-purchase encounters will facilitate brand loyalty and customer retention.

2.4 Applicable theories

In this part of the thesis the writer gathered theories that in their opinion are connected to the main topic of the paper. The theories are introduced to support and understand the phenomena from the psychological point of view and give insights into the origin of behavioral patterns consumers demonstrate when being a part of influencer marketing process. As far as the last theory is concerned, it will be practically implemented when designing an influencer marketing strategy for the commissioner.

2.4.1 The two-step flow communication model

The theory was introduced by Lazarsfeld and Katz. The main idea of the theory states that interpersonal communication has more influence on forming people's opinion than such mass media messages. The theory was proposed after studying the voters' decision-making process during American presidential election in 1940. The results of the of the study showed that "opinion leaders", people who are active media users, collect, process, and then distribute a certain message to less active media consumers (Postelnicu 2016).



PICTURE 3. The two-step communication model. (trendjackers.com)

Although the theory was proposed eighty years ago there is evidence of its relevance in the present days. During 20th World Wide Web Conference researches have come to a conclusion that news rarely reaches people directly through mass media channels, but it is distributed under the influence of opinion leaders who include celebrities, reporters and bloggers (Lamb 2012). That provides evidence of the theory applicability nowadays and to this research topic in particular.

2.4.2 Social proof

Social proof or informational social influence is a term used to describe psychological phenomenon that is characterized by people copying and following the activities and behavior patterns of other people. Cialdini noted that social proof is one of the six major principles of persuasion (2007). People will less likely question if the behavior is appropriate when it is performed by other people but would rather consider it to be correct (Cialdini 2007). Roach argued that there are four principles of social proof which are uncertainty, similarity, expertise and number (2019). Although people like to consider themselves to be completely independent individuals, the society still needs approval and reassurance from other people. This is a common psychological tendency and it gained a name of bandwagon effect. The bandwagon effect is a form of cognitive bias that has an influence on conclusion people are making (Cherry 2020).

Social proof is used as marketing technique regularly. An intermediate party between a company and its audience is an influential person, usually a celebrity or an individual famous for other merits who possess a base of followers and a platform to communicate through. This practice is also dependent on another cognitive bias which is called the Halo Effect. The main concept of it when applied to influencer marketing is that positive impression that a consumer has of a "leader" positively influence the feelings in another area (The decision lab). The phenomenon occurs because of the constructive nature of social perception process. When forming an impression on things or individuals, a person does not often take objective information into account but creates an image that correlates with already existing perception.

2.4.3 The 4 M's of marketing

The four M's of marketing is an updated and more relevant version of four P's. While the old approach of product, price, place and promotion is still applicable to some marketing campaigns, it is now not enough when customer centricity is the main trend in business operation. The new approach of four M's identifies customers, visitors, followers and influencers as the main figures in the new marketing, while four P's strategies put main focus on the company itself. The four M's consist of: make, manage, monitor and measure. The principles are peculiarly important when conducting social media and influencer marketing (Belen 2017).

The marketing model will be explained in greater detail further in next chapters. It will be applied to the case company as well when talking about influencer marketing in particular.

2.5 Working methods and data

To answer a theoretical question and describe Influencer marketing as a phenomena literature review will be used as a source of secondary data. The issue would be defined with the help of articles, blog posts, other researches, books and other scholar materials.

The author decided to use two primary data collection methods. As far as quantitative approach is concerned, a questionnaire will be designed in order to gather information about social perception and effectiveness of social media marketing among Russian speaking users\customers. Thus, the quantitative data collection method for this research is an online survey. The reason why the author chose this method is defined by its efficiency and convenience. The approach is beneficial both for the researcher and the respondents: online surveys are not time-consuming, and the answer rate is expected to be higher than when using any other form of a survey. Moreover, one of the greatest advantages of an online survey is its safety during the pandemic situation in the world as there are no face-to-face communication. Lastly, the samples had to be collected from Russian speaking countries, however the writer residents in Finland and is not

able to travel abroad. There will be no open-ended questions in the questionnaire, as it creates the risk of respondents abandoning the survey half-through. Although the open-ended question would have made the results of the research more descriptive and reliable, the author decided to prioritize efficiency of the research.

The survey will be conducted in Russian language as conducting it in English will also increase a chance of respondent loss.

As far as qualitative research is concerned, the writer will conduct interview with an Instagram micro-influencer (the follower count on the platforms varies between 1000 and 100000). The goal of the interviews is to gain insights on influencer marketing from the perspective of influencers themselves. When conducting interview, it is common for a researcher to have a prearranged list of questions or subjects to discuss. Under those circumstances the interviewer is facilitating the conversation, however, there is another way when the researcher has set a topic at the beginning of the session and let the participant evolve and guide the conversation. In both cases it is a freely structured procedure that allows no restraints to the people involved in a dialogue and offers a possibility to delve into additional point or directions if required. The interview serves a purpose of understanding fundamental motives, beliefs, reactions, ideas and feelings of interviewee towards a concerned subject. Furthermore, it enables the researcher to capture information not only about mental activities but also physical, such as behavior and body language allowing to analyze data from a more complex and unique perspective and adding a high level of understanding to the answers. Interviews are helpful when providing context to other data is needed as it allows to uncover a bigger picture of a situation (Boyce & Neale 2006).

The acquired data will be analyzed with the help of applicable theories. The result will show whether the two-step flow communication theory and social proof theory are applicable when marketing to Russian speaking consumers. The four M's model will be used when developing an influencer marketing strategy for Lubawa. The writer will use the results of the research to formulate the answer to the main research question and bring it to the commissioner in a valuable and understandable manner.

2.6 Thesis process

Thesis process resembles the structure of the paper. The first chapter will be used as introduction to the topic and will contain information about the commissioner and why the research and the outcome is important to the company. The second chapter is thesis plan, where the reader can gain deeper understanding of the thesis objectives, get the insight on necessary concepts and theories. Moreover, the information about the research methods is available in the chapter. The third chapter will introduce influencer media marketing as a phenomenon. In the chapter number four research results will be presented and analyzed, thus providing answers on sub-questions of the research. In the fifth chapter an influencer marketing strategy for Lubawa will be formulated, followed by conclusion and recommendations.

3 INFLUENCER MARKETING

The following chapter is focusing on introducing the concept of Influencer marketing using theoretical background and appropriate literature sources, together with the author's knowledge about the topic. The reader will be guided on the history of influencer marketing and how it has evolved to the term known today. The definition of an influencers will be provided and different types of them will be discussed in greater detail. The author will also give insights into various approaches used in influencer marketing and talk about using Instagram as the main marketing channel.

3.1 History of influencer marketing

Although the concept of influencer marketing seems to be relatively new, it has been around for ages. However, in the past the role of influencers was upon prophets, philosophers, teachers, politicians and storytellers. Pioneers of influencer marketing that are known to the history include Josiah Wedgwood who used the approval of Queen Charlotte in 1765 to market his pottery using a title of "Her Majesty's Potter" (Kim 2020). One of the most vivid examples of influencer marketing in the modern history is Coca-Cola featuring Santa Claus started in 1931 to increase beverage sales during the time of the Great Depression. The company portrayed the Father of Christmas as friendly-looking old man in a red suit with grey hair and long beard. Surprisingly, before the company introduced the advertisements, Santa was represented in many other different forms (Grin 2020). The campaign was using the power of positive influence of fictional character in the miserable times for the country, helping the customers remember the pleasant qualities of the company (Kim 2020). Starting from the middle 1980s to early 2000s marketers started to use celebrities as an endorsement for their products. Most remarkable examples include Jordan's campaign for Nike and Jackson's campaign for Pepsi. The partnerships were formed to advocate for products in exchange for the publicity and tended to be a great success but became less effective as regular people could not relate to the luxurious lifestyle of a celebrity (Kim 2020).

Influencer marketing has transformed into the form studied in this thesis around 2010s. The introduction of social media has given a platform for generating a new approach to influencing. By sharing aspects of their personal life or expressing an opinion on a certain topic and showing a level of expertise in it, influencers were able to build a base of followers, which is characterized by an extreme level of loyalty and emotional attachment. The most powerful aspect of today's influencer marketing is fully built on trust. Consumers rely on influencers and view them as regular people, as these influencers share their daily lives and products they use and love (Blaney & Fleming 2020). This creates a unique opportunity for brands to advertise, especially when advertising online has become challenging with appearance of ad-blockers forcing marketers to shift from consumer-centered marketing to value-centered marketing (Ehrhardt 2017).

3.2 Identifying influencers

Oxford dictionary of psychology defines the word social influence as a process during which a person's attitudes, opinions, beliefs or behavior are affected by some form of communication (Colman 2009). Influence demonstrates itself in different ways when marketing is concerned, it can be a direct motivation for making a purchase or a subtle change in perception of a brand or product. Influencers can be described as a third-party that shapes the customer's purchasing decision but may not be accountable for it (Brown & Hayes 2008).

When talking about social media influencers they are identified as people who have a reputation and credibility on social media channels based on their knowledge and expertise on a certain issue (Influencer marketing hub 2020). The influencers engage their following base on the platforms by regularly posting relevant and captivating content about a topic that they are competent in.

There are different types of influencers. The influencers differ by the niche of their specialization or the social medium they use to spread the message. In terms of the type of content an influencer is producing, there are platform-independent bloggers, youtubers, artists, brands, and public figures (Blaney & Fleming 2020). However, the most common way of characterizing influencers is according to the

size of the audience. Based on the follower count influencers can be grouped into four categories:

- **Mega-influencers.** This group includes influencers with over a million followers. Usually, those people are not famous for their internet blog but have established a career as a celebrity. Mega-influencers often work with large brands and corporations that allocate big budget for marketing activities as the price for their service can reach 1-2 million USD (Influencer marketing hub 2020). Despite the cost of the campaign, the results are not always as efficient. The reason for that is absence of a niche of specialization as celebrities' social media are commonly centered around their everyday life and career. Also, due to the sheer scale of their followers base, the user engagement with the content tends to be lower (Ho 2020). Nevertheless, the overall effect of the campaigns creates a sensation and this approach is used by marketers who choose time efficiency and do not find managing large groups of smaller influencers reasonable.
- **Macro-influencers.** There are different opinions on the size of audience of a macro-influencer. Some argue it usually starts with 40 000 followers and reaches 1 million. There is a huge break down between the numbers, therefore macro-influencer layer consists of two types of people. They include celebrities with a lower status and successful online experts and bloggers. Macro-influencers tend to have a high profile and appear to be great partners for raising awareness of a brand.
- **Micro-influencers.** They are normal people who have become known for their expertise in a particular niche (Influencer marketing hub 2020). Although views differ, amount of followers micro-influencers have varies between 1000 and 40 000 individuals on a single social media platform. Micro-influencers have established a special relationship with their audience which is usually extremely trustworthy. Therefore, working with such influencers tend to be one of the most efficient approach when the goal of the brand is to generate sales, create awareness and build brand image and they have been given a name of the influencers of the future.

- Nano-influencers. These are the influencers with relatively small audiences and usually have a very specific niche of specialization. Nonetheless, small brands still choose to work with them because they offer good value for a small amount of money and adopt working with nano-influencers as the main social media marketing strategy. The reason for it is that a small influencer is being viewed as a friend and it encourages the followers to take action based on promoted content they see from such type of influencers (Ho 2020). Besides, nano-influencers are willing to do partnerships for a small amount of money or even just a discount opportunity.

3.3 Influencer marketing as a marketing tool

Although the term influencer marketing has been used throughout the thesis report, it has not been defined clearly. As far as the definition is concerned, influencer marketing is a strategy that allows companies to collaborate with influencers through paid promotion (Hurrdat 2020). Influencers introduce the customers to ideas and brands seamlessly as a part of their regular content, thus erasing the possibility of skepticism and prejudice often associated with paid advertisements. It is worth mentioning that there are two kinds of influencer marketing: paid and earned. Earned marketing is identified by organic mentions, reviews and posts. Paid influencer marketing on the other hand is more complex and various. There are many types of paid influencer marketing campaigns on social media, however, the author will name the most common of them and give explanations in more detail:

- Giveaway campaigns are relatively simple yet very efficient. The main idea behind giveaways is that a brand provides an influencer with products so they can raffle it among their audience. Giveaways have clear and tangible return on investment in the form of number of likes, shares and comments. Moreover, participants who did not have an opportunity to win a prize for free would be likely to purchase it later. On the negative side, the increase in followers can be temporary and a brand could experience decline after the giveaway is over. Besides from that, the procedure of selecting a

winner must be transparent in order to avoid negative comments from other participants.

- Social media takeover is a process when an influencer uses a brand's media to directly communicate with the audience. It involves providing an influencer with access to the brand's account. Therefore, it may be viewed as risky and requires a lot of trust between two parties.
- Affiliate marketing is one of the most cost-efficient forms of influencer marketing. The process of affiliate marketing is defined by an influencer getting a commission when a sale originates from their sources.
- Sponsored content is the most common type of campaign. A brand will pay to an influencer, so they create a post that promotes the brand's product. The brand should give an influencer a set of clear guidelines for promoting a product so the partnership can reach its full potential.
- Reviews and unboxing. This type of marketing is possible when a brand gives a product as a gift and an influence talks about it and expresses their feelings toward the product, possibly recommending it to their audience.
- Brand ambassador programs. When becoming a brand ambassador an influencer is expected to share content related to a brand on the regular bases. Therefore, those partnerships usually last for months to a year. This type of promotion enables the brand to build a long-term, reliable and authentic relationship with the customers through an influencer (Engaiodigital 2020).

Forbes magazine states that influencer marketing is growing faster than traditional online advertisement (Forbes 2017). The reason for that is the number of benefits that influencer marketing possesses. The great element of the efficiency of influencer marketing is mass generation of word-of mouth among satisfied customers as social media users are more likely to recommend products to their friend and family. Also, working with influencers and having the brand being exposed to a great number of people increases brand's value (Singh 2019).

It is worth mentioning that influencer marketing delivers a strong return on investment and is considered to be cost-efficient and affordable. According to Mediakix a company earns an estimated amount of 11.69\$ per 1\$ spent on influencer marketing (2019).

Besides numerous advantages of this type of marketing, it has downsides as well. One of them being a problem of false followers, meaning the audience of the influencer does not consist of real people but fake profiles that are used to add volume to the followers base. Another problem that occurs often is that the audience may become less engaged bringing the efficiency of the campaigns down. It may happen due to the influencer becoming irrelevant and boring to the audience or the followers noticing too much sponsored content (Pfund 2019).

3.4 Instagram as a medium for Influencer marketing

In a time period of a decade, Instagram has become a preeminent platform for entertainment and communication. The rapid user growth and extreme popularity is justified by the fact that Instagram is easy to use and has zero costs. According to statistics, the social media platform had reached 1 billion monthly active users in June 2018 (Iqbal 2020). Over the years Instagram has diversified its features now enabling users to post photos, videos, stories and use IG TV and Reels. Moreover, it is the most favorite platform among influencers. The variety of influencers and topics they are keen on is very diverse, therefore, any type of company has a potential to implement Instagram influencer marketing strategy to reach their target demographic (Cronin 2020). The influential power of Instagram is displayed in a study, conducted by Social Media Week, that came to a conclusion that more than a half of individuals aged 13 to 24 let the platform define their new hobbies, products to use, brands to follow through the application's discovery page, social sharing and influencer marketing campaigns (Becker 2016).

Instagram offers unique benefits and opportunities for brands to promote their product that seems more genuine to the audience than a regular advertisement campaign. If the influencer is chosen accordingly to the brand's values and beliefs and they are able to communicate the brand's story in the right way the

company can expect high engagement and return on investment (Malets 2019). It was mentioned before that influencer marketing is a relatively cheap tool to use. The cost of Instagram influencers depends on such factors as average engagement rate, partnership duration, type of content a brand expects and the amount of time an influencer will spend on creating the sponsored content (Malets 2019). To prove the cost efficiency of Instagram as a platform for influencer marketing the author will demonstrate starting cost point of sponsored content on various platforms in the table below:

Follower Count	Instagram	Facebook	Twitter
1K	\$10	\$25	\$2
<10K	\$100	\$250	\$20
<100K	\$1,000	\$2,500	\$200
1M	\$10,000	\$25,000	\$2,000

TABLE 2. Cost of influencer marketing on different platforms. (publicfast.com)

However, the followers count is not the key performance indicator when it comes to marketing on Instagram. According to State Industry Report (2018) micro-influencers have the highest engagement rates, therefore, they are usually chosen by companies to work with. As micro-influencers are perceived as peers which makes the level of trust escalate, the conversion rates are much higher meaning the posts facilitates the consumers to make their purchase decision (Anderson 2019).

4 THE DATA COLLECTION AND ANALYSIS

This chapter is dedicated to delving into objectives of the research and explaining the process of designing the data collection methods, together with mentioning limitations that occurred throughout the research. The author will use the chapter to introduce and explain the results of the primary data collection process.

4.1 Research objectives

The author has already introduced the concept of Influencer marketing using theoretical background in the previous chapter, thus fulfilling one of the goals of the thesis process. However, it is important to educate and inform Lubawa on the potential that Instagram influencer marketing strategies have among the target audience of the company. Therefore, the objective of the research was to investigate the perception of influencer marketing and its effectiveness from the society in Russian speaking countries, which is the main market where Lubawa operates. The author uses the term Russian speaking audience to refer to individuals from Russia and Belarus as the possible influencer campaign would be targeted towards those users. The author wanted to gather information about the effectiveness of the tool and the factors that influence users' behavior, such as what kind of influencers and what type of content make the biggest impact on the way the consumers act online. This information will be the foundation when formulating an influencer marketing strategy for Lubawa.

Another objective of the research was to explore influencer marketing from an influencer's point of view to use the knowledge in preparing an influencer marketing strategy. The author wanted to gain data on how an influencer engage with their audience and the ways they are able to build a relationship which is characterized by a big amount of trust and loyalty in it. Moreover, it is important to know the key aspects that an influencer consider when creating a cooperation with brands and companies. This information will give a deeper understanding of the phenomena and will help Lubawa comprehend the practical side of working with influencers. Also, depending on the results of the interview with the influencer, there is a possibility of creating a partnership between them and

Lubawa, thus enabling the company to implement influencer marketing in practice.

By acquiring information from both users' and an influencer's viewpoints, the author will be able to provide the commissioner with a multidimensional insight into the phenomena. This information is vital when formulating and choosing the direction of an influencer marketing strategy.

4.2 Designing and conducting the research

As there were outlined two main objectives for the research, the author considered it reasonable to use two data collecting methods for the objectives.

In order to gather information about social perception and effectiveness of influencer marketing the author decided to choose quantitative research method. The base of a quantitative research includes evaluation of quantity or amount. Quantitative research is aimed at discovering new knowledge by simplifying complexities in settings that tend to be more contrived (O'Dwyer & Bernauer 2013). There are common ways to acquire data for quantitative research, some examples include polls, questionnaires and surveys. The numerical information collected is usually later visualized into graphs, charts and tables. In order for method to be applicable the question must be possible to express in terms of quantity. There should be a certain assumption or proposal to be tested. This assumption has been given the name of hypothesis, it is a precise and testable statement of what the researcher predicts is the outcome of the study (McLeod 2018). This type of approach will supply the author with patterns and averages which will be used to confirm or reject a hypotheses of influencer marketing being efficient in Russian speaking countries by testing relationship between variables (McLeod 2019). Since quantitative data is interpreted in the form of statistics, which is related to mathematical principles, the quantitative approach is viewed as scientifically objective and rational (Carr 1994). The research will be conducted in a form of an online survey and designed the way so that the gathered data could be put into categories. The survey is written in Russian language because the author identified a possibility of gathering too few samples from the target audience if the questionnaire would have been designed in English as the author

could not predict or evaluate the knowledge of the English language among the respondents. The types of questions used in the survey include multiple-choice questions, dichotomous questions and Likert scale questions (Appendix 1). The author has defined the target sample as existing and potential customers of Lubawa's Riot club in particular. The access to the existing customers was possible due to the fact that Lubawa sent the questionnaire to its followers via providing a link to the survey through their Instagram account. Potential customers were identified relying on demographical factors provided by Lubawa which were determined based on the current byer's personas and the author has distributed the survey to channels where audience that may become future customers of the company may be found. The channels include the writer's own social media, different online groups and communities which target audience is similar to the target audience of the brand. It is vital to identify the perception of influencer marketing from individuals who are not yet customers of the brand as the influencer campaign that should be designed will be mostly targeted towards these people in order to attract them and make aware of the Riot Club products. It is hard to determine any other specific characteristics about the target audience besides from demographical factors. The main reason for that conclusion is that the company's product is aimed at satisfying a need of being dressed in fashionable, affordable and good-quality clothing. This need may be considered to be a very common one. As all the customers of the company are Russian speaking, any Belarussian or Russian woman who fits into age requirements can be easily considered a potential customer. That justifies the means of distribution of the survey that were mentioned above. It is important to mention that the author uses a term Russian speaking markets or countries to refer to both Belarus and Russia and their respected markets. The main reason for that is a common language which the countries share, together with sets of behavioral and societal traits. Usually, brands than operate in Belarus operate in Russia as well and vice versa.

The author chose a qualitative approach as a tool to collect information from an influencer. Qualitative research seeks to discover new knowledge by retaining complexities as they exist in natural settings (O'Dwyer & Bernauer 2013). The outcome cannot be easily presented in numerical values but involves quality or kind and usually used in the humanities and social science. Qualitative research

stresses the socially constructed nature of reality. The researchers using this approach try to describe and interpret human behavior based on the words of selected individuals, which are called informants or respondents. The qualitative research method tends to be efficient because it produces specific and detailed data that helps to give different perspectives to explaining the phenomena under study. The aim of the qualitative research is to study the subject in its natural setting and interpret the phenomena in terms of the meaning that is brought to the phenomena by individuals (Denzin & Lincoln 1994). The main questions to be answered using qualitative approach starts with 'how' and 'why' and are meant to explain the reasons and behaviors behind the phenomena and how it operates in a certain context (McLeod 2019). The writer was able to schedule an interview with a particular influencer, which insights in the author's opinion will facilitate the research process and will be valuable to the commissioner. The interview was designed using theories and ideas applicable to the subject. The interview will be conducted via Zoom and in Russian language as well, the results will be translated by the author and presented later in the paper.

4.3 Validity, reliability and limitations

As far as the online survey goes, this type of experiment is not happening in a natural setting, thus, the respondents are not able to give justifications for their answers and how they view the question (Carr 1994). Another concern that the author has is the sample size being too small to make the analysis accurate and be able to generalize it. According to Denscombe small scale quantitative researches are considered less reliable as they provide low quantity of data (2010). Moreover, although the author was trying to distribute the survey primarily among the existing and potential customers of Lubawa's Riot Club, there were still answers gathered from different demographical groups. However, it is worth mentioning that the amount of such answers was limited and has minor impact on overall statistical data from the conducted survey.

When the interview with an influencer is concerned, the validity issues appear because of the subjective essence of the research type and its single context nature. Moreover, to gain deeper understanding and to get more complex results the interview should have been conducted face-to-face. However, taking into the

account location differences of the researcher and the interviewee, and the pandemic situation that restricts travelling, conducting the interview using a video conferencing service was the only available option.

4.4 Existing and potential customers' perception of influencer marketing

The link to the survey was active in a time period between November 1st and November 19th 2020. The data collected throughout the research process is mostly nominal, meaning the data expressed in words or numbers but those labels cannot be arranged arithmetically (Bhandari 2020). The collected data will be organized and visualized in charts and graphs, enabling the author to determine frequency dissemination and identify central tendency. The survey also provides ordinal data about the respondents' opinions and perceptions. The researcher will use the results of the survey to reject the null hypothesis that suggests that influencer marketing is not an efficient marketing tool among Russian speaking countries and the practice was not accepted by the society, due to cultural and societal differences of the population. The author offers an alternative hypothesis of the marketing practice being efficient in the Russian speaking markets.

As it was mentioned before, the online survey was distributed among the current customers of the Lubawa's Riot club and the survey was accessed by 126 individuals from the Riot Club's customer base. Additional 178 responds were distributed among possible customers who fit the demographical requirements through emails and social media. To clarify, Lubawa's Riot Club clothing line is targeted towards young women and teenage girls aged 15 to 18. The number of individual samples gathered reached 304 responds. The survey was answered by 248 women and 56 man, the majority of the respondents appeared to be young adults.

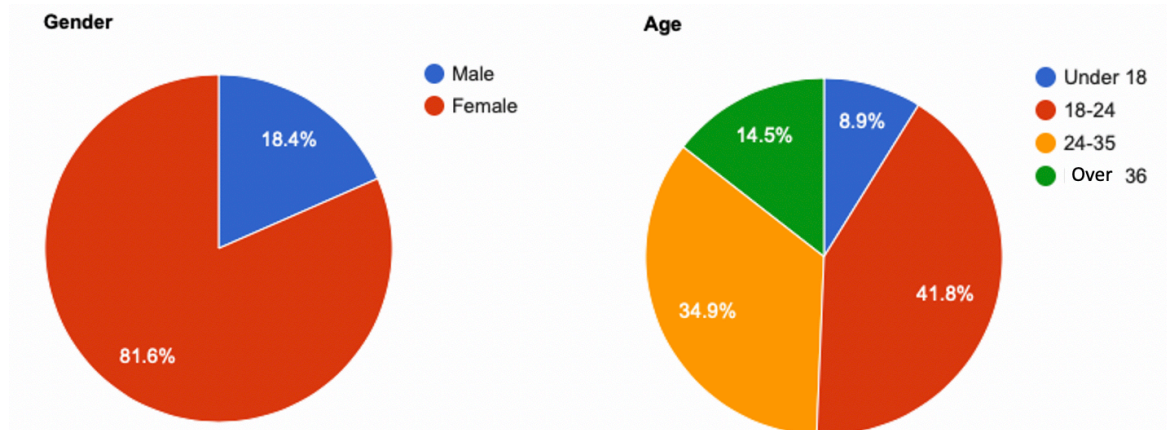


FIGURE 1. Demographical statistics of the survey

It can be assumed that the respondent audience has mainly met the demographical requirements to be able to fit into Lubawa's Riot Club target customer group.

It was vital to determine whether customers use Instagram as one of their social media channels to make sure they can objectively answer the upcoming questions of the survey and more importantly to evaluate the chances of the influencer marketing campaign being able to reach them on this particular social medium. The vast majority of the respondents prove to have an Instagram account and use it daily.

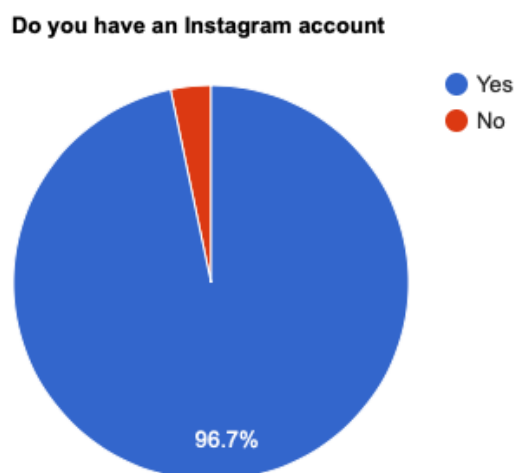


FIGURE 2. Presence of Instagram account among the respondents

The results are especially valuable when applied to potential customer group, as the current ones are already following the brand's profile on Instagram, thus

demonstrating their presence on the social media. The outcome of the survey proves that Lubawa's Riot club has a possibility to turn these individuals into their customers simply because both the brand and the audience share a common platform. Moreover, the results advocate the popularity of the platform among Russian speaking users. The number of people from the respondents who do not have an Instagram account is ten. Three of the respondents fitting the target customer group of Lubawa's Riot club, and the rest of them being male individuals over 36 years old.

The answers of the research show that the individuals who have participated in the research are familiar with the trend of following influencers on Instagram, proving that the phenomenon of influencers is veridical, and users tend to engage and show interest in their content.

Do you follow influencers inc. bloggers, celebrities, public figures, etc?

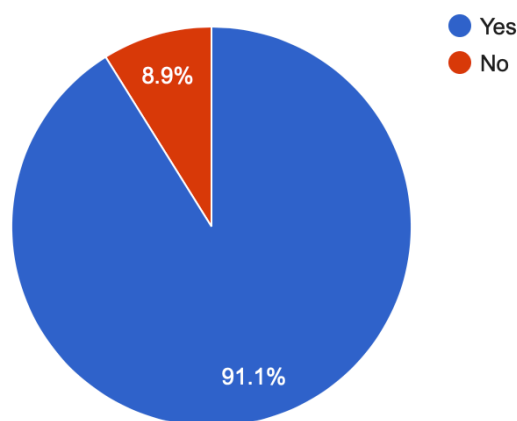


FIGURE 3. The respondents' frequency to follow influencers

The statistics show that the concept of an influencer being able to produce content that makes regular people want to follow them on social media is applicable to Russian speaking audience to the same extent as to any other country in the world where influencers have built a strong followers base. The majority of people who are not following any influencers tend to be over 36 years old, which shows that mainly Gen Z and the youngest Millennials have adopted to the rise of showing interest towards following influencers on social media trend.

The number of influencers that people follow is various. The answers have almost equally spread between four categories and are interpreted in the figure below:

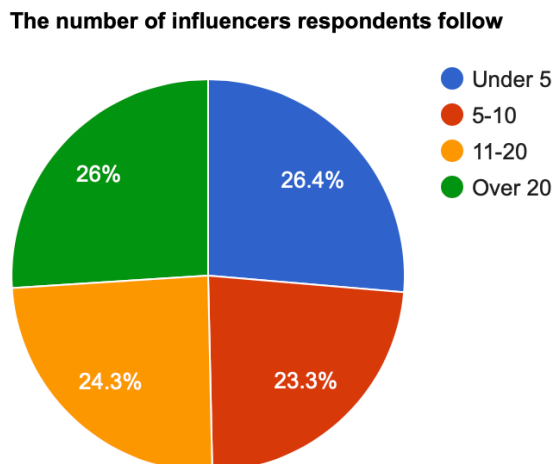


FIGURE 4. Number of influencers followed by the respondents

This information could be used to once again support the idea of influencers being relevant among Russian speaking users. Depending on the number of influencers an individual is subscribed to the author can make a suggestion on the frequency of facing and processing sponsored content by an individual from those influencers. Taking into account the popularity of sponsored content among any type of influencers and the number of influencers followed by the respondents, the writer proposes that the audience is used to seeing and, probably, recognizing paid promotions.

The figure below shows the type of content the respondents find the most interesting and engaging:

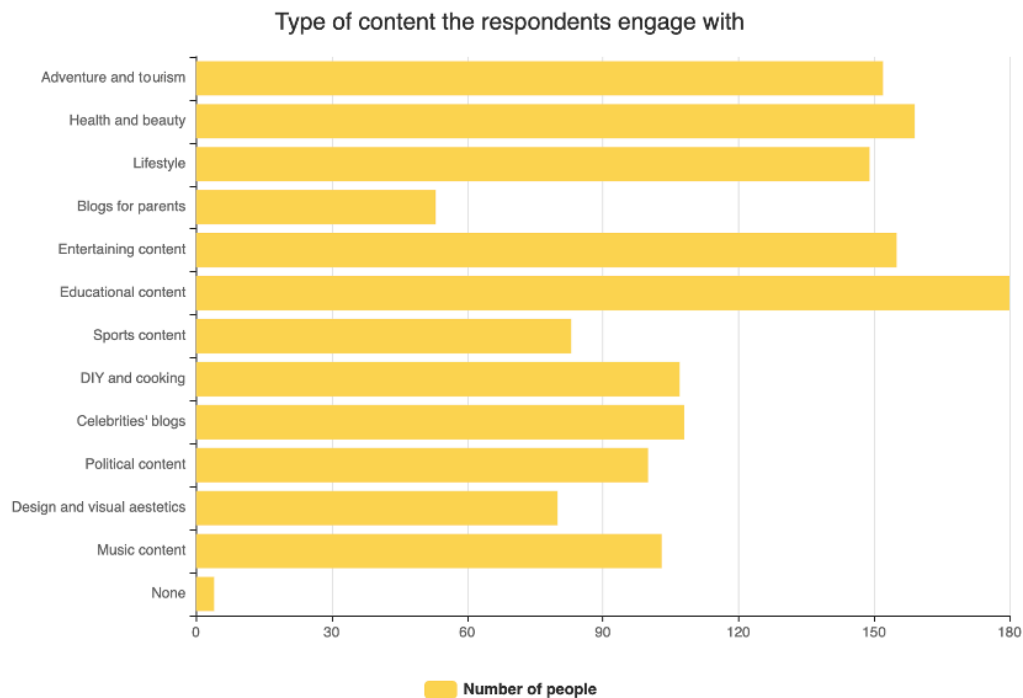


FIGURE 5. Type of content the respondents engage with

It can be observed that interests of the audience are various. The most popular type of content among the respondents include adventure and tourism, health and beauty, lifestyle blogging, educational and entertainment content, thus creators who post this kind of content attract Lubawa's Riot club current and potential customers the most. This information is valuable for choosing the influencer to collaborate with when creating an influencer campaign. Creators that specialize in those topics have potential customers for the commissioner among their audience, hence, the right type of promotion from those influencers has a higher chance of generating traffic and possible sales for Lubawa than influencers who specialize in a different niche.

The respondents were asked to express how much they agree or disagree with the following five statements using a Likert scale to determine the actual perception and efficiency of influencer marketing among the respondents:

1. I discover new products and trends from the influencers which I follow.
2. I often make purchases based on reviews and recommendations from an influencer.
3. I will be more likely to try a product or a brand if an influencer will recommend it.

4. I read reviews about a product I consider buying online and on social media.
5. I will be less likely to trust a review from an influencer about a product or a brand if I know they got paid for it.

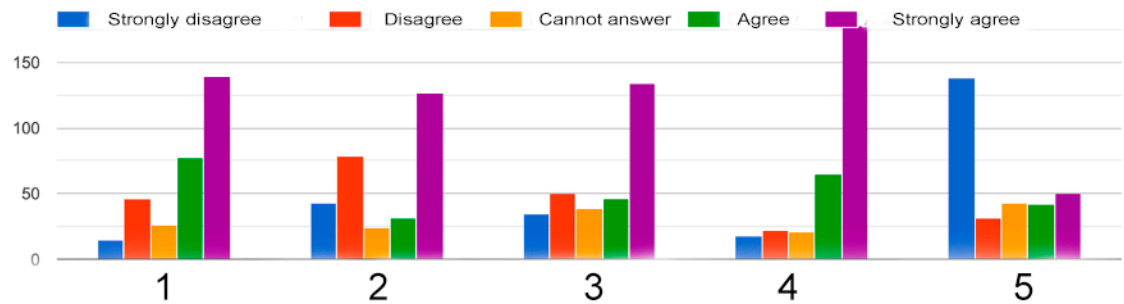


FIGURE 6. Attitude towards and effectiveness of Influencer marketing in Russian speaking countries.

The overlook of the results shows positive attitude toward influencer marketing. However, it is important to interpret answers in the form of percentages to analyze the results more precisely. Therefore, the author will demonstrate the answers using pie chart diagrams below. The number on the left-hand side of the diagram refers to the number of the question which is represented in the list above.

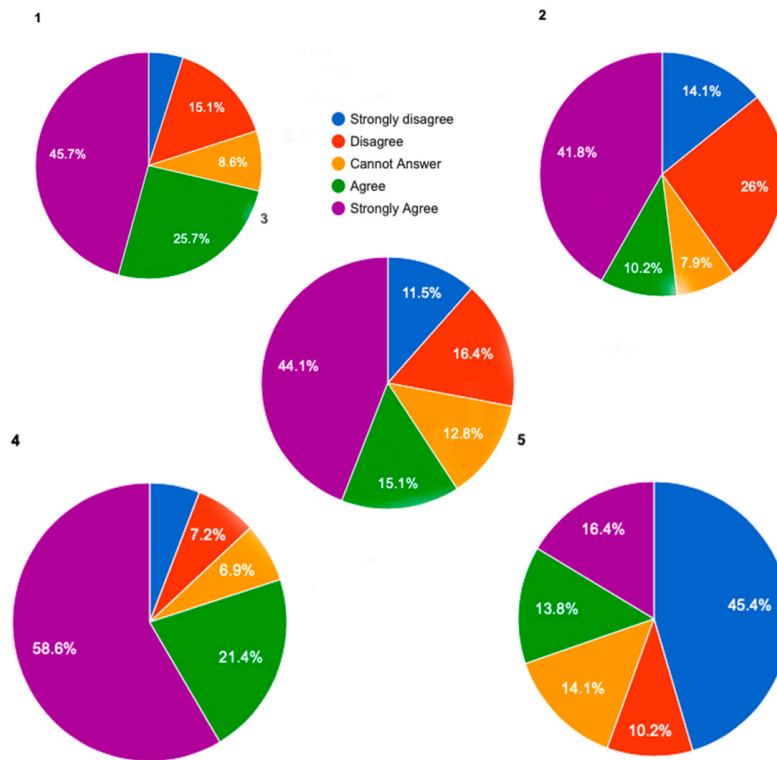


FIGURE 7. Attitude towards and effectiveness of Influencer marketing in Russian speaking countries in percentages.

There is a tendency in the questions 1 to 4 where options “Agree” or “Strongly Agree” are dominant over the rest of the options. According to the pie charts, the mode for the questions 1-4 is the option ‘Strongly Agree’ and the mode for question number 5 is ‘Strongly Disagree’. For instance, 138 respondents have expressed an opinion ‘Strongly agree’ for the first statement, 127 for the second, 134 for the third and 178 for the fourth. As far as the final statement is concerned, 138 individuals expressed the opinion of being ‘Strongly Disagree’. That shows that influencers have a power to mold and change behavior of the consumers online. Moreover, the author can apply, and test theories introduced in the chapter two and analyze the results using those theories. The results of the first question imply that the majority of the respondents find out about new products and trend from influencers. This outcome can be justified using the two-step flow communication model, where influencers take a role of opinion leaders and effectively distribute information to their audience, who appear to process information coming from influencers more efficiently than from mass media channels and traditional advertising. According to the results of the attitudes towards the first statement, it can be assumed that an influencer in Russian speaking countries is viewed as a guide who helps their audience stay up to date

with the trends and tendencies. Presence of such a guide in the reality of the modern world is necessary for a consumer, because of the enormous number of options and products available on the market. Influencers help sort out the most valuable options from the rest.

The statements 2 to 4 were dedicated to figuring out the impact of testimonials, especially from influencers, on the respondents' decision-making process. The results indicate that consumers incorporate a research stage into their purchasing journey. This proves that customers do not rely on the information told by a brand about their product that strongly anymore but would rather seek for reviews from peers or opinion leaders. Social proof theory can be applied to the outcome, meaning people form their behavioral patterns and make decisions under the influence of other people and their choices and opinions. More than 50% of the respondents agreed that there is a high possibility of making a purchase if a product was suggested by an influencer. The author can make a conclusion, that an influencer has a capability of persuasion, that they earned with their positive reputation based on high level of expertise and trust from the followers. The minority of people who expressed disagreement with the statements to a certain extent represent the individuals who do not allow influencing their decisions and do not like being controlled in general. This kind of attitude and trust issues towards any kind of advertising is a common type of behavior in Russian speaking countries. People are used to being lied to for financial benefits, therefore, they try to protect themselves by rejecting any kind of influence. This mindset is frequent among representatives from older generation and their families, because their opinions were formed under the influence of negative experiences that include scam and fraud. The final statement of the group was aimed at determining the attitude towards sponsored content and how it is viewed by the respondents. The outcome appeared to be surprising and uncommon. There is a shared belief that sponsored content is often viewed as dishonest and consumers rarely trust it. However, the results of the survey denied this assumption, as, according to the majority of the respondents, financial profit gained by an influencer does not affect the positive attitude towards the reviews provided by that influencer.

The purpose of the next set of questions was to determine whether influencers could deliver a tangible response or encourage an immediate sale. In other

words, the author wanted to know if influencer marketing is not only effective in the consideration stage of the buying process but actually stimulates consumers to take actions.

The author proposed the respondents to answer the following question:

1. Did you make a purchase of a product or a service after an influencer has recommended it?
2. Did you start following a brand after an influencer have mentioned it?
3. Did you stop following an influencer once you noticed a lot of sponsored content on their page?

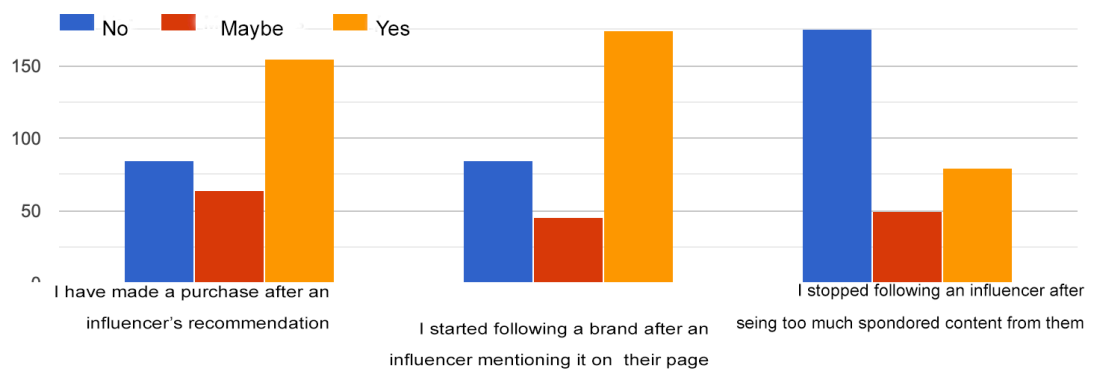


FIGURE 8. The effectiveness of influencers' call-to-action

The statistics on the questions 1 and 2 show that 155 out of 304 respondents have moved to the buying stage after a recommendation from an influencer and 174 have found a brand proposed by an influencer relevant for them and started following it on social media, therefore the mode for the questions is option 'Yes'. Furthermore, according to the result of the third question in the set, people are willing to tolerate big number of paid promotions on an influencer's platform, as, perhaps, most of the followers still find those recommendation useful and trust the influencer on their choice of what products or brands to advertise. It is visible that the mode for the question is 'No'. The outcome of the survey implies that the influencer marketing is an effective tool to promote a company's products or services among Russian speaking users, regardless of particular cultural and societal qualities, such as lack of financial resources, lack of trust and prejudice towards that type of advertising. It can be assumed, that young generation in Belarus and Russia is progressing and chooses to follow a western model of behavior when their buying habits are concerned.

The final question of the survey was aimed at acquiring information about what kinds of products the respondents will be more likely to buy following an influencer recommendation.

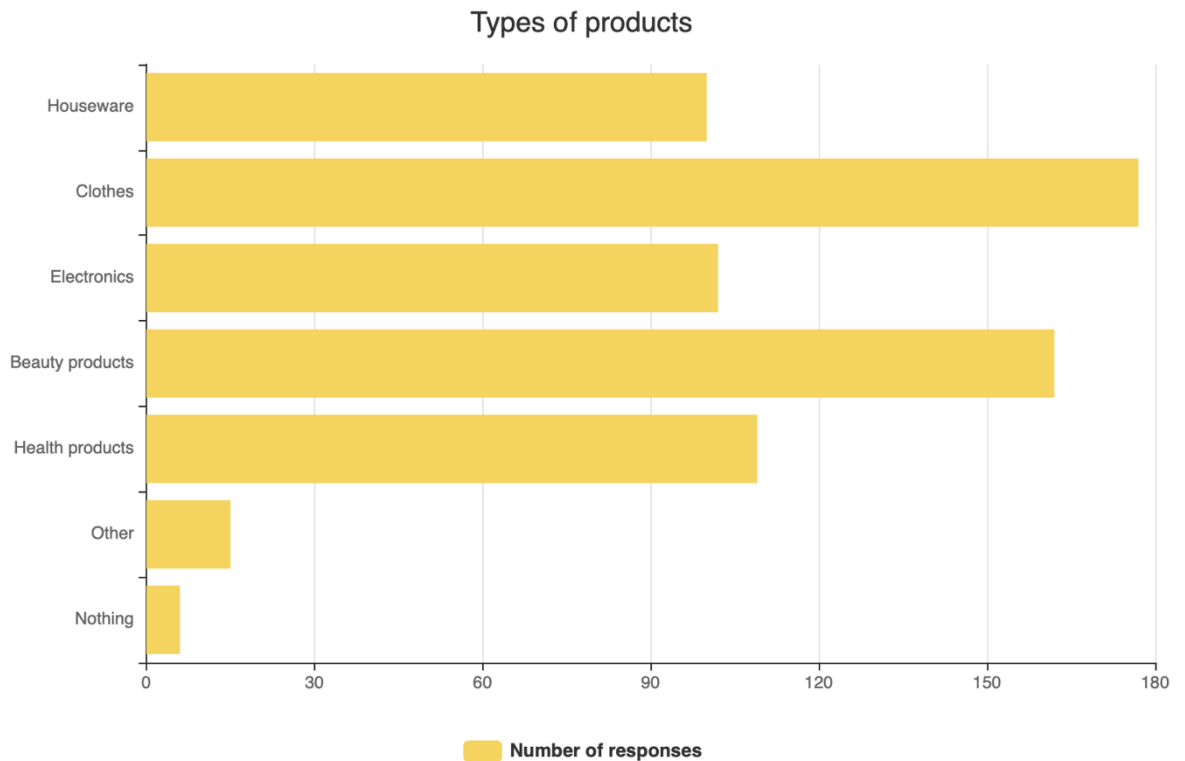


FIGURE 9. Types of product the respondents will be likely to buy following an influencer recommendation.

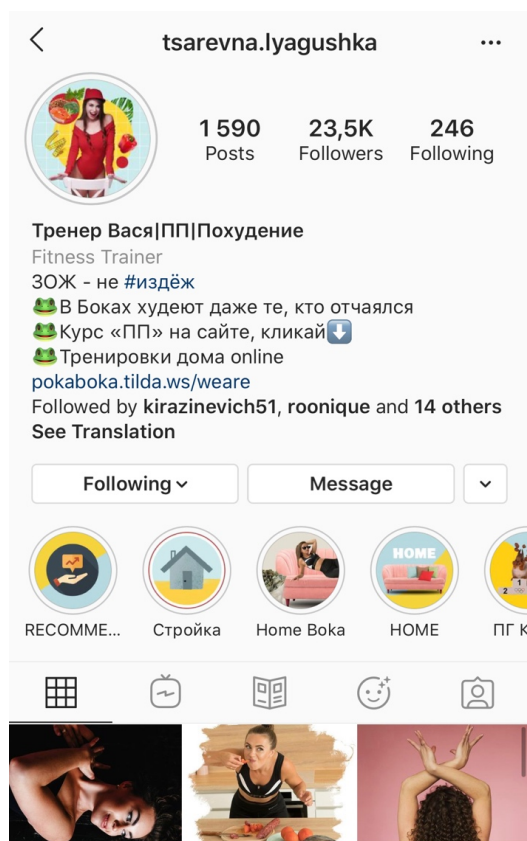
The most valuable information that this question provides is that clothing is the leading option among the respondents. That proves, that Lubawa's Riot club current and potential customers rely on influencers when choosing a clothing brand to consider. Therefore, the author can claim the effectiveness of influencer marketing for the business field that Lubawa operates in.

The survey supported the hypothesis of influencer marketing being an effective promotional tool that helps companies generate sales and drive traffic to their social media accounts. Moreover, the respondents showed acceptance and positive attitude towards this marketing practice. The society in the Russian speaking countries has approved influencer marketing and let it formulate their buying decisions. The results of the research suggest that an influencer

marketing campaign for Riot club has a huge potential of being efficient in achieving the company's goals.

4.5 Interview with an influencer

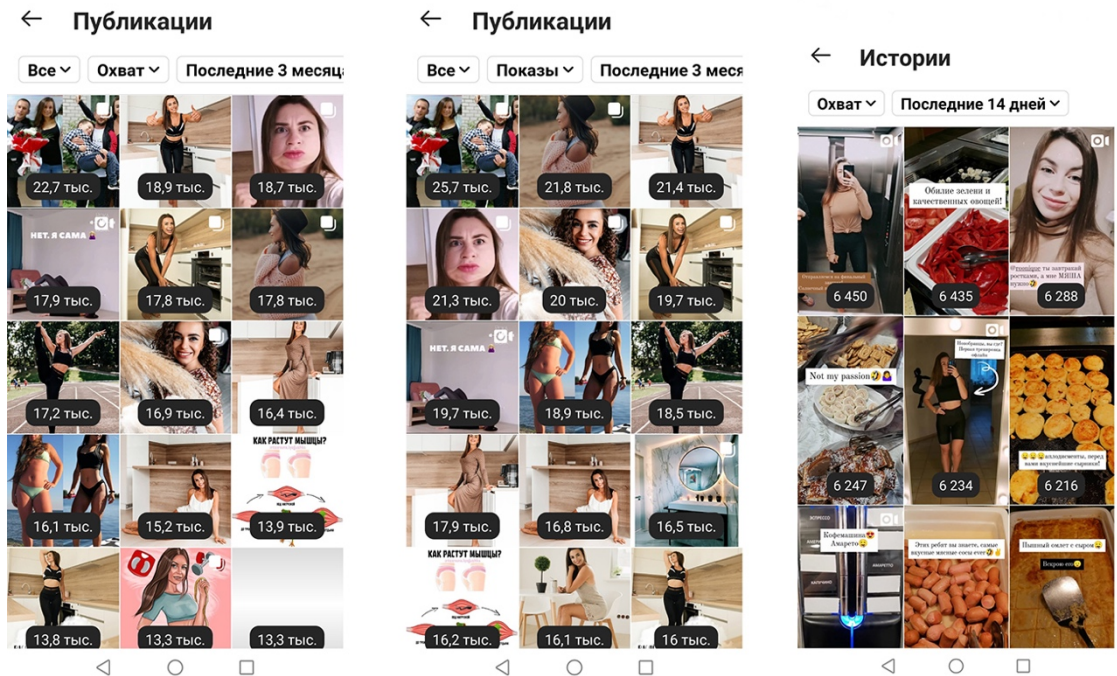
The interview was conducted via online conferencing platform Zoom on November 16th 2020. The author will use the narrative analysis to evaluate the gathered data by interpreting the answers that have been told within the context of the research (Allen 2017). To acquire information about practical side of influencer marketing, the author was able to interview a real influencer by preparing a set of questions that in the author's opinion will be able to provide an in-depth look into the practical side of influencer marketing from an influencer perspective (Appendix 2). Vasilisa Pinchura is known online among her audience as @tsarevna.lyagushka and the nickname can be translated into English as "Frog Princess". Vasilisa has 23,5K followers on her Instagram account and she is considered to be a micro-influencer. Although, compared to influencers with millions of followers the size of Vasilisa's audience seems to be relatively small, but in a scale of a city with population of 100K people in total, where Vasilisa is from, she is a well-known blogger. It is worth to mention, that the influencer and Lubawa originates from the same area. Vasilisa's field of expertise is health and beauty. She is a creator of a training and nutrition program for weight loss which has helped hundreds of people to get in shape.



PICTURE 4. The influencer's profile

Vasilisa started her blog two years ago and from the beginning she decided to be devoted to it and be professional about it. She completed courses that included information about social marketing, copywriting and creation of visual content, besides from that, she learned how to use targeting on Instagram and was polishing her writing skills. This input has brought the influencer thousands of real followers who trust her and value her opinion. The target audience of the influencer includes women aged 19 to 40, they are rather already keen on healthy lifestyle or determined to get in shape and change their habits on the way to viable state of body and mind. Location wise 60% of the audience is based in Belarus, but the remaining 40% are spread throughout Russia and the near abroad. By acquiring this information, the author is able to conclude that the target audience of the influencer is not only demographically and location-wise similar to the typical customers of Riot Club, but also shares similar interests in beauty and health industry.

The influencer shared the statistics from her profile to give an insight into how engaging her posts are. Vasilisa uses the statistics to determine which kind of content is the most popular among her followers. The presentation of the statistical information is vital for the commissioner to know to be able to estimate the potential reach that can be accomplished throughout an influencer marketing campaign.



PICTURE 5. Engagement statistics

It can be observed that the engagement rates are high and Vasilisa believes that there is no need in extra promotion to her account. She is proud to have a real audience that she was able to attract with her charisma and the level of expertise.

One of the most distinctive features of the influencer's content is its authenticity. The content is original, informative and educational, yet has a touch of humor in it which makes it fascinating and interesting to read. To keep the audience even more engaged Vasilisa incorporates interactive games and quizzes with real gifts and prizes. The influencer notes that she was able to establish a special relationship with her audience which is based on trust and loyalty. People accredit her reviews and want to acquire products

or services that have been mentioned by Vasilisa. Usually, she shares her experience and opinion on a certain product for free simply because it is important for her to keep the audience updated about good products and services available on the market. This content segment quickly became popular among the followers and Vasilisa began to receive positive feedback from the audience about things she recommends. That brings a challenge to Vasilisa to carefully select brands and products to commercially advertise because it is necessary for her to keep honesty and trustworthiness on the same level. This proves the position of micro-influencers being an asset for businesses to promote their products, as micro-influencers are known by high level of trust from their audience and their exceptional knowledge in a specific niche is rather appreciated.

Vasilisa shares that she will approve only 1 in 10 cooperation offer from brands and companies. The influencer has a price and a set of characteristics that a client must possess in order to work with the influencer. A regular package that the influencer offers includes a precise review of the product or a service in the form of five Instagram stories with couple of mentions after the campaign to remind the audience about the product or service. The price of the package is 100\$. The influencer shares her experience via a permanent post on her Instagram timeline only if the provided product or service was able to genuinely impress her and there is no possibility to promote products that have not been tested by the influencer or were disappointing. The partner company must meet certain requirements in order for cooperation to be approved. The company's Instagram profile must have at least nine informative and descriptive posts about the product or a service, the bio of the profile must have contact information, and the outlook of the profile should be generally visually pleasing and neat.

The most common format of cooperation which the influencer has adopted is barter collaborations. The way how barter system works is described as the influencer keeping the product or experiencing the service for free and the company getting exposure to the influencer's audience via Instagram stories or posts (O'Connell 2019). Vasilisa does not incorporate partnerships that are based on giveaways. She considers them to be inefficient both for the partner

company and herself. From her experience, people are willing to start following the account for the time of the giveaway only and unfollow as soon as the campaign is over. Such inconsistency ruins the statistics of the account and negatively affects the Instagram algorithm. It creates a possibility of a shadow ban which is characterized by a rapid decrease in impressions, accounts reached and interaction with the content. When asked about such tool as affiliate marketing, the influencer considers it to be suitable for multilevel marketing and is not effective as a cooperation with a micro-influencer. Vasilisa is particularly interested in becoming a brand ambassador. She is willing to create long-term partnerships which will be profitable for her and the company both financially and organically.

By acquiring this information, the author is competent to provide the commissioner with the practicalities involved into partnership creation process with the influencer. Therefore, it is possible to start budgeting estimated costs for the campaigns and think about a specific method of collaboration with the influencer.

5 INFLUENCER MARKETING STRATEGY FOR LUBAWA

In this chapter the author will propose an influencer marketing strategy for the company, using the primary data and the 4 M's of the marketing theory. The first step in formulating an influencer marketing campaign is to identify the target audience and their interests. Lubawa's Riot Club brand customers are teenage girls from 15 to 18 years old and young women up to 35 years old. They have average income but are interested in fashionable clothing made from good quality materials. According to the research conducted by the author, their other interests include health and beauty industry, besides, a typical company's customer is keen on discovering new information through educational content and they usually get inspiration from lifestyle bloggers and appreciate entertaining content as well.

Further, the writer will formulate the influencer marketing strategy for Lubawa's Riot club using the frame of four M's of influencer marketing theory:

Make or set an influencer position

Lubawa must determine the goals of the influencer campaigns and set key performance indicators. As the Riot Club brand is the new product of the company and it is promoted separately from the main company's line, it is in need for building brand awareness that can be measured through social engagement and reach as well as Instagram profile traffic and new followers. As any business Lubawa estimates to generate financial profit, meaning that it expects direct response from the collaboration with the influencers in the form of purchases. Taking into consideration the outlined goals, the author can suggest that the interference of a third party is vital on the consideration and decision stage of the buyer's journey. The influencer is expected to introduce the customer to Lubawa's Riot Club brand as a possible solution to their problem or a way to satisfy a need. The positive review and recommendation from an influencer are aimed at limiting a long list of possible products that also offer a solution by highlighting Lubawa's advantages over other available options. Thus, it sets an influencer's position in the campaign.

Lubawa should choose influencers to collaborate with based on the interests of their current and potential audience that were identified throughout the research process. The interviewed influencer's content is a combination of topics that the respondents showed interest in. Vasilisa's content is centered around health and beauty topic, but combines educational and humorous approach to it. Moreover, the influencer's target audience is demographically similar to the target audience of the brand. It creates high chances of reaching the accurate group of people which will result in fulfilling the set objectives of the campaign. The price that the influencer is asking for partnering with her well fits into Lubawa's marketing budget. Thus, the author suggests Vasilisa as the possible influencer for Lubawa to collaborate with.

Manage the influencer's voice

After establishing an influencer for the campaign, it is important to determine the type of collaboration and the way the influencer should promote Lubawa's product. Taking into consideration the interview with the influencer and the information gained from her expressing the attitude towards different forms of influencer marketing campaigns, Lubawa should consider starting the partnership with the influencer from sponsored posts or barter collaboration. Vasilisa knows her audience best and it is important to let her take the lead deciding how to promote Lubawa's product and allow creative approach to it, as scripted content rarely received well by the followers and the campaign will most like be ineffective. But it is vital to address top points that the influencer should communicate to her audience. The influencer should portrait the company's product as high-quality, comfortable and affordable sport-casual wear. It is important to mention how Lubawa decided to put their knowledge and excellent materials into a new and modern designs, thus creating Riot club clothing line. Those points are aimed at helping the influencer be informative about the product and not force it to the audience, and will formulate the campaign deliverables. Lubawa and the influencer should determine whether or not to disclose the partnership. The author suggests to mention that the post is sponsored or the product was provided for free, as it will demonstrate the level of transparency to the audience and make the trust escalate.

If the initial campaigns will show a high level of effectiveness, Lubawa should consider building a stronger and more lasting relationship with the influencer, making her the brand ambassador. By becoming a brand ambassador, Vasilisa must no longer be viewed as an influencer used to promote the product occasionally, but as an extension to Lubawa's marketing team who will take responsibility to advocate for the brand on the regular basis. Lubawa in return must supply the ambassador with all new products appearing in the line and arrange a fixed payment for her. The brand and the ambassador should consider creating shared visual content that will be used both by Lubawa and Vasilisa on their Instagram profiles. It can be achieved by arranging a photoshoot to demonstrate Riot club's products and use Vasilisa as a model for the clothing line.

Monitor the campaign

Lubawa should demand the statistics of the post where the influencer mentions the brand. This information will let the company know how many people the campaign was able to reach. It is important to track the level of the engagement the campaign brings. To be able to do that, the company should pay attention to the number of likes, comments and other indicators on both the influencer account and the company's account. The level of engagement will help identify whether the way that the influencer portrays and advocates for the brand is accepted by the audience. Furthermore, Lubawa can repost the posts and stories from the influencer to the brand's profile to diversify its own content and support the influencer's campaign.

Measure the campaign performance

The effectiveness of the campaign is measured by determining how effective it was in fulfilling the objectives that were set in the first phase of influencer marketing strategy. Increased brand awareness can be measured through such social media metrics as likes, comments, engagement rate, mentions, hashtag usage and the number of new followers that the brand's profile received during the influencer campaign. In order to make the process of measuring automated,

the author suggests Lubawa to use social media listening tools such as Sprout Social and Agora Pulse, because the monthly fee for those tools fits into the company's social media marketing budget.

The main indicator for the direct response of the campaign is the return-on-investment rate. The rate can be calculated via dividing the cost of the partnership with the influencer by the revenue earned through this partnership. To indicate the sales that were made as a result of the influencer campaign, Lubawa should give the influencer a unique coupon code that will provide the customers coming from the influencer with a discount. Thus, the company would be able to recognize the sales generated through the influencer campaign. If Lubawa decides to sell not only through Instagram, but incorporate a separate online store for the Riot club line, it should provide the influencer with a personalized landing page. The page will be the indicator of the influencer's performance when sales and leads are concerned.

Thus, the Influencer marketing strategy for Lubawa's Riot club has been formulated. The company has a huge potential in raising brand awareness and acquiring new customers if the influencer marketing strategy will be implemented correctly, as the research have shown the positive attitude towards this marketing practice from the society and the interviewed influencer uncovered practical opportunities to realize the strategy.

6 CONCLUSION AND RECCOMENDATIONS

The objective of the thesis was to introduce the commissioner to the phenomena of Influencer marketing, discover the customers' attitude towards the practice, measure the efficiency of the approach as a marketing tool and provide the commissioner with practical knowledge on how to implement influencer marketing campaign. The commissioner wants to utilize this information in promoting the new product of the company, raising brand awareness, expanding the customer base and generating sales. The author used different approaches to provide the commissioner with sufficient knowledge about the issue in order for Lubawa to be able to reach its goals.

The researcher provided multidimensional answers to the main research question and sub-questions by introducing the theoretical aspect of influencer marketing through examining available literature, publications and researches that have been conducted prior. The author measured the effectiveness of an influencer marketing campaign and determined the social perception of the issues under study through conducting the research and data-collecting process among the current and possible customers of the company. The analysis of the primary data showed that influencer marketing is a growing and efficient tool among Russian speaking audience. This information enabled the author to design an influencer marketing strategy thus familiarizing the commissioner with practical aspect of the phenomena.

The benefits that the commissioner will receive is an introduction to major concepts of the influencer marketing, the analyses of the audience response to the marketing practice and a guide on how to create and implement an influencer marketing campaign as a digital marketing tool. Moreover, Lubawa received a recommendation on which influencer to collaborate with, which makes the process of executing the influencer marketing strategy much easier.

The influencer marketing strategy which the author described in chapter five is aimed at helping the company fulfill its goals. The author believed that if implemented correctly the cooperation with the influencer has a potential to

attract new customers, promote the product to masses, thus creating brand awareness and it will result in generating financial profit for Lubawa.

However, the writer would recommend the company to expand not only their Instagram marketing, but digital marketing in general. It is reasonable to make influencer marketing a part of multichannel strategy, instead of treating it as the main source of promotion. It is important Lubawa learns how to use targeted advertising on Instagram, which can be monitored and created through Facebook business manager tool. The commissioner should consider creating a separate webpage for the product if they do not want Riot Club to be associated and marketed through Lubawa. The webpage makes it easier to track and evaluate the amount of traffic the company is getting; it will enable the company to trail the customer behavior and the steps they take during the buying process. It also will create an opportunity to use search engine optimization marketing which is considered to be an efficient digital marketing tool. Moreover, in the author's opinion it is not reasonable to market Lubawa and Riot club as two separate entities. The commissioner could have used the reputation of Lubawa and novelty of Riot Club as a storytelling tool, which could have helped to formulate brand identity in a clear and unique way, and create emotional connection with the customers.

As far as challenges of the thesis process go, the author established a very tight schedule for the project. The author had to apply their time management skills and dedication into being able to deliver the work respecting the given deadlines. To increase efficiency of the research the author would have liked to conduct face-to-face interview with both the commissioner and the influencer. As the process of adjusting suitable time for both parties was difficult. But it highlighted the importance of possessing a flexibility skill when working with business people and made the author improve their time management skills. As far as the survey goes, the author wished to collect more responses to make improve the validity by increasing the sample size. However, it is important to mention that the author was able to gather relevant and qualified answers, that represented the company's customers' approach to the phenomena of influencer marketing.

Nevertheless, the author used the opportunity of the thesis writing process as a way to deepen their knowledge about the issue under study through researching secondary data, conducting the research and applying own skills and knowledge. As a result, the author gained a deeper understanding of current trends in the field of digital and social media marketing and want to implement the acquired knowledge in their professional life.

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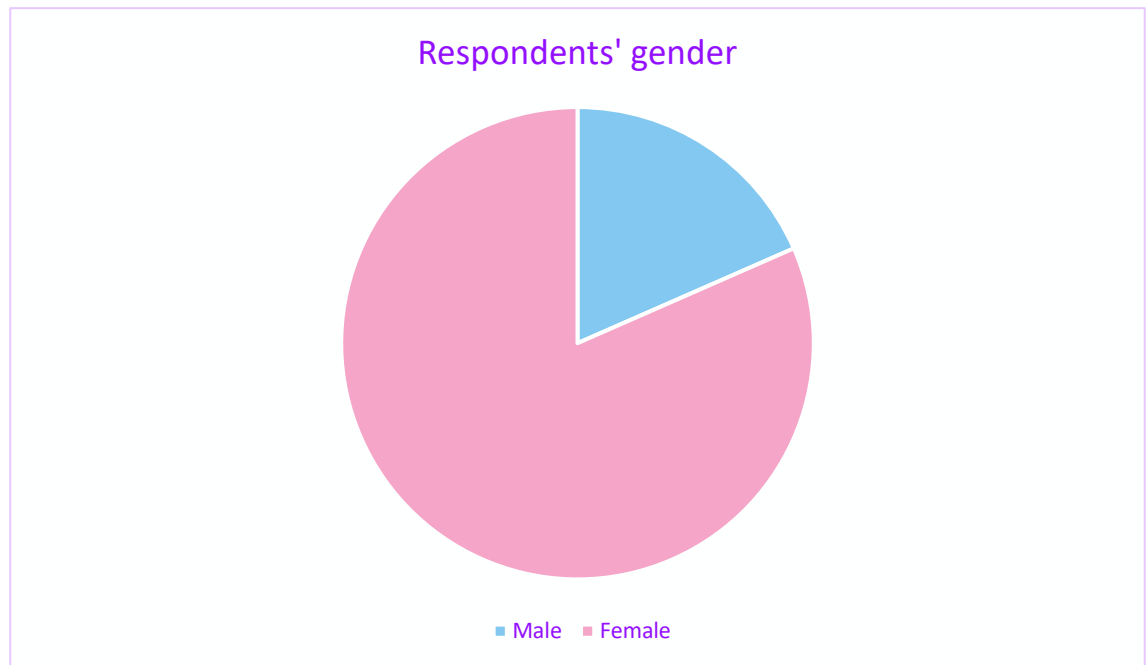
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APPENDICES

Appendix 1 (6). Online survey questions and results

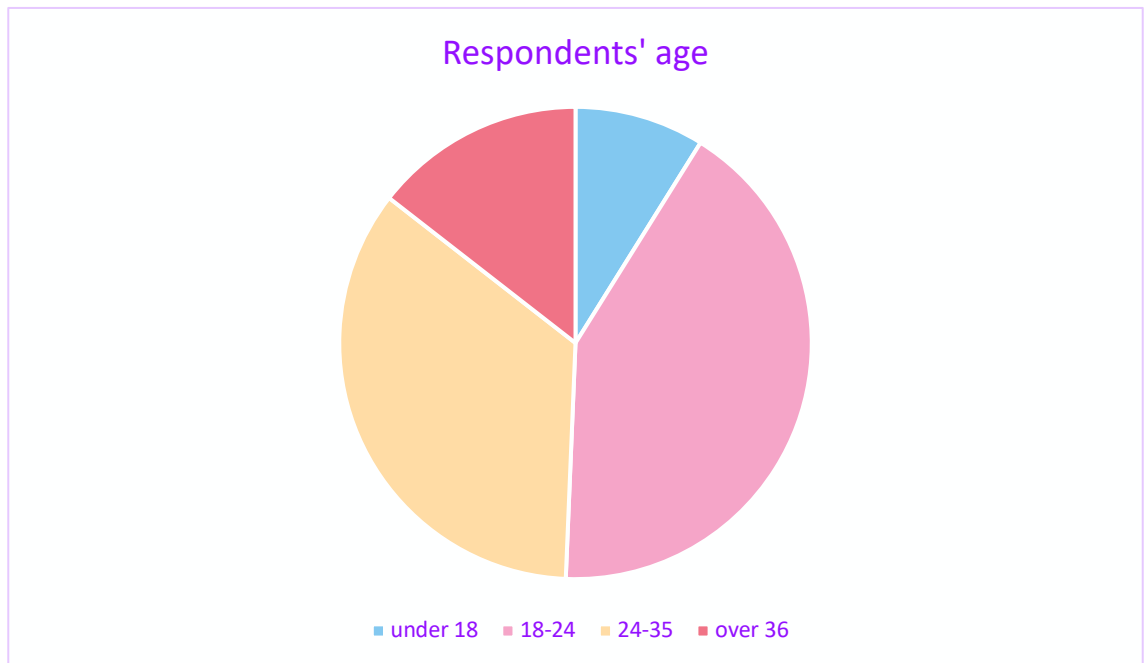
1. Select your gender

- Male
- Female



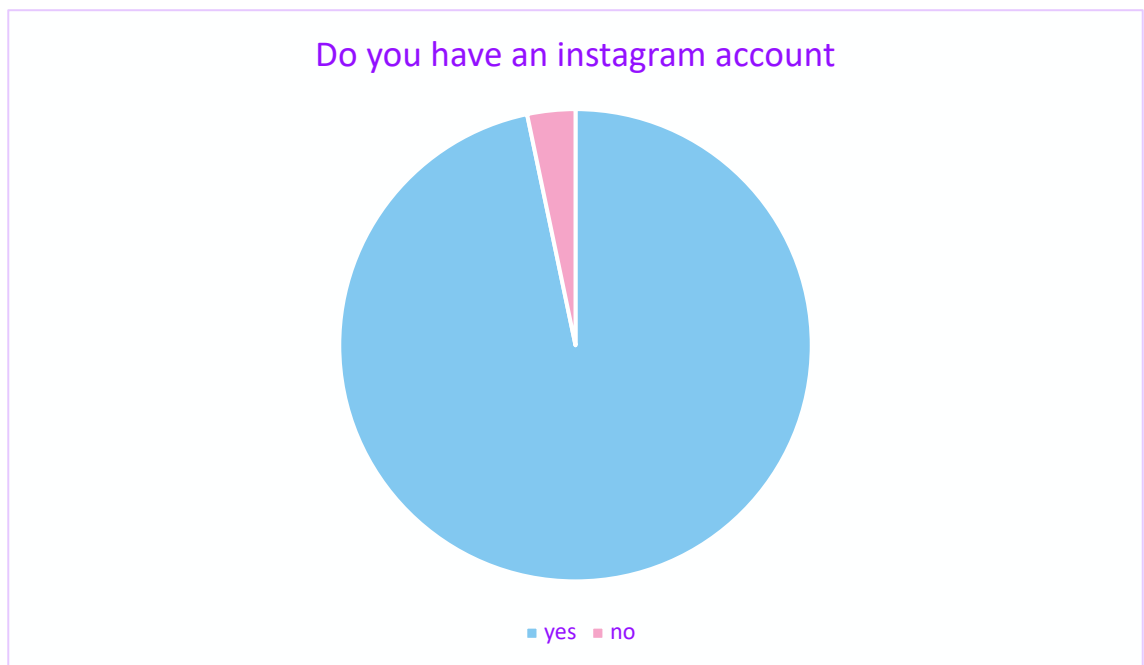
2. . Select your age

- Under 18
- 18-24
- 24-35
- Over 36



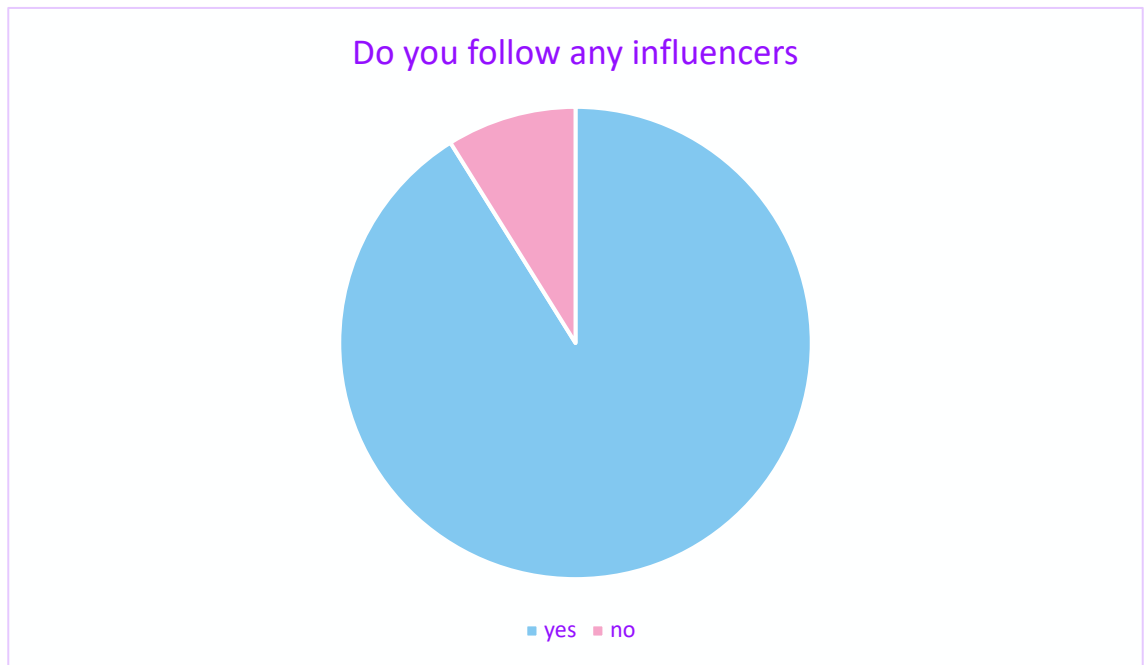
3. Do you have in Instagram account?

- Yes
- No



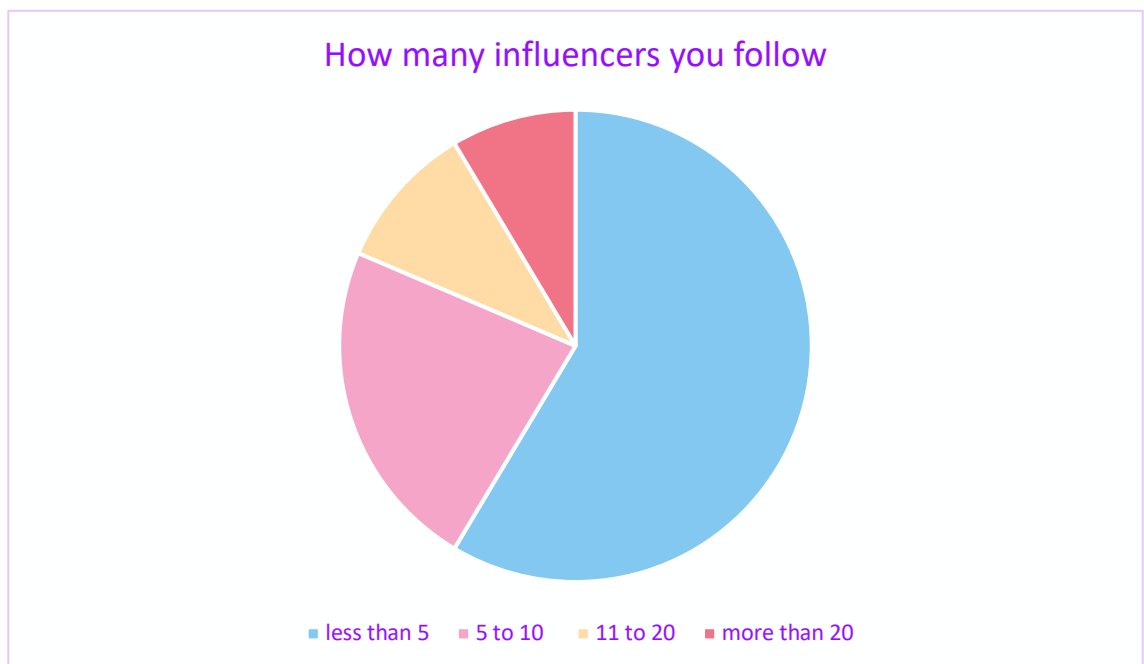
4. Do you follow any influencers on Instagram?

- Yes
- No



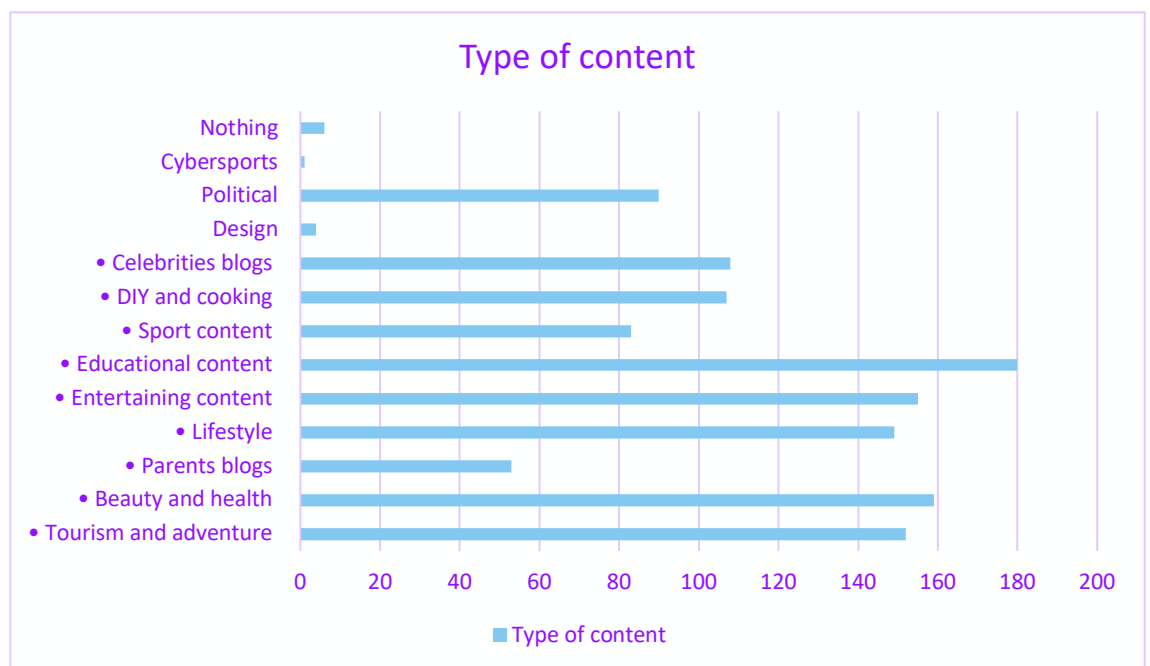
5. How many influencers do you follow?

- Less than 5
- 5-10
- 11
- 20
- More than 20



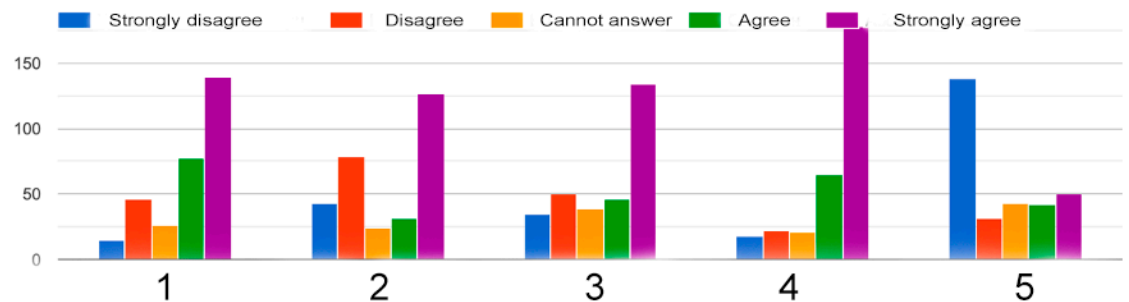
6. What content you find the most interesting? (choose one or more options)

- Tourism and adventure
- Beauty and health
- Parents blogs
- Lifestyle
- Entertaining content
- Educational content
- Sport content
- DIY and cooking
- Celebrities blogs
- Other (specify)



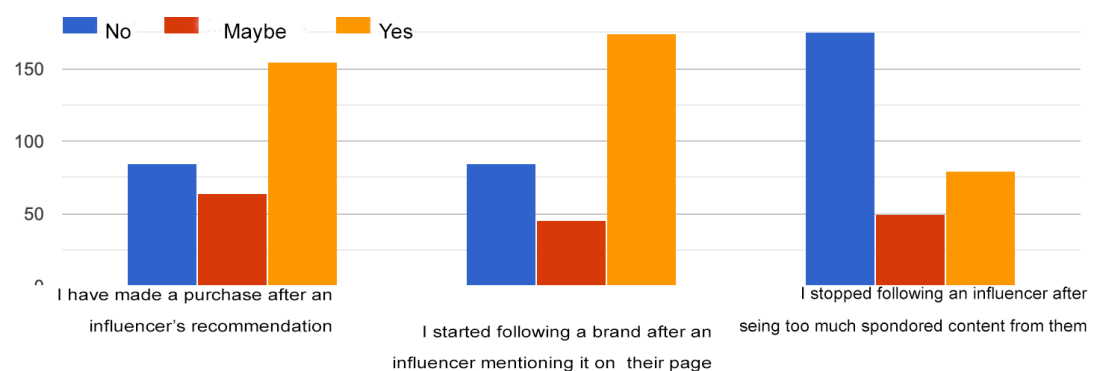
7. Choose to what extent you agree or disagree with the following statements. Strongly disagree, disagree, cannot answer, agree, strongly agree.
- I discover new products and trends from the influencers which I follow.
 - I often make purchases based on reviews and recommendations from an influencer.
 - I will be more likely to try a product or a brand if an influencer will recommend it.

- I read reviews about a product I consider buying online and on social media.
- I will be less likely to trust a review from an influencer about a product or a brand if I know they got paid for it.



8. Answer following questions with yes, maybe or no.

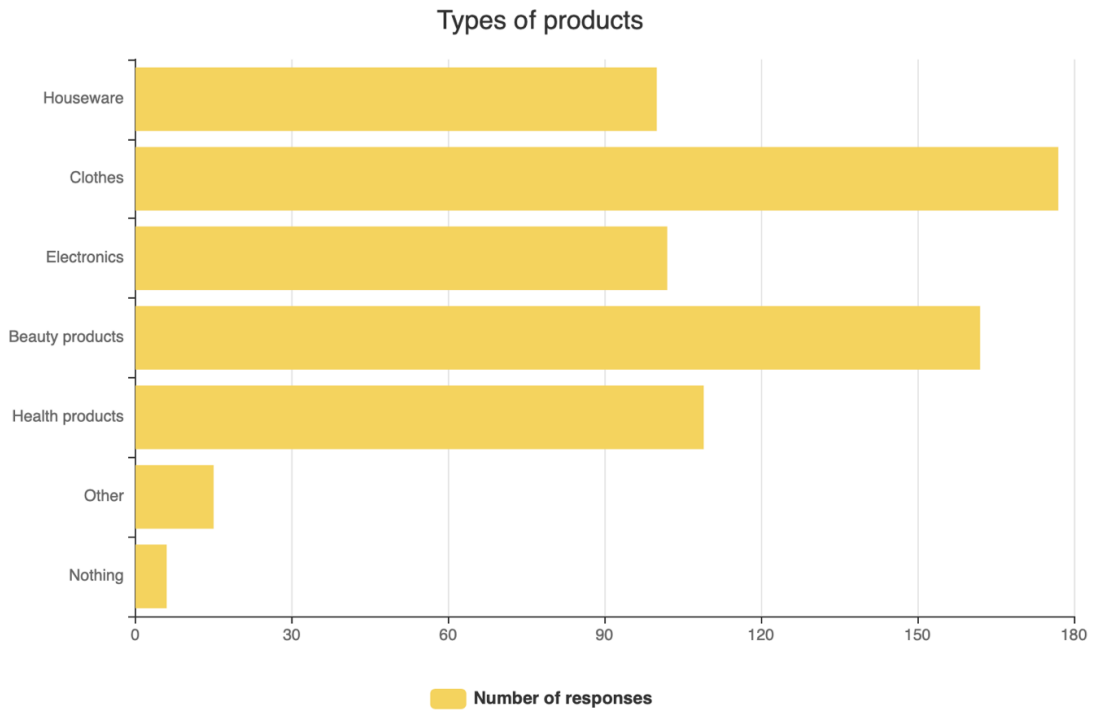
- Did you make a purchase of a product or a service after an influencer has recommended it?
- Did you start following a brand after an influencer have mentioned it?
- Did you stop following an influencer once you noticed a lot of sponsored content on their page?



9. Choose one or more product categories which you are most likely to buy after an influencer's recommendation

- Houseware

- Clothes
- Electronics
- Beauty products
- Health products
- Other (specify)



Appendix 2 (2). Interview questions for the influencer

- 1 How would you describe your audience in several collective images, including information about demographic factors and location, habits and lifestyle of your subscribers?
- 2 How long did it take you to collect your existing audience and what is the rate of audience growth today? Is the growth organic, or have you used advertising to engage your audience?
- 3 What are the statistics of interactions on your page? Provide statistics (screenshots) if possible.
- 4 It is can be noticed that your audience has a high level of engagement. What do you think makes your content unique, authentic and interesting?
- 5 Do you think you've managed to achieve a certain level of loyalty and trust between you and your subscribers? If so, how?
- 6 Do you often share your opinion about goods and services purchased for personal use?
- 7 Have you noticed that people trust your opinion and follow your recommendations about this or that product / service?
- 8 Based on your own observations, have you noticed an increase in demand for the goods or services you mentioned?
- 9 Are you offering your credibility and respectability from your audience as a commercial product to companies, entrepreneurs, i.e., paid advertising? If not, are you ready for these partnerships?
- 10 Do you use a practice in which you are provided with a product for free in exchange for it on your page, i.e., barter?

- 11 Are you interested in holding giveaways when the gifts are provided by the company for participants for free?
- 12 How do you feel about affiliate marketing? That is a method of promoting a business on the network, in which the partner receives a reward for each visitor, subscriber, buyer and / or sale made thanks to his efforts?
- 13 How important is the quality of the promoted product to you? Are you ready to risk your credibility and reputation for material gain?
- 14 Are you open to commercial / non-commercial opportunities?

