

**RECURRING DILEMMAS AND COMPLICATIONS WITH
INFLUENCER MARKETING CAMPAIGNS AND WAYS TO
PREVENT THEM**



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INFLUENCER MARKETING CAMPAIGNS AND WAYS TO
PREVENT THEM**

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on
December 20, 2020



.....
Mr. Ricardo Brueschke
Candidate

.....
Assoc. Prof. Sooksan Kantabutra,
Ph.D.
Advisor

.....
Assoc. Prof. Winai Wongsurawat,
Ph.D.
Chairperson

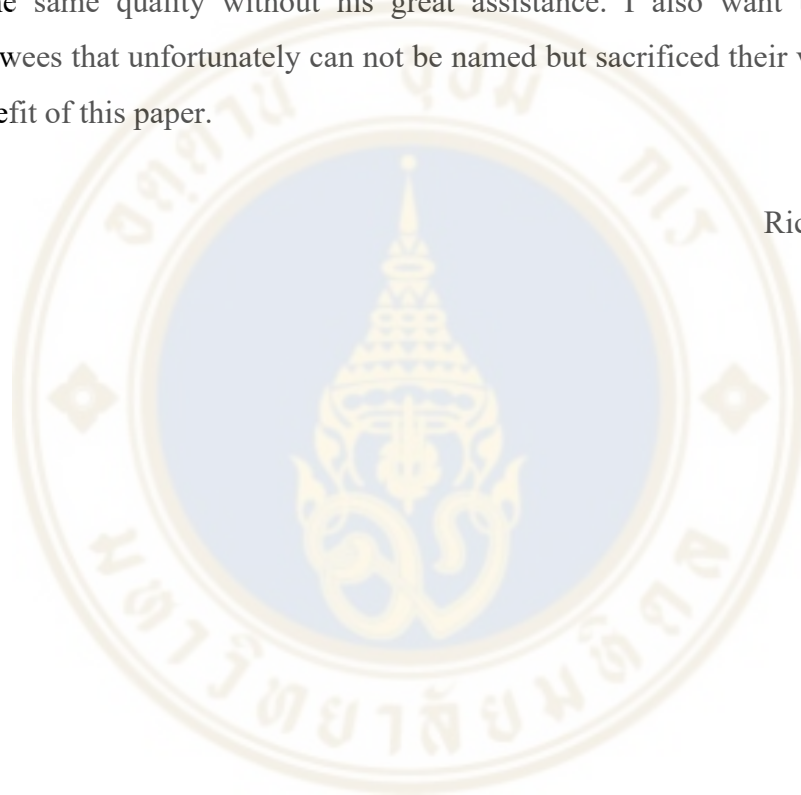
.....
Asst. Prof. Duangporn Arbhasil,
Ph.D.
Dean
College of Management
Mahidol University

.....
Asst. Prof. Pornkasem Kantamara,
Ed.D.
Committee member

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Ricardo Brueschke



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RICARDO BRUESCHKE 6249033

M.M. (ENTREPRENEURSHIP MANAGEMENT)

THEMATIC PAPER ADVISORY COMMITTEE: ASSOC. PROF. SOOKSAN
KANTABUTRA, Ph.D., ASSOC. PROF. WINAI WONGSURAWAT, Ph.D., ASST.
PROF. PORNKASEM KANTAMARA, Ed.D.

ABSTRACT

The main objective of this research is to find common problems and complications in Influencer Marketing Campaigns, to analyse them and find proper solutions and recommendations to those problems that can help to improve the efficiency of Influencer Marketing campaigns in specifically the Beauty industry of Thailand. By educating Influencers and Marketers on those common issues and their solutions the outcome of future product placements between them should be improved.

KEY WORDS: Influencer Marketing/ Product Placement/ Social Media/ Process/ Problems

33 pages

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CHAPTER I

INTRODUCTION

Many people might have heard about Influencers in recent years as this phenomenon has grown tremendously. With the start of Social Media platforms like Facebook and Instagram a new profession came into life of becoming famous on those platforms and using that reach to promote products or services for a certain fee. It is basically like a modern form of tv or radio channel to have an online blog. Nowadays this industry is expected to reach a value of 10 billion dollars with a trend to grow even further because new Social Media platforms for Influencers are rising to popularity like Twitter, Youtube or TikTok. There are good reasons why it is gaining so much attention over the last few years because according to a survey of Mediakix from 2018 89% of Marketers state that Influencer Marketing is comparable or more successful than regular traditional marketing channels. Additionally Influencer Marketing on average gives an 6 times higher media value in return for the money spent than other digital marketing tools like Google Ads for example (Chen, 2020).

With this rapid growth in the market and TikTok being the most downloaded App in Q1 2019 followed by Youtube and Instagram it shows how those platforms are growing which brings new Influencers and new marketers into the market every day. Engagement rates for small Influencers are outperforming the engagement of bigger Influencers which brings even more new players into the game. The term Influencer Marketing had a 1500% increase in searches on Google and big companies using twice as many Influencers for their Marketing campaigns 3 years ago (Influencer Marketing Hub, 2020).

From my own experience working in this industry for the last few years this extremely fast growth of the market also comes with its drawbacks. The Influencers are getting younger and younger and are less experienced as they can rise to fame in a matter of months. With this lack of experience it gets more difficult to collaborate with

them on a professional basis. The same goes for new Marketers emerging daily who seek for a more content and Influencer driven Marketing approach and also lack in experience on how to successfully facilitate an Influencer Marketing campaign.

The purpose of this research therefore is to find common dilemmas and complications that arise in Influencer Marketing campaigns and to find ways to prevent those from happening to have a more professional and efficient working environment between brands and Influencers.



CHAPTER II

LITERATURE REVIEWS

2.1 Social Media

Nowadays we all have a smartphone in our pockets giving us the chance to access the internet anywhere at any time. Being able to access the internet also enables us to access social media, which gives us the opportunity to consume but also to produce all different kinds of content. This content can be shared with the whole world and depending on the amount of followers, there might be a lot of people consuming your content. Those platforms decentralized the mass communication from the traditional channels like tv and press towards the society in which each and everyone has the opportunity of being heard.

This medium can therefore also be used for marketing purposes which in recent time has become more and more popular not only for bigger online channels but also to smaller individuals (Wyrwoll, 2014).

On those social media platforms the users are able to open profiles, find other user's profiles, follow their content or create it themselves. These profiles are customizable and allow you to individualize it however you want with all the creativity that you have and by that creating your very unique social identity. There are many ways of posting your content, for example photos or videos on the timeline, direct messages, text posts and many more. Some social media platforms also use the feature of only temporarily posting your content, which gets deleted after it has been watched. Snapchat or Instagram direct messages are good examples for this kind of feature. Furthermore there are many little features on social media that can make you spend more time and be more creative like funny filters, games, groups and communities, dating opportunities and more (Tuten & Solomon, 2018).

2.2 Social Media Marketing

Social media marketing defines itself by being more interactive and having more of a network effect (many-to-many) than traditional marketing. Traditional media is rather passive and acts as mass communication which means one-to-many. Passive could be described as purely consuming the media like print or video, on the other side social media enables the consumer to interact with the form of media like for example likes, shares or comments. Another advantage that social media has over traditional media is that it can broadcast marketing materials anytime and anywhere. Whereas traditional media had to be scheduled for example in an advertisement break between two shows on TV (Githa Heggde & G Shainesh, 2018).

The goals of social media marketing usually consist of boosting sales, enhancing brand awareness and to create traffic on the marketers platforms with a great side effect of lower marketing costs compared to traditional marketing methods. Another very frequently used strategy is incentivizing user engagement on platforms to make them post or share content. A great benefit that comes along with that is the ability to monitor & analyze all the marketing activities in a very accurate way due to the perks of the easily collectable online data. Depending on what the company's specific objective is the way they use social media marketing might differ (eg., B2C/ B2B/ C2C) (Felix, Rauschnabel and Hinsch, 2017).

2.3 Electronic Word of Mouth (eWOM)

The roots of word of mouth can be found way back in history when people were first starting to trade with each other. When the milkman was referring you to the best butcher and the butcher was referring you to his rice farmer. People were always following the recommendation of people they trust and therefore spreading the word by mouth (Githa Heggde & G Shainesh, 2018).

Back then as well as nowadays WOM plays an important role in marketing. WOM is any kind of casual recommendation shared between consumers. Generally it is very dynamic and is not holding any commercial bias making it an effective tool to manipulate consumer behavior. Keaveney (1995) mentioned that 50% of consumers

change any kind of service provider by the result of a WOM recommendation. It can be positive or negative and therefore have different results by each individual case. While there is positive or negative WOM, it does not say that once a brand or product has a positive WOM people will purchase and vice versa. The only relevant thing to keep in mind is that WOM in many cases is an important reason for brand choice (East, Hammond & Lomax, 2008).

With the recent growth of social media websites the effect on advertising is growing and consumers are relying more and more on word-of-mouth when they make purchasing decisions, from friends they are in contact with online or just a stranger on social media in form of a product review or similar. In a report from Nielsen called the global trust in advertising report which was issued 2012 it states that 92% of the consumers trust recommendations from friends and family more than other forms of advertising, followed closely by 70% of the people surveyed showing they trust customer reviews online (Githa Heggde & G Shainesh, 2018). “eWOM” therefore just describes the phenomenon of WOM in the modern digital society. The term is mostly used for consumer insights gained through text analytics, engagement, hashtag analytics, and other analytical tools (Verma and Yadav, 2021).

2.4 Influencer Marketing

For the word influencer there are several words out there that are being used interchangeably, for more clarity those are the common definitions by the Cambridge Dictionary (2020):

Influencer: “a person who is paid by a company to show and describe its products and services on social media, encouraging other people to buy them”

Blogger: “someone who writes a blog (= a regular record of someone's ideas, opinions, or experiences that is put on the internet for other people to read)”

KOL (Key Opinion Leader): “An expert whose opinion is valued in a specific industry or area of knowledge, and is listened to by a broader audience. KOLs are individuals who are trusted and respected specifically for this knowledge.” (Ehrhardt, 2018)

For the rest of the paper the word influencer will be used to describe those certain individuals as this word clearly suggests the meaning of a person getting paid to deliver their service.

The people who played the roles of influencer back in time, were mostly two important groups of people which were journalists and industry analysts. Their influencing power has declined by a lot over the years to a point that they barely hold any influencing power nowadays (Brown and Hayes, 2008).

During the 21.st century this influencing power moved over to celebrities who influence people in their purchasing decisions by appearing in TV commercials or using the individual product in movies or tv shows. Through the shift in media as described earlier this influencing power moved over to each and everyone of us who decides to dedicate time and energy into social media channels to create content that attracts multiple people who follow your personal blog. At a certain amount of followers (there is no clear definition when) and actively pursuing product placements on their channel people are then called Influencers.

Especially when having a product that clearly fits niche Influencers can come in handy as for example an Influencer who posts daily about makeup for example will consequently have mostly followers that are interested in makeup. To be able to access a bundled target group that can easily be reached through one channel can be a very effective way of promoting your product. The amount of people who will buy the product from product placement on a Influencers blog will therefore be much higher than for example people who buy a product after watching a TV commercial since TV viewers are usually a much broader and less specific audience. Another reason is the power of eWOM that every Influencer poses that traditional media usually does not have.

To measure the performance of such Influencers certain metrics are being used with following and engagement being the most important ones. Engagement measures the amount of comments and likes on a post compared to the Influencers total followers. For example 800 likes plus 200 comments equals 1.000 with a total following of 100.000 this equals an engagement rate of 3%. The total following is also used by some brands to evaluate the Influencers total reach and the potential return the brands can expect by placing a product on their channel.

Brands use this way of marketing more and more nowadays by approaching Influencers that they have in mind or that marketing agencies recommend them and offering them either money or some other form of compensation in return for mentioning/ reviewing/promoting a product on their social media channels (Chinnasamy and Tharim, 2019).

2.5 11 Step framework of effectively executing influencer marketing campaigns on social media

This framework describes that process of a brand hiring an Influencer working on a product placement monitoring the success of the campaign. It describes every little step that is necessary to execute a successful influencer marketing campaign. This 11 step framework will be used to derive questions to each step of the process and to identify problems that can occur in each of the steps.



Figure 1.1 11 step framework Source: Schönberger (2018)

CHAPTER III

RESEARCH METHODOLOGY

3.1 Research Design

This research uses qualitative methods to elaborate certain complications and dilemmas that occur during the influencer marketing campaign process mainly focused on the Thai Influencer Marketing ecosystem. In-depth interviews are used in this qualitative research to understand and unravel common issues in each step of the influencer marketing campaign framework. The interview questions are based on the 11 step influencer marketing campaign process. Questions are designed one by one on each step and ask about common issues in each of the steps. Since there are always at least two groups of interest in an influencer marketing campaign, two sets of questions are set up. One set will be specifically for the individuals who frequently hire influencers and the second set of questions is directed towards the influencers themselves. As the influencers are only involved in step 4 to step 8 influencers are only asked about issues in those steps. Since they are very highly paid people, they value their time a lot. Therefore each interview was only 10 minutes long, which is still enough to extract some important information out of them.

After collecting all the data, coding techniques are being used to filter out essential information that is useful for the research objectives. First all the important findings in the form of short quotes are listed in an open coding. Next if any of the open codes relate they are grouped into axial codes that create a description for the group of open codes. After that the axial codes that contain the most open codes will be used as selective codes. If there is only one axial code the axial code will directly be used as a selective code. Those selective codes will then be analyzed and interpreted to understand them and after that recommendations are made for each selective code in part 5.

3.2 Sample Selection

To have a meaningful and truly representative research outcome the interview has to be conducted with enough people. Since the occupation of influencers is a very rare career path with a very good income, it is not easy to find many volunteers that are willing to reveal partially secret information about their daily work. Nevertheless 8 influencers agreed to be interviewed and answered the 5 questions about the influencer marketing campaign process that actively involves the influencers. The influencers are all female between the age of 20-40, operating in the beauty and cosmetic industry and almost exclusively producing content for Thai social media consumers. Each of them has at least 3 years of experience actively working as an influencer, which means earning money through paid product placements or brand collaborations. This means each of them has gone through the whole influencer marketing campaign process numerous times and has dealt with many different brands over the years.

On the other side an equal number of 8 companies has been interviewed and has been asked 11 questions about the whole influencer marketing campaign process. The interviewees speaking on behalf of the companies are all either as a public relations manager or the head of marketing. The companies that have been interviewed are very similarly to the influencers operating in the beauty and cosmetic industry in Thailand. Those two very homogeneous parties from the same industry, that to some degree even have worked together, should prevent many common research errors and give a clear picture of that interdependent process.

3.3 Data Validity

To ensure data validity and reliability some aspects of data triangulation are being used in the interviews like multiple data sources. Each interviewee works at a different beauty company and handles different products like skincare, make-up and other beauty products. This ensures that no company internal bias messes up the reliability of the research. Also none of the interviewees knows each other which eliminates even more potential biases. Furthermore techniques of participant observation are used during the interview to make sure no bias or any other form of interference challenges

the validity of the interviewees. When uncertainty about certain answers arises probing questions are being used to make sure the answers are as accurate and credible as possible. Lastly all interviews are being held at different times in different locations to ensure even more data credibility.

3.4 Questions

3.4.1 Individuals hiring Influencer (Brands)

- What are common issues to set up clear campaign objectives and goals?
- What are common issues defining the KPIs for measuring objectives?
- What are common issues identifying the right influencers?
- What are common issues analyzing and approaching the selected influencer?*
- Are you alert to possible risks?*
- What are common issues setting up contracts and scripts?*
- What are the issues collaborating with influencers on the campaign?*
- What issues do you have executing and monitoring the campaign?*
- Do you have issues analyzing the ROI?
- Have you experienced issues with retaining influencers?
- Do you use past experiences of campaigns to better develop future campaigns?

*: Marks the questions that are being asked to influencers from their point of view.

3.4.2 Influencer

- What are common issues when being approached by a company that wants to work with you?
- Are you alert to possible risks accepting certain jobs?
- What are common issues setting up contracts and scripts?
- What are the issues collaborating with brands during the job?
- What issues do you have when finalizing the job or after it is done?

CHAPTER IV

DATA ANALYSIS

4.1 Brands Coding

Table 4.1 Brands Coding

Q.	Open Coding	Axial Coding	Selective Coding
1.	1. “Brand awareness vs. Conversion” 2. “No direction” 3. “Too many goals” 4. “Don’t know when to launch”	1. No clear objective (3) 2. Timing (1)	No clear objective
2.	1. “No benchmarks” 2. “How to calculate success” 3. “Not sure what we can measure”	1. Problem defining KPIs (3)	Problem defining KPIs
3.	1. “Influencers buy followers” 2. “They buy likes” 3. “Can’t trust their engagement” 4. “Not the right audience”	1. Fake engagement (3) 2. Fitting target audience (1)	Fake engagement
4.	1. “They ask for too much money” 2. “Influencer prices are too high” 3. “Their rate card exceeds our budget” 4. “We can’t pay their price” 5. “Ignore our messages” 6. “Take very long to reply”	1. Budget expectations (4) 2. Ineffective communication (2)	High budget expectations
5.	-	-	None

Table 4.1 Brands Coding (cont.)

Q.	Open Coding	Axial Coding	Selective Coding
6.	1. “Influencer schedule is busy” 2. “They cannot make it in time” 3. “Each influencer has different free time slots to post” 4. “They don’t understand all the details we require” 5. “Explaining all our requirements creates confusion”	1. Planning timeline (3) 2. Communicating many details (2)	Planning timeline
7.	1. “Influencers are too slow” 2. “They often miss their deadlines” 3. “Forget about the deadline” 4. “Are slow with updates” 5. “They don’t give any updates” 6. “Find out about other job that conflicts with our product” 7. “Only want post on one social media channel”	1. Keeping Timeline (4) 2. Irregular communication (1) 3. 2 job dilemma (1) 4. Limited channel (1)	Keeping timeline
8.	1. “We cannot measure the success of their Instagram stories” 2. “Instagram stories are pure guessing”	1. Instagram story analysis (2)	Instagram story analysis

Table 4.1 Brands Coding (cont.)

Q.	Open Coding	Axial Coding	Selective Coding
9.	1. “Hard to estimate how many sales one Influencer made” 2. “We never know how much one sold” 3. “Only engagement as measure for success”	1. ROI per Influencer (3)	ROI per Influencer
10.	1. “I get too close to and prefer to hire them” 2. “Some are my friends now and it’s hard to stop hiring them”	1. Emotional Bias (2)	Emotional Bias
11.	-	-	None

4.2 Influencer Coding

Table 4.2 Influencer Coding

Q.	Open Coding	Axial Coding	Selective Coding
4.	1. “They don’t have the money to pay me” 2. “They always lie about their budget” 3. “My prices are too high for them” 4. “They complain about my rate card” 5. “The brand doesn’t fit my content”	1. Budget Limitation (4) 2. Misalignment of client and content (1)	Budget limitations

Table 4.2 Influencer Coding (cont.)

Q.	Open Coding	Axial Coding	Selective Coding
5.	1. "I'm scared to work with the wrong brand" 2. "If the product is bad it can destroy my career" 3. "When I recommend bad products I can ruin my reputation" 4. "I have to keep my credibility" 5. "The brand could be a scam" 6. "I'm already working on a similar project" 7. "I have to post 2 products from the same category in the same week"	1. Loss of reputation (5) 2. 2 job dilemma (2)	Loss of reputations
6.	1. "I never like the brands script" 2. "We argue a lot about the scripts" 3. "Brand's ideas are very bad" 4. "They ask for too much" 5. "I'm not comfortable in doing what they expect"	1. Script issues (5)	Script issues
7.	1. "They keep changing their ideas" 2. "Always add something after filming" 3. "Ask to change the video after already editing" 4. "Want me to say very specific sentences after filming" 5. "They want the content to look like an add" 6. "I can never convince them of my ideas for the content"	1. Not pre agreed extra wishes (4) 2. Influencer vs Brand content (2)	Not pre agreed extra wishes

Table 4.2 Influencer Coding (cont.)

Q.	Open Coding	Axial Coding	Selective Coding
8.	1. “They forget to pay me sometimes” 2. “I receive my money after 6 months with some brands” 3. “They have used my content on their channel without permission”	1. Late payments (2) 2. Copyright violation (1)	Late payments

4.3 Findings

To illustrate the findings properly each step of the 11 step influencer marketing campaign framework was analyzed through the interviews. For each individual step one question was developed to find common issues for the companies that hire influencers and for the influencers themselves. The companies were asked about all of the steps and the influencers were asked only about step 4 to 8 as those are the only steps that they also participate in.

4.3.1 Step 1 Problems in determining campaign objectives and goals

The number one issue found in this step is the problem of not having a clear objective with 3 out of 8 interviewees having similar issues. The companies know they want to integrate influencer marketing in their marketing mix, but are uncertain if brand awareness is the main goal or a conversion of product. This combined with low marketing budgets makes it even harder to decide on what the overall goal should be of a campaign.

Another minor complaint about this step was the uncertainty about the right date to choose to launch the campaign. Each month or each weekday might have a different amount of activity on social media platforms as well as different spending habits of consumers. This makes it hard for brands to decide what a clear goal for what time is.

4.3.2 Step 2 Problems of defining KPIs to measure objectives

This is a step that most of the companies wish they would have a good solution for. Many of the interviewees (3 out of 8) deal with a very similar issue, which is that they cannot really come up with proper KPIs, because they lack certain data and analytics. It is very hard to measure the increase of the actual sales volume that was created by a certain influencer, which is the most important numeric that has to be known in order to come up with an KPI that measures the success of a campaign. Therefore many brands do prepare any KPIs and have no benchmarks.

4.3.3 Step 3 Problems identifying the right influencers

The question for this step tries to evaluate how brands struggle with identifying the right Influencer and is the first step in which more diverse problems are being reported. The first one that is mentioned by 4 out of 8 is the uncertainty about the influencers engagement. With many tools nowadays Influencers can buy fake engagement to appear more attractive to potential clients. Brands fear this and sometimes have a hard time to detect this. Even though many social media analytic tools can reveal those actions, with a smart and subtle way of buying fake engagement it is possible to keep it secret. Those fake followers will obviously not have any purchase intention as they are not even real people.

Another complication is finding the right influencer with the right audience, the right content and the ability to convert his media into sales. There are just a limited amount of Influencers on the market and this can make it very challenging to find the right fit. Furthermore when two or more potential Influencers are found the next dilemma is to choose between high engagement or big following. From what the interviewees reported smaller Influencers with less followers tend to have a much higher relative engagement than bigger Influencers with lots of followers.

4.3.4 Step 4 Problems in contacting Influencers/ being approached by brands

This is the first step in which both parties Influencer and brand are involved and therefore both parties have been asked what problems they experience when they

either approach the Influencer or when the Influencer is being approached by the brand. At first all the issues mentioned by the brands will be listed and explained followed by the problems that the Influencers are experiencing and then trying to find similarities.

The number one complaint here is the budget expectations from Influencers with 4 out of 8 interviewees mentioning this. After all the hard work of finding the right Influencer, the brands are now challenged by another obstacle that is the unexpected cost. The next issue mentioned is the ineffective communication with the Influencer. Some interviewees face a similar issue of not being able to properly communicate with the Influencer. This will take up time and elongate the process of executing the campaign.

For the side of the Influencers, one similar issue can be found which is closely related to the budget expectation with also 4 out of 8 interviewees mentioning this. While the brands expect to pay less, the Influencers on the other hand expect to get paid more. This is a dilemma that both parties face in almost every campaign and can be the deciding factor if a campaign gets executed or not.

Another criteria for an Influencer to decline the client's offer is the misalignment of content ideas and content style that is expected by the client but which does not align with the online persona of the Influencer. Many clients who reach out to the Influencer have not properly researched their profile and its content and propose a product placement that does not fit with the target audience of the Influencer. The Influencer presumes that the content is not well fitted for his/her channel and therefore refuses to accept the offer.

This step highlights the mismatch of budget expectations that can lead to major delays in the campaign timeline and will be further discussed in next chapter.

4.3.5 Step 5 Alertness to possible risk by both sides

This part tries to elaborate how much either party is expecting risks to identify if the reason for problematic collaborations could be an overly high level of risk adversity by either side.

While the brands overall are not expecting lots of risks, with many of them even being completely unalert to possible risks, the only thing they are having issues with is to come up with possible risks. Though many try to come up with a risk contingency

plan, the bigger problem is to elaborate what the actual risks could be. While clearly each campaign will face certain obstacles that could be called risks, they are often very diverse and unpredictable.

For the Influencers, there are many more risks to be considered and it is a part in which all interviewees clearly had an opinion. The biggest thing at stake is the potential loss of reputation that any Influencer has to prevent. A big threat to the reputation of an Influencer is the collaboration with the wrong brand, with 5 out of 8 Influencers agreeing on that. Many interviewees mentioned a case of “sketchy” company reaching out to them, sometimes even offering them a big amount of money for product placements. Some of the industries that those companies operate in can be industries like gambling or adult content. This is a risk that will always have to be dealt with and is unavoidable and therefore not relevant for this research.

Another important risk which some interviewees fear is the fact that when they accept a certain job/ product to promote, there is a chance that either they are already working with another company in the same category or they are ruining potential future jobs that are in the same category because of this product. This dilemma is a key finding for this research and will be further discussed in the next chapters.

4.3.6 Step 6 Problems setting up contracts and scripts

Here the interview should clarify mutual or specific problems that either party is facing during the process of negotiating the contract and agree on certain details and specifications of the script which will affect the outcome of the media produced by the Influencer (photo/video).

One major issue that is mentioned by the brands is the difficulty to convince the Influencers of their timeline (3 out of 8). Brands usually prefer a short timeline and less time for the production, this can cause an Influencer to reject the contract, if they are handling too many jobs at the same time. Many different events usually align with the release date of the campaign which makes it hard for the brand to change it. And the influencer tries to postpone it as much as possible to be able to create high quality content for the brand.

Another big problem the brands seem to have, are the many details in the script that they have to communicate with the Influencer. Since it is already very hard to communicate with them, as they are very busy individuals this creates even more confusion and can elongate the process of script confirmation.

For the influencers this step can be very tiring (5 out of 8), as it is a constant back and forth between different opinions. Influencers often have a different view on how to plan out a video and which details to include and which not. While the brand believes a long product review will create conversions, the Influencer believes that an entertaining or informative video with high value for the viewer will create engagement, which will result in a high sales conversion.

Some brands are even so brazen to ask to keep the whole collaboration undisclosed. But as an Influencer you have the moral and depending on the country even the legal obligation to fully disclose any form of product placement or advertisement on your channel. What upsets the Influencers the most is the fact that even when they explain all their issues with the script to the brand, they remain stubborn and insist on keeping the script as it is. All together this creates mutual discomfort and makes the future of the collaboration less enjoyable and therefore many times less successful.

4.3.7 Step 7 Problems collaborating together

This part in the campaign is by far the most problematic, with both parties mentioning the most amount of complaints within all parts. Brands mention four different things that conflict their workflow and the Influencers also have another two major issues to add that irritate the relationship with the brand while working together on the job and create a worse outcome of the collaboration.

First up one crucial problem the brands are dealing with is the difficulty communicating with the Influencer on a regular basis. Brands have to constantly update internally about the progress of the job which requires updates from time to time. If the Influencers are hard to reach, this will be impossible and that therefore creates a lot of uncertainty for the brand.

Closely related to the problem of not getting updates is the inability of the Influencer to keep the timeline, with 4 out of 8 brands mentioning this. It is common for

the Influencers to be late on delivering certain milestones within the collaboration which can damage the campaign quite severely because there is not only one Influencer involved in this campaign but many. Usually the brand will set one final date on which the work will be posted on the social media channels but if only one Influencer is running late, it can have an impact on the success of the campaign.

Another problem that has been mentioned by the Influencer in part 6 already is about the brands demanding to only have their product placement running on their channel and no other from the same product category. Now the brands are complaining that a lot of times they find out without having been notified before that the Influencer was in fact working with a different brand within the same product category by seeing the post on the Influencer's channel. When this has not been discussed beforehand, it can be a heavy setback for the brand because they believe that having two products from the same category on the Influencer's channel can negatively impact the success of the campaign for their product.

The last complaint from the brand is that while the Influencers are already working on the job they find out that the Influencer is planning to post the finished work on only a limited amount of their social media channels. For example, if it has not been discussed previously, the brand might believe that the finished work will be posted on Youtube and Facebook because it is very easy to post the work on another channel like Facebook as they can just copy it, but the Influencer might charge more money for also having it posted on another channel. Judging from the interview, this is something that some brands have encountered and has the potential to destroy their plans of return on investment or conversion as they have calculated with more reach and exposure for their product.

With now having listed all the problems and complications that the brands are facing in this step, the next part will illustrate a very different perspective that the Influencers are having in this part of the campaign. The most frequent problem mentioned in this part, with 4 out of 8 Influencers having a very similar experience, is the fact that they have encountered certain collaborations in which the brand tries to add details and requirements to the work which have not been pre agreed on in the contract or script. Normally this would not cause a big problem for the Influencer but when they have

already started to work on the content and it might even be partially done, it can be almost impossible to add the requirements of the brand without having to redo the content which results in double the work for the Influencer.

Another issue which two Influencers have dealt with is the brand's bias about their idea of how the content should look like. When first starting to work on the production of the content, the Influencer realizes that some of the details in the script do not match with the usual style of content that they produce. So the next logical step for them is to contact the brand and try to propose to them the ideas that they have on the mind to make the content more suited for their channel. The Influencer believes that making the content more genuine and consistent with their usual style will make the campaign a greater success. Though when mentioning this to the brand, they will often receive negative feedback or just a plain rejection. So the underlying problem is that the brands are too stubborn and shortsighted with their own perception of the content which leads perfectly to the next complaint by two Influencers that brands have overly perfect expectations of the content. The Influencers feel like the brands want the content to be like a perfect tv advertisement with no flaws and fake personality to make the product seem as good as possible. The Influencers believe that a more genuine approach, being completely themselves and showing their real reaction and opinion towards the product promoted will result in a more entertaining, likeable and successful content.

4.3.8 Part 8 Problems finalising the work or after the job is done

One way of media that can be used as a promotional vehicle is a Stories on Instagram or Facebook. Some brands like to use this form of media because it is much cheaper for them and when properly executed, it can create a significant amount of conversion and awareness. The one problem that 2 out of 8 interviewees have with Stories is the fact that they will only be online for 24 hours and after that disappear. Furthermore they do not openly show engagement levels in the form of likes or comments like traditional posts do. That results in an inability for the brand to measure the success of that Stories which can be problematic when trying to calculate the ROI.

Another problem mentioned by another brand is that some Influencers forget to use the designated hashtag for the post and therefore they have a hard time finding

the post to analyze it. This is a very human mistake that can happen to anyone and is consequently not an important finding for this research.

The last problem mentioned by two brands during this part is a quite recent one. They mention a significant decline in reach and engagement of posts on many different Influencer' channels specifically on Facebook, that makes the campaign less successful. To counter this phenomenon the brands have to spend additional money on Facebook to boost the respective post and give it the exposure that they have expected beforehand.

On the side of the Influencers two different issues are being mentioned in this part of the campaign. 2 out of 8 Influencers talk about a very common incident that they have to deal with which is that some brands pay very late. They both have credit terms for 30 days but quite frequently they experience brands not even paying after 60 days. This causes a lot of trust issues and possibly impedes future collaborations with the respective brand.

The second problem mentioned by two other Influencers is the fact that some brands use the content of the work after it has been posted for their own benefit on other channels. This could be any place like tv or other social media channels. They complain because it has not been agreed on in the contract and was never mentioned by the brand beforehand. If the brand wants to use the content on different platforms, then the Influencer expects to agree on it first. They would charge more for that and are therefore even more upset because they consider it a form of intellectual property theft.

4.3.9 Part 9 Problems calculating a ROI

Having now analyzed all the parts that before the campaign and during the campaign that also include the Influencers the next steps are being analyzed purely from the brands perspective again, as they are the only ones executing those steps.

This part is closely related to part 2 which analyzed the problems setting up useful KPIs for a campaign. When trying to monitor the campaign 3 out of 8 brands have mentioned the complicated process of trying to analyze the process. They care about finding out their return on investment but without having each individual influencer's conversion this can be very challenging and only be done by comparing the total sales

before the campaign to the total sales after the campaign. This means the ROI can only be calculated for the whole campaign and not for each individual Influencer. To have at least one measure to compare each individual Influencer against each other they use the Engagement of each individual post to see if their decision to hire this certain Influencer was a success or not.

4.3.10 Part 10 Problems retaining Influencers and keeping a good relationship

While most Interviewees have not gained any negative experience, 2 out of 8 brands have experienced a similar issue of getting too close to Influencer due to their intentions of keeping a good relationship to have more successful collaborations in the future. While normally a good relationship would seem like a good thing, in this case an overly close relationship in this case can create some sort of emotional bias and make the brand go for the same Influencer over and over again because they are very close and forget about checking the actual success of the content of this Influencer. On the other hand if the relationship is too good, the Influencers start to complain why they are not getting hired anymore. With such a good relationship they expect to be in every campaign of this particular brand but the brands have to think about business first and if the stats of the Influencer are not good enough they will not be hired, no matter how good the relationship is.

4.3.11 Part 11 Using past experiences to improve future campaigns

This question should identify if actually all interviewees work effectively and smart. Its purpose is to find out if the underlying problem of a failing campaign is the fact that they do not learn from their mistakes or if other complications result in a failing campaign. Since all of the interviewees confirmed in this step that they definitely use past experiences to improve future campaigns, this problem is off the table.

4.4 Summary

The following graph highlights the problems in every step of the process that have been mentioned the most by the interviewees. Only one issue per step is mentioned and is combined with how many participants have mentioned this issue. When 2 or 3 out of 8 participants have mentioned it, it can be seen as a mildly common problem, 4 out of 8 participants mentioning the same problem can be evaluated as a well known problem and anything from 5 out of 8 participants upwards can be considered as a very common problem. (core codes)

Table 4.3 Coding Summary

Steps	Brands		Influencers	
1.	No clear objective	3/8	x	
2.	Problem defining KPIs	3/8	x	
3.	Fake engagement	4/8	x	
4.	High budget expectations	4/8	Budget limitations	4/8
5.	None		Loss of reputations	5/8
6.	Planning timeline	3/8	Script issues	5/8
7.	Keep timeline	4/8	Not pre agreed extra wishes	4/8
8.	Instagram story analysis	2/8	Late payments	2/8
9.	ROI per Influencer	3/8	x	
10.	Emotional Bias	2/8	x	
11.	None		x	

CHAPTER V

RECOMMENDATIONS

5.1 Recommendations

After analyzing all of the steps thoroughly it is very clear that an influencer marketing campaign is not a smooth process and demands a lot of communication and compromise by both parties involved. The purpose of this paper is to find exactly those complications and dilemmas that make the process harder and less successful. In the data analysis a lot of different issues have been presented from both perspectives: the brands and the Influencers. Every step has one most mentioned issue that is considered as the most recurring problem. This part will elaborate those problems further and demonstrate a solution for the major problem of each step.

Starting from step 1 that has a no clear objective problem which creates a dilemma between brand awareness and conversion. The brand interviewees have already answered their question themselves. If they have the budget for Influencers that have a big following they should go for brand awareness, if they have a smaller budget it is better to go for conversion and therefore smaller Influencers.

The step 2 troubles the brands because they cannot come up with good KPIs because they cannot measure conversions per Influencers. For this problem there are certain solutions on the market that can solve this problem very easily like affiliate links. The brand will give each Influencer a unique affiliate link that they will post in the caption of their post or their profile bio. When a follower decides to purchase the product from the Influencer's post he/she can click that link and will get to the brand's website listing of the product. To incentivize the follower to use that link and not purchase the product another way, the brands can give a special discount for example of 5% when purchasing the product through that link. This way the brand can get the conversion numbers for each individual Influencer, that they need to come up with the right KPIs.

The fake engagement problem of step 3 can be a tricky one to fix, as slow fake increase of following and engagement is hard to identify, though by constantly monitoring their Influencers of choice through websites like “socialblade.com” they can specifically track their engagement ratio to followers. This is dividing likes plus comments of each post by the total followers. Tracking this ratio over time can identify if the Influencer uses third party tools to buy fake following or fake engagement. If the ratio fluctuates a lot and goes down over time it is a big indicator of fake engagement. The more stable that ratio is the more it indicates real followers and real engagement.

Step 4 plaques brands and Influencers with a very specific dilemma of brands having budget limitations and Influencers having higher budget expectations. There is no perfect solution for this problem as it is a typical problem of many negotiations out there in the world. Though there are measures to be taken that can improve this problem. Brands can offer a pack of free products and vouchers on top of the budget to make the Influencer go for a cheaper price and Influencers can try to upsell their media. Instead of for example asking for 10.000 THB per Instagram post they can accept 8.000 THB for it if the brands decides to also pay another 2.000 THB and they get a Story post on top.

In step 5 only the Influencers were mentioning problems they have with avoiding risks. Specifically the risk of losing their reputation because of a certain collaboration. This risk will always be there and cannot be avoided as the reputation of an Influencer can be ruined by just one shitstorm online caused by some minor misbehaviour. What Influencers can do though to minimize the risk as much as possible is to have a very clear mindset, that they will only work with products that they are fully behind of and might even use out of personal interest. This makes sure that the Influencer keeps its authenticity and reduces the risk of losing its reputation.

For part 6 the analysis has found two different major problems between the brands and the influencers. It is very closely related to part 7 and that is why one solution for both parts will be suggested. For the problem of brands to be unable to schedule a decent timeline of the campaign combined with Influencers struggling to keep the timeline, there is one very simple solution which is to give an incentive for the Influencers to accept a short timeline and also keep it. The incentive could be for example to keep

20% of the payment as a bonus payment in case the Influencer manages to finish the work on the early deadline. Since Influencer Marketing involves very high amounts of money, 20% can be a very big amount, that would be a big loss for the Influencer in case they do not receive it. For the influencer the problems in Part 6 and 7 are also very related therefore the suggestion here, to make sure there are no problems when negotiating the contract and the script and afterwards, are very clear educational instructions to the brands on how a Influencer driven content is much more successful than the brand driven approach which looks much more advertisement like. To convince the brand previous product placements can be shown that have a very Influencer driven style of content and show their success compared to a more ad like product placement. The Influencer driven one will be more creative and entertaining and therefore more successful in terms of engagement. When brands see that it should be quite easy to convince them, as they care mostly about the success of the campaign.

In part 8 brands complain about the problems of analyzing the Instagram stories. Since they disappear after 24 hours, brands have to make sure to agree with the Influencer to send them a screenshot of their analytics that only they can see for the stories. If they write that in the contract to send the analytics after 24 hours, the brands can measure the success of the product placement much better. In this part two Influencers complain about the late payments of some brands which probably is the easiest fix by just implementing credit terms into the contract that includes the maximum days that the Influencer feels comfortable with.

For part 9 which is the problem of calculating the ROI per Influencer the solution is the same as in part 2 of problems coming up with the right KPI. After implementing affiliate links on the Influencers post, the ROI can be calculated very easily after the campaign.

In the last part of the process that contains problems which is part 10 the issue is an emotional bias that comes up while maintaining good relationships with the blogger after the campaign. To make sure no emotional bias conflicts with the decision making of which Influencer to use, a good solution is to openly tag every Influencer with their strengths and weaknesses. When deciding which Influencer to go for in the next campaign, it can be decided very objectively by matching the competencies needed

for the campaign with the Influencers who have the right strengths. When communicating this clearly to the Influencers they should understand that is a totally unbiased decision that was made purely on objective criterias.

The following framework summarizes all these recommendations and is intended to be used by brands and Influencers alongside the 11 step framework by Schöneberger (2018) in any Influencer Marketing campaign.

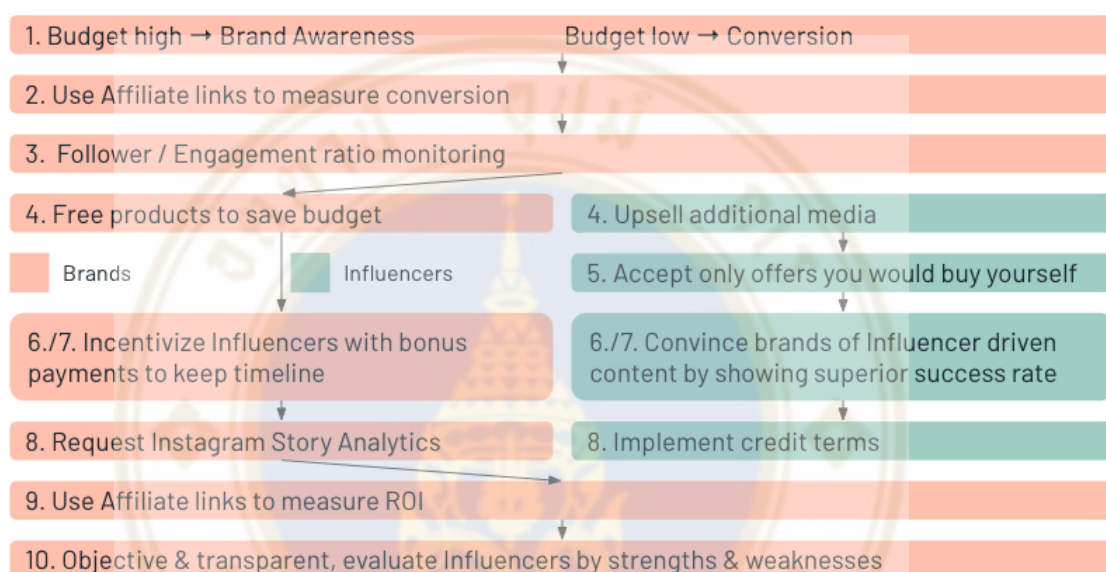


Figure 5.1 Solutions to most frequent problems in an Influencer Marketing Campaign

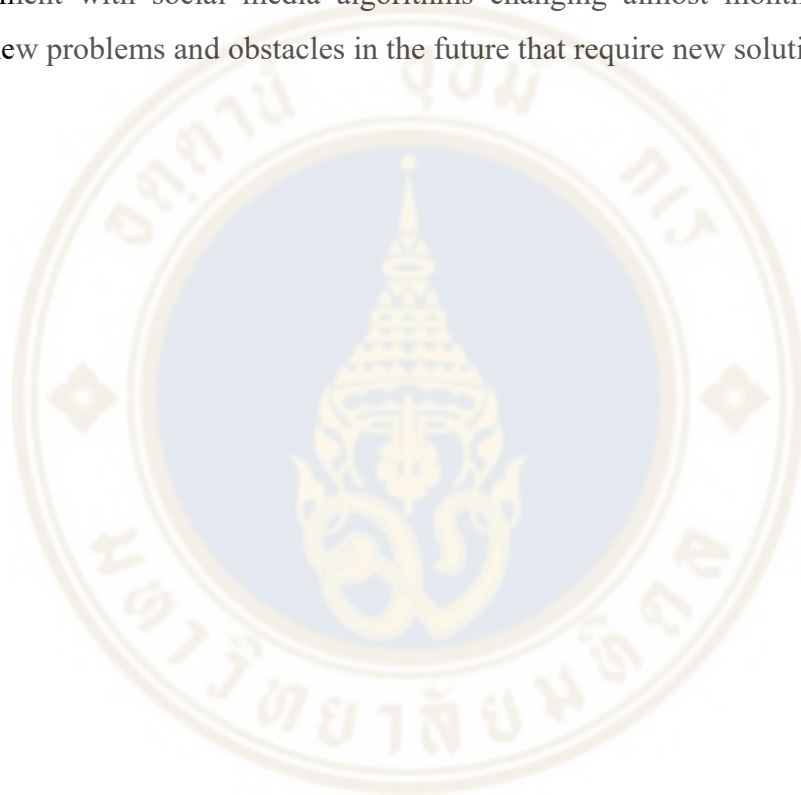
5.2 Limitations and future research

Regarding the completeness and reliability of this paper many variables and aspects limit the data gathered in this research. First of all since Influencers are a rare breed it can be difficult to have big sample sizes as they are not necessarily keen on revealing all their business details behind the scenes as it can possibly upset their followers. 8 interviewees per side can therefore result in missing information and might not show the whole picture. Closely related to this is what can be added in future research is that this paper is only focused on the beauty industry of Thailand. To get a full picture of the Influencer Marketing ecosystem more research is needed for other Influencer industries like Tech, Gaming, Entertainment or Fitness.

Another constraint about Influencers is that they are high earning individuals, meaning they value their time a lot which resulted in relatively short interviews due to their very limited time.

Furthermore due to being such a modern topic there is a lack of literature explaining the process of an influencer marketing campaign, which resulted in using a framework from a master's thesis defense presentation without much context.

Lastly the whole Influencer Marketing ecosystem is a very fast paced environment with social media algorithms changing almost monthly which might create new problems and obstacles in the future that require new solutions.



CHAPTER VI

CONCLUSION

The Influencer Marketing industry is a very unique and dynamic environment with some of the stakeholders especially the Influencers sometimes even being underage as they rise to popularity with content for their demographics. Many people each day hit the 10.000-, 100.000- or 1 Million follower mark and can call themselves Influencer, with many of them reaching those numbers incredibly fast, which means they have no possibility to mature into the business aspect of this hobby/profession. For exactly those people and new and upcoming brands who want to kick start their business with Influencer Marketing campaigns, this research can hopefully be a supporting information to be able to prevent common problems that arise in Influencer Marketing campaigns. With this research as support brands might not only have a competitive advantage but most importantly a higher chance of success of getting the Influencers they want, executing a successful campaign and maintaining a good relationship with that Influencer and on the other side inexperienced Influencers might benefit from this research by being able to stand their ground in negotiations and knowing what common complications can be avoided in what way.

With this industry getting bigger and bigger every year it can be expected that the number of Influencers will grow exponentially and therefore more and more inexperienced Influencers enter the market who will create a lot of ineffective and inefficient workflows for the brands. It is crucial to avoid this by acting smart and being prepared for all the potential problems and dilemmas.

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