

Creators are becoming a serious business for brands

Article



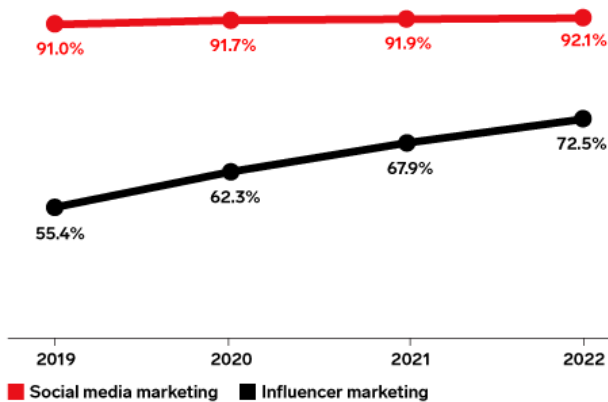
Many marketers had long underestimated the value of creators in their marketing mix. That's no longer the case. Most brands today have incorporated influencer marketing into their media plans, and many intend to allocate even more funds to the tactic this year.

According to our latest forecast, 67.9% of US marketers from companies with 100 or more employees will use influencer marketing in 2021, up from 62.3% last year. In 2022, that figure

will rise to 72.5%.

Share of US Marketers Using Social Media and Influencer Marketing, 2019-2022

% of total marketers



Note: companies with 100+ employees; includes both paid and unpaid (i.e., compensation in the form of free product or trips) brand-influencer partnerships
Source: eMarketer, Nov 2020

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“The pandemic has played a major role in driving wider adoption of influencer marketing,” said Jasmine Enberg, eMarketer senior analyst at Insider Intelligence and author of our latest report, **“Influencer Monetization 2021.”** “After an initial pause in spending in H1 2020, marketers quickly resumed and even increased spending, as budgetary constraints and studio closures curtailed traditional ad production.”

Between April 2020 and June 2020, the average monthly number of sponsored posts was down by 42.9% year over year (YoY), according to an analysis of 3.5 million Instagram posts by visual marketing platform Later and influencer marketing company Fohr. By December, however, that figure had bounced back as the number of sponsored posts that month grew by over 20% YoY.

This turnaround is in part thanks to many long-term shifts within the social media landscape that the pandemic accelerated, affecting social commerce, livestreaming, short-form video, and newcomer social audio.

“Social commerce in particular has made influencers very powerful,” said Stacy DeBroff, founder and CEO of influencer marketing platform Influence Central. “Then there are the new platforms, like Clubhouse or TikTok. They haven’t figured out their ad strategy yet, so brands are realizing that influencers are their best conduits for reaching those audiences.”

In a March 2021 survey by influencer marketing platform Linqia, 68% of US marketers said they were planning to use TikTok for influencer marketing, up from just 16% in February 2020. That made TikTok the third most popular format measured, behind only Instagram (93%) and Instagram Stories (83%). The share of marketers who planned to use Twitch also more than doubled, going from 5% to 13% in the same time frame.

Which Social Media Platforms Are US Marketers Planning to Use for Influencer Marketing?

% of respondents, Feb 2020 vs. March 2021

	Feb 2020	March 2021
Instagram	97%	93%
Instagram Stories	83%	83%
TikTok	16%	68%
Facebook	79%	68%
YouTube	44%	48%
Instagram Reels	-	36%
Pinterest	29%	35%
Twitter	35%	32%
Snapchat	16%	26%
Blogs	24%	25%
Twitch	5%	13%

Source: Linqia, "The State of Influencer Marketing 2021," April 20, 2021

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Spending on influencer marketing is also up. According to January 2021 research by Influencer Marketing Hub and influencer marketing platform Upfluence, 62% of marketers worldwide said they intend to increase their influencer marketing budgets this year, while one-fifth expecting their influencer budgets to remain the same as they were in 2020. Only 7% expected their budgets to decrease.

By 2021, influencer and other paid content will represent 20% of US agency and marketing professionals' digital ad budgets in 2021, according to a November 2020 survey by Advertiser Perceptions. Trailing behind are paid search (14%), display advertising (13%), and paid social and video (12% each).

To learn more about how the creator economy will affect brand-influencer partnerships and how marketers should adapt their strategies accordingly, Insider Intelligence subscribers can read our recent report:

Report by Jasmine Enberg May 12, 2021

Influencer Monetization 2021

