## Amazon turns to influencer marketing to reinvigorate Prime Day

Article



**The news:** This week's **Amazon Prime Day** event, its eighth-annual such sale, will incorporate a new wrinkle: influencer marketing.

**The activation:** The digital retail juggernaut booked event spaces and loaded them with goods that would be on sale on Prime Day. Think: bathrooms stocked with cosmetics and bedrooms loaded with home furnishings.





- In the weeks preceding Prime Day, the company invited participants in its Amazon Influencer
  Program to visit these "creator houses" in Los Angeles, New York, and Austin to produce content.
- For creators who also sell on the platform, Amazon conducted two webinars that offered best practices on how to optimize Prime Day revenue.
- Over 5,000 creators participated in these pre-Prime Day activities, the company reported.

**Zoom out:** Approximately 313 retailers promoted sales alongside Prime Day in 2021—11% less than the prior year, <u>per</u> RetailMeNot. That could signal how difficult it is to compete against a massive event that has built such equity over time.

- Despite that equity, Prime Day sales growth in recent years has slowed. Average Prime Day order value dropped 8.5% in 2021 versus two years prior, per Numerator.
- US sales will account for <u>over half</u> of global Prime Day sales this year—which could be why the massive retailer is<u>adding a number of new markets</u> to the sale for the first time.
- The novelty is wearing off—which could be one reason Amazon is turning to influencers to reinvigorate the event.

Why influencers? Influencers are growing in importance to the typical consumer.

In Q4 2021, the number of minutes watched on influencer-created content on **Facebook** and **YouTube** <u>was up 7%</u> versus the same period in 2020; media companies and brands, conversely, were down significantly.

- That's important, since 68% of those who watch YouTube influencer videos recall the names of specific brands mentioned.
- Of that cohort, 86% have purchased or would consider purchasing a product endorsed by such an influencer.

Ukonwa Ojo, then-CMO of Prime Video and Amazon Studios, said during June's Cannes Lions festival that creators have gone from a "nice to have" to "a critical part of how we go to market and how we succeed" over the past few years.

One in four communication specialists plan to invest in mid-tier influencers (100,000-999,999) as part of their 2022 influencer marketing strategies, though authoritatives (experts such as

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doctors and chefs), top-tier influencers, and micro-influencers were in the plans of at least 20% of such professionals.

Three in four communication specialists <u>spend somewhere between 20% and 50%</u> of their marketing/communication budget dollars on influencer marketing.

**The big takeaway:** Creating visually appealing content takes time and effort. Making that process easier for creators so they can produce and distribute content ahead of a big sale should be the goal of any retailer invested in influencer marketing.

How Much of What US Instagram Users See on Instagram Is Influencer Content? % of respondents, by age, Jan 2022					
	35	<mark>%</mark> 1	8%		47%
18-24					
			57%	20%	23%
25-34					
		44%	17%		39%
35-54					
	3	<mark>7%</mark> 11%			52%
55+					
	24%	3%			63%
>10%	<b>&lt;</b> 10%	None			
Note: n=1,318 Source: Civic	3 ages 13+ Science as cited	in company blo	g, Jan 18, 202	2	
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