

Instagram remains the undefeated champ of influencer spend

Article



We've increased our forecast for US influencer marketing spend for next year from \$4.6 billion to over [\\$6 billion](#), following [TikTok's explosion](#).

We asked [The Daily podcast team](#) to break it down:



Ahead of the pack: “Right now, and for the foreseeable future, Instagram is the clear market leader [for influencer spend],” said director of forecasting Peter Newman.

- Instagram’s spend makes up more than 40% of the total and will continue to hold that share through 2024, when its spend will surpass \$3 billion.

TikTok takeover: For the first time, we broke out TikTok in our influencer forecast, and the spending for that platform has been “astronomical,” according to Newman.

- Spend has grown fivefold in the last two years and will nearly double again in the next two, totaling over \$1.3 billion by 2024.
- Influencer marketing spend on TikTok will overtake Facebook this year and surpass YouTube by 2024.

Bigger isn’t always better: Shrinking marketing budgets are forcing marketers to stretch their dollars and seek out the most effective ways to target their audience.

- Rather than betting on big names, marketers are turning to micro (5,000 to 20,000 followers) and mid-tier (20,000 to 100,000 followers) influencers.
- These influencers will account for over half of total influencer spend for the next two years while macro (100,000 to a million followers) and mega (a million plus) influencer spend is trending down.

“We’re seeing advertisers and marketers want to target their dollars better. Influencers in niche communities are more effective as a means of delivering your message and getting your product in front of people most likely to be buying it,” said Newman.

The sweet spot: For marketers looking for the most bang for their buck, mid-tier influencers are the way to go.

- Though they aren’t a household name, they are trusted by their followers and, according to Newman, have much higher conversion rates than their larger-influencer peers.
- Over \$1.6 billion will be spent on mid-tier influencers this year, the largest spend of all the cohorts.

Listen to the full podcast.

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The Daily: Influencer marketing by platform and tier, luxury ecommerce, and out-of-pocket drug costs