

The era of influencer efficiency is here

Article

Most brands are increasing their influencer marketing budgets. Many creators say brand deals are drying up. Both are true: More money is flowing into influencer marketing, but new high-profile partnerships are harder than ever for creators to come by.

Brands are spending their influencer dollars more thoughtfully. Marketers have more tools, experience, and data than ever before. They're leveraging those resources to optimize influencer strategies, rather than blindly throwing dollars behind the tactic. Budgets are rising, but spending is going primarily to omnichannel campaigns with big creators with whom brands have established relationships.

- **That's shrinking the number of new deals.** Long-term partnerships are more beneficial than one-off campaigns for both parties, offering more financial stability for creators and less risk for brands, for example. It also makes it easier to include influencer marketing as part of an annual marketing plan. But the inevitable result for creators, both in and out of committed relationships, is fewer new brand deals.

Brands also have the luxury of choice. While there are now fewer overnight TikTok sensations, the market has become saturated with creators looking to score brand deals. That means competition is fierce. It also gives marketers the upper hand during negotiations, and they're using it to propose more "creative" solutions, like affiliate marketing and content licensing deals, which cost less but can provide more measurable performance.

- **It's easier than ever to become a creator.** There were 27 million self-identified income-earning creators in the US as of July 2023, per the Keller Advisory Group. For context, that's on par with the number of daily active mobile app X (formerly Twitter) users in the US in February 2024, per Sensor Tower—or close to one-tenth of the population, based on the US Census Bureau's latest figures. There is also a long tail of non-monetizing creators desperate to score their first brand deal.

The creator middle class is feeling the pinch the most. As being a creator has become a legitimate career path, the prices they charge have risen. But midsize creators don't have the reach of big-name influencers, nor the perceived conversion potential of niche creators—meaning they can't always justify their rates. Many are stuck in the "in-between," unable to ink high-profile deals yet unwilling or unable to settle for anything less.

Read the full report, [The State of Influencer-Brand Deals 2024](#).

Report by Jasmine Enberg Apr 12, 2024

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