Rob Rubin, and Lauren Ashcraft

The Banking & Payments Show: Leveraging Finfluencers

Audio

In today's episode of The Banking & Payments Show podcast we talk about how financial services companies partner with creators on social media to reach younger audiences. In the 'Headlines' segment we examine the partnerships between banks and influencers by discussing the EMARKETER article, "How to make finfluencer partnerships work with a smaller marketing budget." And in the 'Story by Numbers' segment, we shift the conversation to how many financial influencers there are on social media and the steps a bank needs to take to find the right finfluencer to partner with. Join the discussion with host, Rob Rubin, content creator and finfluencer, Taylor Mitchell, and analyst, Lauren Ashcraft.

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Episode Transcript:

Rob Rubin (00:01):

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(00:27):

Hello everyone and welcome to the Banking & Payment Show: Behind the Numbers podcast from EMARKETER. Today is November 12th, 2024. I'm Rob Rubin, head of business development at EMARKETER, and your host.

(00:39):

Today banking analyst Lauren Ashcroft is joining me along with Taylor Mitchell, one of the top finfluencers in the US today. Taylor has a tremendous young adult following and has done many successful collaborations with finservs. We're going to put Taylor's social links in the meeting notes for anyone that wants an introduction.

(00:58):

Taylor, can you say hello to everybody?

Taylor Mitchell (01:00):

Hi there. Thanks for having me.

Rob Rubin (01:02):

Yeah, I'm really excited to have you, Lauren. Hey there.

Lauren Ashcraft (01:06):

Hi. Great to be here.

Rob Rubin (01:07):

It's really exciting. We met Taylor because she collaborated with us on a webinar that we did in September. So nice to see you again. Taylor. Thanks for coming.

Taylor Mitchell (01:16):

Absolutely. Thank you.

Rob Rubin (01:18):

I wanted to let this audience just a little icebreaker. I don't know if I asked this one of you the first time we did it, but what are you streaming today? What are you binge-watching?

Taylor Mitchell (01:28):

Ooh, we just finished Outlander. So we're kind of lost land where you're looking for the next show. So if you have a recommendation, we're-

Rob Rubin (01:36):

The Diplomat. Season two is out.

Taylor Mitchell (01:38):

Okay.

Rob Rubin (01:39):

They dropped all six episodes, so there you go.

Taylor Mitchell (01:41):

Love that. I'll check that out.

Rob Rubin (01:43):

Today's subject is how financial service companies partner with creators like Taylor to reach younger audiences through social media. And before we jump into it, Taylor, can you tell us at a high level what a typical work week looks like for a full-time finfluencer like yourself?

Taylor Mitchell (02:00):

Yes. So I've been doing this full-time for almost five years now, and it took me many years to find a structure that worked because without a structure, I'm kind of working all the time. Your phone is always in your pocket. I can always check my comment section and reply, and emails. So I really did have to get very structured, but I tend to split my week between what I call maker and manager. So Monday, Tuesday, it's kind of my manager days. So I do all my meetings, most of my email podcasts, all those sorts of interview sort of things, Monday, Tuesday, and then Wednesday, Thursday, Friday is my maker days.

(02:37):

So that's more creating content, brainstorming for content, those sorts of things. And then of course all the morning start with news headlines and just understanding what the market is doing for relevant content. But yeah, I also am a very creative person and it can be hard to have this job when I want to create intuitively when sometimes that's not how it goes. Sometimes I really do need to just be able to turn it on. But splitting my week like that has helped me a ton.

Rob Rubin (03:06):

All right, that makes sense. I guess when you do it all the time, you have to figure out how to organize yourself.

Taylor Mitchell (03:13):

And I mean, if you think about it, people use social media for personal enjoyment also. So it's like finding that boundary between my personal enjoyment and posting of my family and my son and our vacations versus work.

Rob Rubin (03:25):

Right. Right.

Taylor Mitchell (03:25):

That could easily become spending all of my time on social. So definitely had to get very structured to find my balance.

Rob Rubin (03:33):

Super, thank you. It brings us to our first segment today, The Headlines. In Headlines, I pick an article related to the topic. We put a link in the show notes for you. For today's headline, I chose an article that Lauren wrote and Taylor contributed to in its titled, How to Make Finfluencer Partnerships Work with a Smaller Marketing Budget. And Lauren For you, what did you learn about the influencer bank partnerships when you wrote this article?

Lauren Ashcraft (04:05):

Well, definitely it gave me a much better understanding of what goes into being a finfluencer and what they look for in a partnership.

Rob Rubin (04:05):

Wow.

Lauren Ashcraft (04:14):

For example, doing multiple videos gives the whole partnership a better chance to meet metrics and make adjustments. I also learned that the partnerships can be a lot more flexible than you think. For example, you don't just have to partner on videos. You could ask to be mentioned in a newsletter, you could pay for ads in a newsletter, for example, a mention or ad in a podcast. And there are other ways to bring down the costs as well, such as ... And Taylor, correct me if I'm wrong on this, but basically giving the creators a boost on the videos could be a way to get a lower starter price on the videos as well.

Taylor Mitchell (04:57):

So in terms of what you're saying, to give a boost, that actually costs a little bit more money because that's actually putting additional money behind the video to ensure it engages well. But one thing that brands can do that is very effective is look ... So to take a step back, the most expensive purchase that a brand can make with myself is to buy a video that I create and post on my channels because we're leveraging the audience that I've created, but I also have expertise in just making a video that resonates.

(05:25):

So one of the most cost-effective ways would actually be for these brands to purchase a video that they use only on their content. It never shows up on my page, it has my face, it has my likeness. So [inaudible 00:05:38] a lot of consideration and things that need to go into that for the creator, but that brand can either use it and leverage it and paid ads, which can be extremely effective. They can post it on their own social media. Again, the most expensive thing you can do is hire from a creator and have it post on their channel. But there's a lot of ways that you can use video and the expertise that they've created to still get your campaign to be successful.

Rob Rubin (06:03):

But aren't they trying to attract new audiences? So it seems like that doesn't make a lot of sense if you're ... I guess it's based on your goal, right?

Taylor Mitchell (06:03):

Exactly.

Rob Rubin (06:11):

If your goal is that you have an audience that we want to attract, then having you do a video that your audience will never see is not helpful.

Taylor Mitchell (06:19):

Well, yeah, and it really depends ... Like you said, it depends on the goal, but even using a paid ad or posting on your own channel, you still have an opportunity to reach a new audience because for one, it's a paid ad. So you're able to choose your demographics and you're able to get hyper-focused on the age, location and interests of whom you want to see your ad. So you'll definitely still see a new audience with a paid ad. And then in terms of posting that on their own social, the algorithm on their Instagram account is virtually the same as the algorithm on my Instagram account. I'm sure this is highly debated, but there's still the likelihood of virality on either account.

Rob Rubin (06:59):

All right. So if you made a video that was viral, it would pick up on any account. But that seems like you can't promise a viral video though because that's like you have no idea if your videos are going to be viral.

Taylor Mitchell (07:11):

But if you speak to TikTok specifically ... So Instagram is a little bit different, but TikTok, if I have a video that does go viral, it's 99% of people who see it were never following me. So my follower count is not actually as important as these brands think. So for example, if I have, well, I have 500,000 followers on TikTok, that doesn't mean that all 500,000 followers are going to see that video.

(07:36):

So in terms of leveraging that and the chance for a brand to have a well-performing video, I do think it's super important for brands to focus on creating their own channels and kind of finding their rhythm and finding their own audience because that owned audience is extremely valuable. I mean, obviously, that's why they hire content creators, it's for that owned audience, but the number of followers is ... There's kind of like an asterisk around that in terms of not every follower that I have is going to see that video.

Rob Rubin (08:06):

All right. So you have a lot of different ways. We were just talking about making videos, but there are other ways that they can place ads on content.

Taylor Mitchell (08:16):

Exactly. There are a ton of different ways. So I'll focus specifically on TikTok and Instagram because short form videos. YouTube, it's kind of this whole other world in terms of ad space. But for TikTok and Instagram, let's say I make it a 30-second video, I can post it on my channel, we can post it on their channel, I can post it only on TikTok ads, we can post it only on Instagram ads and we can do a combination of those. They can buy that out and purchase it and use it as the podcast segment. They can use it on their website, on billboards. So it goes all the way from more traditional marketing.

Rob Rubin (08:50):

So you give them usage rights.

Taylor Mitchell (08:52):

They purchase it.

Rob Rubin (08:53):

They purchase usage rights.

Taylor Mitchell (08:55):

Yeah. Along from being a creator, I also own an influencer marketing agency for influencers. So I'm going to speak from a little bit from my experience and then also what I see kind in the norm with the creators on my roster. So most creators will get you 30 days organic usage with your video. So let's say, I'm just going to throw out a number here, but let's say for

$5,000, you'd get a video from a content creator, it gets posted on the content creators channel and the brand has 30 days to post that on their channel to add it to their Instagram stories and those sorts of things. Any additional licensing. Is it obviously more costs, most expensive licensing available would be exclusivity.

Rob Rubin (09:35):

Right. And do you have arrangements where you have exclusivity? What do they look like in terms of what do they expect from you and what do you expect from them for that?

Taylor Mitchell (09:44):

Yeah. Well, I can tell you. I kind of teased that. Exclusivity being the most expensive, most creators will charge 100% of a video rate per month of exclusivity. So if that creator is $5,000 per video and they want one month of exclusivity, that's an extra $5,000 to cost.

Rob Rubin (10:01):

All right.

Taylor Mitchell (10:01):

So for one video, one month exclusivity would be $10,000. Again, this ranges drastically amongst creators, but what a brand does, most of the time they give you a short list of brands that they do not want you to work with. So if I was working with Fidelity, they would say no to Wealthfront, JP Morgan, Vanguard, those sorts of things. They have this list. I have worked with exclusivities that are very broad, which is not ideal because you just never know who's going to come in your inbox and want to work with you. So the more definite and clear is really a better partnership for bulk brands.

(10:36):

But the exclusivity normally has a window before the content is posted and after. So I might not be able to post throughout the exclusivity partners for two weeks before the content goes live and two weeks after. It's expensive. And so I really do empathize with these smaller brands, but it's honestly, it's very important because if one day I'm talking about one credit union and the next I'm talking about another, you've really kind of split your intentions there. And so it's definitely something to consider. But I will say one more thing in that is that I think most professional creators outside of paid exclusivity kind of have that knowledge in mind that I personally, I don't bounce around with which brands I talk about because I do have my favorites and therefore I talk about my favorites. So that would not happen with most professional creators for them to jump from competitor to competitor within a short window of time. But for the right brand, it's something that they want to protect themselves on.

Rob Rubin (11:34):

I get that this has been really interesting, and I really appreciate the range of different possibilities that you could have in a partnership. But I think this is also a great jumping point for our next segment, Story by Numbers.

(11:53):

In Story by Numbers, I pick a number and we discuss what it means and its implications. And today I picked a number from a study by Emplifi analyzing financial influencer activity on Instagram and YouTube between April 2023 and April 2024. So a one-year period. And this is what I found. These are the numbers that we're going to tell a story with. According to Emplifi, there were over 109,000 financial influencers on Instagram and 31,438 specifically on YouTube as of April 2024. This is for everybody.

(12:29):

Lauren, jump in. How should a bank find the right finfluencer? Where do you start with that? Maybe we start with your agency. How does someone find finfluencers?

Lauren Ashcraft (12:40):

I think an agency would be a good start. I also did just write an article about why it is important to have a diverse staff including Gen Z-ers because if you have Gen Z-ers on your staff, they might actually be following some finfluencers and have a good idea of what's out there. And then I think an agency would be a good first step if you don't have a good idea of what kind of a influencer partnership you're looking for because they can also help you get a good idea of the kinds of metrics, set up your goals and make sure that working together in that partnership is a realistic way of getting there. And it's good to not just enter into a finfluencer partnership thinking, oh, I just want to get more eyes on my bank, on my brand. It's good to go in with a specific goal like expanding your customer base, getting more customers, maybe launching a new product and getting more awareness around that. But going in with that specifics also helps the finfluencer know whether they can help you reach their goals as well.

Rob Rubin (13:50):

It's not just finding the right finfluencer in terms of how much they're going to charge us for the different things. It's their audience, but it's also a little bit like how does their vibe blend with the institution's sort of brand. In other words, if they're a really old stodgy brand, what kind of finfluencer should they choose? Versus sort of a fintech that is starting with a different kind of vibe.

Taylor Mitchell (14:21):

And that's why I think the most important thing before brands really jump into this is to decide their own target audience because again, to your point, someone really stuffy and buttoned-up might not reach the target audience of a fintech sort of brand that they would maybe a JP Morgan or Vanguard or one of the older branches. So I think that's most important is to find who exactly do you want to target with this campaign. And then in terms of finding a creator, I work with a lot of brands on this and it can often be a little bit easier than it sounds in that just spend time on these platforms and search for the #credit cards and watch the videos under credit cards and watch these different areas that you're interested in and see which creator you're finding and resonating with because if you use, let's say an agency and they have a software who finds this content creator that you've never seen or heard of, that might not actually be the best thing and that why didn't you see their content? Why were you not hone in on that creator? Why did they not show up for you? Whereas if you do spend ...

(15:29):

And this is not a 15-minute scroll, this would be part of someone's daily role, but if you do spend a healthy, consistent amount of time on social, you will see consistent creators pop up for you. And I think the leverage and likeness and expertise that these creators have go hand in hand with how much they're showing up on the algorithm. So I think in terms of hiring a content creator who holds kind of space amongst those a hundred-something thousand content creators, I think is pretty important.

Rob Rubin (16:02):

When you were talking, I got to thinking that to flip it around and think, when you're talking to a prospective sponsor, so someone that maybe is interested in working with you and you're having that call on a Monday or Tuesday.

Taylor Mitchell (16:16):

[inaudible 00:16:16].

Rob Rubin (16:19):

Are there red flags? Like they don't have anyone dedicated to social media in the organization, in their marketing department? Are there certain things they seem like they're going to be hard to work with because of how they're structured? Are there any red flags for you about working with an institution that makes you hesitant because you think it's going to be harder than you think?

Taylor Mitchell (16:40):

Yeah, I think the only real red flag because I worked with ... I mean, I've spent probably nine months in communication on brand deals because the brand has been slow to respond. What should be 25 email exchanges spans over nine months and just is like pulling teeth should get a hold of each other.

Rob Rubin (16:59):

At a bank, I can't even believe that.

Taylor Mitchell (17:02):

I know I've definitely dealt with that. And I see it. I mean, a lot of these brands, banks don't have a team of people who can manage these campaigns and stuff. So I really have seen it. But in terms of red flag, the only two that come to mind are in the requests of guarantee. So them asking what kind of views are we going to get? How many signups are you going to get? What can we expect from this? It's not to say that it's not a valid question, but because I understand that they're putting a solid investment up and they want to not only know for themselves-

Rob Rubin (17:02):

Get a return.

Taylor Mitchell (17:36):

But also to their managers that they're presenting this report to, they want to know that there's value in return there. But it just to me, kind of shows a lack of understanding, a lack of understanding about social media marketing because again, I have 500,000 followers on TikTok. My average video, if you look across all of my analytics, is something like 90,000 views per video. But that also means that I'm going to have 150 ...

Rob Rubin (18:03):

Means you have some with 5,000 and some of half a million.

Taylor Mitchell (18:06):

Exactly. And so that can be hard for the wrong person to understand. So that talk about guarantee, that is kind of something that-

Rob Rubin (18:18):

A red flag.

Taylor Mitchell (18:18):

A red flag for me. And then the other would be ... And you'd be shocked at how often this happens, but it'd be sort of trying to hide on the content that it's a paid partnership. So by FTC laws, content creators need to announce when they're being paid to talk about that product.

Rob Rubin (18:35):

Sure.

Taylor Mitchell (18:36):

And I put #ad on a video, TikTok automatically syncs that hashtag, it puts a paid banner on the video. Some people argue that it hurts the performance of the video. There's a lot that goes into it. But you'll have brands who want you to just use #partner instead or hashtag ... They try to get creative with these hashtags that are really trying to hush the fact that it's a paid ad.

Rob Rubin (18:59):

Mask what they're showing.

Taylor Mitchell (18:59):

Yeah.

Rob Rubin (19:02):

Because they want it to look like it's completely organic.

Taylor Mitchell (19:04):

Yeah. And I understand. Again, I really have so much empathy for brands because admittedly, I've been paid for campaigns that don't conform well, it doesn't feel great for the content creator either. I can assure you that. Not everyone that brand works with is a career creator. But for myself, there's not a price tag that you could pay me that is worth me not being completely transparent with my audience. And so to be asked that is just an immediate kind of red flag.

Rob Rubin (19:36):

I wanted to just ask Lauren one thing before we drop. Do you think that there are really 110,000 finfluencers?

Lauren Ashcraft (19:46):

I think it might be more. There might be 110,000 people who talk about finances, but not at Taylor's level, for example.

Rob Rubin (19:58):

What do you think the actual number of full-time finfluencers could be? 10% of that?

Lauren Ashcraft (20:06):

Oh, my gosh.

Rob Rubin (20:06):

10,000 seems like a giant number too.

Taylor Mitchell (20:10):

I'd also be really curious on what these people qualify as a full-time creator.

Rob Rubin (20:17):

We didn't define full-time. I'm saying they just said that they're finfluencers, meaning that they posted content.

Taylor Mitchell (20:24):

Yeah. Well, the reason I just say, because again, I work with these creators on a day-to-day. I have some content creators who are full-time who are netting less than $50,000 a year. And then I have full-time creators who are netting over $300,000 a year. So especially because a lot of these creators are really young. Younger than 24. They don't have the house-

Rob Rubin (20:48):

Were you full-time when you first started it or you did another gig?

Taylor Mitchell (20:51):

I actually started during the pandemic and-

Rob Rubin (20:55):

All right. So maybe you did it full-time.

Taylor Mitchell (20:56):

Yeah, so I was pretty much full-time, but again, I wasn't supporting myself the way that I am now immediately. And so to take you a step back on that 110,000, I agree with Lauren, that's probably the number of accounts who make finance content. And then there's also another metric that I don't have down exactly, but the total number of continent creators across all platforms who make over six figures a year is less than ... I want to say it was less than 10%. I saw another figure that was less than 4%, which I would think is probably much more accurate. So in terms of what it takes to be full-time, and it really depends on ... It's a silly answer, but what that creator needs to support themselves [inaudible 00:21:40].

Rob Rubin (20:56):

How much money they make.

Taylor Mitchell (20:56):

Yeah.

Rob Rubin (21:40):

How hard do you want to work.

Taylor Mitchell (21:41):

Yeah, because that can vary widely. Yeah.

Rob Rubin (21:44):

Well, this has been just an absolutely fascinating episode, and I really appreciate your time, Taylor, and thank you, Lauren, for joining.

Lauren Ashcraft (21:54):

Always a pleasure.

Taylor Mitchell (21:55):

Yeah, thanks so much.

Rob Rubin (21:56):

Yeah. I want to also thank everyone for listening to the Banking & Payment Show, an EMARKETER podcast. Also, thank you to our editor, Victoria. Our next episode is on December 10th, so be sure to check it out. See you then. Bye, everyone.

Lauren Ashcraft (22:12):

Great to see you again, Taylor, and thank you so much.

Taylor Mitchell (22:15):

Bye. Thank you.