

# Influencers vs advertising: How has consumer mindset changed the way we buy?



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Our screens are filled every day with an array of adverts tempting us to spend, spend, spend - but in an era when consumers value a more personal experience, is the power of the traditional paid ad coming to an end?



With thousands of retailers competing to advertise their products on almost every platform we view, it's natural that they are looking for new ways to get their messages across. And that's where the power of influencers comes in.

Current trends show a shift in the consumer mindset, with people wanting to feel part of a community and to have a more customised experience, both of which fuel their shopping behaviour.

While ignoring ads has become easier than ever for potential buyers, influencers - equipped with personality and creativity - are the sales tool every retailer should invest in.

### Are social media ads reaching the right audience?

With Facebook and Instagram having a combined worldwide active monthly user pool of three billion, they are the obvious go-to platforms for advertising.

And, as we know, Facebook and Instagram tend to select advertising content based on a person's activity and preferences. Those adverts are driven by data, whether that is location, demographics, interests, liked pages or behaviour.



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But this personalised targeting can be irritating - In fact, <u>49% of consumers have reported</u> they find brand-created ads "annoying or irrelevant".

The issue for advertisers is that many of us will never have set our ad preferences or don't regularly update this information on our social media platforms. Therefore, there's no guarantee that brands are really reaching the right audience. So, just how relevant are those advertisements?

An influencer's audience has already established an interest in the content they are posting, explains Amelia, making them a powerful tool.

Influencers can understand their audiences on a deeper level, through polls and constant communication. Their followers don't feel like they are being 'sold' to - they feel connected with and valued by that influencer and therefore are more likely to buy a product on their recommendation.

#### Data privacy concerns are putting people off ads

With the ability to use online location services to target ads to households, adverts can spark concerns over security, with many consumers believing they are being listened to through their devices.

For example, while one household member may have expressed an interest in a certain product online, their flatmate or other half may also receive the same advertisement without having even looked at it online.



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All that has happened is that the platform has targeted the advert based on location.

As consumers are becoming more concerned with controlling their online data and identities, they are more adverse to being targeted with sponsored content and obvious advertisements. Influencers have gained trust and authenticity and are more discreet with product placement, even though they must disclose gifted or paid content.

## Trust is one of the most important factors

Adverts on social media can have a reputation for being too salesy. They often highlight a sale or use terminology like 'great offers' and 'buy now', plus they are listed as *sponsored* right away so they are instantly recognisable as an advert.

Trust is one of the most important factors in the buying process. All adverts must adhere to the Advertising Standards Authority (ASA) guidelines and, although influencers must declare all paid for or gifted partnerships, they are still more persuasive than adverts.





Offering a 'human' element to promoting a product helps to make them more relatable, natural and less obvious, even with the use of hashtags such as #gifted and #AD.

Influencer Matchmaker recently partnered Amazon Handmade with inspirational TV personality and mum Stacey Solomon. The *Loose Women* regular, known for her down-to-earth personality and family values, filmed a video – which featured on her Instagram Stories - where she prepared her home for Christmas with the company's handcrafted items.

Targeted at like-minded mums looking for something special and more personal, the campaign reached more than 2.6 million followers and sold out many of the featured products.



Stacey is a relatable person whose honest and humble personality matched the messaging behind a hand-made and personalised Christmas. Putting the items in situ, in a real home with real people did more than any advert could.

### Ads struggle to stand out

There's a psychology to scrolling on your phone on social media. Within your feed a familiar face or filter (from an influencer account) will encourage you to pause while ads may appear to look like junk content if the image isn't grabbing or recognisable.

Platforms are also constantly adjusting algorithms so it's hard for businesses to keep up. Add to that the competition with other retailers as well as image and text restrictions, then your messaging can easily get lost.



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As influencers already know what works best with their loyal viewers, the content a brand is 'putting out there' with them is instantly going to be more engaging. They can tell a brand's story in a creative and individual way and ensure consumers are part of that journey.

## Conversations with an audience are key

The key to successful selling is audience interaction. Pages and posts that generally don't see any engagement and, more

specifically, comments are seeing less and less attraction. The same goes for advertisements.

Audiences build a friendship with the influencers they follow. Many of them ask for and give advice and opinions to and from their followers, which prompts a conversation and shows an interest in them as people.

Retailers need to start meaningful conversations with their consumers which can't unfold easily through digital advertising. Robert Lockyer, a retail expert in the luxury sector, said:

We've seen a shift in what retailers want to promote via their social presence. Consumers are connecting with and repeatedly buying from brands that share the same values as them.

It is clear that consumers are more intuitive these days. Purpose is fast-becoming the most important factor when choosing to buy from a brand and while ads are also only active for the paid period you choose to promote them, influencers drive lasting brand awareness and should be a go-to marketing method.

Influencer marketing is proving to be more effective and more targeted than digital advertising. Retailers must leverage influencers to get in front of potential customers and affect purchase decisions.

#### ABOUT AMELIA NEATE

My role at Influencer Matchmaker involves working with both brands and influencers to form effective and mutually beneficial partnerships. I have represented many well-known influencers and celebrities and built relationships with countless international brands.

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