

Millennial Influencers

The new stars of digital marketing

A few years ago, Chiara Ferragni was a fledgling fashion blogger, studying law at university in Milan. She never finished her degree, but now she splits her time between a \$3.5 million Los Angeles mansion and a 400 m² Milan penthouse and spends her days travelling the world in Gucci sweatshirts, cut-off jeans and with a collection of Louis Vuitton bags. How do we know this?

Every day, the fashion blogger shares images of her lifestyle on her blog 'The Blonde Salad' and on Instagram. She now has 14 million Instagram followers, which makes her one of the cult celebrities of the social media world. Now worth about \$12 million, with a line of exclusive branded shoes and a contract with Pantene, Ferragni is a role model to a generation of digital natives who have established a viable career as social media 'influencers'.

In just a few years, the power of blogs and social platforms has created a new marketing genre that has seen brands investing heavily in collaborations with the big names in the online space.

Beca Alexander, founder and president of the social media casting agency Socialyte Collective, represents about 100 influencers, each with between 30,000 and 2 million followers. "There are a variety of ways that influencers earn money and we work on strategies that best suit the individual style and audience of each one. Some focus on promoting as many brands and products as possible, while others have contracts with a small range of brands to work on exclusive long-term campaigns."

Alexander, a former fashion news blogger, founded her business seven years ago and has seen huge annual growth with a predicted 2.5 times rise in turnover this year.

"We have no issue with social influencers working with brands, as long as consumers aren't misled," says Guy Parker, chief executive of the Advertising Standards Authority in the UK. "We define advertising as a tweet, vlog, blog or Instagram post where the influencer has been paid and there has been some control over the content. We expect the post to have #ad on it in a prominent position, so it isn't hidden to followers. It's not fair to consumers to expect them to play detective and deduce whether something is an ad or not."

There is no doubt that a generation of style-conscious entrepreneurs are making a good living – in some cases a fortune – by building their own personal brands online with fan bases to rival many established global businesses. The challenge will be for newcomers to join a crowded market, and for those with a substantial following to keep it loyal.

"The reason a brand is using an influencer is the trusting relationship they have with their followers," says Callum McCahon, strategy director at the social media agency Born Social. "When it's done properly, it is a very effective method of building a brand and selling products."

(source: *The Guardian*)

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