Influencing the Influencer: How Chicago Marketers Leverage the Power of Influencers in the
Marketplace

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**Abstract**

"Mass self-communication" is a term coined by Manuel Castells to describe how power relationships have been profoundly changed by the availability of online communication (Castells, 2009).  In the age of what Rutgers University Professor Mark Schaefer call "Citizen Influencers," marketers have turned to the practice of influence marketing to reach target audiences by leveraging the power of these new influencers. Via an online survey distributed to American Marketing Association Chicago Chapter members, this study investigated how formalized programs with the objective of influencing the influencer have grown and developed over the past decade within a sample of Chicago area companies from.  The survey garnered 37 responses from Chicago-area marketers.  Results of the survey demonstrate increased use of influence marketing practices among Chicago area marketers.  In particular Chicago area marketers are increasingly compensating online influencers for mentioning their products/services in their communications, mining influencer content for market insights in a process called reverse influence, and changing the ways in which they identify and engage influencers.  All of these changes have significant implications for consumers in terms of power and privacy.  This paper calls for further scholarly study of the effects of influencer marketing on consumers, the methods and effects of influencer compensation, and consumer privacy implications of influence marketing.

Key Words:  Influence, Power, Influence Marketing, Influencer, Blog, Social Media, Social Network Theory, Privacy, Data Mining

**Introduction**

Over the past decade, communication has evolved dramatically.  The Pew Research

center has identified what it calls three revolutions in communication:  a majority of U.S. homes

now have access to broadband internet, the ubiquity of mobile communications, and the rise of

social media.  Together these revolutions have enabled the individual to readily communicate via

text and image to millions through a variety of channels.  Such an ability has changed power

relationships in communication.   "Mass self-communication" is a term coined by Manuel

Castells to describe how power relationships have been profoundly changed by the availability of

online communication (Castells, 2009).  The average person can now become what Rutgers

University Professor Mark Schaefer call "Citizen Influencers."   Recognizing this shift in power,

marketers have turned to the practice of influence marketing to reach target audiences by

leveraging the power of these new influencers.

This study aims to investigate how the formalized influence strategies of marketers have

changed in recent years.  Through online survey of Chicago area marketers, this study will

identify trends in influence marketing, and how these changes in influence strategy may foretell

significant implications with regard to privacy and power.

**Literature Review**

The Merriam-Webster dictionary defines influence as the power to change someone or

something; the power to cause changes without forcing them to happen (Merriam-Webster,

2013).  By this definition, influence requires power.  Initially, media research was centered on

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mass media, and its potential to influence the masses (Katz & Lasarsfeld, 1970).  However, as

media has been transformed by digitization, so have power and influence structures.

In *Communication Power,* Manuel Castells argues that "the process of formation and exercise

of power relationships is decisively transformed in the new organizational and technological

context derived from the rise of global digital networks of communication as the fundamental

symbol-processing system of our time," (Castells, 2009, p. 4).  Castells takes a network oriented

view of computer-mediated communication.  "Mass self-communication" is a term coined by

Castells to describe how power relationships have been profoundly changed by the availability of

online communication (Castells, 2009).  Through this term, Castells explains that essentially

anyone with Internet access now has the power to influence, "the ability to shape the human

mind" (Castells, 2009).   Castells postulates that no longer is power in the hands of those with

standard sources of power such as traditional, charismatic, or legal authority (Weber, 1986).

Today, the average person with an Internet connection and any form of computer (laptop, tablet,

phone) has power to influence others because they now have access to a network of

communication channels that reach millions worldwide within seconds.

As Carey described, communication is not simply transmission of information, but rather a

ritual (Carey, 2008).   Mobile and web-based technologies enable substantially interactive

platforms where individuals, dyads, and communities can enact both transmit and create ritual

communication by co-creating, sharing, discussing and modifying user-generated content, as

well as content posted by more traditional power centers like corporations and governments.  The

message no longer moves simply from point A to point B.  It moves, grows, changes, morphs

into what the host of users make it to be.  If, as Carey described, "communication is a symbolic

process whereby reality is produced, maintained, repaired and transformed," (Carey, 2008), then

reality is now "produced, maintained, repaired and transformed" by the average online user or group of users.

Research on influence has advanced exponentially in recent decades. In the first few decades of mass media research, the focus was on three primary areas – the audience, the content, and effects (Katz & Lasarsfeld, 1970). Katz & Lasarsfeld argued that all communication studies focus on effects, because the purpose of the communication is to affect the receiver of the message. Therefore, they theorized that all communications seek to influence the audience of the communication. Katz & Lasarsfeld's "two-step flow of communication" was a significant advancement in the study of influence as it theorized that "opinion leaders" screen content between mass media and "ordinary citizens" (Katz & Lasarsfeld, 1940: Katz & Lasarsfeld, 1970). The highlight of Katz & Lasarsfeld's research on influence is their finding that individuals are more significantly influenced by others with whom they interact than by mass media messages (Schaefer, 2012).

Katz and Lasarsfeld's influence theory holds true to this day, but the digital age has expanded the scope of the theory exponentially. Researchers at the Pew Internet Project describe three revolutions in digital communication that have affected who has influence in communication as well as how online communicators interact, and the type of information that constructs the communication (Rainie, 2010). In 2010, the Pew Internet Project identified a large increase, to two-thirds of the U.S. population, in homes that had broadband access, and therefore a significant increase in "citizen publishers and broadcasters," (Rainie, 2010). "These citizen publishers and broadcasters vastly broadened the number of media centers that were disseminating commercial information, health and medical material, political advocacy, hobbyist and do-it-yourself primers, lifestyle pointers, spiritual insights, and on and on and on." (Schaefer,

2013).  Rainie (2010) states that this expansion of internet access has greatly increased the

"nodes of influence." (Rainie, 2010).

The second revolution as identified by Pew was the increase in availability and use of

mobile devices and connections.  According to 2013 statistics, as of May, 2013 91% of American

adults have a cell phone, and 56% of American adults have a smartphone.  As of September,

2013, 24% of Americans ages 16 and older own an e-reader, and 35% of Americans ages 16 and

older own a tablet computer (Renner, 2013).  As of May 2013, 63% of adult cell owners use their

phones to go online, and 34% of cell internet users go online mostly using their phones, and not

using some other device such as a desktop or laptop computer (Duggan & Smith, 2013).  Such

mobile and immediate access to a mass communication channel has enabled individuals to

communicate at the spur of the moment, anytime, anywhere.

The third revolution arose from social media (Rainie, 2010).  Social media enables

average people to interact by creating, sharing and exchanging information and ideas in virtual

communities and networks (Altqvist, Back, Helonin, & Heinonen, 2008).   Researchers have

defined social media as "a group of Internet-based applications that build on the ideological and

technological foundations of Web 2.0, and that allow the creation and exchange of user-

generated content." (Kaplan & Haenlein, 2010).   The key in this definition is the reference to

*user-generated content*.  No longer is content created by the established power structure of

corporations, political parties, and government agencies.  Now the common person can create the

discourse, set the agenda, and frame the discussion.

Also, from a social network theory perspective (Barnes, 1954), social media leverages the

power of the network.  No longer do individual audience members have to determine how they

perceive a message on their own.  Others in the network help them evaluate information, and

thereby network members are influenced by each other (Rainie, 2010).  There is also so much

information in the network, that others within a network help other members identify what

information is important, what information is credible, and what information is useful.  This

process often leaves traditional power structures out of the communication loop, and without

influence.

Rutgers University professor, Mark Schaefer, states that these three revolutions together

create today's "era of Citizen Influencers." (Schaefer, 2013).  He states that formerly, those

marketing a product or service could leverage mass media channels like radio, TV and

newspapers with complete control of the message, the channel, even the timing of message

delivery.  However, where such "push" message delivery methods offered the benefit of control,

they were devoid of an effective feedback mechanism, no method of conversing with the

marketplace.  In the seminal work, *The Cluetrain Manifesto,* authors Rick Levine, Christopher

Locke, Doc Searls, and David Weinberger note a key benefit of online interaction – the ability of

online users to commune with each other (Levine, Locke, Searls, & Weinberger, 2000).  "The

Internet became a place where people could talk to other people without constraint.  Without

filters or censorship or official sanction – and perhaps most significantly, without advertising,"

(Levine, Locke, Searls, & Weinberger, 2000).   The marketer's world has flipped, now there is

plenty of conversation, but very little control (Schaefer, 2013).

Today's marketers understand that consumers are now engaging in online conversations

about all aspects of life, including their brands, products and services (Parent, Plangger, & Bal,

2011).  Schaefer describes how one might choose where to dine based upon restaurant reviews

online, not only checking the reviews of unknown others, but even identifying the reviews of

known friends and colleagues.  These conversations are among online users with strong ties, as

well as weak ties (Granovetter, 1973), such as those established via social media sites. "Customers will pick up on negative buzz on places like Foursquare, Yelp, and Urbanspoon and simply stay away.  Social media is like a Darwinian hypercatalyst.  Businesses better adapt, adopt, and become the fittest because the societal pressures through self-publishing and reviews like this are unprecedented." (Schaefer, 2013).

**Influence Marketing**

Businesses are trying to "adapt, adopt and become the fittest" as Schaefer advocates by leveraging influence marketing strategies.  Influence marketing is a practice that involves "identifying and building relationships with individuals who have influence over a target audience of buyers." (Appinions, 2013).  Noteworthy in this statement is the focus on the individual rather than the target market as a whole.  Effective influence marketing requires identifying the individual influencer who is dialed in to the market in relation to the marketer's product or service, and tapping into that influencer's channel to reach his or her audience.

Influencers are often potential buyers, or current customers.  They may also be third parties such as industry analysts, supply chain partners, journalists, academics, public figures or bloggers (Brown, 2003; Appinions, 2013).

Some influencers act on their own, such as Ree Drummond who writes a popular blog, thepioneerwoman.com, which focuses on life on the frontier, or such as a customer who comments on store service on a company website or business review site like Yelp.   Other influencers operate within brand communities (informal organizations of fans of a particular brand).  A brand community is defined as "a specialized, non-geographically bound community, based on a structured set of social relations among admirers of a brand" (Muniz & O'Guinn,

2001).  Other characteristics of a brand community is that it is enduring, members are self-

selected and share a system of values, standard and representations, and member recognize

bonds of membership with each other and with the whole.   Brand communities are characterized

in shared consciousness, rituals and traditions, and a sense of moral responsibility (Muniz &

O'Guinn, 2001).  Examples of brand communities vary greatly in scope and attributes.

Examples of brand communities range from a Star Wars fan site, to a community site for Mini-

Cooper owners, to a site specifically for Friskars scissor users.  Reaching influencers within such

communities is vital with consumption becoming increasingly communal (Cova and Pace, 2006).

**Influence Marketing Benefits, Strategy and Process**

When the United Nations Foundation partnered with ABC News to fulfill its mission to

increase awareness and positive action on issues affecting moms and children worldwide, the

organizations decided they needed to leverage the power of influencers to build the greatest

awareness of those issues.  By working with a marketing agency that specializes in influence

marketing, the organizations engaged over 800 influencers around the world.  These influencers

created brand-related content and distributed that content via United Nations Foundation and

ABC News online media channels as well as across social media outlets.   The effort reached

more than 15.3 million blog readers and achieved 31.2 million social media impressions, plus

countless more media impressions because it sparked a rally on Times Square which garnered

broadcast and print media coverage (TapInfluence, 2013).

Case studies like this one demonstrate the power of influence marketing.  But marketing

with and through influencers is a process that requires strategy.  The primary processes involved

in an influence marketing program are: identifying influencers, ranking influencers in order of

importance, marketing to influencers, marketing through influencers, marketing with

influencers, and reverse influence.

Identifying influencers involves first finding the influencers who influence the target market. There are a variety of ways to do so, and the process is more difficult that one might think. In his book, *The Now Revolution*, marketing consultant and blogger Jay Baer states, "In the world of social media, social proof is what makes you legitimate" (Baer & Naslund, 2011). Social proof is the indicator that others use to identify accepted and beneficial behavior. In other words, it's the actions of others that we decide reflect correct actions for us too. Social proof is manifested online in how many "Likes" a comment receives on Facebook, or how many retweets a tweet gets on Twitter. But it is not as simple as that. Baer clarifies that that number of Twitter followers you have is not an indicator of performance, it's an indicator of popularity (Baer & Naslund, 2011). Popularity is not influence, and influence is more important than popularity. Therefore, marketers must identify truly influential influencers not solely by the numbers, but by the depth of community and response. Measures of influence are therefore comprised of the actions of followers through the frequency and depth of comments, number and quality of follow up e-mails, how many purchases transpire through a link and the value of those purchases, etc. (Schaefer, 2013). It is a tricky and time-consuming process. For this reason, a number of organizations choose to call on companies like Klout, Cred, and PROScore, that measure influence for help in identifying influencers that will help them reach their target audiences. Once potential influencers have been identified, they are ranked in order of importance relative to the marketer's objectives.

Some of the criteria that marketers consider in evaluating influencers includes market reach, topical influence, content influence, independence, frequency of impact, expertise, persuasiveness and thoroughness of role (A. Barnish, personal conversation, October 27, 2013).

As mentioned previously, marketers consider these factors not only in terms of quantity of

followers, but quality of interactions.  Market reach is defined as the number of people an

individual has the ability to connect with (blog followers, Twitter followers, site visitors, etc.).

Topical influence measures how many followers an influencer has by topic.  Content influence

is considered to be how many followers an influencer has by type of content based upon

keyword groupings such as from Google AdWords or Search Engine Optimization (SEO).

Independence is defined by how much vested interest an influencer has in promoting a

particular point of view.  Frequency of impact is the number of opportunities an individual has

to influence buying decisions.  Expertise describes how much the influencer is considered a

subject matter expert.  Persuasiveness takes into consideration the degree of consequence in

ignoring an influencer's advice.   Thoroughness of role describes the extent to which influence

is exerted by the influencer across the decision lifecycle (Appinions, 2013).

Also based upon objectives, the marketer must choose whether they should market *to*

influencers, *through* influencers, or *with* influencers (A. Barnish, personal conversation, October

27, 2013).  An organization will decide to market directly to influencers if their objective is to

increase awareness of or change perceptions of the brand, company or product/service.  For

example, a company may send online or direct mail coupons to influencers to raise brand

awareness and to try to get the influencer to try the product.   A more extreme example of this

was Audi sending its new A8 to influential blogger Calvin Lee to have him try it for a week

(Schaefer, 2013).

An organization will adopt a strategy of marketing through influencers when they need to

leverage their influence to increase market awareness of or change perceptions of the brand,

company or product/service amongst the target audience of prospective customers.  This is the

most common strategy where organizations identify established influencers and provide them

with value-added content that can contribute to the influencer's messages to their followers.

When an organization sees an opportunity to turn an influencer into an advocate of the brand,

company or product/service, it will incorporate a strategy of marketing in partnership with

influencers.  This strategy was enacted by Friskars when the company decided to gather a small

group of crafting influencers and turn them into "Friskateers" to create an online crafting and

scrapbooking community (Schaefer, 2013).

Methods of engaging influencers vary, but the most popular methods are blogger

outreach, encouraging customer content creation, inducing user generated content via

incentives, asking happy customers to participate in case studies, participating in discussion

forums, offering free products, and swapping guests posts (Appinions, 2013).

One of the more recent strategies employed by organizations with regard to influence is

reverse influence analysis.  With reverse influence, marketers gain insights from influencers to

inform future product development and marketing communication strategy (S. Kolon, personal

communication, October 22, 2013; Appinions, 2013).  A reverse influence strategy will often

include tactics such as polling influencers about their values, asking what influencers think

people want to see in the next iteration of a product or service, culling influencer feedback on

products or services, listen to influencer input regarding features that make a difference to them

and members of their network, and seek out influencer input regarding issues and development

that are relevant to the industry and marketplace (S. Kolon, personal communication, October

22, 2013).

**Methodology**

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To identify how marketers' influence strategies have evolved in recent years, an online survey of members of the Chicago Chapter of the American Marketing Association (AMA) via AMAConnect was conducted from November 1 – December 1, 2013.  AMAConnect is the online community for members of the national AMA.  As a member of the Chicago Chapter, I was able to reach Chicago area marketers via AMAConnect.  The survey was preceded by interviews with three Chicago marketers who implement influence marketing programs in order to identify potential tactics to include in the survey question and answer options.  The survey was preceded by a pilot test of the survey.

Pre-Survey Interviews:  Three Chicago area marketers were interviewed over the phone regarding influence marketing programs.   The question set for the interviews was based upon a literature review as well as a review of online content from leading influence marketing service providers including Klout, Appinions, SocialMention, TapInfluence, and others.  Interview questions were provided in advance to give interviewees time to consider the questions. Interviews were recorded and transcribed, then analyzed to identify patterns, common issues, and outliers.

Survey:  Survey questions were developed based upon the input of the interviews as well as a content analysis of the websites of influence marketing service providers including Klout, Appinions, and TapInfluence.  Survey questions are listed in the Appendix of this document.  The survey questions also included demographic questions regarding age, gender, education level, years of employment, and company information (size, location, industry).  The survey was designed and hosted via SurveyMonkey.  A link to the survey to pilot test was distributed via email to a small subset of CAMA members.  Survey questions were edited based upon outcome

of pilot.  Primary responses to the pilot were to increase the options offered in questions about

marketing with influencers, not just through influencers; engaging customers to facilitate

posting, swapping guest posts; and reverse influence strategies.

Once the survey was revised, the link to the survey was distributed via email request to

CAMA members, and also posted on open forum on the CAMA portion of the AMAConnect

community site.   Survey recipients were offered the opportunity to be entered into a raffle to

potentially win a gift card to the retailer of their choice for participating in the survey.   Survey

participants were also offered a copy of the final research paper in return for participating.

**Results**

All of the survey respondents were members of the AMA Chicago Chapter, and therefore

were Chicago area marketers.  One hundred percent of survey respondents were involved in

developing marketing strategy and managed the company's influence marketing program.   The

age of the respondents was 21-29 (26%), 30-39 (32%), 40-49 (17%), 50-59 (25%), 60+ (0%).

All of the respondents were employed full time, and a majority held roles in middle management

(57%), while 29% were senior management level, and 14% were CEO/Executive/C-level.

Advertising/marketing was the job function that the most respondents indicated at 57 percent.

Other job roles of respondents included Product Management (29%), Strategy Planning (17%),

General Business (14%), Business Development (14%) and Other (26%).   Education levels of

respondents were graduate level (68%) and bachelors degree (32%).

The principle industry of respondents included Telecommunications/Technology (24%),

Advertising/Marketing (22%), Education (18%), Food & Beverage (11%), Insurance (8%),

Manufacturing (8%), Retail/Consumer Goods (5%), and Other (3%).

Regarding whether the company chose to use an outside firm to manage their influence

marketing strategy, or managed their influence strategy in-house, the percentage of those

currently managing their strategy in-house was 76%, with 24% reporting that they used an

outside agency.  This is in contrast to the 100 percent of respondents that indicated that they

*previously* managed their influence strategy in-house.  Therefore, this study indicates that

marketers are shifting from managing influence marketing completely on their own, to seeking

the assistance of agencies to enact their strategy.  While this study does not indicate the reasons

for this change, based upon the complexity of influence marketing strategy, particularly in the

process of identifying influencers with true influence, not just popularity (Baer & Naslund,

2011), it is not surprising that more marketers may turn to agencies for help in identifying and

reaching truly influential influencers.

With regard to the objective of their influence strategy, respondents were offered the

opportunity to choose multiple responses.  The *current* objectives chosen by respondents were

brand awareness (86%), brand credibility (57%), product launch/create awareness of new

product/service (42%), product launch/differentiate product/service (29%), existing

product/product, service credibility (29%), brand emotional commitment (29%), existing

product/reposition product,service (14%), other (14%), crisis management (0%).  When

respondents were asked to choose objectives of *past* influence programs they chose brand

awareness (43%), brand credibility (14%), product launch/create awareness of new

product/service (58%), product launch/differentiate product/service (29%), existing

product/product, service credibility (43%), brand emotional commitment (14%), existing

product/reposition product,service (14%), crisis management (14%), other (0%).  Therefore, the

results demonstrate a shift to greater use of influence marketing to promote brand related

objectives and less on product/services promotion today than in years past.

When it comes to identifying influencers to include in an influence strategy, respondents

indicated that they *currently* look for market reach (86%), topical influence (29%), content

influence (43%), independence (14%), frequency of impact (0%), expertise (43%),

persuasiveness (43%) and thoroughness of role (14%). When asked which of these attributes

were considered in *past* influence programs, the responses included market reach (43%), topical

influence (29%), content influence (29%), independence (0%), frequency of impact (0%),

expertise (29%), persuasiveness (0%) and thoroughness of role (14%). From these results, we

can see that today's marketers are moving toward more robust analysis of influencer attributes.

There a few potential reasons for this change. First, as marketers become more experienced with

influencer marketing methods, they will employ more robust methods. Second, notable

researchers and consultants like Jay Baer and Mark Schaefer have been beating the drum about

the need to identify and market with, through and to influencers who have true influence, not just

popularity. Perhaps this message is beginning to resonate with marketers, and causing them to

be more selective in how they identify influencers.

When it comes to reaching influencers, marketers responded that they *currently* employ

these methods: Blogger outreach -- sending product/service information, industry or topical

information to bloggers (71%); Encourage content creation by asking customers to upload photos

and videos of themselves using your product (29%); Incentivize user generated content with a

product give away or discount on your service or other compensation (29%); Ask happy

customers to answer case study questions and assure them they can approve your content before

you publish it (71%); Participate in all forms of discussion forums (i.e.Google Plus

communities, the comments section of your posts, LinkedIn discussions,etc.) (29%); Send out

free products or a free trial of your product without any sort of prior commitment from the

influencer (43%); Swap guest posts with them (14%); Other (14%). Marketers responded that

for *past* programs, they employed these methods: Blogger outreach -- sending product/service

information, industry or topical information to bloggers (29%); Encourage content creation by

asking customers to upload photos and videos of themselves using your product (43%);

Incentivize user generated content with a product give away or discount on your service or other

compensation (29%); Ask happy customers to answer case study questions and assure them they

can approve your content before you publish it (43%); Participate in all forms of discussion

forums (i.e.Google Plus communities, the comments section of your posts, LinkedIn

discussions,etc.) (14%); Send out free products or a free trial of your product without any sort of

prior commitment from the influencer (28%); Swap guest posts with them (0%); Other (0%).

       These results demonstrate that marketers are making more effort to engage bloggers, with

a significant number of respondents indicating that blogger outreach is an influence marketing

tactic. Also noteworthy is the percentage of marketers who have indicated an increase in

engaging customers in a more targeted way. Instead of asking all customers to post images of

themselves using the product which is a very broad and general approach, marketers are moving

more toward identifying happy customers, and then asking for them to participate in the process

by answering specific questions from which a case study can be developed. There is also an

increase in marketers fostering direct interaction with customers by participating in discussion

boards and swapping guest posts. Another interesting result is that marketers report an increase

in providing influencers with free products or free trial of products without a commitment from

the influencer.

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Another question on the survey looked at the related issue of influencer compensation

more closely.  Of all respondents, 43 percent indicated that they do not *currently* compensate

influencers, while 57 percent responded that they did not compensate influencers in *past*

influence programs.  Therefore, there is an increase in the percentage of marketers who offer

compensation to influencers.  This is something to consider as consumers weigh the objectivity

of trusted online sources.

If marketers responded that they do compensate influencers, respondents indicated that

they *currently* use the following methods:  Financial compensation (per instance financial

payment) (29%); Give influencer public credit (i.e. shout out) (29%); Product discount or

giveaway (29%); Commission (0%); Give influencer a gift (29%).  Marketers indicated that in

*past* influence programs they applied the following methods:  Financial compensation (per

instance financial payment) (14%); Give influencer public credit (i.e. shout out) (14%); Product

discount or giveaway (29%); Commission (0%); Give influencer a gift (14%).  As with the

increase in the percentage of marketers who compensate influencers, here we see an increase in

almost every method of compensation except providing the influencer with commission.  As

mentioned previously, this has significant implications regarding the objectivity and credibility

of trusted online influencers.

Regarding a reverse influencer strategy, respondents reported *currently* using the

following methods:  Understand what engages or frustrates them and what they perceive as being

important (57%); Poll influencers about their values and feed those into corporate social

responsibility efforts (14%);  Ask what people want to see in the next iteration of a product or

service so we can do better research and develop better products (43%);  Pay attention when an

influencer gives feedback on our products or services, because what they say also applies to their

networks (43%); Hear what influencers say about the features that really make a difference to them and their extended networks so we can improve the targeting of our marketing efforts (29%); Find out what else they see as relevant to our business that we haven't even thought of (43%).

When asked to respond regarding which of these strategies they *previously* implemented, responses included: Understand what engages or frustrates them and what they perceive as being important (57%); Poll influencers about their values and feed those into corporate social responsibility efforts (43%); Ask what people want to see in the next iteration of a product or service so we can do better research and develop better products (29%); Pay attention when an influencer gives feedback on our products or services, because what they say also applies to their networks (29%); Hear what influencers say about the features that really make a difference to them and their extended networks so we can improve the targeting of our marketing efforts (29%); Find out what else they see as relevant to our business that we haven't even thought of (29%).

The difference between the reverse influence strategies marketers currently use vs. prior strategies is most prominent in the areas of polling influencers about their values and feed those into corporate social responsibility efforts (down by nearly 30%); paying attention when an influencer gives feedback on our products or services, because what they say also applies to their networks; and finding out what else they see as relevant to our business that we haven't even thought of (both up by almost 15%). These responses together demonstrate a shift from formalized polling of influencers to strategies where marketers monitor what influencers are saying to the marketplace. By mining the content of influencer communications, marketers are

able to identify what influencers think without relying on self-reporting which can be

problematic.

When asked to self-report how their influence strategies have changed over the years,

marketers responded that their programs have changed by the specific parameters offered by the

study as follows: Scope (70%), Type of influencer reached (57%); Method of identifying

influencers (14%); Method of engaging influencers (70%); Compensation of influencers (0%);

Type of channel used to reach influencers (30%); In-house vs. agency implementation (14%).

When asked to describe how much the marketers' influence have changed based on each

paramters, the responses were as follows:

Scope – Changed Completely (43%), Changed a lot (14%) Changed somewhat (30%), Changed

a little (0%), Not at all (14%)

Type of influencer reached - Changed Completely (0%), Changed a lot (43%) Changed

somewhat (14%), Changed a little (30%), Not at all (0%)

Method of identifying influencers - Changed Completely (0%), Changed a lot (17%) Changed

somewhat (33%), Changed a little 17%), Not at all (17%)

Method of engaging influencers - Changed Completely (0%), Changed a lot (50%) Changed

somewhat (17%), Changed a little (17%), Not at all (0%)

Compensation of influencers - Changed Completely (28%), Changed a lot (0%) Changed

somewhat (30%), Changed a little (0%), Not at all (43%)

Type of channel used to reach influencers - Changed Completely (14%), Changed a lot (30%)

Changed somewhat (14%), Changed a little (0%), Not at all (14%)

In-house vs. agency implementation - Changed Completely (14%), Changed a lot (14%)

Changed somewhat (0%), Changed a little (14%), Not at all (57%).

These responses tell us that marketers recognize that their influence marketing strategies have changed. They also reinforce the trends that were identified by other questions previously described here. Marketers are increasingly using compensation as a tool to engage and incentivize influencers. Marketers are moving toward more use of outside agencies to develop and implement influence marketing strategies. Marketers are changing how they engage influencers, increasing engagement of bloggers specifically, and implementing more direct and targeted methods of engaging customers. When it comes to identifying optimal influencers, marketers are making changes as well, seeking out those who can demonstrate not only social proof (Baer & Naslund, 2011), but also can demonstrate true influence on consumer awareness and buying decisions.

**Discussion**

There are several limitations to this study. The sample size is very small, and is not generalizable because not all Chicago area marketers were not given the opportunity to participate in the study.

Also, the use of online surveys is problematic because it is not possible to verify whether the respondent is truly who she or he claims to be. Obtaining responses through AMAConnect, however, does mitigate this shortcoming somewhat because all participants on the discussion boards of AMAConnect must be members of the AMA, and therefore must be verified marketers.

In addition, defining marketing terms if very difficult, particularly in the ever-changing area of influence marketing. As it is, marketers cannot even agree whether this practice should be called influence marketing or influencer marketing. Therefore, there is the possibility that survey respondents could interpret the meaning of some of the words in the survey differently depending upon their experience and education.

Strengths of the survey are that the respondents were all educated and employed full time.  As mentioned previously, it is verifiable that all survey respondents are in fact marketers.  This survey acts as an exploratory study of how influence marketing strategies have changed for Chicago area marketers.  The findings support the theories of Jay Baer, Mark Schaefer, Manuel Castells and others noting the changes in power structures due to increased online communication.

In terms of power, one only need to look at the increase in compensation of online influencers to see that Manuel Castells is right in his mass self-communication theory that the individual can now exert power formerly only the domain of traditional power structures.  Online influencers are now being compensated to leverage their power on behalf of such traditional power holders – corporations, governments.  This issue merits further study because as trusted influencers are increasingly compensated for producing content, the incidence of abuse of power may increase, with implications for the consumer.

Other key results include that marketers are changing how they identify influencers, seeking out more robust information regarding not only how popular an influencer is, but how truly influential.  To do so, marketers are increasingly turning to outside marketing service providers to develop and execute their influence marketing programs.  The market for influencer data will expand rapidly.  This holds implications for online privacy for consumers who engage with such influencers, and merits further study.

The increased use of reverse marketing strategies also holds implications for consumers.  Marketers are mining influencer content, including consumers' discussions and posts, to gain understanding of consumer thoughts and preferences.  No longer do marketers have to poll or survey customers to obtain information, a process that provides the consumer with some control

over what information the marketer obtains.  Instead, marketers can "see" what consumers are

thinking by simply viewing the page of the influencers blog or website.  Influencers also mine

this information and share their findings with marketers, sometimes for compensation.

Therefore, consumers have less privacy, and are more likely to unwittingly contribute to

marketers' ability to affect their perceptions.

The brief window of time when consumers have enjoyed accessing at least some amount

of online content free of manipulation by dominant power structures may be closing.  As

marketers increasingly compensate online influencers, and mine influencer content for market

insights, consumers stand to lose privacy.  They are also more likely to be the targets of highly

sophisticated messaging designed to affect their perceptions, without transparency of who the

sender really is in the communication.  This study underscores the need for further scholarly

study of the effects of influencer marketing on consumers, the methods and effects of influencer

compensation, and consumer privacy implications of influence marketing.

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**Addendum**
Influence Marketing Survey Questions

**1. Are you involved in developing your company's marketing strategy?**
Yes
No

**2. Does your marketing strategy include online influence marketing (defined as the practice of identifying, communicating with, and developing relationships with those individuals or groups that have influence over your target audience which could include buyers of your product/service, as well as third parties including bloggers, journalists, public figures, analysts, academics, personal website publishers, etc.).**
Yes
No

**3. How long has it been since your company first started implementing an influence strategy as part of its marketing efforts?**
Under one year
1-3 years
4-6 years
7-10 years
More than 10 years

**4. How much has your influence strategy changed in terms of scope, reach, investment, objectives, and/or metrics since it first was implemented?**
Completely Changed
Changed a lot
Changed somewhat
Changed a little
Not at all

**5. Which of the following processes are included in your current influence strategy?**
Identifying influencers.
Ranking influencers in order of importance.
Marketing to influencers, to increase awareness of, or change perceptions of, your brand, company, or product within the influencer community
Marketing through influencers, using influencers to increase market awareness of, or change perceptions of, your brand, company or product amongst target markets
Marketing with influencers, turning influencers into advocates of the brand, company or product.

Reverse influence: gaining insights from influencers to inform future marketing content and strategy.
Other (please specify)

**6. Which of the following processes that are now in your current influence strategy were NOT in your strategy previously?**
Identifying influencers.
Ranking influencers in order of importance.
Marketing to influencers, to increase awareness of, or change perceptions of, your brand, company, or product within the influencer community
Marketing through influencers, using influencers to increase market awareness of, or change perceptions of, your brand, company or product amongst target markets
Marketing with influencers, turning influencers into advocates of the brand, company or product.
Reverse influence: gaining insights from influencers to inform future marketing content and strategy.
Other (please specify)

**7. In what areas has your influence strategy changed over the years?**
Scope
Type of influencer reached
Method of identifying influencers
Method of engaging influencers
Compensation of influencers
Type of channel used to reach influencers
In-house vs. agency implementation
Other (please specify)

**8. Please note how much your influence marketing program has changed for each attribute over the years.**

|  | None | A little | Somewhat | A lot | It has changed completely | N/A |
|---|---|---|---|---|---|---|
| Scope |  |  |  |  |  |  |
| Type of influencer reached |  |  |  |  |  |  |
| Method of identifying influencers |  |  |  |  |  |  |
| Method of engaging influencers |  |  |  |  |  |  |
| Compensation of influencers |  |  |  |  |  |  |
| Type of channel used to reach influencers |  |  |  |  |  |  |
| In-house vs. agency implementation |  |  |  |  |  |  |

**9. How do you engage influencers in your current program?**
Blogger outreach: sending product/service information, industry or topical information to bloggers

Encourage content creation by asking customers to upload photos and videos of themselves using your product.

Incentivize user generated content with a product give away or discount on your service or other compensation.

Ask happy customers to answer case study questions and assure them they can approve your content before you publish it.

Participate in all forms of discussion forums (i.e.Google Plus communities, the comments section of your posts, LinkedIn discussions, etc.)

Send out free products or a free trial of your product without any sort of prior commitment from the influencer.

Swap guest posts with them.

Other (please specify)

**10. How did you engage influencers in past influence programs?**

Blogger outreach: Sharing product/service information and industry/topic information with bloggers

Encourage content creation by asking customers to upload photos and videos of themselves using your product.

Incentivize user generated content with a product give away or discount on your service or other compensation.

Ask happy customers to answer case study questions and assure them they can approve your content before you publish it.

Participate in all forms of discussion forums (i.e. Google Plus communities, the comments section of your posts, LinkedIn discussions, etc.)

Send out free products or a free trial of your product without any sort of prior commitment from the influencer.

Swap guest posts with them.

Other (please specify)

Other (please specify)

**11. If you compensate influencers in your current program, which method(s) do you use?**

Financial compensation (per instance financial payment)

Give influencer public credit (i.e. shout out)

Product discount or giveaway

Commission

Give influencer a gift

We do not compensate influencers.

Other (please specify)

**12. What method of compensation did you use in prior influence programs?**

Financial compensation (per instance financial payment)

Give influencer public credit (i.e. shout out)
Product discount or giveaway
Commission
Give influencer a gift
We did not include compensation in past influencer strategies
Other (please specify)

**13. If you have a reverse influencer strategy (gain insights from influencers to inform future marketing efforts), which of the following are a part of that strategy?**
Understand what engages or frustrates them and what they perceive as being important.
Poll influencers about their values and feed those into corporate social responsibility efforts.
Ask what people want to see in the next iteration of a product or service so we can do better research and develop better products.
Pay attention when an influencer gives feedback on our products or services, because what they say also applies to their networks.
Hear what influencers say about the features that really make a difference to them and their extended networks so we can improve the targeting of our marketing efforts.
Find out what else they see as relevant to our business that we haven't even thought of.
Other (please specify)

**14. If your prior influence strategies included a reverse influencer strategy, which of the following processe** 
**did it include?**
Understand what engages or frustrates them and what they perceive as being important.
Poll influencers about their values and feed those into corporate social responsibility efforts.
Ask what people want to see in the next iteration of a product or service so we can do better research and develop better products.
Pay attention when an influencer gives feedback on our products or services, because what they say also applies to their networks.
Hear what influencers say about the features that really make a difference to them and their extended networks so we can improve the targeting of our marketing efforts.
Find out what else they see as relevant to our business that we haven't even thought of.
Prior influence strategies did not include a reverse influencer strategy.
Other (please specify)

**15. What attributes do you consider when identifying which influencers to try to reach?**
Market Reach – the number of people an individual has the ability to connect with.(i.e. how many Twitter followers, blog followers, etc. the influencer has)
Topical influence (how many followers an influencer has by topic)
Content influence (how many followers an influencer has by type of content based upon your keyword groupings i.e. from Google AdWords or SEO)
Independence – whether an influencer has a vested interest in promoting a particular point of view.
Frequency of Impact – the number of opportunities an individual has to influence buying decisions.
Expertise – how much of a subject matter expert is the influencer.
Persuasiveness - the degree of consequence in ignoring an influencer's advice.
Thoroughness of role - the extent to which influence is exerted across the decision lifecycle.
Other (please specify)

**16. What attributes did you consider in prior influence programs with regard to identifying influencers?**

Market Reach – the number of people an individual has the ability to connect with.(i.e. how many Twitter followers, blog followers, etc. the influencer has)
Topical influence (how many followers an influencer has by topic)
Content influence (how many followers an influencer has by type of content based upon your keyword groupings i.e. from Google AdWords or SEO)
Independence – whether an influencer has a vested interest in promoting a particular point of view.
Frequency of Impact – the number of opportunities an individual has to influence buying decisions.
Expertise – how much of a subject matter expert is the influencer.
Persuasiveness - the degree of consequence in ignoring an influencer's advice.
Thoroughness of role - the extent to which influence is exerted across the decision lifecycle.
Other (please specify)

**17. What have been the objectives of your influence programs in the last 12 months?**
Product Launch: Differentiate Product/Service
Product Launch: Create Awareness of Product/Service
Existing Product: Reposition Product/Service
Existing Product: Product/Service Credibility
Crisis Management
Brand Awareness
Brand Credibility
Brand Emotional Commitment
Other (please specify)

**18. What were the objectives of past influence programs?**
Product Launch: Differentiate Product/Service
Product Launch: Create Awareness of Product/Service
Existing Product: Reposition Product/Service
Existing Product: Product/Service Credibility
Crisis Management
Brand Awareness
Brand Credibility
Brand Emotional Commitment
Other (please specify)

**19. Do you implement your strategy through an outside agency or marketing firm, or do you implement it using in-house resources?**
Agency/marketing firm
In-house
Combination of agency/marketing firm and in-house
Other (please specify)

**20. In past influence programs, did you use an agency/marketing firm or in-house resources?**
Agency/marketing firm
In-house resources
Combination of agency/marketing firm and in-house resources
Other (please specify)

**21. Is your company public or private?**
Public
Private
Other (please specify)

**22. Which category below includes your age?**
17 or younger
18-20
21-29
30-39
40-49
50-59
60 or older

**23. Which of the following best describes your current job level?**
Owner/Executive/C-Level
Senior Management
Middle Management
Intermediate
Entry Level
Other (please specify)

**24. Which of the following best describe your job function?**
Accounting
Administrative
Advertising / Marketing
Analyst
Art/Creative/Design
Business Development
Consulting
Construction
Customer Service
Distribution
Health Care Provider (Doctor)
Health Care Provider (Nurse)
Health Care Provider (Other)
Education
Engineering
Finance
General Business
Human Resources
Information Technology
Legal
Management
Manufacturing
Production

Product Management
Project Management
Public Relations
Purchasing
Quality Assurance
Research
Sales
Science
Strategy/Planning
Supply Chain
Training
Writing / Editing
Other (please specify)

**25. Which of the following best describes the principal industry of your organization?**


**26. Which of the following categories best describes your employment status?**
Employed, working 40 or more hours per week
Employed, working 1-39 hours per week
Not employed, looking for work
Not employed, NOT looking for work
Retired
Disabled, not able to work
**27. What is the highest level of school you have completed or the highest degree you have received?**
Less than high school degree
High school degree or equivalent (e.g., GED)
Some college but no degree
Associate degree
Bachelor degree
Graduate degree
**28. About how long have you been in your current position?**
Years

Months
**29. About how many employees work at your company?**

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