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THE ABC'S TO SUCCEED IN INFLUENCER MARKETING WITH GEN Z

SheSpeaks Inc.

Gone are the days of Millennials dominating business headlines. They couldn't afford houses or diamonds, thanks to their penchant for pricey lattes, but for at least a decade, they were the apple of every marketer's eye. It only takes one glance at a marketing publication to know that the not-so-new kid in town, usurping Millennials as the primary target for many brands, is Gen Z. But there is good reason for the shift in focus: Their influence and impact is growing. **In a recent study by Barnes & Noble College, 80 percent of Gen Z reported that they follow and/or interact with brands online. Subsequently, 72 percent of those who engage with brands are somewhat/significantly more likely to buy a product.**

The National Retail Federation points out, "although Gen Z is still building up its finances, these younger consumers were exposed to online shopping and brands earlier than other generations." Members of Gen Z, according to Beresford Research, were born between 1997 and 2012. Though Gen Z is smaller than the generation that precedes it, their prevalence in the marketing industry has naturally risen with their collective buying power, which should be looked at from two perspectives. Today, at age 26, the oldest Gen Z consumers are several years into the workforce, while the youngest Gen Zs, in their preteens, heavily influence their parents' spending. A 2022 Indonesian study found that "Generation Z children significantly affected their parents' consumption behavior through different factors, such as online purchase illiteracy and self-control of consumption behavior." (Adnane Derbani, Wiwiek Rabiatul Adawiyah and Siti Zulaikha Wulandari, 2022.)

Given that they grew up with access to the internet, Gen Z is the first generation of digital and social natives. While that has revolutionized their shopping experience, being immersed in the internet makes them more aware of being advertised to, as well as highly sensitive to and skeptical of ads. In fact, 78% of Gen Zs surveyed in a 2022 study by Adolescent Content "believe that brands are all talk and no action, sparking skepticism." So how do you reach a consumer that essentially doesn't want to be marketed to? Enter the influencer. It's not news that influencer marketing has been on the rise for the past few years, as a more authentic and relatable way to introduce or reintroduce your brand/product(s) to consumers. It makes sense to target Gen Z consumers with this tactic, but it's not as simple as selecting a popular influencer with a strong engagement rate. Gen Zs can sniff out a bad brand deal from a mile away (and will relentlessly mock it in said influencer's TikTok comments). Though they need not look so far, however, as they likely scroll past inauthentic sponsored content every day.

With fear of "de-influencing" (a new trend where influencers tell their followers why they should <u>not</u> buy a product) on the rise, how can you make those influencer marketing dollars work for your brand whilst avoiding a wrist slap from your target audience? If you want to appeal to Gen Z, here are our ABCs to make your next influencer marketing campaign succeed with Gen Z - five key insights with examples from real campaigns to support each one.

A. LEAN INTO ORGANIC TRENDS TO CREATE MORE ENGAGING SPONSORED CONTENT.

It sounds simple because it is. Sponsored content actually performs better with this target when it doesn't stand out from organic content, because they are so skeptical of ads. The more organic the sponsored content feels, the better chance you have of preventing them from immediately scrolling away. Hence, why it's important to align your brand with a popular trend, when it makes sense. For example, food and beverage brands can easily work their way into "What I Eat in a Day Videos." "Get Ready"/"Get Unready With Me" morning/night routines are another vastly popular organic content theme that beauty and skin care brands can lean into for sponsored content, as Skin Proud did in the examples below.

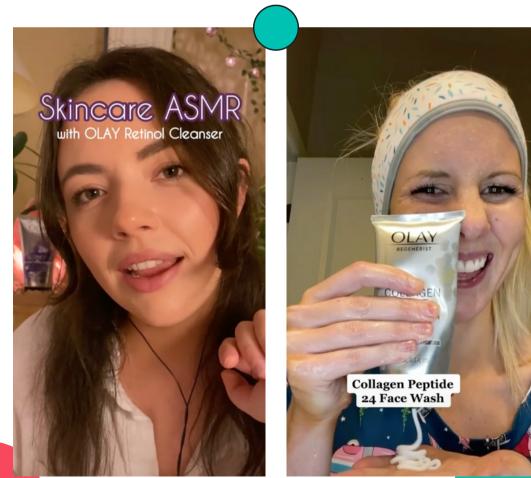






B. SIMILARLY, FIGURE OUT WHAT THEMES WORK FOR YOUR BRAND. IN OTHER WORDS, FIND YOUR "CORNER" OF TIKTOK.

What overarching themes (i.e. self care, wellness, restocking, recipes) can your brand fit into? #SelfCare has over 33 Billion views on TikTok because it resonates with both Gen Z creators and consumers. In a TikTok Test & Learn for the Olay brand, we engaged Gen Z Mega creators (defined as influencers with over half a million followers) and assigned them to different content categories: educational, entertainment, and demo, to figure out what type of content worked best for the brand. What we found is that the type of content didn't matter as much as the authenticity/organic nature of the content for the influencers' audience. There wasn't much difference in performance between the educational and demo content, but the underlying theme across the top-performing videos was self-care. When influencers incorporated a self care theme, regardless of the content category, they saw higher impressions, reach and engagement rates.



C. WITH THAT BEING SAID, YOU MAY NOT KNOW WHERE YOUR BRAND FITS, ESPECIALLY ON A NEW-TO-YOU PLATFORM, SO DON'T BE AFRAID TO TEST AND LEARN.

"With Gen Z ready to take over the economy in the next decade, retailers must engage with this digitally native generation across multiple platforms to hold its interest" (NRF, 2021). Having a presence on the platforms where these consumers spend their time is critical for brands looking to target Gen Zs, but every type of content doesn't work for every brand. For example, in the aforementioned Olay Test & Learn, we found that comedic/entertaining content wasn't the right fit. Despite selecting funny creators with strong engagement rates, the content in that category was outperformed by self-care content. But you may not know where your brand fits until you try out different influencers, content types, themes, platforms, and trends. Does comedy fit your brand voice? Engage a creator who is already making humorous sponsored content (not just organic) for other brands and see how their audience responds. It can be daunting, but it is truly the best way to guide future content direction and figure out how your brand voice translates to Gen Z influencer content. Influencers in this Splash Blast campaign created a variety of content from dancing TikToks, to taste tests, and fridge restocks.



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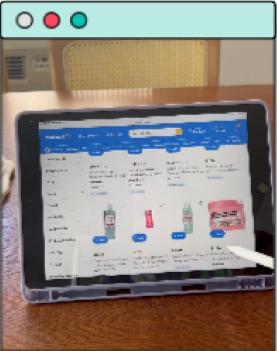
D. LET THEM TAKE THE CREATIVE LEAD.

No one knows what resonates better with Gen Z audiences than Gen Z influencers themselves. As digital natives, they are engrossed in the platforms on which they create content, and that content performs better when they are allowed to bring their creativity to the table. When providing a toolkit for Gen Z influencers, go heavy on the brand guidelines, but keep the creative brief simple. We often ask influencers to submit their creative concept for pre-approval, to ensure the content is meeting the brand's needs and to avoid re-shoots. In a campaign for Glad Cherry Blossom trash bags, the colorful influencer below (@honeyldressedthepug) incorporated these bright pink bags in a clothing donation TikTok. This post was so compelling that it gained a 209% engagement rate (ER) - a significantly higher than the micro influencer benchmark of 3-6%. The brand didn't confine influencers to cleaning and restock content and it's a great example of what thinking beyond your product category can lead to.



E. FINALLY, DON'T OVER COMPLICATE YOUR CALL TO ACTION.

Given that the average Gen Z consumer spends upwards of three hours on social media daily, they are constantly served ads and scroll past sponsored content. If your influencer content catches their eye, make it easy to complete the shopping journey by providing a discount code on screen, in caption, or via TikTok Spark Ads. Don't forget that Gen Z influencers can also help establish a connection between a brand and retailer through an add-to-cart link. In this example, the influencer hits the key messages while demonstrating the ease of online shopping at Walmart.com. Her content drove to an add-to-cart link that placed the featured body care products in the shopper's cart. Add-to-cart links are also a good way to measure the ROI of an influencer marketing campaign when you can't directly track sales.



A recent Forbes study found that only 37% of Gen Z consumers fall into the "brand loyalist" category (Forbes, 2022). While some marketers will read that as a sobering fact about these young consumers, others will take it as a challenge. Know this: there is always room to enter their consideration set with well-executed influencer content.

As this space evolves, we will continue to report on trends in Gen Z influencer marketing.

READY TO TAP INTO OUR NETWORK OF CREATORS AND TAKE THE GUESS WORK OUT OF INFLUENCER MARKETING?

