

Hello thanks for coming today so we are currently going through a revolutionary shift. First there was the Industrial Revolution, then there was the mass media revolution, and now we are in the digital revolution. If you think about it, advertising it stayed relatively the same for about 50 years until the Internet and social media came and disrupted it. I mean, when is really like, What is an influencer? the last time that you bought something because you saw a newspaper ad or a billboard? Now advertisers are spending their money towards platforms like YouTube and Instagram and Facebook, and on top of these platforms we have these things called influencers.

Now you might be wondering like, well, what is an influencer, Rachel? Well, simply put, an influencer is just someone like you and me, except where they choose to consistently post stuff online. This will be on Instagram, on YouTube, and it can be in the niche of their choice, so this could be beauty tutorials or comedy skits or these things called vlogs. If you don't know what a vlog is, people literally film just their life, like drinking soup, and you find it entertaining and somehow they've amassed What is a vlog? a huge following and have become an influencer. So if you're wondering maybe why your kids are glued to YouTube, this is why, and this is the world that I work in. So currently influencer marketing is a 4.5 billion dollar industry, and it's projected to be a 10 billion dollar industry by 2020. So what is happening is these brands, they're realizing, wow, this is a highly effective way to market. The problem is it's virtually the Wild West when it comes to regulations, procedures, rates, measuring ROI, all these things we're figuring it out as I speak on this stage.

So a little bit of Rachels background, background on myself. My name is Rachel David. I run a company called Hashtag Communications. It's an influencer marketing company, and it's been around for about two years. In the past two years we've done over a million dollars worth of brand deals with top creators in the world and top brands. Now not only is that in one place, no, we work with companies in Asia, in Europe, in America, and each place deals with influencers a little bit differently. So during this talk, I hope that I can share with you some of the craziness I've seen, this unique perspective I've had, and equip you with ways that you can utilize influencers to your advantage or at the very least just make you look a little bit cooler amongst the Millennials in your life.

So I believe that influencers, Influencers, are really applicable to anyone trying to get attention on anything. Over the past five years we have seen businesses virtually transform, especially in the e-commerce space, thanks to influencers. I read the stat that 70% of purchase decisions by Millennials are made from a peer recommendation, which makes sense, because like if I am gonna go get laser hair removal, I'm gonna go ask my friend and be like, well, where did you go get it? So I'm not just gonna like look good now, I wouldn't even look at a Facebook ad for a laser hair removal recommendation. And then I read the stat that 60% of in-store purchase decisions are influenced by something that someone has seen on a social media post or a blog post, like 60%! That's really high. But if you think about why that is, on average Millennials are spending nine hours on social media, so oftentimes what is happening is these YouTubers they're watching are starting to become their friends, more so than their real-life friends.

So Case Study, I read this case study about these two founders, their name, their names are Nick and Alex. They are the founders of HiSmile. You might have seen it. It was, it's a teeth whitening product. You might have seen Instagram models taking a picture with it. It's, it's very

photographable. So these young founders created this product and I read the headline, "Kylie Jenner helped two twenty-something year olds turn a few thousand dollars into a forty million dollar business." I was like, oh God, let me read more. Then I read, within eighteen months they did ten million dollars in sales. So I was like, okay, well how did you do this? Well, what they did is they actually, yes, it's a very millennial product, but they took a really, a millennial approach to their marketing. They started off by utilizing these mid-level and micro influencers. They started generating more sales. Eventually they were able to save up enough money to then do a brand deal with Kylie Jenner, the Big Kahuna. When she put it online, it went out to seventy-five million of her followers at the time. She's a little bit higher now, and their sales skyrocketed.

So I often get Celebrity vs Influencer, asked what is the difference between a celebrity and an influencer, and it's really just one word, my friends, and that's **relatability**. People love that these influencers that they're uncensored and they're unscripted and every now and then they'll just drop the F-bomb. And I know you might be thinking, but Kylie Jenner, she is a celebrity. And I agree, but you have to think about what is she famous for? Like she's not famous for singing a song. She's not famous for playing a character that you fell in love with. She's not famous for dribbling a ball down the court. No, she's literally famous for her personality. Yes, it started off on a reality show, but then she took that, she started posting consistently online to the point where millions of people followed, were engaged. They got to know, love, and trust her to the point where just recently Forbes put her on the cover, and they named her one of the youngest billionaires in the world. She just made nine hundred million dollars in three years off of her Kylie Cosmetics line. That's pretty insane. If you look at the data, really only three percent of consumers are influenced by a celebrity endorsement when it comes to their product purchase decisions, which actually makes sense, because when I am looking at Jennifer Aniston on the TV, and she is promoting Aveeno, I'm like, don't you think I am like really, like I know that you were airbrushed for three hours and then you probably got some weird vampire facial with their Hollywood friends that I am not gonna go and get, so I'm not buying it. Sorry if you're watching, which you could. No, I want to watch somebody who is like me promoting a product.

Now not only is Influencer Marketing for People, influencer marketing applicable to brands, I do believe it's applicable to people. This is where you come in. Ask any millennial if they're trying to build up their Instagram right now, and they're probably gonna say yes. And that's not something to be looked down on. If anything, they know more than anybody that building a personal brand today is more important than ever when it comes to things like accessibility, opportunities, job employment. Before I started my company, I basically made YouTube videos. I took a whole year off. I made YouTube videos with no intention of really doing anything. I just wanted to share my life, vlogs, those things that we were talking about. And I ended up, you know, garnering an audience and growing that. So then by the time that I actually did have this idea that I was going to start this company, I immediately had a customer base. I immediately had clients, because they grew with me. They trusted me, and they were like, oh yeah, okay, well Rachel is talking, she's doing this thing, why don't we use her? To this day I haven't had to spend any money at all on marketing. To this day I haven't.

Growing Your Audience, had to spend a penny on marketing. So personal brands are important, and part of that puzzle piece is growing your audience. So how do you do it? So one way you

can is utilize and influencers. So say that you have a vegan Instagram page that you want to grow. You would go and you could actually pay a bigger influencer in your niche to shout you out, and these shoutouts are how a lot of people are growing really quickly.

So one Regulation, of the most interesting discoveries that we're gonna be faced with is in the next 20 years when Generation Z grows up. And I often get asked by concerned parents, you know, what do you think is gonna happen? The thing is is I don't know. Like I'll be the first one to admit that I think that there should be more kids outside playing with a ball, but I am happy to say if we're relating this to marketing on the regulation front, we are putting stricter rules in place. So for example, you might see influencers posting on Instagram, and they post something, and it'll say hashtag ad at the bottom. This now requires to put a hashtag ad or disclose if it's hashtag sponsored. Or if you're watching a YouTube video, in the first 30 seconds, they do need to disclose if it is sponsored by a brand.

Marketing to Kids, now of course there's still things that we do need to figure out. And just a couple days ago, I was watching a video, and I saw that Jake Paul actually put out a video that was 13 minutes long, and seven minutes of that was upselling to kids, advertising his products to kids. Well, there's rules around that in broadcasting. Like you're only allowed to market to kids like 20% of your pro can be marketing to kids. This had almost like 50% to marketing to kids. So do we still have a long way to go? Yes, but it's like I'm saying, it is the Wild West right now, but we are taking it one day at a time, and we will get there.

So The Money, lastly we got to talk about the money. Everyone wants to talk about the money. And I think that there's this stigma attached to influencers and that they're all these like young millionaires, and that they get paid too much. And hey, Jake Paul, I mean I just saw him save it, he's like, I made fifty million dollars this year. And I'm like, so there's this stigma and people think that these kids are riding around their Lambos and they all have pet monkeys, but I assure you that 99% of them do not. I actually do a podcast every week where I interview an influencer or a creator, and we talk about how they make money online and their different revenue streams. And a lot of them are just trying to sustain making content as their full-time job.

What I want you to keep in mind is not only did the advertising industry change, no, the entertainment industry changed as well. You know, advertisers, they had bigger budgets to go and make commercials. There was like five times the amount that they have now. And then even on the entertainment industry front, there were bigger grants, there were The Entertainment Industry, bigger bursaries, there was a support system, a much bigger one for artists. So now when you look at an influencer who's doing a sponsored post, you're, they're essentially getting two for one for a fraction of the price, so relatively, they're not actually getting paid that much. These creators, they are on-camera talent. They are directing, they're producing, they are lighting, they're doing their makeup, they're, you know, editing, they're their management, they're their admin, and they are their distribution. I mean, I work for a broadcaster, that is something actually getting it out to an audience, of putting it on camera. So if you see a sponsored post by a creator that you like, like don't roll your eyes. If anything, this is the time that you should actually go and interact, because and show your support, because when you actually like, like, you know, say there's something sponsored, if you even just like that post, you know that that's when the brand is actually looking at their stuff, so it means a lot to a creator.

They're already feeling a little bit self-conscious of how are you gonna react to it, but if you like it, then the brand sees that, and then they might want to do another deal with them, and then you get more content. So if you see an affiliate link and you need that product anyways, use it. If you see a promo code, you know, use that. If you see even a YouTube video and you know how sometimes, I mean, I know it's annoying, we watch and in the middle of a video there's an ad, but when you watch that full video through, they get paid a little bit more. And what you're doing is you're really helping these highly creative people build their lives so they can make more content for your enjoyment.

So in closing, I'm going to keep it super short to recap influencers, they're not going anywhere. Number two, stop picking on your kids. Number three, support the influencers in their life. And number four, have a great day. Thank you.

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