

Influencer Marketing Mania

How Influencer Marketing
Can Thrive in Small Markets



Brayden Solberg

Abstract

History will remember 2020 as the year of change. COVID-19 flipped the world upside down, the United States endured a political hurricane, and the word ‘influencer’ became a cuss word.

Originally used as a term to describe a valued opinion, ‘influencer’ quickly became an Urban Dictionary-defined stereotype for wealthy, attractive, and entitled social media personalities. During the Black Lives Matter protests in 2020, several white influencers used the protests as a deluded attempt to appear in support of the movement when it was apparent they were only there to get an ‘Insta-worthy’ picture. While those situations taint influencer’s reputation, the industry is skyrocketing — it’s projected to be worth over \$15 billion by 2022⁽¹⁾.

Social media is changing the way we live our lives. Whether you dread Facebook group chats or want to become the next TikTok star, social media is likely a factor in your personal and professional life. Social media platforms such as Facebook, Instagram, and TikTok have become breeding grounds for a new type of celebrity — social media influencers.

These influencers are online personalities with an audience who value their content, opinions, and recommendations across a long

list of genres and niches. Large brands and corporations across virtually any industry turn to social media influencers to endorse their products online. As brands and large influencers continue to figure out how to leverage the marketing tool, micro-influencers’ impact on small markets such as Winnipeg, Manitoba have fallen under the radar.

Over the last three years, the influencer marketing industry started to grow significantly in Winnipeg. In this white paper, local social media influencers with varying sizes lent their industry knowledge outlining how to generate partnerships with brands and discussed their impact on local businesses.

This white paper provides:

- An influencer’s guide to building relationships with local businesses and corporate brands
- Tips and tricks used by a various Winnipeg-based influencers

Continue reading to discover why influencer marketing shouldn’t be considered a bad word, and instead, an active part of your next marketing campaign.

What is Influencer Marketing?

Influencer marketing is when a business provides financial compensation or free product and services to a person with a social media following in exchange for brand exposure. Sound familiar? Influencer marketing started with big-name celebrities endorsing your favourite products. Ray Charles endorsed Coca-Cola in the 1960s, George Foreman seared his name to North America's favourite portable BBQ, and Jennifer Aniston revealed that her secret to everlasting youth is Aveeno moisturizer. Social media influencers are the online progression of traditional celebrity endorsements.

More than ever, businesses segment consumers into small niche groups by age, gender, location, education, values, and more. People can be sorted into specific groups because social media and the internet have opened the floodgates for content creators to try, well, anything. Whether it's video, photography, marketing or horrible supplement pyramid schemes, social media plays a vital role in persuading consumers to do, buy, or say something.

This is where influencer marketing comes in.

Tiers of Influencers

Influencer is an umbrella term. While influencers create different genres of content including interior design, beauty, sports and video games, agencies and businesses divide them into different tiers based on their audience size and nature. The issue among industry professionals is the tiers are defined differently depending on which business or agency you ask.

[Influicity](#) is an influencer analytics platform and blog created in 2014. The website divides influencers into three core groups:

1. Mega-influencers: A-list celebrities with more than 500,000 followers on social media
2. Macro-influencers: Popular social media stars with an audience ranging from 10,000 followers to 500,000 followers
3. Micro-influencers: Budding social media personalities with less than 10,000 followers

While Influicity provides a framework for agencies and brands to segment influencers according to audience size, it leaves a lot of grey area for identifying the level of skill, purpose, and audience among macro-influencers.



INFLUENCER TIER GUIDE

Shine Talent Group, a talent management agency based out of Toronto, identifies an influencer according to five distinct tiers.



NANO-INFLUENCER (1,000 - 5,000 FOLLOWERS)

STRENGTHS:

- HIGH ENGAGEMENT RATE
- CLOSE RELATIONSHIP WITH AUDIENCE
- OPEN TO LOW COST PARTNERSHIPS

WEAKNESSES:

- SMALL REACH
- NO DISTINCT NICHE/GENRE
- NO REGULAR POSTING SCHEDULE



MICRO-INFLUENCER (5,000 - 50,000 FOLLOWERS)

STRENGTHS:

- HIGH ENGAGEMENT RATE
- DEVELOPING NICHE
- CONNECTED TO LOCAL AUDIENCE

WEAKNESSES:

- A LOT OF COMPETITION
- UNDERDEVELOPED BRAND IDENTITY
- LACKS DIVERSE EXPERIENCE



MID-LEVEL INFLUENCER (50,000 - 100,000 FOLLOWERS)

STRENGTHS:

- ESTABLISHED BRAND IDENTITY
- LONG TERM PARTNERSHIPS WITH BRANDS
- EXPERIENCE WITH LOCAL AND CORPORATE BRANDS.

WEAKNESSES:

- HIGHER COST
- LOWER ENGAGEMENT RATE
- WEAKER RELATIONSHIP WITH AUDIENCE



MACRO-INFLUENCER (100,000 - 500,000 FOLLOWERS)

STRENGTHS:

- CREDIBLE
- AUDIENCE VIEWS THEM AS A CELEBRITY
- HIGHER REACH

WEAKNESSES:

- HIGHER COST
- WEAKER RELATIONSHIP WITH AUDIENCE
- LOWER ENGAGEMENT RATE



MEGA-INFLUENCER (500,000+ FOLLOWERS)

STRENGTHS:

- VERY HIGH REACH
- INCREASES BUSINESS CREDIBILITY
- HIGH CONVERSION RATE

WEAKNESSES:

- EXPENSIVE PARTNERSHIPS
- A PORTION OF FOLLOWERS MAY BE FAKE
- LOW ENGAGEMENT RATE

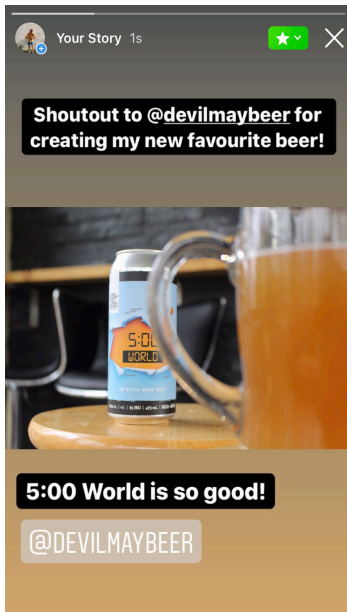
Shine Talent Group is a talent management agency based out of Toronto that specialize in influencer relations between their talent and large-scale businesses. They represent approximately 80 clients across Canada and the U.S., and most of their talent are social media influencers. Co-founder Emily Ward helped create Shine's list, but she says the industry has yet to create a definitive standard for identifying an influencer's status or rank.

1. Nano-influencer (1,000 – 5,000 followers)

Nano-influencers are everyday personal accounts and new businesses. While they don't hold a large audience, they typically have higher engagement rates (the percentage of their followers who interact with their content through likes, shares and comments). Smaller influencer's audiences usually have a personal connection to the creators and their content. According to a study⁽¹⁾, influencers with 1,000 to 5,000 followers have an average engagement rate of 8.8 per cent — the highest among all tiers.

Businesses send nano-influencers free products in exchange for a feature on a social media post. While deals tend to be informal, nano-influencers benefit from an increase in credibility

and businesses reach a small but attentive market.



(An example of a basic Instagram story a nano-influencer would create for a brand.)

2. Micro-influencer (5,000 – 50,000 followers)

Micro-influencers make up the largest group of influencers. They are transitioning from hosting a sizable following to building a personal brand with a growing and dedicated audience. Beauty bloggers, food critics, fitness accounts, and lifestyle vloggers are among the long list of niche influencers that make up the rank. At this point, micro-influencers have found a niche, developed a brand aesthetic, and built a relationship with their audience.

Businesses are targeting micro-influencers more than any other rank. According to a study⁽²⁾ conducted with 1173 marketing specialists across North America, micro-influencers were the top choice when social media managers want to include influencer marketing in their campaigns.

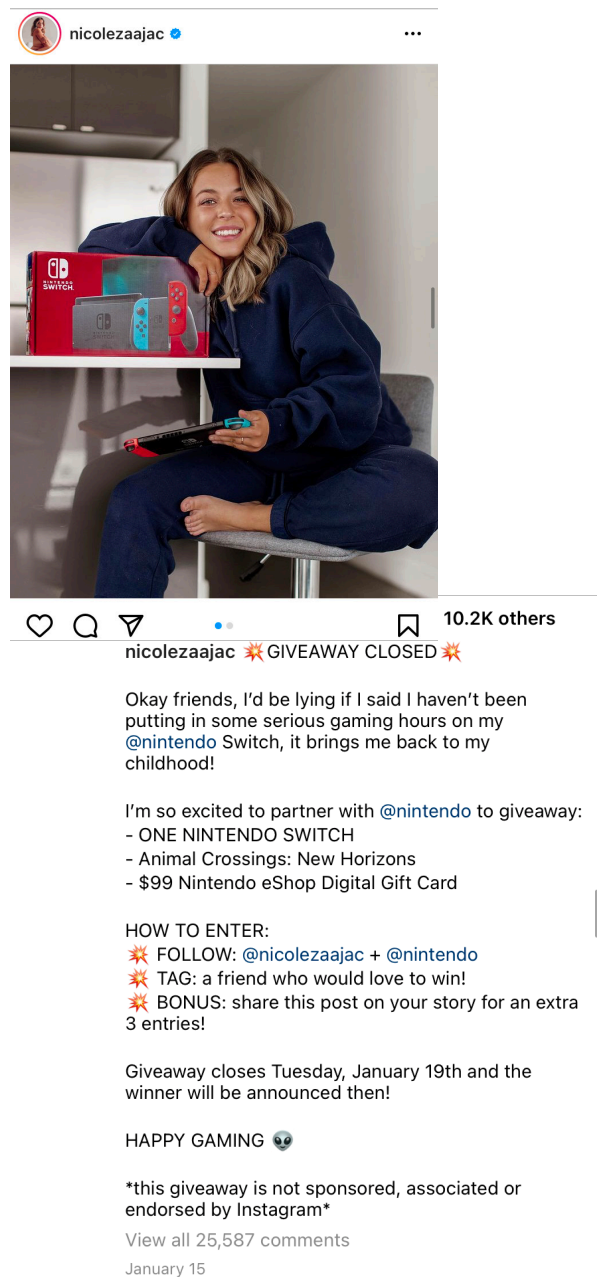


3. Mid-level influencer (50,000 to 100,000 followers)

Mid-level influencers are platinum versions of micro-influencers. Leaders in their niche, mid-level influencers have a strong brand identity and a high engagement rate despite holding a larger audience.

Large corporate brands often prefer to build partnerships with mid-level influencers. For example, brands such as HelloFresh, a meal prep delivery service, will often reach out to the same influencer multiple times

in the same year because they are familiar with the type of audience the influencer holds, their relationship with their audience, and the success they can bring to the campaign. While a brand might use 150 micro-influencers for a single campaign, the same brand may use 10-15 mid-level influencers with a larger audience and broader scope.



(A example of Winnipeg mid-level influencer Nicole Zajac and her Instagram partnership with Nintendo.)

4. Macro-influencer

The game changes once influencers reach the macro tier. The title of influencer fades and ‘celebrity’ becomes more appropriate. This doesn’t necessarily mean they’re walking the red carpet, but perhaps they’ve become a household name in their city and their audience aspires to reach their level of success or fame.

While other influencer agencies categorize people with social media audiences larger than 100,000 followers as macro-influencers, Shine Talent Group doesn’t use a number to determine if an influencer meets the criteria. Emily Ward says it’s more about how the influencer’s audience perceives them as a regular part of society. Ward says if an influencer’s fame makes it hard for their audience to see them as someone they could talk to in person — they are a macro-influencer.

5. Mega-influencer (1,000,000+ followers)

Mega-influencers are celebrities. Take a look at your favourite A-listers’ Instagram page and there is a good chance you will find them trying to influence you to buy a product or service. With over 76.5 million followers, music superstar Drake (@champagnepapi) features countless brand endorsement deals

on his Instagram posts. Whether he's decked out in Nike gear or sporting a luxury chain, Drake is an example of influencer marketing in the big leagues. While they offer massive reach and boost brand notoriety, mega-influencers tend to be high-cost partners who don't know their social media audience very well. Partnering with mega-influencers can come across as fake because their status makes it hard to believe they control their own posts or value the product.

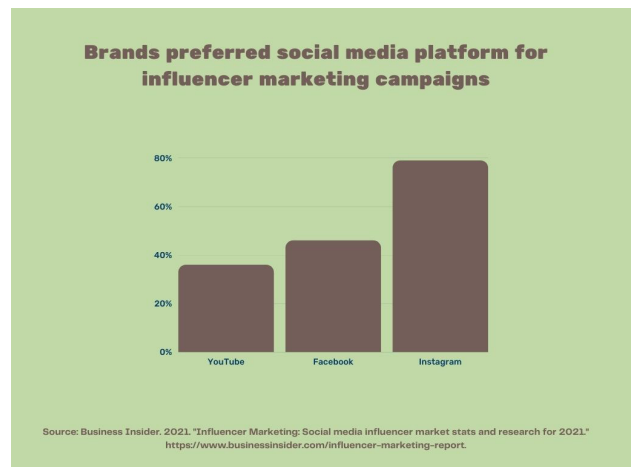


(An image posted on Drake's Instagram account featuring his latest partnership with Nike called "Nocta.")

Social Media Channels

Since 2010, the social media landscape has changed in North America with the rise of Instagram (owned by Facebook), Facebook's target audience change, and TikTok rapid growth.

Instagram is the leader in influencer marketing. In a study done by Mediakix⁽³⁾, nearly 89 per cent of industry professionals voted Instagram as the most important social media for influencer marketing.



TikTok is growing at an unprecedented rate in the influencer marketing industry. The video creation platform bolsters an incredible number of users across 154 different countries and uses an advanced algorithm to find content that fits user's specific preferences. TikTok⁽⁴⁾ has already surpassed Instagram and Twitter in

average engagement rate. They have the highest engagement rate among all tiers of influencers with an average of 7.72 per cent — Instagram has the next highest at 3.88 per cent.

While Facebook accounted for 54.15 per cent⁽⁵⁾ of visits on social media platforms in Canada, the site ranks as the third⁽⁶⁾ most important site for

influencer marketing among industry professionals.

While Instagram remains the platinum platform for social media influencers, influencer marketing can still be effective on other social media platforms. Twitter, Facebook, TikTok, and LinkedIn are examples of other platforms contribute to an \$8 billion industry.

An Influencer's Guide to Thriving in a Small Market

Influencer marketing isn't only successful in large markets like Toronto or Los Angeles.

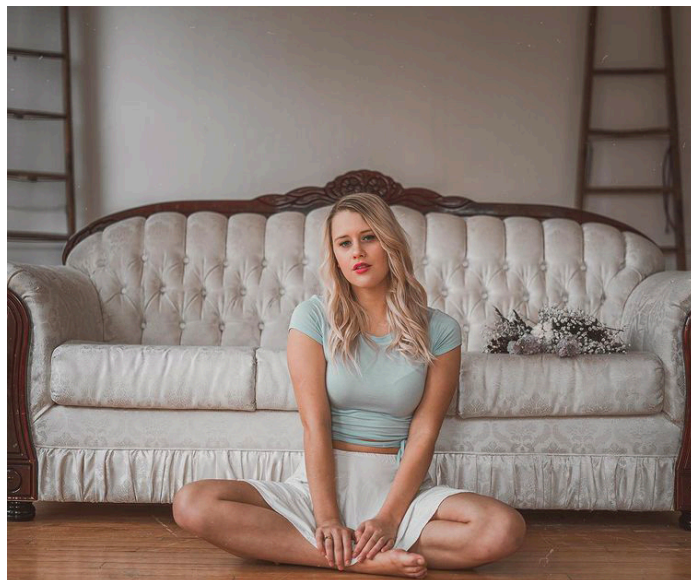
Winnipeg, Manitoba is a small market city in the heart of Canada. What Winnipeg lacks in population it makes up for in an extremely connected community both in-person and online. Winnipeg bolsters an active and trusted field of micro and mid-level influencers.

Getting Your Foot in the Door: Maxine Peters

With over 6,000 followers on Instagram, Maxine Peters ([@maxinepeters](#)) qualifies as a micro-influencer — but she doesn't consider herself one.

Peters doesn't post on a regular schedule. She posted 57 times throughout 2020 — about once a week. She is by no means a traditional influencer, but brands still reach out to her for promotions.

She has worked with brands like Social Lite, Aura Nutrition, and Ideal of Sweden.



[A picture of Maxine Peters by Ben Dartnell (@itsdarty).]

Peters says brands reach out to her through Instagram and offer free products in exchange for a shoutout on her Instagram feed or story. Once she agrees, they send her a promotional package through the mail and provide her with instructions for her post. She says brands occasionally ask for her rate and offer to pay her in cash, but the majority of the time her compensation consists of free products or services.

Peters gains opportunities with brands through a third-party website called [Creator.co](#) (formally ShopandShout). Creator.co acts as a middleman and connects brands looking to gain exposure for their products or services with aspiring influencers. Many other

sites offer this opportunity including [BzzAgent](#), and [Influenster](#).

Working With Local Brands

Peters works with various local brands because she says the experience of helping out a community presents more than just a business opportunity.

“At the end of the day you might make less money, but you gain so much more from working with people that you know and products that you value,” says Peters.

Peters has worked with local businesses including Rent Your Ride, Organic Tan Winnipeg, 441 Main, and Form Medical Aesthetics. Not only does it feel good to help a local business she says, but there are valuable business opportunities that can come from working with your community.

Developing Your Audience: Natalie Bell

Lifestyle blogger, Natalie Bell ([@PegCityLovely](#)), writes about beauty, fashion, family, human rights, and all things Winnipeg.

After the birth of her first child in 2012, Bell started PegCityLovely, a “mommy blog” where she documented her new experience with motherhood.

It wasn’t long before she was working with large corporate brands like Huggies and getting her first taste of the influencer industry.

“I wanted to be more than just a mommy blog,” says Bell.

Bell transformed PegCityLovely into a lifestyle blog where she creates content based off her interests such as social issues, healthy living, and family life.

“I started writing about Winnipeg and my audience grew significantly,” says Bell.

With a background in public relations, she knew how important it was to leverage social media. She secured the PegCityLovely name on the majority of social media platforms including Instagram, Pinterest, and YouTube — she even started her own podcast.

“I wanted to make sure I secured my name on all of the platforms because it’s part of my brand,” says Bell.

Personal branding is a huge factor for influencer success. Some influencers create a specific look, colour palette, and style for their account while others focus on posting whatever their life looks like regardless of their profile aesthetic.

Now with more than 22,000 followers on Instagram, Bell credits authenticity as the most significant factor in her success.

“Back then it was about sticking to a niche and doing what everyone else was doing — and that is not how I play,” says Bell.



[Natalie Bell (@PegCityLovely).]

Niche influencers dominate the mid-level tier but ultimately have to separate themselves from their competition and Bell says that’s what dictates whether an influencer will have a long and prosperous career.

Bell didn’t wait for her opportunity to work with the brands she loves — she made it happen on her own. Bell would find brands that matched the content she was creating and send pitch emails to multiple similar brands.

“A lot of them said no, but then it only took one or two to say yes before I started to build relationships with them that turned into really solid partnerships. Those partnerships still contact me for work all the time,” says Bell.

Working With Local Brands

Bell worked with several Winnipeg-based business, whether in collaboration with her blog or on social media. Brands such as Travel Manitoba, Tourism Winnipeg, and Coal and Canary are all examples of local businesses that have collaborated with PegCityLovely.

Bell says 60 per cent of her followers are from Winnipeg while the remainder are from rural Manitoba or Ontario.

“I want to jump at any opportunity I have to showcase awesome products from Manitoban businesses because I know my audience will care too,” says Bell.

Bell says it’s beneficial for local brands

to work with local influencers because they are affordable. Social media influencers are a rapidly growing marketing tool that Winnipeg and business owners may be hesitant to try, but influencers like Bell can help them take their business to the next level.

Taking the Next Step: Nicole Zajac



[Nicole Zajac (@nicolezaajac).]

Nicole Zajac ([nicolezaajac](#)) is one of Manitoba's largest and fastest-growing social media influencers. In early 2018, Zajac openly shared her support for body positivity and

received a flurry of support from her growing audience. Since then, Zajac grew her Instagram followers to over 100,000 and signed to Shine Talent Group.

Zajac started her journey much like Maxine Peters — accepting free products in exchange for one-time shoutouts on social media.

“I was charging \$25 per post because no one knows the standard for the amount they should get paid,” says Zajac.

After steadily building her following for years, Zajac was scouted by Shine who helped her secure deals with huge corporate brands like Shoppers Drug Mart, and Nintendo. She also recently created a line of jewelry with Paris Jewellers Canada.

Shine helps Zajac focus on content creation while they take care of all the pitching, contract negotiation, and payment tasks independent influencers like Natalie Bell have to juggle on their own.

One of the many jobs Shine handles for their talent is creating media kits and rate cards for each client.

Media kits are packages of documents containing relevant information about a business, product or event. Inside you'll find a detailed resume, a media

release, images, and examples of the talent's former work.

Rate cards are documents providing insight on pricing for different placements and jobs. It's smart to create a rate card because it provides an influencer with a general standard of pricing but each brand deal comes down to a negotiation between the client and influencer.

Shine Talent Co-founder Emily Ward says there is not a checklist of specific criteria needed to be accepted by her agency, but rather just a matter of an influencer fitting within certain core principles. Ward lists them as:

1. Authenticity (feel);
2. Aesthetics (look);
3. Voice;
4. Theme (niche);
5. Content quality.

Working With Local Brands

Zajac is starting to move from the mid-level tier and into the macro-influencer territory, making it harder to pair with local brands.

Zajac says working with local businesses not only helps her connect with her city but boosts her engagement.

"A lot of my followers are from Winnipeg, so when they see hometown products, they are more likely to interact with the post," says Zajac. "It's a win-win situation."

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”

Brands and agencies are still trying to figure out how to leverage influencers, while influencers try to figure out how to negotiate and work with brands.

Local brands should be open to utilizing local talent. Influencers like Peters, Bell, and Zajac say they love working with local brands as it brings benefits to both sides of the partnership. If a local business can pick the right match for their brand, they will see their business reach new heights.

Here is a summary of tips to becoming a successful influencer:

- Find a niche genre or identify a brand voice;
- Be authentic;
- Recognize the strengths and weaknesses between the different tiers of influencers;
- Put in the work to create consistent and quality content;
- Reach out to brands you connect with.

As influencer marketing continues to grow, businesses should capitalize on using strong voices to help build their brand identity and reach new and exciting markets. Social media influencers can provide an engaged audience who trusts their voice and are ready to hear what local businesses have to offer.

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