Modern Trends in Influence Marketing in the Aspect of the Use of Artificial Intelligence Technologies

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Abstract: The article discusses the development of influence marketing, which focuses on attracting opinion leaders and influencers to distribute the company's advertising message and the use of artificial intelligence technologies in influence marketing. The purpose of the study is to identify marketing trends and directions of using artificial intelligence in the formation of marketing influence programs in terms of improving the process of searching and analyzing influencers for collobaration. Trends in the development of influence marketing as a modern communication channel that increases consumer confidence in goods and brands are presented. A study of information technologies has been conducted, on the basis of which artificial intelligence reveals the true value of marketing influencers and develops influence marketing in terms of providing highly effective communication campaigns.

1 INTRODUCTION

Influence marketing is a type of Word-of-Mouth marketing that focuses on using opinion leaders to spread the advertising message of a campaign, brand. Influencers can be both celebrities and social media personalities who can help spread the information about a brand or product. Influence marketing is the fastest growing online method of attracting customers. (Yurchuk, 2020).

As social networks become an increasingly integral part of the information society, the popularity of Influence marketing increases dramatically. Social networks have enabled people to create their own brand by stimulating content and interaction. These new influencers are more famous than traditional celebrities. As more and more people join social networks every day, companies have begun to realize that they can use these digital platforms for marketing.

Influence marketing has been around in the advertising world for some time, and as the number of brands investing in influence campaigns grows, it continues to develop rapidly. Influence marketing is not just a trend: according to Oberlo research, from 2016 to 2022, the average annual growth rate of the influence marketing industry was 46.9%.

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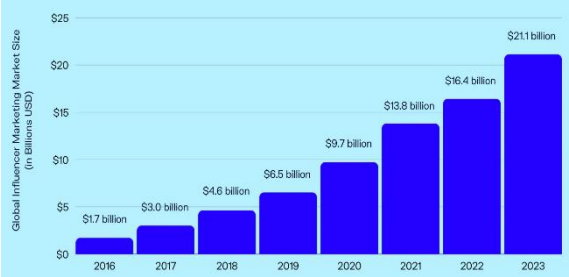

Figure 1: Influence marketing market size.

In 2019, there were just over 10,000 companies worldwide providing influence marketing services. In 2021, this number increased by 75.8% to 18,900 people worldwide. The COVID-19 pandemic was the driving force behind the growth of the influence marketing market in 2020 and 2021. This trend has continued in 2022. The influence marketing industry is expected to grow to about $21.1 billion in 2023 (Oberlo, 2022).

The decrease in the number of people watching TV and the increase in the number of ad blockers accelerate the growth of this industry, confirming that Word-of-Mouth advertising is a very effective type of marketing in the digital age. This type of marketing accumulates the advantages of many other promotion formats:

It has all the features of native advertising. Advertising is organically embedded in the blogger's content, does not irritate readers, does not catch the eye.

A blogger is an authority for his subscribers, especially if it is a young audience. Subscribers trust the blogger's opinion and listen to him.

Provides a very high level of accuracy in selecting the audience for influence and interaction.

Leads "live" traffic from social networks. Visitors who are already motivated and interested in the product come to the company.

Provides fast and informative feedback to subscribers. The brand can get both a general understanding of the audience's reaction and specific feedback about the product.

An advertising message can stay on the blogger's channel for a long time, attracting more and more potential customers.

Another effect of influence marketing is that brands do not need to spend resources on promotion, but instead use opinion leaders to speak on their behalf and deliver a message to the target audience.

The current use of social media around the world shows no signs of slowing down as they permeate all aspects of consumers' daily lives. As a result, analysts expect influencers to play an increasingly important role as intermediaries between brands and consumers. This means that brands need to step up their marketing efforts to better engage with consumers.

2 RESEARCH METHODOLOGY

Modern digital influencers have a significant impact on consumer behavior and marketing practices of companies, which requires a scientific approach to solving the problem of determining the value of influencers for companies using modern information technologies.

As part of the solution of the tasks set in the study, both primary and secondary studies were conducted. The information and empirical base of the research is formed on the basis of a review analysis of scientific and practical developments of domestic and foreign authors in this subject area. In addition, a review of industry reports, case studies and expert opinions was conducted to provide a comprehensive analysis of the development potential of the influence marketing market and to get the most complete picture of the impact of artificial intelligence on the development of influence marketing. The article uses an analytical review of specialized literature, comparison of secondary research data, own desk research, synthesis and generalization of the results obtained.

3 RESEARCH RESULTS

Nowadays, trust is almost as important for consumers as the quality and value of goods and services. According to the Edelman Trust Barometer report, consumers rated brand trust as one of the main factors they consider when making a purchase, 81% of consumers said they “should be able to trust the brand to do what is right” (Ravindra, 2020).

This report also shows that fewer and fewer people trust advertising: 41% of consumers say they do not trust the accuracy and truthfulness of brand marketing communications. Almost three quarters of consumers also reported that they try to avoid advertising altogether:

- 48% of respondents reported that they use ad blocking technology;

- 47% have changed their media habits to see less advertising.

- 63% of consumers trust the opinion of influential people about products “much more” than what brands say about themselves;

- 58% of people have bought a new product in the last six months because of the recommendation of an influential person

- 70% of teenagers trust influencers more than traditional celebrities.

For these reasons, the popular British supermarket chain Iceland has switched from advertising with celebrities to a campaign featuring real moms. Having teamed up with the YouTube community's Mum channel, he is now working with a number of vloggers to promote his products in a more "authentic" manner. Studies show that 35% of moms trust online video bloggers more than traditional advertising.

Interesting for comparison are the research data of the Institute of Public Opinion "Anketolog", according to which 73% of Russians read bloggers, 46% of them visit blogs daily, another 35% — several times a week. In general, 58% of respondents have a positive attitude towards bloggers and blogging, 37% – neutrally, and only 5% – negative. The study participants trust the information received in blogs by 3.2 points out of 5. (Institute of Public Opinion "Anketolog", 2023).

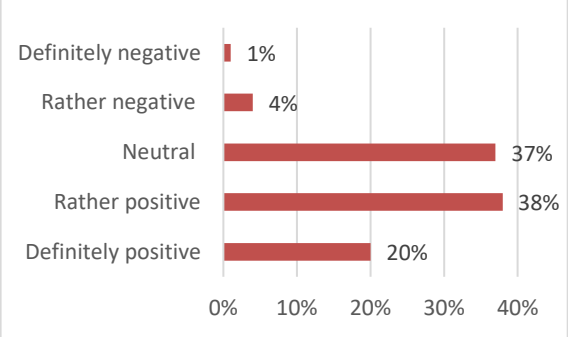

Figure 2: How do you feel about bloggers and blogging in general?

Interestingly, many (40%) have ever purchased a product or service on the recommendation of a blogger. Internet users aged 18-35 (53%) have such an experience more often, respondents over 55 (27%) are the least likely to have such an experience.

The effectiveness of integration with influencers in Russia is reflected in statistics: 50% of users believe that bloggers' posts help determine the choice of goods and services.

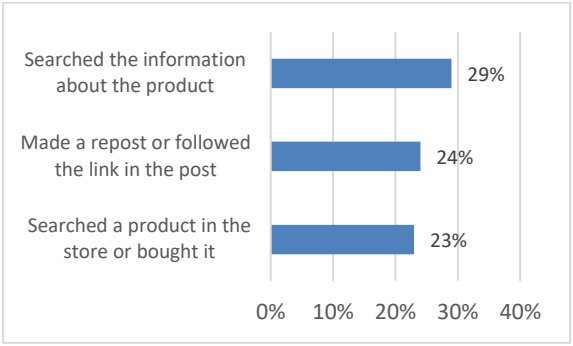

Figure 3: What did Russian users do after viewing the influencer's post?

However, the influencers themselves and their activities affect the marketing activities of brands, so the working mechanics in marketing are constantly changing: micro- and nano-influencers have replaced influencers with millions of subscribers.

Influencers are divided into several groups with different levels of influence on the target audience:

Nanoinfluencers. Bloggers with fewer than 1,000 followers subscribed to. They enjoy authority and trust in a narrow circle. The advertising they publish looks like friendly advice. It is characterized by a high degree of involvement, but low coverage.

Microinfluencers. Accounts with a relatively small number of subscribers – from 2 to 100 thousand. The advantages of the group are the most "lively", active and loyal audience, willingness to cooperate for a nominal fee or by barter (remuneration in the form of a product or free service). The degree of involvement is 4-8%.

Macroinfluencers. Pages with average coverage – from 100 thousand subscribers. Most often, brands choose this option. Such bloggers are open to cooperation, publish high-quality content, attract a wide target coverage in the niche.

Mega-influencers. Celebrities with millions of subscribers. These accounts are mainly used to generate viral content and increase brand awareness. Users are suspicious of advertising on the blogs of stars because of its large number. Placement with top bloggers is quite expensive, and the degree of involvement is 1-2%.

According to experts, 92 percent of customers trust micro-influencers more than traditional advertising or celebrity support. More than 82 percent of consumers are likely to buy what the micro-influencer recommends.

Micro-influencers have personal contact with the audience, so they are perceived as "people like me" because they are passionate about their niche and can

choose the most controversial topics to attract subscribers.

Their audience is more focused and devoted to the personality of the influencer, which makes them more attractive to potential advertisers than big names in the niche. In other words, working with micro-influencers can significantly affect lead generation.

Micro-influencers are more accessible than experts or celebrities with millions of subscribers. They charge less for product promotion and agree to cooperate only if the product meets their values and the needs of the audience.

One such example is The North Face outerwear and equipment company. The company, in partnership with a group of micro-influential people, has released a new line of insulated jackets. Micro influencers were selected based on their engagement, niche experience, and compliance with brand values. The campaign was a huge success, generating more than 11 million impressions and 5.4% engagement. The campaign also helped increase sales of the new line of jackets by 60%.

Another example is the Dermalogica skin care brand. The company collaborated with a group of micro-influencers to promote its new line of products for sensitive skin. Micro influencers were selected based on their experience in skin care and high subscriber engagement. The campaign has collected more than 2 million impressions and an engagement rate of 6.4%. The campaign also helped increase sales of the new sensitive skin line by 40%.

Vivienne Sabo brand managed to implement one of the successful cases of product promotion. The campaign involved 40 bloggers with an audience of up to 50 thousand subscribers. For 3 weeks, they did live broadcasts in which they talked about the Palette Magique shadow palette and shared promo codes. According to the results of the campaign, sales growth in retail chains in Russia amounted to more than 7000%. And these results confirm the effectiveness of brand promotion through opinion leaders in social media.

4 DISCUSSION OF THE RESULTS

There are a number of problems for businesses related to influence marketing. It is not enough just to find influencers with a large number of subscribers - these figures may be artificially inflated. A really important indicator is the loyalty of subscribers. Such a higher engagement rate is almost impossible to fake, and this is a clear sign that this influential person has spent time creating organic and loyal subscribers.

The price an influencer can charge for an ad campaign depends on his or her engagement metrics, such as the number of likes they get for a post or the number of subscribers they have. Both are problematic due to the prevalence of fake interactions and social bots on the Internet. Social media is increasingly based on images and videos due to the growing number of image sharing apps. Most of the images published on the Internet do not have identifying text or hashtags, which makes it difficult to track them. The only way to accurately identify these messages is to analyze the content of the image itself.

The process of finding an influencer and matching his personality with a brand is a complex process. According to a survey conducted by Rakuten Marketing, 86% of marketers said that they are not sure on what basis influencers charge their fees, and 38% believe that they cannot say whether the activities of their authorities affect sales or not (Rakuten Marketing, 2019).

Artificial intelligence technologies can help solve these problems (Ivanchenko, et al., 2022). Based on the analysis, the following Artificial Intelligence technologies can be identified for the development of marketing of influencers.

Image recognition using ANN (Artificial Neural Networks). Image recognition in the context of machine vision is the ability of software to identify objects, places, people, letters and actions in images, and this helps marketers save a significant amount of time, since the machine can sort and identify images faster than any human.

Determining the effectiveness of influencers using NLP (Natural Language Processing). Using NLP, a marketer can process each message of influencers and analyze this data to understand how well this or that influencer fits the brand. It is also possible to predict and evaluate the effectiveness of an opinion leader depending on the brand's goal, which includes everything from the level of engagement of each post to the number of sales conversions that each influential person causes.

Flagging messages that do not comply with the disclosure rules. AI can determine whether there is a disclosure of information in a publication and flag posts that do not.

Elimination of fake interactions and spam bots. AI is also used to eliminate spam bots and filter fake actions.

Thus, Artificial Intelligence helps brands determine real engagement indicators, such as the

number of likes that influencers receive for a post, or the number of subscribers they have received. It also helps brands better calculate the price an influencer charges for a marketing campaign.

5 CONCLUSIONS

Based on the conducted research, the following conclusions can be drawn. Currently, Influence marketing is an effective way to help a brand attract a target audience, increase brand awareness, sales and profits. Influence marketing is the promotion of goods and services by partnering a company with popular social media users or bloggers. Influencers usually have an interested audience that brands can connect to in order to gain trust and drive sales. Artificial Intelligence helps brands solve the problem of choosing influencers. AI is used to produce quantifiable results, so it makes influence marketing programs highly effective. Modern Artificial Intelligence platforms go beyond image processing and analyze the content created by influencers to determine the topics that opinion leaders are talking about, audience sentiment, aesthetic style and, most importantly, how effective their content is to attract traffic, interaction and sales of certain products.

Artificial intelligence will be actively used in the marketing of opinion leaders. AI-based platforms apply a scientific approach to revealing the true value of influencer marketing. This technology offers an accurate and transparent basis for proving the return on investment based on various algorithms working in parallel with people to ensure highly effective marketing campaigns.

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