



Influencers and influencer marketing - indispensable part of the business of modern companies

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Abstract: With the growth of popularity and the development of social networks, appeared influencers and developed a new type of marketing, influencer marketing. Today, influencers, due to the influence they have on people, and influencer marketing, which records excellent results and helps the company achieve its business goals, are an indispensable part of the business of every modern company. The purpose of the article is to explain why influencers and influencer marketing are an important, indispensable part of the business of modern companies. Research methods which are applied in the paper are description and compilation method. By observing and researching the influence that social networks and influencers have on them authors concluded that influencer marketing will certainly continue to develop in the future and that it will gain even more importance for business operations. The paper presents the knowledge that the authors who were involved in research on influencers and influencer marketing have come to over the years. The information presented in the paper will serve other authors in researching this field.

Keywords: marketing, influencer, influencer marketing

JEL: M31

Vplivneži in vplivnostno trženje - nepogrešljiv del poslovanja sodobnih podjetij

Povzetek: S porastom priljubljenosti in razvojem družbenih omrežij so se pojavili vplivneži in razvil se je nov tip trženja, vplivnostno trženje. Danes so vplivneži, zaradi vpliva, ki ga imajo na ljudi, in vplivnostno trženje, ki beleži odlične rezultate in pomaga podjetjem pri doseganju poslovnih ciljev, nepogrešljiv del poslovanja vsakega sodobnega podjetja. Namen članka je pojasniti, zakaj so vplivneži in vplivnostno trženje pomemben, nepogrešljiv del poslovanja sodobnih podjetij. Raziskovalne metode, ki so uporabljene v članku, so opisna in kompilacijska metoda. Z opazovanjem in raziskovanjem vpliva, ki ga imajo družbena omrežja in vplivneži, so avtorji ugotovili, da se bo vplivnostno trženje v prihodnosti zagotovo nadalje razvijalo in da bo pridobilo še večji pomen za poslovne operacije. Članek predstavlja spoznanja, do katerih so prišli avtorji, ki so se ukvarjali z raziskovanjem vplivnežev in vplivnostnega trženja skozi leta. Informacije, predstavljene v članku, bodo služile drugim avtorjem pri raziskovanju tega področja.

Ključne besede: trženje, vplivneži, vplivnostno trženje

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1 INTRODUCTION

The development of the Internet led to the development of social networks. From year to year, social networks are increasing popularity and have an increasing influence on people's lives. Today they are used for both private and business purposes. Companies realize the importance of presence and communication with consumers on social networks and make significant efforts to successfully implement marketing activities on social networks. Through their presence on social networks, companies build brands, promote business, products and services, and create communities where users of social networks share information about their products and services. One of the most popular types of marketing in the world now is influencer marketing, through which companies use influencers to promote their products, services and brand, communicate with target consumers, build relationships and influence consumers.

2 METHODS

In the paper is used secondary data obtained from books and scientific researches that different authors conducted during years. Research methods used in the paper are description method and compilation method. Description method is used to describe influencers and influencer marketing while compilation method is used to showcase findings from different authors regarding influencers and influencer marketing.

3 RESULTS

3.1 Influencers

The word "influencer" is extremely popular. For years, influencers and their influence have been researched and talked about all over the world. Although a large number of people associate influencers with social networks and with the twenty-first century, numerous authors studied influencers and their influence even before the advent of the Internet and social networks. Thus, in 1959, French and Raven established that influence is the force with which one person acts on other persons with the aim of causing changes that are manifested in behaviour, attitudes and values (Kostić Stanković et al., 2020; French and Raven, 1959).

An influencer is a person who has an open profile on a social network and has a certain number of followers (Mandušić et al., 2023). Influencers can also be defined as highly popular users of social networks whose posts with a high percentage of positive reactions are followed by a large number of followers (Kostić Stanković et al., 2020). These are people who carry out the company's marketing activities on social networks, and they are hired for this because they have a large number of followers who have a high level of trust in them (Mesarić and Gregurec, 2021).

When we talk about influencers, we mean people who use social networks intensively, have a large number of followers on social networks and are ready to be paid for using their influence for the purpose of promoting the business of a company or a certain brand (Garbin Praničević, 2020). One of the basic requests that an individual must fulfil in order to become an influencer is that he has the power to influence the perception of other people and encourage people to behave or think in a certain way (Permana et al., 2021). Given the large number of followers and the interaction they have with them, influencers can be seen as people who help shape people's opinions and encourage others to take certain actions.

Through social networks such as Instagram, Facebook, YouTube and TikTok, influencers create and market content aimed at promoting a company's brands, products or services. Promotion takes place in such a way that influencers comment on, tag, mention or wear certain brands and thus raise awareness of the brand, which leads to an increase in brand recognition among consumers and encourages consumers to further research about the brand and purchase products/use the services of the promoted brand (Biloš et al., 2021).

Depending on the size of the market, influencers can be divided into three groups (Biloš et al., 2021):

- Mega - influencers,
- Macro - influencers,
- Micro - influencers.

Mega - influencers - the highest rank in the categorization of influencers on social networks. These are people who are popular or known to the general public and have more than a million followers, a heterogeneous audience and a wide range of topics they cover. They reach a large number of people and charge the most for their engagement for brand promotion (Biloš et al., 2021; Place of Creators, 2018)

Macro-influencers are people who are professional content creators and most often deal with one specific topic for a homogeneous audience. They have between ten and one hundred thousand followers on social networks. Like mega-influencers, they reach a large number of people, but their audience is tied to one specific topic. They are an excellent communication channel for companies that sell or provide services that are related to the topic that the influencer deals with daily on the social network (Biloš et al., 2021; Influicity 2018).

Micro-influencers are people who have a smaller number of followers, usually up to ten thousand followers. The relationship between them and the followers is strong and the followers have a lot of trust in the influencer. The content created by micro-influencers is authentic and their audience is extremely active (Biloš et al., 2021; Influicity 2018).

Here, it is important to highlight the fact that the success of an influencer does not depend solely on how many followers the influencer has on social networks, but on how transparent the influencer is, what kind of relationship he has with his followers and whether the followers feel that the influencer is sincere when promoting certain brands. Simply put, the success of an influencer largely depends on whether the influencer knows what he is promoting, whether he carefully chooses the companies and brands he cooperates with, and whether he is original, passionate and authentic in his daily communication with followers (Mesarić and Gregurec, 2021).

From the above definitions of influencers and the presentation of groups of influencers, it can be concluded that influencers are people who have a certain credibility among people and thanks to the trust they enjoy in other people, they follow them and listen to their advice when it comes to various aspects of life. This greatly benefits businesses that hire influencers to communicate with the market on their behalf.

3.2 Influencer marketing

Contemporary market conditions require companies to adapt their operations in order to achieve successful communication and develop a successful relationship with consumers. One of the ways companies communicate with the market today is through influencers on social networks (Kostić Stanković et al., 2020). Namely, with the advent of social networks,

companies began to communicate more and more with consumers through social networks, and today they use them widely in order to connect with consumers, build a brand, promote business, increase sales, etc. (Mesarić and Gregurec, 2021).

With the growth in popularity of social networks, there has also been an increase in the popularity of influencers, who today are one of the main participants in marketing, i.e. the implementation of marketing activities of companies (Mandušić et al., 2023). Precisely because of the popularity of certain users of social networks, influencer marketing has been developed in the last few years. Influencer marketing is a type of marketing on social networks. This marketing uses social networks as a platform through which content is created that users of social networks then share (Biloš et al., 2021).

Influencer marketing is currently the most popular type of marketing that allows consumers to connect with a company or brand and create authentic content related to the company and brand. The reason for the popularity of influencer marketing lies, first of all, in the fact that influencers and marketing experts have something in common - both want to find new, creative and innovative ways and channels to communicate with consumers and promote business, and that is exactly the opportunity they have to take when they want to connect through influencer marketing (Dimitrieska and Efremova, 2021).

In influencer marketing, communication channels are social networks where consumers are informed, form attitudes and make purchasing decisions based on influencer recommendations (Bakker, 2018). Social networks are an excellent platform for conducting marketing because through them you can reach a large number of people at low costs and extremely quickly, achieve two-way communication, increase brand awareness, promote products and services, etc.

Furthermore, influencer marketing is a modern concept through which promotion takes place on social networks, and it was created as a result of the development of innovative digital marketing strategies (Kostić Stanković et al., 2020). The marketing functions of influencers on social networks are (Škare, 2023):

- They help the company to reach a highly engaged audience;
- Act as brand ambassadors;
- They are adept at managing social media marketing - successfully creating content, communicating with followers, etc.

Influencer marketing owes its increasing spread and popularity to its successful results so far. The focus of influencer marketing is a specific individual, not all consumers. More precisely, influencer marketing deals with identifying individuals who have a great influence on target consumers and know how to use their influence to improve the company's operations (Woods, 2016).

From the definitions and characteristics of influencer marketing, one can see why it enjoys popularity among companies. Likewise, it can be concluded that influencer marketing has a great influence on people, and therefore it should be applied in a planned way so that companies can achieve the most successful business results.

3.3 Influencers, influencer marketing and companies

Companies are constantly looking for new ways to reach consumers through different communication channels (Bakker, 2018). With the advent of social networks, companies realized that social networks and their users can serve as a communication channel with consumers. A large number of companies recognized in time the importance of cooperation

with influencers on social networks covering different areas such as, for example, fashion, beauty, food, etc. (Martinčević et al., 2020).

The concept of influencer marketing is as follows: after an agreed collaboration, influencers publish certain content related to a product, company, service or brand on their social networks, and companies compensate influencers for their work through monetary or non-monetary compensation. Non-monetary compensation usually comes in the form of free products, providing a free service or paying for travel expenses (Campbell and Farrell, 2020). In today's digital world, communication is more important than ever before, and influencers on social networks have become an extension of the company's marketing department - their authority is undeniable, and their reach and influence are greater than any traditional channel of marketing communication (Martinčević et al., 2020).

By applying influencer marketing, companies achieve indirect communication with consumers and encourage the building of relationships with consumers through the transmission of first-hand experience of products or services in an authentic way (Biloš et al., 2021). Previous research related to influencer marketing indicates that influencer marketing is an extremely successful method for improving and building brands on social networks (Jin et al., 2019).

There are several reasons why companies use influencer marketing to communicate with the market, (Biloš et al., 2021; Vukša, 2018):

- To forward information related to the sale of products/services;
- In order for the information to reach media representatives who have a large viewership, listening or readership;
- For the information to reach people who have friends who can pass the information on so that the company can achieve sales goals or the goals of placing information in the media

When choosing an influencer with whom to cooperate, companies must be extremely careful because different influencers are influential among different audiences. This means that companies must thoroughly research the market and get information about which social networks are used and which influencers are followed, respected and listened to by their target group of consumers. Once they know which influencers will help them reach their target consumers, companies should get in touch with them and achieve cooperation that will result in mutual benefit.

The criteria that companies should adhere to when choosing influencers for marketing communication on social networks are (Škare, 2023):

- Criteria related to the source of the message - credibility, opinion leadership, compatibility of the influencer with the brand he is promoting, the status of a well-known and famous person, the platform on which he communicates, the number of followers, social influence;
- Criteria related to the content created by the influencer - quality, originality/uniqueness; quantity/frequency of announcements, sponsorship communication method;
- Criteria related to the relationship between the source and the audience - interactivity/two-way communication, dedication to the audience, representation of the audience, identification of the audience with an influential person.

When choosing an influencer, it is necessary to pay attention to the aforementioned criteria because they help the company to get to know the influencer better and to more easily choose the influencer who will successfully influence the attitudes and behaviour of the target group of consumers.

A person who truly understands the company and what the company does should be in charge of finding influencers who will contribute the most to achieving the maximum effectiveness of the marketing campaign and be authentic. When choosing an influencer, one should consider who the influencer's followers are, how big the influencer's reach is, what kind of engagement the influencer achieves from the followers, how active the influencer is, what the influencer previously promoted on his social network and how successful were the influencer's previous campaigns on the social network (Mesarić and Gregurec, 2021; Mediakix, 2016).

Influencer marketing is really becoming more and more popular among businesses every year because a large number of businesses see an increase in interest among consumers and an increase in sales of their products/services through the use of influencer marketing. Influencers have successfully built authority and have credibility among their followers (Kadekova and Holienčinova, 2018). The research conducted by Kirkpatrick shows that influencer marketing brings companies an eleven times higher return on investment compared to other traditional communication channels (Woods, 2016; Kirkpatrick, 2016).

As previously pointed out, influencer marketing is becoming more and more global every year and is gaining more and more attention in the marketing community. In today's world when people are saturated with information, authentic content created by influencers on social networks helps brands to reach target consumers and build a relationship with consumers, and consumers to recognize which brands they want to follow and buy their products/use their services (Bakker, 2018).

It is evident from the above that finding influencers and implementing influencer marketing requires a lot of research and preparation, and that companies must be extremely careful when implementing influencer marketing because choosing the wrong influencer can greatly affect the business (failure) of the company.

4 DISCUSSION

It is evident that social media is booming more and more every year. The reason behind that is that people spend so much time in virtual world on social media. They get information, collect data, conduct surveys, read the news, communicate with people and companies, etc. companies are aware of the prior, so they use social media as communicating tool. To be precise, companies nowadays use influencers and influencer marketing to get to people. In the past two decades influencers are important part of major brands and companies and have become integral part of businesses. It is evident that influencers have major impact on people and that they help to form perception of people in regards of brand, business, product, etc. To be precise, through influencer marketing companies can communicate with their core buyers and compel them to buy specific products or use specific services. As it is shown in the paper, companies which want to be successful have to navigate their business in virtual world of social media and they have to create good relationships with influencers which, at the end of the day, can make or break their business. This paper, because of detailed literature review, is a great starting point in researching influencers and influencer marketing so it can be of great help to other authors which will research this topic in the future.

5 CONCLUSION

Companies, if they want to remain competitive on the market, must monitor what is happening in their environment and adapt their operations to the changes they observe. Social networks have had a significant impact on business operations for the past two decades. In addition to social networks, business operations of companies are greatly

influenced by influencers, people who have a great influence on social networks, and influencer marketing that has developed on social networks. The influence of influencers and influencer marketing have been increasing over the years, and companies are noticing this and deciding to collaborate with influencers and practice influencer marketing. Considering the influence of influencers and the more than successful results that influencer marketing shows, it is evident that influencers and influencer marketing have slowly and surely become an integral part of the business of modern companies. Furthermore, it is necessary to continue researching this area so that companies better understand the importance and ways they can use influencer marketing in their daily business. By observing the influence that social networks and influencers have on them, authors of the paper concluded that influencer marketing will certainly continue to develop in the future and that it will gain even more importance for business operations.

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