MARCH 2020



Influencer & Content Strategies

to help marketers adapt to the **COVID-19** market environment.



Benefits of Influencer and Content Marketing Strategies Downsides of Programmatic and TV/AVOD Advertising Continued Importance of Influencer Marketing Strategies Post-Crisis

66%

Of social media users believe their social media usage habit would increase slightly to significantly in the event they are confined to their home due to the Coronavirus.

Source: IZEA Insights, Mar 2020

Overview of the Situation

The current COVID-19 pandemic has impacted our daily lives drastically in the past weeks. With the ever-changing situation, marketers are adapting and reacting to ensure their dollars are spent wisely and their message is heard by an audience living in a new reality. In fact, Nielsen believes the average consumer will watch <u>60% more content</u> overall while stuck at home.

As a result, social media usage will also increase drastically, according to <u>IZEA's own special report</u> "Coronavirus Impacts on Influencer Marketing." Based on a survey of 949 U.S. internet users, 66% believe their social media usage habit will increase slightly to significantly in the case of a lockdown with YouTube, Facebook, and Instagram leading in increased consumption. Not only will dedicated social media time increase, but many consumers will simultaneously "double up" on their sources of media. According to a survey by Statista in 2019, 65 percent of respondents stated that they often or sometimes use their smartphone while watching television.

Consumers are also increasingly preferring marketing messages from trusted sources in this time, as 86% say if they were marketers they "might or would use" Influencer Marketing to reach themselves during the crisis, a percentage above Streaming Television Advertising, Social, Paid Ads, Cable TV Ads, and more. Despite this, Broadcast, Cable, AVODs, DSPs, and other media providers are all reporting massive increases in demand for ad space as brands are trying to take advantage of audiences' increased media consumption while at home through more traditional media avenues.

Downsides of Programmatic and TV/AVOD Advertising

Reaching consumers via Cable, AVODs, DSPs and other streaming media providers experiencing increased consumption is a sound strategy, but it can come with some points of caution. Due to the nature of programmatic buying platforms including DSPs and social platform ad managers, increased demand leads to higher ad placement costs. During past high-demand times such as holidays, IZEA has seen programmatic social ad costs (CPMs/CPCs/CPEs) more than double, a phenomenon that will most likely be even more exaggerated during the pandemic. Just this week, industry data shows that AVODs are charging 4-5x normal rates for ad placements to balance supply and demand.

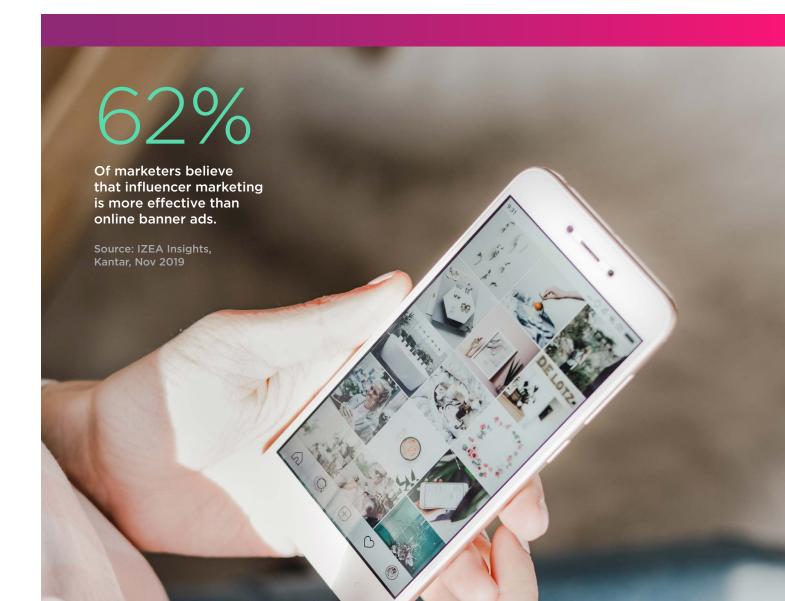
While DSPs are not seeing as drastic of a price increase, they lack the human aspect that consumers are craving during this time. Unlike Influencer content which lives on the influencers pages indefinitely and can be repurposed across brand channels, DSPs, TV ads, and AVODs also lack longevity.

Benefits of Influencer and Content Marketing Strategies

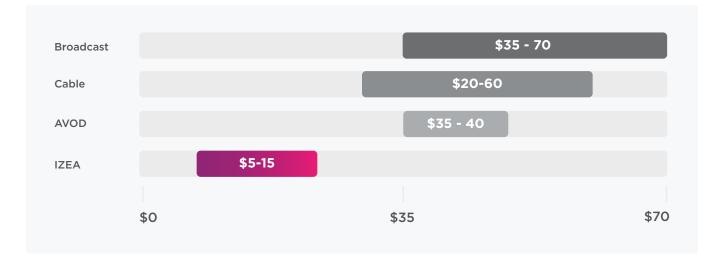
To mitigate the downsides surrounding AVODs and DSPs currently, marketers that are incorporating influencer and content spend into their budgets will

see increased results. Even prior to the pandemic, 62% of marketers believed that influencer marketing was more effective than online banner ads and 52% of believed that influencer marketing was more effective than traditional television advertising. Greater impact through Influencer Marketing will only be more apparent now.

Current events will cause a flood of new creators, IZEA's COVID-19 report found, as 44% of social media users would consider becoming an influencer during an economic recession. While the 2008-2010 "Great Recession" saw a 73.8% decrease in influencer post costs, we can only expect similar results here. Historical precedent, combined with increased influencer supply and increased audience consumption, indicates that influencer marketing will deliver more content and stronger ROI for the same amount of spend in the coming months.



When these insights are compared directly with other types of ad spend, it's clear to see how utilizing Influencers is an important strategy during this time especially as advertising space becomes limited on TV. <u>According to eMarketer</u>, Current Cable average CPMs range between \$20 - \$60, Broadcast TV between \$35-\$70, AVODs between \$34-40 CPM, and given the current climate, these numbers are anticipated to increase. In comparison, IZEA is currently seeing an average of \$5-\$15 CPM for influencer campaigns. Beyond the cost of advertising, marketers must know that if they are looking to stay connected with existing and potential new customers during this time they will need to create new digital content for brand and ongoing SEO purposes, but <u>according</u> to the CMO Council only 12% of polled marketers believe they have relevant and persuasive content marketing strategies to target the correct audiences. Influencer Marketing is a quick way to create impactful digital content.

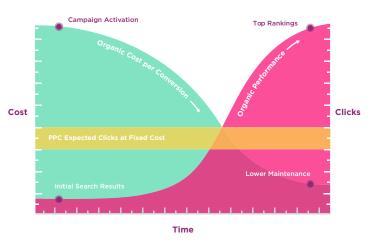


CURRENT CPM RANGES

Continued Importance of Influencer Marketing Strategies Post-Crisis

While it's important to swiftly invest in influencer and content marketing now, these strategies will be key long after the COVID-19 pandemic is over. Continuous messaging using key brand ambassadors is even more vital during a time where consumers are more actively searching to either be educated or entertained by sources they trust. Always-on strategies help build consistency in messaging to target audiences. Consistency helps build relationships with a community and increase brand loyalty.

When it comes to custom content - SEO strategies work towards gaining organic traffic. Paid traffic stops once advertising funds are cut off, while organic content gains more traffic over time. Creating evergreen content, or content that



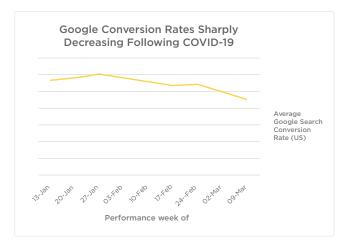
Sherman. "SEO vs SEM: Which is Better for Your Business?" lyfemarketing.com. 01 Aug. 2019

Long-Term Performance: Organic vs. Paid



continues to be relevant long past the posting date, helps with organic rankings and traffic. This is because the information in that piece will be as relevant in several years as it is today.

According to WordStream, current conversations on Google have decreased, as searchers behaviors are changing. PPC ad spends may not be worth the cost at this time, as user intent is quickly changing from first search to actual click. In the past three weeks, WordStream saw conversion rates drop by 21%. This shows that a focus on organic traffic may have longer term benefits, instead of focusing on PPC content strategy. Starting to post evergreen content



now gives more time for topics to index. In terms of creating content that's evergreen - topics that will always be relevant, regardless of season or situation are key. Sample evergreen topics (that are relevant now and will be in the future):

- Self care, fitness & general well-being
- Home projects and organization
- Health and fitness
- General recipes
- Entertainment
- Finances & budgeting

Ongoing COVID-19 Support

For additional information on how to best navigate the influencer marketing space during the COVID-19 pandemic, we've created <u>a special report</u> to Inform, educate, and assist decision makers that must adapt to a high stress environment and continue to operate their businesses.



Irvine, Mark. "How COVID-19 Has Impacted Google Ads Results for 21 Industries [Data]" wordstream.com. 25 Mar. 2020