

At Sway Group, we've spent years developing exceptional influencer marketing and social strategies for brands and agencies. While high-profile influencers with followers in the millions tend to attract the most media attention, we've seen firsthand how bigger isn't always better when it comes to driving real consumer engagement and action. In this guide, we'll explain why and how so-called "nano-influencers" can be the best partners for engaging your target audience with influencer marketing.

# **TABLE OF CONTENTS**

Influencer Marketing in a Nutshell	3
The Rise of the Nano-influencer-influencer	4
Prioritizing Fit Over Follow: Influencer Marketing's Biggest Blunder	5
Nano-influencers Offer Personal Touch, Specific Focus	6
Celebrity-Level Influencer = Celebrity-Level Scandal & Cost	7
How to Partner with Nano-influencers	8
Niche Targeting That's Anything But Nano	10
Developing a Creative Campaign	11
The Importance of Diversity	12
What do Nano-influencers Cost?	
Extending Your Nano influencer Investment	14
The Final Word	15







## Influencer Marketing in a Nutshell

Consumer trust in advertising <u>continues to plummet</u> as most of us have learned to tune out traditional sales pitches and skip past commercials in favor of reviews and recommendations from our peers, social networks, and industry experts. As a result, influencer marketing has emerged as a highly successful strategy for reaching today's consumers of all ages and interests.

Influencer marketing is the art and science of brands collaborating with digital content creators, leveraging creator influence and credibility to market products or services.

Some of the benefits of influencer marketing:

- Builds trust with your audience
- Increases brand awareness and affinity
- Overcomes ad and algorithm barriers
- Boosts targeted reach and engagement
- Drives specific consumer actions

Whether you're hoping to spread awareness for your company's latest product, drive traffic to a certain web page or video, boost sales, or start a social conversation, influencer marketing is a powerful strategy for achieving your KPIs (key performance indicators).



#### The Rise of the Nano-Influencer

A concept known as nano-influencer marketing has been getting a lot of attention recently (although at our agency, we've been embracing this strategy from our inception!). Nano-influencers — defined as individuals with smaller, but highly engaged followings on social media — are increasingly <u>showing superiority over high-profile influencers</u> when it comes to cost-effective, results-driven marketing campaigns.

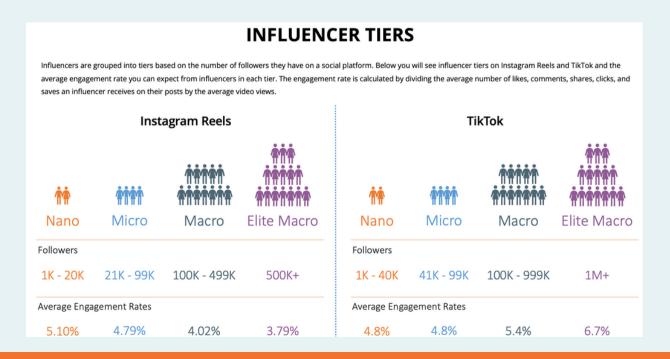






## What is a Nano-Influencer?

The definition of the term nano-influencer can vary greatly depending on who you ask. Here at Sway Group, we define a nano-influencer as an individual with between 1K-20k followers on any given social platform. Instagram influencers with between 1000-20,000 followers are referred to as nano influencers. For TikTok, below 40k is considered nano on that platform.



## Prioritizing Fit Over Follow: Influencer Marketing's Biggest Blunder

It seems like the best social media creators to hire for any given influencer marketing campaign would be celebrity-level influencers with follower counts in the millions. After all, the bigger the audience, the wider the reach, the better the impact — right?

A Kardashian-level influencer can certainly seem tempting, but it turns out that high-profile creators aren't actually the best fit for most brands. For one thing, they're very expensive. If you have a sky's-the-limit budget, that won't be a problem, but most brands don't want to invest tens or hundreds of thousands into a single post.

More critically, their engagement is rarely as high as their follower counts. On Instagram, as an influencer's follower count rises, their <u>rate of engagement decreases</u>. Depending on the platform, even when big-name influencers offer a tempting amount of star power, those with smaller follower counts often have more active and loyal audiences.

In other words, a large number of followers isn't really tied to how well a message will be received. In fact, macro influencer endorsements can be more frequently tuned out because consumers don't identify with the creator the way they do with more relatable accounts. Today's consumers, particularly millennials and Gen Z, aren't easily swayed by celebrities, which is why many brands are <u>turning to influencer marketing instead</u>.

"The best kind of influencer marketing feels like a helpful hint from a friend, not an adslogan shared by a celebrity spokesperson."

-- Tiffany Romero, President, Influencer Management, Sway Group



### Nano-Influencers Offer Personal Touch, Specific Focus



Nano-influencers use their platform to create communities and build personal connections with the people who follow them

Nano-influencers use their platform to create communities and build personal connections with the people who follow them. They are more likely to share personal stories and images, offer candid insight into their lives, and engage with followers via comments or direct messages.

Not only do nano-influencers come across as more down to earth, but they can also speak to the specialized topics they know their followers are interested in. Many modern creators focus on niche topics, from gluten-free baking to weightlifting. Within these categories and subcategories, influencers' stories, images, and shared experiences shine through with the <u>authenticity that consumers respond to</u>.

When people care about not only the content that is being published but also the creator (and they feel like the content creator cares about them), they're much more likely to engage each time a new post or story pops up in their feeds. Nano-influencers provide the genuine recommendations that consumers are seeking; their endorsements come with the credibility built up from a social connection.

Plus, while nearly all accounts on Instagram have some level of fake followers or followers who are no longer active on the platform, fewer followers on a nano-influencer's account means fewer spam accounts and non-engaging followers. At Sway Group, we take meticulous care in vetting influencers, ensuring that brands collaborate with authentic individuals who maintain genuine engagement. Our thorough evaluation process distinguishes genuine followers from inactive or spam accounts, providing an assurance of quality over mere quantity.

#### Celebrity-Level Influencer = Celebrity-Level Scandal & Cost



There's no way around it: big-name influencers are more prone to big scandals. TikTok beauty star Mikayla Nogueira's "Lashgate" post, the so-called "Liver King" admitting to using steroids, mega influencer Addison Rae sparking controversy by modeling a bikini set with religious connotations: all of these examples showcase how quickly online creator partnerships can turn into a brand PR nightmare.

Nano-influencers simply don't attract the same potentially negative attention as the bigger accounts. Of course, that doesn't mean that a nano-influencer is impervious to scandal, but it's less likely that any missteps they make are going to be front-page news.

Another advantage to nano-influencers is that they are less expensive than celebrities. Macro influencers can have fees starting with four figures and moving up from there. For the price of a single post from a macro influencer, you could activate many nano-influencers (maybe even multiple times!) for your brand — and their audiences are likely far more targeted and primed for engagement. Furthermore, nano-influencers often have a strong local following, making them exceptionally beneficial for geographically-targeted campaigns, such as the launch of a new store in a specific location. Their localized influence ensures that brands reach the right audience in the right place, enhancing the precision and effectiveness of promotional efforts.

#### **How to Partner with Nano-Influencers**

Now that you understand the why of nano-influencers, let's talk about the how — how to find them, and how to move forward with a partnership.

**Do it yourself.** Once you're ready to run a campaign with nano-influencers, there are several ways to search social media platforms to find the right people:



- Reach out to influencers you've worked with in the past. If you know somebody in or aligned with the vertical you're looking for, ask them for recommendations. They will likely be able to point you in a good direction to start your search.
- Identify a few hashtags that fit within the particular vertical you want to reach. Looking through hashtags gives you quick access to a multitude of influencers, and may lead to someone who's perfect for your campaign.
- Once you find an account you like, look at who they follow. A quality influencer will follow other quality influencers.
- Use a platform like <u>CreatorIQ</u> (Sway Group's data partner) to search for influencers in your niche.

**Work with an agency.** If you are looking to activate a large number of influencers, working with an agency can save time spent on research, recruitment, negotiations, activation, payment, and more — but it's certainly possible to manage this process in-house. Once you've identified influencers who are actively looking for projects that are a good contextual fit for your brand and are interested in the job, it's time to agree on a price and a project.

For more details on negotiating influencer contracts and developing campaign briefs, please refer to our blog post "Create a Winning Influencer Marketing Strategy that Drives Sales."



Use a full-service influencer and content marketing agency like Sway Group. Our diverse influencer network and proprietary dashboard technology means that we can easily identify and activate the best influencers for a campaign for your targeted audience.

#### **Influencer Discovery & Recruitment:**

The Sway Network includes a wide range of nano-influencers across all verticals. Our <u>influencer marketing campaigns</u> are second to none, thanks to our hands-on approach and industry expertise. We leverage data-driven insights, tools from our influencer dashboard, and our own firsthand knowledge in order to handpick the best creators for the job. Want to see our work in action? Take a look at some of our <u>case studies</u> and clients.

**Campaign Management:** From research to recruitment to reporting, we masterfully handle any — or every — aspect of your nano-influencer program. We evaluate your business needs, campaign KPIs, and target consumer mindset in order to deliver successful nano-influencer media strategies to our clients.

**Quality Assurance:** We've spent years establishing best practices for ensuring quality and FTC compliance for our influencer programs. You can count on our expert QA team to verify that every single piece of campaign content meets our sky-high standards and is compliant with both platform and federal guidelines.

**Social Visibility:** Ever-changing social media platform algorithms can limit organic discovery, which is why our campaigns include sophisticated social ad strategies to ensure the right kind of reach.

**Guaranteed Results:** All the agency claims in the world don't mean a thing without the results to back them up. We're so confident in our ability to help our clients achieve their influencer marketing goals, we include guaranteed social metric minimums for every campaign.

## Niche Targeting That's Anything But Nano





As you plan out your micro-influencer campaign, keep in mind that nano-influencers often excel at creating content around a specific topic: food, DIY, parenting, fashion, beauty and lifestyle are all popular niches.

Sometimes these followings and niches might be larger, such as these Sway Network <u>Instagram accounts sharing recipes and food content</u>, and other times might be smaller and tightly focused on a narrow topic of interest. Either way, nano-influencers offer far more targeting capabilities than macro-level accounts with sprawling audience numbers.

Thanks to the wide variety of niches represented by nano-influencers, brands have ample opportunities to connect with audiences who are perfectly suited to their product or service.

#### A few partnership examples include:

- A home decor brand partnering with a DIY-focused nano influencer. The influencer can use the brand's products in their DIY projects and showcase the process with shareable how-to steps. Nano-influencers often have a tight-knit community who trust their recommendations and may be inspired to take on similar projects, increasing product exposure and potentially boosting sales.
- An organic skincare brand collaborating with a green beauty nano-influencer, with the influencer sharing their real-life skincare routines and "Get Ready With Me" vlogs using the brand's products. Nano-influencers often have high engagement rates and close relationships with their followers, leading to more genuine and impactful conversations about the brand's ingredients and values.
- A foodie nano-influencer partnering with a restaurant in their home town in order to share their experience through a local's POV. Nano-influencers are often seen as authentic and reliable sources of recommendations in their communities, driving local awareness and foot traffic to the restaurant.
- A game studio hiring a gaming-focused nano influencer to livestream their gameplay, showing their
  audience the unique aspects of the game. Nano-influencers are often able to interact with their
  followers in a more personalized way, providing a direct line of communication and feedback for the
  studio.
- A fashion-focused nano influencer known for their unique and retro style helping to promote a vintage store. The influencer can incorporate the store's items into their outfits, sharing the looks with tips on how to style vintage pieces. This partnership benefits from the nano-influencer's specialized niche and authentic connection with their audience, who are likely to appreciate the unique appeal of vintage fashion.

### **Developing a Creative Campaign**



Whether you're targeting a highly specific demographic with nano-influencers or aiming for more general consumer awareness, your influencer campaign should serve your ideal customer through compelling storytelling.

Find a fit for your product or service within a story that feels like an organic topic for the influencer and is timely and useful for the audience. A shoe brand could be featured within a conversation about must-haves for travel, a sparkling wine could be the highlight of a post focused on entertaining and recipes, packing lists or decorating tutorials could accompany these topics for long-lasting value and reach.

A good content angle not only helps influencers do what they do best, but it also adds substance and authenticity to what could otherwise be a stale sales message that misses the mark. Your brand is the what, and your angle is the how. How can nano-influencers bring you into their existing conversations? A great angle never feels like a commercial break: it's a seamless extension of an influencer's regular content.



## **QUICK TIP**

By investing some upfront effort to your campaign content approach, you are much more likely to get the results you need.

#### The Importance of Diversity

Does influencer marketing have a <u>diversity problem</u>? According to Influencer Marketing Hub's Racial and Gender Inequalities Influencer Report 2022, 58.3% of influencers feel they have faced discrimination, and 47.73% believed they had suffered from gender discrimination. Black creators have been vocal about how the <u>lack of gifting to creators of color</u> also demonstrates the inequity in influencer marketing.

More and more people are speaking out on the need for influencer outreach to better represent the increasingly diverse world we live in today.

Show consumers that you care about underrepresentation with the people you choose to portray in your outreach, your visual content, and your overall offerings. As some brands have learned the hard way, just because an influencer is a major presence with a lot of followers, it doesn't mean their voice is right for your specific brand or cause.

Of course, the importance of diversity in influencer marketing goes beyond avoidance of consumer backlash. At Sway Group, we advise our clients to make diversity an integral part of their campaign planning, particularly if they're looking to attract millennials or Gen Z — not because it's the politically correct thing to do, but because representation tells a more powerful brand story.







#### What Do Nano-Influencers Cost?





It's impossible to provide specific pricing information for nano-influencers as a whole; sponsored content can be anywhere from \$150-\$1,000 per post, depending on a number of factors (but mostly audience size and content deliverables).

Here are some ballpark estimates online for two different platforms:

- An Instagram influencer with 1K-20K followers could charge \$150-600 per post
- A TikTok influencer with 1K-40K followers could charge \$300-\$1,000 per post

At Sway Group, our pricing takes into account the scope of the campaign, creative angles and guidance, the engagement and reach of included influencers, the platforms used, influencer communication and management, quality assurance services, reporting and analytics, and more. Our best-in-class content yields consistently **higher than the industry engagement rate**, and **we offer guaranteed metric minimums** as well as paid media boosting options.

### **Extending Your Nano-Influencer Investment**



Once you've made an investment in influencer-created content, it benefits you to make it work as hard as possible.

Brands often continue to promote influencer posts once the campaign has ended, but there are lots of options for extending content beyond additional social shares.

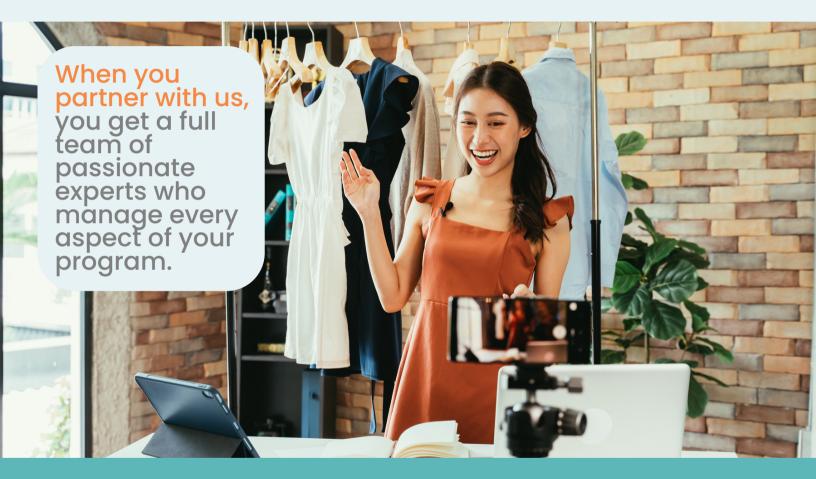
Consider the ways you might repurpose that highengagement amazing social post or video: could it be included in a newsletter, or mentioned on a podcast? How about a particularly compelling influencer graphic; would it work on your brand website or as part of a paid advertisement?

When you repurpose content, you're not only improving your ROI, you're building repetition. By continually adding touchpoints with your target market, you'll increase credibility — and ultimately, drive more engagements and sales.

Remember that content versatility is dependent on usage rights! If you want to be able to repurpose influencer content, make sure commercial rights are confirmed and approved by both parties in the contract.

#### **The Final Word**

Sway Group is a full-service agency, meaning that we are much more than a DIY influencer platform or an agency that simply manages influencer recruitment and payment. We evaluate your business needs, campaign KPIs, and target consumer mindset in order to develop a spectrum of media strategies that will deliver the results you need. Social engagement minimums are guaranteed, with real-time performance metrics, handpicked talent and data-driven insights



While we've covered the basics for executing a strong nano-influencer marketing campaign, there are obviously many additional details and possibilities that can be customized to your specific brand goals. We've been doing this work for over 12 years, and we'd love the chance to share our expertise with you. Contact us to learn more about how to reach your ideal audience through nano-influencers, and start getting the kind of engagement that turns prospects into loyalists..