

TotalRetail

Birchbox and Zappos: The New Type of Influencer Marketing

By Greg Petro for Total Retail

April 20, 2016

Influencer marketing isn't new; using celebrities to sell products is an age-old practice. However, a new type of influencer marketing — using regular customers as brand spokespeople — is on the rise. [Highlighted in a National Retail Federation \(NRF\) article](#), “Customers Are the New Celebrities,” this trend of curating a group of select social media users to elevate a brand message and generate sales is being led by a few savvy retailers. In a [report by TapInfluence](#), influencers are revealed to be important to brands for four key reasons: they reach a targeted audience, they create trust, they generate active engagement, and they help drive return on investment. Though it requires legwork from the brand to identify regular customers with loyal internet followers, the four

tenets resonate for these individuals. Retail Touchpoints, reporting on a NRF Big Show 2016 session, noted that [81 percent of consumers make purchase decisions based on friends' social media posts](#). Millennials may also be at the heart of this changing consumer preference. [Research indicates](#) that 74 percent of millennials are most likely to trust their friends and family when it comes to product/brand conversations, and 68 percent trust peer reviews. According to a Business 2 Community **Error! Hyperlink reference not valid.**, millennials are leading the charge when it comes to demanding creative advertising content. Not only does blanket messaging no longer work, but personalized, valuable and interesting content is expected. Reviews from

people they know and trust can have more of an impact than traditional advertising. Online shoe and clothing retailer Zappos recently gave 10 style and fashion bloggers a \$300 gift card to purchase Zappos products and review them. Jaclyn Ruelle, senior vice president, account director at Mullen Lowe, said, “The blogger attributable for the most revenue after four months of posting generated over \$9,000 of revenue from her readers buying the product on Zappos.com. We essentially spent \$1,200 on gift cards, she's generated \$9,000 in revenue.” Ruelle noted that in order to make your influencer campaign ring true, it's important to get to know the potential influencer. Allowing them to be authentic yet understanding of your brand's vision and

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purpose is a crucial component to achieving success.

In fact, allowing your brand to be represented in a less-than-perfect light could be a bonus.

“Customers prefer to buy from [brands that are human](#),” said Rohit Bhargava, CEO and founder of Influential Marketing Group, during his NRF Big Show 2016 presentation. Bhargava cited this dynamic as one of five nonobvious retail trends in 2015.

Birchbox, a company that sells sample-size new lifestyle products and grooming tools through a monthly subscription box, is another example of a retailer doing influencer marketing right. Instagram is the primary platform for Birchbox’s influencer marketing efforts.

Last May, Birchbox [partnered](#) with a blogger who has a large following to “curate” a

box. The blogger’s curated box resulted in 18,000 likes and reached more than 550,000 consumers.

Birchbox also allows influencers to [take over its corporate account](#) on holidays like Mother’s Day, resulting in fresh, unique content for its Instagram account.

Marketing

Dive [reported](#) social influencers can be a powerful media channel, but there are challenges setting and tracking the right metrics. The success of Zappos and Birchbox with influencer marketing is due, in no small part, to the fact that they knew how they would measure success before they started. Zappos tracked how much its bloggers influenced individual sales, while Birchbox recorded how many reaches and likes its Instagram campaigns generated.

Social influencers’ value can be an important part of a retailer’s overall marketing plans — above and beyond its ability to be measured. By using regular customers in influencer marketing, and having a clear understanding of what determines success in any given campaign, retailers and brands can be sure to set themselves apart from their competition.