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#NOFILTER: HOW TO UNCOVER THE FAKES

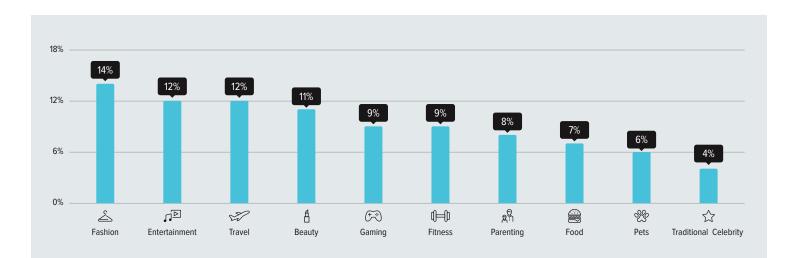## 2018 FRAUD INFLUENCER MARKETING BENCHMARK REPORT

Content consumption has changed dramatically—and so has the way marketers reach their target audiences. Influencer marketing offers brands a way to achieve the kind of authentic, relevant impact that drives sales today, and they're rapidly shifting budget dollars to capitalize on its exciting potential. But with this explosive growth comes the need for standardization, proper reporting, and measurement.

When you're investing in an influencer campaign, you want to know you're reaching and engaging with real people—not fake followers. But brands often struggle to differentiate genuine engagement from automation, leaving them with little choice but to cross their fingers and hope for the best.

That strategy has not worked. In 2017, brands spent $2.1 billion on influencer-sponsored posts on Instagram, or 6.6 million posts at an average price of $325. On average, more than 11% of the engagement for these posts was generated by fraudulent accounts. That's nearly a quarter of a billion dollars in wasted marketing dollars.

For influencer marketing to truly deliver on its transformative potential, marketers need a more concrete and reliable way to identify fake followers and engagement, compare their performance to industry benchmarks, and determine the real reach and impact of social media spend.

Data is power. To help you identify fraudulent activity for past and future campaigns, this report presents the average Instagram performance rates by category for the following key metrics:
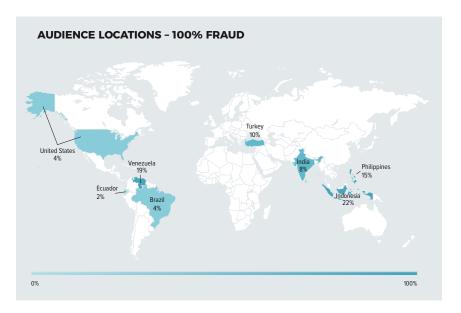
Fraudulent Followers

Engagement Rate

Audience Reach

Impressions Per Unique User

Geo Distribution

% Audience Gained/Lost

PERCENTAGE OF FRAUDULENT ACTIVITY PER INFLUENCER CATEGORY

Every account is followed by some quantity of fraudulent or mass following accounts, whether intentionally or not. At what point does this signal outright fraud? There's not much an influencer can do to "clean up" their account; fake accounts can be deleted only by social platforms themselves. It's much more effective to look at the share of fraudulent activity on an influencer's account, such as likes, comments, shares, or impressions, rather than just the percentage of their audience that falls into the fraudulent or mass followers bucket.

In our analysis, the Fashion category showed the highest level of fraudulent activity with an average of 14%, while Traditional Celebrity ranked lowest with an average of 4%.

TOP COUNTRIES WITH FRAUDULENT ACTIVITY

AUDIENCE LOCATIONS – 100% FRAUD

United States 4%
Venezuela 19%
Ecuador 2%
Brazil 4%
Turkey 10%
India 8%
Philippines 15%
Indonesia 22%

0%   100%

This map shows the geographic distribution of the aggregate audiences of 100 Instagram accounts with entirely fraudulent followers. We can infer that these are the countries from which most fake follower accounts connect.

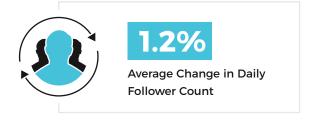**COUNTRIES THAT SKEW HIGHEST FOR FRAUDULENT AUDIENCE LOCATION**

We found that accounts with a high level of fraudulent followers tend to have a high concentration in these countries.

Indonesia   Venezuela   Philippines

Turkey   India

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FOLLOWERS GAINED/LOST

Unusual patterns in an account's follower count, including both significant gains and losses, often signal fraudulent activity. A spike in gained followers is an obvious sign, as most companies that sell fake followers will deliver them instantly.

A drop in follower count can be just as damning. Following an investigation by the New York Times in early 2018, social platforms have begun cracking down on suspicious accounts, causing an immediate drop in followers for accounts found to participate in fraudulent activity. In July, Twitter purged their platform, removing tens of millions of suspicious accounts. More recently, Facebook came under fire for failing to prioritize the fraud and security issues enveloping the platform; another New York Times investigation found that the company's top executives had ignored or hidden warning signs that its data and power were being used to disrupt elections and spread toxic content. In response, Facebook released a report on the removal of more than 1.5 billion fake accounts between April and September 2018. Instagram chimed in shortly afterward with a similar report, as well as a warning of consequences to accounts found to use third-party apps to artificially grow their audience.

1.2%

Average Change in Daily Follower Count

Most digital influencers see a minimal change in their daily follower count, an average change of 1.2%. Significantly larger shifts can be a red flag for fraudulent activity.

ENGAGEMENT RATE

A creator's engagement rate is an important indicator of authenticity. A low engagement rate, well below the benchmark for their category, shows a high probability that their follower count is inflated through bots or fake followers.

It's important to understand how various forms of engagement differ from each other. Organic engagement occurs without being artificially boosted, as ordinary users see, like, share, and comment on a post that appears in their timeline. Paid engagement is a form of advertising offered by the platform itself; marketers pay a fee to ensure that a post is seen by more users than would ordinarily be the case, leading in turn to higher rates of likes, shares, and comments. Bot engagement is where the real problem lies, as third-party services offer the delivery of likes, comments, views, and impressions generated by automated means, without the involvement of actual users.

Category	Pets	Parenting	Beauty	Fashion	Entertainment	Travel	Gaming	Fitness	Food	Traditional Celebrity
Organic	2.69%	4.13%	3.55%	4.91%	4.73%	3.02%	4.48%	3.05%	1.39%	3.55%
Sponsored Content	2.34%	2.74%	2.68%	3.45%	3.51%	2.20%	3.14%	2.04%	1.19%	2.21%

AUDIENCE REACH

Instagram and other major social platforms constantly evolve to improve the user experience and maximize monetization opportunities. One of those evolutions took the original timeline-based feed and added an algorithm to make it more personalized. Combined with the growing abundance of content creators, this has decreased the visibility of organic content.

Lower reach numbers have pushed creators to employ a variety of tactics to drive higher visibility. There are legal ways of doing this, such as paying to boost your post directly on Facebook, and there are non-legal ways, which is where purchasing fraudulent followers and engagement comes in. If a creator's audience reach is much higher than industry benchmarks, the account is likely either paying for additional reach, participating in fraudulent activity, or both, and requires further investigation

Category	Entertainment	Fashion	Parenting	Beauty	Travel	Pets	Food	Traditional Celebrity	Fitness	Gaming
Image Reach	40.97%	23.69%	26.55%	33.51%	20.92%	24.98%	23.78%	19.94%	14.51%	20.10%
Video Reach	45.29%	20.39%	17.05%	28.72%	22.87%	57.18%	61.99%	21.20%	18.22%	22.64%
Story Reach	6.94%	6.06%	9.01%	11.25%	2.43%	5.70%	2.83%	3.93%	2.74%	2.33%

IMPRESSIONS PER UNIQUE USER

Impressions are an easily purchased form of engagement. To ensure that a potential creator partner is not purchasing engagement, check whether their past content impressions per unique user are in line with industry benchmarks. If they are significantly higher, they may have artificially inflated their post engagement.

On Instagram, standard posts achieve an average of 1.34 impressions per unique user, while stories average 1.14 impressions per unique user .

Within specific categories, Parenting creator posts on Instagram have the highest impressions per user with 1.5, followed by Fashion (1.44), Beauty (1.41), and Pets (1.34).

Category	Parenting	Fashion	Beauty	Pets	Entertainment	Travel	Fitness	Food	Traditional Celebrity	Gaming
Image Impressions	1.52	1.32	1.41	1.34	1.29	1.3	1.28	1.22	1.22	1.28
Video Impressions	1.3	1.27	1.39	1.19	1.32	1.25	1.26	1.2	1.25	1.21
Story Impressions	1.16	1.53	1.16	1.17	1.13	1.13	1.1	1.09	1.08	1.11

Industry benchmarks offer a good starting point to gauge the performance of your content, assess partner performance, and optimize future spend accordingly.

Here are two ways to leverage this data for future campaigns:

Historical Lookbacks: Assess the talent you've partnered with in the past to see whether their performance and metrics align with the benchmarks in this report. While it's a best practice to establish strong brand advocates and brand ambassadors, it's important to make sure you aren't wasting dollars.

Future Partnerships: A third-party verification platform like Captiv8 lets you assess potential creator partners for brand safety and ensure that they aren't participating in fraudulent activity. You can also request metrics and compare them to the benchmarks in this report. Either approach can be an important step to ensure effective campaign performance and optimal ROI.

Methodology: Benchmark scores are based on an analysis of 5,000 randomly selected Instagram influencer accounts per category (Pets, Parenting, Beauty, Fashion, Entertainment, Travel, Gaming, Fitness, Food, and Traditional Celebrity). All accounts have been authenticated on the Captiv8 platform. The data is based on the 90-day period from August 2018 – November 2018.

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Have Questions? Want to Learn More?

sales@captiv8.com

About Captiv8

Captiv8 is the largest AI-Powered Branded Content Platform, connecting brands to digital influencers and creators to tell powerful stories. Marketers leverage the platform to discover influencers, create buzz-worthy content, manage their campaigns, and measure results. At the core of the platform is Insights, a social listening tool with real-time audience data across Instagram, Twitter, YouTube, and Facebook.

For more information, visit www.captiv8.com