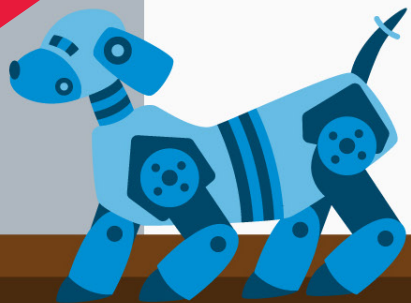




DIGITAL PRESENCE

Social Media & Influencer Marketing



CH.1



The Evolution Will Not be Televised [Because It Will Be on Social]

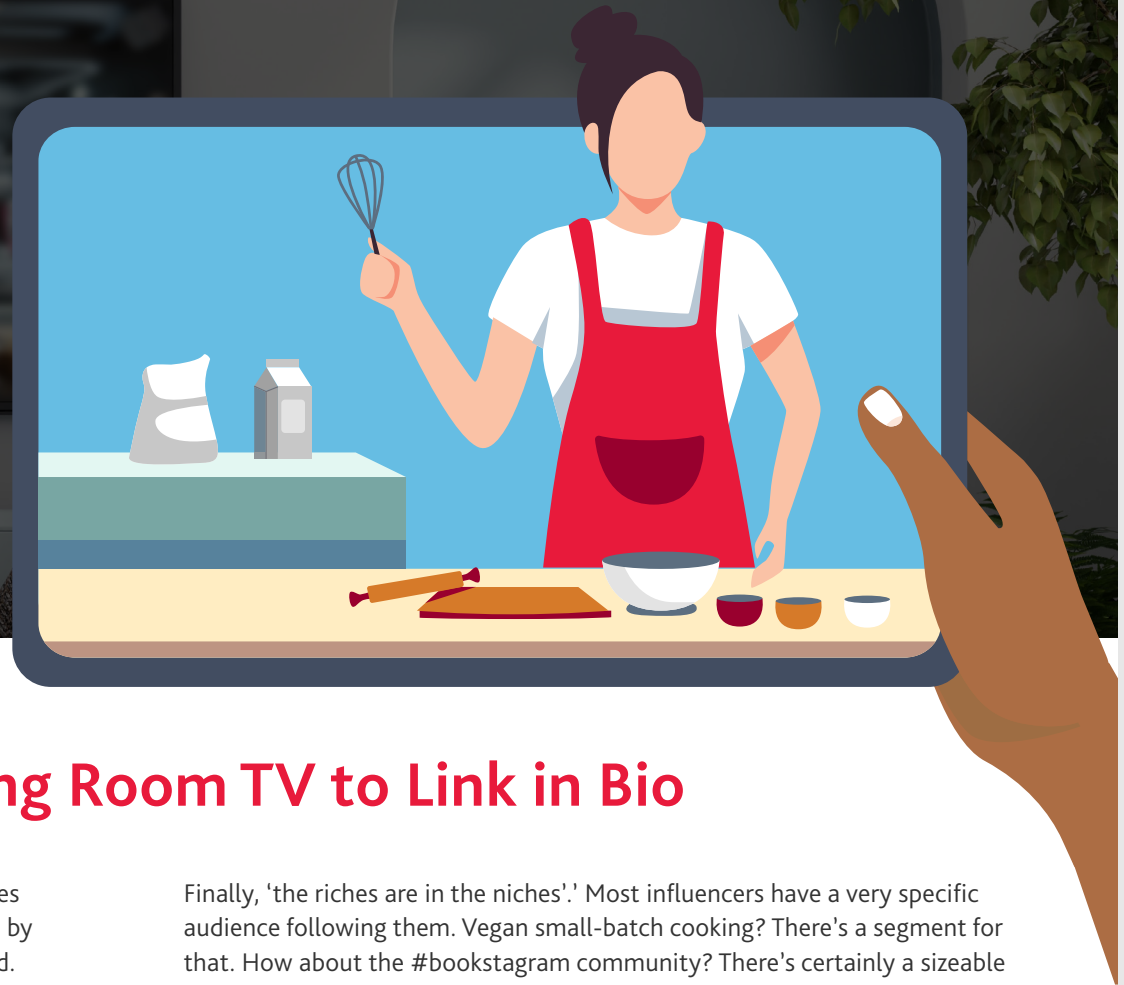
Imagine it's the year 2070, you're talking to an old friend about the concept of commercials. You quip, "Remember when retailers would announce new products and promotions using TV ads?!" Without hesitation, you turn back to scrolling on your holo-device. Your friend agrees as you both reminisce on the used-to-be's of yesteryear, but then they pause to ask, "Wait...what's a commercial again?"

If only retailers knew then what you know now: Marketing in the future will be entirely done on digital platforms. Moreover, the most effective retail marketing will be in the hands of macro and micro-influencers who showcase new products, try on clothes in "hauls", and test out new products retailers send to them in front of the camera. In 2022, the influencer market in the U.S. was valued at a record \$16.4 billion, according to [HubSpot](#) statistics.

The future of retail will rely on precisely placed and tailored ads on platforms like Instagram, YouTube, and TikTok, as well as the influencers on those platforms. As technology evolves, it's not hard to picture influencers quite literally being in the palm of your hand. Instead of watching a video on a social media app, imagine that same video being brought to life by a 3D hologram on a mobile device. Now, that influencer hanging out with us in our room as a hologram feels like a friend in real life advising us on the latest fashion trends. In this future, consumers will be even more strongly persuaded by content creators they see as comrades, making it critical for retailers to understand the evolution currently taking place.

For retailers to effectively capitalize on social media and influencer marketing, they must better understand how to be precise when trying to reach niche customer bases.

CH.2



Retail Marketing: From Living Room TV to Link in Bio

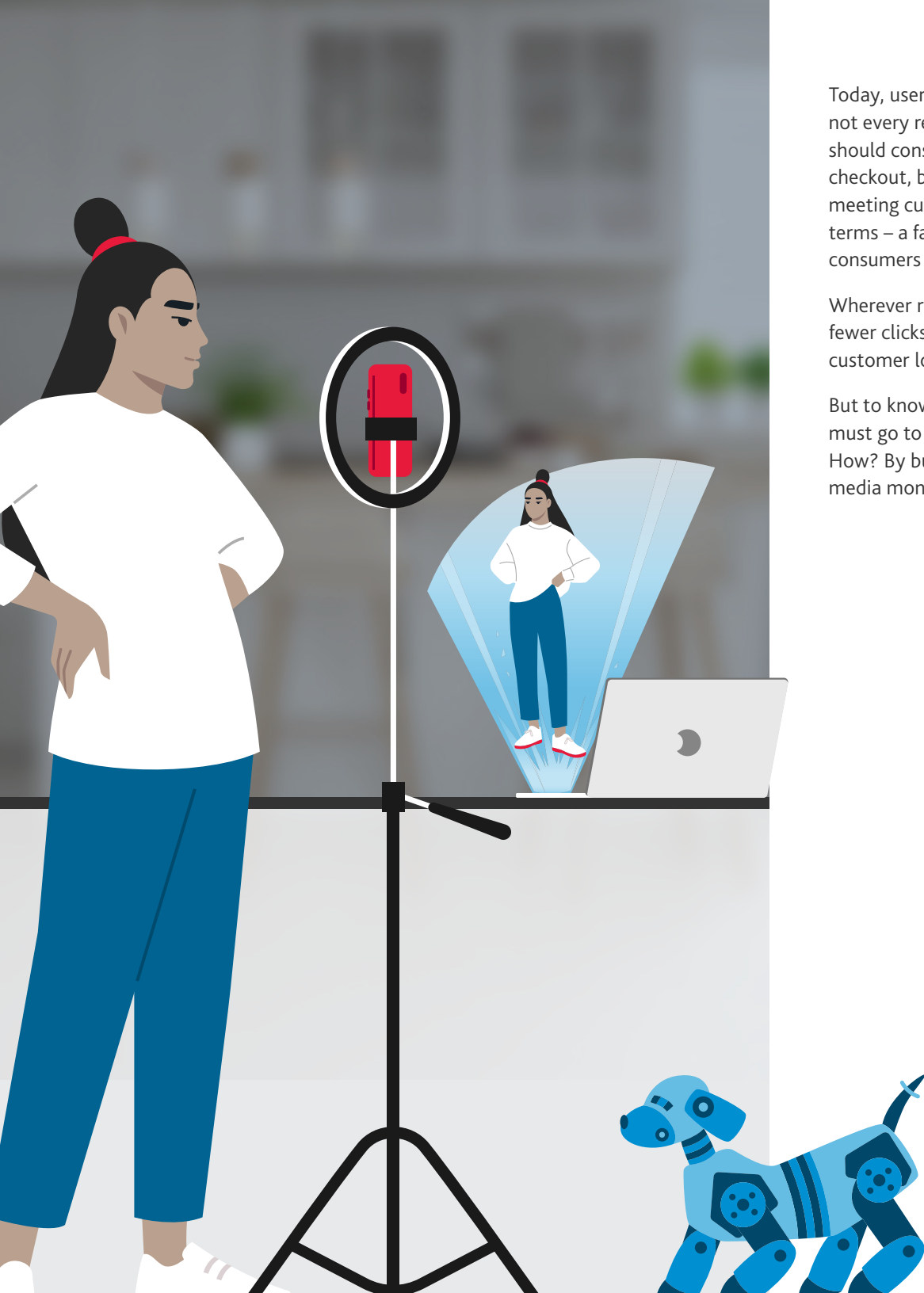
Once retailers realized they could build brand awareness and drive sales on social media platforms by not only buying digital ad space but also by partnering with certain users on those platforms, the landscape shifted.

At first, it started with celebrities and athletes partnering with major brands to promote products. Today, there is a new era of marketing taking place: influencer marketing. Now, content creators do not have to be celebrities. They are relatable and regular people with a solid following in a very specific niche, spanning nano- to micro- to macro influencers. Retailers look to influencer partnerships for several reasons. First, working with a notable influencer can offer a major boost to sales because that influencer's followers trust them. Retailers can't buy trust but they can engage with content creators who have already secured trust with the retailer's target audience. Second, influencers have reach. Retailers tap into an organic opportunity to grow brand awareness when they engage in influencer marketing because the influencer's audience likely spans far.

Finally, 'the riches are in the niches.' Most influencers have a very specific audience following them. Vegan small-batch cooking? There's a segment for that. How about the #bookstagram community? There's certainly a sizeable audience there. The point is that virtually whatever a retailer is selling, there is probably a social media community interested in it and an influencer who can promote it, enabling better customer targeting and sell-through.

Influencer partnerships are already a highly successful strategy that many retailers already deploy. But, in the future, it is poised to gain even more steam: Retailers are allocating more dollars to their influencer marketing budgets with an estimated \$4.6 billion to be spent in 2023 – nearly doubling in the last four years, according to [Shopify](#).

However, raising brand awareness by collaborating with influencers is only one piece of the social media selling strategy. Another important element is enabling social commerce. In the U.S., revenue through social commerce is predicted to reach nearly \$80 billion by 2025, according to [Shopify](#).



Today, users do not even have to leave the platform to make a purchase, but not every retailer is taking advantage of this function. To future proof, retailers should consider enabling native social commerce functions such as in-app checkout, buy buttons, and instant messaging tools. In doing so, retailers are meeting customers where they are and engaging with them on their own terms – a far more successful approach than trying to drive those same consumers off the app and to a different platform to complete their purchase.

Wherever retailers can make a transaction frictionless, they should do so. The fewer clicks, the better chance the retailer has to convert the sale, increase customer loyalty, and improve demand generation.

But to know what consumers are talking about and what they want, retailers must go to the platform where their customers are already engaging brands. How? By building a successful marketing strategy that incorporates social media monitoring and listening.

CH.3



Give the People What They Want

Effective social media marketing will rely on social listening and social media monitoring.

Today, a common retailer dilemma brought on by a lack of social media monitoring or listening is one like this: a major shoe retailer is carrying a new design of a popular brand. A couple of days into selling the shoe, an influencer on TikTok posts about how much she loves them. Suddenly, consumers are rushing to the store that same week to get a pair.

The retailer, however, doesn't have enough supply to meet the demand.

That happens quite often today, especially when certain products reach "viral" status. But in the future, could the situation go differently? If the same events unfolded but the retailer had already adopted the use of social listening tools, they may have been able to pick up on conversations happening on TikTok faster. By recognizing the growing buzz, the retailer could have potentially been able to pivot their supply chain systems to quickly address the need to ship more product to stores seeing a high degree of sales for that item.

By using social listening, retailers can learn what customers want in near-real time and act on it. Social listening can also help retailers track mentions of their brand, use sentiment analysis to see how customers feel about products, and monitor social media channels for discussions around competitor brands and relevant keywords. The right combination of social media monitoring and listening also helps executives identify new content creators to work with based on that influencer's target follower base and niche.

Social listening is just one tool in the toolbox to be successful in the realm of social media marketing. To truly generate demand, retailers should leverage a variety of digital solutions to connect with their customers and gather and analyze data found on social platforms. With the right marketing-tech systems in place, retailers can improve segmentation, propel growth and inform inventory, product, and content campaign strategies.

CH.4



Harnessing Social Media for Growth with BDO

BDO has deep experience helping retailers finetune their digital strategies, especially around lead generation and customer engagement. With BDO Digital professionals working by your side, we can help you create solutions that meet your unique business goals and get you closer to your customers.

Our [Demand Generation Services](#) help elevate your digital marketing strategy. We can assist with the adoption and implementation of advanced mar-tech and lead management tools. BDO professionals collaborate with you to understand the data from various social media platforms and social listening tools and conduct analyses for actionable insights that can later inform product, inventory management, and marketing innovations.

We can also aid merchandise deployment and integration by connecting CRM and marketing automation systems - all tailored to your specific metrics.

Don't get stuck in the past. Put down the TV remote and open up your favorite social media app to see how other brands are positioning themselves on social media and discover the influencers who could drive growth for your business.

Ready to launch your social media marketing strategy to the next level?

BDO's [Retail and Consumer Products](#) professionals are readily available to offer deep industry expertise around the importance of influencer marketing so you can gain a competitive edge today and in the future.



At BDO, our purpose is helping people thrive, every day. Together, we are focused on delivering exceptional and sustainable outcomes — for our people, our clients and our communities. Across the U.S., and in over 160 countries through our global organization, BDO professionals provide assurance, tax and advisory services for a diverse range of clients.

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