LAPPEENRANTA-LAHTI UNIVERSITY OF TECHNOLOGY LUT

School of Business and Management

Degree Programme in International Marketing Management (MIMM)

Essi Noponen

CHALLENGES OF MEASURING THE PERFORMANCE OF INFLUENCER MARKETING: MANAGERIAL PERCEPTIONS IN THE FOOD INDUSTRY

Examiners: Professor Olli Kuivalainen

Postdoctoral Researcher Heini Vanninen

ABSTRACT

Lappeenranta-Lahti University of Technology LUT
School of Business and Management
Degree Programme in International Marketing Management (MIMM)

Essi Noponen

Challenges of measuring the performance of influencer marketing: managerial perceptions in the food industry

Master's thesis
2020
74 pages, 8 figures, 2 tables and 3 appendices
Examiners: Professor Olli Kuivalainen and Postdoctoral Researcher Heini Vanninen

Keywords: Influencer marketing, performance measurement

Studies show that influencer marketing is becoming more popular, that its proportion of the marketing budget is increasing and that companies struggle to measure the performance of influencer marketing. Therefore, the purpose of this study is to find out how marketers prove that influencer marketing is worth the investment. Additionally, this study contributes to the lacking academic literature on measuring the performance of influencer marketing. To fill this gap and to gain a comprehensive understanding of the subject, the study aims at finding out how marketers measure the performance of paid influencer marketing. The study focuses on fast moving consumer goods in the food industry. This is a qualitative study and primary data was collected through semi-structured interviews. All in all, 8 experts from 7 companies were interviewed.

The empirical results identified the main objectives, metrics, and methods of influencer marketing. Moreover, the study recognized the main challenges of measuring the performance of influencer marketing campaigns. The main challenges concern lack of resources, the food industry, multichannel marketing, and data reliability. As it is not possible to measure the financial return on investment in the context of this study, where purchases are made in physical stores, marketing spending is explained by the credibility of influencers, visibility- and engagement numbers and brand study results. Therefore, even if the end goal is sales conversion, the main objectives also include brand- and engagement-related objectives. To analyze results, they are compared to competitors, influencers' other paid collaborations as well as non-paid posts, companies' other influencer collaborations and other marketing activities.

TIIVISTELMÄ

Lappeenrannan-Lahden teknillinen yliopisto LUT
Kauppakorkeakoulu
International Marketing Management -koulutusohjelma

Essi Noponen

Vaikuttajamarkkinoinnin tulosten mittaaminen elintarviketeollisuudessa: yritysten näkökulma haasteisiin

Pro gradu -tutkielma
2020
74 sivua, 8 kuvaa, 2 taulukkoa and 3 liitettä
Tarkastajat: Professori Olli Kuivalainen ja Tutkijatohtori Heini Vanninen

Hakusanat: Vaikuttajamarkkinointi, markkinoinnin mittaaminen

Tutkimukset osoittavat, että vaikuttajamarkkinoinnin suosio ja osuus markkinointibudjetista kasvaa, ja sen tehokkuuden mittaaminen on haastavaa. Tämän tutkimuksen tavoitteena on selvittää miten markkinoijat todistavat, että vaikuttajamarkkinointi on kannattavaa. Lisäksi tämä tutkielma pyrkii tuomaan uusia näkemyksiä vajavaiseen akateemiseen kirjallisuuteen vaikuttajamarkkinoinnin mittaamisesta. Tutkimusaukon täyttämiseksi ja aiheen kattavan ymmärtämisen saamiseksi, tutkimuksen tavoitteena on selvittää, miten markkinoijat mittaavat maksetun vaikuttajamarkkinoinnin tuloksia. Työ keskittyy nopeakiertoisiin kulutustarvikkeisiin elintarviketeollisuudessa. Tutkimus on laadullinen ja aineisto on kerätty puolistrukturoitua haastattelumenetelmää käyttäen. Kaiken kaikkiaan kahdeksaa asiantuntijaa haastateltiin seitsemästä yrityksestä.

Empiirisissä tuloksissa tunnistettiin vaikuttajamarkkinoinnin pääasialliset tavoitteet, mittarit, ja seurantamenetelmät. Lisäksi tutkimuksessa pystyttiin tunnistamaan mittaamisen isoimmat haasteet. Pääasialliset haasteet liittyvät resurssien puutteeseen, elintarviketeollisuuteen, markkinoinnin monikanavaisuuteen ja datan luotettavuuteen. Koska sijoitetun pääoman taloudellista tuottoastetta ei voi mitata tämän tutkimuksen kontekstissa, jossa ostot tehdään fyysisissä kaupoissa, markkinointikustannukset selitetään vaikuttajien uskottavuudella, näkyvyys- ja sitoutumismäärillä sekä bränditutkimusten tuloksilla. Tämän takia, vaikka lopullinen tavoite on myynnin kasvattaminen, päätavoitteet liittyvät myös brändiin ja sitoutumisasteeseen. Tulosten analysoimiseksi niitä verrataan kilpailijoihin, vaikuttajien muihin maksettuihin yhteistöihin ja ei maksettuihin postauksiin, yritysten muihin vaikuttajayhteistöihin sekä muuhun markkinointitoimintaan.

ACKNOWLEDGEMENTS

While reaching the final stage of my studies at LUT, I would like to express my greatest gratitude to everyone who have supported me through my studies and through the process of writing this thesis.

Firstly, I would like to thank the interviewees for their valuable insights and for taking the time to participate in this study.

I would also like to thank my supervisor, Postdoctoral Researcher Heini Vanninen, for excellent guidance and support throughout this project.

Lastly, I would like to thank my family and friends for their ongoing encouragement and support.

Helsinki, September 2020

Essi Noponen

TABLE OF CONTENTS

APPENDICES

FIGURES

TABLES

ABBREVIATIONS

eWOM	Electronic word of mouth
KPI	Key performance indicator
PMS	Performance measurement system
ROI	Return on investment
WOM	Word of mouth

1 INTRODUCTION

Influencer marketing is a marketing approach where key individuals, that have influence over a brand's target group, are identified and used in marketing activities to promote the brand (Backaler, 2018, p. 1). The use of influencer marketing is rapidly increasing and according to a multinational study conducted in 2019, 93% of the 300 respondents, all marketers, were using influencer marketing (Oberlo, 2019) and 90% of them were planning on investing as much or more in influencer marketing the next year (SocialPubli, 2019). Another study that surveyed 800 marketing professionals, showed that 9 out of 10 marketers think that influencer marketing is an effective marketing approach (Influencer Marketing Hub, 2019). Overall, 4.95 million brand sponsored influencer posts were posted on Instagram in 2019 (3.7 million in 2018) and the corresponding number is forecasted to be 6.12 million in 2020 (Statista, 2020).

The increasing popularity of influencer marketing, how it should be measured and how companies struggle to measure the performance of this form of marketing has been the topic of many commercial articles (eMarketer, 2019; Forbes, 2019; Forrester, 2018; Forrester, 2019; Mediakix, 2019; Monochrome, 2018; Oberlo, 2019; Suomen Digimarkkinointi Oy, 2020; Troot, 2020), but has only briefly been discussed in scientific literature (Backaler, 2018; Martensen, Brockenhuus-Schack and Zahid, 2018; Xiao, Wang and Chan-Olmsted, 2018; Gräve, 2019). However, during recent years, the performance measurement of social media marketing has been studied (Hoffman and Fodor, 2010; Michaelidou, Siamagka and Christodoulides, 2011; Peters *et al.*, 2013; Fulgoni, 2015). Studies state that measurement of social media performance differs from traditional and other online media (Peters *et al.*, 2013) and that a lot of marketers do not measure the performance of their social media marketing (Michaelidou, Siamagka and Christodoulides, 2011; McCann and Barlow, 2015, p. 280). Measuring influencer marketing is in some aspects similar to measuring social media marketing, but there are also influencer marketing specific objectives, metrics and methods (Backaler, 2018, p. 156; Mediakix, 2019). Furthermore, influencer marketing challenges studies on social media metrics as brand managers have very little control over the content that they do not create themselves. Having limited control makes evaluation of the content- and advertising quality extremely important, but difficult. (Gräve, 2019, p. 3)

Recent studies highlight the unreliability of popular soft metrics or vanity metrics as impressions, likes and shares (Hoffman and Fodor, 2010; Backaler, 2018, p. 156; Forrester, 2018; Gräve 2019, p.1). However, these soft metrics are still needed to measure the real impact of social media marketing on sales (Hoffman and Fodor, 2010). Yet, as soft metrics are criticized for being easily manipulated (Hoffman and Fodor, 2010; Backaler, 2018, p. 156; Forrester, 2018, Gräve 2019), measuring sales based on them can be misleading.

Research shows that influencer marketing's proportion of the marketing budget is steadily increasing (Skinner, 2019), that top management expects sales numbers (Ambler and Roberts, 2008) and that companies struggle to measure the performance of social media marketing (Michaelidou, Siamagka and Christodoulides, 2011; McCann and Barlow, 2015; Backaler, 2018). So how do marketers measure the real impact of influencer marketing and prove that it is worth investing in?

1.1 Research questions

Social media marketing and how its performance can be measured has during recent years been studied a lot. However, influencer marketing has been studied much less and academic literature still lacks studies on specifically performance measurement of paid marketing through influencers.

The purpose of this study is to find out how marketers prove that influencer marketing is worth the investment. To gain a comprehensive understanding of the subject, the study aims at finding out how marketers measure the performance of paid influencer marketing. To narrow down the subject, it is reviewed from a company perspective and focuses on fast moving consumer goods in the food industry.

The main research question of this thesis is:

RQ. *How can the performance of influencer marketing campaigns be measured?*

The thesis also aims at answering the following sub-questions:
SQ1. *What are the key objectives of influencer marketing?*
SQ2. *What are the key metrics of measuring influencer marketing outcomes?*
SQ3. *What are the key methods of measuring influencer marketing outcomes?*
SQ4. *What challenges are there in measuring influencer marketing?*

The sub-questions aim at supporting the main question by dividing it into three perspectives of measurement, suggested by the theoretical section: objectives, metrics, and methods. The fourth sub-question aims at explaining why, according to academic and commercial articles, marketers struggle to measure influencer marketing. By looking at the main problem from different angles, the sub-questions also aim at providing a comprehensive view of influencer marketing measurement. The questions are examined individually but relate to and support each other. Sub-questions 1-3 are examined both from a theoretical and empirical perspective, whilst the fourth question, because of its context-dependency, is only analyzed in the empirical part.

Goals and objectives should be the basis of any metric and method choices (Hoffman and Fodor, 2010, p. 43). In the world of social media, metrics refer to for instance likes, shares and sales (Fulgoni, 2015, p. 234)., and methods to analytical tools as Facebook Analytics, Twitter Analyzer and YouTube Analytics (McCann and Barlow, 2015, p. 278).

1.2 Literature review

A lot of research has been done on marketing performance measurement. Clark (1999) has studied the historical development from financial (Goodman, 1969; Day and Fahey, 1988) to non-financial outcome measures (Keller, 1993; Aaker and Jacobson, 1994), from measuring particularly marketing outputs to measuring inputs as well

(Kohli and Jaworski, 1990; Rothe, Harvey and Jackson, 1997) and from unidimensional to multidimensional performance measurement (Kotler, 1977; Walker and Ruekert, 1987).

Since then, Clark, Abela and Ambler (2006) have among other subjects studied the benefit of measuring and developed an organizational information processing model of marketing performance measurement. Ambler (2000) has also defined marketing metrics and performance measurement systems as well as argued why all boards should prioritize marketing. Another article by Ambler and Roberts (2008) reviews pros and cons of financial metrics and comes to a conclusion that marketing performance should be evaluated financially. The reason to why firms choose specific metrics (Ambler, Kokkinaki and Puntoni, 2004) and marketing accountability (linking marketing actions to financial outcomes) (McDonald, 2010) has also been studied.

During recent years, these studies have been applied to the context of social media marketing. Peters et al. (2013) highlight the importance of measuring social media marketing performance and provide a framework for social media metrics and dashboards. The framework covers motives, content, network structure as well as social roles and interactions. Fulgoni (2015, p. 234) highlights the difficulty of associating these soft metrics as “likes, retweets, posts, shares, impressions etc.” with hard measures as sales, that explain the real effect of social media marketing. Hoffman and Fodor’s (2010) article answers the question whether or not it is even possible to measure the return on invest of social media marketing. The authors argue that it is possible and present a framework with metrics categorized based on social media applications and three social media performance objectives: brand awareness, brand engagement and word of mouth. Töllinen and Karjaluoto (2011) have also presented a framework for measuring the effectiveness of social media marketing communications and discussed whether or not more traditional marketing communications metrics are relevant in the social media context.

Performance measurement from the perspective of marketing through influencers has also been studied, but not as much as social media marketing in general. According to Backaler (2018, p. 156) marketers can in a creative manner use new types of metrics, to better measure the financial performance of influencer marketing. Backaler states that marketers rely too much on vanity metrics or soft metrics (Fulgoni, 2015, p. 234), that are easy to report but do not explain how the investment in influencer marketing is linked to the sales of the company. The author presents an influencer marketing measurement matrix that helps marketers measure input, output, and outcome metrics (Backaler, 2018, pp. 165–166).

Factors that impact the effectivity of influencer marketing have also been studied. Breves et al. (2019) highlight the importance of the perceived fit between the influencer and the promoted brand, whilst De Veirman et al. (2017) research how the number of followers affects brand attitude. Xiao, Wang and Chan-Olmsted (2018) and Martensen, Brockenhuus-Schack and Zahid's (2018) state that the effectiveness is determined by influencers' credibility. The results of Martensen, Brockenhuus-Schack and Zahid's (2018) study state that in order to gain trust, influencers should be attainable and relatable as well as "taste leaders with superior, celebrity-like status". Cotter (2019) looks at the technical aspect of influencer marketing by trying to explain how much algorithms affect user behavior and how influencers can pursue visibility by understanding algorithmic rules.

Influencer marketing is still a new concept, but companies have been using influential people for marketing since the late 19th century (Erdogan, 1999). Celebrity endorsement has been the topic of academic literature for decades (Atkin and Block, 1983; Kaikati, 1987) and these studies are in some extent relevant for influencer marketing as well. Effectiveness of celebrity endorsers is the most researched topic and many studies apply the source credibility model and source attractiveness model, that were originally developed for studying communication (Erdogan, 1999, p. 297). The source credibility model argues that the trustworthiness and expertise of the endorser impact the effectiveness of the message (Dholakia and Sternthal, 1977, p. 226) whilst the source attractiveness model argues that the attractiveness of the endorser does. Attractiveness is based on similarity, familiarity and likability (McGuire, cited in Erdogan, 1999, p. 297).

Gong and Li (2017) study the positive effect parasocial interactions and source factors (credibility, attractiveness and congruence) have on endorsement effectiveness. Chung and Cho's (2017) research also suggests that parasocial interactions between consumers and celebrities on social media have a positive effect on celebrity endorsement. The authors present a framework that shows the relationship between social media interactions, self-disclosure, parasocial relationships, source trustworthiness, brand credibility and purchase intentions. Pradhan, Duraipandian and Sethi (2016) have also studied celebrity endorsement and purchase intentions. They highlight the impact of personality congruence between a brand, its users, and a celebrity, on brand attitude and purchase intention. An article by Spry, Pappu and Cornwell (2011) shows that a credible (based on attractiveness, expertise and trustworthiness) celebrity endorser has a positive impact on brand credibility and consumer-based brand equity. A more data-focused study by Ibidunni et al. (2018) focuses on the impact celebrity endorsement has on consumers' brand preference. The study supports the research results of Spry, Pappu and Cornwell (2011) and reveals that the image of the celebrity affects brand loyalty, the celebrity's trustworthiness affects brand associations and the celebrity's knowledge affects the perceived quality of the product.

The financial aspect of celebrity endorsement has also been studied. Prentice and Zhang (2017) as well as Ding, Molchanov and Stork (2011) discuss whether or not, from a stock market perspective, celebrity endorsement advertising is worth investing in. According to Prentice and Zhang's research, a good match-up between the endorser and brand has a positive effect on the company's abnormal return. However, Ding, Molchanov and Stork's study did not support the match-up hypothesis.

In conclusion, even if the effectiveness of influencer marketing and celebrity endorsement as well as social media marketing measurement in general have been studied, the academic literature still lacks studies on specifically the evaluation of influencer marketing campaigns. What remains unknown is how the performance of influencer marketing can determine the success or failure of marketing spending. This piece of research aims at filling that gap.

1.3 Theoretical framework

The theoretical framework in Figure 1 is formed by the main concepts of this study and shows how they relate to each other. The main concepts of measuring the performance of influencer marketing are objectives, metrics, and methods. Objectives should be the basis of metric- and method choices. Additionally, chosen metrics should also affect the choice of methods. The empirical part will further explain how companies actually measure the performance of influencer marketing.

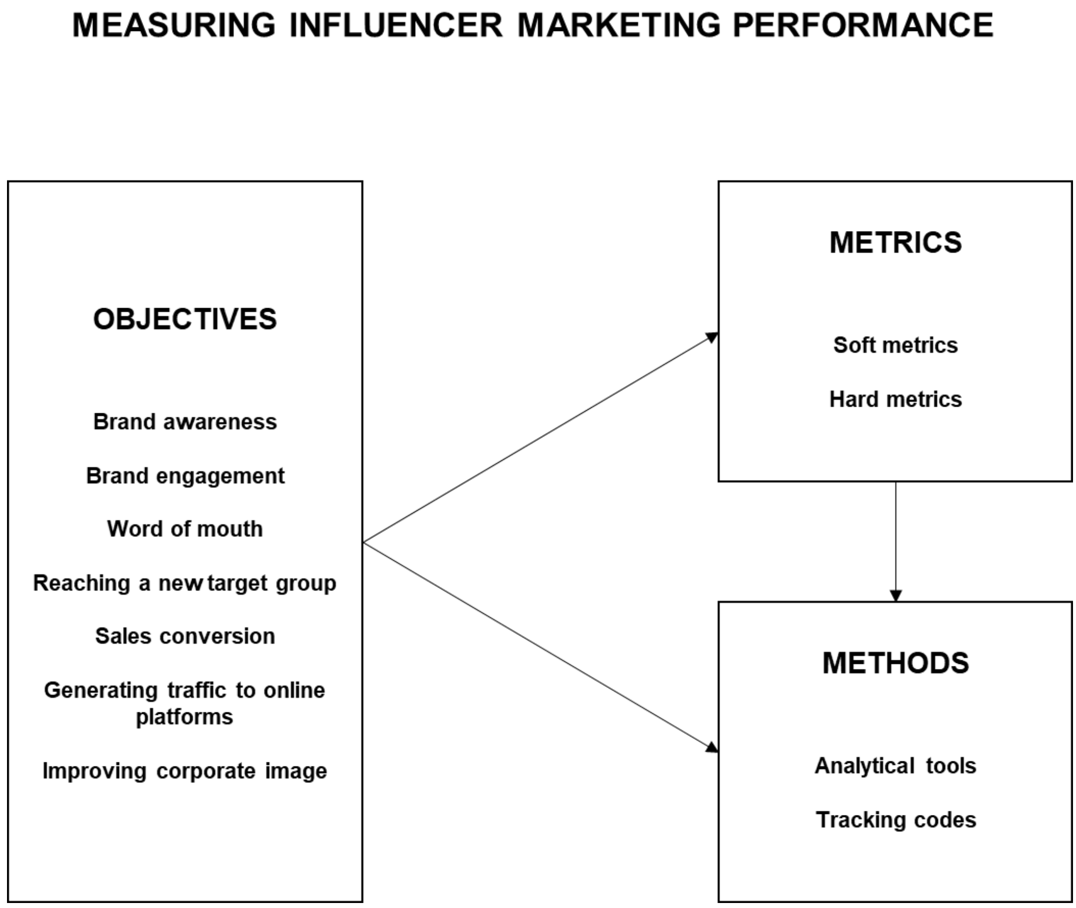

Figure 1. Theoretical framework

1.4 Definitions

This chapter defines the key concepts and their possible synonyms that are used in literature. The concepts are further discussed and explained in the theory chapter.

Hard metrics explain the real effect of social media marketing, for instance in form of sales (Fulgoni, 2015, p. 234).

Influencer marketing is a marketing approach where key individuals, that have influence over a brand's target group, are identified and used in social media marketing activities to promote the brand (Backaler, 2018, p. 1). It is a paid collaboration between brand marketers and influencers (De Veirman, Cauberghe and Hudders, 2017, p. 816) and a contract between them might concern everything between one single post and a long-term ambassadorship (Gräve, 2019, p. 2).

Methods refer to a supporting infrastructure that can for instance be a simple method to record data or a complex information system that covers "data acquisition, collation, sorting, analysis, interpretation, and dissemination" (Franco-Santos *et al.*, 2007, p. 796). In the world of social media, methods refer to for instance analytical tools as Facebook Analytics, Twitter Analyzer and YouTube Analytics (McCann and Barlow, 2015, p. 278). These tools offer businesses information on audience, content, and activity, that helps with measuring the performance of marketing activities (Instagram Help Centre, 2020).

A performance measurement system is an "asset of metrics used to quantify both the efficiency and effectiveness of actions" (Neely, Gregory and Platts, 1995). It is also perceived as a system that "provides the information that allows the firm to identify the strategies offering the highest potential for achieving the firm's objectives, and aligns management processes, such as target setting, decision-making, and performance evaluation, with the achievement of the chosen strategic objectives" (Ittner, Larcker and Randall, 2003, p. 715).

Social media influencers (also known as digital and online influencers) are defined as "people who have built a sizeable social network of people following them" (De Veirman, Cauberghe and Hudders, 2017, p. 798). "The individual needs to be known for something among a target community and able to influence the actions of target-community members" (Backaler, 2018, p. 33).

Soft metrics (also known as engagement metrics, consumption metrics and vanity metrics) are for instance the number of likes, shares, comments, followers, downloads, and page views. These metrics are popular to report and focus on as brands and influencers can easily access and share this information. (Fulgoni, 2015, p. 234; Backaler, 2018, p. 159)

1.5 Delimitations

This study has many delimitations. When performance measurement systems are discussed, their roles, features and processes are often brough up. However, to be able to provide a comprehensive view on how influencer marketing can be measured and not on performance measurement systems and the use of them, this study concentrates only on the features.

Influencer marketing has many similarities with celebrity endorsement. However, celebrities were the influencers of traditional media, when it was too expensive for anyone to create content, it required a lot of knowledge and expertise and sharing content had to be approved by industry gatekeepers (e.g. TV producers). (Backaler, 2018, p. 14) Today, the situation is completely different, and the rise of social media and unlimited word of mouth makes a big difference for the measurement of influencer marketing. Therefore, this study focuses only on marketing through category influencers and micro-influencers. However, these are researched as one group, social media influencers.

To be able to understand how companies measure the performance of influencer marketing and their opinions on and experience with it, only company representatives are interviewed. Additionally, only looking at the topic from the perspective of companies, and not for instance from the perspective of influencers or influencer agencies as well, gives a more real view of how decisions are made within companies and not on how other people think they should be made.

The respondents are limited to food companies operating in Finland, that have used or are using influencer marketing. This limitation is done to make results as comparable as possible by only focusing on fast moving consumer goods, that are so called low involvement products, and the possible strengths and weaknesses of one industry.

1.6 Research methodology

A qualitative research method is chosen for the study as the aim is to provide real and holistic insights into a phenomenon (Miles, 1979, p. 590), performance measurement of influencer marketing. The method is used when wanting to know the opinions and perspectives of respondents and general knowledge about the topic (Flick, 2012, p. 2), but also if in-depth-knowledge is needed (Sinkovics, Ghauri and Penz, 2005, p. 11). The study has an abductive approach (Saunders, Lewis and Thornhill, 2016, p. 710), but more specifically, it is an exploratory study that allows the researcher to gain insights about the topic which nature is in some extent unknown (Saunders, Lewis and Thornhill, 2016, pp. 174–175).

In this case, where the topic is hardly discussed in scientific literature, the researcher is interested in hearing the opinion of company representatives to understand how they measure the performance of influencer marketing. Therefore, primary data is collected using interviews (Saunders, Lewis and Thornhill, 2016, p. 388). The type of interview that fits the research questions and objectives the best is semi-structured. Some standardized questions are prepared, outlined by the sub-questions and theory of the study, but mostly key themes that allow the researcher to ask follow-up questions when needed. (Saunders, Lewis and Thornhill, 2016, p. 391)

Marketing experts from 7 different companies operating in Finland are interviewed. All companies have used influencer marketing and the aim is to find out how they measure the performance of this marketing approach. The interviewees are also asked about what kind of challenges they have faced in the measurement process.

1.7 Structure of the study

This research is divided into a theoretical and empirical part. The theoretical part can be found in Chapter two and the empirical part in chapters three and four. Chapter five summarizes the thesis in form of a discussion and conclusions.

Chapter one is an introduction to the study and consists of a background to why this study was conducted, what this study aims at finding out, a review of prior relevant literature, the most applicable theories and concepts, the delimitations of the study and the methodology which has been used to get the results.

Chapter two provides a theoretical base for performance measurement of influencer marketing. As performance measurement in the context of influencer marketing has hardly been studied, an extensive view of what is known about influencer marketing and performance measurement systems separately is given. The sub-chapter on performance measurement covers the features of performance measurement systems: objectives, metrics, and methods.

In Chapter three the focus is on the methodological choices of the research. Choices regarding research design, data collection as well as data analysis are reasoned. The reliability and validity of the study is also analyzed.

After examining the research design and methods, Chapter four presents the main research findings. The main findings are further discussed in Chapter five, which binds the findings with the research questions and answers them. The chapter critically reviews the theoretical contributions and practical implications of the study. Lastly, the limitations of the study are discussed and ideas for further research are proposed.

2 MEASURING INFLUENCER MARKETING PERFORMANCE

This chapter discusses previous studies on influencer marketing and performance measurement. Research on traditional and social media performance measurement is relevant in the context of influencer marketing. However, studies on influencer marketing as a concept explain why this approach differs from other forms of marketing and should be measured differently.

This chapter is divided into two sub-chapters that help to understand the measurement of influencer marketing performance. The first sub-chapter defines influencer marketing and explains the concept in general, and the second explains performance measurement systems and their features. The second sub-chapter is further divided into three chapters that are outlined by the features: objectives, metrics and methods.

2.1 Influencer marketing as a concept

Influencer marketing is a marketing approach where key individuals, that have influence over a brand's target group, are identified and used in marketing activities to promote the brand (Backaler, 2018, p. 1). It is a paid collaboration between brand marketers and influencers (De Veirman, Cauberghe and Hudders, 2017, p. 816) and a contract between them might concern everything between one single post and a long-term ambassadorship (Gräve, 2019, p. 2). This marketing approach is especially popular in industries like fashion, beauty, toys, consumer electronics, alcohol, fitness and wellness (Backaler, 2018, p. 156). The popularity of influencer marketing supports the idea that "the days of interruption marketing through disruptive ads are ending—people want to learn from trusted peers, not faceless companies" (Backaler, 2018, p. 4).

As consumers are constantly exposed to large amounts of advertisements, those ads are not trusted as much (Backaler, 2018, p. 9), and the use of advertisement blockers and general blindness of ads has increased. Online advertising efforts have gone to waste. As a result of that influencer marketing has become more popular (De Veirman, Cauberghe and Hudders, 2017, p. 812; Breves *et al.*, 2019, p. 441) as consumers tend to trust the recommendations from people like them instead of ads. When a consumer gets a genuine recommendation from a trusted, familiar person, the promotion is interpreted as an opinion or a recommendation and not as an interrupting intrusive advertisement (Backaler, 2018, p. 9), even if it legally required to mark the post with an indication of sponsoring or advertising (Boerman, Willemsen and Van Der Aa, 2017, p. 82). Therefore, the driver and enabler of successful influencer marketing is word of mouth from trusted peers. Social media as blogs, YouTube, Facebook, Twitter, LinkedIn, and Instagram have changed the old concept of word of mouth as it can spread much faster and easier than ever before. This is possible via virtual relationships and from one person to many people at once. Anyone can influence a big group of people. (Backaler, 2018, pp. 10–11)

However, not all influencers can cause viral word of mouth. The person who succeeds in this has authority and charisma and the ability to set trends and spread ideas to people who can benefit from them. On top of that the person feels a responsibility to look for new relevant information that can help their audience. (Backaler, 2018, pp. 9–11) Social media influencers are defined as “people who have built a sizeable social network of people following them” (De Veirman, Cauberghe and Hudders, 2017, p. 798). “The individual needs to be known for something among a target community and able to influence the actions of target-community members” (Backaler, 2018, p. 33). Influencers can be divided into three groups based on their level of influence: celebrity influencers, category influencers and micro-influencers.

- **Celebrity influencers** are known by a big group of people and can influence a mainstream audience. This category consists of both traditional celebrities as actors and artists, and online influencers with a lot of followers and celebrity-like status.
- **Category influencers** focus on a specific topic like for instance beauty or music, and influence their niche following related to that topic. The influencers are trusted because of their passion or expertise.
- **Micro-influencers** have a small following or no followers at all, but are passionate about for instance a specific brand and encourage all their online and offline friends to buy products from that brand. (Backaler, 2018, pp. 22–25)

Online influencers have also been categorized based on the exact amount of their followers. However, a smaller following does not mean that the influence is not as effective. (eMarketer, 2019) On the contrary, smaller influencers are said to have more engaging followers (Backaler, 2018, p. 34). Instead of looking at the size of the following to find the suitable influencer to collaborate with, companies should look at the following factors, also known as the influencer ABCCs: authenticity, brand fit, community (reach, resonance and relevance) and content. Firstly, authenticity refers to influencers being transparent and only promoting products or services that they believe in. Going against this can harm the credibility of both the influencer and the collaboration. (Backaler, 2018, pp. 28–29; Breves *et al.*, 2019, p. 441) Secondly, brand fit means that the influencer's personal brand and the company's brand need to work well together. If they don't, the followers of the influencer will notice that the collaboration is only done for money, which again will harm both the influencer and the collaboration. (Backaler, 2018, p. 29; Breves *et al.*, 2019, p. 441) Thirdly, community covers reach, resonance and relevance and measures the community. Reach refers to the size of the influencer's following (followers, subscribers etc.) and should be examined as the levels of influence (celebrity -, category – and micro influencers). Resonance covers the engagement of followers in form of shares, likes, views, comments etc. The reliability of these soft metrics is discussed further in chapter 2.2.2. Relevance means that the promoted content takes into consideration what the community is interested in but covers also how well the influencer's community and the brand's target group match (Breves *et al.*, 2019, p. 441). Lastly, content refers to the influencer's ability to create value adding content that builds and engages the community (Backaler, 2018, pp. 28–32).

2.2 Performance measurement systems

As performance measurement has been studied by experts in a wide range of fields, there are many definitions for the concept (Franco-Santos *et al.*, 2007, p. 784). Neely, Gregory and Platts (1995, pp. 1228–1229) define it as "the process of quantifying the efficiency and effectiveness of action". In this context effectiveness is defined as the extent to which a requirement (goal) is achieved whilst efficiency is how economically the company's resources are used to perform this action.

As performance measurement, a performance measurement system (PMS) has many definitions (Franco-Santos *et al.*, 2007, p. 784). It has for instance been defined as a synonym to performance measurement in organizations (Choong, 2014, p. 4174), but also as an "asset of metrics used to quantify both the efficiency and effectiveness of actions" (Neely, Gregory and Platts, 1995). It is also perceived as a system that "provides the information that allows the firm to identify the strategies offering the highest potential for achieving the firm's objectives, and aligns management processes, such as target setting, decision-making, and performance evaluation, with the achievement of the chosen strategic objectives" (Ittner, Larcker and Randall, 2003, p. 715).

By reviewing the different definitions mentioned by scholars, Franco-Santos et al. (2007, p. 796) identify the features of performance measurement systems. The features consist of goals and objectives, metrics (also referred to as performance measures and data) and methods (also identified as supporting infrastructures and measurement).

Figure 2. The features of a performance measurement system

2.2.1 Objectives

The aim of using a performance measurement system is often to achieve organizational goals by linking measures to strategy and strategic objectives (Franco-Santos *et al.*, 2007, p. 796). Objectives act as benchmarks that help with measuring the performance of marketing activities (Keegan and Rowley, 2017, p. 19).

Goals and objectives that capture the value of specifically the social media environment should be the basis of any metric and method choices. Objectives that take the qualities of social media into consideration have been studied a lot (Hoffman and Fodor, 2010, p. 43; Pletikosa Cvijikj, Dubach Spiegler and Michahelles, 2013, p. 1326; McCann and Barlow, 2015, p. 275; Felix, Rauschnabel and Hinsch, 2017, p. 119; Backaler, 2018, p. 89) and include for instance brand awareness, brand engagement, word of mouth, reaching new target groups, sales conversion, generating traffic to online platforms and improving corporate image. Even if the objectives should be social media specific, they should also be aligned with broader marketing and business goals as social media marketing is often part of a multi-channel campaign (Keegan and Rowley, 2017, p. 19).

The importance of objectives related to brand awareness, word of mouth and purchase intention have been explained by the hierarchy of effects (HOE) model (Hutter *et al.*, 2013). The HOE model suggests a path along which consumers go when reacting to an advertisement: from a cognitive stage (thinking) to a affective stage (feeling) and lastly to a conative stage (do) (Lavidge and Steiner, 1961; Barry and Howard, 1990). Brand awareness, word of mouth and purchase intention all relate to the different mental stages. Brand awareness represents the first stage, the cognitive stage, and the first steps in which the consumer becomes aware of the brand and through for instance word of mouth builds knowledge about the brand. Word of mouth plays a key role in both the cognitive and affective stages. It can have a big impact on whether the consumer begins to like or unlike the brand. Additionally, word of mouth is a big part of loyalty. When consumers like a brand and are loyal to it, they tend to tell other people about it. Purchase intention relates to the last conative stage and is a result of that the consumer has become convinced that they like the brand and that the purchase is useful. Brand awareness itself can convince a consumer to make a purchase but so can the combination of brand awareness and word of mouth. (Hutter *et al.*, 2013, pp. 343–344)

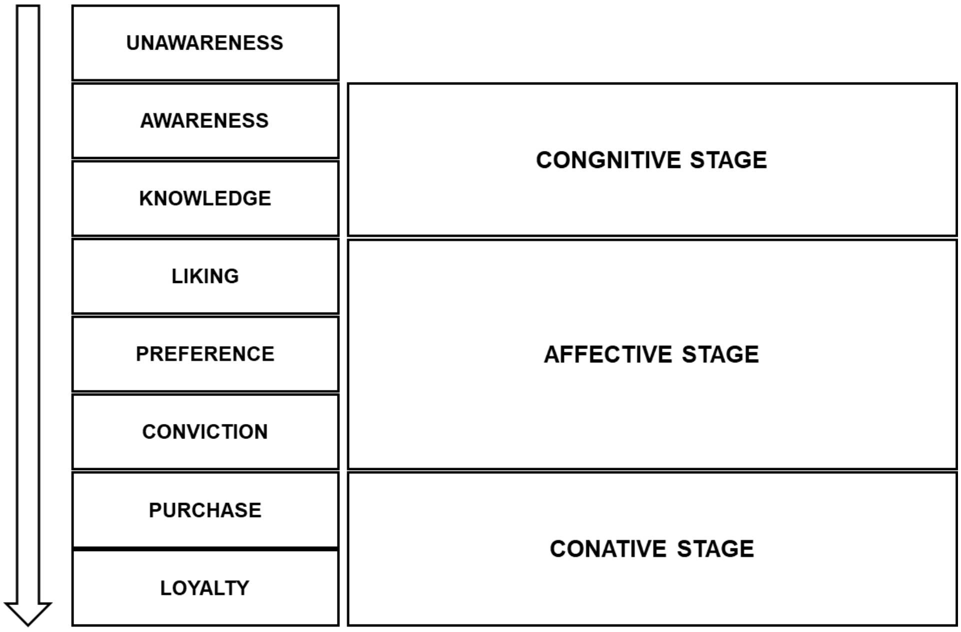

Figure 3. Hierarchy of effects model (Lavidge and Steiner, 1961; Hutter et al., 2013)

Word of mouth

As word out mouth is the driver and enabler of successful influencer marketing (Backaler, 2018, pp. 10–11) and one of the key objectives of social media marketing (Hoffman and Fodor, 2010, p. 43; Pletikosa Cvijikj, Dubach Spiegler and Michahelles, 2013, p. 1326; McCann and Barlow, 2015, p. 277; Felix, Rauschnabel and Hinsch, 2017, p. 119; Backaler, 2018, p. 89), its characteristics and measurement are relevant for understanding influencer marketing measurement and therefore also relevant for this study.

Word of mouth marketing “is any business action that earns a customer recommendation”. It is also about “harnessing the power of people to build brand awareness" (Word of Mouth Marketing Association, 2020). Word of mouth (WOM) occurs when people share opinions on products, services or brands (Hoffman and Fodor, 2010, p. 46; Romaniuk, 2012, p. 12; Rosario *et al.*, 2016, p. 3). The power of word of mouth has been known for a long time. However, it and its impact has changed a lot as consumers have become "connected to more like-minded peers" and electronic word of mouth (eWOM) has begun to spread messages and build influence faster. (Backaler, 2018, p. 17) Consumers share their opinions on company websites, blogs, discussion forums and social network sites and rely on the Internet for credible product and service information. (Pan and Chiou, 2011, p. 67)p

Word of mouth is often used as a metric for advertising quality. The better the advertising, the more and higher quality buzz. However, it is difficult to quantify word of mouth. To be able to link it to sales and measure the real impact, the outcomes should be identified. According to one source there are six possible outcomes of WOM, persuasion being the most discussed one. It refers to a message being able to persuade a consumer to consider a brand that they would not have considered before. If the effect is weak, for instance because of a weak relationship between the giver and receiver, nudging occurs. An individual may have decided to buy a product and the recommendation assures the decision. Even if this outcome is mild, its overall impact on a brand can be significant when many consumers are nudged. Sometimes word of mouth has no effect on a consumer. This third outcome might occur if the consumer does not need the product or service or if the giver's opinion is not credible according to the receiver. Even if the effect on that person is non-existent, they might pass on the recommendation to another person who might act on it. The outcome of passing on should therefore also be considered. Contrarian is another possible outcome of WOM. This means that positive word of mouth has the opposite effect and comes out negative. If the receiver does not trust the recommendation of the giver, if they for instance have very different taste, the positive word of mouth might get them to not consider the product. This is one factor that makes measuring WOM challenging. Lastly, the outcome of reinforcement for the giver refers to the giver being reminded of the brand as they talk about it and might themselves act on it even if the receiver does not. It is also important to remember that all these outcomes can have the opposite effect if the word of mouth is negative and dissatisfaction is shared (Hoffman and Fodor, 2010, p. 46). (Romaniuk, 2012, pp. 12–14).

Word of mouth and sales have a positive correlation and should be monitored and managed as well as invested in by companies. Additionally, it should be incorporated into a long-term marketing strategy. (Rosario *et al.*, 2016, p. 29) Traditional word of mouth has been measured by companies with surveys on how likely consumers are to recommend the brand to someone (Hoffman and Fodor, 2010, p. 47) and on the most influential sources (Romaniuk, 2012, p. 14). Customer satisfaction, loyalty and purchase likelihood have also been measured to explain word of mouth (Hoffman and Fodor, 2010, p. 47). However, this method should not be used anymore. One source suggests moving from asking consumers about the most influential sources to asking how likely they were to buy the product before the recommendation and how likely they were afterwards. This takes into consideration all possible outcomes. (Romaniuk, 2012, p. 14) Another source suggests that companies should move completely away from asking consumers to measuring directly with key performance indicators as reposts, shares or number of incoming links. However, it is not possible to directly measure offline communication, private online conversations or untagged brand appearances in photos or videos. (Hoffman and Fodor, 2010, pp. 44–47) Word of mouth explains the need for soft metrics and the challenges of linking social media- and influencer marketing performance with sales.

Brand awareness

Brand awareness has a positive impact on word of mouth (Barreda *et al.*, 2015, p. 600) and decision-making (Hoyer and Brown, 1990; Barreda *et al.*, 2015, p. 600) and is said to be the most common (Hoffman and Fodor, 2010, p. 43; Pfeffer, Zorbach and Carley, 2014, p. 118) or at least one of the key social media marketing objectives (Pletikosa Cvijikj, Dubach Spiegler and Michahelles, 2013, p. 1326; McCann and Barlow, 2015, p. 277; Felix, Rauschnabel and Hinsch, 2017, p. 119; Backaler, 2018, p. 89). Additionally, there is a positive relationship between brand awareness and market outcomes as sales and market share (Huang and Sarigöllü, 2012). These factors make brand awareness a significant concept for understanding word of mouth, influencer marketing and its objectives and measurement.

Brand awareness refers to a consumer's ability to "recognize or recall that a brand is a member of a certain product category". Brand awareness can be divided into three different levels: brand recognition, brand recall and top of mind. Brand recognition is the lowest level and means that the consumer has heard of the brand before. The second level is brand recall and refers to a consumer being asked to name a brand within a product category. Unlike in the case of brand recognition, brand recall means that the consumer is not provided with the brand name. Therefore, it is a sign of a stronger brand position. On the third and highest level of brand awareness, top of mind, is the brand that is the first one to be recalled by a consumer. A fourth level can also be added to represent the only brand that a consumer recall. It gives the brand a dominant position. (Aaker, 1991) All of these levels can affect decision making. For low involvement purchases, it might be enough to have heard of a brand name (Hoyer and Brown, 1990).

2.2.2 Metrics

A performance measure can be defined as "a metric used to quantify the efficiency and/or effectiveness of an action" (Neely, Gregory and Platts, 1995). According to Ambler (2000, p. 61) a metric is a performance measure that is important for the whole business. However, metrics and measures are not synonyms as even if "all metrics are measures, not all measures are metrics".

Clark (1999) and Choong's (2014, p. 4174) reviews on the historical development of performance measurement highlight that PMS related factors as "measures, metrics, indicators and methods of measurement" have been introduced decades ago and concentrated traditionally only on financial measures (Goodman, 1969; Johnson, 1981; Day and Fahey, 1988). Later non-financial factors were added as the importance of their impact on performance was identified (Keller, 1993; Aaker and Jacobson, 1994; Taticchi, Tonelli and Cagnazzo, 2010). However, non-financial/intermediate marketing metrics (Seggie, Cavusgil and Phelan, 2007) have also been criticized. These metrics tend to present marketers' performance in a positive light even when the financial metrics would have shown negative results.

Especially marketers have struggled with motivating their investment requests for top management. As it hard to link non-financial measures with firm performance, decision-makers expect marketers to use the same financial measures as the rest of the firm. (Seggie, Cavusgil and Phelan, 2007, p. 837) Ambler, Kokkinaki and Puntoni (2004, pp. 479–480) suggest a framework for categorizing marketing metrics. An easy framework would only consist of inputs and outputs, but in marketing the link between these two is seldom that simple. The framework includes inputs, intermediate measures, consumer behaviors, competitive measures, and outputs. The inputs are marketing actions and expenditures and the intermediate measures are customer "attitudes, intentions, awareness or other cognitive or affective or experiential brand-linked characteristics". The consumer behaviors are for instance purchases and loyalty and the outputs are profits and cashflow. If financial outputs cannot be linked with marketing activities, the link between financial outputs and consumer behavior should be considered. And if that link is unclear, intermediate measures should be included as well. The competition is part of all categories and is expressed with metrics as market share.

Figure 4. Framework for traditional marketing metrics (Ambler, Kokkinaki and Puntoni, 2004)

Some marketers still use traditional media metrics for the measurement of social media marketing performance. However, as this marketing environment is compared to other environments more "dynamic, interconnected, egalitarian and interactive" and cannot be controlled by the company, it should be measured and managed differently. That social media is egalitarian means that a brand is just another actor in the network. Peters et al. (2013, pp. 281–282) present a framework for specifically social media metrics. Instead of considering intermediate measures, behaviors and competitive measures, the framework takes into account metrics that measure motives, content, network structure as well as social roles and interactions.

Actors work as the core of the framework and act on specific motives. They communicate with each other and therefore, create user generated content. All the conversations create a network structure. The network structure is the environment of the actors and the social medium. The communicating actors produce content, but on top of that they also “modify, share and consume it”. In other words, they share social interactions and assume social roles. (Peters *et al.*, 2013, p. 286)

One of the biggest differences between traditional and social media metrics is the lack of control of managers. Social media gives the control to influence. Other actors in the network control the reach and conveyed message. The actors that have control are people with influence, with a specific social role in their network. However, these influencers will only act if it fits their motives and social role. The two-way communication of social media requires metrics that one-way traditional media doesn’t. (Peters *et al.*, 2013, pp. 289–290)

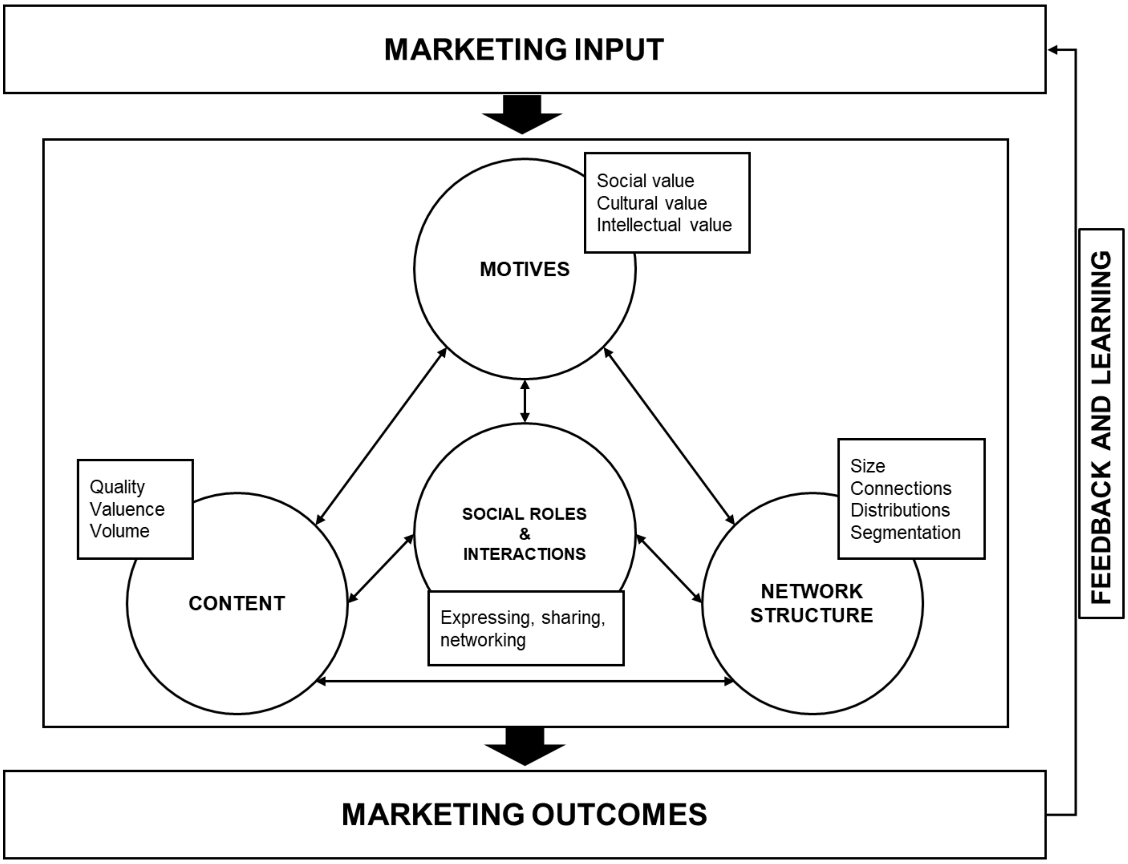

Figure 5. Adapted from Peters et al. (2013) framework for social media metrics

Based on the framework, Peters et al. (2013, pp. 289–295) suggest guidelines for social media metrics that explain the need for different metrics for social media and traditional media. The biggest differences between the two media result in the need of metrics that rather than measure the state, measure the distribution. This means that earlier metrics have measured state of awareness or purchase intension but should instead measure distribution as network dynamics and social media heterogeneity. This distribution refers to the increase or decrease of key numbers telling more than the actual number in that moment. It also means that the intensity of social interactions between actors tells more about the current state than their existence.

It is also suggested that by focusing on why customers use social media (Peters *et al.*, 2013, p. 286) and by measuring the investments the customers make in social media to engage with the company's brand, marketers are able to measure long-term return on investment (Hoffman and Fodor, 2010, p. 42).

In the context of social media and influencer marketing, metrics are often divided into soft and hard metrics (Fulgoni, 2015, p. 234; McCann and Barlow, 2015, p. 276). Hard metrics explain the real effect of marketing activities, for instance in form of sales. (Fulgoni, 2015, p. 234) Soft metrics, however, are only used in for marketing in social media. These are discussed below. How to measure the impact influencer marketing has on sales, is discussed in Chapter 2.2.3.

Soft metrics

Soft metrics (also known as vanity metrics, engagement metrics and consumption metrics) are for instance the number of likes, shares, comments, followers, downloads, and page views. These metrics are popular to report and focus on as brands and influencers can easily access and share this information. (Backaler, 2018, p. 159)

A combination of soft metrics and a set of proxy benchmarks allows marketers to estimate the return on investment of social media marketing. Benchmarks as "likelihood of future purchase by a user engaged with the company's brand through a specific social media application, or the reach of a specific word-of-mouth element and subsequent conversion to future sales" can be used (Hoffman and Fodor, 2010, pp. 43–45). In some cases, soft metrics alone can be the best available option to measure the return on investment of influencer marketing activities. Also, if the objective is to engage customers, soft metrics as "likes, shares and general online engagement" measure exactly that. (Backaler, 2018, pp. 159–160)

Soft metrics have been criticized as likes, shares, comments, followers, ratings etc. can be bought. There are companies, bots and other paid services and online tools that help social media users take shortcuts by buying influence. These services are cheap and easy to buy (Backaler, 2018, pp. 149–151), and should therefore be taken into account when choosing suitable metrics. These metrics are also so-called transparent metrics and can be seen by anyone. This means that metrics that measure the influence of a person can be important for someone and by learning how they work they can earn wanted social roles and brand endorsements which they can make money from. This makes transparent metrics twisted from the very beginning. To tackle this issue, single metrics should be supported by another metric that recognizes fake or untypical engagement. All metrics should always be supported by other metrics and one metric alone should not represent an objective. (Peters *et al.*, 2013, pp. 292–294)

A few engaged consumers are more important for a brand than a bunch of passive consumers. Therefore, quality-based metrics are more informative than volume numbers. Social media marketing performance is often measured by how many times a brand name has been mentioned and classify soft metrics according to their engagement levels, likes showing a lower engagement level than comments and shares. These metrics are relevant, but they can also be bought, which makes them partly unreliable. In other words, metrics that measure the consumers engagement levels, but also their evolution and heterogeneity are needed. This will help managers develop high quality customer relationships. (Peters *et al.*, 2013, p. 292)

Overall, there are different opinions on what metrics are classified as soft metrics. As mentioned earlier, these numerical vanity metrics are called soft metrics (Backaler, 2018, p. 159), but so are qualitative metrics (Richardson, 2020).

2.2.3 Methods

A supporting infrastructure (also identified as method and measurement) comes in different forms and can for instance be a simple method to record data or a complex information system that covers "data acquisition, collation, sorting, analysis, interpretation, and dissemination" (Franco-Santos *et al.*, 2007, p. 796).

The tools for measuring the impact of social media marketing are constantly improving and new tools are developed (Fulgoni, 2015, p. 236) Many social media platforms offer their own analytical tools as Facebook Analytics, Twitter Analyzer and YouTube Analytics, which offer information on traffic and popularity in form of soft metrics as followers, likes and comments. Additionally, search engines provide different tools. Google Analytics and Google Alerts for instance help with analyzing website traffic and counting how many times a brand, a company or a specific product has been mentioned. More complex software can also show a more extensive impact of social media investments over many platforms as well as examine the tone of conversations. (McCann and Barlow, 2015, p. 278)

When choosing a measurement tool, companies should make sure that the tools can be used to measure their specific objectives and metrics. Even if there are some tools that examine conversations, which are critical to analyze when measuring social media marketing performance, companies still tend to focus on traditional metrics as page views and other easily reportable numbers, and tools that address them. (McCann and Barlow, 2015, p. 278)

In addition to the actual tools, there are also other methods that help with tracking the performance of campaigns. Using hashtags helps with tracking the reach of a campaign as well as the generated engagement. It requires that campaign-specific hashtags are created and that consumers use the same hashtags in their comments or posts. (Backaler, 2018, p. 132) Tracking codes as UTM tags and discount or promotional codes, on the other hand, help with tracking traffic from a specific influencer to the company's website in form of clicks and/or sales. With UTM tags, the influencer shares a link through which consumers are directed directly to the company's website. The influencer can also share a code and by using the code, consumers can get for instance a discount when making a purchase on the company's website. When the code is used, the company can track the direct effect of a campaign or influencer on sales. In other words, with these the financial return on investment of influencer marketing is possible to measure. However, it requires that the purchase is made online. (Backaler, 2018, p. 156)

3 RESEARCH DESIGN AND METHODS

This chapter looks into the chosen research design and methodology. First, the research design is discussed, after which the data collection methods as well as data analysis methods are presented. Lastly, the reliability and validity of the study are discussed.

3.1 Research design

Quantitative research refers to data collection or analysis of numerical data, whilst in qualitative research the data is non-numerical often in form of words. Combining quantitative and qualitative components results in a mixed method research design. (Saunders, Lewis and Thornhill, 2016, p. 165) This study follows a qualitative research design as respondents' meanings and the relationships between them are studied (Saunders, Lewis and Thornhill, 2016, p. 168) to gain a better understanding of how the performance of influencer marketing is measured. More specifically, this is an exploratory study that allows the researcher to gain insights about the topic which nature is in some extent unknown (Saunders, Lewis and Thornhill, 2016, pp. 174–175)

The research design of qualitative methods requires the researcher to evaluate how new information affects prior findings and going back and forth between components of the research design to finally reach the aim of the study. The key components of a qualitative research design are goals, conceptual framework, research questions, methods, and validity. Together these form an integrated and interacting whole that is referred to as an interactive model. (Maxwell, 2012, p. 20-21) As the primary data of this study comes from interviews and will increase the understanding of the topic, it is natural that the design components, for instance the research questions, will have to be modified later based on the gained information, to better meet the goal of the research. Therefore, this study follows the interactive model of research design and covers all components of the model (Figure 6). However, methods and validity are discussed in their own sub-chapters.

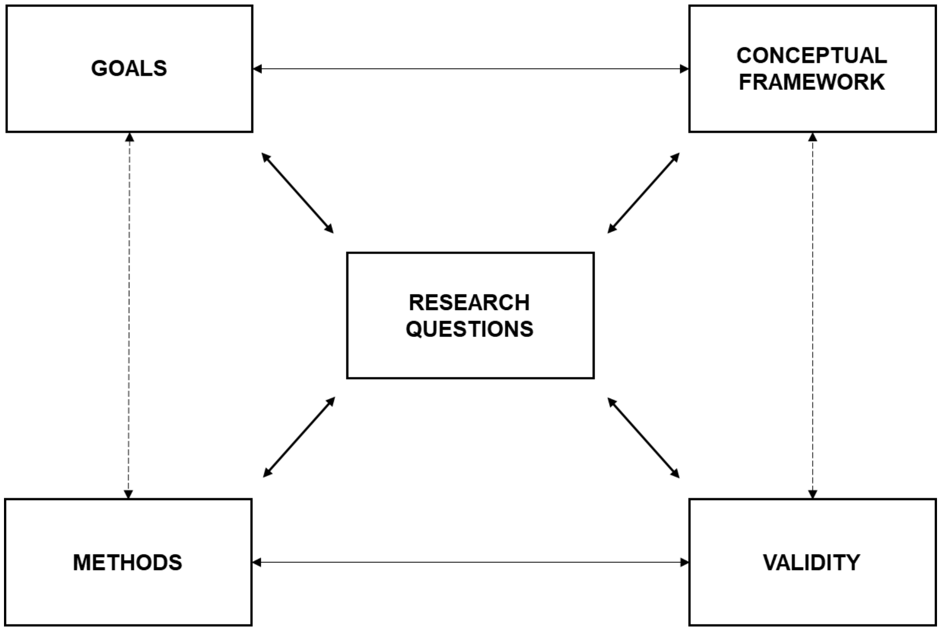

Figure 6. An interactive model of research design (Maxwell, 2012)

Knowing the goals of the study helps the researcher make decisions regarding the other components of the research design so that they support reaching the goal. The goals of the study answer questions like why the study should be conducted, why someone should be interested in the findings of it and what specific issues the study aims at clarifying and influencing. (Maxwell, 2012, p. 19-20) The goal of this study is to gain a better understanding of how the performance of influencer marketing can be measured. At this point the topic has only briefly been discussed in scientific literature and therefore, this study could contribute to the research field of influencer marketing. Moreover, studies show that the popularity of influencer marketing is increasing, but that companies struggle to measure its performance. In other words, this study could also clarify why measuring influencer marketing is challenging and how it could be measured.

The second component, the conceptual framework, covers decisions regarding what kind of theories, beliefs, prior research findings, concepts and models will support the study and can be applied to the context of the study. Theory and current knowledge should influence the goal of the study, but at the same time the goal should determine what theory and knowledge is relevant for the study. (Maxwell, 2012, p. 19-20) The conceptual framework of this study consists of findings of other pieces of research on performance measurement and influencer marketing, supported by studies on social media marketing measurement.

The research questions should also influence and be influenced by the goals and the conceptual framework. The research questions specify what the researcher wants to understand better. Additionally, the research questions support each other. The research questions are the core of the research design and have the biggest influence on and is influenced the most by the other design components. (Maxwell, 2012, p. 19-20) The main research question of this study is “How can the performance of influencer marketing campaigns be measured?”. The main research question as well as supporting sub-questions were outlined by the preliminary literature review and conceptual framework, that highlighted what is still unknown but relevant. Additionally, the goals, methods and validity also affected the choice of research questions.

3.2 Data collection methods

The study used an abductive approach to collect data, which means that it went back and forth between theory and data in order to modify existing theories by exploring the phenomenon and identifying themes and patterns. The study did not test a theory (deductive approach), nor did it build theory (inductive approach). (Saunders, Lewis and Thornhill, 2016, p. 148)

The empirical data of the study was collected through interviews as it is a way to gather valid and reliable data about the hardly researched topic (Saunders, Lewis and Thornhill, 2016, p. 388). The interviews also allowed the researcher to assure that the respondents will remain anonymous and confirm that the collected data will only be used for this study and will not be managed by any other person than the researcher. Moreover, respondents were able to ask if they did not understand a question, which assured that there were no misunderstandings.

There are different types of interviews: structured, semi-structured and unstructured (or in-depth). The type of interview that fits the research questions, objectives and purpose of this study the best is semi-structured. (Saunders, Lewis and Thornhill, 2016, p. 391) This type of interview allows the researcher to add depth to the data by asking probing questions. In other words, the researcher can ask respondents to build on their answers, to better understand why they think as they do and why for instance, they have made specific decisions. Furthermore, it is highly possible that the respondents will lead the interview to areas, that are relevant for this study, but that the researcher was not aware of beforehand due to the lacking prior research on the measurement of influencer marketing performance. A semi-structured approach lets the researcher collect the valuable data. (Saunders, Lewis and Thornhill, 2016, p. 394) Semi-structured interviews are often referred to as non-standardized as mostly key themes are prepared and additional questions and the order of them are decided during the interview in the most natural manner. (Saunders, Lewis and Thornhill, 2016, p. 391) For this research, some standardized questions are prepared, but mostly key themes that allows the researcher to ask follow-up questions when needed.

The interview questions were outlined by the research questions and theory. Based on the research questions the interview was divided into some key themes: objectives, metrics, methods, and challenges. Moreover, to contribute to the narrow theory on influencer marketing as a concept, influencer marketing was chosen as another theme for the interview. Questions were also asked about the background of the interviewees and about their current job, to understand their field of expertise. Lastly, interviewees were asked if they wanted to add something that had not been asked during the interview. The directional interview questions can be found in Appendix 1 and their relation to the research questions is presented in Appendix 2.

To be able to understand how companies measure the performance of influencer marketing and their opinions on and experience with it, only company representatives were interviewed. Suitable companies to contact were found by looking at well-known Finnish social media influencers' social media posts. Paid collaborations were further cut down to meet predefined criteria, that aim at finding campaigns as similar as possible that can be compared with each other. All contacted companies work in the food industry and have used influencer marketing to promote fast moving consumer goods.

The potential respondents were chosen by purposeful selection, which is commonly used in qualitative studies (Maxwell, 2012, p. 99). If specific marketers had been interviewed about influencer marketing in an article or had lectured about the topic, they were contacted directly. Otherwise, the companies recommended a specific company representative that managed their influencer collaborations. This allowed the researcher to interview the experts within the area. All in all, 8 experts from 7 different companies were interviewed. The interviews were held one-to-one with the respondents except for one interview that was a group interview with two company representatives from the same company. The group interview was requested by the company and found to be the best option as the interviewees worked closely together with influencer marketing campaigns. Company-specific interviews were held to keep the respondents anonymous and that way get as honest answers as possible. The respondents were marketing experts in different positions, all in charge of managing influencer marketing activities.

To get the best possible answers and lead the interview naturally to the right direction, the interview questions were sent to the respondents beforehand so that they could familiarize with them. The interview questions were sent in English and all interviews were held in Finnish. The questions were sent in English so that the interpretation would not be affected by the translation of the interviewer. However, interviewing in the interviewees' native language makes the situation more natural and allows them to express what they think without limitations.

All interviews were conducted in April-June 2020. The interviews lasted between 29 and 44 minutes. They were held remotely on the phone or via video call. All interviews were recorded and transcribed to be able to better analyze the answers and discussions.

The interviewees and companies are not mentioned by name in this paper, but interview-specific information is presented in Table 1.

Referred to in this paper	Number of interviewees	Position of the interviewees	Duration	Influencer marketing insourced or outsourced
Interviewee 1	1	Public Relations and Social Media Manager	38 min	Insourced
Interviewee 2	1	Marketing Manager	38 min	Agencies as strategic partners throughout the whole process.
Interviewee 3	2	Online Coordinator	44 min	Agencies as strategic partners throughout the whole process.
Interviewee 4	1	Marketing Communications Manager	38 min	Insourced
Interviewee 5	1	Marketing Manager	40 min	Agencies as strategic partners throughout the whole process.
Interviewee 6	1	Marketing Manager	29 min	Agencies as strategic partners throughout the whole process.
Interviewee 7	1	Communication Manager	36 min	Agencies as strategic partners throughout the whole process.

Table 1. Information about interviewees

3.3 Data analysis methods

According to Maxwell (2012, p. 107) data analysis is divided into three groups: memos, categorizing strategies and linking strategies. Categories and themes are linked to be able to find answers to the research questions in a systematical manner (Saunders, Lewis and Thornhill, 2016, p. 569).

As data analysis should be conducted at the same time as data collection (Coffey and Atkinson, 1996, p. 2), memos were written during the interviews as well as afterwards when transcribing and analyzing. Relevant ideas and possible follow-up questions were written during the interview when the respondents brought up something that the interviewer found important to discuss later during the interview. Furthermore, preliminary ideas on possible categories and relationships were written down during the analysis. The memos were useful during the whole process as they worked as mind maps and plans for coding and linking strategies.

Coding is the main category of categorizing strategies in qualitative studies. The goal of coding is to fracture and put the data into categories which helps with understanding the data, comparing the data with previous research and with other data collected during the same research. (Maxwell, 2012, p. 108) The first categories that were created to outline the interviews were the same ones' that outlined the research questions: objectives, metrics, methods, and challenges. These are so called organizational categories as they are broad issues that were created before the interviews. They help with sorting the data and with dividing and presenting the results. (Maxwell, 2012, p. 109) In this paper the organizational categories are referred to as 1st level categories.

However, so that these themes would not restrict the data analysis by looking past valuable points expressed by respondents, also other categories were created. When having sorted the data into organizational categories, they were further divided into substantive and theoretical sub-categories that the researcher did not know to be relevant before data collection. These bring more insights into the actual data than the previously created categories. Substantive categories are descriptive emic concepts and describe among other things the concepts and beliefs of the interviewees. (Maxwell, 2012, p. 109) In this study the substantive categories consisted of clear themes that were repeatedly brought up by the interviewees. Additionally, theoretical categories were created. Theoretical categories are so called etic categories that represent the researcher’s concepts and can be obtained from for instance prior theory (Maxwell, 2012, p. 109). After having created organizational and substantive categories, the researcher went back to prior research to see if other categories should be added. In this paper the substantive and theoretical categories are referred to as 2nd level categories.

After categorizing, the researcher looked for relationships that would explain links and recurrences of codes. This part of the analysis is called linking strategies (Maxwell, 2012, p. 107) This was done by carefully examining the codes and 1st – and 2nd level categories and forming a coherent view of the data.

The codes and categories can be found in Appendix 3 and the findings of the research (Chapter 4) are sectioned by the 1st – and 2nd level categories.

3.4 Reliability and validity

Reliability of research refers to whether a research with the same research design, but by another researcher at another point of time will bring the same findings. If it does, the research is considered reliable. (Saunders, Lewis and Thornhill, 2016, p. 202) When it comes to semi-structured interviews there are three concerns in terms of the reliability of the data: interviewer bias, interviewee bias and participation bias.

Firstly, interviewer bias covers how the comments, tone or other behavior of the interviewer can affect the interviewees’ answers. (Saunders, Lewis and Thornhill, 2016, p. 397) To minimize interviewer bias it was highlighted before the interview that the interviewer was interested in the opinions of the interviewee and how the company measures influencer marketing. There were no right or wrong answers. This was emphasized to get as rich data as possible. Additionally, the interviewees were told from the very beginning that they as well as the companies would remain anonymous. All interviews were also held via phone or video calls and recorded so that the interviewer could give all attention to the interviewee, the interviewee could see the interest of the interviewer and the discussion would be as natural and relaxed as possible. Recording the interviews and transcribing them carefully also minimized interpreting the answers wrong. To further contribute to a relaxed setting, the interviewer began the interview with easy questions about the background of the interviewee and asked more complex questions at the end of the interview. The order of the questions was also decided during the interview to achieve a natural flow and discussion.

Secondly, interviewee bias is affected by the interviewees' perceptions. In a semi-structured interview, where the discussion is open, the interviewee might decide not to mention some relevant point, as they expect it to lead to probing questions that they do not want to answer because it could for instance reveal sensitive information. This restricts the data and can give the wrong view of the situation. (Saunders, Lewis and Thornhill, 2016, p. 397) To minimize interviewee bias, the questions were sent beforehand to show what kind of questions could be asked. Additionally, it was highlighted that the interviewee could decide whether to answer the asked questions or not. The anonymity of the interviewee and company also aimed at minimizing this risk.

Lastly, participation bias refers to the risk of restricting the sample. The sample is restricted by the willingness of contacted companies to agree to an interview (Saunders, Lewis and Thornhill, 2016, p. 397). To lower the bar to agree to an interview, the interviews were kept short and sending the potential questions beforehand confirmed that the amount of questions was reasonable. However, as purposeful sampling was used to find interviewees with the best possible expertise, it can be argued that another sample would not bring the same findings.

Validity is examined by looking at the chosen measures and whether they measure what they are supposed to measure and are appropriate for the purpose. Additionally, validity refers to the accuracy of the analysis of results as well as how generalizable the findings are. (Saunders, Lewis and Thornhill, 2016, p. 202) For qualitative research there are two validity threats: researcher bias and reactivity. Researcher bias refers to the effect that the researcher's values and expectations have on the conduct and conclusions of the study. (Maxwell, 2012, pp. 122-123) As the researcher was familiar with prior research on the topic and the first interviews in some extent confirmed these beliefs, it can be argued that the researcher expected to get certain answers. However, to reduce the threat, the researched asked questions that she assumed that she knew the answers to and avoided leading questions. Additionally, another researcher bias of this study could be that previous literature outlined the interview questions. Therefore, at the end of the interviews, the interviewees were asked if they wanted to add something that had not been discussed.

The second threat, reactivity, refers to the effect that the researcher has on the individuals being studied. The goal is not to avoid this threat but to understand how the researcher influences interviewee’s answers. (Maxwell, 2012, p. 123) However, to minimize the threat, semi-structured interviews were used to let the interviewees in some extent decide the direction of the interview. To minimize misunderstandings, the researcher repeated some of the answers of the interviewees, to make sure that they were interpreted correctly. This method is called respondent validation and reduces leading questions. (Maxwell, 2012, p. 126)

The generalizability, or the external validity, of the study should also be discussed to understand the quality of it. External validity refers to the extent to which the study’s findings are generalized to other relevant settings. (Saunders, Lewis and Thornhill, 2016, p. 204) The aim of this study is not to get results that are generalizable to all settings. Instead, the aim is to understand how influencer marketing is measured in a specific research setting. The results show that there are both similarities and differences between companies in the food industry. As the industry itself affects and restricts measurement of influencer marketing performance, studying another industry, for instance the fashion industry, could bring completely different findings. Therefore, it is important to accentuate the setting of the study and its limitations. For the findings to represent the chosen research setting, the number of interviews was not decided beforehand. Instead, interviews were held until saturation was achieved. This means that the last interviews confirmed the findings of previous interviews and did not bring new insights that should have been researched more. (Saunders, Lewis and Thornhill, 2016, p. 419)

4 FINDINGS

In this chapter the empirical results of the study are presented. The findings are outlined by the categories of the research analysis: objectives, metrics, methods, and challenges. Furthermore, the categories are divided into 2nd level categories that in the analysis were found relevant for the study.

4.1 Objectives

Based on the theoretical framework and the analysis, the first concept and 1st level category of performance measurement is objectives. According to the interviews, the main objectives of influencer marketing are brand-related objectives, reaching a new target group and sales conversion. Additionally, the importance of proving internally that influencer marketing is worth the investment, was highlighted.

Overall, the analysis revealed that collaboration-specific numerical objectives are not set. This was motivated by the importance of brand-related objectives. However, when working with influencer marketing agencies or other marketing agencies, they estimate results, and these are often used as objectives. Performance is also compared to the mean of the performance of the influencer’s other paid collaborations.

Based on the analysis, four 2nd level categories were identified: brand-related objectives, reaching a new target group, sales conversion, and internal objectives.

2nd level category: Brand-related objectives

According to the analysis the biggest goal of influencer marketing is improving brand image. However, other brand-related objectives as increasing brand awareness, loyalty, engagement, and advocacy were also highlighted.

Most interviewees stated that brand image is largely affected by the match between the brand and influencer. One interviewee mentioned that they use influencer marketing in whatever way they want to take their brand. For some brands and products influencer marketing has been the main marketing approach from the very beginning and has formed the brand. The same influencer has collaborated with the brand from product launching and the influencer has formed the look and feel of the brand as well as determined the digital channels in which the brand is visible. For a brand like this, the marketing communications lay completely in the hands of the influencer and lean solely on what the influencer writes and says about the brand.

Brand awareness was discussed from the visibility point of view. Interviewees highlighted that influencer marketing is not only used to boost the visibility of a new product, but also when wanting to let consumers know about a renewed product or a new packaging. At the same time, the visibility of more mature products is also important as consumers might need to be reminded of the existence of the products. Whatever the purpose might be, they all boost the visibility of the brand at the same time. Influencer marketing can also be used to solely boost the visibility of the brand. However, there were differences between interviewees' view on the relation between influencer marketing and brand awareness. Whilst most interviewees stated that one of the main purposes and objectives of influencer marketing is to increase brand awareness, one interviewee disagreed. On the other hand, all interviewees agreed that one of the main advantages of influencer marketing is its positive impact on brand loyalty. It might not have that big of an impact in the long run, but it builds brand loyalty fast. Influencers have gained a high level of credibility and are trusted by their followers. They are trusted more than brands.

> *"I do not see influencer marketing as a way to build brand awareness, because for that you need many different media, but maybe commitment, brand loyalty, that the influencer that I follow talks about this product maybe makes me try it as I trust that it is a good thing."* **– Interviewee 7**

Another goal is to generate likes and comments, that are one form of brand engagement and word of mouth. It is not enough for the brand to be visible; it needs to be interesting and liked. Engagement is also a sign of good content and a good collaboration and match between the company and influencer. As the influencer is associated with the brand, a bad match decreases the credibility of the collaboration and can harm the image of the brand and the influencer. A few interviewees mentioned that the ultimate goal of an influencer marketing campaign is brand advocacy: to create a phenomenon, an idea that goes viral and promotes itself organically. Going viral often means that other possible objectives are also reached. Influencers are brand advocates, but to reach organic word of mouth marketing, also customers need to talk about the brand.

2nd level category: Reaching a new target group

Regarding reaching a new target group, many aspects were discussed. What all interviewees mentioned was that to be able to reach a new target group, the collaborating brand and influencer must have the same target group. Many commented that in general influencer marketing reaches a different, often younger, target group than for instance TV- and leaflet marketing. Additionally, many interviewees mentioned how powerful influencer marketing can be when wanting to reach a more restricted audience.

> *"We clearly wanted to reach especially the early adaptors living in the capital region and therefore, we found that influencer marketing is a very suiting approach."* **– Interviewee 2**
>
> *"If you have a special product, let us say a plant-based protein product, which might have a more restricted target group, in that it [influencer marketing] is suitable. However, it is not enough for that either. It [influencer marketing] supports all other efforts."* **– Interviewee 7**
>
> *"We already know that an advertising leaflet reaches over a million people and TV reaches another million, but the age group that reads the leaflet or watches TV is not that young. So as one of our criteria is to reach under 20-year-old people, we chose this strategy [influencer marketing]."* **– Interviewee 3**

2nd level category: Sales conversion

All interviewees also pointed out that in the end, the most important goal is conversion. However, in the food industry, where the aim is often to get customers to buy the products in a physical store, it is according to the analysis impossible to track whether they bought the products because of influencer marketing. Therefore, specific sales objectives are not determined. However, it was mentioned that overall campaigns have specific sales objectives, but these are aimed at being reached with all marketing efforts, not only influencer marketing.

Sales conversion is discussed in more detail in Chapter 4.4.

2nd level category: Internal objectives

Additionally, the analysis identified internal objectives as another main objective. Even if influencer marketing is not a new concept, some companies have only recently started utilizing it. Moreover, the upper management of many companies struggle to see the benefits of it compared to more traditional marketing efforts. Therefore, the internal objectives include among other things convincing management that influencer marketing is worth investing in and as a result of that, influencer marketing becoming part of the key marketing set. A long-term goal is also for influencer marketing to be visible in all marketing channels.

> *”We have maybe a baby steps start, so the objective was also to kind of sell this within the house, the whole marketing idea, that influencer marketing would be taken along in the same way as for instance TV and leaflet marketing.”* **– Interviewee 3**

Interviewees were also asked if some objectives are harder to measure than others. All interviewees agreed that the easiest objectives to measure are those that are measured with vanity metrics, that are easy to get from social media channels’ own analytical tools or are given by influencers or agencies. These objectives include among others, reach, impressions, likes and comments. The more difficult ones are brand- and sales-related. Brand-related objectives as improving brand image, can be measured but image is seldom affected immediately or by one campaign. Moreover, it can be difficult to describe or know how our opinion on a brand has changed and because of what factors. Purchase-intention works in the same way, it can be hard to say if a specific campaign made us buy a product. Also, a study needs to be conducted to get the results. Conversion was said to be the most difficult objective to measure as it is impossible to know if a consumer bought a product in the store because of a specific influencer collaboration.

4.2 Metrics

The second concept and 1st level category of performance measurement is metrics. The analysis divides metrics into two 2nd level categories: soft and hard metrics. According to the interviews, hard metrics are preferred by companies, but as they are hard or some even impossible to measure, soft metrics are used. Soft metrics are also used to estimate the performance of hard metrics.

2nd level category: Soft metrics

The analysis showed that soft metrics are often used as they are easy to report on. Additionally, with these the performance of a campaign is easy to compare with prior campaigns. Most interviewees track likes, comments, how many times a post has been saved, impressions and engagement rate. With blog collaborations, page views, website clicks, time spent reading a post and comments are tracked. Additionally, the quality of the comments is analyzed. The aim is to generate discussion about the product or brand. The analysis also showed that the number of followers the influencer has is often used when measuring the performance of a campaign.

> *” I find qualitative analysis to be extremely important, not everything can be measured numerically and as hard facts… Often an influencer might*

tell us that they got a lot of questions and followers wanted to know more, and that is always a good sign and that cannot be measured numerically." **– Interviewee 5**

All interviewees mentioned that as conversion is impossible to measure, they use soft metrics to confirm that influencer marketing is worth investing in. The interviewees were asked what metrics they personally like to track, metrics that determine whether it was a successful campaign. The most popular ones are positive reactions and feedback as well as shown interest towards the product or brand.

> *"If a post gets a lot of comments or likes, or especially if it is shared, so that it goes almost viral, that it what we aim for as it is organic and does not seem that sponsored."* **– Interviewee 1**
>
> *"Reach is probably the best out of the immediate metrics, how many people did we reach and of course if we think about reactions, shares, overall how much the content has interested… also how much the content in the influencer's channels has driven traffic to the company's page".* **– Interviewee 2**
>
> *"It is the end results, comments and other things that show if the influencer genuinely likes it [the collaboration/product]… the followers also comments if they are excited and if they get a good feeling, that there is a brand match. That says to me that it was successful."* **– Interviewee 3**
>
> *"If we talk about blogs, I like to look at the amount of unique readers per week or month. Another good one is time spent reading a post. If we talk about social media… my personal favorite is clicks [from post to company's page] because it tells how many has read more info, then they are already interested."* **– Interviewee 4**

"I look a lot at engagement rate and… how much time was spent reading the article, amount of comments and if there is positive feedback… and of course the number of clicks to our webpage." **– Interviewee 5**

"… I think that the most tangible one is whether we have gotten a lot of reactions on social media… and if there are good comments… that tells a lot about the commitment of a person." **– Interviewee 6**

"…well my favorite metric would be to see conversion… but with influencers the number of downloads of the recipe [promoted content] or comments. When looking at the content of influencers, the commercials tend to get less comments than non-commercial posts. So, it tells us that the influencer has been a good choice and knows how to make the right kind of commercial content if they get as many comments and reactions." **– Interviewee 7**

2nd level category: Hard metrics

Hard metrics were discussed a lot during the interviews. The focus was mainly on the difficulty of using hard metrics to measure influencer marketing. When asked about what metrics determine success or failure of marketing spending, soft metrics were mentioned as the direct effect on hard metrics cannot be measured. The soft metrics are often compared to the mean of the influencers' other paid collaborations' performance. The conclusion was that it is impossible to measure the financial return on invest of influencer marketing. Instead, the effect of influencer marketing on hard metrics as sales, is mainly based on assumptions. One company has only marketed a product through influencer marketing and the sales of this product have increased with 20% per month. However, when many different marketing activities are performed, the assumptions are less reliable.

"Of course we cannot be sure, but if a product gets sold out in record time, we assume that all our marketing efforts have affected it… Often when we

have done these things [influencer collaborations], the sales have boosted." **– Interviewee 3**

"If we do not do anything [influencer collaborations], our numbers [sales] drop. So, we do it [prove the effect of influencer marketing] through a little intimidation." **– Interviewee 1**

As hard metrics are described as metrics that you can base business decisions on, the interviewees were asked how they prove that influencer marketing is worth investing in. The analysis revealed that non-financial return on investment is measured. Marketing spending is compared to visibility- and engagement numbers. These are also compared to the soft metrics of other digital marketing activities. Brand studies are also conducted and if the aim of specifically influencer marketing has been to generate specific brand associations, and the results prove that consumers now associate the brand with these qualities, influencer marketing was worth investing in. Additionally, influencer agencies' studies, that confirm the credibility of influencers and effectivity of influencer marketing, are referred to, to motivate marketing spending.

"…If I justify this internally to our executive team, it begins with how important this tool is for our marketing communication, because of the effectiveness of influencer marketing is so much higher than traditional marketing. But I do not either have it black on white to show that this is how it is, I have these numbers and with the brand study we can show that the brand image has developed in the right direction." **– Interviewee 2**

"I count cost per contact, with what price I reach the consumer… There have been campaigns where the cost per contact has been extremely high, but I have wanted to work with that specific influencer because the blog has been suitable or I have figured, that with this collaboration we can reach the exact target group that we want to reach." **– Interviewee 5**

The challenges of measuring hard metrics are discussed in more detail in Chapter 4.4.

4.3 Methods

Based on the theoretical framework and the analysis, the third concept and 1st level category of performance measurement is methods. The analysis determined three 2nd level categories: analytical tools, brand studies and benchmarking. These were found to be the most significant methods to measure influencer marketing. Even if companies use different methods, most of them highlighted that they could measure more systematically.

2nd level category: Analytical tools

The analysis showed that overall, when companies collaborate with different marketing agencies, they rely mostly on the reports done by the agencies or influencers. Additionally, companies use social media channels' own analytical tools to track the traffic on their own social media channels and Google Analytics for website traffic. However, other tools are also used, but they vary between companies. Boksi is for example used by one company to reach micro influencers. The app reports the reach of the campaign as well as counts the cost of contact.

A few interviewees mentioned that they manually put soft metrics from different channels between each other or into a dashboard, to then get a coherent view of the performance. Marketing spending and sales numbers can also be added to compare fluctuation in marketing efforts and sales over a specific time period.

> *"Our analyst gathers the official data and then we have tools like Analytics [Google] that make it possible for us to bring sales data beside the other data in Data Studio [Google]."* **– Interviewee 1**

Analytical tools are also used to discover how hashtags spread. Campaign-specific hashtags are used as they help to measure the reach and engagement of specific campaigns. One interviewee also mentioned that they compare their hashtags with other companies' competing hashtags. However, not all companies use hashtags. UTM-codes are also used to track website traffic.

2nd level category: Brand studies

Many companies conduct brand studies to measure the development of brand-related metrics. However, the frequency of studies is very varying between companies. As the findings are often a result of many marketing activities or over a longer period of time, the results of a specific influencer collaboration cannot be separated. Metrics as brand recognition, top of mind, brand penetration, brand preference and brand image are measured with this method.

> *"If not every year, then every other year we conduct brand studies. Of course, it cannot be separated what has affected the results, a specific influencer collaboration or all marketing activities, but we study brand awareness and the brand funnel."* **– Interviewee 1**
>
> *"We have a constantly running study where brand awareness is measured and brand image is examined, among other things. But, sure the findings are a result of all the work that has been put into it, influencer marketing is only one small part of it. They are affected by all brand marketing and -communication."* **– Interviewee 4**
>
> *"After every big campaign we conduct a campaign measurement, where consumers are asked where they have seen the brand's advertisements and how it has affected them."* **– Interviewee 7**

2nd level category: Benchmarking

The interviewees were asked how they utilize the gathered data. Many interviewees highlighted that they could improve the way they analyze results. The reports that are given by influencer agencies or influencers tend to be very comprehensive, but a few interviewees mentioned that they are mostly analyzed orally within the marketing team or sometimes with the influencer agency or influencer.

Benchmarking was mentioned a lot during the interviews as it is often used to determine success or failure of a campaign. Results are compared with competitors, influencers' other paid collaborations as well as non-paid posts, the company's other influencer collaborations and other marketing activities. However, the analysis showed that not all interviewees agreed that benchmarking is a good method to analyze data. It was argued that influencers should not be compared with each other as they have their own followers, channels, and numbers, and these should not determine the performance of another influencer collaboration. The performance of different marketing activities should not either be compared with each other as the value of one contact is completely different if it is reached with influencer marketing or TV advertising. With influencer marketing, the value of one contact is higher as the contact is reached via an influencer and is therefore the target customer of the brand. A contact reached via TV might not be the target customer and therefore not interested in the brand. The metrics used can also vary between reports and campaigns, which make them hard to compare. Benchmarking across social media channels was also criticized as customers behave differently in different channels. In some channels, likes and comments are more usual than in others. The analysis also brought up another challenge with analyzing influencer marketing performance. Campaigns differ a lot from each other and for instance a Christmas campaign should not be compared with a Midsummer campaign. Therefore, the results might be analyzed one year later when they can be compared with another similar campaign. Comparing similar campaigns also becomes challenging when the results are reported differently. This happens as there is no industry standard.

”If one report shows unique readers in a month and another one in a week, then these are in no way comparable. The weekly results cannot be multiplied by four to get monthly results.” **– Interviewee 4**

4.4 Challenges

Overall, the interviews and data analysis revealed that there are a lot of challenges of measuring the performance of influencer marketing. The biggest are lack of resources, the food industry, marketing via many channels and data reliability. These four form the 2nd level categories of challenges.

2nd level category: Lack of resources

Lack of resources is a challenge that is possible to overcome, but as influencer marketing is only one part of the companies’ marketing efforts, it is seldom prioritized. As the upper management of many companies are skeptical about influencer marketing, time and budget is spent on other forms of marketing instead. When there is no time and financial resources, analysis suffers. Lack of time and money is according to the analysis the biggest reason for collaborating with influencer-, marketing- and advertising agencies. Marketers do not have the time to learn how to use a new analytical tool and it is a big investment. Therefore, buying the service from an agency, that help throughout the whole process, it often chosen. Many interviewees also mentioned that they would like to measure and analyze more, but they prioritize new campaigns.

“We prefer to look forward instead of backwards. Analyzing and measuring is extremely important for improving what we are doing and for finding the best collaborators. But, if we if use a lot of time on analyzing, it takes away from doing the next campaign, being visible for the customer and developing the brand.” **– Interviewee 4**

> *"Often, we look through the reports to see what was successful and what went wrong, but how the results of an earlier campaign are used in the next ones, could be improved*… with resource- and time management."
> **– Interviewee 5**

2nd level category: The industry

One interviewee described very well the challenges that specifically the food industry brings to measuring influencer marketing performance. In the food industry huge amounts, sometimes a million, of mainly cheap products should be sold. Therefore, a large audience needs to be reached. Moreover, you need to reach the people fast as the biggest grocery stores in Finland give brands a limited time period during which the products need to prove that they deserve their spot in the store. According to the interviewee, to be able to raise brand awareness this fast, mass media as TV-, outdoor- or radio advertising is needed. Influencer marketing can then support mass media.

As the products are often sold in physical stores, tracking performance becomes difficult. The customers' buying process cannot be tracked, which is the biggest challenge for measuring influencer marketing in the food industry. Sales conversion is impossible to measure when there is no online store or UTM-, promotional- or discount codes that confirm that a specific purchase was made because of a recommendation from an influencer.

2nd level category: Multichannel marketing

Multichannel marketing and 360 were brought up a lot during the interviews. For marketing to be powerful, many platforms and channels are used at the same time. This is a challenge for measuring the performance of specific marketing activities as the results cannot be separated. Often, the whole campaign is evaluated as a whole, and influencer marketing is only one part of it.

”I evaluate whether the whole campaign was profitable. That is possible… but when you do things at the same time, it is impossible to take out one block. For that reason, you should only focus on one activity at once, but I do not believe in that. You should not only do influencer marketing and then only TV advertising. It is not the effective combination. The effective combination is simultanious multichannel marketing. So in practise, you do not see how influencer marketing has affected sales. That kind of data is not available in Finland.” **– Interviewee 7**

2nd level category: Data reliability

Another frequently brought up challenge is data reliability. In brand studies, there is a risk that respondents may not remember why exactly they bought a product. The study is often conducted a while after the purchase. There is also a risk that the respondents are not aware that a campaign has affected their purchase decision.

Soft metrics were also criticized during the analysis for being unreliable. It is possible that posts are liked, but the consumer does not remember the post afterwards. Someone might also spend a lot of time reading a post, but the truth is that the post was left open on the computer whilst the consumer was doing something else.

Some analytical tools do not either take into account that the same viewer has watched the post twice. Instead, the report gives wrongful information about the amount of reached customers.

“In the digital world it is extremely easy to measure, but it is another thing how the results can truly be analyzed.” **– Interviewee 5**

4.5 Additional findings

Additional themes as added benefits and future of influencer marketing were also brought up during the interviews. Both themes were found relevant for understanding the other findings and the current state of measuring influencer marketing performance.

Additional benefits

The analysis revealed benefits with influencer marketing that some companies find so valuable, that the results of a campaign do not matter that much. Influencers are creative content creators. Companies often get the content that the influencer creates and can use it in other forms of marketing as well. In the food industry, the content often refers to photos and recipes. When an influencer creates a recipe, where the brand’s product is used, the company can also get a new context of use, that they would not have up come up with themselves. Introducing a new context of use is one of the main purposes of doing influencer marketing. According to one interviewee, when the absolute long-term value of the content itself is high, other objectives are not set at all.

Future of influencer marketing

The future of measuring influencer marketing performance was also discussed during the interviews. Currently, measuring influencer marketing performance is very manual and many interviewees expect better tools, more systematic analysis, and automatization to help overcome this challenge in the future. The end goal is to be able to measure the financial return on investment.

In TV-advertising the platforms offer a possibility to conduct a study both before and after the campaign to compare how the answers have changed. Interviewee 4 mentioned that influencer agencies could offer this in the future, so that the effect of influencer marketing could be measured better. In general, many interviewees hoped that brand studies would be conducted more often, also after shorter campaigns, to see how specific campaigns have affected the brand image.

When asked about their expectations on the future of influencer marketing, almost all interviewees stressed that they expect the development to be positive. They have big expectations on technical improvements that will help with measuring. Additionally, the regulations regarding expressing that a post is a paid collaboration, are expected to become even stricter which is expected to have a positive impact on transparency. Furthermore, the role of influencer marketing in the marketing set is expected to grow. On the other hand, one interviewee was concerned about influencers collaborating with too many brands, which decreases their credibility and therefore also the effectivity of influencer marketing. However, influencer marketing has gone from trying to reach as many as possible by collaborating with many influencers, to having longer collaborations with a few influencers, which is good change. Micro-influencers are also becoming more popular because of their significant credibility, and through them, influencer marketing can grow even more. On the other hand, with low involvement products, a lot of people must be reached, which means that companies must collaborate with many micro-influencers. This could again reduce their credibility and the effectivity of influencer marketing.

4.6 Visualization of findings

The key findings of this study are summarized visually in Figure 7. The empirical study identified the main objectives, metrics, methods, and challenges of influencer marketing. Despite several challenges of measuring the impact of influencer marketing, its proportion of the marketing budget is expected to increase. The findings are further discussed is Chapter 5.

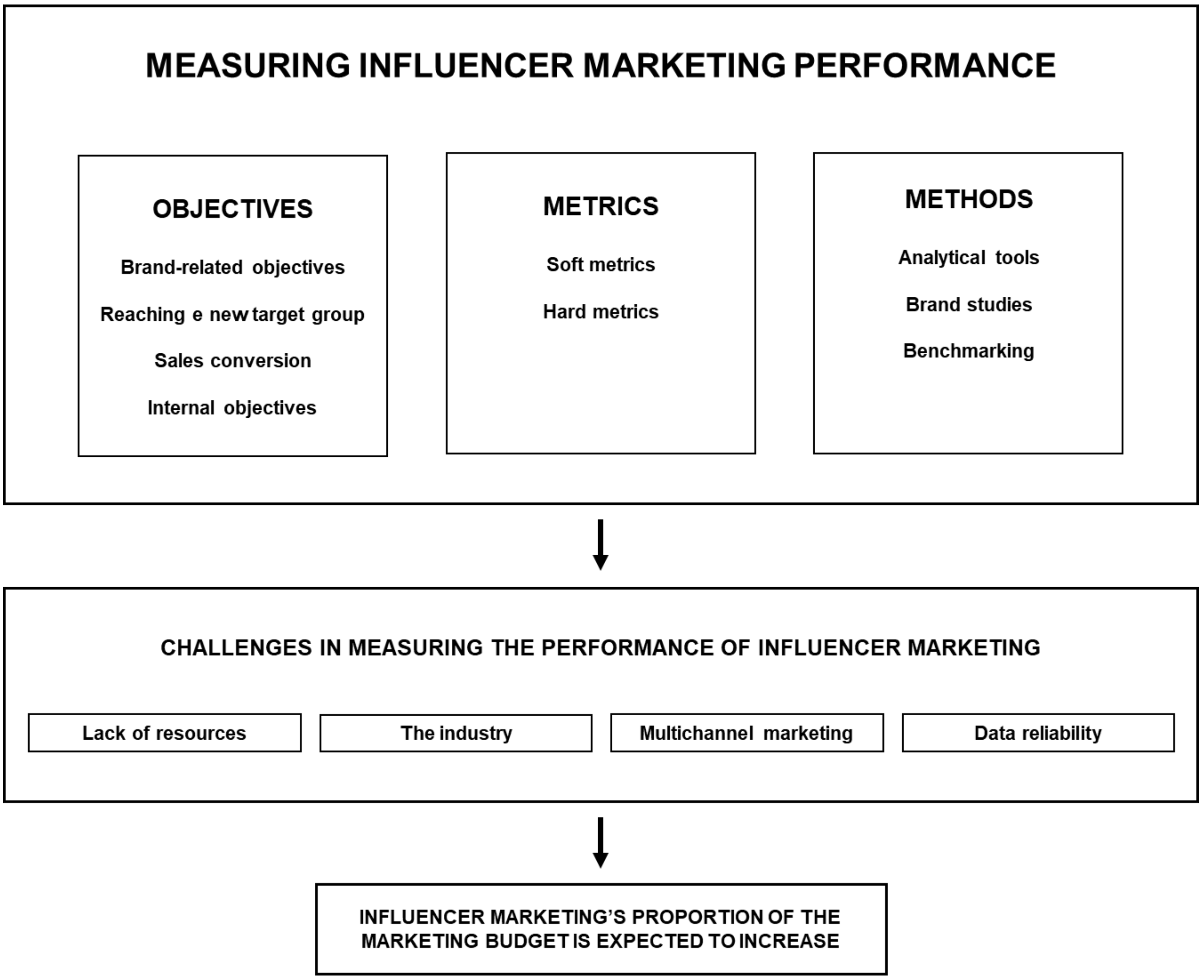

Figure 7. Visualization of the findings

5 DISCUSSION AND CONCLUSIONS

In this chapter, the main findings of the study are concluded. First, the study is summarized. Then the theoretical contributions and practical implications are critically reviewed, after which the limitations of the study are presented and ideas for further research are proposed.

5.1 Summary

The aim of this study was to develop a better understanding of how influencer marketing is measured by companies operating in the food industry. To gain a better understanding of the current situation, 8 marketing experts from 7 different companies were interviewed. Furthermore, the aim was to fill the research gap in the literature regarding measuring influencer marketing. The research identified the main objectives, metrics, and methods of influencer marketing. Moreover, it identified the main challenges of measuring the performance.

To begin with, the three features of a performance measurement system, objectives, metrics, and methods, are essential for understanding how influencer marketing is measured. The results confirmed the importance of setting objectives. The key objectives of measuring influencer marketing are brand-related objectives, reaching a new target group, sales conversion, and internal objectives. Even if objectives are determined, collaboration-specific numerical objectives are not set. The key metrics of influencer marketing can be divided into soft and hard metrics. Hard metrics are preferred, but as they are hard or some even impossible to measure, soft metrics are used. Soft metrics are also used to estimate the performance of hard metrics. To track the performance of these metrics, the study identified three main methods: analytical tools, brand studies and benchmarking. When collaborating with marketing agencies, companies mainly rely on the tools and reports of the agencies. Social media channels' own analytical tools and Google Analytics are used for tracking the traffic on companies' own social media platforms and website. Companies also use tracking codes as hashtags and UTM-codes to get more rich data. Brand studies are conducted to specifically measure the development of brand-related metrics. Then, when analyzing gathered data, benchmarking is often used. It determines the success or failure of a collaboration. Results are compared to competitors, influencers' other paid collaborations as well as non-paid posts, the company's other influencer collaborations and other marketing activities. However, even if benchmarking is the main method for analyzing performance, it is also highly criticized. Differences in campaigns, channels, influencers' audiences, and marketing activities make analysis based on benchmarking unreliable.

The key challenges of measuring influencer marketing are lack of resources, the food industry, multichannel marketing, and data reliability. The skepticism of management towards influencer marketing results in other forms of marketing being prioritized. When there is a lack of time and financial resources, the analysis of influencer marketing performance suffers. As online stores are not that common in the food industry, the whole buying process cannot be tracked. When the link between a campaign and a purchase cannot be identified, sales conversion cannot be measured. Another challenge in the food industry is the volume of products that needs to be sold, which means that a large audience needs to be reached. That makes reach an extremely important metric. Influencer marketing is often implemented across multiple platforms and channels, which makes gathering data and getting a coherent view very manual and time consuming. Additionally, it is impossible to measure the performance of specific marketing activities as the results cannot be separated. Often, the whole campaign is evaluated as a whole, and influencer marketing is only one part of it. Lastly, challenges relating to data reliability mostly concern brand studies and soft metrics. As the purchase is not done immediately after seeing an influencer marketing campaign, it can be difficult for consumers to know whether seeing it affected their purchase. Soft metrics are criticized for being unreliable because of the strong likelihood of for instance automatic likes and false reading lengths.

Overall, it is not possible to measure the financial return on investment of a specific influencer marketing collaboration in the food industry. Still, in many companies, influencer marketing's proportion of the marketing budget is increasing and there are high expectations on the future of influencer marketing. Marketing spending is explained by the credibility of influencers, visibility- and engagement numbers and brand study results.

5.2 Theoretical contributions

First and foremost, this study contributes to filling the research gap in academic literature regarding influencer marketing and how it should be measured. It has been the topic of many commercial articles (eMarketer, 2019; Forbes, 2019; Forrester, 2018; Forrester, 2019; Mediakix, 2019; Monochrome, 2018; Oberlo, 2019a; Suomen Digimarkkinointi Oy, 2020; Troot, 2020), but has only briefly been discussed in scientific literature (Backaler, 2018; Martensen, Brockenhuus-Schack and Zahid, 2018; Xiao, Wang and Chan-Olmsted, 2018; Gräve, 2019). Gräve (2019, p. 8) highlighted the lacking literature on evaluating influencer marketing campaigns and emphasized the need for studies conducted in areas outside of Germany.

The findings of this study are compared to the theoretical framework formed by previous research in Figure 1 in Chapter 1.3. The framework is updated in Figure 8 according to the findings. When comparing the updated theoretical framework to the original one, it can be seen that the study identified a new key objective, internal objectives. Previous literature did not address the need for objectives that are set to prove internally that influencer marketing is a valuable marketing approach. This study did not identify new metric categories, but new insights regarding preferable metrics are discussed later in this chapter. The study also brought new insights regarding methods. Analytical tools, including tracking codes, and brand studies are defined as the main data gathering methods, whilst benchmarking is clearly the most used data analysis method. Soft metrics are gathered with analytical tools and brand-related metrics with brand studies. The performance is then compared to other campaigns and collaborations. Previous studies stated that the objectives should determine the metric and method choices and that method choices are also affected by metric choices. However, this study suggests that these choices are highly affected by the availability of metrics and methods. As soft metrics as likes, shares, impressions etc. are easy to access through free analytical tools, they often determine the success of a campaign, even if the end goal is to sell as much as possible. There are also a wide range of methods and tools, but lack of resources makes free analytical tools and traditional brand studies popular. Metric choices are then also determined by the metrics provided by these tools. In other words, this study questions previous studies and suggests that measuring is more complex than stated. Objective-, metric- and method choices are all affected by each other.

In conclusion, this study supports existing theories and statements but offers also new specific insights and challenges previous literature. The main theoretical contributions are presented in more detail by reflecting the findings of the study to the research questions.

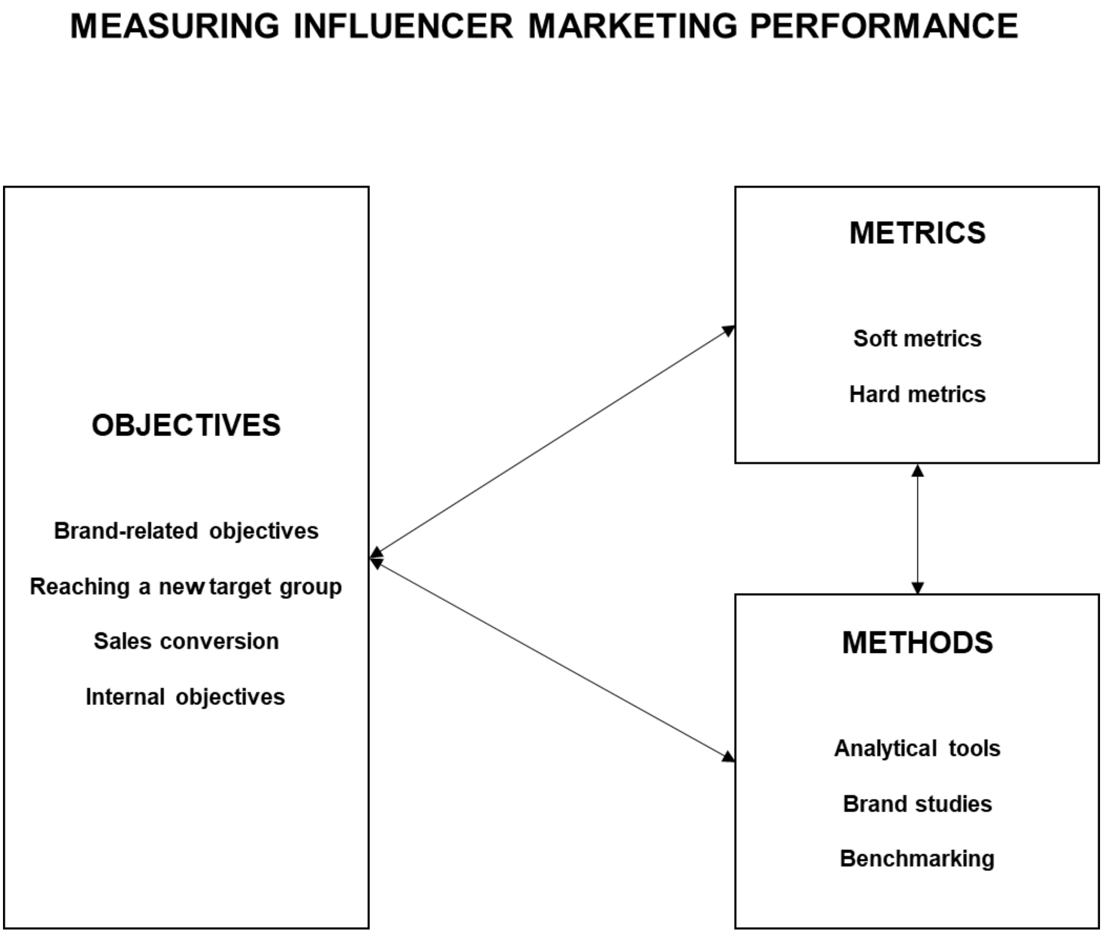

Figure 8. Updated theoretical framework

SQ1. What are the key objectives of influencer marketing?

The interviews supported the literature that stated that the main objectives, that take the qualities of social media into consideration, are brand awareness, brand engagement, word of mouth, reaching new target groups, generating traffic to online platforms, improving corporate image and sales conversion (Hoffman and Fodor, 2010, p. 43; Pletikosa Cvijikj, Dubach Spiegler and Michahelles, 2013, p. 1326; McCann and Barlow, 2015, p. 275; Felix, Rauschnabel and Hinsch, 2017, p. 119; Backaler, 2018, p. 89). However, the analysis revealed that even if generating traffic to online platforms is wished, it is not the most important objective. Generating traffic to online platforms would be more important if purchases were made online. However, as in the context of this study the purchase is made in a physical store, the goal is to drive foot traffic to the store. The study also identified internal objectives. The top management of companies tend to struggle to see the benefits of influencer marketing compared to more traditional marketing efforts. For instance, TV- and leaflet marketing might reach a much bigger group of people than influencers. Therefore, marketers set internal goals for proving internally that influencer marketing is worth the investment. This is done by for instance highlighting the credibility of influencers and explaining that influencer marketing can reach a completely different group than traditional marketing. It can also reach a very specific target group. Previous literature has not emphasized the need for internal objectives to better explain marketing spending or even prove that influencer marketing should be invested in.

The importance of objectives related to brand awareness, word of mouth and purchase intention have been explained by the hierarchy of effects (HOE) model (Hutter *et al.*, 2013), and even if this study confirmed the importance of those objectives, it also questioned whether the model is applicable in the context of influencer marketing. The HOE model suggests a path along which consumers go when reacting to an advertisement and according to it, brand loyalty is reached after purchase (Lavidge and Steiner, 1961; Barry and Howard, 1990). Hutter et al. (2013, pp. 343–344) state that word of mouth has a big impact on whether the consumer begins to like or unlike the brand and that when consumers like a brand and are loyal to it, they tend to tell other people about it. However, the findings of this study claim that one form of brand loyalty can with influencer marketing be reached before the consumer has bought and used the product. Influencer marketing builds brand loyalty fast as influencers have gained a high level of credibility and are trusted more than brands by their followers. When an influencer has gained the trust of their followers, the followers might believe in a brand or product because the influencer does. The followers might for instance have tried other recommendations of the influencer and had a good experience. Thus, they trust the future recommendations of the influencer.

As a result, the study divides influencer marketing objectives into brand-related objectives, reaching a new target group, sales conversion, and internal objectives.

SQ2. What are the key metrics of measuring influencer marketing outcomes?

Even if the findings support Keegan and Rowley's (2017, p. 19) statement that objectives should be the basis of any metric and method choices, this study proposes an exception. As claimed earlier, sales conversion is the key objective of influencer marketing. However, since the direct effect of influencer marketing on purchase intention in a physical store cannot be evaluated, the key metrics are not related to the key objective. This could explain why "marketers mostly rely on quantitative, readily available metrics, like the number of interactions or reach, to evaluate influencer marketing activities" (Gräve, 2019, p. 7). These soft metrics are used as they are easy to access. The study added that these metrics make comparing campaigns easier.

The study supports Gräve (2019, p. 7), who argues that marketers are aware of the unreliability of quantitative soft metrics and thus support these metrics with qualitative metrics as comment quality. This can partly be explained by Peters et al.'s (2013, p. 292) statement that engaged consumers are more important for a brand than a bunch of passive consumers. However, this study also suggests that a metric as reach is very important when marketing fast-moving consumer goods, as a large audience needs to be reached. Therefore, quality-based metrics might be more informative (Peters *et al.*, 2013, p. 292), but not always the most relevant. However, as the study confirmed that credibility is one of the corner stones of influencer marketing, qualitative metrics are perceived as very important for evaluating content- and advertising quality.

Previous studies state that in some cases, soft metrics can also be the best available option to measure the return on investment of influencer marketing activities (Backaler, 2018, pp. 159–160). The interviews supported this statement, but also explained why. Hard metrics are preferred, but as they are hard or some even impossible to measure, soft metrics are used. Soft metrics are also used to estimate the performance of hard metrics. If the soft metrics meet or exceed the expectations, the campaign is also expected to perform well financially.

Overall, this study states that the framework for traditional marketing metrics, suggested by Ambler, Kokkinaki and Puntoni (2004), is not applicable in the context of influencer marketing as the link between marketing activities and financial outputs is not linear. Instead, it supports Peters et al. (2013), who state that social media metrics need to measure motives, content, network structure as well as social roles and interactions. In other words, this view on metrics is not only relevant for social media marketing, but also for influencer marketing. In influencer marketing brand managers still lack control, but in addition to consumers, also influencers are in control.

SQ3. What are the key methods of measuring influencer marketing outcomes?

From the perspective of methods, the study introduced three main methods: analytical tools, brand studies and benchmarking. Previous research on evaluating influencer marketing- and social media marketing activities, have concentrated on objectives and metrics, and overlooked methods (Peters *et al.*, 2013; Gräve, 2019). As Franco-Santos et al. (2007), who based on reviewing various researches' definitions of performance measurement systems, identified the three main features: objectives, metrics and methods, the study also found all of these relevant for understanding how influencer marketing is measured. According to McCann and Barlow (2015, p. 278), analytical tools should be chosen based on the objectives and metrics that are used. However, thia study revealed that the availability and affordability of social media platforms' own analytical tools is often one of the main reasons for metric choices. In other words, metrics are also chosen based on methods and not only the other way around.

The two other main methods, brand studies and benchmarking, were not brought up in the literature. Brand studies are conducted to measure the performance of brand-related metrics as brand recognition, top of mind, brand penetration, brand preference and brand image. This method is used on a regular basis and is highly valued by marketers because of the importance of brand-related objectives and metrics. However, the results of the brand studies cannot be connected to specific campaigns. In other words, if other marketing efforts are taken alongside influencer marketing, it is not possible to know whether a specific influencer collaboration effected the brand metrics. Instead, it is believed that all marketing efforts have had an impact. Benchmarking, on the other hand, is the main method for analyzing performance. The results of influencer marketing campaigns, that are gathered by analytical tools, are compared with competitors, influencers' other paid collaborations as well as non-paid posts, the company's other influencer collaborations and other marketing activities. Benchmarking determines the success or failure of a campaign. Yet, the study also revealed that benchmarking is highly criticized. Differences in campaigns, channels, influencers' audiences, and marketing activities make analysis based on benchmarking unreliable. Peters et al. (2013, pp. 289–295) emphasize that the biggest differences between traditional- and social media result in the need for metrics that rather than measure the actual number in that moment, measure the increase or decrease of key numbers. In the context of influencer marketing, where similar, comparable campaigns, are very rare, this type of analysis is difficult. Therefore, this study questions whether that statement is applicable in the context of influencer marketing.

SQ4. What challenges are there in measuring influencer marketing?

This study aimed at answering the fourth and last sub-question only based on empirical research and not on a combination of theoretical and empirical research as the other three questions. Existing literature has indicated that measuring influencer marketing and social media marketing is difficult because of the lack of control of the brand managers (Peters *et al.*, 2013, pp. 289–290; Gräve, 2019, p. 3) and that a lot of marketers do not measure the performance of their social media marketing

(Michaelidou, Siamagka and Christodoulides, 2011; McCann and Barlow, 2015, p. 280). Even if limited control was discussed during the interviews and the main challenges relate to it, the lack of control is not only caused by people with influence as the literature states (Peters *et al.*, 2013, pp. 289–290; Gräve, 2019, p. 3). Nonetheless, the study proved that marketers do measure the performance of influencer marketing campaigns.

The research identified four main challenges of evaluating influencer marketing in the food industry: challenges caused by the lack of resources, by the industry, by multichannel marketing, and by data reliability. By identifying these challenges, the study contributed to explaining the confusion regarding why companies struggle to measure the performance of influencer marketing (Michaelidou, Siamagka and Christodoulides, 2011; McCann and Barlow, 2015; Backaler, 2018). Firstly, lack of time and budget has a negative impact on analysis. Secondly, challenges caused by the food industry relate to the buying process and as a result of that, the link between marketing activities and sales being cut off because the purchase is made in a physical store. Thirdly, multichannel marketing makes gathering data very manual and time-consuming, and measuring the results of a specific activity impossible. Lastly, brand study results and soft metrics, that are the key metrics used for evaluating performance, are criticized for being unreliable. The unreliability of soft metrics is supported by previous studies (Hoffman and Fodor, 2010; Backaler, 2018, p. 156; Forrester, 2018; Gräve 2019, p.1).

The key contributions of this study

The key contributions of this study, that have not been brought up in previous literature, are summarized in Table 2. Studies regarding influencer marketing- and social media marketing objectives overlook the need for internal goals. This study highlights that the credibility of influencer marketing is still questioned by upper management and therefore, the goal of campaigns is also to prove internally that influencer marketing is worth the investment. The study also looked into marketers' preferred metrics and revealed that they would like to use hard metrics as sales, but as the impact of collaborations on sales is not possible to measure, soft metrics determine the success or failure of campaigns. Additionally, if a campaign is successful, according to the soft metrics, then marketers expect that it has also been a success from the sales' point of view. In other words, soft metrics are also used to estimate the performance of hard metrics. Previous studies on measurement methods have concentrated on analytical tools and tracking codes. In addition to these, this study identified two other methods: brand studies and benchmarking. Brand studies are so called data gathering methods. With these marketers measure the performance of brand-related metrics. Influencer marketing is often used to change, strengthen, or improve brand image, and thus, brand studies are highly valued also when evaluating influencer marketing campaigns. Benchmarking on the other hand, is a data analysis method. Gathered data is analyzed by comparing it to competitors, influencers' other paid collaborations as well as non-paid posts, companies' other influencer collaborations and other marketing activities.

As mentioned earlier, according to previous studies, objectives should determine metric and method choices and method choices are also affected by metric choices. However, this study revealed that these choices are highly affected by the availability of metrics and methods. Even if it is not possible to measure the effect influencer marketing has on sales, sales conversion is still one of the main objectives of a campaign. When it is not possible to measure the effect on sales, other metrics are used. This means that the metrics are not related to the key objective. Instead, metrics that are available and that are easy to report on are chosen. The choice of metrics is also affected by the methods and tools used, and metrics provided by them. As there is a wide range of methods and tools, and lack of resources is one of the main challenges of measuring, the choice is often made based on the availability and affordability of them.

The study also pointed out the main challenges of influencer marketing. Besides lack of resources, also industry-specific challenges, multichannel marketing, and data reliability, were seen as the main barriers. Lack of resources is highly affected by the skepticism of upper management towards the credibility of influencer marketing. When other marketing approaches are preferred, there is not enough time or money to analyze influencer marketing efforts.

In addition to the theoretical contributions related to objectives, metrics, methods, and challenges, the study also proposed that there is value in more than only measurable results. The content created by influencers is very valuable as it can be used for other marketing approaches as well. Therefore, a campaign can be found profitable even if the actual performance of it is not or cannot be measured.

New objective	Internal objectives are set to prove internally that influencer marketing is worth the investment.
Preferred metrics	Marketers tend to prefer hard metrics, but as they are hard or some even impossible to measure, soft metrics are used. Soft metrics are also used to estimate the performance of hard metrics.
New methods	Two main methods of measuring influencer marketing performance are brand studies and benchmarking. Brand studies are conducted to gather data on the development of brand-related metrics, whilst benchmarking was found to be the main method for analyzing influencer marketing performance.
Choice of objectives, metrics, and methods	As all objectives cannot be measured or are hard to measure, they are also determined based on the availability of metrics and methods. Moreover, metric choices are also affected by the availability of methods and method choices by the chosen metrics. All in all, objective-, metric- and method choices are all affected by each other.
Challenges	The main challenges of measuring influencer marketing performance in the food industry are lack of resources, the industry, multichannel marketing, and data reliability.
Management	The skepticism of management towards influencer marketing has a negative impact on the resources put into this form of marketing. Lack of time and budget then has a negative impact on the measurement and analysis of results.

Additional benefits of influencer marketing	There are additional benefits that cannot be measured. As influencers are creative content creators, the value of their created content can be so high that results or measuring becomes irrelevant. Companies can use the content in other forms of marketing as well or get ideas that they would not have come up with themselves. When the absolute long-term value of the content itself is high, other objectives might not be set at all.

Table 2. Theoretical contributions of the study

5.3 Practical implications

This study also gives valuable practical implications. The findings are very context-dependent, as mentioned earlier, and should therefore not be generalized. However, they at least aim at offering useful implications for the interviewed company representatives and other experts within the companies. The study made them analyze their processes, strengths, weaknesses, and possible areas of improvements, but also, it gave insights about the situation in other companies operating in the same industry. Moreover, other companies in the same industry but also in other industries, that were not interviewed for the study, can also find valuable insights and ideas for their context. Furthermore, this study contributed to gaining an understanding of how marketers measure the real impact of influencer marketing and prove that it is worth the investment. This could explain the confusion regarding influencer marketing's increasing proportion of the marketing budget (Skinner, 2019), whilst companies struggle to measure the performance of social media marketing (Michaelidou, Siamagka and Christodoulides, 2011; McCann and Barlow, 2015; Backaler, 2018). Even if the study revealed, that in this context, it is not possible to measure the exact impact of influencer marketing or prove financially that it is worth investing in, it explained why not and how industry experts tackle these issues.

This study provides insights about the challenges, but also barriers of influencer marketing measurement. Therefore, it also suggests a direction in which the development of future analytical tools, services and standards should aim at going. For instance, as the study revealed that analyzing the performance of influencer marketing is extremely manual, automatization would overcome many challenges. Furthermore, the study highlights the need for a tool and/or service which makes measuring a specific campaign easier. One interviewee mentioned that TV platforms offer to conduct a brand study both before and after a campaign and that influencer agencies could offer the same service for their customers. As brand-related objectives are very important for companies and they would like to conduct brand studies more frequently, this also serves a spot for new services or service improvement within the industry. Also, if there were an industry standard according to which all influencer marketing results would be reported with the same metrics and over the same time period, comparing results would be easier and more reliable. The study also stresses the biggest barrier of evaluating influencer marketing in the food industry, not being able to measure financial return on investment. If other as credible marketing approaches as influencer marketing arise, and the financial performance of this form of marketing is easier to measure, it could decrease the popularity of influencer marketing. All in all, even if this study is not generalizable, it does not only offer practical implications for the interviewed companies or other companies in the industry, but mostly for anyone who wants to drive these suggested changes.

5.4 Limitations and future research

Since this study, as all other pieces of research, is subject to many limitations, it serves many opportunities for future research. Therefore, the main limitations of this study should be discussed.

First, this study researched category- and micro-influencers as a group. As influencer marketing through micro-influencers has increased due to their credibility and the findings of this study indicate that there are big differences between how influencers report the results, these two groups could be studied individually. Moreover, some companies contact bigger influencers directly and micro-influencers through agencies, and some the other way around. Future research could study whether communicating with influencers directly or through agencies affects measurement quality.

Second, this research studied the subject from the perspective of companies. Researching performance measurement from the perspective of agencies or influencers could bring valuable insights. Understanding the possible differences between the opinions of these three industry actors could specify the areas of improvement. Additionally, this study was conducted with a qualitative research method and the findings are therefore not generalizable. Future research could confirm and complement the findings by conducting a quantitative study with more respondents.

Third, as this study only researched fast moving consumer goods in the food industry in Finland, research on high-involvement products, other industries, and the situation in other countries, could be conducted. As the findings of this study are only relevant and applicable for this context, it could be interesting to study whether the product category, industry, or geographical area influences measuring.

The empirical research also brought up some suggestions for future research. Similar campaigns, specific social media platforms or specific metrics could be the subject of future research. Even if the interviewees of this study stated that using many platforms only makes measuring more manual, it was also stated that different metrics are measured on each platform and that some platforms offer better conditions for measurement. As soft metrics, that are offered for free, are used a lot but also criticized, their practical usefulness compared to more complex metrics could be researched in more depth. As many interviewees also stressed the need for more systematical analysis, future research could propose a process for analyzing the performance of influencer marketing. In general, more theories should be explored to add to the understanding of influencer marketing.

REFERENCES

Aaker, D. A. and Jacobson, R. (1994) ‘The Financial Information Content of Perceived Quality’, *Journal of Marketing Research*. JSTOR, 31(2), p. 191. doi: 10.2307/3152193.

Aaker, D. a (1991) ‘Managing Brand Equity’, *Journal of Marketing*. The Free Press, 56(2), p. 125.

Ambler, T. (2000) ‘Marketing metrics’, *Business Strategy Review*, 11(2), pp. 59–66. doi: 10.1111/1467-8616.00138.

Ambler, T., Kokkinaki, F. and Puntoni, S. (2004) ‘Assessing Marketing Performance: Reasons for Metrics Selection’, *Journal of Marketing Management*. Informa UK Limited, 20(3–4), pp. 475–498. doi: 10.1362/026725704323080506.

Ambler, T. and Roberts, J. H. (2008) ‘Assessing marketing performance: Don’t settle for a silver metric’, *Journal of Marketing Management*. Routledge, 24(7–8), pp. 733–750. doi: 10.1362/026725708X345498.

Atkin, C. and Block, M. (1983) ‘Effectiveness of Celebrity Endorsers’, *Journal of Advertising Research*, 23(1), pp. 57–61. doi: Article.

Backaler, J. (2018) *Digital influence: Unleash the power of influencer marketing to accelerate your global business*, *Digital Influence: Unleash the Power of Influencer Marketing to Accelerate your Global Business*. Palgrave Macmillan. doi: 10.1007/978-3-319-78396-3.

Barreda, A. A. *et al.* (2015) ‘Generating brand awareness in Online Social Networks’, *Computers in Human Behavior*. Elsevier Ltd, 50, pp. 600–609. doi: 10.1016/j.chb.2015.03.023.

Barry, T. E. and Howard, D. J. (1990) ‘A Review and Critique of the Hierarchy of Effects in Advertising’, *International Journal of Advertising*, 9(2), pp. 121–135. doi: 10.1080/02650487.1990.11107138.

Boerman, S. C., Willemsen, L. M. and Van Der Aa, E. P. (2017) ‘“This Post Is Sponsored”: Effects of Sponsorship Disclosure on Persuasion Knowledge and Electronic Word of Mouth in the Context of Facebook’, *Journal of Interactive Marketing*. Elsevier Inc., 38, pp. 82–92. doi: 10.1016/j.intmar.2016.12.002.

Breves, P. L. *et al.* (2019) ‘The Perceived Fit between Instagram Influencers and the Endorsed Brand’, *Journal of Advertising Research*. WARC Limited, 59(4), pp. 440–454. doi: 10.2501/jar-2019-030.

Choong, K. K. (2014) ‘Has this large number of performance measurement publications contributed to its better understanding? A systematic review for research and applications’, *International Journal of Production Research*. Taylor and Francis Ltd., pp. 4174–4197. doi: 10.1080/00207543.2013.866285.

Chung, S. and Cho, H. (2017) ‘Fostering parasocial relationships with celebrities on social media: Implications for celebrity endorsement’, *Psychology and Marketing*. Wiley-Liss Inc., 34(4), pp. 481–495. doi: 10.1002/mar.21001.

Clark, B. H. (1999) ‘Marketing Performance Measures: History and Interrelationships’, *Journal of Marketing Management*. Informa UK Limited, 15(8), pp. 711–732. doi: 10.1362/026725799784772594.

Clark, B. H., Abela, A. V. and Ambler, T. (2006) ‘An information processing model of marketing performance measurement’, *Journal of Marketing Theory and Practice*, 14(3), pp. 191–208. doi: 10.2753/MTP1069-6679140302.

Coffey, A. and Atkinson, P. (1996) *Making sense of qualitative data: Complementary research strategies.* CA: Sage Publications, Inc.

Cotter, K. (2019) ‘Playing the visibility game: How digital influencers and algorithms negotiate influence on Instagram’, *New Media and Society*. SAGE Publications Ltd, 21(4), pp. 895–913. doi: 10.1177/1461444818815684.

Day, G. and Fahey, L. (1988) ‘Valuing Market Strategies’, *Journal of Marketing*. SAGE Publications, 52(3), p. 45. doi: 10.2307/1251449.

Dholakia, R. R. and Sternthal, B. (1977) ‘Highly Credible Sources: Persuasive Facilitators or Persuasive Liabilities?’, *Journal of Consumer Research*. Oxford University Press (OUP), 3(4), p. 223. doi: 10.1086/208671.

Ding, H., Molchanov, A. E. and Stork, P. A. (2011) ‘The value of celebrity endorsements: A stock market perspective’, *Marketing Letters*, 22(2), pp. 147–163. doi: 10.1007/s11002-010-9117-y.

Erdogan, B. Z. (1999) ‘Celebrity Endorsement: A Literature Review’, *Journal of Marketing Management*. Informa UK Limited, 15(4), pp. 291–314. doi: 10.1362/026725799784870379.

Felix, R., Rauschnabel, P. A. and Hinsch, C. (2017) ‘Elements of strategic social media marketing: A holistic framework’, *Journal of Business Research*. Elsevier Inc., 70, pp. 118–126. doi: 10.1016/j.jbusres.2016.05.001.

Flick, U. (2012) *Designing Qualitative Research*, *Designing Qualitative Research*. SAGE Publications, Ltd. doi: 10.4135/9781849208826.

Franco-Santos, M. *et al.* (2007) ‘Towards a definition of a business performance measurement system’, *International Journal of Operations and Production Management*, 27(8), pp. 784–801. doi: 10.1108/01443570710763778.

Fulgoni, G. M. (2015) ‘How brands using social media ignite marketing and drive growth: Measurement of paid social media appears solid but are the metrics for organic social overstated?’, *Journal of Advertising Research*. World Advertising Research Center, 55(3), pp. 232–236. doi: 10.2501/JAR-2015-004.

Gong, W. and Li, X. (2017) ‘Engaging fans on microblog: the synthetic influence of parasocial interaction and source characteristics on celebrity endorsement’, *Psychology and Marketing*. Wiley-Liss Inc., 34(7), pp. 720–732. doi: 10.1002/mar.21018.

Goodman, S. R. (1969) ‘THE MARKETING-CONTROLLER CONCEPT: AN INQUIRY INTO FINANCIAL/MARKETING RELATIONSHIPS IN SELECTED CONSUMER-GOODS COMPANIES*’, *The Financial Review*. Wiley-Blackwell, 4(1), pp. 267–268.

doi: 10.1111/j.1540-6288.1969.tb01734.x.

Gräve, J.-F. (2019) ‘What KPIs Are Key? Evaluating Performance Metrics for Social Media Influencers’, *Social Media + Society*. SAGE Publications Ltd, 5(3), p. 205630511986547. doi: 10.1177/2056305119865475.

Hoffman, D. L. and Fodor, M. (2010) ‘Can you measure the ROI of your social media marketing?’, *MIT Sloan Management Review*, 52(1), pp. 41–49.

Hoyer, W. D. and Brown, S. P. (1990) ‘Effects of Brand Awareness on Choice for a Common, Repeat-Purchase Product’, *Journal of Consumer Research*. Oxford University Press (OUP), 17(2), p. 141. doi: 10.1086/208544.

Huang, R. and Sarigöllü, E. (2012) ‘How brand awareness relates to market outcome, brand equity, and the marketing mix’, *Journal of Business Research*, 65(1), pp. 92–99. doi: 10.1016/j.jbusres.2011.02.003.

Hutter, K. *et al.* (2013) ‘The impact of user interactions in social media on brand awareness and purchase intention: The case of MINI on Facebook’, *Journal of Product and Brand Management*, 22(5), pp. 342–351. doi: 10.1108/JPBM-05-2013-0299.

Ibidunni, A. S. *et al.* (2018) ‘Data on customer perceptions on the role of celebrity endorsement on brand preference’, *Data in Brief*. Elsevier Inc., 18, pp. 1107–1110. doi: 10.1016/j.dib.2018.03.138.

Ittner, C. D., Larcker, D. F. and Randall, T. (2003) ‘Performance implications of strategic performance measurement in financial services firms’, *Accounting, Organizations and Society*, 28(7–8), pp. 715–741. doi: 10.1016/S0361-3682(03)00033-3.

Johnson, H. T. (1981) ‘Toward a New Understanding of Nineteenth-Century Cost Accounting’, *The Accounting Review*, 56(3), pp. 510–518. doi: 10.2307/246912.

Kaikati, J. G. (1987) ‘Celebrity Advertising a Review and Synthesis’, *International Journal of Advertising*, 6(2), pp. 93–105. doi: 10.1080/02650487.1987.11107007.

Keegan, B. J. and Rowley, J. (2017) ‘Evaluation and decision making in social media marketing’, *Management Decision*. Emerald Group Publishing Ltd., 55(1), pp. 15–31. doi: 10.1108/MD-10-2015-0450.

Keller, K. L. (1993) ‘Conceptualizing, Measuring, and Managing Customer-Based Brand Equity’, *Journal of Marketing*. SAGE Publications, 57(1), pp. 1–22. doi: 10.1177/002224299305700101.

Kohli, A. K. and Jaworski, B. J. (1990) ‘Market Orientation: The Construct, Research Propositions, and Managerial Implications’, *Journal of Marketing*. SAGE Publications, 54(2), p. 1. doi: 10.2307/1251866.

Kotler, P. (1977) ‘From Sales Obsession to Marketing Effectiveness’, *Harvard Business Review*, 55(6), pp. 67–75.

Lavidge, R. J. and Steiner, G. A. (1961) ‘A Model for Predictive Measurements of Advertising Effectiveness’, *Journal of Marketing*. SAGE Publications, 25(6), p. 59. doi: 10.2307/1248516.

Martensen, A., Brockenhuus-Schack, S. and Zahid, A. L. (2018) ‘How citizen influencers persuade their followers’, *Journal of Fashion Marketing and Management*. Emerald Group Publishing Ltd., 22(3), pp. 335–353. doi: 10.1108/JFMM-09-2017-0095.

Maxwell, J. (2012) *Qualitative Research Design: An Interactive Approach*. 3rd ed. CA: SAGE Publications, Inc.

McCann, M. and Barlow, A. (2015) ‘Use and measurement of social media for SMEs’, *Journal of Small Business and Enterprise Development*. Emerald Group Publishing Ltd., 22(2), pp. 273–287. doi: 10.1108/JSBED-08-2012-0096.

McDonald, M. (2010) ‘A brief review of marketing accountability, and a research agenda’, *Journal of Business and Industrial Marketing*, 25(5), pp. 383–394. doi: 10.1108/08858621011058142.

Michaelidou, N., Siamagka, N. T. and Christodoulides, G. (2011) ‘Usage, barriers and measurement of social media marketing: An exploratory investigation of small and medium B2B brands’, *Industrial Marketing Management*, 40(7), pp. 1153–1159. doi: 10.1016/j.indmarman.2011.09.009.

Miles, M. B. (1979) ‘Qualitative Data as an Attractive Nuisance: The Problem of Analysis’, *Administrative Science Quarterly*. JSTOR, 24(4), p. 590. doi: 10.2307/2392365.

Neely, A., Gregory, M. and Platts, K. (1995) ‘Performance measurement system design: A literature review and research agenda’, *International Journal of Operations and Production Management*, pp. 80–116. doi: 10.1108/01443579510083622.

Pan, L. Y. and Chiou, J. S. (2011) ‘How Much Can You Trust Online Information? Cues for Perceived Trustworthiness of Consumer-generated Online Information’, *Journal of Interactive Marketing*, 25(2), pp. 67–74. doi: 10.1016/j.intmar.2011.01.002.

Peters, K. *et al.* (2013) ‘Social media metrics - A framework and guidelines for managing social media’, *Journal of Interactive Marketing*, 27(4), pp. 281–298. doi: 10.1016/j.intmar.2013.09.007.

Pfeffer, J., Zorbach, T. and Carley, K. M. (2014) ‘Understanding online firestorms: Negative word-of-mouth dynamics in social media networks’, *Journal of Marketing Communications*, 20(1–2), pp. 117–128. doi: 10.1080/13527266.2013.797778.

Pletikosa Cvijikj, I., Dubach Spiegler, E. and Michahelles, F. (2013) ‘Evaluation framework for social media brand presence’, *Social Network Analysis and Mining*. Springer-Verlag Wien, 3(4), pp. 1325–1349. doi: 10.1007/s13278-013-0131-y.

Pradhan, D., Duraipandian, I. and Sethi, D. (2016) ‘Celebrity endorsement: How celebrity–brand–user personality congruence affects brand attitude and purchase intention’, *Journal of Marketing Communications*. Routledge, 22(5), pp. 456–473. doi: 10.1080/13527266.2014.914561.

Prentice, C. and Zhang, L. (2017) ‘Celebrity endorsement and stock market return’, *Marketing Intelligence and Planning*. Emerald Group Publishing Ltd., 35(4), pp. 529–543. doi: 10.1108/MIP-10-2016-0197.

Richardson, N. (2020) *Sustainable Marketing Planning*. 1st ed. New York: Routledge.

Romaniuk, J. (2012) 'Marketing matters: The various words of mouth - moving beyond the "Road-to-Damascus" conversion', *Journal of Advertising Research*, 52(1), pp. 12–14. doi: 10.2501/JAR-52-1-012-014.

Rosario, A. B. *et al.* (2016) 'The effect of electronic word of mouth on sales: A meta-analytic review of platform, product, and metric factors', *Journal of Marketing Research*. American Marketing Association, 53(3), pp. 297–318. doi: 10.1509/jmr.14.0380.

Rothe, J. T., Harvey, M. G. and Jackson, C. E. (1997) 'The Marketing Audit: Five Decades Later', *Journal of Marketing Theory and Practice*. Informa UK Limited, 5(3), pp. 1–16. doi: 10.1080/10696679.1997.11501768.

Saunders, M., Lewis, P. and Thornhill, A. (2016) *Reserach Methods for Business Student*, *Climate Change 2013 - The Physical Science Basis*. Pearson Education Limited. doi: 10.1017/CBO9781107415324.004.

Seggie, S. H., Cavusgil, E. and Phelan, S. E. (2007) 'Measurement of return on marketing investment: A conceptual framework and the future of marketing metrics', *Industrial Marketing Management*, 36(6), pp. 834–841. doi: 10.1016/j.indmarman.2006.11.001.

Sinkovics, R. R., Ghauri, P. N. and Penz, E. (2005) 'Analysing textual data in international marketing research', *Qualitative Market Research: An International Journal*, 8(1), pp. 9–38. doi: 10.1108/13522750510575426.

Spry, A., Pappu, R. and Cornwell, T. B. (2011) 'Celebrity endorsement, brand credibility and brand equity', *European Journal of Marketing*, 45(6), pp. 882–909. doi: 10.1108/03090561111119958.

Taticchi, P., Tonelli, F. and Cagnazzo, L. (2010) 'Performance measurement and management: A literature review and a research agenda', *Measuring Business Excellence*, pp. 4–18. doi: 10.1108/13683041011027418.

Töllinen, A. and Karjaluoto, H. (2011) 'Marketing communication metrics for social media', *International Journal of Technology Marketing*. Inderscience Publishers, 6(4), p. 316. doi: 10.1504/ijtmkt.2011.045911.

De Veirman, M., Cauberghe, V. and Hudders, L. (2017) 'Marketing through Instagram influencers: the impact of number of followers', *International Journal of Advertising*, 36(5), pp. 798–828. doi: https://doi.org/10.1080/02650487.2017.1348035.

Walker, O. C. and Ruekert, R. W. (1987) 'Marketing's Role in the Implementation of Business Strategies: A Critical Review and Conceptual Framework', *Journal of Marketing*. SAGE Publications, 51(3), p. 15. doi: 10.2307/1251645.

Xiao, M., Wang, R. and Chan-Olmsted, S. (2018) 'Factors affecting YouTube influencer marketing credibility: a heuristic-systematic model', *Journal of Media Business Studies*. Taylor and Francis Ltd, 15(3), pp. 188–213. doi: 10.1080/16522354.2018.1501146.

Commercial articles

eMarketer. (2019). *Global Influencer Marketing 2019*. [online] Available at: https://www.emarketer.com/content/global-influencer-marketing-2019 [Accessed 20 Feb. 2020].

Forbes. (2019). *Reflections On Influencer Marketing Measurement: KPIs For 2019 And Beyond*. [online] Available at: https://www.forbes.com/sites/forbescommunicationscouncil/2019/09/12/reflections-on-influencer-marketing-measurement-kpis-for-2019-and-beyond [Accessed 19 Feb. 2020].

Forrester. (2018). *Announcing The First Forrester New Wave™ Evaluation Of Influencer Marketing Solutions*. [online] Available at: https://go.forrester.com/blogs/announcing-forresters-first-new-wave-evaluation-of-influencer-marketing-solutions/ [Accessed 20 Feb. 2020].

Forrester. (2019). *The State Of Influencer Marketing: Growing*. [online] Available at: https://go.forrester.com/blogs/the-state-of-influencer-marketing-growing/ [Accessed 19 Feb. 2020].

Influencer Marketing Hub. (2019). *The State of Influencer Marketing 2019 : Benchmark Report [+Infographic]*. [online] Available at: https://influencermarketinghub.com/influencer-marketing-2019-benchmark-report/ [Accessed 20 Feb. 2020].

Instagram Help Centre. (2020). *View Insights on Instagram*. [online] Available at: https://help.instagram.com/1533933820244654 [Accessed 2 Mar. 2020].

Linqia. (2018). *The State of Influencer Marketing 2018*. [online] Available at: https://www.linqia.com/insights/report-the-state-of-influencer-marketing-2018/ [Accessed 24 Feb. 2020].

Mediakix. (2019). *The 2019 Guide to Measuring Influencer Marketing ROI*. [online] Available at: https://mediakix.com/influencer-marketing-resources/influencer-marketing-roi/ [Accessed 20 Feb. 2020].

Monochrome. (2018). *Kuinka mitata vaikuttajamarkkinointia?*. [online] Available at: https://monochrome.fi/kuinka-mitata-vaikuttajamarkkinointia/ [Accessed 19 Feb. 2020].

Oberlo. (2019). *10 Influencer Marketing Statistics You Need to Know in 2020 [Infographic]*. [online] Available at: https://www.oberlo.com/blog/influencer-marketing-statistics [Accessed 20 Feb. 2020].

SocialPubli. (2019). *2019 Influencer Marketing Report: A Marketer's Perspective | Social Publi Blog*. [online] Available at: https://socialpubli.com/blog/2019-influencer-marketing-report-a-marketers-perspective/ [Accessed 20 Feb. 2020].

Statista. (2020). *Instagram sponsored influencer content volume 2020 | Statista*. [online] Available at: https://www.statista.com/statistics/693775/instagram-sponsored-influencer-content/ [Accessed 20 Feb. 2020].

Suomen Digimarkkinointi Oy. (2020). *Vaikuttajamarkkinoinnin mittaaminen on tuloksellisen vaikuttajayhteistyön lähtökohta - Suomen Digimarkkinointi Oy*. [online] Available at: https://www.digimarkkinointi.fi/blogi/vaikuttajamarkkinoinnin-mittaaminen [Accessed 19 Feb. 2020].

Troot. (2020). *Vaikuttajamarkkinointi 2020 - Troot*. [online] Available at: https://troot.fi/2019/10/vaikuttajamarkkinointi-2020/ [Accessed 20 Feb. 2020].

Word Of Mouth Marketing Association. (2020). *Word Of Mouth Marketing Association*. [online] Available at: http://wommapedia.org/ [Accessed 24 Feb. 2020].

APPENDICES

Appendix 1. Interview questions

Background

1. What is your background in marketing and influencer marketing?
2. What is your role in the company?
   - What is the role of influencer marketing in your job / what tasks related to influencer marketing do you manage?
3. Do you manage influencer marketing yourselves or via a marketing agency?

Influencer marketing in general

4. For what purpose do you use influencer marketing? (e.g. for launching a new product, reaching a new target group etc.)
5. In what channels do your campaigns mainly run?
6. Does the choice or number of channels affect the measurement of influencer marketing? If so, how?

Objectives

7. What objectives do you have for influencer marketing campaigns?
   - How specific are they?
   - Does the type of campaign (individual posts or longer collaborations) affect the objectives? If so, how?
8. Are some objectives harder to measure than others? Which ones and why?

Metrics

9. Do you measure the performance of influencer marketing campaigns? If so, with what metrics?
   - What are good metrics?

10. Are you able to link the performance of influencer marketing to sales? What metrics do you use to measure financial outcomes (e.g. ROI)?

Methods - How do you track the performance of influencer marketing?

11. Do you use an analytical tool? Which one/ones?
    - For example, tools provided by social media channels (Instagram Insights) or by external service providers as Google, Meltwater, Underhood, Talkwalker and Klear.
12. Do you use specific tracking codes as UTM tags, promotional codes, discount codes or hashtags to track the performance of campaigns? Which one/ones?
13. Do you have a plan and/or timetable for the tracking?
    - Do you e.g. schedule times for when influencers share the metrics you are not able to see directly?
    - Do you have a clear process/strategy for planning, executing, and examining the performance?
    - Do you analyze the gathered data after the collaboration and use it for future campaigns?

Strengths and weaknesses

14. Have you faced any challenges in measuring the real impact of influencer marketing and proving that it is worth investing in? If so, what type of challenges?
15. What do you think works well about how you measure the performance of influencer marketing?
16. Do you think you could improve the way you measure the performance of influencer marketing? How?

Bonus question

17. Do you have something to add that I have not asked about, but you find important to talk about?

Thank you!

Appendix 2. Research questions and their relation to the interview questions

Research question	**Interview question**
SQ1. What are the key objectives of influencer marketing?	4, 7, 8
SQ2. What are the key metrics of measuring influencer marketing outcomes?	9, 10
SQ3. What are the key methods of measuring influencer marketing outcomes?	11, 12, 13
SQ4. What challenges are there in measuring influencer marketing?	6, 14, 16

Questions 1, 2, 3, 5 and 15 are supportive questions. The first three were asked to understand the expertise of the interviewees and the role of influencer marketing in the interviewees' jobs as well as in the companies. Question 5 supports question 6 and question 15 supports question 16.

Appendix 3. The analysis matrix

1st level categories	2nd level categories	Codes
Objectives	Brand-related objectives	Brand image, -awareness, -loyalty, -engagement, -advocacy, -building
	Reaching a new target group	Types of target groups
	Sales conversion	Sales, return on investment
	Internal objectives	Convincing management
Metrics	Soft metrics	Engagement metrics, qualitative metrics
	Hard metrics	Sales, return on investment
Methods	Analytical tools	Data collection methods, different analytical tools, tracking codes
	Brand studies	Data collection methods, brand measurement
	Benchmarking	Data analysis methods, comparing with other campaigns, collaborations, channels, influencers, and marketing activities.
Challenges	Lack of resources	Time- and money management
	The industry	Food industry-specific challenges
	Multichannel marketing	Challenges related to multichannel marketing

	Data reliability	Trust in data

Additionally, the study revealed additional findings that are divided into additional benefits and future of influencer marketing.