A Study on Virtual Influencer Marketing

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Abstract - Social media marketing is a crucial and effective way for brands to promote their products. Influencer marketing is one such subset of social media marketing that has been gaining a lot of popularity and is widely accepted by the consumers in the past few years. Currently, we see that the scenario is changing as now we have virtual influencers joining Instagram and gaining new followers every day. People are finding their profiles intriguing as they do not seem real but the kind of content they share is human in every way and hence their engagement rate is increasing day by day. On one hand, the consumers consider human influencers to be a reliable source and are used to consider their recommendations but on the other, there are a lot of advantages and possibilities linked with virtual influencers which the brands are finding hard to ignore. The shift might be inevitable but what matters is how the brands make this shift easy for their consumers to understand and accept.It might be easy for brands to accept this trend but making sure that their consumers are getting benefited from this trend will set them apart.

Key Words- Artificial Intelligence in marketing; Brand Collaboration; Influencer Marketing; Instagram trends; Social media marketing; Virtual Influencers

1.   INTRODUCTION

The emergence of social media has provided both the brands and the consumers to feel closer to each other. The brands listen to their consumers and try to reach their expectations and consumers freely talk about the product and share their reviews. Influencer marketing has gained a lot of admiration by the consumers as well as the brands which are predicted to spend around $15 billion on the same by 2022. But in recent years we can observe a shift towards virtual influencers publicizing the products instead of influential humans. This change is predicted to be usual in the coming years because of the various advantages it provides. This might seem to be a threat to the current influencers but can help the brands to reach large crowds with lesser investment and time. Various social media users now love to follow these virtual influencers, consider them to be trending and dive deeper into their lives and brands are making full use of this opportunity.
The influencers try to showcase their success, power, beliefs, etc through their profiles to attract their audience. Based on the content they share, the kind of image they have on people's minds and the type of audience that follows them the brands decide which influencers to collaborate with. Brands now target their niche market with the help of influencers. Publicity which wasn't done by traditional advertisement is now being done by the influencers. Customers now listen to

these influencers and their reviews before buying the products, this is the reason why brands want to utilise this opportunity to the fullest and collaborate with as many influencers as possible. To overcome the problems that might occur due to humans and to create the perfect influencers who will be human-like in every aspect yet technology-driven, marketers are now creating virtual influencers. Though virtual, the kind of content shared by these influencers is human in all aspects, they talk about the problems and feelings experienced by their audience. This is the reason why more and more people are interested to know more about them and hence are following them. Virtual influencers are combining the advantages of human influencers with technology. It is now a trend which is making both the brands and the consumers to dive deep into it.

2.   PRESENT SCENARIO OF INFLUENCER MARKETING

Brands now do not talk about the benefits of using their product instead engage the consumers in the content that attracts them and hence drives them closer to their products. Conventional digital advertisements do not work and the brands are shifting to using social media as a creative means to advertise their products, engage their audience and make improvements based on the analytical insights. Some of the social media platforms include Twitter, Facebook, Instagram, Pinterest, YouTube, Google+, Tumblr and brands lure their customers by content marketing, influencer marketing, microblogging, video marketing, etc. Brands have different strategies tailor-made for each and every platform.

One of the most popular types of social media marketing is Influencer marketing wherein the brands collaborate with different influencers who talk and promote their products. The influencers post content related to the product or includes the product and hence gain the consumer's attention. The renowned leaders (influencers) publicize the product in different ways instead of the brand connecting directly to the consumers. There are no long term contracts instead the products are either gifted to the influencer who try and hence review the product or they use the product as a prop and tend to gain the customer attention, with that the influencers have their rate cards based on their engagement levels(number of followers, comments, and likes). There are two major factors that the brand focuses on before collaborating with an influencer that is reach and niche of the influencer.Brands analyze and decide what kind of influencer strategy do they need to attract their target audience. The brand might contact celebrities, micro-influencer, macro influencer, brand advocates and ambassadors as per their needs.

All the influencers have a loyal fanbase who trust their recommendations and content. Brands provide continuous content to the influencers which help them to position their brand, create awareness and the influencer is benefitted by the improved social media presence and valuable content. Influencer marketing is a great solution to create awareness if your product is meant for a niche market, the influencers help you to target those niches and effectively positions your product. Influencers have credibility and influencers educate, motivate or solve their fans' problems with the help of products offered by the brands. It is a great type of marketing for a brand that is just entering the market by publicizing the product and the brand to a large audience in a limited amount of time.
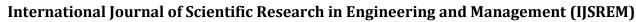
3. VIRTUAL INFLUENCER MARKETING

Artificial Intelligence now plays a very important role in building and maintaining a brand. From predicting the needs of the customer to analyzing the preferences of their current customers or even determining a new market segment, AI helps the brand to understand their customers precisely.

Artificial Intelligence has now become a crucial part of Influencer Marketing as well. Instagram now has accounts with millions of followers that are of virtual influencers. Virtual Influencers are characters generated by the computer using AI. These characters look as real as the human influencers and post content that interests their audience just like them. The only difference lies is that there is an army of artists that design each and every post posted by them which has a human touch to it. Virtual influencers like Lil Miquela, Bermuda, Yoox, Liam Nikuro have thousands of followers and post captions that make them look like real-life persons and someone that we all can relate too. Not just this, some very famous brands are creating their own avatars in their campaigns to gain attention and make their brand look more lively. KFC created an avatar of its founder Colonel Sanders portraying him as a young successful entrepreneur, he even posted photos with another virtual influencer Imma. Another successful brand, Balmain launched a variety of virtual models showcasing the collection of Olivier Rousteing and portrayed them as bold, confident and powerful girls who enhanced the beauty of the collection. Brands have even started to collaborate with these influencers to promote their products because even they see the potential and reach these influencers' offers. Samsung collaborated with Lil Miquela for their Galaxy campaign with the very famous actress Millie Bobby Brown, DJ Steve Aoki and gamer Ninja. Rihanna's beauty brand Fenty beauty recently posted a picture of Shuddu who is a virtual fashion model created by Cameron-James Wilson (London-based photographer) promoting their lipstick. Calvin Klein did an advertisement under their campaign #MYTRUTH with the model Bella Hadid and Lil Miquela which shows freedom to express identities. These influencers are trying to be as humanly as possible by talking about stuff that is important to us and people have been responding very positively to them, hence increasing their fanbase.

The engagement rate of these virtual influencers is at par the human influencers and hence brands are trying to remove the humans from their campaigns keeping the humanly factor alive which is only done by collaborating with virtual influencers. These influencers have their niches and have an audience who trusts and is loyal to them. For a brand working with a virtual influencer is like getting the best of both worlds by enjoying the advantages of the virtual world and avoiding the disadvantages that come with the human influencers. The shift seems to be gradual but the shift will come soon. Brands want the most return with the investments they do so they either make their avatars which shows their qualities and the values they believe in or collaborate the virtual influencer having the kind of fanbase that might be interested in their products. It is very important for the brands that their product reaches the right customers through the right channel. If the virtual influencer does not herself seem fit to use and appreciate the product the customers will not be convinced for sure and this will hamper the image of the influencer as well. It is very important for these budding influencers as well to promote the kind of products that will be appreciated by their audience and can be associated with them so that it seems real and believable.

Brands are not limiting themselves to just virtual influencers on Instagram instead they are creating their own bots who will interact with their customers, get to know their needs and suggest the products which are apt for their use. Some brands even associate with virtual influencers who have their chatbot counterpart in order to interact with their customers and give a more personal touch and then suggest the product which will be useful for the customer. Even if the sale is not made, at least the data that the brands get like needs and expectations of the customers and why they did not prefer the product gives a lot more insights to them than we can think of. Sephora is one brand that has its chatbot who is responsible to engage the customers and offer them recommendations based on their lifestyle and use. All of this makes the customers feel more comfortable and they can freely interact with these bots without any human intervention. This again helps the brands to boost their sales by providing the customers with a personal touch and showing them that they care without actually using their human resources and hence by reducing the probability of any human error. Chatbot Analytics (based on AI) helps the brands to improve their bots so that they suggest better products and ensure that the sales are increased. The brands can use these analytics to create new products that will retain their existing customers, help them enter into a different market segment or figure out which products should be discontinued. All these insights are gathered through reviews, comments, hashtags, mentions, posts, etc the data received from chatbots is much more accurate and it talks about the people interacting in specific so the decisions based on these insights will help the brand for sure to take more aware and correct decisions.

4.   PROS AND CONS OF VIRTUAL INFLUENCER MARKETING

Every technological change has some drawbacks associated with it and the same is the case with Virtual Influencers. Influencer marketing seems very attractive at first glance but once you dive deep you find out the disadvantages associated with the same.

The best part about working with a virtual influencer is that it takes very little time to create content with them as there is no time wasted in re-shooting to make the shot perfect. Also, the probability of error is reduced to negligible as it is the designer team that creates the video/photo for them to post which can be modified according to the needs of the brand. Virtual influencers leave no scope for human error until and unless it the designing team that does some blunder, this is the most lucrative feature that the brands see these days. The brand does not have to direct the influencer and waste their time on deciding what looks good and what does not, the brand just conveys what they expect from the virtual influencer to do and it's is exactly the content that is made. The brand does not spends extra resources in the hair, make-up, and outfit of the influencer and ensuring that everything is perfect till the last shot. In the case of human influential figures, multiple photos are taken from different angles to bring out the best version of the influencer , the pictures are then selected and the team edits those shots to make them look perfect, after this the content is shared with the brand for approval and this is when the final post is shared with the audience. Instead, the designer creates the perfect picture/video which is shown to the brand and after modifications the post goes up on the feed. Plus there will never be an emergency for the virtual influencer which can be a factor when you work with humans. The sky is the limit for brands in the case of creativity, brands can freely design campaigns and not worry about any factor that might not favor them, they have more power and freedom in their hands. Each process has been simplified with the help of technology, in this case, the struggles are definitely there but the resources utilized have reduced for sure. Brands now do not have to worry about the image of the influencers as they cannot be stuck in a controversy hence the image of the brand will be safer. These influencers can never do something that their team does not want them to do and everything of course is a planned step to promote the influencer or pass a certain kind of message to their audience. Also, virtual influencers are now considered trending and have a huge fanbase where people are curious to know more about their lives and brands want to utilize this opportunity to the fullest to associate their products with them. Loads of people from the younger generation are following them which can be a potential market for these brands.

Keeping all these advantages aside, there are a few cons associated with influencer marketing as well. It is very obvious that psychologically a human will consider another human more credible than some bot and as a result, humans will take more seriously the recommendations provided by human influencers and consider them authentic. They cannot actually apply a product on their skin or use something and then give an honest review based on their experience unlike the human influencers who post content of using the product and showing the results after using it or share their experience and as a result, the trust factor will always be missing. The customers might get curious about that product but buying the product based on the reviews of a bot is not that practical. Virtual influencers are becoming popular nowadays but since years human influencers have been interacting with their audiences and now they have fixed kind of niche that they focus on so a brand can not expect the same kind of response from their new associations with these virtual influencers. It will take a lot of time to have the same kind of loyalty that the human influencers have. Consumers care more about what the influencer has to say about the product rather than the product itself. As in there has to be a transparent relationship between the influencer and the audience so the virtual influencers need to take their personality traits, preferences, beliefs a lot more seriously, stay firm on them and post regular stuff which should make their audience trust them so that when they promote a product the trust is transferred and the audience considers their recommendation seriously. One of the major drawbacks is that the shift towards virtual influencer marketing will not happen so quickly, people currently are not ready to accept this fact as they consider these type of influencers to not be real and thus not have real emotions and views so brands will have to wait for some time to get the returns on their investments and the results will not be as quick as the human influencers provide. Brands will have to understand the fact that all products and services can not be promoted with the collaborations with virtual influencers and so they should first analyze their market segment and is their segment following these virtual influencers and consider them to be credible only then the brands should take any steps towards it or take the standard influencer marketing approach which even today is considered a great way to spread your message by loads of customers. The brands need to understand the views of their audience or else their customers might start questioning the integrity of the products and hence no more stay loyal to the brand.

So brands should weigh both the pros and cons of virtual influencer marketing and then decide what is best for the future of their brand.

5.   CONCLUSION

There are a lot of reasons why virtual influencers can be the future and this should make the brands more curious and excited about this. Unfortunately, the companies behind these virtual influencers have not yet started talking about this technology and what do they plan for them in the future. Though a lot of marketers have started to research the same and they have their theories and predictions but still there is no data available to support the same, as this is something very novel yet intriguing for the whole industry. As a result, there is very little data available to prove that this trend will be a part of our lives very soon or people might not even accept it. So companies before investing in this should use their resources to predict and analyze the future of this trend and hence invest carefully. It might show a lot of potential for a few brands and others might have to do some modifications to utilize this trend. Considering the fact these virtual influencers are growing daily and huge companies have even

collaborated with them for various campaigns, it is pretty evident that this change will come and the brands plus the consumers will have to adapt to it. There might be some resistance but this is where brands should develop unique creative strategies to attract and retain their customers and have an upper hand over their rivals.

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