

Can Creator-Led Marketing Really Drive ROI?

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Introduction


Gone are the days when brands can rely on vague benchmarks to justify their investment in influencer marketing. ROI is more important than ever before, and best-in-class brands are relying on creator-led marketing to achieve outstanding results.

As the next wave of influencer marketing, creator-led marketing outpaces previous advancements in the creator economy in its potential for brands to scale.

By amplifying creator assets through various channels, your organization can magnify its marketing efforts at a lower cost.

Creator-led marketing fuels ROI.

Don't believe us? **Just ask the marketers we surveyed.**

-  We surveyed 132 marketers who directly engage in influencer marketing. We've rounded our percentages and incorporated multi-selection responses, so not every question will add up to 100%.



Brands Divert Spend on Digital Advertising to Creator-Led Marketing

While marketing budgets are receiving more scrutiny, 67% of our surveyed marketers reported increasing their investment in influencer marketing from 2022 to 2023.

Of those brands whose budgets increased, only 24% were working with a net-new budget.

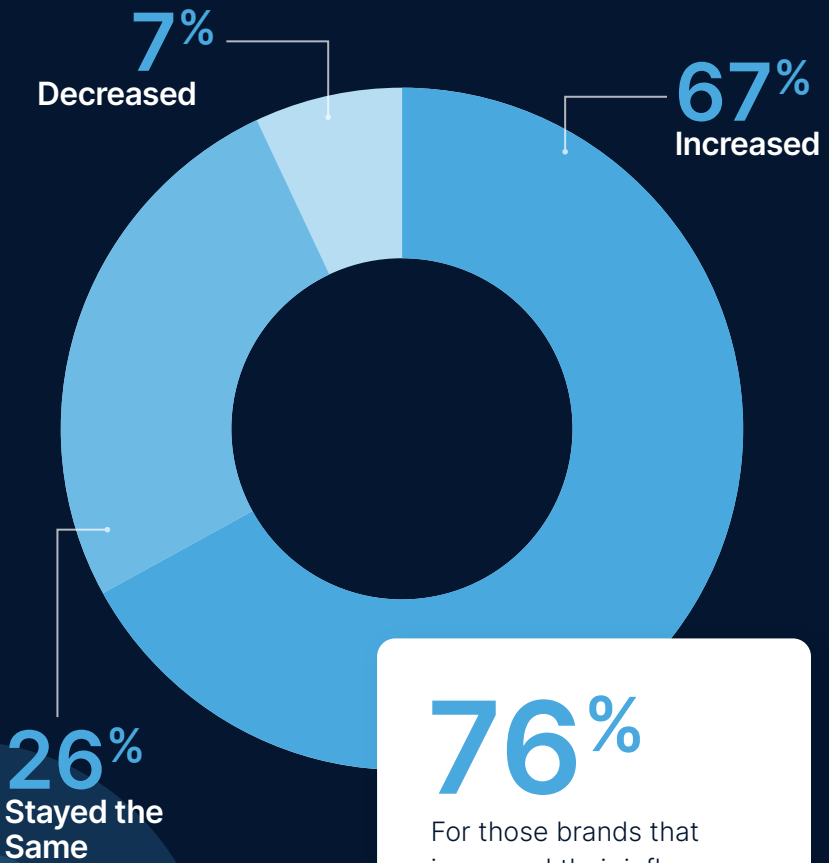
This means that the majority of our respondents funded their influencer marketing investment by diverting resources from other marketing functions.

The most common source? **Paid advertising.**





How has your organization's influencer marketing budget changed from 2022 to 2023?



76%

For those brands that increased their influencer marketing spend, **76% diverted the funds from other marketing activities.**



Top Three Sources for Influencer Marketing Budget Increase

76%

of respondents selected

#1
Digital Advertising

42%

of respondents selected

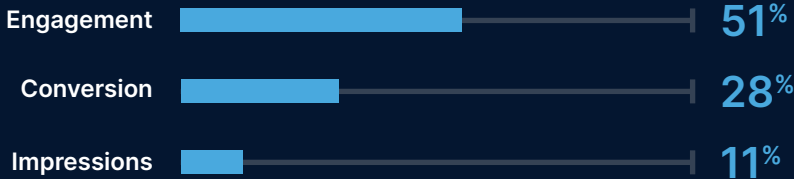
#3
Owned Social Media Marketing

#2
Email Marketing

48%

of respondents selected

The Most Useful Metrics for Justifying Influencer Marketing Investment to Decision Makers



| 94% of Organizations Can Attribute Sales to Creator Content on Social Media

Creator-led marketing is still frequently seen as a top-of-funnel activity, but the possibilities are endless.

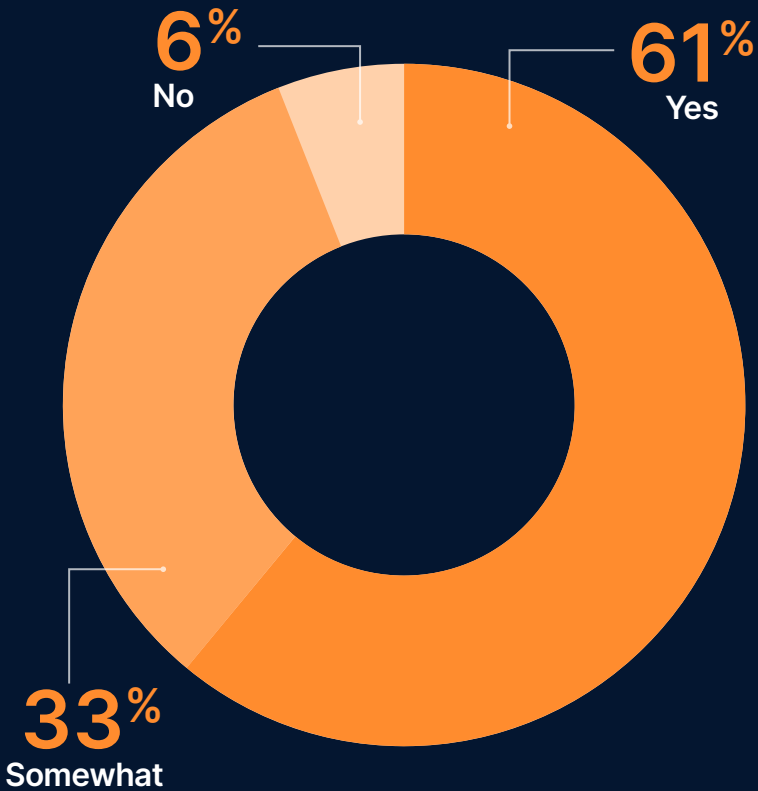
In fact, **94%** of organizations claimed that they could **at least partially attribute sales to creator content** shared on social media platforms.

When asked to specify how they draw a direct correlation between creator content and sales, organizations primarily identified conversion rates, click-throughs to their websites, and marketing mix modeling.





Over the past year, has your organization been able to attribute sales to creator content on social media platforms?



Pay-for-Content and Affiliate Commission Are Most Effective Methods for Creator Compensation

When it comes to creator commerce, the most frequent methods for paying creators include pay-for-content and affiliate commission.

These two methods were also rated by our respondents as the most effective ways to compensate creators.



The Three Most Common Methods to Compensate Creators*

* Note that respondents were instructed to select **all options** that applied

60%

of respondents selected

#1
Pay per Content

33%

of respondents selected

#3
Performance Based on Clicks

#2
Affiliate Commission Based on Sales

45%

of respondents selected

The Most Effective Methods for Creator Compensation

Pay per Content  **41%**

Affiliate Commission Based on Sales  **29%**

Performance Based on Clicks  **16%**



77% of Organizations Leverage Organic Fans As Creators

Creators are obviously the engine driving creator-led marketing, and for good reason: creators inspire not only consumers, but also brands.

77% of brands and agencies reported actively transforming creators who share organic content about their organization into brand partners.

By turning these brand fans into official partners, organizations are guaranteed to yield authentic content from individuals with a pre-existing passion for their brand's products or message.





77%

of surveyed organizations have **converted organic fans** into creator partners over the past year



76%

of surveyed organizations have **leveraged user-generated content (UGC)** in paid advertising over the past year

Top Three Creator Discovery Strategies

64%

of respondents selected

#1

Organic Fans

#2

Creator Discovery
via Software
like CreatorIQ /
TribeDynamics

45%

of respondents selected

41%

of respondents selected

#3

Past
Partnerships



The #1 Reason Why Creator Content Converts

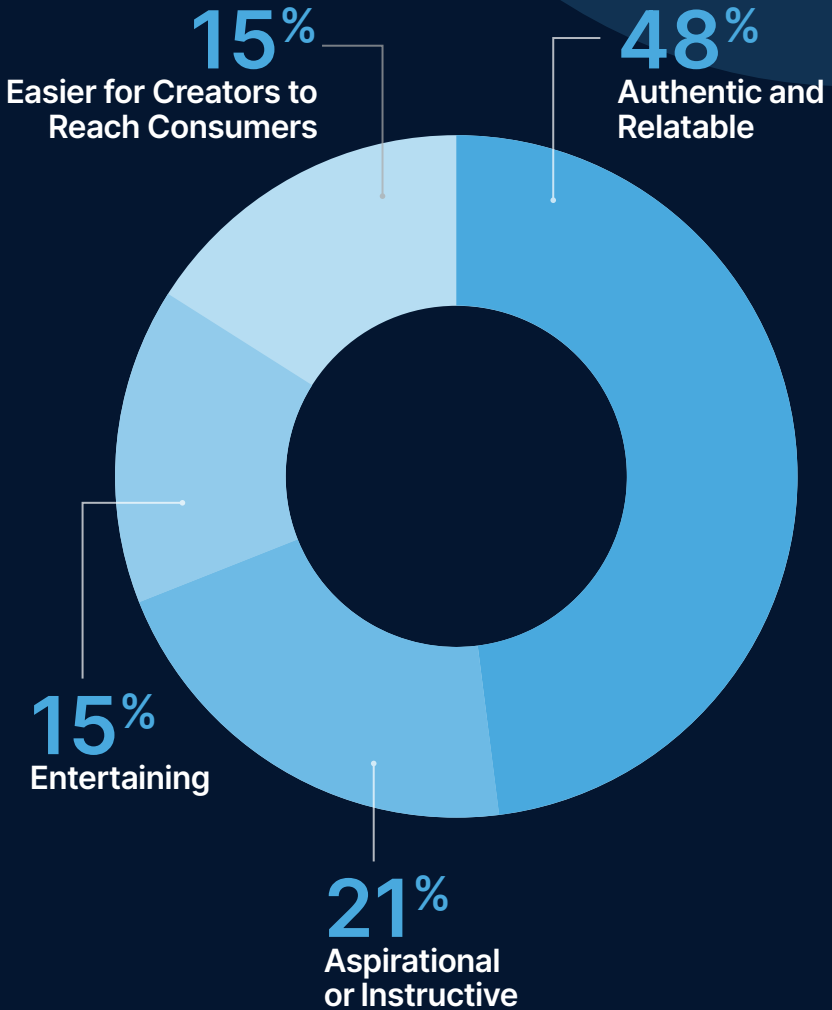
Consumers love creators because they serve as relatable, compelling avatars.

Creators function not only as advisors and trusted voices, but as sources of emotional support. It's this authentic link that makes creator content so scalable, and provides the true key to creator-led marketing's impressive ROI.





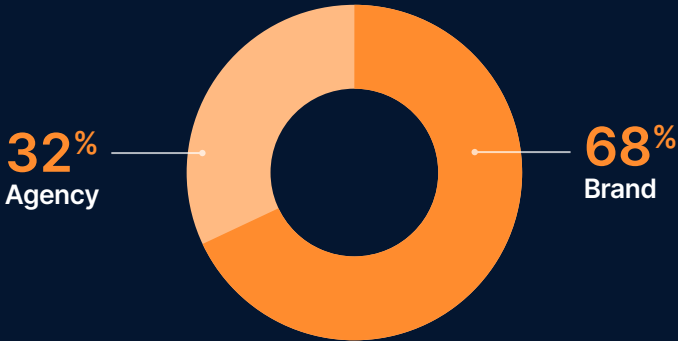
What Is the #1 Reason Why Creator Content Converts?



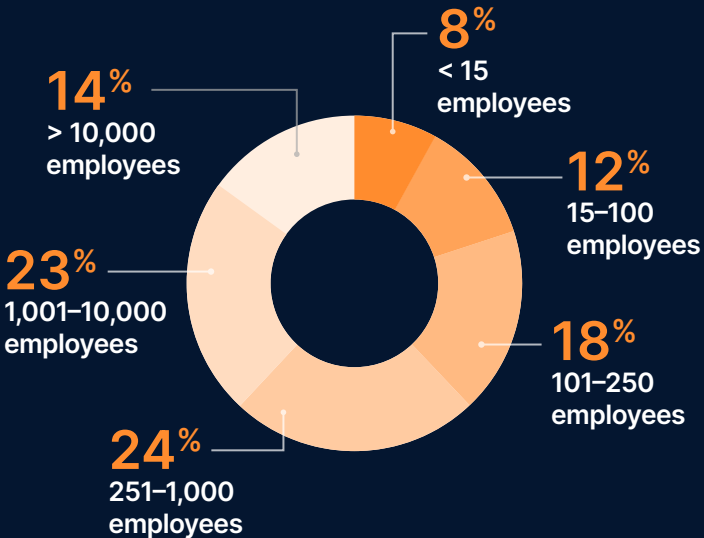
Respondent

Demographics

Organization Type



Organization Size



Grow with Creators. Scale with CreatorIQ.

CreatorIQ is the industry's most trusted creator marketing software, powering advanced creator marketing insights and program management for the world's most innovative enterprise brands.

Supported by cutting-edge data science, our Intelligence Cloud enables creator discovery, streamlines marketing teams' workflow, ensures brand security, and provides customized performance metrics. Our intuitive, comprehensive features have helped make CreatorIQ the chosen creator marketing software solution for brands such as AB InBev, Airbnb, Calvin Klein, CVS, Disney, H&M, Sephora, Unilever, and more.

Founded in 2014, CreatorIQ is headquartered in Los Angeles, with offices in New York, Chicago, London, and Ukraine. In September 2021, CreatorIQ further bolstered our benchmarking and insights capabilities by acquiring Tribe Dynamics, a leading influencer marketing platform that helps passion-driven brands understand the value of their digital earned media.

[Learn more at creatoriq.com](https://creatoriq.com)