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Cos in a Fix as Social Media Influencers Fake it

Brands are worried as several of them have over 60% unreal followers

Ratna Bhushan & Sharmistha Mukherjee

New Delhi: Companies across sectors such as packaged foods, health, electronics, automobiles, and beauty and lifestyle products seeking a greater social media presence are trying to fight the plague of influencers with fake fol-

lower numbers. There's been a steep surge of influencers on platforms such as Instagram as well as those who blog and stream videos in India. Brands need them but with the number of Indian social influencers pegged at 80 million, it's hard to figure out who's genuine. "It has become a huge concern, since we decide payments to the influencers

based on the number of followers they have," said Mayank Shah, senior category head at biscuits and confectionery products maker Parle Products. "While other parameters like target group relevance also matter, the first criteria brands look at is the number of followers."

Over half of all social media influencers in India have more

than 60% inactive, non-credible or fake followers, according to a new report by B2B tech platform Klug India, which works with WPP, Reliance Jio and Flipkart.com.

"There are rampant instances of individuals purchasing fake followers, synthetic bots or utilising fake human farms to artificially boost their numbers," said Kalyan Kumar, chief executive of Klug India. Influencers in India have a mix of genuine and fake followers, some from countries such as Russia, Brazil and Turkey, he said.

"Given that influencer marketing is growing into a large market, the possibility of fraudulent followers is a big problem. Beyond cost, there stands to be significant risk on brand reputation," said Shashank Srivastava, senior executive officer, marketing and sales, Maruti Suzuki.

Credibility Question

More than 50% influencers on Instagram have over 60% inactive or non-credible followers: Klug India

Estimated number of social influencers in India: **80 million**

Fake followers, synthetic bots, fake human farms are being bought to boost numbers

Fake followers even from countries like Russia, Brazil & Turkey

Influencer marketing expected to grow at CAGR of 25% to ₹2,500 cr by 2025

What brands are using to filter fake followers: Tech tools, genuity scores, AI, algorithmic tools

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Fake Likes, Followers Hit Return on Investment

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Fake likes and fake followers diminish the return on investment.

"Nearly half of all advertisers have faced some kind of fraudulent social engagement in the last two years, and because of this lost about 15-20% cost of influencer marketing," Srivastava said.

India's influencer marketing business will grow at a compounded annual growth rate of 25% to Rs 2,500 crore by 2025, according to industry estimates. Spends on influencer marketing are expected to increase to 2.5-3% of the total from about 1.5% in 2022.

"It is a big concern and more so for beauty brands," said Sukhleen Aneja, chief executive of Good Glamm Brands, which has multiple brands such as St Botanica, The Moms Co and Organic Harvest.

"Any traffic that is not from Instagram for links shared with influencers is deemed as fake. Based on certain attributes, we have started showing captchas to certain audiences to verify them further."

Brands said they use influencer marketing since it's the only way to reach certain potential consumers. Even though the consumer affairs



ministry issued guidelines on influencer endorsements earlier this year, the problems persist. "It's clear that brands need to be more cautious and do their research before engaging with influencers, as there are several risks involved," said Ajay Khanna, chief

marketing officer at Amway India, which makes Artistry cosmetics and Nutrilite health supplements. The company uses rigorous tools to check profiles, quality and content, and generates "genuity scores" based on conversations and engagement rate.

"In the era of personal screens and global exposure, ensuring authenticity in social media influencer engagements is paramount," said Virat Khullar, associate vice president, marketing, Hyundai Motor. "The unorganised creator economy further complicates matters by lacking data-driven insights for performance tracking."

Some said they are reaching out directly or signing on influencers after personal interaction. Others are resorting to dedicated tech teams and AI to detect fake follower handles.

"We work with influencers to help consumers with their purchase decision at their research stage, and go by engagement rate."

In addition, there are tools that we use to filter genuine followers from fake ones," said a spokesperson for Panasonic, which makes televisions, air-conditioners, refrigerators and washing machines. Srivastava said Maruti Suzuki does not depend on resumes but the testimonials of previous clients. "If an influencer has a large number of followers but very low engagement rates, it is a red flag for us and

signals followers may not be genuine," he said. Hyunda's Khullar said the car maker experiments with various approaches across micro to macro, local to celebrity, and diverse industries in its campaign mix.

"It is important to determine whether an influencer's followers are showing human behaviour," said Kumar of Klug India.

"Employing algorithmic tools can help identify such patterns and ensure that followers exhibit some form of human activity over a period of six to 12 months, establishing their authenticity." Apart from fake followers, social media influencers also resort to buying them up in bulk. Srivastava said. In some countries, 100 followers can be purchased for about \$2.