

Sponsored posts put influencers' credibility at risk – but what's the alternative?

I grew my startup Grafomap to a £1.1M revenue with the help of influencer marketing. That was six years ago. Since then, influencer marketing has changed a lot – and not for the better.

Grafomap is a custom map poster ecommerce store and, when my cofounders and I started it, we didn't have a huge budget to promote ourselves. We spent the bare minimum on Facebook ads, though that wasn't enough to take the business off the ground. I started to explore the then-hot digital marketing trend – influencer marketing.

I used Instagram to connect to micro-influencers with up to 50 thousand followers, and offered them a free personalised map poster. The deal was that if they liked the product, they'd share it with their followers. No strings attached. The results were worth my time and effort. This let us scale revenue and achieve our first startup exit. It was every startup's dream come true.

Now, I'm working on my new startup Supliful and I've realised how much influencer marketing has changed over these last six years. Unfortunately, not for the better.

Influencer marketing is killing itself

Increasingly more brands have started to invest in influencer marketing. And if there's demand, there's supply – over the last years, social media has become oversaturated with creators and sponsored posts. Statistics show that the number of sponsored posts on Instagram grew from 1.26M in 2016 to 6.12M in 2020 – that's a 385.7% increase.

This growth of influencer marketing has come at a cost. Studies show that audiences have started to trust influencers less than they used to. In other words, influencer marketing has started to cannibalise itself and put the future of influencers – especially micro influencers – at risk.

Nearly half of social media influencers (45.8%) are micro influencers that, according to my experience, charge approximately £100-£1000 per post. Micro influencers are the latest digital marketing trend. These creators are believed to be more effective than macro influencers, while also being approachable and affordable. That explains why brands focus on them, which has led to micro influencers' market share growing from 89% in 2020 to 91% in 2021.

The problem is that those who make £100-£1000 per post have to collaborate and endorse a lot of brands to make a living off their social media presence. At the same time, if someone's every second post is an ad – from eco-cosmetics and detox teas to vacuum cleaners and more – can you really trust their endorsements? Are these people even genuine or just running after money?

By taking up too many sponsorship deals, influencers run the risk of ruining their own brand. Some influencers have already started to decline paid deals in order to maintain their content authenticity and audience's trust. Others, on the other hand, continue to sell their influence to anyone ready to pay for it.

The future of influencer marketing is branded products

What's the alternative to sponsored posts? The answer is: launching your own product. It's a way to monetise your following without compromising your reputation with excessive third-party product endorsements.

We can see that, lately, more and more influencers are opting for this option. Fashion influencer Valeria Lipovetsky has her own clothing line. Instagram influencer Sarah's Day recently announced that she's launching her custom body lotion. And UK Love Island's Alex Bowen and Olivia Bowen have launched a custom clothing line.

That's quite a logical step, as nowadays launching your own product line is easier than ever, especially with the variety of on-demand dropshipping services. Dropshipping companies help their clients to produce custom merchandise and then ship it to their customers on their behalf. For example, you can sell t-shirts with Printful, supplements with Supliful, or generally anything with Oberlo.

Physical products aren't influencers' only option for branded products. Just as many creators choose to launch digital products with their branding – consultations, online courses, photo and video presets, and so on.

There are many examples. Alexandra Gater, an interior designer and YouTuber, not only creates engaging YouTube videos but also offers interior design consultations to her followers. Similarly, travel influencers Hannah and Nick – the couple behind the Instagram account Salt in Her Hair – monetise their following by selling mobile video and photo filters they use to edit their own photos. This list could go on.

The rules of the game are changing, and so should you

The main takeaway is that influencer marketing is not as it used to be. Just a few years ago, people relied on influencers' endorsements more than they do now. This puts the future of this digital marketing strategy at risk.

What's the alternative to sponsorship deals? I believe it's branded products. It's a way to monetise your social media presence while staying authentic and true to your personal brand.

Building your own business takes time, but as an influencer, you're already halfway there – you have the audience that listens to you. Right now, you might be using this privilege to help other brands grow. Perhaps, it's time to start focusing on your own.

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