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Kobe

Influencer Marketing



Using social media to promote a herbal tea brand.

By Patricia Lui and Lipika Bhattacharya

In July 2019, Evangeline Leong, co-founder and CEO of Kobe, a Singapore-based start-up providing influencer marketing services, had a challenging task ahead of her. Her team was preparing for a campaign to build brand awareness of Jia Jia herbal tea amongst millennial consumers in Singapore.

At Kobe, Leong and her team provided end-to-end influencer marketing services for clients, including consultation on marketing strategies for realising brand objectives, assistance in identifying key performance indicators (KPIs), execution and monitoring of campaigns, analysis of campaign results, and provision of recommendations. In addition, Kobe's Artificial Intelligence (AI)-driven influencer platform allowed clients to choose the most suitable influencers from its database of over 5,000 such individuals. Kobe wanted to 'engage the right influencers to spread the right message to the right audience'.

Millennials in Singapore were social media-savvy and often bought products based on recommendations from influencers they trusted. Targeting this customer segment through social media was therefore a viable option. However, the Jia Jia campaign faced a couple of limitations. It had a small budget and a short timeframe. Another constraint was that herbal tea was not very popular with millennials. Over the past decade, 'bubble tea' had become the preferred drink of this consumer group. Leong knew she was being ambitious in trying to "sell bell-bottoms to millennials", and wondered if her influencer marketing campaign to rebrand Jia Jia herbal tea in Singapore could be as successful as the Levi's Jeans' 501 campaign. Could she turn back the clock and make Jia Jia the most talked about beverage in town?

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An ambitious campaign to get millennials to drink herbal tea

Tea drinking was an integral part of Singapore's culture. However, herbal tea, once considered an everyday drink, had lost its mojo over the last two decades and the new generation Singaporeans had started consuming other varieties of tea like 'bubble tea'. Amidst such a changing market, traditional tea makers like Jia Jia faced a dwindling clientele.

Brewed for three hours from the finest green tea leaves and a combination of 11 natural herbs, Jia Jia herbal tea came in four flavours—Original, Rose, Jasmine, and Lemon. There were sweetened (with less sugar and regular sugar options) and non-sweetened varieties of the herbal tea as well. Jia Jia had also launched a new product, Shiracha White Tea, with an attractive packaging to entice millennial consumers. The new product came in three flavours—Jasmine, Sakura, and Rose.

As at mid-2019, the existing consumer base of Jia Jia tea products numbered around 100,000 in Singapore, and the company's goal was to double it by the end of 2019. The products experienced peak sales during the Lunar New Year period, when consumers liked to gift herbal tea celebration packs to family and friends during the festive season. Sales were also typically higher during Singapore's National Day on August 9, and towards the end of the year, around Christmas.

Jia Jia wanted to launch a two- to three-week campaign to build its brand awareness, and reach the largest possible audience in that short timeframe. The target customer age group was the millennials. The company was looking to engage both macro- and micro-influencers, but its budget was on the medium- to low-end for a campaign of that scale.

Jia Jia wanted the marketing message for the campaign to be along the lines of "keeping the tradition of providing consumers healthy, authentic, all-natural brewed beverages while being conveniently available for all ages". The company had used traditional marketing strategies to promote both new and existing products, but these efforts proved to be disappointing. After observing how the purchasing patterns of millennials could be affected by influencers, it decided that influencer marketing was the best way to reach out to this younger target audience. In a way, influencer marketing was like word of mouth, albeit on a larger scale and over a digital platform.

Kobe's business model

Kobe was established by Leong and co-founder Cha Lin in 2016. The name 'Kobe' was a playful twist of the phrase 'kǒu bēi', 口碑 (translated as 'word of mouth') in Mandarin Chinese.

The firm's business model was based on revenue from clients (companies and agencies).² Clients paid an upfront fee to Kobe that was used to kickstart their influencer programme. The firm in turn guaranteed that it would hit predetermined KPIs for outreach and social media engagements, and ensured that clients received both qualitative and quantitative assurance of this. Fees for the campaign was outcome-driven (i.e., the additional amount clients paid was determined by how successful the campaign was in achieving specific goals and objectives), and advertisers were presented with influencers who were best aligned with their brand stories and objectives. Campaigns were charged based on a cost per engagement (CPE) pricing model. CPE was calculated based on the proportion of the total expenditure on the

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campaign to the number of times the content was interacted with (in the form of likes, shares, clicks, etc.).³

Campaigns were executed through a platform internal to Kobe. The platform comprised an AI-based engine that could understand social media feeds.

Leong and her team defined an influencer as "any voice that was able to influence through social media". There was a wide range of influencers available on the platform—some had a collective voice (a group) while others were considered individual 'sachets' (individuals).

The 10 percenters

Internet users typically followed a 1-9-90 Rule, which stated that 90 percent of Internet users simply consumed content without contributing; 9 percent edited, modified and amplified existing content; and only 1 percent created new, original content. This 1 percent were predominantly macro influencers, with a small proportion of celebrity influencers.

The influencers could be further categorised under different sub-sections based on their engagement capabilities

in specific industries, such as beauty, travel, wellness, fitness, fashion, food, and electronics. There were also experts in niche categories that specialised in topics like eczema, hawker food, and children's events. Each influencer catered to a different type of content. For instance, fitness influencers at Kobe shared sports events, exercise tips and wellness products that they thought could be beneficial to their followers.

Tactics to ensure success

Understanding the Singaporean millennial consumer was a key step in the initial research for the campaign. Another consideration was to identify appropriate influencer tactics that could ensure hitting the target KPIs set for the campaign.

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KEY CHARACTERISTICS OF THE VARIOUS INFLUENCER TYPES			
Nano-Influencer	Micro-Influencer	Macro-Influencer	Celebrity Influencer
Between 500 and 5,000 followers	Between 5,000 and 20,000 followers	More than 20,000 followers	More than 10 million followers
Knows many of his or her followers personally	Tightly knit relationship with audience	High level of influence on topical areas	Moderate to extreme influence
High engagement rate	Higher engagement and conversion rate	Medium engagement and conversion rate	Lower engagement but higher reach
Generates seven to 10 percent engagement per post	Generates five to 25 percent engagement per post	Generates 0.5 to two percent engagement per post	Engagement varies and is unpredictable
Lowest commission	Low commission	Slightly higher commission	Very high commission
Examples: Passionate food photographer, homemaker, frequent traveller	Examples: Passionate foodie, work-at-home mum, popular student	Examples: Fashion blogger, yoga instructor	Examples: Movie star, popular singer, sports star

FIGURE 1

Source: Company data; The Business Times, "Why Nano-Influencers Might be the New Marketing Tool Your Business Needs", November 16, 2020; Influencer Marketing Hub, "12 Types of Influencers You Can Use to Improve Your Marketing", 2021.

As of July 2018, Singapore had a population of almost six million people, growing at a rate of 1.8 percent per year. About 74 percent of the inhabitants were Chinese, 13 percent were Malay and nine percent were Indian. The median age was about 35 years and millennials constituted 22 percent of the population. The Singapore millennial consumers were unique in many aspects. A majority were validators, who conducted their own research before a purchase but validated decisions with advisors.⁴

The millennials in Singapore were very active on social media; 80 percent owned smartphones and spent a significant part of their day accessing social media platforms like Facebook, WhatsApp, Instagram and YouTube.⁵ About 38 percent of Singaporeans used Instagram daily and 87 percent of those users were millennials, ranking the country third among Instagram users worldwide.⁶ Singaporean millennials were connected and highly informed shoppers who depended on peer influence and word of mouth for making purchase decisions, and were more likely to buy from brands whose campaigns promised spontaneous and unique experiences.⁷

Influencer tactics were jointly determined by Kobe and the client based on the product or service being marketed. To determine the influencer tactics for the Jia Jia campaign, Leong and her team did an extensive study to evaluate the best-fit tactics. They found that many beverage brands had used the influencer marketing strategy effectively in the past. For example, Coca-Cola had several successful influencer campaigns under its belt. To reach out to its Belgian consumers, Coca-Cola had collaborated with 12 Belgian Instagram influencers, of which 10 were micro-influencers.

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The campaign garnered over 46,000 likes and 500 comments with an average engagement rate of 9.1 percent over a few months. The perceived emotional connection and the authenticity of the posts by the followers were considered vital to the success of the campaign (refer to box story).

Although some tactics in influencer marketing could be generalised across programmes, there were tactics specific to the product genre as well. Bigelow Tea, an American company producing fine quality tea, for instance, launched a marketing campaign with influencers focusing on a healthy lifestyle. Some influencers it hired shared original recipes using the product while others posted do-it-yourself (DIY) gift bag tips, incorporating the product in the process.¹⁰ The campaign generated more than 32,000 blog engagements with 44 million impressions. It boosted Bigelow Tea sales by 18.5 percent.¹¹

Fit Tea, a detox tea brand, had celebrity influencer Kim Kardashian endorsing its product on her Twitter and Instagram posts. She posted a photo of herself consuming a cup of Fit Tea, which generated about 971,000 likes and 8,243 comments. Despite the engagement, the post also garnered significant social media backlash, as many followers felt that Kardashian was merely posing for the product, implying that she had probably never used it in reality.¹² Although celebrities could garner a lot of attention, most industry experts

advised against using them for building brand awareness as it could dilute a product's perceived authenticity.¹³

Execution is key

The campaign execution process at Kobe was relatively straightforward. The first step involved finding out the brand's needs and the marketing direction of the campaign. The next step was to design a campaign for the brand through storytelling, and identifying the right influencers through its proprietary AI-driven platform. The platform trawled through all the data points for each influencer anonymously and synthesised the information to create a ranking, pairing campaigns with the right influencer. A few key qualities that were sought after included an understanding of, and a genuine interest in the product, a willingness to participate in the campaign with full cooperation, and a significant following in the social media channels selected. Also, influencers would need to agree to the payment terms for the campaign. In addition, ensuring control over the costs of hiring influencers helped in predicting the outcome of the campaign more accurately.

After the right influencers were identified, they were briefed on various aspects of the campaign, such as the products, brand, and company values. Sometimes, factory tours were arranged for them as well. Additionally, the influencers were encouraged to try the various products/product versions prior to a campaign, so that they had sufficient understanding of what they were going to promote.

For all campaigns, Kobe worked closely with the client to ensure that posts were live at the most optimal date and time. A team of specialists at Kobe monitored social media response to



influencer posts, generating weekly reports for the clients. At the end of the campaign, polls were conducted (for both clients and influencers), and overall campaign results were analysed. Clients were provided with an after-sales service, where Kobe would collate and share all the results.

CHOOSING THE RIGHT SOCIAL MEDIA PLATFORM

After identifying a few key influencer tactics like posting content related to a healthy lifestyle and pairing of herbal tea with local dishes, Leong and her project team brainstormed to identify the social media platform that would suit the requirements of the Jia Jia campaign. The team considered Facebook, Instagram, and YouTube before finally deciding to run the campaign on Instagram. This was because Instagram generated 58 times more engagement per follower for brands compared to Facebook.¹⁴ Compared to other social media platforms, Instagram was also more visual.¹⁵ In addition, the bite-sized stories and live videos on Instagram were great for users who lacked time to watch the longer videos on YouTube.¹⁶

CONTENT ANGLES

Seeing a shift in how younger consumers liked to be engaged, the team brainstormed several ideas. One was to provide a sporty angle to the campaign and promote Jia Jia as a preferred drink for fitness enthusiasts as it was great for hydration during or after workouts (some common post-workout drinks amongst the target consumers were isotonic drinks like 100 Plus and Pocari Sweat).

The influencer personalities also needed to gel with Jia Jia's new product packaging, which presented the drinks as fun, trendy, and cheerful to attract younger consumers. Fitness instructors and wellness coaches were a good fit as they could share their experience of the health benefits of Jia Jia as an alternative to post-workout drinks that were high in sugar content. Influencers who talked about local food were also shortlisted, as they could share how Jia Jia paired well with local Chinese food.

USING KEYWORDS TO PAIR INFLUENCERS

The Kobe team ensured that the influencers selected had followers in the millennial age range. The



COCA-COLA'S SOCIAL INFLUENCER CAMPAIGN IN BELGIUM

One of the influencers for the Coca-Cola Belgium campaign was Yannick Merckx, a travel blogger and vlogger with nearly 48,000 followers on Instagram. His posts included pictures of him taking a swig of Coke, or holding recycled Coke can objects, while donned in his Coca-Cola sweater.⁸ In each post, the micro-influencer tried to incorporate the brand into his lively adventures abroad. He also added interesting notes from his travels on Coca-Cola's popularity in various countries. For example, in his anecdotal post of his travels in Mexico, he put up a picture of himself in front of a wall of a local cybercafé with a painted Coca-Cola advertisement. He wrote, "A local family even told us that they drink Coca-Cola during breakfast. I quote, 'The three-litre bottle is always on the table'". To make the post accessible to a wider audience, he added hashtags—#hetisdemereckxinmexico, #cokeambassador, #cocacola, #tastethefeeling.⁹

team also shortlisted candidates using keywords such as “cocktail makers”, “bartenders”, “local food lovers”, “local delights”, and “hawker food” to better align the persona portrayal of the influencers with Jia Jia’s brand story.

Could Kobe change the game for Jia Jia?

Leong and Cha held further discussions with their internal marketing team to determine the additional strategies that could work for the Jia Jia campaign. There were several ideas that emerged. One was to negotiate the budget for the campaign such that they could hire a few celebrity influencers. This was because local sports stars and actors enjoyed a large following and were typically well respected amongst the millennials. Another was to extend the brand campaign across Singapore’s borders to neighbouring Malaysia, where the volume of consumers was several times higher. They could also introduce a discount coupon or a one-for-one sales campaign simultaneously with the influencer campaign.

Including more hashtags in the influencer posts was another idea that could potentially target more consumers per post. However, the number of hashtags included needed to be carefully determined in order to avoid incorrect consumer reach. Determining the right KPIs and helping to create the right content would be key to the campaign as well.

Could Leong make Jia Jia the Coke of Singapore? This depended on not only the content strategy and influencer tactics used for the campaign, but also the campaign budget and the viral effect that the campaign could generate. There was however one thing Leong knew for sure—any business could benefit from scaling its ‘kǒu bēi’, and influencers could help do just that.

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Endnotes

- ¹ Bubble tea was a cold drink made with tea, sweetened milk or other flavourings, and balls or ‘pearls’ made of tapioca.
- ² Advertisers were companies that directly approached Kobe for their influencer marketing needs. Agencies were digital marketing agencies that outsourced influencer marketing campaigns to Kobe. Such campaigns were typically run alongside other campaigns for the advertiser.
- ³ Kobe, “How much does Social Media Influencer Marketing Cost on Instagram and YouTube?” July 29, 2018.
- ⁴ Statistica, “Number of Monthly Active Facebook Users Worldwide as of 2nd Quarter 2019 (in Millions)”.
- ⁵ Kobe Company Website.
- ⁶ Gwen Tiew, “15 Key Social Media Statistics for Singapore Digital Marketers”, Equinet Academy, July 26, 2018.
- ⁷ Tom Koh, “How to Market to Millennials in Singapore”, MediaOne, December 18, 2018.
- ⁸ “Coca Cola’s Marketing Strategy: How the Beverage Giant Raises Brand Awareness with Influencers”, Mediakix, 2021.
- ⁹ Ibid.
- ¹⁰ Shane Barker, “10 Influencer Marketing Case Studies with Insane Results”, ShaneBarker.com, January 24, 2017.
- ¹¹ “Ten American Brands Using Influencer Marketing Strategies”, CrowdMedia.
- ¹² Amy O’Connor, “Why in God’s Name is Kim Kardashian still Promoting ‘Fitness Teas?’” The Daily Edge, March 27, 2017.
- ¹³ Jean Sarhadar, “TeaTox with the Kardashians”, Medium.com, July 8, 2017.
- ¹⁴ “The Million Dollar Question—Facebook vs Instagram?” Kobe, April 3, 2019.
- ¹⁵ Ibid.
- ¹⁶ Shane Barker, “Instagram vs YouTube: Which Platform is Best for Your Influencer Marketing Campaign?” ShaneBarker.com, April 4, 2019.