# BIZCOMMUNITY

# Lokal Link, matching up the right influencer with the right brand

By Juanita Pienaar

12 Jul 2018



New startup Lokal Link aims to help connect people on social media with brands that want to pay them for content.

Humelo Ndoni, co-founder and growth lead of Lokal Link.

Humelo Ndoni who founded Lokal Link started his career as an intern at Hellocomputer and whilst he was learning about digital and understanding the social media landscape, he noticed a new form of brand communication gaining popularity globally.

"I noticed how brands were starting to team up with social media stars to create relevant and engaging content for platforms such as Instagram and YouTube," he says.



The rise of digital influencers Hlumelo Ndoni 13 Apr 2018

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Upon seeing this trend eventually make its way to South Africa, he had an idea. "The idea was to find content creators and connect them with brands, helping them earn money from their social media accounts," he explains.

This eventually became the genesis of Lokal Link, a content creator-based social media consultancy with the sole purpose of connecting brands to content creators for branded content.

Ndoni talks more about Lokal Link here:

# What approach does Lokal Link take to influencer marketing?

Lokal Link aims to solve some of the problems I noticed with bigger agencies.

For instance, the process of matching up influencers with brands and the time spent negotiating prices and agreements is tedious for agencies. As influencer marketing is still an emerging trend, most digital agencies still don't have dedicated influencer teams in their departments.

This can quickly lead to chaos when brands want to run influencer campaigns as these tasks will tend to fall into the hands of social media managers who are not equipped to run influencer campaigns. Lokal Link aims to streamline this process by taking care of finding, onboarding, managing and even paying influencers.

Secondly, the campaigns that do manage to eventually run take advantage of content creators by not paying them.

*Brands and agencies will typically try to sell influencers an idea with no compensation plan laid out, even though not all influencer campaigns need to have a monetary payment, we believe that influencers spend a lot of time creating beautiful content and building their social media following. If brands want access to that loyal following and creativity, they have to get comfortable with the idea of paying for it as they would with any other media channel.* 

Lokal Link aims to systemise this process for maximum efficiency. We'll help brands create the brief for influencers, setting the budget and even campaign management.

Through creating systems and processes, we can be at the forefront of the change that is coming. It's about supporting influencers to become publishers through monetising their content.



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# Comment on the current state of influencer marketing in SA, and what the future of influencer marketing looks like to you.

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I have a phrase I use which is: "**Influencer marketing is still the Wild Wild West!**" and this is really how I feel, even though I'm a champion of the movement. It's still a relatively new industry and obviously still has a lot of growth ahead. Many brands have perfectly valid concerns about the credibility of influencers, and undoubtedly there are some tough questions that still need answers.

Questions such as:

**1. Fake followers.** Whether your chosen influencer operates via Twitter, Instagram or any one of the many platforms susceptible to influence, there are always going to be questions about fake followers. A recent survey from Hypetap of 10,000 influencers identified 16% of the total follower base to be fake. Some sceptics would say even those numbers might be low estimates. As Digiday reported last year, Instagram posts tagged with either #sponsored or #ad generated more than 50% of their engagement from fake profiles and of the 118,007 comments posted, 97,065 were generated by bots.

This being said, it's even more important for brands and agencies to know how to navigate this bot-filled landmine or work with partners who vet their influencers using both technology and the human eye.

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Fake followers are a massive problem, as SA duo proves Hadlee Simons 3 Apr 2017

2. Another concern sceptics might have is the trustworthiness of these so-called influencers. In social media, you have to first establish if someone is human and then (and this is the tricky bit) work out if their message is genuine enough to be believable. If Oreos pushes a TV ad touting how amazing they are, surely that has less of a "believable" impact than if a person you looked up to create a beautiful post for Instagram with the caption: 'The best cookies ever!'. This is why at Lokal Link we've made the decision to focus on micro-influencers, as they tend to be much more believable within their niches and audiences.

This believability can be seen through engagement metrics. According to recent research, engagement rates on Instagram drop as the number of followers increases. People with less than 1,000 followers have a like rate of about 8%, whereas people with 1,000 to 10,000 followers have a like rate of about 4%. This drops to 2.4% for those with 10,000 to 100,000 followers, and to 1.7% when their audience grows to 1 million-plus followers.

3. The last line of defence for sceptics would then be to question whether or not these influencers have any real influence. This is clearly an ROI concern, which makes me think of a very funny but true quote from Gary Vee, asking "What's the ROI of your mother?"



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The idea of using someone else's celebrity and/or credibility to help boost awareness or trial products and services has been part of the marketer's toolkit since at least 1760.

The underlying premise and even the primary mechanics of influencer marketing have never changed. What has changed is the number of people that have influence in this modern age of people as media. And now, our ability to measure the impact of influencer marketing has also morphed.

Measuring ROI for influencer marketing will vary from brand to campaign to goals, but there are some very real metrics to measure the success of using influencers, such as sales attribution, referral traffic, reach and impressions, social media engagements and conversion goals.

#### What is Lokal Link's competitive advantage or core differentiator?

We know we're in a very fast-moving industry so we know we have to be even faster. This speed, however, must not come at the expense of our primary objective to help content creators monetise their social media accounts. For us, it's all about the human aspect of marketing, especially in an industry filled with apps and automated platforms where you can start and finish a campaign without ever having spoken to a human being.

We'll take the human angle and help brands use content creators to their full potential, from strategy to finding credible influencers to briefing them and paying them. We'll humanise the process each step of the way. This is what sets us apart. As much as we love technology and automation, we believe that sometimes, it's just better to get a person who can contextualise both your brand and your campaign.

A post shared by Lokal Link (@lokallink\_network) on May 21, 2018 at 6:50am PDT

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Also, we re young, ambitious and haive, which could translate into us injecting a tresh look into a brand campaign, being millennials who grew up in **the "move fast and break things" era** of business, which could either be a positive or a negative.

# What obstacles did you have to overcome to launch the venture?

I guess we face the challenges any startup faces: the question of funding and resources. We have the vision of what we want to do, now it's a matter of getting the funding to commit and go all in. Which is not easy. But aside from funding, another challenge we have to overcome is the challenge faced by any startup with a marketplace business model, solving **the chicken-egg challenge** that all marketplace businesses must solve.

In order to get traction, we need influencers, but in order to get influencers, we need brands to help them monetise. However, to attract brands we need influencers. This is the challenge we've set out to solve at the moment, creating a database of more than a thousand influencers by the end of this year, we currently have a list of more than +500 South African micro-influencers, so we should have at least 1,000 curated and vetted micro-influencers in our network by the end of the year.

# What is next on the agenda?

For the foreseeable future, we want to raise capital to fund our vision to connect social media content creators with brands. Bootstrapping can only get you so far, now that we have a minimum viable offering, we believe with the help of the right partner, we could grow.

We have to start locally, but the goal is to expand to Africa and we really want to be the leader in helping social media content creators become valid publishers and customer acquisition channels worthy of any brand's budget.

Click here for more information on Lokal Link and its services and here to follow Ndoni's thought leadership on his MyBiz profile.

# ABOUT JUANITA PIENAAR

Juanita is the editor of the marketing & media portal on the Bizcommunity website. She is also a contributing writer. #StartupStory: Charnelle Paulse on starting the world's first curve modelling school - 19 Sep 2019

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