

Influencer Marketing: collaborations between sport supplement brands and social influencers.

Critical success factors from a brand's perspective for effective revenue streams and cost structures between social influencers and the fitness supplements industry.

Author: Hakan Bektas
University of Twente
P.O. Box 217, 7500AE Enschede
The Netherlands

ABSTRACT,

In recent years, influencer marketing has become a popular way to market products to target audiences. Increasingly more companies make use of social influencers in their marketing efforts, as it is believed that these public figures could be more effective and cost efficient compared to celebrities. Possibly due to the follower base being able to better identify themselves with social influencers, with factors such as: admiration, association, aspiration and recognition. The growth of the fitness industry over the last decade has coincided with the introduction of a new job title: social media fitness influencer. Many activities that are performed by these influencers have a positive effect on the purchasing decision of a large variety of their follower base, thus an increase is seen by companies in sales and profits by utilising these influencers in their marketing efforts. Although, regarding academic literature, there is little known about the contributing factors to effective revenue streams and efficient cost structures between sport supplement brands and social influencers. This paper aims to discover the critical success factors of collaborations between these two parties. Relevant theories and concepts are explored and discussed in further detail within this paper to increase the understanding of the proposed research. Firstly, the product-endorser fit, followed by influencer identification and credibility and a short overview of business models, mainly focussing on the revenue streams and cost structures within the collaboration mentioned earlier. Two case studies have been held with exemplary Dutch sport supplement brands that resulted in data within four themes: expectations, obligations, revenue streams and cost structures. The main findings of this paper include, but are not limited to, the importance of credibility and case-by-case shaping of expectations and obligations, due to the difference in posting style and frequency of social influencers within the same industry.

Graduation Committee members:

Dr. Robin Effing

Dr. Efthymios Constantinides

Keywords

social influencers, sport supplement brands, influencer marketing, product-market fit, product-endorser fit, business models

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1. INTRODUCTION

1.1 Problem Statement

In recent years, influencer marketing has become a popular way to market products to the target audience (Nidamarthy et al., 2020). Arguably, due to the increased use of social media platforms by the young(er) generations and the impact social influencers have on them (Kadekova & Holienčinova, 2018), thus making it a viable focus for companies to direct their marketing strategies towards (Woods, 2016). Another reason might be that more and more users of such platforms are checking the marks that would consider one as being a 'social influencer'. Possibly measured by the reach of their posts, the number of received likes, comments and the overall engagement of their following regarding the content that is posted. Social influencers usually focus on a certain niche, theme or subject and strive to become a popular face that many followers find inspiration in and build a trust relationship with. When social media platforms were relatively new, marketing campaigns were mostly focussed on celebrities from different industries that used social media as a secondary way to connect with their audience, since there was a limited number of sectors that created the opportunities for one to become a public figure and hold the power to influence others. However, with the emergence of social media platforms, such as Instagram, there is no longer a select few celebrities to choose from (Burke et al., 2017).

Social media platforms are capable of creating celebrities all on their own, without having the entry barriers or at least significantly lowering these during recent years, as anyone with access to such platforms could start to create content, without having to necessarily put in financial resources. These social influencers are seen as everyday individuals that have attained thousands to even millions of followers on social platforms, as these individuals are known by the public and their identification is based on factors, such as: admiration, association, aspiration and recognition (Kutthakaphan et al., 2013). These social influencers are increasingly used in marketing campaigns of companies as endorsers (Hearn & Schoenhoff, 2016). The main reasons are that the following of such micro-celebrities can identify themselves more than with celebrities. Most social influencers are initially not considered to be public figures and were unknown individuals, they often gain their fame by just actively taking part in the social media platform, thus are seen as normal everyday individuals and less so as admirable celebrities. Resulting in making these social influencers share a lot of similarities with their audience, which in turn makes them more identifiable (Forbes, 2016). Prior research has shown that the follower base of social influencers sees them more as friends, increasing the identifiable aspect compared to celebrity endorsers, thus creating possibilities for more effective product and service endorsements (Nijs, 2019).

Regarding the follower base of social influencers, a noteworthy consequence of these platforms is that the followers' thoughts and preferences about what is seen as important and desirable, is often significantly influenced by the ones that they follow. Since the followers often see these newly created public figures as trustworthy, genuine and perceive them as credible, channels, such as Instagram and YouTube have become a significantly effective way for companies to focus their marketing targeting strategy towards (Schouten et al., 2019). The market targeting strategy is where the marketing mix comes together to create the right strategy and applicable offers in order to appeal to a specific target audience by the use of customised messages.

The growth of the fitness industry over the last decade has coincided with the introduction of a new job title: social media fitness influencer. Popular examples are able to amass

millions of followers on platforms, such as YouTube and Instagram (Ferreira, 2017). These influencers (Instagram/YouTube stars) are usually private individuals from all over the world with a large following who regularly share content related to the fitness industry. Many activities are performed to have a positive effect on the purchasing decisions of a large variety of followers. A great deal of businesses has seen an increase in sales and profits by utilising these marketing strategies in recent years (Heitner, 2014). Though, regarding academic literature, there is little known about the contributing factors to effective revenue streams and efficient cost structures between social influencers and the fitness supplements industry. Conducting research on the relation between these two parties and identifying the critical success factors would be of great significance for future collaborations.

1.2 Research objective

This paper aims to discover the critical success factors of business partnerships between social influencers and sports supplement brands, mainly focussing on effective cost structures and optimal revenue streams. As mentioned before, the sports supplements industry is one of many popular themes on social media platforms and has seen very strong growth during recent years, generating billions of views on popular platforms, such as YouTube and Instagram (Ferreira, 2017). As a result, these social influencers have a large audience and the potential to influence and channel their following in directions that are favourable to the brands that they are partnered up with, such as OrangeFit. Still, there is little known about the critical success factors for an effective collaboration between sports supplement brands and social influencers.

The main objective of this research is to identify the critical success factors to effective revenue streams and efficient cost structures between social influencers and the fitness supplements industry. Conducting research on the relation between these two parties and identifying the critical success factors would be of great significance for future collaborations. Having a clear overview of what the contributing success factors are, supplemented by relevant questions surrounding the revenue streams and cost structures, could help social influencers and brands in the supplements industry to shape their relationship with each other in a more efficient and effective way. Likely to contribute to a better product-endorser and product-market fit as well, which in turn would increase the desired results of both parties' efforts towards the collaboration. Sport supplement brands will be able to use the gained insights to find better matches for collaborations by weighing their needs and finding social influencers that align with their brand's values. Regarding social influencers, they will be able to identify and better assess the important points to pay attention to in order to find the correct balance regarding their expectations, obligations, involved costs and created opportunities. Besides that, further research will be easier to conduct when a clear overview with definitions could be given to the critical success factors, amongst other relevant dependent and independent variables, as there is still little research carried out on this subject. Furthermore, a starting point is given regarding insights into the recent position of social influencers compared to celebrities from different channels and the changing environment regarding advertising, due to a shift in consumer behaviour and the increase of social media platform utilisation (Kadekova & Holienčinova, 2018).

1.3 Research question

There are already several studies done on social influencing and the sports supplements industry as individual subjects. Although, as mentioned earlier, there is little known about how this (business) relation between social influencers and the sports

supplements industry is developed and what the revenue streams and cost structure would include. Considering the critical success factors that promote the effectiveness of such revenue streams and cost structure as well. These aspects are seen as the main point of focus in this paper, resulting in the following research question and its supplementary questions. The main question of this research is: what are the critical success factors from a brand's perspective for effective revenue streams and cost structures between social influencers and the fitness supplement industry? The supplementary questions are listed below.

1. What are viable revenue streams and cost structures concerning the relation between social influencers and the fitness supplements industry?
2. What is the role of a social influencer in the revenue stream and cost structure?
3. What are the advantages and disadvantages of using social influencers for brand awareness regarding sports supplements?

Answers to these questions will result in a better overview and likely more efficient and effective way to develop collaborations, since the results of this paper will show the importance of certain factors to the success of the relationship and give answers to questions that are of relevance when both parties are negotiating such a collaboration. An example of the results might be that due to knowing the relevant criteria for a successful collaboration, it will lead the brand to choose from a different set of social influencers that are more suitable for their product than without having the knowledge prior to this research. For social influencers, it could for example lead to more insights regarding the expectations and obligations of such collaborations and to an increase in bargaining power, since they will have a better idea as of what is required to acquire the desired results of their campaigning efforts.

2. LITERATURE

In this analysis phase, relevant theories and concepts that are used in order to increase the understanding of the proposed research are explored and discussed. Firstly, explaining the product-endorser fit, followed by influencer identification and perceived credibility, as these concepts are all likely to contribute towards effective collaborations. Finally, the business model concept is explained, mainly focussing on revenue streams and cost structures to better understand the right balance when creating the overview with success factors to achieve the most effective collaborations that can be used by the two parties.

2.1 Product-Endorser Fit

A product endorsement is about a relevant person, in this case, social influencers on platforms who promotes and actively shows his or her approval of the product to their followers. They do this in an attempt to generate more sales or increase the popularity, amongst other desired results that a company might be looking for. Looking at how well a product's characteristics and use case fits an endorser is called product-endorser fit, which is important to consider in order for the campaign to be successful and to ensure that the budget is spent in a valuable manner (Kamins & Gupta, 1994), while striving to maximise the return on investment (ROI). Product endorsement works considerably well in today's world due to the fact that social influencers are seen as role models for their following. For example, when a follower sees that his or her role model uses a certain service or product, they would consider following their actions and start using the service or product as well, since a feeling of affiliation is created when a follower uses exactly the same service or product. Product endorsement could be used in order to stand out from the competition, to create brand equity and to quickly increase the trustworthiness of a new product/service that has not yet proven

itself. As earlier research from Djafarova and Rushworth (2017) suggests, the fit between influencers (endorsers) and the products is seen as important by consumers in order to consider buying or using the endorsed product or service.

2.2 Identification with the influencer

Identifications with the influencer could also be a significant factor contributing to the critical success factors, especially regarding the fitness industry, as the follower base of a social influencer often sees the physical looks of one of their favourite celebrities as a goal to strive for. Identification with the influencer is about when followers believe that they have considerably similar characteristics regarding what they are interested in and sharing their values and norms with the influencer (Kelman, 2006). Identification is not only about the actual and perceived similarity, but also wishful identification (Hoffner and Buchanan, 2005). In this case it would be the aesthetics and attractiveness of their body, compared to that of a social influencer that endorses a sports supplement which for example would advertise the ability to improve performance, increase muscle size or lose fat.

2.3 Perceived influencer credibility

Perceived influencer credibility is about the follower base having a more positive attitude towards products that are introduced by social influencers who are perceived as credible. These consist out of two dimensions. Firstly, trustworthiness, which is often perceived as relatively high due to the nature of how social influencers connect with their audience and often portray themselves as a modest everyday person that gives his or her opinion in an open and honest way. So, due to the believability of a social influencer, the endorsed product or service could have a higher chance of being accepted by their followers. The second variable is expertise, since the relevant knowledge and experience a social influencer has is generally perceived to be high, which also positively affects the purchase intention of the following (Eisend and Langner, 2010). This is due to a high number of social influencers usually focussing on a certain theme, subject or niche and increasingly learn about the concepts that they are sharing with their followers.

2.4 Business Model

The concept of a business model has gained universal acceptance in popular (business) press, as well as significant attention in academic literature. Firms were able to pursue new business models by virtue of the internet and for many businesses, a better business model could provide an advantage over competitors in their sector. The basic definition of a business model is widely agreed upon. Simply put, a description of how a company operates. It is not considered to be a detailed description of a business's complex social system, which includes all actors, relationships and processes. Rather, it is a description regarding the rationale that strengthens these processes themselves (Petrovic and colleagues, 2001). According to Osterwalder & Pigneur (2002), a business model can be viewed as the architectural and conceptual implementation of a business strategy, as well as the foundation for the implementation of business processes.

Recent definitions in academic literature generally include all relevant components to a certain firm and often even more to define the concept in a broader way. For instance, Chesbrough and Rosenbloom (2002) have identified six functions of a business model: the value proposition, the target market segment, revenue sources, the value chain and complementary assets, the cost structure and profit potential, the firm's position in the value network and the firm's competitive strategy. The aim of this paper is to specifically capture the

themes, cost structures and revenue streams in order to present an overview that supports the implementation of a strategy by both parties in order to gain an advantage by lowering the associated costs of a collaboration or increasing the potential revenue. To sum it up, a business model represents the reasoning that lies behind the detailed business operations, which is a significant concept according to Petrovic et al. (2001), therefore should be included in order to reach a more effective business relation in this case.

Regarding revenue streams, the most popular social media platforms used by marketers have been Facebook and Instagram, which are seamlessly connected when launching a marketing campaign on either platform (Facebook, 2021). Popular forms of using these platforms as a marketing tool are for example storytelling, content marketing, influencer marketing and common paid ads (Geiser 2017). Storytelling is about telling a short story to your audience that includes the brand's values, mission and vision. Content marketing is focussed on creating and posting content in order to attract and retain customers, consistency in content marketing could lead to profitable consumer actions. Focussing on influencer marketing, it is seen as an effective way to reach a broad and relevant audience of high quality. Social media experts often make use of influencer marketing in order to have a more specific target audience. Brands look for suitable and qualified individuals that are well-known within a specific target group to partner up with and that are willing to commit their dedication to the brand they are endorsing. As a result, a large number of potential customers are reached, who are more receptive to a new brand, since they already trust the influencer. In essence, this strategy is comparable to the utilisation of reviews. Influencers, like celebrities, act as role models and sources of inspiration for their fans (Brown and Hayes, 2008).

Finally, taking a short look at the possible cost structure of social influencers when they decide to publish a post or not, there is a difference between the intention to post and to the actual posting. According to Oliveira et al. (2021) there are two key factors that are taken into consideration when deciding whether a post should be posted, these factors are (a) risk of losing followers and (b) required effort in order to verify whether the claims made by the brand are legit. These factors should be a point of attention when a collaboration is in the planning phase, as both parties have to consider these factors in order to increase the likelihood for an effective campaign. Regarding brands, the fixed and flexible costs should be considered. The fixed costs could be a one-time payment for a specific post or a planned activity. Flexible costs could consist of affiliate payments, as the social influencer has the possibility to tag a product or service or include a link that can be tracked with popular analytic tools, such as Google Analytics or Loomly. Thus, creating an additional simple and effective way in order to measure the boost in sales created by the collaboration.

3. METHODOLOGY

3.1 Research Design

The research will be conducted with a qualitative approach in mind, as the overarching goal is to identify and understand the main success factors regarding effective revenue streams and an efficient cost structure between social influencers and the sports supplements industry. Furthermore, additional primary sources of data, namely expert interviews will be conducted, which is a widely used qualitative method in order to gain further information about or explore a certain field. This will help to better explain the main success factors of prior research that have shown to be of significance. In addition to this, a literature review relating to the relevant theories and concepts is carried out in

order to include insights that support the research questions requiring an answer.

3.2 Data Collection

Semi-structured interviews were conducted in order to allow the respondents to openly add their insights and to stay on track to acquire relevant answers. The interview scheme was built by using relevant concepts and theories that are described in detail in the literature review and by grouping the questions according to the themes: expectations, obligations, revenue streams and cost structures. Since there is little known about the subject being researched, questions are constructed in a way that would provide sufficient explorative qualitative data, thus making it possible to create new literature on this subject to serve as a starting point for further research. In order to increase the validity of the questions that were created in addition to the concepts and theories, a trial interview was carried out with an individual of which the characteristics closely align with the target audience in order to optimise the ability of receiving relevant answers from the questions asked. Furthermore, the interview scheme was designed by comparing and relating the research that has been done by two researchers that are partly studying the same target group, thus being able to extensively discuss the most relevant and effective questions that have risen from both peers' research on the subjects. Both interview schemes made for brands and social influencers can be viewed in Appendix A and B.

These interviews are held through communication platforms, such as Microsoft Teams, due to the international characteristics of this research and the lingering effects of the pandemic. The brands that are eligible for the interviews are chosen based on several criteria: 1. Popularity on the Dutch market in order to make sure that a wide range of customers are reached. 2. Their product offerings, making sure that vegetarian and vegan options are also available to widen the supplement brands reach. 3. The average rating regarding customer reviews. 4. The ability to receive advice and support about supplement needs for customers. 5. Finally, another important criterion is, of course, their active use of social influencers in order to promote their products.

As Yin (2018) suggests, by using interviews for data collection, explanations of key events and the insights reflecting participant's relativist perspectives can be viewed. Thus, interviews are an important addition to the objectives of this paper, as there are two main parties involved in the research. The literature review is carried out by using Google Scholar as the main database that is used for the purpose of finding relevant theories and concepts.

3.3 Data Analysis

Regarding the interviews, the analysis of data will be done according to the steps of Lofgren (2013). Firstly, reading and scanning through all transcripts. Secondly, labelling all relevant pieces, such as words, phrases, sentences and sections. After that, identifying the most important themes by creating categories, as codes are grouped. The last step is to label the categories, decide about the most important ones and make a figure that summarises the results in a visually appealing way. A possible limitation of data collection might be that due to the recent developments on the subject of social influencing and the significant speed of change in the way social media users behave, combined with the low availability of current research on the specific relation of social influencers and the sports supplement brands, it could pose a threat as to how well a certain concept or factor that has been identified to be relevant can be applied to a similar case. Although, this will mostly be corrected by the data collection methods mentioned earlier and should not pose a significant threat to the accuracy and reliability of the results of this paper.

Furthermore, due to the limited time and resources available, supplement brands and social influencers with a less international character might be chosen for the interviews, which should still have a high relevance for the results, due to the careful and extensive process of the interview scheme.

4. RESULTS

	Sport supplements and equipment brand	(Sport) nutrition brand
Expectations	Conveying messages in an authentic and credible way and increasing brand awareness. Increasing product & market insights.	Strong connection between brand values and the view of plant-based pros. Increasing brand awareness.
Obligations	'Give and take' principle, different per collaboration. Brand exclusivity.	X number of posts within X period. Brand exclusivity.
Revenue streams	Increased brand awareness and feedback of products.	Feedback of products and increased brand awareness.
Cost structure	One-time or recurring (free) products.	Credits to order (free) products, one-time or recurring.

Table 1. Results brand interviews based on themes.

The results are divided into four main themes that have arisen from the literature, as has been mentioned before. These consist of expectations, obligations, revenue streams and cost structures, as can be seen in table 1. Two sport supplement brands have been extensively interviewed. Both operate on the Dutch market and offer a wide variety of supplements, including ones that are vegetarian and vegan friendly. The brands were carefully chosen according to several criteria, including the average customer review rates and whether they were offering extensive support and advice to their customers. Thus, ensuring that both brands are solid representations of exemplary companies that offer sport supplements.

4.1 Case I: supplements & equipment brand

The brand focuses on offering sport supplements for a wide variety of sports, including running and cycling. Next to that, equipment and clothing for certain sports are available. They are striving to offer quality products at competitive prices and have a strong focus on customer experiences.

4.1.1 Expectations

The respondent has clearly stated that regarding expectations in a collaboration, the social influencer must have a positive mindset and that the message should be conveyed in an authentic and credible way. "What I find really important is that the social influencer needs to have a positive mindset and that it is pure. That you can feel that you are talking to the person for real, so it

should not feel scripted in any way." It should in no way be conveyed in a way that would make the posts feel as if they are scripted. This brand does not find it important to sign contracts, but prefers to build on trust relationships within the collaboration, so the social influencer is completely free to choose what to post, when to post it and how to post it. This way the social influencer can use his own expertise and, of course, knows best what his audience's preferences are. So, the important factor here is that the brand would want consumers to get realistic and fair information and giving the social influencer the ability to choose freely as of how to endorse the products, the brand feels this is achieved.

Furthermore, the brand feels that they could learn a lot from social influencers, since they are living in their own culture with their specific following. For example, social fitness influencers might know a lot more about the fitness industry than the employees of the brand do, since the influencer is closely connected to the subject and receives information from all kinds of sources, while staying on top of current and future trends. Since a social influencer is closely connected to his interests and knows his audience, this form of 'advertising' results in a lot purer form than, for example, Google Ads. So, the most important factor as to why to choose for social influencers instead of other forms of advertising would be the personal approach it brings, according to the respondent.

4.1.2 Obligations

Firstly, the obligation towards the social influencer would be that the brand conveys their knowledge in a positive and energetic way. "I am striving to convey my knowledge in a positive and energetic way and since we do not have legal contracts, we work with a kind of 'give and take' principle." Since there is no official contract between the brand and the influencer, the brand works in a way that they ask the influencer to publish a certain number of posts and strive to balance out the 'give and take' concept. It is, of course, important to create expectations and obligations within the collaboration, but there are no clear agreements, so they are specifically asking for a performance based on what the brand has sent the social influencer, although, the respondent said that they are closely monitoring the effort that is put from their side and the effort performed by the social influencer, in order to, as mentioned earlier, balance the 'give and take' concept as much as possible. Again, building on the expertise of the social influencer, giving them the freedom in order to choose what is seen as effective, when considering publishing posts or endorsing the brand's products in different ways. The respondent believes that the fit between social influencers and their post activity is an important factor to consider as well, since it would be ineffective when an influencer that usually posts once a month, all of a sudden would post daily about their brand. This would undermine the authentic feeling of such posts. Regarding obligations, it is really not about the number of posts published, but about how a social influencer manages to convey the message.

4.1.3 Revenue streams

According to the respondent, it is difficult to measure financial revenue streams and this is likely due to the fact that they, as a brand, do not focus on making clear agreements. Referring back to the 'give and take' concept, they are mostly doing this by generally assessing whether the collaboration is effective or not. When they are satisfied with the social influencer, it is bound to increase sales in one or another way, so that is the only guarantee that they seek. Furthermore, the brand does not make use of affiliate links or personal codes to track sales generated by specific influencers. Although, with sport events, they do make use of personal codes, thus are able to track sales. "You do often

see sport supplement brands giving out discount codes that are specifically tied to an influencer, but in our case, we do not make use of that” said the respondent. Mostly due to the fact that it is too commercial in their opinion and, like mentioned before, they really see the value in building a trust relationship with the social influencer and creating posts in a pure and authentic way.

Regarding not-financial revenue, the most important aspect is that when you are within your own team, there is a likelihood that you are getting increasingly more limited in your views, due to like-minded employees within the organisation, said the respondent. Although, when you work with social influencers and different external parties, you can get new perspectives from different sides and keep your thought process fresh and up to date. So, definitely the feedback being received, according to the respondent. “I think that influencer marketing is an important aspect, since we are striving to create a group feeling; a family bond.” When looking at the position of social influencer marketing, compared to other forms of marketing, the brand believes that social influencers are very important to their brand, since they are striving to create a bond with the consumers and by working together with real persons, instead of, for example, display ads or keyword targeting, it gives their brand a more personal approach. Thus, they find influencers an important part of their marketing efforts and would rank it quite high. Although, the brand still uses most of the marketing budget for events, since they perceive it as the most personal approach. Two important factors according to the respondent: a) good and quality products and b) authentic, fair and kind team behind the brand.

4.1.4 Cost Structure

The brand compensates social influencers usually in products. When they work with social influencers, they strive to develop long lasting relationships. The brand does not pay social influencers for one-time efforts or campaigns, but strives to create a circle that is willing to work together with them for as long as it works. In the future, they do not expect to put more financial resources towards influencer marketing, as their need is for authentic and pure relations, thus a supply or one-time delivery of (free) products is sufficient, according to the respondent. However, they do expect to increase the spending for sport events, as the important factor here is that in order to get closer to your customer base, especially with sport supplement brands, the brand believes that they have to actively take part in events and meet the relevant persons face-to-face.

4.2 Case II: (sport) nutrition brand

The brand strives to create a fitter world by promoting the use of vegetable products instead of animal products. Everything to make their customers feel satisfied with plant-based alternatives to popular forms of nutrition. The products are not only for athletes, but for anyone that wants to give their healthy lifestyle a boost. Their product range includes vitamins, minerals, breakfast shakes and everyday accessories.

4.2.1 Expectations

The respondent stresses the fact that the collaboration should be and feel authentic, so a real way of communication, without aiming to meet sales targets or other similar commercial goals. They are making a point of only working together with social influencers that have bought from them before, they have to be true fans of the brand. “We do not contact social influencers; we expect them to contact us and they do.” The brand does not search for social influencers themselves, as they expect the social influencer to take an active stance and initiate contact with them. On rare occasions, the brand contacts customers that have ordered a substantial number of times and have a social profile that is in line with the brand’s vision and mission. Shortly put,

brand loyalty and authenticity are important points to expect in a collaboration. Furthermore, the image the brand is seeking for in social influencers is that they are focussing on being healthy and represent living a healthy lifestyle, seeing the power in plant-based products and making it an interesting and hot focus within the supplements industry. The brand strongly believes in the pros of plant-based sport supplements and expects their collaborations to include social influencers that are in line with that belief and are actively striving to shift the paradigm, as to make plant-based products more popular compared to common supplements.

4.2.2 Obligations

The respondent explains that regarding obligations, it is the same for every social influencer that they are collaborating with. “It does not matter who you are, where you are from or how many followers you have, we treat everyone exactly the same regarding this” There are no clear contracts/agreements with the influencers. Although, a certain number of posts within a certain period is expected in order to qualify for the compensation provided by the brand. Furthermore, social influencers are not allowed to promote meat or dairy products or any kind of product or lifestyle that could be classified as unhealthy. The brand states that it does not have to pay much attention to these requirements, since the social influencers they are working with are already on the same page as the brand. Next to that, brand exclusivity is another important obligation. The brand should be the only sport supplements provider being endorsed by the social influencer and direct or indirect competitors should not make an appearance on the social profiles of the influencers.

4.2.3 Revenue streams

The most important reasons according to the respondent are brand awareness and brand image. As mentioned earlier by the first brand, by using social influencers, you can get a hold of certain niches that would otherwise not be reached, due to the specialisation or focus of the social influencer. Thus, social influencers are a great way to increase brand awareness, according to the respondent. The brand also does not make use of special discount codes or affiliate links to track the revenue specifically generated by an influencer. “We do often see the use of discount codes and affiliate links with competitors, but we find it too commercial and it would create differentiation within our sales channels, which we do not want to see.” This is seen as too commercial and would not fit the brand’s values, as they are striving to create an authentic and honest channel in order to get customers to know their brand. Google ads or Facebook ads for that matter generate a substantial amount of leads and generally show a clear spike in revenue. Although, this is not the case with social influencers. “When you have a very popular influencer that fits your brand perfectly and accomplishes to communicate the message in an optimally authentic way, a substantial number of sales could be generated.” Although influencer marketing is not a priority regarding the generation of revenue streams, compared to other forms of advertising. That can be explained due to the fact that the brand is not using special discount codes or affiliate links, according to the respondent. Their focus is to promote the healthy plant-based lifestyle and get customers to join them on their journey to change the sport supplement industry, less so to increase revenue by the use of social influencers, as that would be too commercially driven in this case. Furthermore, it would create a difficult position for them due to the vast number of sales points that they have. To keep it fair and reasonable, the brand does not work with discount codes or affiliate links.

4.2.4 Cost structure

Regarding costs, the only compensation that the brand provides is free products, based on monthly credits that can be spent on

the brand's store, as long as the collaboration is in place. As mentioned before, the brand does not work with clear contracts/agreements concerning the collaborations with social influencers and refers back to the 'give and take' concept, which was also mentioned by the respondent. "Once you go for large national campaigns, legal contracts etc. are a must, but we do not plan to use them with social influencers." The brand expects to work towards large marketing campaigns in which contracts/agreements are essentially a part of, but with social influencers, the fact is stressed that both parties are simply expected to put in an equal amount of effort. By posting X number of posts on a monthly basis, X Euro of credits could be spent on the store. When the collaboration is not perceived as effective anymore, both parties have the ability to just walk away, without any penalties or contractual difficulties. The brand does not expect to increase the budget for influencer marketing, as their core value is that influencers should not be too commercial and should actively look for the brand to initiate a collaboration in which the only possibility of compensation is a monthly credit on the store that enables the social influencers to order plant-based sport supplements that can be used in their posts on social media and afterwards, for their own consumption.

5. DISCUSSION & CONCLUSION

Expectations	positive mindset, authentic and credible communication towards followers (potential customers), trust relationships, expertise and experience of influencer, realistic and fair expectations towards potential customers, purer form of advertisement compared to display ads (personal approach), brand loyalty
Obligations	transfer of knowledge, positive and energetic communications, balance of efforts by both parties, appropriate use of expertise, alignment of values
Revenue streams	brand awareness and image, general assessment of effectiveness, building trust relationships with customers, widening of frame of mind, insights external party (new perspectives), feedback about products
Cost structures	compensation in products, recurring supply of supplements

Table 2. Summary per theme based on all interviews.

When taking the literature, additional research done on the subject and the results from the expert interviews into account, it is seen that several strong points that are believed to be important factors for a successful collaboration are revealed.

Firstly, it is highly important to shape the expectations within a collaboration based on a case-by-case basis, as regarding sport supplements, the endorser and brand should aim to optimise the communication channels in such a way that the messages towards their customer base are perceived as authentic and credible. With sport supplements, normal forms of advertising do work for common well-known products (ingredients), but in order to promote a specific brand, the values, mission and vision have to be conveyed in an efficient and effective way. Meaning

that the social influencer should shape the collaboration on his or her posting style and frequency, as to give it a natural and normal order of flow. Furthermore, expertise and experience from social influencers are seen as important in collaborations and are often expected by the brands that are seeking such business relations. Meaning that social influencers hold a substantially strong bargaining position regarding expectations, thus it is advised that they should put their efforts towards making their expertise and experience an important point at negotiations. Another important factor that has been noted is that brand loyalty is often expected from the influencers, meaning that they are not allowed to advertise or endorse products and services that are in direct or indirect competition.

Secondly, regarding obligations, it has been noted that collaborations between social influencers and sport supplement brands usually do not consist of clear contracts/agreements, as the brand is usually striving to learn from the social influencer and allows for a lot of freedom in the way the social influencer operates in order to create the most effective and efficient campaign with their follower base. This has likely to do with the expertise and experience of social influencers, as mentioned before in expectations. Although, obligations according to the brand's values are often in place, thus the brand and social influencer should have a solid alignment regarding their perception of what is seen as important when considering a collaboration. One brand might have a vegetarian and vegan product line next to their standard product offerings, while another might be purely focussing on plant-based alternatives and would strongly reject social influencers that would not fully post in line with the brand's values. Meaning that a careful consideration of the alignment of values should be carried out.

Continuing with revenue streams, literature and further research has shown that there are several ways to create revenue streams from collaborations, such as: one-time payments, affiliate links, special discount codes from which a percentage is going to the social influencer, one-time (free) products/services or a periodically supply of supplements when a collaboration is set for a longer time. From the expert interviews, it could be concluded that the free products without an obligation from the social influencer is generally seen as a starting point, after that, when a collaboration is expected to last for a longer time, it is advised to consider more sophisticated methods, such as individual affiliate links and discount codes. Although, both cases have shown that they are striving to keep the collaboration as authentic and fair as possible, thus are not willing to go further than providing free products, as a one-time compensation or as a monthly supply. They have both stated that other forms of revenue generation would be too commercial and should not be the focus with influencer marketing. Further research is required in order to identify revenue streams that are seen as less commercial compared to personal discount codes and affiliate links, which often is the norm at sport supplement brands in recent years.

Lastly, regarding cost structures, not a lot of valuable data has been gathered within this research. The recurring cost structures at sport supplement brands are generally about the time invested into a collaboration, so human resources and the free products that the social influencer receives as compensation, one-time or recurring on a monthly basis. An important point of attention for social influencers would be to assess whether a brand would fit his or her posting style and follower base, considering the risk of losing followers by communicating irrelevant content or the effort that has to be put in, in order to validate the claims made by the brand that the social influencer is endorsing.

Regarding suggestions for future research, it is advised that further research should focus more on the cost structures between the two parties within a collaboration, as this research has mostly revealed important factors concerning revenue streams and less so for cost structures. Another suggestion for future research would be to carry out more case studies in order to increase the insights gathered from the expert interviews. The expert interviews have taken place with brands that are Dutch or operate on the Dutch market, thus it should be carefully considered when making assumptions with the results concerning an international relationship. Continuing this research with brands that operate in more countries would be a considerable next step in order to create a more reliable and accurate overview of this business relationship between social influencers and sport supplement brands. Lastly, due to time and

resource constraints, TikTok has not been included in this research. Another suggestion would be to carry out similar research, but then exclusively focused on TikTok, which has seen strong growth in recent years and could create further opportunities for both parties.

Overall, substantial new insights into the revenue streams and cost structures in collaborations between social influencers and sport supplement brands have been provided. These insights could be a great starting point for both brands and social influencers to shape collaborations in their best interest, allowing for more effective and efficient communication by both parties. Thus, resulting in a higher chance of acquiring the desired results from the relationships that are formed by utilising the insights that are gained by this research.

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7. APPENDICES

7.1 Appendix A – Interview scheme for brands

Interview (English)

Hi there! My name is ... and I'm a student from the university of Twente. The idea of this interview is to get a better understanding of the business models behind collaborations between sport supplement brands and influencers in order to create a better overview of the success factors that contribute to an effective cost structure and optimal revenue stream. I would really like to get to know more about four main subjects, namely: Expectations, obligations, revenue streams and cost structure. We came up with questions based on these subjects for both parties and are thrilled to be able to ask about your experiences. The information that is obtained from this interview will help us to create a solid and practical overview that can be used by both parties for future collaborations. Before we start, I would like to thank you for taking the time to participate in this interview. In addition, I would like to ask if you give me permission to record this interview, so that we can listen and analyse it later. The recordings will be deleted afterwards. Do you agree with this? Great! Let's start :)

I would like to stress the fact that there are no true or false answers. Furthermore, the answers will be anonymised, so that the answers given cannot be traced back to you and the information obtained from this interview will only be used for my or my colleagues' thesis. Your participation is voluntary, you have the option to stop this interview at any time and you can always ask for clarification if you do not fully understand a question. The interview will take approximately 15 to 20 minutes. Do you have any questions before we start?

We would like to start with some basic questions about you.

- Firstly, which company do you work for and what is it that you do?
- How long have you been in this position?
- Are you individually responsible for the collaboration effort or do you have peers working on similar tasks?
- Is there anything you would like us to know, before we start with the content specific questions?

Expectations

Brand view

- What do you expect from the collaboration with an influencer?
 - In terms of online behaviour, image, brand loyalty etc...
 - Why use influencers?
- What kind of image do you look for in an influencer?

Obligations

Brand view

- What are your responsibilities towards the influencer?
- What obligations do you put on the influencer?

Revenue

Brand view

- What is the main reason/goal of using these influencers?
- How does the use of social influencers affect the revenue generated by the company?
- Are these both financial and non-financial benefits? What are these benefits?
 - E.g. Brand awareness, financial, competitiveness
- How would you compare influencer marketing with other forms of advertising in terms of revenue?

Cost structure

Brand view

- Could you tell us a bit about how social influencers are usually compensated?
 - It is based on specific criteria regarding the influencer's social profile or are there factors in play that are based on the campaign results, could you tell us a bit more about that?
 - Is this only monetary or only non-monetary or a combination?

- Do you work with contracts for a longer period or is the collaboration on a temporary basis, such as per campaign or product?
- Do you expect to increase the investment/budget in/for influencer marketing?

To end the interview, could you tell us about the collaboration that you are the proudest of? What factors contributed to making it your favourite?

[Let the interviewee know you are thankful for his/her time and participation and ask whether he/she would be interested in receiving the thesis results via mail]

7.2 Appendix B – Interview scheme for athletes

Interview (English)

Hi there! My name is ... and I'm a student from the university of Twente. The idea of this interview is to get a better understanding of the business models behind collaborations between sport supplement brands and influencers in order to create a better overview of the success factors that contribute to an effective cost structure and optimal revenue stream. I would really like to get to know more about four main subjects, namely: Expectations, obligations, revenue streams and cost structure. We came up with questions based on these subjects for both parties and are thrilled to be able to ask about your experiences. The information that is obtained from this interview will help us to create a solid and practical overview that can be used by both parties for future collaborations. Before we start, I would like to thank you for taking the time to participate in this interview. In addition, I would like to ask if you give me permission to record this interview, so that we can listen and analyse it later. The recordings will be deleted afterwards. Do you agree with this? Great! Let's start :)

I would like to stress the fact that there are no true or false answers. Furthermore, the answers will be anonymised, so that the answers given cannot be traced back to you and the information obtained from this interview will only be used for my or my colleagues' thesis. Your participation is voluntary, you have the option to stop this interview at any time and you can always ask for clarification if you do not fully understand a question. The interview will take approximately 15 to 20 minutes. Do you have any questions before we start?

We would like to start with some basic questions about you.

- Firstly, which sport do you practice?
- How long have you been a social media influencer and why?
- Are you individually responsible for the collaboration effort or do you have peers working on similar tasks?
- Is there anything you would like us to know, before we start with the content specific questions?

Expectations

- What do you expect from the collaboration with the brand?
 - In terms of increased following, image, network, opportunities etc...
- What kind of image do you look for in a brand?

Obligations

- What are your responsibilities towards the brand?
- What obligations do you put on the brand, if any?
- Do you experience any restrictions in terms of being allowed to collaborate with other brands as well? If yes, what kind of restrictions? (opportunity costs)

Revenue

- What is the main reason for collaborating with the brand or a brand in general?
 - Collaborations could provide financial and non-financial benefits, could you tell us what is applicable to you?
 - For example: personal brand awareness, free products, financial benefits, status within the sport you are performing etc.
- Would you say the benefits are mostly financial or non-financial?

Cost structure

- As a social influencer, how much time is usually spent on activities for the brand that is being promoted?
- What would you, as a social media influencer, consider as opportunity costs? So, the potential benefits that you might be missing out on by choosing to go for the collaboration.
- As a social influencer, are there requirements from the brand's side for the promotion that incur additional costs? Is the brand more in control or are you?

To end the interview, could you tell us about the collaboration that you are most proud of? What factors contributed to making it your favourite?