INSTAGRAM AS AN INFLUENCER MARKETING TOOL IN THE CZECH REPUBLIC

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Background: Social media has created a new paradigm of how people share and consume in the market. This facilitated the flow of information via media such as Instagram and provided a new area for the development of marketing strategies and trends. **Aims:** The aim of this paper is to find out how influencers on Instagram reach their audience and to identify which of the communication channels available on Instagram is the most effective to use. The geographical area of this study is narrowed to the Czech Republic market. **Methods:** To achieve the objective of this paper, a wide range of methods are applied, including observation and benchmarking. **Results:** The results show that there are numerous ways of communicating with followers on Instagram. Among these, the most effective is sharing the content via posts. **Conclusion:** As posts last longer at the influencer profile, the marketing effect can be more significant. **Implications:** Due to that, companies should encourage influencer marketing mainly by sharing the posts on influencers' accounts.

Introduction

Influencer marketing started to be widely used by many companies. Consumers have become more demanding and increasingly skeptical of traditional marketing. Due to that, enterprises often turn to online marketers who can promote their brands on social media platforms such as Instagram, Facebook, etc. (Leung, 2022). Companies make significant investments in influencer marketing but struggle to use it effectively. This is especially true when selecting appropriate influencers to achieve engagement and, thus, higher sales as an outcome (Beichert et al., 2023; Leung et al., 2022). Maintaining influencers' credibility while promoting products is challenging because followers increasingly perceive influencers' recommendations as mere marketing tactics, known as persuasion knowledge (Pan, M. et al. 2024).

In the past, marketing campaigns tended to feature only selected populations, but today, the emphasis is on more diverse representation. Due to the nature of the online market space and the variability of the environment, reputation in the online environment and corporate marketing are vital for success (Pollak, & Dorčák, & Markovič, 2021). Companies are dedicating an increasing portion of their budgets to working with influencers. It is no longer just a method of communication typical for cosmetics or clothing sellers. Great emphasis is placed on authenticity. Users simply want to believe the content. At the same time, they are also looking for influencers who deal with completely everyday life and point out imperfections.

Influencer marketing is also increasingly reaching in the finance or banking sector. One such example is the content creation of the digital influencer "Just.ina" with "Komerční banka". In April 2023, they launched a joint long-term campaign stating: I love retirement - a revolution in the perception of retirement. This campaign was aimed at the young generation, specifically Generation Z. It tries to inspire young people to prepare for retirement. One of the goals of the digital influencer is to get this generation to change their mindset and start thinking positively about retirement (Nevoralová, Š., 2023).

The increasing popularity of influencer marketing has stimulated researchers to study. The area of study is quite wide, as many factors impact influencer marketing and its outcome. Due to that, this paper is narrowed to the geographical area of the Czech Republic and aims to find out how influencers on Instagram reach their audience and to identify which of the communication channels available on Instagram is the most effective to be used.

Theoretical background

Influencer marketing has gained momentum due to changes in consumer behavior. Traditional advertising and direct marketing actions are increasingly perceived with skepticism by consumers. Online influencers can be a very efficient solution, especially for young customers. The content created by influencers is integrated into their daily lives, suggesting a naturalness in the statements made in the online environment. Influencer marketing is perceived as a digital advertising tactic which relies on popular social media users who have built a significant and engaged follower base by frequently posting texts, images, or videos to promote apart from other products and brands (Schouten et al., 2020). Understanding the attitudes of specialists and consumers is of great importance to better understand the viewer's perception and the strategy for releasing an influencer marketing campaign (Szakal et al., 2024).

From a sociological perspective, a social network can be defined as a set of entities connected by exchange relationships (Pollak & Dorčák, 2016). In today's digital society, social media and online platforms play a significant role in influencing consumers. As they slowly rise, they gradually change the consumer shopping decision-making patterns. Consumers increasingly use social media, especially to gather information before decision-making regarding the product purchase. In this context, influencers have gradually entered the public eye (Qin et al., 2024).

Consumers often follow the recommendations of influencers and trust their choice of products. Many companies increasingly see influencers as powerful tools for communication with consumers. Influencers have established closer connections with their followers and developed more trustworthy and credible relationships than celebrities. This transformative interaction model has made consumers more reliant on influencers' opinions, thus having a more direct and profound impact on shopping and lifestyle decisions (Barta et al., 2023). Influencers receive compensation for posting content related to products, services, or brands. This is mainly driven by the follower base; influencers can significantly influence potential consumers' purchasing decisions by disseminating their views on company or brand

products and services. Consumers are very likely to follow the purchasing advice of influencers they admire (Koay et al., 2024).

Over 75% of marketers in a company intend to dedicate resources to influencer marketing, and related spending is expected to reach$16.4 billion by the end of 2022 (Influencer Marketing Hub2022). However, in many cases, marketers are disappointed to find that there is spending in the budgets but no real benefit from the campaign. Influencer marketing requires a lot of resources but is also difficult to implement and assess, making it difficult to identify the decision criteria that firms can use to enhance the effectiveness of their influencer marketing efforts (Leung et al., 2022).

Methodology

In order to gather relevant data, several sources and methods were applied to meet the goals of the paper. To obtain the necessary data for analysis and to answer research questions, the social network Instagram.com was used.

At the beginning of the study, we focus on the analysis of the influencer market on Instagram in the Czech Republic. This will be performed by analyzing the top 3 influencers operating in the Czech market and understanding their scope of activities and number of followers.

The study further focuses on the Czech influencer market, and in the first 2 quarters of the calendar year 2024, the selected Instagram profiles have been viewed. The observation method was applied to gather relevant data for analysis, monitoring of the posts, and observation of interactions with followers. As a second method, benchmarking is used to compare the collected data with the aim of understanding the basic model of influencer marketing, which could be widely used by companies operating in the Czech Republic market. Therefore, any information obtained through benchmarking should be used to achieve a change in the improvement of the services provided to customers. Its meaning is to determine the position of the company in the market and the improvement itself.

Regarding the research study question, we identified the following, which we will answer in the following parts of the paper.

Q1: How do influencers reach their audience on Instagram?

Q2: What is the most effective way to promote a company through influencer marketing on Instagram?

In order to answer the study questions, other relevant sources published by researchers were examined as well. These include research published by authors in relevant areas of study published by reputable sources.

Results

In order to analyze the Czech influencer market on Instagram, we first evaluate the top influencers. Table 1 provides an overview of the top 10 Czech influencers on Instagram for 2023 based on the number of followers. Below, we provide a brief overview of the top 3 influencers with some background on their scope of activities.

The influencer with the biggest number of followers is Petr Čech, a former football goalkeeper with over 2.6 million followers on his Instagram profile. He collaborates with brands such as O2 (mobile operator) or Adidas. Petr Čech values his privacy on Instagram and mostly publishes posts that build his name. The content of these posts includes photos and videos from matches, interviews, and points to collaboration with the given brand.

The second influencer is Makhmud Muradov, an MMA fighter who has over 2.1 million followers. Makhmud Muradov entered the Czech consciousness after his first fights in the UFC, thanks to his ex-partner Monika Bagárová. He collaborates with the Nutrend brand, and his posts are not only about fighting and training but also about travel and family. However, his weak point is (not) tagging advertising.

Leoš Mareš is in third place with 1.2 million followers. His most famous collaborations include Zalando or Xiaomi. Leoš Mareš's Instagram profile is quite varied and systematic. He creatively presents posts from everyday life - family, hosting the Morning Show on Europe 2 or travelling. He points to collaborations both in the form of posts and in disappearing stories (Vyorálková, E., 2023).

Table 1. Top 10 Instagram Influencers in the Czech Republic in 2023

No.	Name	number of followers in mil.	center of interest or activity
1	Petr Čech	2,600	sport
2	Makhmud Muradov	2,100	sport
3	Leoš Mareš	1,200	moderator, signer
4	Karolína Kurková	1,000	model
5	Adam Ondra	0,968	sport
6	Anna Šulcová	0,945	sport, fashion
7	Monika Bagárová	0,941	signer
8	Jirka Král	0,925	family, videogames
9	Kamil Bartošek	0,925	producent, moderator
10	Jan Macák	0,881	videogames, automotive segment

Source: Own elaboration, *https://influencom.cz/top-20-nejvetsich-ceskych-influenceru-na-instagramu-za-rok-2023/*

Since 2013, influencer marketing has been widely discussed as a marketing tool in the Czech Republic. Many companies wanted to try it but did not know how. Back then, YouTube was the leading marketing platform. Nowadays, the trend has shifted to Instagram. Today, there is no need to explain who an influencer is. You can work very effectively thanks to the influencer audience, evaluate all metrics, work with retargeting, etc. Nowadays, when traditional forms of advertising often lose credibility, influencers have become key players in the marketing strategy of many brands. Influencer marketing in the Czech Republic is constantly on the rise and increasing in popularity (Černovský, T., 2021).

Companies most often choose Nano-Influencers for marketing cooperation. These have up to 10 thousand followers. The following figure shows an overview of the influencer companies in the Czech Republic that use them for marketing purposes.
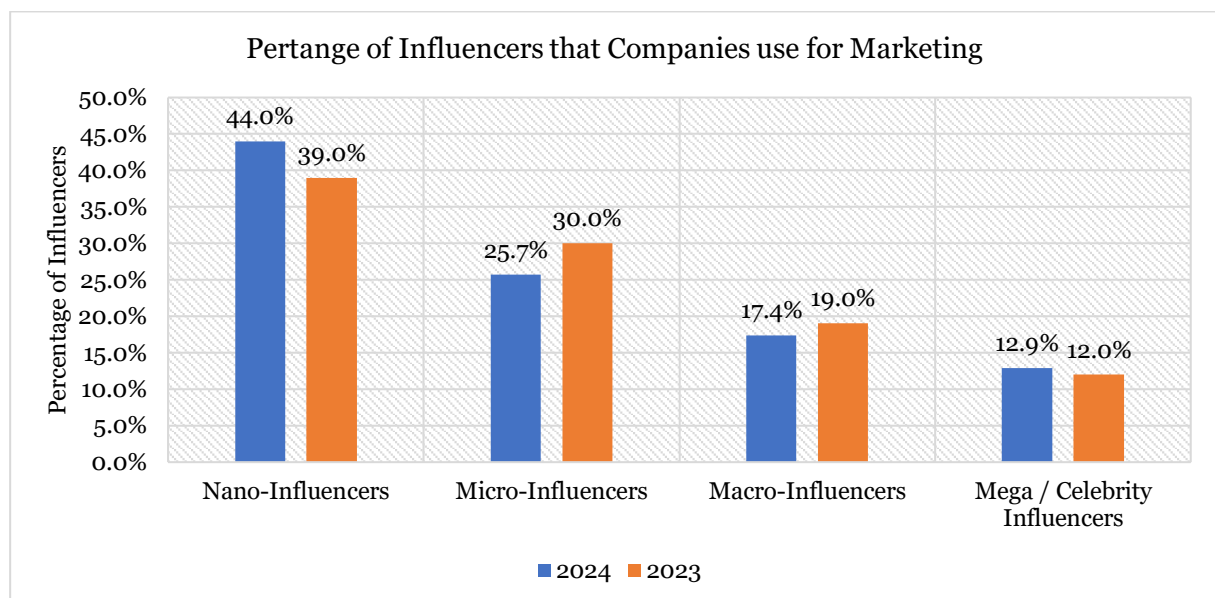

Figure 1. Percentage of Influencers that Companies Use for Marketing
Source: *own elaboration, https://www.mediaguru.cz/clanky/2024/04/objem-influencer-marketingu-se-v-cesku-odhaduje-na-1-5-mld-kc/*

There is a difference between the global engagement rate and the Czech market engagement rate, which is related to the size of the influencers. In general, the smaller the number of followers of the influencer, the more willing the audience is to interact with the influencer compared to the influencer

with a more significant number of followers. The Czech Republic has mostly micro-influencers, so its engagement rate is higher than the global average.
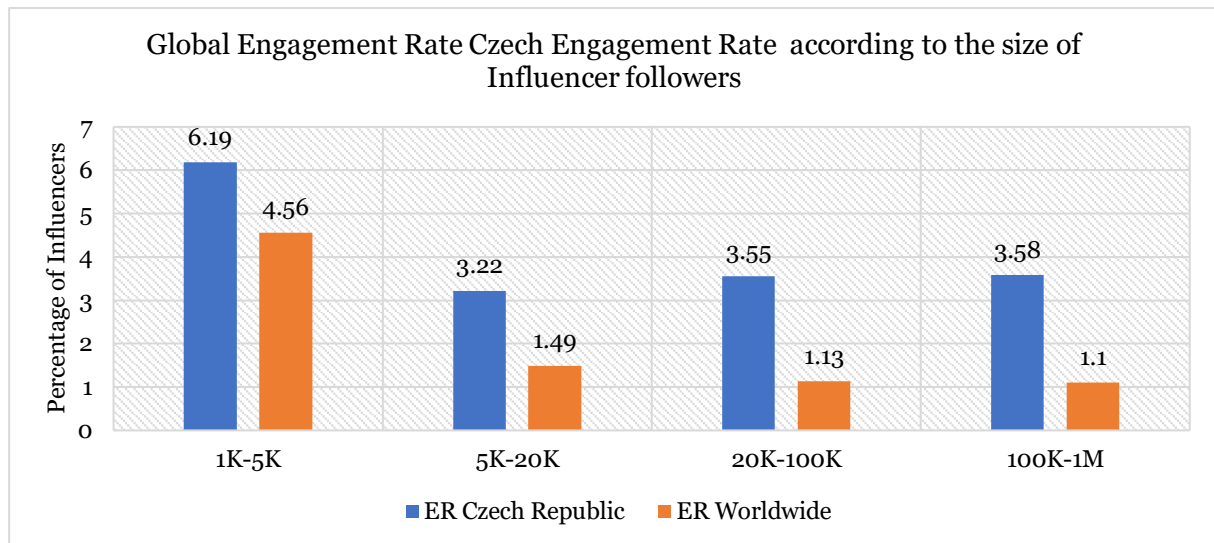

Figure 2. Global Engagement Rate Czech Engagement Rate according to the size of Influencer followers
Source: own elaboration, *https://www.fragile.cz/wp-content/uploads/Influencer-marketing-v-CR-HypeAuditor-and-Fragile-research.pdf*

Influencer partnerships of Czech brands tend to have a preference for short-term cooperation. An influencer adds only 3 posts on average that point to the brand. This is 5 times less than the world average. According to the growing market size, it is clear that more and more emphasis is being placed on online marketing. Currently, it is estimated to be around CZK 1.5 billion. Also, part of the advertising budget is increasingly being invested in social networks (News Media, 2020).

Discussion

Influencers reach their audience in many ways. One of them is by adding posts where they receive instant feedback through likes, comments, and private messages. The advantage is that Instagram already offers the option of adding multiple photos or videos to one post. It is comprehensible and does not overwhelm the audience. The cover image plays an important role for a large number of influencers. Many base their profile on the aesthetics of the profile, so they carefully choose which photo will be the cover photo. It is displayed on the profile. This photo is also significant for attracting the viewer's attention. The most popular are portrait photos in a 2:3 ratio because they take up the most space on mobile devices.

Another way of communication is through stories. These are types of posts that are visible only for 24 hours. They are not displayed on the main profile, so there is no emphasis on aesthetics. It can be said that it is more of an informal communication with followers. Things from current life, everyday problems, and news are shared here. It is a fast communication method through which various types of surveys and deductions (tied to an event, for example) can be shared.

Another communication option is reels, short videos that are intended to express as much information as possible in the shortest possible time. They contain video and photo montages or are used to tell stories.

A further option is a direct message. It is one of the most widely used forms of direct communication. A private message can be sent as a reaction to stories or as a regular message.

The last communication option is live broadcasting, where the influencer communicates and answers questions in the comments during the broadcast. This allows you to immediately broadcast content from the camera and invite another user to the broadcast. It is the fastest way to communicate with the audience.

Having discussed the above, we can progress to answering the first research question: "How do influencers reach their audience on Instagram?"

Based on the research and analysis of the results, influencers address their audience in several ways, as indicated in the results, using posts that they regularly publish and are intended to point out a

given product or brand. The audience often has the opportunity to use a link under the given post, which directs them to the brand's website or the comments section, where they can express their opinion or ask questions about the product. Instagram currently also offers the option of adding more than one photo or adding videos.

Furthermore, influencers can reach their audience through stories, where they publish their daily activities, promote the brand, give followers the opportunity to ask questions about products, and influencers share their answers on stories, which it is also available to others, create polls and often ask for feedback in messages (direct). The advantage is that it provides a quick way of communication, and it is relatively easy to create. On the other hand, the disadvantage can be that the audience can be overwhelmed if the influencer publishes many of these stories during the day.

Another way to communicate with followers is reels, or short videos, which are designed to convey as much information about a given product as possible in a short amount of time. The length of these videos is usually less than a minute, but they are usually shorter to keep attention. They are ideal for presenting creative content. Reels also allow you to add music or effects. However, compared to stories, they are more challenging to create and take more time.

One option is direct message or private/direct message. It is one of the 10 most used forms of communication between brands and consumers. The influencer can use this form to contact the follower and vice versa; the follower can contact the influencer. Instagram is aware of its power and is constantly trying to improve it.

The last method of communication is a live broadcast, where the influencer actively communicates and answers questions in the comments. The advantage is an immediate response, but the disadvantage is a large number of connected followers, and questions can easily be overlooked.

At this stage of the research, we can answer the second research question: "What is the most effective way to promote a company through influencer marketing on Instagram?"

The most effective are considered to be the posts that are added to the influencer's account with a greater time interval and are therefore visible for longer periods of time compared to stories. Many of these are added daily, and it is easy to overlook a lot of things or intentionally skip them because of the quantity. Another reason can be that the influencer presents many other things that have nothing to do with promoting the brand. In addition, stories are only available for 24 hours after publication (unless the influencer saves them in a so-called selection). Therefore, the most suitable promotion of the company should be through shared posts or reels.

Additionally, according to Leung et al. (2022), the management of influencer marketing is key in terms of influencer selection, followers' consideration, or content briefings. In addition to investing in influencers with more followers, the company can enhance elasticity by selecting influencers who transmit more original content. Furthermore, influencers should be encouraged to make the sponsor brand more salient in the posts by incorporating clickable brand mentions and URL links. For example, posts introducing new products may be shared more because they contain novel and interesting content. These also stay on the influencers' profiles for a longer period of time.

Conclusion

The aim of the paper was to examine influencer marketing in the Czech Republic via the use of Instagram. By researching published studies, comparing different approaches, and benchmarking, we were able to identify the results of the study.

Through the research and application of selected methods, the authors were able to answer the study questions. As the main outcome, the ways of communicating influencers can reach out to the audience have been identified, and among these, the most effective one was selected. There are many ways to communicate with followers, including posts, stories, reels, direct messages, and live broadcasting. Among these, the most effective are the posts. The main driver for this conclusion is the long-lasting post, which can be seen by a wider audience and is available for a longer period of time than, for example, stories. Additionally, posts can include hyperlinks to the product and thus promote marketing even more.

Additionally, it is important also to mention the study's limitations. These include, for example, the research specification, which targeted the geographical area of the Czech Republic. Also, the analysis was mainly conducted for Instagram; the other social networks were not taken into account when conducting the research. Due to that, the results might vary in the case of different markets or social networks used for influencer marketing.

Acknowledgement

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