Cracking the Code of Influencer Marketing: From Art to Scalable Science

BCG

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Around the world, influencers have become one of the most powerful marketing engines in sectors as different as beauty and skin care, fashion, food and beverage, childcare, and pet care. BCG research indicates that approximately 25% to 30% of global skin care purchases can be attributed to social media influencers, while in China, this figure can reach an impressive 40%. Some brands are spending as much as 65% of their total marketing budget[1] on influencers. Influencers are punching far above their weight in the China market.

However, in China, influencer marketing is ever more costly. On average, influencer marketing costs have risen by 15% to 25% in 2025 compared to 2024[2]. Fundamentally, the change has been driven by four complexities centered around consumers, influencers, platforms, and competition. It is time for brands to reconsider how to drive efficiency and effectiveness.

- **Consumers** have fragmented into micro-communities, each with distinct lifestyles, functional and emotional needs, as well as content preferences that traditional conversion-based targeting (such as shopper groups on e-commerce platforms) completely misses. The consumer journey spans multiple platforms—from lifestyle-driven RED to entertainment-first Douyin—where some paths involve multiple touchpoints, while others foster closed-loops (for example, Douyin). (See **Exhibit 1**.)

EXHIBIT 1

Consumer Journeys Fragmented and Complex, 40% Socially Influenced
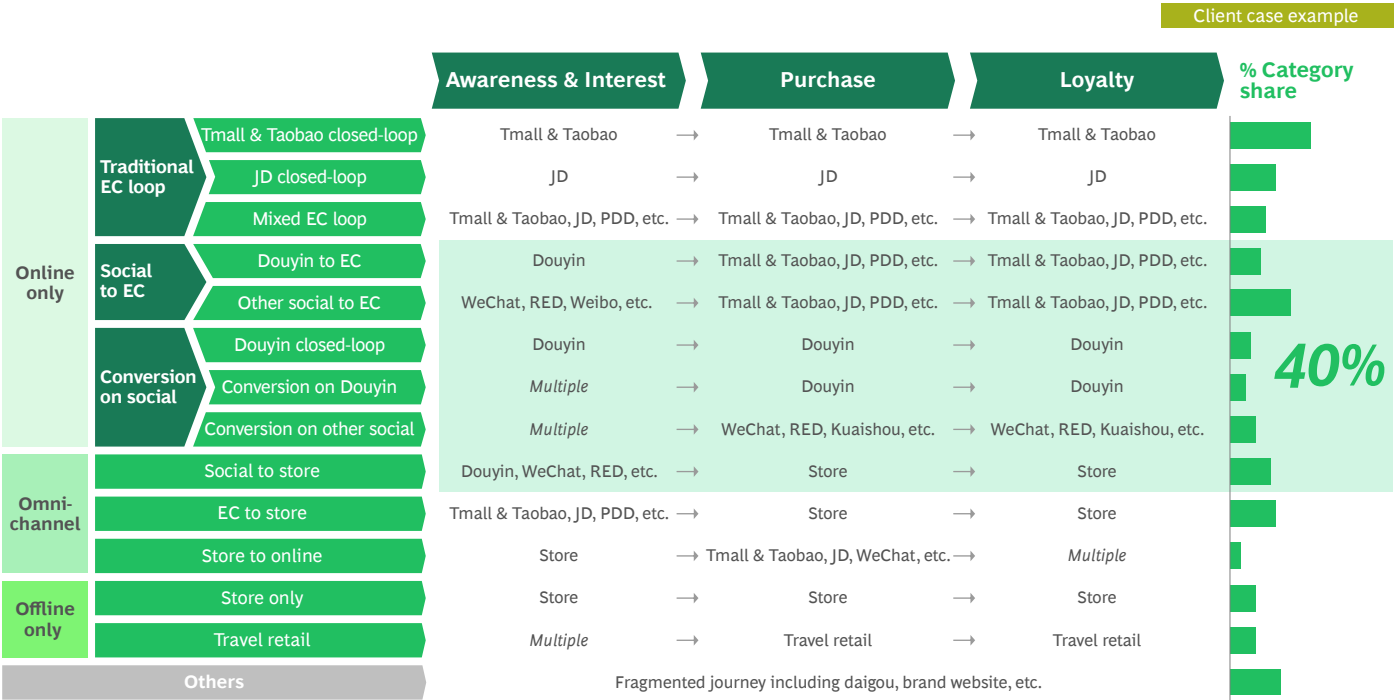
Sources: Chanmofang; China skin care consumer survey (n=6,000, March 2024); BCG analysis.
Note: EC = e-commerce; PDD = Pinduoduo.

1. Refers to working media marketing budget only, excluding non-working media. The influencer budget includes organic influencer content and media amplification but excludes direct conversion-driven activities such as influencer livestreaming.
2. Costs refer to metrics such as cost per thousand impressions, cost per engagement, and cost per click on Douyin and RED.

- **Influencers** in China have evolved into transaction facilitators embedded throughout the consumer journey, unlike in other markets where influencers primarily build awareness. As influencer marketing becomes more commercialized, consumers are seeking authentic content and becoming increasingly skeptical of the ad-like content produced by agency-managed accounts.

- **Platforms** continuously introduce new tools and upgrade algorithms, creating high adaptation costs for brands.

- **Competition** has intensified, with brands fighting for the same consumer attention, albeit with a limited influencer pool—leading influencers could take on 10 to 15 brand advertisements per month, as seen in the Chinese skin care industry.

These complexities are significantly undermining brands' efficiency and impact, driving the urgent need for scientific, insight-led influencer marketing transformation. Here are six questions executives should reflect on, along with what we see as common traits in China:

1 **Do you know precisely who your audiences are, and what they talk about?** Many brands believe they are targeting audiences precisely enough, usually using e-commerce-based consumer targeting, which is mostly centered on socio-demographic information and transaction behaviors. However, they often fail to identify distinct user pain points, functional needs, or the emotional drivers reflected in social platform conversations that truly motivate interests and purchase decisions.

2 **Do you allocate your influencer marketing budget based on audience journeys?** For many brands, marketing budget allocation is a "business-as-usual" activity. Brands are also susceptible to the latest trends (for example, "Douyin is popular, let's go all in on it"), rather than examining exactly where and how their target audiences actually explore, learn, and purchase along their journeys.

3 **Do your influencers drive authentic engagement,** *or do they just look good in the numbers?* Many brands over-rely on data-inflated, superficially successful influencers (usually those deliberately created and managed by agencies), instead of finding those who could drive genuine brand connection and actual sales.

4 **Does your influencer content only entertain,** *or does it also build brand for you?* Many brands are fixated on viral trends that drive strong initial engagement but have little lasting impact on brand equity or purchase conversion.

5 **Do you know which metrics actually matter?** Many brands become swamped with a dizzying array of performance indicators, rather than prioritizing and tracking the few KPIs that truly reflect effectiveness and efficiency.

6 **Are you over-relying on your social media agency?** Many brands over-rely on social media agencies to "plan and do everything," rather than equipping local teams with end-to-end capabilities to provide the right level of command and control (such as making business-driven plans, identifying trending topics, and frequent performance tracking) while agencies merely play an execution role.

To resolve these challenges, brands must recognize that while influencer marketing has long been viewed as an "art"—requiring creative eyes to produce engaging, on-trend content—the future belongs to those who master the science behind the art. Brands and influencers naturally own the creative artistry, but introducing scientific rigor and developing the necessary muscles to conduct impactful operations is essential for generating the effectiveness and efficiency that drive real business results.

BCG believes that a systematic transformation approach is needed to enhance influencer marketing capabilities. We have seen clients achieve significant improvements in influencer marketing, with 50% efficiency and 30% effectiveness gains as an outcome of the transformation journey. (See **Exhibit 2** for a recent client case example.)

Right Audience—Tribe: Precision influencer marketing requires identifying and understanding unique consumer groups—"tribes"—that share an emotional connection over similar passions, experiences, or values. (See **Exhibit 3**.) Precise tribe targeting has the potential to increase conversion efficiency (for example, a RED influencer post viewer converted to the brand's Tmall store unique visitor) by 1.5 to 2 times. Brands need a scientific approach to identify tribes, understand them, and then target them on social media and e-commerce platforms. (See **Exhibit 4**.)

EXHIBIT 2

Influencer Marketing Transformation Led to Enhanced Efficiency and Effectiveness

Right changes made in influencer marketing

Client case example

Right audience – tribe: Moved beyond generic targeting towards untapped audiences with specific needs, interests and values reflected in social conversations – emotionally connected "tribes"

Right planning: Rebalanced influencer marketing budget by tribe, phase, platform, touchpoints, content format, influencer tier, etc. to match with campaign objectives

Right influencers: Selected influencers whose content authentically resonates with target tribes, and screened out "non-authentic"/ad-like ones with solidified 10+ rules

Right content: Balanced content with "on-trend" creative angles plus "on-brand" product message that consumers can relate to, embedded in specific scenarios that tribes can emotionally connect with

Right measurement: Defined key metrics evaluating both effectiveness (GMV, ROAS, Tmall search) and efficiency (CPUV, CPA3)

Right organization, capabilities, and ways of working: Enhanced teams' end-to-end capabilities across planning, insights, influencer selection, content briefing, and measurement. Brands act as the strategic "brain," while agencies act as the skilled "hands"

Business impact
Outcome from pilot campaign and upskilling

50% *more efficient*

Cost per unique visitor on Tmall from influencer post views on RED improved by ~50% during pilot period
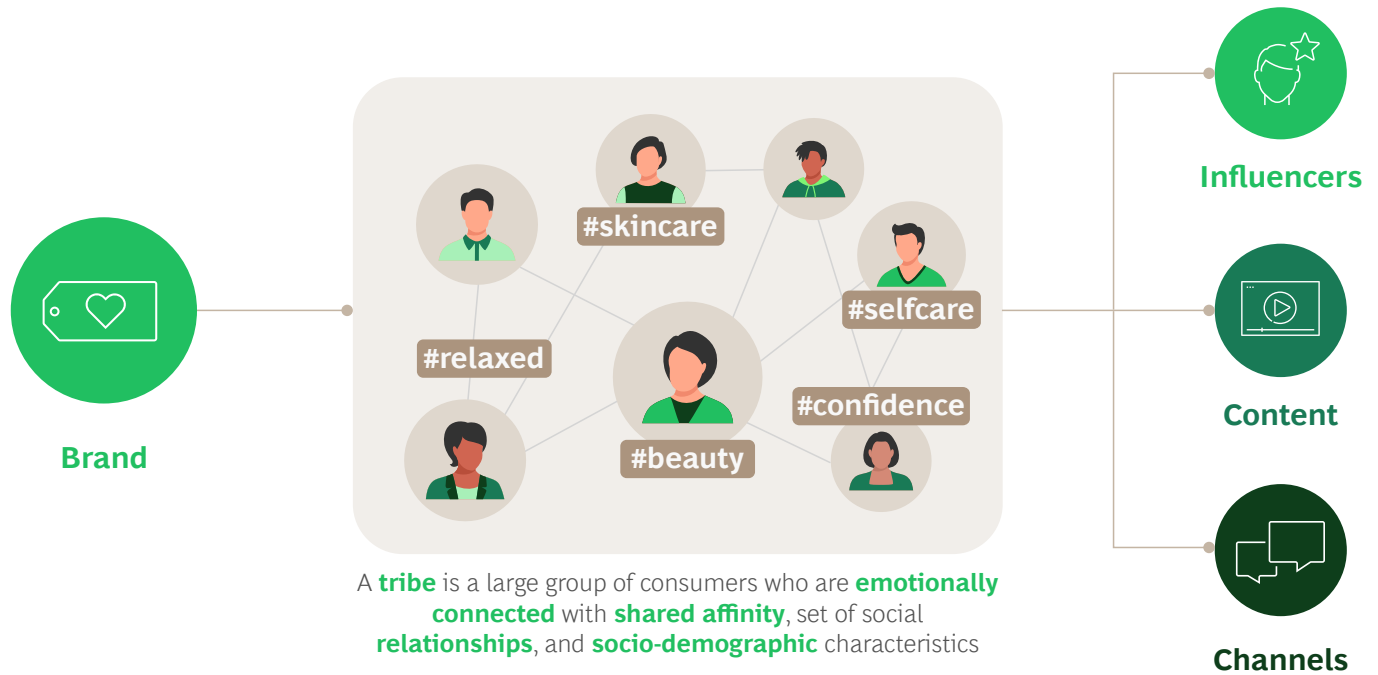
30% *more effective*

~30% uplift in Tmall search volume per influencer marketing spend during pilot period

Source: BCG client experience.
Note: GMV = gross merchandise value; ROAS = return on advertising spend; CPUV = cost per unique visitor; CPA3 = cost per Douyin A3.
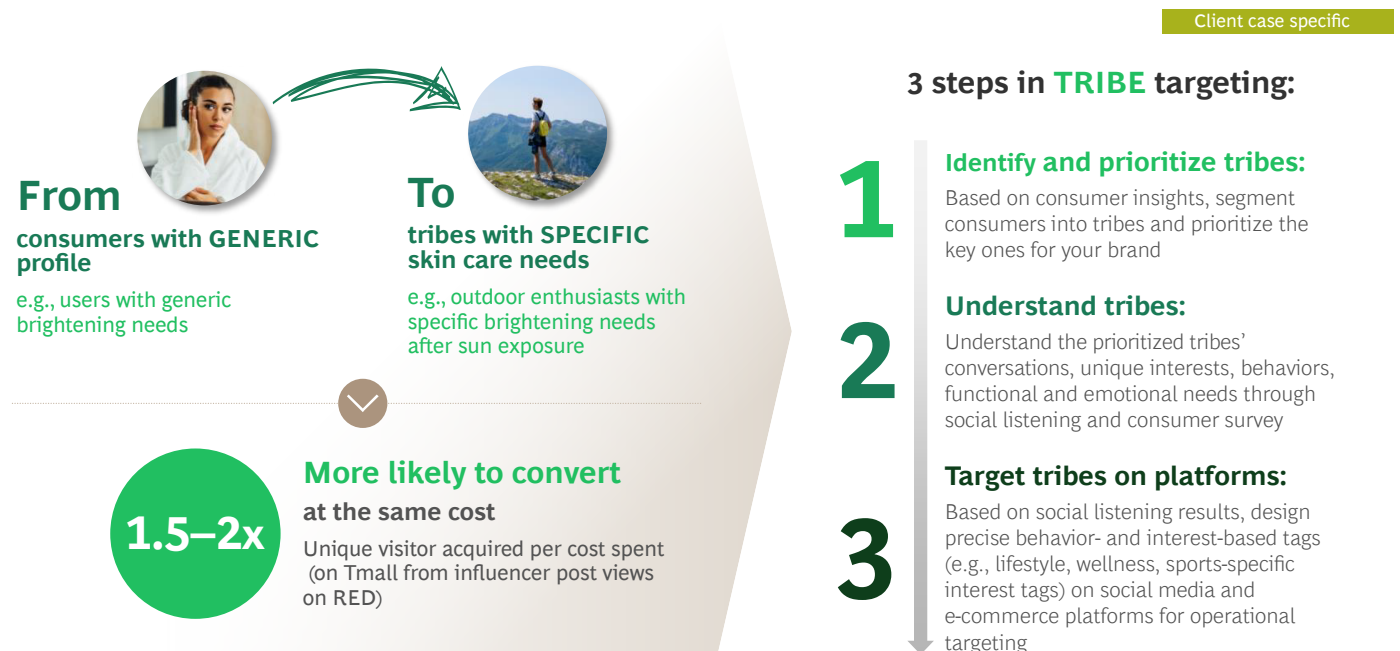
EXHIBIT 3

Influencers Engage Tribes of Emotionally Connected Consumers

Brand

#skincare

#selfcare

#relaxed

#confidence

#beauty

Influencers

Content

Channels

A **tribe** is a large group of consumers who are **emotionally connected** with **shared affinity**, set of social **relationships**, and **socio-demographic** characteristics

Source: BCG analysis.

EXHIBIT 4

Tribe—Precise Audience Targeting with Specific Needs and Interests

Client case specific

From
consumers with GENERIC profile
e.g., users with generic brightening needs

To
tribes with SPECIFIC skin care needs
e.g., outdoor enthusiasts with specific brightening needs after sun exposure

1.5–2x **More likely to convert**
at the same cost
Unique visitor acquired per cost spent (on Tmall from influencer post views on RED)

3 steps in TRIBE targeting:

1 **Identify and prioritize tribes:**
Based on consumer insights, segment consumers into tribes and prioritize the key ones for your brand

2 **Understand tribes:**
Understand the prioritized tribes' conversations, unique interests, behaviors, functional and emotional needs through social listening and consumer survey

3 **Target tribes on platforms:**
Based on social listening results, design precise behavior- and interest-based tags (e.g., lifestyle, wellness, sports-specific interest tags) on social media and e-commerce platforms for operational targeting

Source: BCG client experience.

Right Planning: Understanding the target consumer journey underpins the influencer marketing budget plan. In the skin care sector, for example, BCG analysis showed different consumer journey paths: users on RED (driven by awareness and interests) were more likely to flow to Tmall for purchases while Douyin was more of a closed-loop throughout the A-I-P funnel[3]. As another example, short videos were the most popular content format by exposure, but static posts were more effective for conversion, especially on RED. These insights are key to informing where to invest influencer budgets and in what formats.

Right Measurement: We helped a client prioritize three efficiency KPIs and three effectiveness KPIs across the most crucial campaign objectives. (See **Exhibit 5**.) On efficiency KPIs, cost per thousand impressions (CPM), cost per engagement (CPE), and cost per unique visitor (CPUV) correspond to the awareness, interest, and purchase stages of the funnel respectively. On effectiveness KPIs, these are the most direct business-oriented metrics, with Tmall search (brand and product searches) and Douyin A3 being the most direct indicators of seeding effectiveness.

Such transformation typically requires three to four months of intensive work across five core engines to build the influencer marketing muscles required for scale-up. (See **Exhibit 6**.)

1 **Consumer Focus and Analytics:** Leverage social listening, social media platform data, and surveys to identify important consumer tribes and develop a holistic profile of each (including socio-demographics, functional and emotional needs), understand what they value (such as health, family, joy, wealth), and what drives their passion (for example, interests, lifestyles, content). Then translate the results into tangible platform tags for precision targeting.

2 **Strategy and Planning:** Start with the consumer journey to understand where consumers browse, search, and purchase across different platforms and touchpoints. Leverage these insights to guide strategy and planning, including spending allocation decisions across platforms and content formats.

EXHIBIT 5

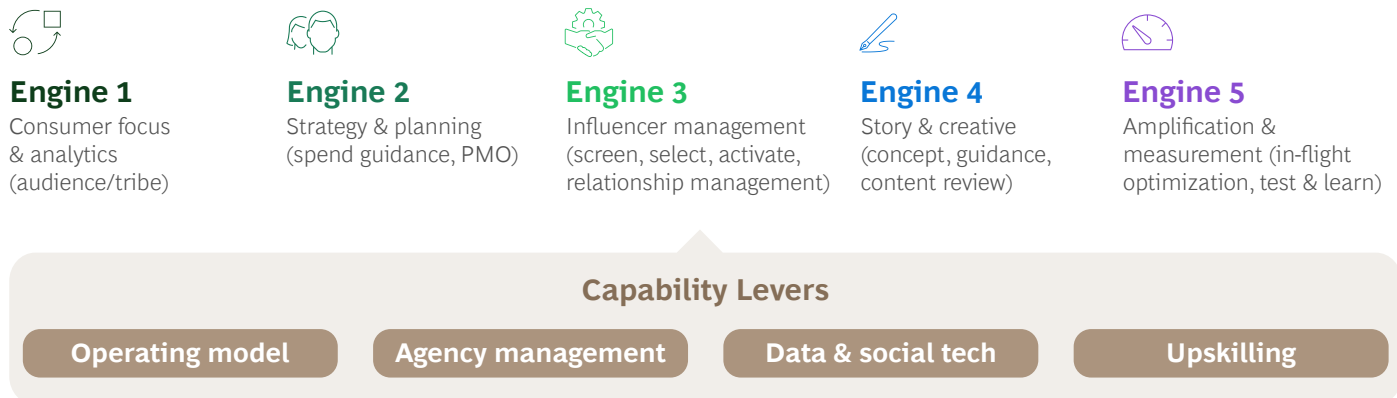# Prioritized Key Metrics for Precision Influencer Performance Measurement
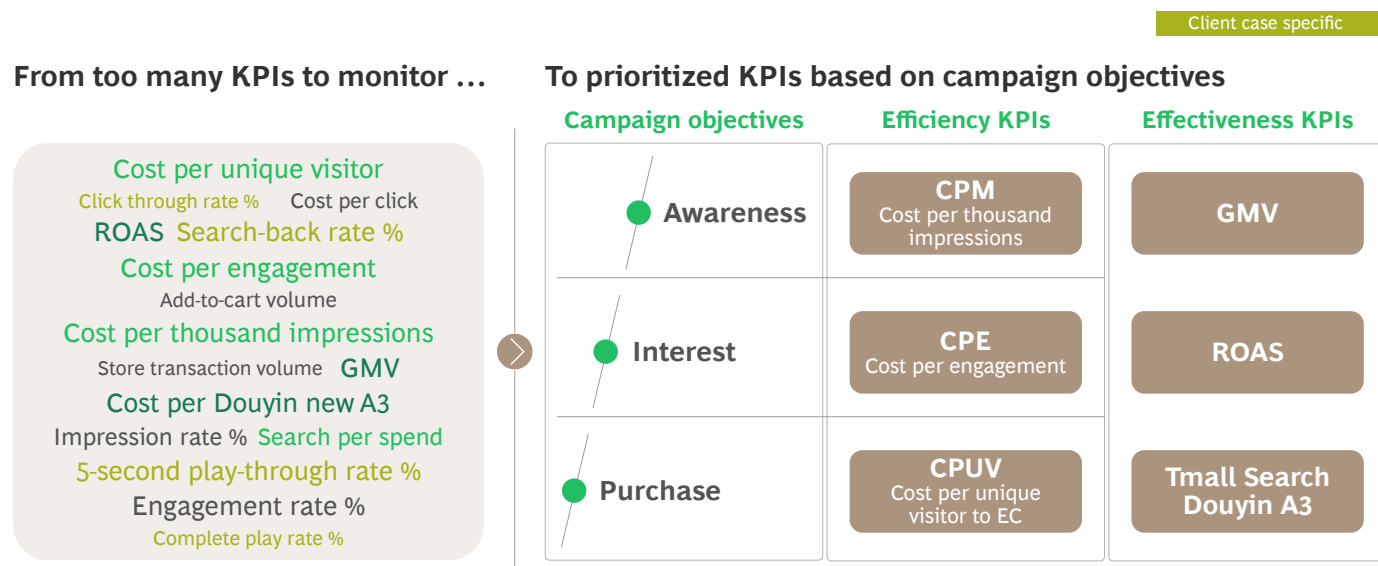
Source: BCG client experience.
Note: EC = e-commerce; GMV = gross merchandise value; ROAS (return on advertising spend) = GMV (pre-return)/total advertising spend.

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3. A-I-P: Awareness—Interest—Purchase.

EXHIBIT 6

Brands Need to Build Muscle Along Five Executional Engines and Foundational Levers to Succeed at Scale

Engine 1
Consumer focus
& analytics
(audience/tribe)

Engine 2
Strategy & planning
(spend guidance, PMO)

Engine 3
Influencer management
(screen, select, activate,
relationship management)

Engine 4
Story & creative
(concept, guidance,
content review)

Engine 5
Amplification &
measurement (in-flight
optimization, test & learn)

Capability Levers

| Operating model | Agency management | Data & social tech | Upskilling |

Source: BCG client experience.
Note: PMO = project management office.

3 Influencer Management: Start with target tribe insights to find influencers who authentically resonate with target tribes. Establish clear influencer selection criteria and utilize platform data to identify those who are high-performing, on-brand, and authentic.

4 Story and Creative: Develop locally relevant and socially relatable messages, creative angles that balance on-brand and on-trend, and tribe-based lean content briefs. Establish distinct processes for providing guidance and reviewing influencer content while maintaining creative authenticity.

5 Amplification and Measurement: Based on business objectives and campaign purposes, prioritize key metrics for measurement and amplify high-performing content to maximize campaign performance.

For these five engines to operate smoothly, brands need to build or strengthen foundational capabilities:

- **Operating Model:** Develop a strong local understanding of consumers and the influencer marketing landscape. Create proper mandates and clear workflows between global, regional, and local teams across different functions.

- **Agency Management:** Establish in-house brand teams as the strategic "brain" with veterans, while agencies serve as the operational "hands." Brands should clearly define roles and responsibilities, define and track the agencies' performance metrics.

- **Data and Social Technology:** Build strong teams to deliver analytics and tooling support; partner with agencies or even platforms like RED or Douyin to access timely data for deep industry and consumer analysis.

- **Upskilling:** Develop structured training programs for both internal teams and external partners, including influencer marketing agencies.

Tomorrow's champion brands of China's social landscape will be those that recognize the evolution of influencer marketing from a purely creative art to a fusion of art and science. By building authentic connections with specific tribes, scientifically developing strategies and plans, creating content that balances trend and brand requirements, and rigorously measuring performance, brands can transform precision influencer marketing into a powerful business engine, driving both short- to mid-term commercial impact and long-term brand equity.

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Acknowledgments

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