

Teaching Note (A)

DANCING WITH THE STARS: DENITSA IKONOMOVA (CLASSROOM SESSION)

Robert Mackalski and Alana D'Amico wrote this teaching note as an aid to instructors in the classroom use of the case *Dancing with the Stars: Denitsa Ikonomova*, No. 9B20A067. This teaching note should not be used in any way that would prejudice the future use of the case.

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SYNOPSIS

Denitsa Ikonomova is a champion professional dancer on *Dancing with the Stars* (France) who has become a desired social media influencer. She must now consider the business side of her profession and decide how to leverage her celebrity.

LEARNING OBJECTIVES

This case focuses on social media influence, metrics, and branding. Working through the case and assignment questions will give students the opportunity to

- appreciate social media influencers;
- calculate the value of a social media influencer;
- understand how to grow a social media network; and
- understand how to align an influencer with a brand.

POSITION IN COURSE

This case was written for marketing communications, digital marketing, brand management, and general marketing courses. It is appropriate for use in both undergraduate- and graduate-level classes.

RELEVANT READINGS

- Malcolm Gladwell, *The Tipping Point: How Little Things Can Make a Big Difference* (Boston, MA: Back Bay Books, 2002).

- Kevin Lane Keller, *Strategic Brand Management: Building, Measuring, and Managing Brand Equity* (Harlow, UK: Pearson Education Limited, 2013), 259–290.
- Marty Swant, “Twitter Says Users Now Trust Influencers Nearly as Much as Their Friends,” *Adweek*, May 10, 2016, accessed July 24, 2018, www.adweek.com/digital/twitter-says-users-now-trust-influencers-nearly-much-their-friends-171367/.
- Gary Vaynerchuk, *Crushing It! How Great Entrepreneurs Build Their Business and Influence – And How You Can, Too* (New York, NY: Harper Business, 2018).
- Yifeng Zhang, Xiaoqing Li, and Te-Wei Wang, “Identifying Influencers in Online Social Networks: The Role of Tie Strength,” *International Journal of Intelligent Information Technologies* 9, no. 1 (2013): 1–20.

RELEVANT INFLUENCER VIDEOS AND MEDIA

- “Why Does Social Media Marketing Work”, YouTube video, 4:39, posted by “Mackalski Cases,” July 14, 2020, <https://www.youtube.com/watch?v=7l-u-nsVhNw&feature=youtu.be>.
- “How Much Should a Brand Pay for a Social Media Influencer”, YouTube video, 6:43, posted by “Mackalski Cases,” July 14, 2020, <https://www.youtube.com/watch?v=RUC4xT4HWjs>.
- Matt Souther, “New Data Reveals How Much Brands are Paying Influencers,” *Search Engine Journal*, July 16, 2019. www.searchenginejournal.com/new-data-reveals-how-much-brands-are-paying-influencers/316963/.
- “Social Media Influencers Are Changing the Way Companies Market Their Products,” YouTube video, 4:51, posted by “TODAY,” July 9, 2017, www.youtube.com/watch?v=WyXzz6PQh-c.
- “The Future of Influencer Marketing,” YouTube video, 1:53, posted by “Gary Vee,” February 13, 2017, www.youtube.com/watch?v=AyVLzaHMLtk.
- “They Are Making Millions of Dollars Off of Influencer Marketing?! DailyVee 361,” YouTube video, 8:23, posted by “Gary Vee,” December 9, 2018, www.youtube.com/watch?v=9FV1r4FVOFM.
- “Top Social Media Influencers 2018,” CBS News, www.cbsnews.com/pictures/social-media-influencers-influential-2018/.
- “What is a Social Media Influencer?,” YouTube video, 2:58, posted by “Forbes,” April 10, 2017, www.youtube.com/watch?v=etQ36X37dXo.

RELEVANT DANCING WITH THE STARS AND DENITSA VIDEOS

- “DAL S05 - Un freestyle pour Rayane Bensetti et Denitsa Ikonomova sur ‘My way’ (Robbie Williams),” YouTube video, 2:26, posted by “Danse avec les stars,” November 18, 2016, www.youtube.com/watch?v=P4RbRcKuq6U&list=RDQMZkhdaOW6D6g&start_radio=1.
- “DAL S05 - Un tango avec Rayane Bensetti, Denitsa Ikonomova et Luize sur ‘El tango de Roxanne,’” YouTube video, 2:39, posted by “Danse avec les stars,” November 17, 2016, www.youtube.com/watch?v=SzW4XtOC4TY.
- “Sur un Charleston, Clément Remiens et Denitsa Ikonomova (Hit the Road Jack) – DAL S 9,” YouTube video, 6:29, posted by “Danse avec les stars,” October 6, 2018, www.youtube.com/watch?v=8ym7cGZtZec.

ASSIGNMENT QUESTIONS

1. What is a social media influencer?
2. Visit Denitsa's social media accounts. How did Denitsa become so popular?
3. Which brands and products could be good fits for Denitsa to promote? Why?
4. What are the advantages of promoting a product using an influencer such as Denitsa?
5. How much could Denitsa charge to post about brands/products? How valuable is Denitsa's network?
6. What is the difference between a social media influencer and a traditional celebrity endorser? Which is Denitsa?

TEACHING PLAN

Discussion	Time (Minutes)
Assignment Question 1	10
Assignment Question 2	15
Assignment Question 3	10
Assignment Question 4	15
Assignment Question 5	10
Assignment Question 6	10
Wrap-up	5

ANALYSIS

1. What is a social media influencer?

To begin the class, ask students, "What is an influencer?" Students quickly arrive at the conclusion that some individuals are disproportionately persuasive.¹

As a follow-up exercise, ask students to visit (or think about) their social networks and identify influencers. Next, ask students, "What makes a great influencer?" Students might first identify the size of the network (e.g., followers or friends) an influencer has amassed as an indication of this. However, with further probing, students can come to a deeper appreciation and understanding of influencers. Influencers have expertise in a particular field and possess enthusiasm for certain subject matter. The strongest influencers have developed substantial content by frequent postings over an extended period of time. There is also an "x factor" that seems to be the intersection of charisma, likability, and inspiration. What is especially novel about social media influencers is that, in theory, anyone could become one. To drive home the point, Jiff Pom has 28 million followers across social media.² Jiff Pom is a Pomeranian dog.

2. Visit Denitsa's social media accounts. How did Denitsa become so popular?

To ensure the fast-changing content remains current, invite students to visit Denitsa's social media accounts (i.e., Instagram, Twitter, YouTube, and Facebook). Then, ask, "How did Denitsa become so popular?"

¹ Yifeng Zhang, Xiaoqing Li, and Te-Wei Wang, "Identifying Influencers in Online Social Networks: The Role of Tie Strength," *International Journal of Intelligent Information Technologies* 9, no. 1 (2013): 1–20.

² "The Top 15 Pet Influencers Whose Instagram Followings Speak for Themselves," Mediakix, accessed July 24, 2018, <https://mediakix.com/blog/top-pet-influencers-instagram-best-popular/>.

The discussion should line up all the things that Denitsa has done right. She has a talent (if not a gift) and expertise in dance, and tremendous enthusiasm for her art. She consistently delivers content and has done so for at least eight years. It also seems that Denitsa has an “x factor”—she has an inspirational story (rags to riches); has a positive, happy demeanour; and remains connected to her fans. It should also not be understated that Denitsa is real; she is not an actress, and she presents herself authentically. As one student who followed Denitsa on social media commented, “I’ve never met her, but it feels like I know her. She’s just real.” Also important to note is that Denitsa is a frequent poster. Most weeks, she posts several times.

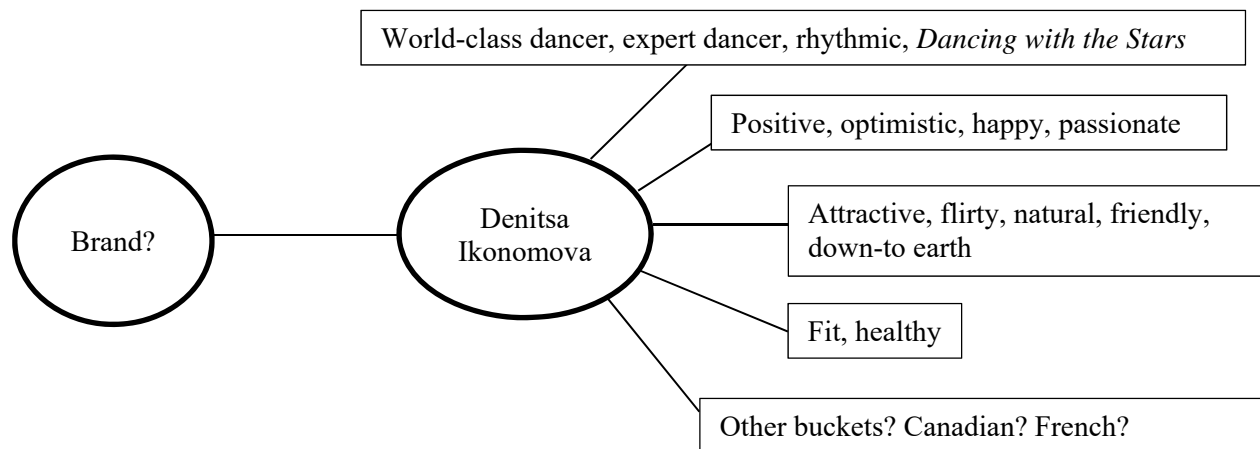
The role that traditional media has played in Denitsa’s rise to social media fame should also not be understated. Being a star of a national television program has provided her with 5 million targeted viewers per week. In addition, being a television star spills over into the tabloids and regular press events. Finally, being paired with other celebrities (and other dancers) has enabled her to exchange follows and shares with other large network influencers. The case suggests that her posts featuring other celebrities have garnered the most views and likes.

3. Which brands and products could be good fits for Denitsa to promote? Why?

In chapter 7 of *Strategic Brand Management: Building, Measuring, and Managing Brand Equity* (see Relevant Readings), Keller argues that the associations and values of an endorser should line up with the associations and values (or desired associations and values) of a brand.³

On this topic, ask the class, “When you think of Denitsa, what comes to mind?”

The associations generated are a starting point to assess the different product categories and brands that might be a good fit for Denitsa. A secondary association idea cloud such as that included below may be generated on the class board.



When looking at the board this way, students will quickly point that many of Denitsa’s attributes and characteristics could benefit many brands. Dancing apparel would be an obvious fit because of Denitsa’s expertise in dance. Others will point out that she needs to stay in shape for her profession and requires relentless training to stay on top of her trade, suggesting that fitness apparel or healthy food brands may be

³ Kevin Lane Keller, *Strategic Brand Management: Building, Measuring, and Managing Brand Equity* (Harlow, UK: Pearson Education Limited, 2013), 259–290.

a good fit. Still others may point out that ballroom dancing is glamorous and that therefore ball gown and formal apparel/footwear companies could partner with Denitsa.

Outside of dancing, some students may find Denitsa physically attractive with a natural look, making the case for her promoting beauty-related products (e.g., Redken). Other students have suggested positive-vibe brands including OPI (which has “a bright colour collection”), Clearly Kombucha, and Lululemon Athletica (which has an added Canadian element). Broadly speaking, brands with an uplifting, positive vibe would synch well with Denitsa. One student summed it up this way: “Any brand that Denitsa is currently using or loyal to would be something to consider.”

Beyond brand fit, there are several other things that Denitsa ought to consider:

- Denitsa prides herself on being authentic and “real,” so she will need to believe in the product/brand she promotes. Generally speaking, the more an influencer believes in and uses a product, the more sway the endorsement should hold with her audience. If trust is broken (e.g., if a brand sponsors Denitsa to post about a product that does not align with her values, or her followers find that she has posted something untrue), much of the network’s value is destroyed.
- Dancing endorsements will likely be less lucrative, given the relatively small size of the dance audience.
- Endorsements are dynamic and synergistic; Denitsa’s endorsement of a brand will impose certain characteristics on the brand, and the characteristics of the brand may be endowed on Denitsa. This means one endorsement may affect subsequent offers.
- Denitsa’s network will help dictate the products/brands she promotes. On this point, students can again be invited to examine her followers and look for common interests/characteristics among them.
- Denitsa may want to consider endorsements that could continue past *Dancing with the Stars*. The program is heading into season 10, which is a long run for a program.
- It is important for Denitsa to limit the number of brands she endorses in order to avoid “selling out.” According to Keller,⁴ if too many products or brands are endorsed or supported, an influencer can be seen as opportunistic or insincere.

4. What are the advantages of promoting a product using an influencer such as Denitsa?

Social media influencer marketing has some unique benefits:

- Denitsa has built relationships with her followers, and the brand she endorses may benefit from a “halo effect” (i.e., gain credibility, trust, and likeability) because of that relationship.
- As Gen Y and Z abandon traditional media (e.g., terrestrial radio, traditional television, magazines, and newspapers), influencers become increasingly important communications vehicles.
- An influencer, by definition, is persuasive. In a study by Twitter and Annalect, 40 per cent of respondents reported purchasing an item online after seeing a social media influencer use it.⁵
- Influencers are tastemakers and opinion leaders. A post or tweet by Denitsa may have inherent shareability and virality.
- A partnership with Denitsa could provide other promotional opportunities, such as off-site events or meet-ups. It is not uncommon for influencers to make promotional appearances at trade shows, for example.
- Awareness of a brand or product can also be built quickly (if a network is large enough).

⁴ Ibid, 251.

⁵ Marty Swant, “Twitter Says Users Now Trust Influencers Nearly as Much as Their Friends,” *Adweek*, May 10, 2016, accessed July 24, 2018, www.adweek.com/digital/twitter-says-users-now-trust-influencers-nearly-much-their-friends-171367/.

The instructor can augment this discussion with the video: “Why Does Social Media Marketing Work” (see Relevant Influencer Videos And Media).

5. How much could Denitsa charge to post about brands/products? How valuable is Denitsa’s network?

The case (see page 4 and Exhibit 3) contains information that can be used to calculate the value of Denitsa’s network. (If the students have access to social media, students can review Denitsa’s online data for a real-time calculation).

The case introduces two different approaches: cost per thousand (CPM) impressions and followers-to-see (F2S) ratio.

CPM

Using the data on page 4 of the case, we see that typical Instagram rates were \$1,000 per 100,000 followers, resulting in a CPM of \$10. A single post would then be worth \$7,770 ($\$10 \times [777,000/1,000]$). However, astute students will point out that Denitsa has substantially higher engagement rates than an average influencer, which (optimistically) could result in a CPM closer to \$25. A single post could therefore be worth \$19,425 ($\$25 \times [777,000/1,000]$).

How does Denitsa’s Instagram rate compares to the most popular influencers?

Kylie Jenner’s network has 141 million followers. She receives \$1.20 per post, giving her a CPM of \$8.51 per post ($\$1.2 \text{ million} \div 141 \text{ million} \times 1,000$). Cristiano Ronaldo charges ~\$1 million for a single post to his 177 million followers.⁶ This gives him a CPM of \$5.65.

Astute students may point out that CPM followers may not be the best metric for advertisers. Social media is, by definition, borderless. As such, audiences may be international, and many companies will operate with a regional focus. For example, if a French brand (e.g., the retailer Printemps) wanted to engage Denitsa’s French audience, it would need to better understand the geographical breakdown of her audience. For example, 75 per cent of Denitsa’s Instagram followers are from France. As such, on the low end, at a \$10 CPM, she could charge **\$5,827.50** ($0.75 \times 7,770$) and at a \$25 CPM she could charge **\$14,568.75** ($0.75 \times 19,425$) per post. Similar analysis can be applied to gender and interest segmentation. A point to drive home to students is that as the audience becomes more precisely targeted, the audience size shrinks but the CPM should increase. This CPM increases as communications have more precision targeting (and less is wasted on the non-target audience).

F2S

There is another complication. The F2S ratio is 46 per cent on Instagram. This further shrinks the audience that sees a post. For example, if 46 per cent of Denitsa’s French audience sees her post, a single post would be between **\$2,680.65** ($0.46 \times \$5,827.50$) and **\$6,701.63** ($0.46 \times \$14,568.75$). Students may be surprised at how low the viewership is of a post on Twitter (2 per cent).

⁶ “How Much Does Kylie Jenner Earn on Instagram?,” BBC NewsRound, July 26, 2019, accessed November 15, 2019, <https://www.bbc.co.uk/newsround/49124484>.

How much is Denitsa's network worth?

One way of tackling this question is to find out how much Denitsa is posting and to compare it to some rules of thumb related to social media posting frequency:⁷

	Facebook	Twitter	Instagram
Minimum number of posts per week	3	5	7
Maximum number of posts per week	10	No limit	21

Based on rough estimates and calculations, Denitsa's Instagram network will be worth somewhere between \$140,000 and \$1.742 million for sponsored posts about a brand. Students should recognize that this is a tremendous variance that is driven by the influencer's ability to attract desirable brands, secure regular sponsorships, and negotiate rates (e.g., helped by exclusivity, audience engagement, and authenticity). As Search Engine Journal discloses, "Anyone with over 500,000 followers is considered a 'celebrity,' and make[s] thousands of dollars for almost any type of post."⁸

	Price per post	Post frequency	Sponsored posts	Annual revenue
Low potential	2,680.65 (F2S)	7/week	1/week	<u>\$139,393</u>
High potential	16,750 (CPM)	21/week	2/week	\$1,742,000

Of course, Denitsa would have other potential revenue sources through her Instagram videos and stories, Facebook network, YouTube videos (i.e., those not owned by *Dancing with the Stars*), and personal appearances for brands. An influencer may request that the company "boost" the post (i.e., augment the post's reach with a social media advertising buy or sponsored content), which may enhance the influencer's profile. However, this comes with the risk of diluting the authenticity of the endorsement.

It is also important for students to recognize that to sell her posting inventory, Denitsa would incur expenses, too, such as costs and time related to management and photo shoots. Costs incurred by the influencer can be negotiated to be covered by the brand. For Denitsa, taking time away from dancing may not be what she wants to do.

The video "How Much Should a Brand Pay for a Social Media Influencer?" can be used to add context to the discussion. The video shares a perspective on how agencies representing brands view influencers. The video emphasizes the importance of understanding the influencer's follower base, the geography of the audience, and the interests of the audience. Ultimately, the characteristics of the audience dictates the value that can be derived from the influencer.

⁷ Source: Nulou, "The Best Times to Post on Social Media," Nulou Blog, accessed May 14, 2020, <http://blog.nulou.net/best-times-to-post-on-social-media/>; Social Buddy, "How Often Should You Post on Instagram in 2020?," Social Buddy, accessed March 29 2020, <https://socialbuddy.com/how-often-should-you-post-on-instagram/>.

⁸ Matt Souther, "New Data Reveals How Much Brands are Paying Influencers," Search Engine Journal, July 16, 2019, www.searchenginejournal.com/new-data-reveals-how-much-brands-are-paying-influencers/316963/.

6. What is the difference between a social media influencer and a traditional celebrity endorser? Which is Denitsa?

To wrap up the class, ask students, “What is the difference between a celebrity endorser and a social media influencer, and which is Denitsa?”

Traditional celebrities tend to be created from broadcast media (e.g., motion pictures or televised sporting events). In addition, with traditional celebrity endorsements (e.g., Michael Phelps for Kellogg’s), the celebrity often becomes the face of the brand (via advertising, packaging, trade shows, etc.). In contrast, a social media influencer develops a following online and controls the message to this network (see Exhibit TN-1). Denitsa’s following is a combination of the two, and the lines between traditional endorsement and social media influencer are increasingly blurry.

Many students will argue that *Dancing with the Stars* has provided Denitsa with the platform to become who she is on social media. *Dancing with the Stars* finances tours that give many followers experiential touchpoints with Denitsa. The popular show also has the public relations machinery to enhance the profiles of its dancers; Denitsa is invited to red carpet and awards ceremonies due to her celebrity. In other words, if Denitsa wants to monetize her influence, she needs to do so while starring on *Dancing with the Stars*. Much of her glamour will be diminished without the show, making her much less appealing to brands. These students will view Denitsa more as a traditional celebrity.

Other students will point out that Denitsa is loved by her following, as evidenced by her high engagement rates. Students may also argue that, at least on Instagram, Denitsa is bigger than the show: she has 777,000 engaged followers versus *Dancing with the Stars*’ 400,000. This is exceptional considering that *Dancing with the Stars* has better machinery and resources to develop its social media platforms. Regardless of how Denitsa’s profile was created (i.e., organically versus via mass media), Denitsa can continue to be a social media influence as long as she keeps posting regularly, stays relevant to her audience, and keeps up to date with the technology as it evolves.

WHAT HAPPENED

The size of Denitsa’s network continues to rise (and has remained fairly stable in early 2020 even without new *Dancing with the Stars* programming being filmed due to the Covid-19 situation). Denitsa has posted about the brand Redken, although the financial details of this deal remain confidential.

EXHIBIT TN-1: COMPARISON OF CELEBRITY ENDORSERS AND INFLUENCERS

	Celebrity Endorser	Influencer
Source of influence	Created from traditional mass market broadcast media (e.g., movies, television, professional sports)	Organically created via social media platforms or online networks
To whom they are accountable	The brand	The audience
Who controls the message	The brand	The influencer
Content delivery	Tends to be more infrequent, more impersonal, and supported with a traditional media buy; modest interaction with consumers, if any	Typically requires fresh, new, and more intimate content that is routinely updated; ongoing interaction and engagement with the audience
Benefits for the brand	Useful for creating brand awareness and image; more control of messaging for the brand	Leverages relationships in a narrower community (i.e., niche markets), providing more targeted, intimate, and credible messaging; influencers may be more likely to be users of the product and therefore have a deeper understanding of it, which allows them to be true brand advocates for the brand, to explain the products in depth, and to have more sway in persuading followers to use the products
Incentive	Tends to be incentivized by obtaining further fame and money	Tends to be incentivized by adding value to their network, growing their network and wealth

Source: Naomi Parry, "Why Social Media Influencers are More Powerful than Celebrity Endorsements," Small Square, February 28 2018, accessed November 15, 2019, <https://www.smallsquare.com/influencers-vs-celebrity-endorsements/>; Grey Geppert, "How Influencer Marketing Differs from Celebrity Endorsement," Convince and Convert, accessed November 15, 2019, <https://www.convinceandconvert.com/digital-marketing/influence-marketing-differs-from-celebrity-endorsement/>.