

Influencer Marketing in Denmark 2022-2024

AN IRM REPORT COMMISSIONED BY THE DANISH MINISTRY OF CULTURE

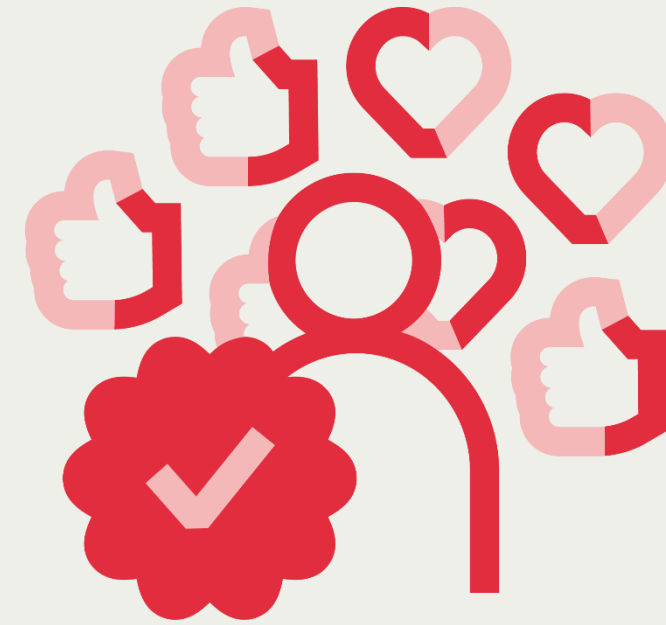
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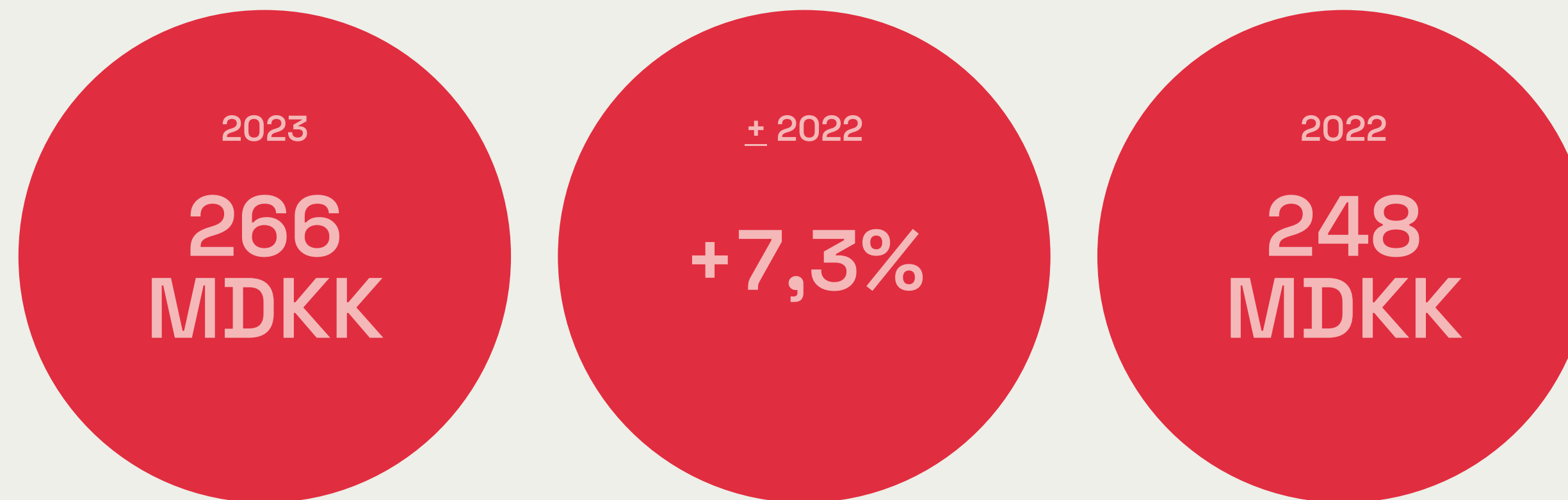
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Influencer marketing investments amount to 270 million DKK and grows by 7% in 2023 relative 2022.

2023



Summary: Influencer Marketing in 2022 and 2023



Summary

This is the first IRM report to cover revenues and development of influencer marketing in Denmark. Influencer marketing is a term used for marketing efforts that aim to benefit the influence exercised by an influencer on followers.

- **The influencer marketing industry in Denmark consists of three major types of parties.** IRM has identified these parties as: **Influencer management (the sellers)** which connect with, negotiate and sell campaigns and advertising on the influencer's platform. **Influencer agencies (the buyers)** which help advertisers connect with, negotiate and buy influencer campaigns and advertising. **Independent influencers** are not connected to a management firm but instead will connect with, negotiate and sell campaigns and advertising directly. The industry is complex, meaning that parties may be work with several different types of activities within the influencer marketing realm.
- **Advertiser investments in influencer marketing in Denmark amounted to 266 MDKK in 2023.** Influencer marketing represents 1,6% of total advertising investments and is one of the fastest growing categories on the market. The total advertising market was in recession 2023, but influencer marketing continued to grow by 7,3% as compared to 2022.
- **In 2024, influencer marketing will surpass 300 million DKK for the first time.** The IRM forecast for 2024 is a growth of 13% as compared to 2023. Influencer marketing will continue to be one of the fastest growing media categories on the market.

Definition and Market Structure

What is an influencer?

Influencer marketing is a term used for marketing efforts that aim to benefit the influence exercised by an influencer on followers. The influence originates from a presence on online platforms, such as Instagram, TikTok or YouTube. Previously, influencers content was also present on blogs, this has become more uncommon, and presence on major online platforms is now the overarching method to reach followers. Influencer content is typically of a personal character, as opposed to the editorial character of news media.

The influencer marketing industry

The influencer marketing industry comprises many different actors. Many influencers work with

The influencer marketing industry is comprised by different companies, parties and people. The vast majority of major influencers work with management companies which represent them. They in turn sell and negotiate deals with different buyers, often agencies but at times also directly with advertisers. Some influencers also act individually in relation to agencies and advertisers, these revenues are also included in the forthcoming investment analysis.

What is an
Influencer?

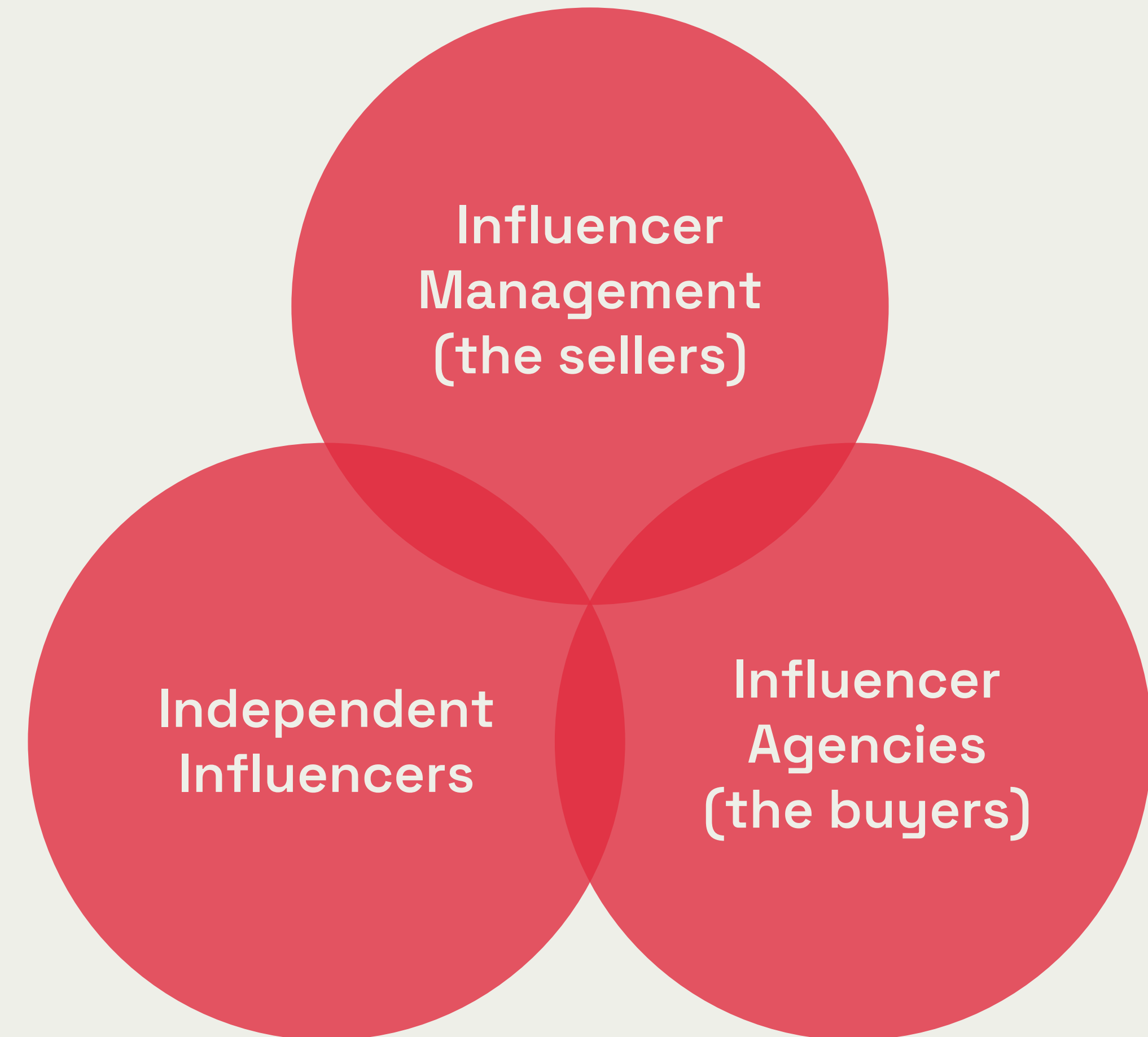
The Influencer
Marketing Industry

The Influencer Marketing Industry

A description of the market structure of the influencer marketing industry

The influencer marketing industry structure is complex. In order to provide an overview, IRM has chosen to divide the actors into the different segments as represented in the chart to the right.

- 1. Influencer management (sellers).** A vast majority of influencers are represented by a management firm. These management firms typically represent a set of influencers and help them connect with, negotiate and sell campaigns and advertising on the influencer's platform. There are a vast array of different types of management firms, on the next page, IRM will expand of this.
- 2. Influencer agencies (buyers)** typically help advertisers connect with, negotiate and buy influencer campaigns and advertising. Sometimes these agencies will also produce the advertiser campaigns. Influencer agencies can be agencies specialised within influencer marketing, communication agencies that choose to work occasionally with influencer marketing or traditional media agencies seasoned at buying all types of media. It is not uncommon for a traditional media agency to, in turn, use a specialized influencer agency.
- 3. Independent influencers** are not connected to a management firm but instead will connect with, negotiate and sell campaigns and advertising directly. Please note that influencers can often combine using a management firm and direct sales. Major influencers can run their own commercial business with exclusive in-house management and small influencers typically may not have representation. Both groups can be categorized as independent influencers.



The Influencer Marketing Industry

The influencer marketing industry is complex, meaning that actors may be work with several different types of activities within the influencer marketing realm. IRM has listed a few types of common types of actors below, to exemplify the complexity of the influencer marketing industry.

Type of company	Areas of expertise	Examples of companies active within the field
Influencer management networks	These management firms will gather influencers and connect, negotiate and sell campaigns and advertising. To a varying degree these actors may also offer a technical platform to follow up on campaign outcome. In some instances, content production may also be included. Some actors also offer other types of digital marketing.	Confetti CPH, LM Society, Micky Creatives, Social Works
Technical platforms / Micro-influencer networks / Affiliate networks	Several platforms / networks aim to connect influencers (and media owners) to potential buyers. Typically, these platforms will have technical solutions to facilitate transactions. A subcategory of this business is to specialize in micro influencers (influencers with few followers).	Beatly, Adtraction
MCN Networks	Multi-Channel Networks offer production of influencer marketing and can also sell YouTube advertising through a partnership with YouTube.	Splay One, We Are Era
Publishers	Publishers may add influencer marketing to their traditional digital business. This category is not common in Denmark but is quite prevalent on other markets. Here publishers will take on the role of influencer management, working with the represented influencers to connect, negotiate and sell campaigns and advertising.	Aller, Egmont

Definitions

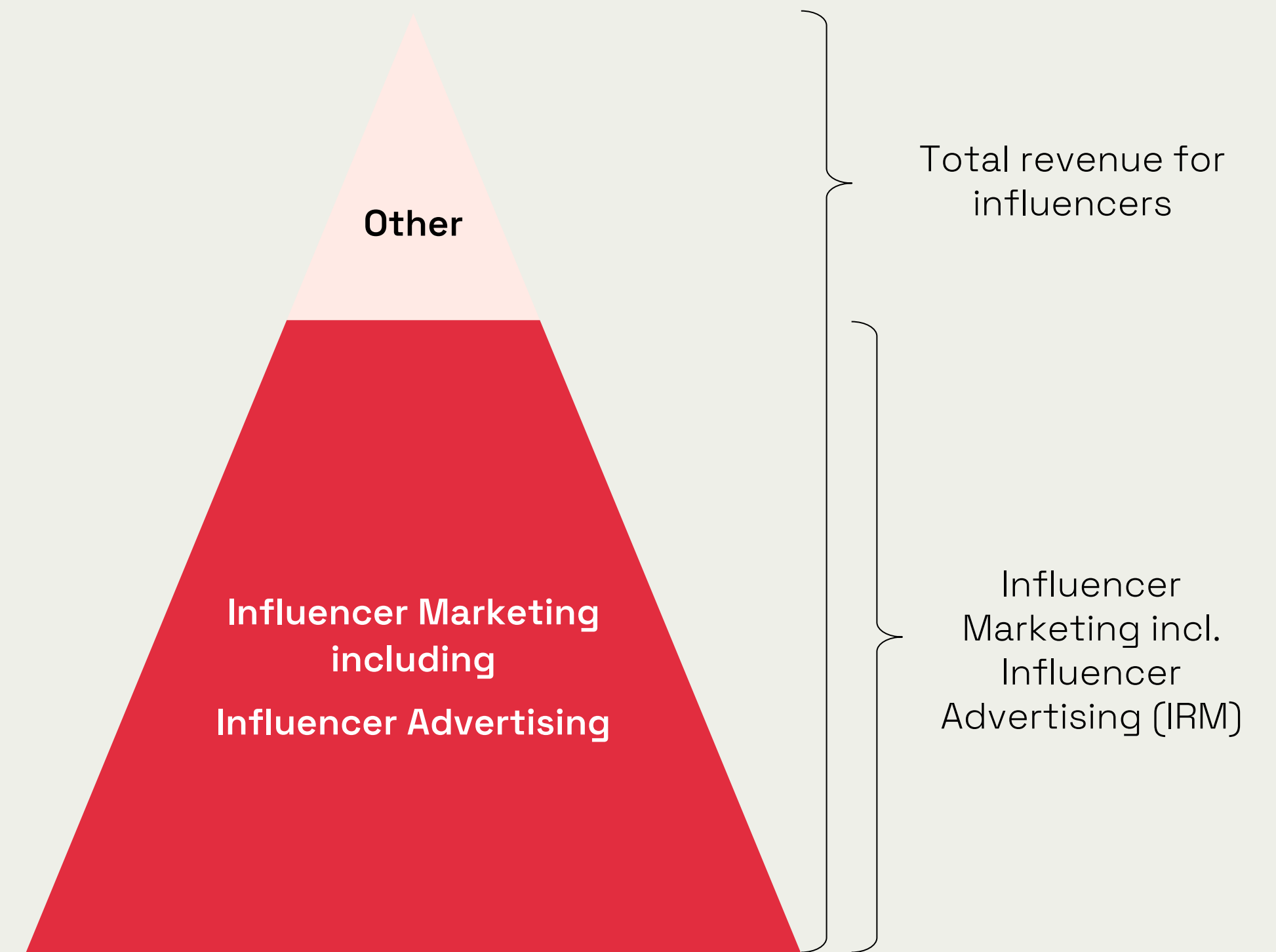
In this report, IRM will present the revenues for influencer marketing. Influencer marketing consists of:

Influencer Marketing: Revenues originating from influencer campaigns (such as writing about or using an advertiser's product) on the influencer's digital platforms. Both production and distribution revenues are included.

Influencer Advertising: Revenues originating from advertising space, e.g. banners and video commercials, adjacent to an influencer's content on their digital platforms.

IRM's measurement of influencer marketing is limited to revenues from influencers targeting Danish consumers. Revenues which are not generated from influencer marketing or influencer advertising as defined above are not included in IRM's report on influencer marketing.

There are other products and services related to influencer marketing. IRM's examination shows that for example there are revenues for events and advertising revenues from non-digital channels, for example book contracts. These revenues are not included in the reported revenue. However, these revenues are estimated to be relatively small.





Influencer Marketing 2022-2024

incl. Influencer Advertising

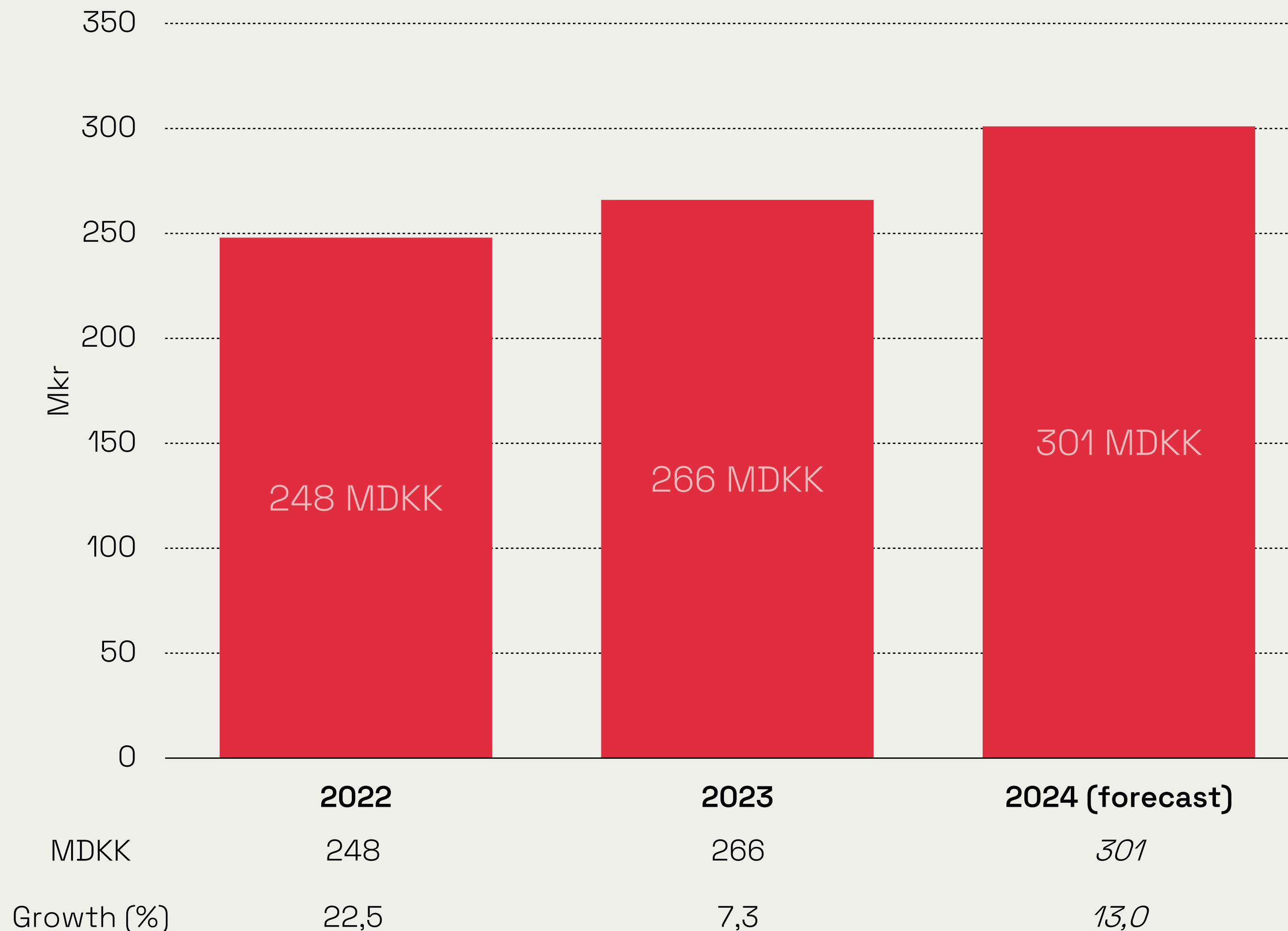
The influencer marketing investments are currently in a period of strong expansion. Revenues have been growing during the last few years and are forecast to continue in 2024.

In 2022 influencer marketing investments amounted to **248 million DKK**. Revenues grew by 22,5% compared to 2021, showing an industry in expansion.

Influencer marketing investments amounted to **266 million DKK in 2023**. This is an increase of 7,3% relative 2022. The total advertising market registered declining revenues in 2023. Considering this development, influencer marketing 2023 outcome shows a continued growth for the influencer marketing industry.

IRM's forecast for 2024 indicates a return to double digit growth for influencer marketing, with a 13% increase compared to 2023.

In all, the influencer marketing investments will surpass 300 MDKK in 2024.



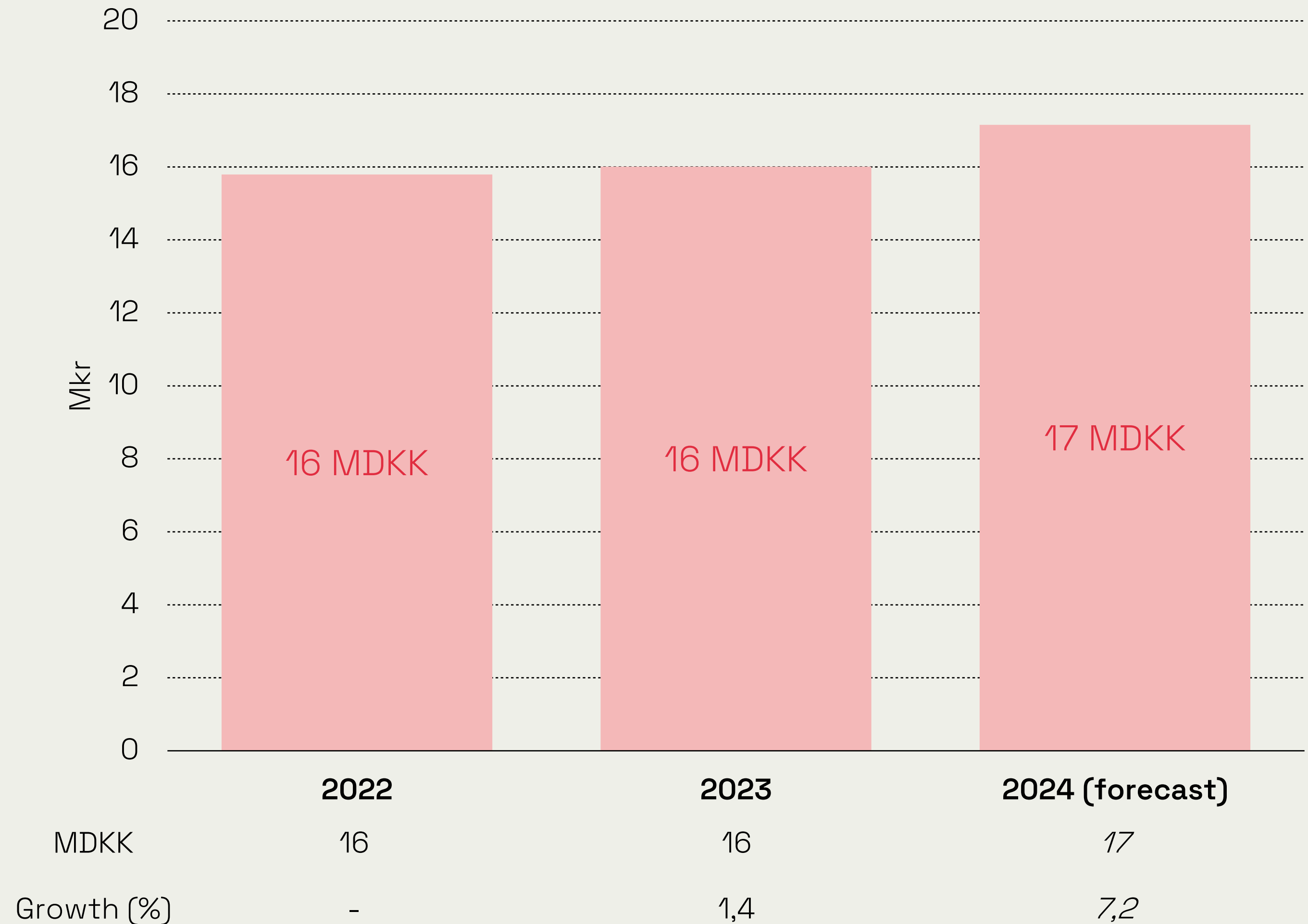


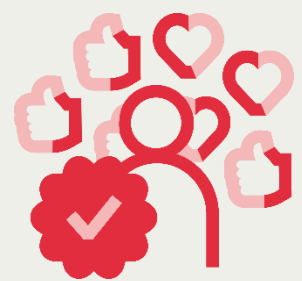
Influencer Advertising 2022-2024

Influencer advertising is a small market in Denmark and during the last few years growth has been limited.

Influencer advertising in Denmark amounts to 16 MDKK in 2023. This corresponds to a marginal growth of 1,4 % compared to 2022. As the advertising market is expected to perform better in 2024, this will facilitate growth for influencer advertising which can grow by 7,2% in 2024. In total, the expected revenue in influencer advertising is expected to be 17 million kronor in 2024.

Influencer advertising: Revenues originating from advertising space, e.g. banners and video commercials, adjacent to an influencer's content on their digital platforms. The revenues for influencer advertising are comprised in IRM's ongoing digital measurements and are a part of the revenues registered for banners and online video respectively.

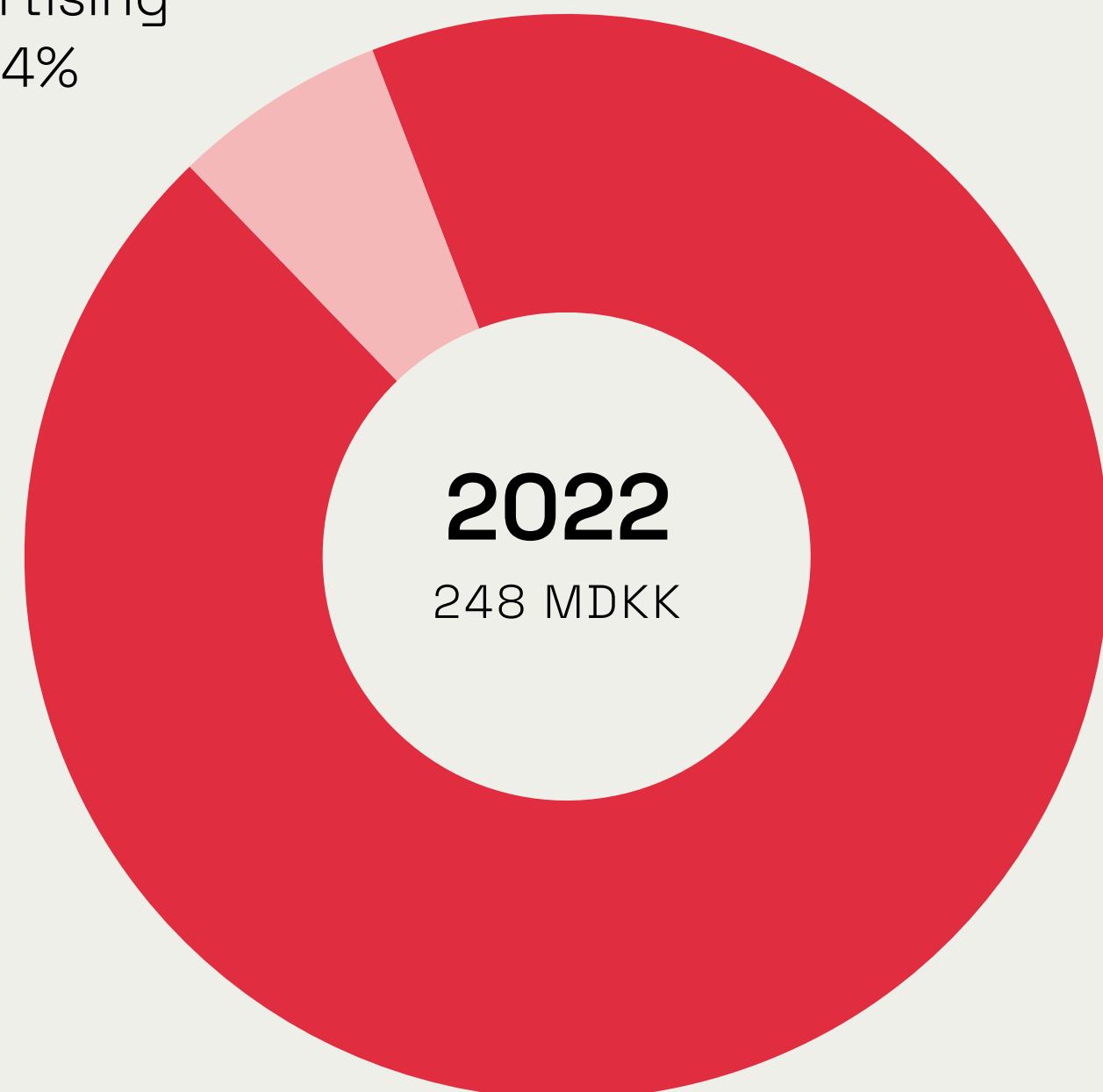




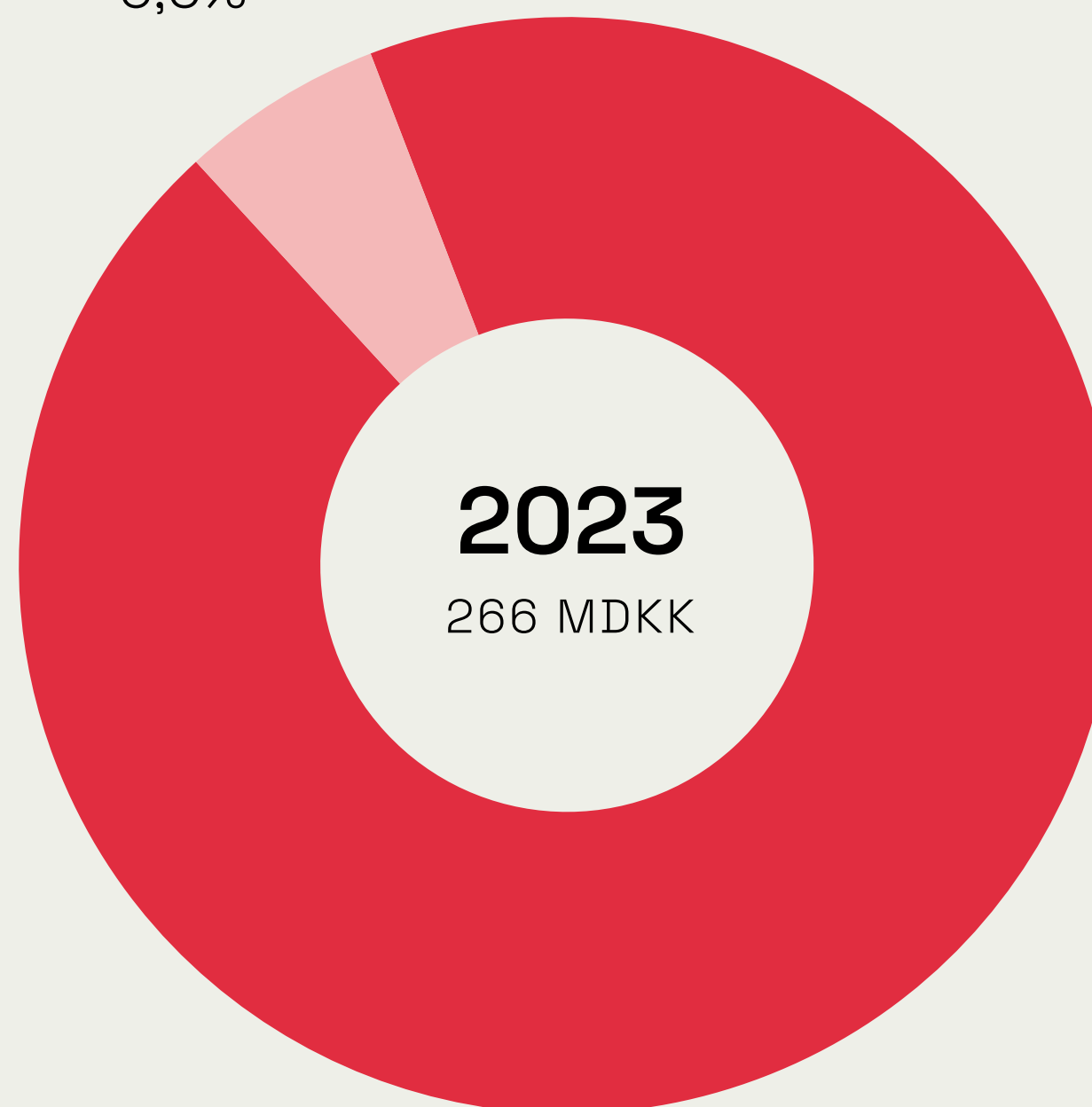
Total revenues and distribution

A limited amount of influencer marketing is made up of advertising revenues. The below graphs illustrate the share of influencer marketing that falls to influencer advertising. Influencer advertising made up 6,4% of influencer marketing during 2022 and 6,0% in 2023. The forecast for 2024 indicates that the share will continue to decrease to 5,7% of total turnover during 2024.

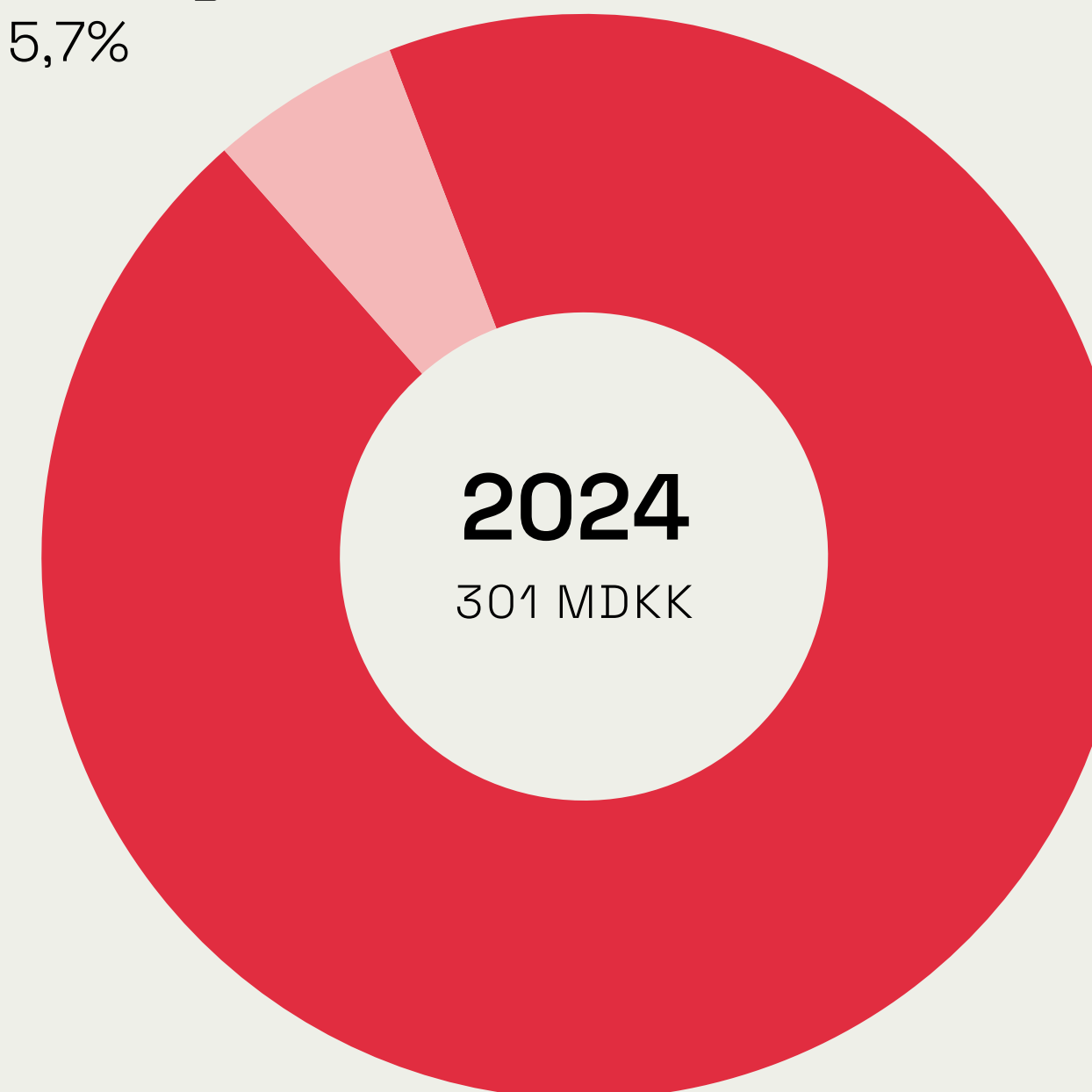
Influencer Advertising
6,4%



Influencer Advertising
6,0%



Influencer Advertising
5,7%

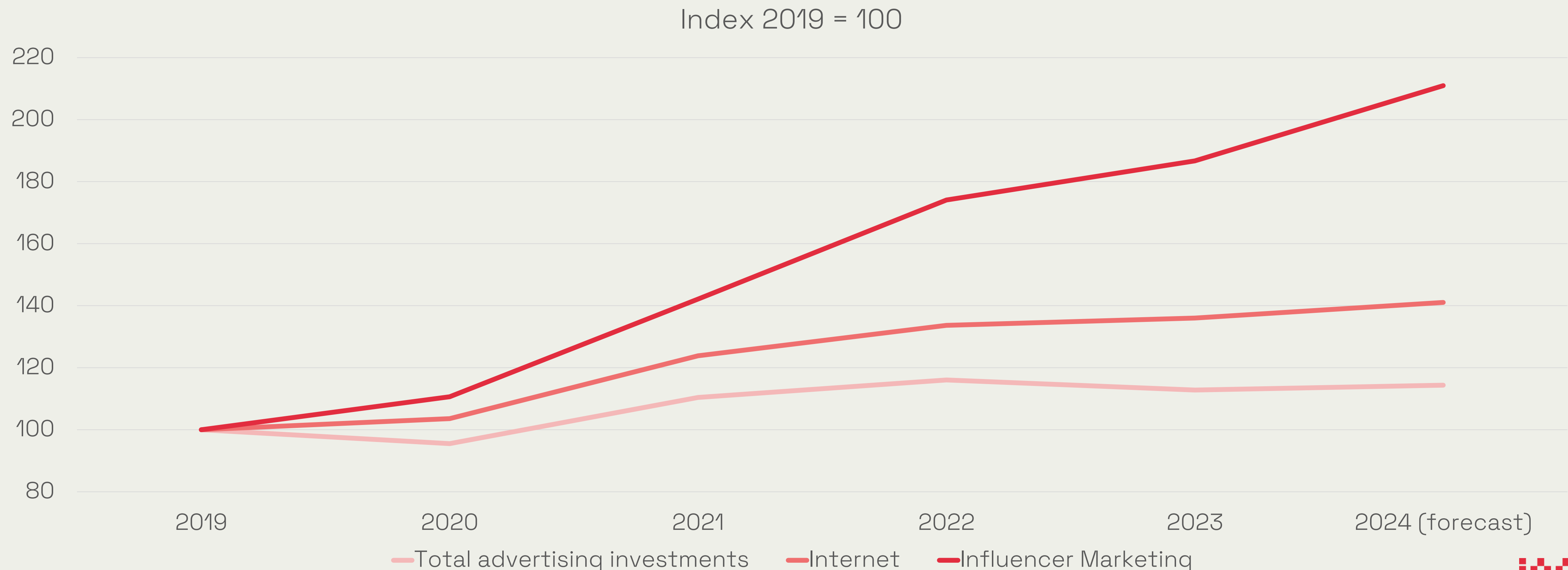




Influencer Marketing and Total Advertising Investments

In this graph, IRM has used an index to illustrate the performance of influencer marketing in relation to total advertising investments and internet investments. IRM has used 2019 investments and indexed these to 100, with each following year relating development to 2019.

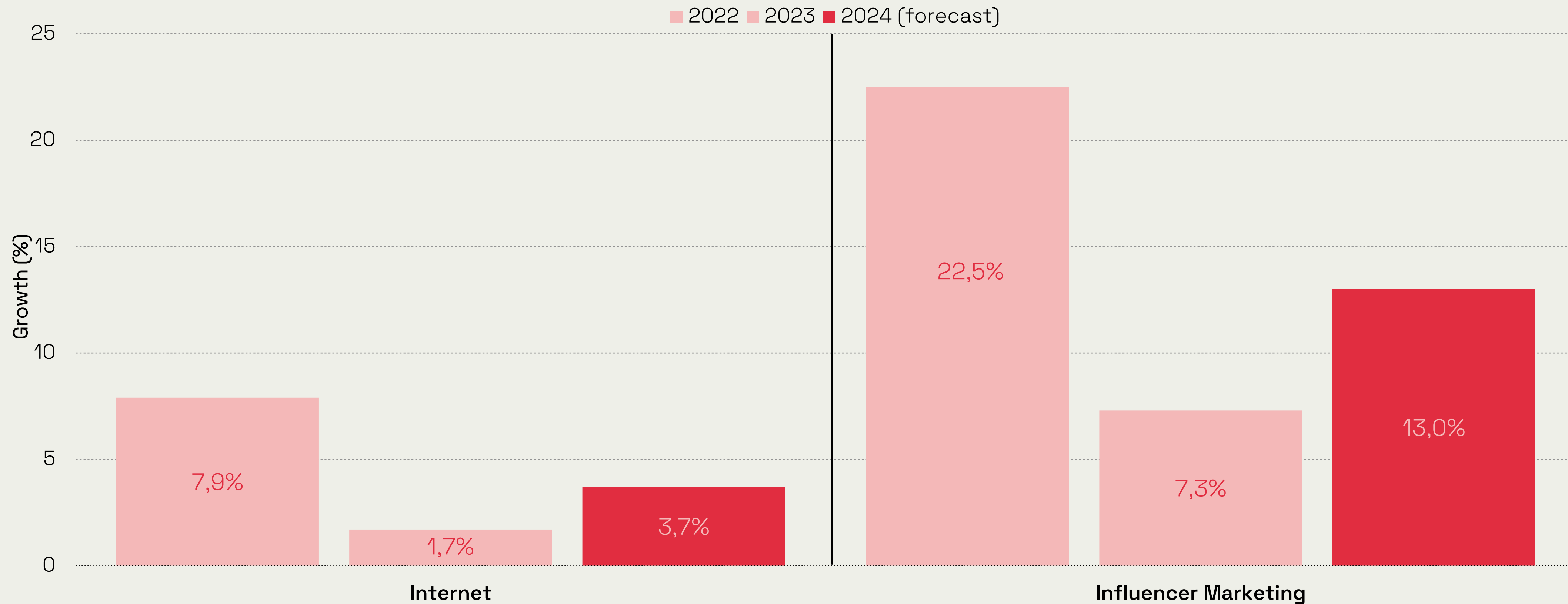
Influencer marketing has outperformed both internet advertising and the total media investments during the period 2019 - 2023. The forecast indicates that this trend will continue in 2024. This is consistent with a new media category on the rise and expected early on in the product lifecycle.





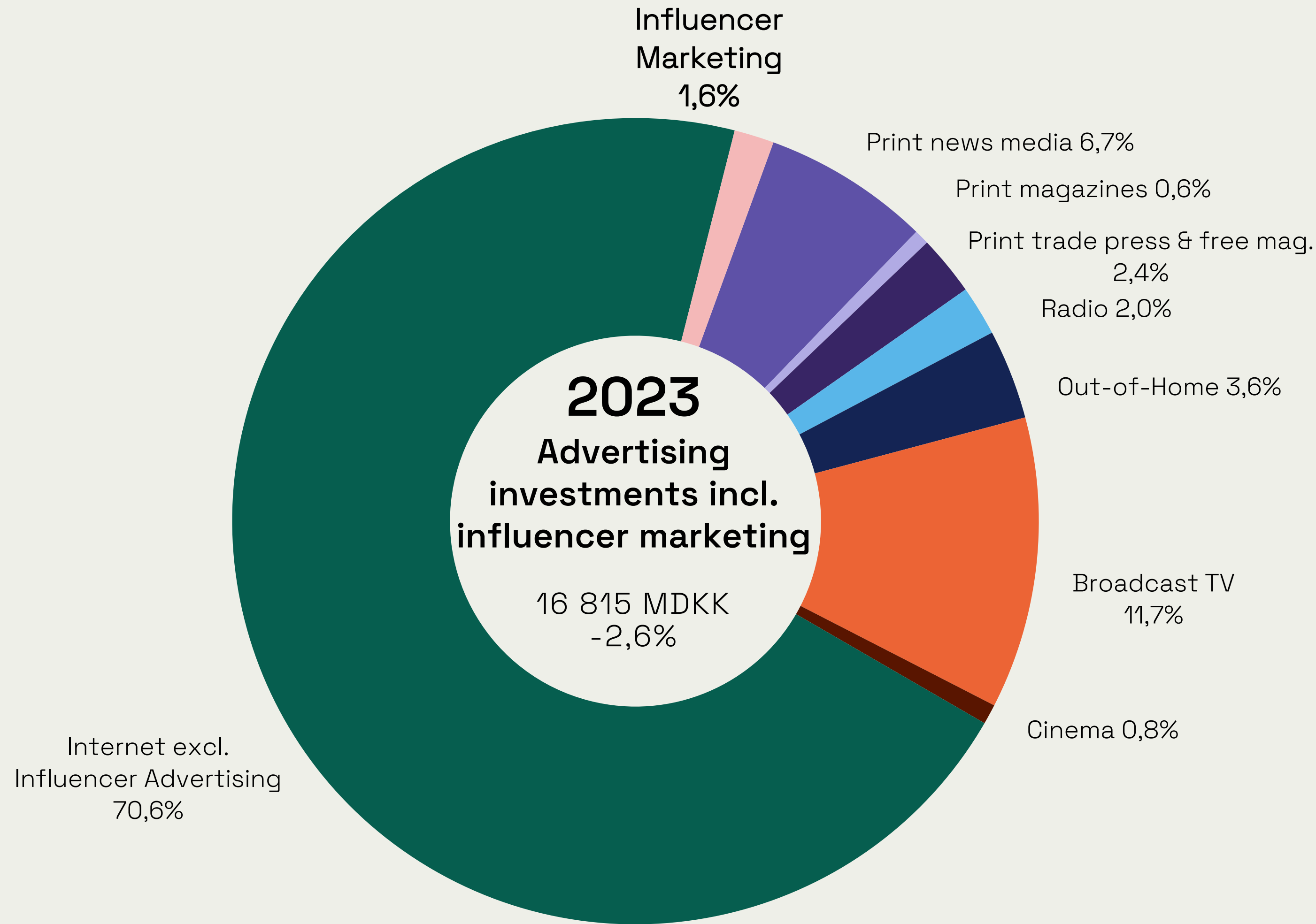
Influencer Marketing and Internet Advertising

In comparison with the digital advertising investments, influencer marketing has experienced a stronger growth in both 2022 and 2023. This trend is expected to continue in 2024 indicated the IRM forecast.





Market shares

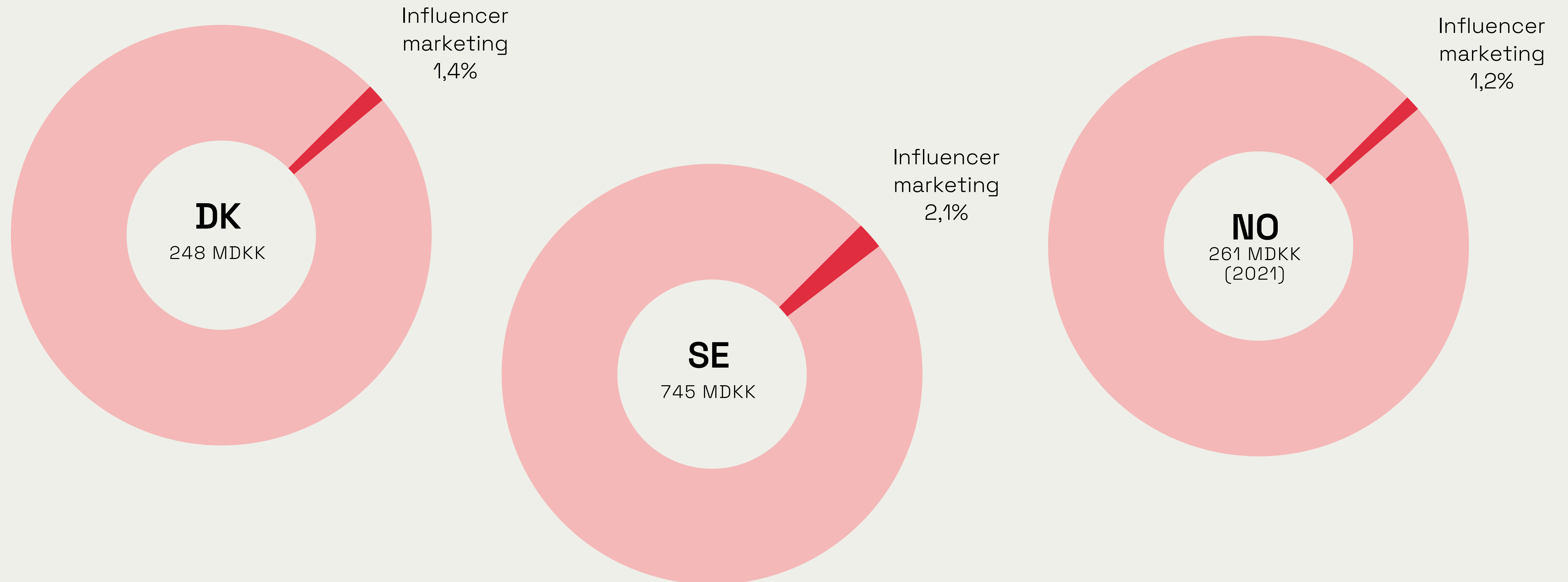


Market share (%)	2022	2023
Print news media	7,9	6,7
Print magazines	0,7	0,6
Print trade press & free mag.	2,6	2,4
Radio	2,2	2,0
Out-of-Home	3,6	3,6
Broadcast TV	13,2	11,7
Cinema	0,8	0,8
Internet excl. Influencer Advertising	67,6	70,6
Influencer Marketing	1,4	1,6
MDKK	17 270	16 815



Influencer Marketing in Scandinavia

It can be interesting to compare the market shares for influencer marketing in the different Scandinavian countries. Denmark has a market share below the Swedish market share and on roughly on par with the Norwegian market share. The market in Denmark during 2022 amounted to 248 million kronor, compared to 745 million DKK in Sweden and 261 million DKK in Norway (please note that the Norwegian figure relates to 2021). The per capita investments in influencer marketing are 42 DKK per person in Denmark compared to 71 DKK per person in Sweden and 48 DKK per person in Norway.



Appendix 1: Method

IRM's report on influencer marketing contributes to understanding the changes in the advertising market today. The results aim to increase knowledge of the industry's structure and revenues. Below is a description of method, sources and limitations:

IRM uses the survey method, which means that parties in the market are asked directly about their revenues. IRM has collected data during the spring of 2024 through an online survey, which has been distributed to all large, identified, actors in the market. In addition, IRM has also conducted several interviews with actors on the market. To account for individual influencers and actors who chose not to participate in the survey IRM has used public information and estimations.

The report is limited to influencers who mainly communicate towards the Danish market, live and work in Denmark or originate from the Danish market. A global influencer whose content can be consumed by a Danish individual is hence not included in this report.

Due to some respondents choosing not to participate, IRM wants to acknowledge that the results regarding Influencer marketing should be interpreted with some caution. However, IRM assesses that that the collected data material in combination with additional sources gives a fair assessment of influencer marketing in Denmark.

Appendix 2: About IRM

IRM is Scandinavia's leading authority on advertising investments. As an independent and non-profit organisation, IRM continuously examines and reports on the development of the advertising market.

- IRM (The Institute for Media and Advertising Statistics) was founded in 1984, with the task of providing net advertising data for the Swedish market.
- Initially a part of the University of Gothenburg, IRM became an independent, non-profit organization in 1992.
- Since 2006, IRMs also provides net advertising data in Norway. Since 2023 IRM is also the chosen provider of net advertising spend in Denmark.
- Since its inception IRM has used the survey method to compile and present net advertising data. IRM may also use samples and estimations in markets which are too complex to compile data from all players.
- IRM's forecasts detail the development for the advertising market in the coming years, based in several components such as economic forecasts, interviews and international data and trends.
- IRM also collaborates with the World Advertising Research Centre (WARC) and IAB Europe.

Appendix 3: Industry structure

Examples of companies active in influencer marketing field (please note that individual influencers are not included)

The influencer marketing realm in Denmark consists of many small companies. The industry is very fragmented and consists of many actors which can take on several different tasks within the field of influencer marketing. IRM has therefore chosen to include a non-exhaustive list of companies that are active within the influencer marketing field in Denmark. Please note that the list does not include individual influencers.

Company	Origin	Classification	Starting year	DK	NO	SE
AA Agency	Denmark	Management/Network	2019	Yes		
Adtraction	Sweden	Affiliate Network	2007 (2013 in DK)	Yes	Yes	Yes
Aller Media	Sweden	Publisher	1898 (1957 in DK)	Yes	Yes	Yes
AROS Influence	Denmark	Management/Network	2022	Yes		
Bang Studio	Denmark	Management/Network	2020	Yes		
BASH Agency	Denmark	Management/Network	2017	Yes		
Beatly	Sweden	Technical platform	2015	Yes	Yes	Yes
Boom Agency	Denmark	Management/Network	2018	Yes		
Brandheroes	Denmark	Micro Infuencer Network	2016	Yes		
Buzzanova	Denmark	Management/Network	2006	Yes		
byBrockstedt	Denmark	Agency	2021	Yes		

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Company	Origin	Classification	Starting year	DK	NO	SE
Collab Cartel	Denmark	Management/Network	2019	Yes		
Confetti CPH	Denmark	Management/Network	2017	Yes		
Dentsu	Japan	Media Agency	1901	Yes	Yes	Yes
DreamInfluencers	Denmark	Management/Network	2017	Yes		
Eighteen Agency	Denmark	Management/Network	2023	Yes		
Engelhardt Management	Denmark	Management/Network	2021	Yes		
FiveMe Management	Denmark	Management/Network	2020	Yes		
Flame Management	Denmark	Management/Network	2018	Yes		
Frank Management	Denmark	Management/Network	2018	Yes		
H4LO	Denmark	Management/Network	2020	Yes		
Heart Made Management	Denmark	Artist Management	2015	Yes		
Hippo (HEAVY)	Denmark	Management/Network	2015	Yes		
Impress Agency	Denmark	Management/Network	2022	Yes		
Live Nation	US	Artist Management	1995	Yes	Yes	Yes
LM Society	Denmark	Management/Network	2018	Yes		
Load Creatives	Denmark	Management/Network	2021	Yes		

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Examples of companies active in influencer marketing field (please note that individual influencers are not included)

Company	Origin	Classification	Starting year	DK	NO	SE
Loggershut	Denmark	Technical platform	2017	Yes		Yes
Make Influence	Denmark	Technical platform	2018	Yes		Yes
Micky Creatives	Denmark	Management/Network	2020	Yes		
Momster	Denmark	Management/Network	2021	Yes		
Morch & Rohde	Denmark	Agency/Network	2019	Yes		
Nine Agency	Sweden	Agency	2004	Yes		Yes
Nordic Influencer Marketing	Denmark	Agency	2021	Yes		
OMD	France	Media Agency	1996	Yes	Yes	Yes
Patriksson Talent	Sweden	Management/Network	2015	Yes	Yes	Yes
Pili Agency	Denmark	Management/Network	2018	Yes		
Relatable	Sweden	Agency	2015	Yes		Yes
Represented (by Bloggers Delight)	Denmark	Agency	2011	Yes		
Sense CPH	Denmark	Management/Network	2022	Yes		
Sisu Social	Denmark	Management/Network	2022	Yes		
Social Brand Lab	Denmark	Management/Network	2019	Yes		

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Examples of companies active in influencer marketing field (please note that individual influencers are not included)

Company	Origin	Classification	Starting year	DK	NO	SE
Social Embassy	Denmark	Management/Network	2018	Yes		
Social Works	Denmark	Management/Network	2016	Yes		
Splay One	Sweden	MCN Network	2012 (2014 in DK)	Yes	Yes	Yes
Story House Egmont	Sweden	Publisher	1946 (1977 in DK)	Yes	Yes	Yes
Szkobel Agency	Denmark	Management/Network	2020	Yes		
Tell Agency	Denmark	Management/Network	-	Yes		
United Influencers	Sweden	Agency	2015	Yes	Yes	Yes
Voxblog Agency	Denmark	Management/Network	2018	Yes		
Wavemaker (GOAT)	UK	Agency	2017	Yes	Yes	Yes
We Are Cube	Sweden	Management/Network	2013 (2015 in DK)	Yes		Yes
We Are Era	Sweden	Management/Network	2013	Yes		Yes
We Communicate	Denmark	Agency	2019	Yes		
We Influence	Denmark	Management/Network	2019	Yes		
YoHype	Denmark	Technical platform	2016	Yes		
Ziezta Agency	Denmark	Management/Network	2023	Yes		