

What YouTube's Famebit Failure Can Teach Us About Influencer Marketing

Why YouTube shuttered its self-service influencer marketing platform.

July 9, 2020 4 min read

Opinions expressed by *Entrepreneur* contributors are their own.

It would be great if working with influencers was like hiring someone on Fiverr. Give them the money, they do their magic, and voila – campaign success!

But, as Warren Buffett said, “You can’t produce a baby in one month by getting nine women pregnant.”

It’s a hard lesson to learn. One that YouTube has learned for themselves. Three years after acquiring Famebit, the self-service influencer marketing platform, they’re shutting it down. That platform allowed brands to submit campaign opportunities for as little as \$100. Influencers would opt into campaigns, and brands would select the ones they liked

The dream was automation of the influencer marketing process.

Why did that dream die?

YouTube alludes to the answer in their closure announcement. They’ve “learned a lot about how creators and brands can work together to produce amazing branded content.” That, “branded content only works if it’s authentic and engaging for

viewers.”

If they’re saying that their non-automated, full-service division generated the strongest results, what does that mean for the self-service side? Reading between the lines, the implication is that self-service led to inauthentic partnerships and poor results.

Automation isn’t a great fit for every situation, particularly, when dealing with people.

When your internet is down, you just want someone to come and fix it. When you’re forced to deal with 20 minutes of some automated message trying to get you to the answer it’s infuriating.

If you’re calling about billing press 1.

Hablas español....

If your internet is down press 9.

The process *technically* gets you an answer, but the experience is awful. If you could just talk to a human being you’d be so much happier.

In YouTube’s case, they figured closing down self-service was more beneficial than exposing more brands and creators to bad experiences. In essence, they’d rather have real people pick up the phone than customers deal with automated messages and be pissed off.

Related: How to Create a YouTube Channel in 3 Simple Steps

YouTube has every incentive to keep Famebit’s self-service running

They NEED creators making money so they make more content.

More content equals more eyeballs. Eyeballs draw advertisers. Advertisers spend the money.

Eyeballs + Brands = ad-based business

Related: How to Leverage the Power of YouTube

Google, which owns YouTube, is one of the most profitable companies on the planet. Last year they reported revenue of \$161.9 billion. YouTube, on its own, contributed \$15 billion to that total.

They have the best engineers and marketers on the planet. Why couldn't they make it work?

Influencer marketing is a creative endeavor

I've written in the past that in working with these marketplaces so much is absent. Neither party is speaking directly to one another. They're not building upon each other's ideas. They're not decoding the subtleties of the brand.

If you're considering using a self-service platform for your own advertising I'd recommend you ask yourself some questions.

Related: Here's How You Can Actually Make Money With YouTube

If Google couldn't make automated influencer marketing work, can anyone? Do you have more resources and knowledge than Google? Why would you be the exception?

Odds are you're not.

Google's Famebit experiment proved that influencer marketing done well requires a human touch. This is more costly and labor-intensive, but there are no shortcuts.

Influencer marketing, like most things, takes time and effort to do well.

loading...

<https://www.entrepreneur.com/article/352817>