

An illustration of a city skyline with various buildings in shades of blue and teal. In the foreground, a grey road curves through a light blue cloud-like shape. A purple car is driving on the road. To the left of the road, a billboard stands on two grey poles. The billboard is white and features a red outline of the Salesforce logo and a red starburst. The background includes a large orange sun with concentric circles, stylized clouds, and green trees.

THE SALESFORCE MARKETING CLOUD SOCIAL ADVERTISING BENCHMARK REPORT

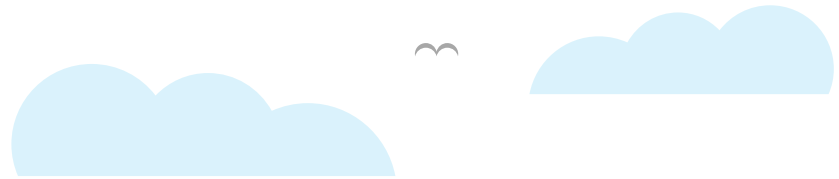
Metrics from **1+ Trillion Facebook*** Ad
Impressions Made Through Our Platform

salesforce marketing cloud

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Advertising Benchmark Data

Grow your audience by combining owned and earned media with paid media efforts.

Paid media can be a critical enabler of a digital marketing strategy, and when it comes to advertising, Facebook—the platform this report focuses on—is a clear leader.

In an average month, 1.28 billion users are active on Facebook, with more than 1 billion users accessing Facebook via mobile.¹ Facebook dominates smartphone user attention, with one in five minutes on a mobile device spent in Facebook's app—not including time spent on the mobile website.² The social networking giant celebrated its 10th birthday in February 2014, with a handful of developments marking its maturity as an advertising platform this year:

- **Q1 2014:** Facebook fundamentally changes the structure of advertising campaigns by introducing Ad Sets, allowing for better alignment of ad targeting, creative optimization, and campaign goals.
- **April 2014:** Facebook announces Audience Network at f8 (Facebook's developer conference) to further establish itself as the leader in mobile advertising. Audience Network lets advertisers display ads in non-Facebook apps that have implemented the Facebook mobile SDK and have been approved by Facebook, further extending the reach of advertiser messaging to customers.
- **July 2014:** Facebook allows developers to send users from a mobile ad to a deep link within an app (meaning the link bypasses the app's welcome screen and takes a user directly to a specific page).³

Since Facebook announced the launch of ads in 2007, users have become accustomed to seeing advertising and various sponsored content as part of their Facebook experience—and that experience includes mobile. Advertisers are putting their money where their

customers are and boosting budgets accordingly, with mobile ad spend in Q4 2013 surpassing total display ad spend in the US.⁴ Salesforce Marketing Cloud customers took advantage of this trend, with overall global customer spend on Facebook ads increasing more than fourfold from Q1 to Q4 2013. From Q3 to Q4 alone, US advertiser spend for app-install ads grew 87%.

Based on data collected from more than one trillion Facebook ad impressions by Marketing Cloud customers in 2013, overall trends include:

- **Click-through rates (CTRs) doubled during 2013 from 0.18% in Q1 to 0.36% in Q4.** Ad engagement continued to improve as advertisers became more sophisticated and Facebook improved targeting options and user experience in the News Feed and on desktop and mobile.
- **Media costs continued an overall upward trend globally,** with cost per click (CPC) up 24% across the year and cost per thousand impressions (CPM) up more than 140% across the same period.
- **For mobile ads, CPC increased 75% while click-through rates remained strong throughout the year at around 1.5%** (well above desktop Facebook ads). Conversion rates remained at a healthy level above 8% throughout 2013 even with the much greater ad spends later in the year.

Benchmarks for key advertising metrics can help you evaluate performance of your own Facebook ads and gain a better understanding of industry averages. Here, we report on overall findings for average Facebook ad CTR, CPC, and CPM.

Consult "About the Data" (p. 10) for more information about these charts.

Overall Mobile Facebook Advertising Performance (Global)



Mobile Facebook Advertising Performance by Quarter (Global in USD)

	Click-Through Rate (CTR)				Cost per Click (CPC)				Cost per Thousand Impressions (CPM)			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Overall Mobile Performance	2.14%	0.98%	1.42%	1.56%	\$0.20	\$0.41	\$0.34	\$0.35	\$4.33	\$4.05	\$4.79	\$5.41

	Conversion Rate				Cost per Install			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Overall Mobile Performance	11.29%	9.54%	8.02%	7.70%	\$1.79	\$4.33	\$4.21	\$4.51

Facebook Advertising Performance by Quarter (Global)

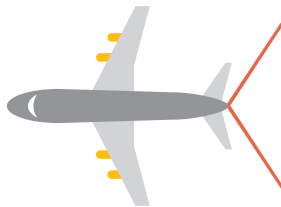
	CTR				CPC				CPM			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
Overall Performance	0.18%	0.23%	0.27%	0.36%	\$0.17	\$0.20	\$0.22	\$0.21	\$0.31	\$0.48	\$0.59	\$0.75

Facebook Advertising Performance by Quarter: All Industries (US)

	CTR				CPC				CPM			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
US TOTAL	0.09%	0.10%	0.12%	0.14%	\$0.22	\$0.23	\$0.23	\$0.24	\$0.19	\$0.24	\$0.26	\$0.34
CPG	0.07%	0.10%	0.11%	0.20%	\$0.14	\$0.11	\$0.12	\$0.11	\$0.09	\$0.11	\$0.13	\$0.21
Entertainment	0.45%	0.48%	0.31%	0.87%	\$0.16	\$0.08	\$0.16	\$0.14	\$0.72	\$0.37	\$0.48	\$1.21
Financial Services	0.13%	0.16%	0.09%	0.17%	\$0.14	\$0.17	\$0.17	\$0.12	\$0.19	\$0.27	\$0.15	\$0.21
Gaming	0.06%	0.06%	0.05%	0.05%	\$0.29	\$0.33	\$0.33	\$0.45	\$0.17	\$0.19	\$0.18	\$0.24
Retail	0.30%	0.50%	0.30%	0.76%	\$0.19	\$0.13	\$0.09	\$0.18	\$0.57	\$0.64	\$0.26	\$1.39
Non-Profit	0.09%	0.13%	0.18%	0.21%	\$0.37	\$0.39	\$0.30	\$0.27	\$0.32	\$0.51	\$0.55	\$0.58
Technology	0.14%	0.11%	0.14%	0.23%	\$0.09	\$0.14	\$0.18	\$0.19	\$0.13	\$0.15	\$0.25	\$0.46
Travel and Leisure	0.06%	0.07%	0.10%	0.09%	\$0.21	\$0.21	\$0.19	\$0.29	\$0.12	\$0.14	\$0.18	\$0.26

Facebook Advertising Performance by Quarter: All Industries (UK)

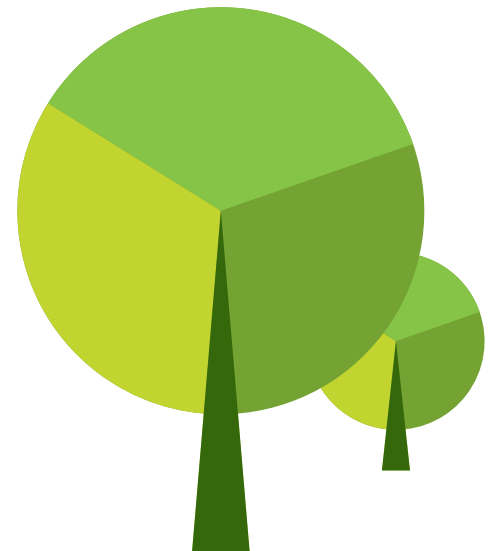
	CTR				CPC				CPM			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
UK TOTAL	0.13%	0.16%	0.22%	0.27%	£0.18	£0.21	£0.21	£0.21	£0.23	£0.33	£0.47	£0.56
CPG	0.21%	0.19%	0.23%	0.39%	£0.13	£0.22	£0.21	£0.21	£0.28	£0.43	£0.48	£0.82
Entertainment	0.24%	0.47%	0.78%	0.51%	£0.12	£0.11	£0.11	£0.11	£0.30	£0.51	£0.82	£0.56
Financial Services	0.17%	0.36%	0.40%	0.34%	£0.31	£0.31	£0.32	£0.45	£0.53	£1.12	£1.27	£1.53
Gaming	0.14%	0.16%	0.12%	0.09%	£0.18	£0.21	£0.19	£0.34	£0.25	£0.34	£0.22	£0.32
Retail	0.50%	0.14%	0.15%	0.53%	£0.09	£0.14	£0.15	£0.21	£0.46	£0.20	£0.22	£1.13
Non-Profit	0.18%	0.17%	0.06%	0.17%	£0.19	£0.17	£0.50	£0.30	£0.35	£0.28	£0.28	£0.51
Technology	0.85%	0.12%	0.94%	0.57%	£0.10	£0.29	£0.33	£0.19	£0.87	£0.36	£3.09	£1.06
Travel and Leisure	1.74%	0.74%	2.01%	3.58%	£0.08	£0.12	£0.13	£0.07	£1.40	£0.92	£2.54	£2.68



Since Facebook announced the launch of ads in 2007, users around the globe have grown accustomed to advertising as part of the Facebook experience.

Facebook Advertising Performance by Quarter: All Industries (EU)

	CTR				CPC				CPM			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
EU TOTAL	0.09%	0.09%	0.10%	0.12%	€0.16	€0.21	€0.20	€0.20	€0.14	€0.19	€0.20	€0.25
CPG	0.07%	0.10%	0.09%	0.16%	€0.22	€0.24	€0.21	€0.17	€0.16	€0.23	€0.19	€0.28
Entertainment	0.15%	0.16%	0.21%	0.25%	€0.15	€0.15	€0.17	€0.17	€0.23	€0.23	€0.34	€0.44
Financial Services	0.07%	0.11%	0.07%	0.07%	€0.21	€0.22	€0.31	€0.37	€0.15	€0.23	€0.21	€0.26
Gaming	0.09%	0.13%	0.11%	0.14%	€0.22	€0.25	€0.20	€0.21	€0.18	€0.34	€0.23	€0.29
Retail	0.04%	0.08%	0.06%	0.10%	€0.20	€0.17	€0.22	€0.19	€0.08	€0.14	€0.12	€0.19
Non-Profit	0.04%	0.08%	0.13%	0.12%	€0.22	€0.26	€0.25	€0.25	€0.09	€0.22	€0.34	€0.30
Technology	0.06%	0.10%	0.17%	0.10%	€0.22	€0.22	€0.16	€0.24	€0.13	€0.20	€0.27	€0.24
Travel and Leisure	0.08%	0.10%	0.19%	0.18%	€0.26	€0.28	€0.28	€0.31	€0.20	€0.27	€0.53	€0.54



Facebook Advertising Performance by Quarter: All Industries (APAC: AUS)

	CTR				CPC				CPM			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4
APAC: AUS TOTAL	0.14%	0.17%	0.37%	0.28%	\$0.33	\$0.37	\$0.27	\$0.33	\$0.47	\$0.64	\$1.01	\$0.95
CPG	0.02%	0.01%	0.02%	0.01%	\$2.09	\$2.63	\$1.44	\$1.72	\$0.35	\$0.38	\$0.22	\$0.23
Food and Beverage	0.21%	0.18%	0.86%	2.88%	\$0.39	\$0.54	\$0.27	\$0.20	\$0.83	\$0.97	\$2.29	\$5.69
Health and Beauty	0.06%	0.03%	0.03%	0.09%	\$1.49	\$0.62	\$0.51	\$0.72	\$0.82	\$0.20	\$0.15	\$0.64

APAC is still an emerging market for social advertising, resulting in a greater fluctuation in trends.

A greater fluctuation in social advertising trends is often seen in emerging markets, as advertisers can be more experimental with budgets and campaigns.



Advertising Recommendations

Whatever the size of your paid media budget, you can build proprietary audiences with Facebook ads that advance your journey toward 1:1 marketing.

Ready to put this benchmark data to work in your own Facebook advertising strategy? Keep the following recommendations in mind:

- Overall social advertising is expected to grow by 27% in 2014, but it's expected to grow exponentially more rapidly in sectors like mobile and video.⁵ Look for ways that you can implement a social advertising strategy that includes mobile and video for big gains in the coming year.
- Cookies are becoming less relevant. Agencies and advertisers should consider greater investment in mobile ads and targeting platforms that reach customers across devices.
- Advertisers should continue to look at the best ways to unlock customer data for highly effective advertising. The time smartphone users spend on Facebook, along with the high levels of mobile engagement on Twitter and LinkedIn, make these platforms ideal to supercharge advertisers' app installs and reengagement.

Looking for more ways to rev up your social advertising? Focus on these top four ways to reach your target audience:

- **Facebook mobile apps.** New downloads and app engagement are two of the biggest challenges for marketers. Facebook offers a powerful ad unit and tracking solution to grow your app install base and direct consumers to specific app areas.
- **Facebook Custom Audiences.** Securely unlock and build lookalike audience targets against your own customer data, targeting Facebook ads to sell, reengage, and reactivate.

- **Twitter Tailored Audiences.** Reengage with users of the most powerful real-time communication platform with your own first-party data.
- **LinkedIn Direct Sponsored Content.** Use LinkedIn's dark posting feature to test messaging in real time without having to originate posts on your company's LinkedIn page.

Social and mobile advertising strategies like these give you greater visibility with your customers no matter where they are, helping you turn your customer data into a true 1:1 customer journey.

About the Data

We collected the data in this report from the Salesforce Marketing Cloud platform according to the following specifications.

We extracted Facebook advertising data covering more than one trillion Facebook ad impressions by Marketing Cloud customers in 2013. We performed a complete overhaul of our stats reporting index

to better account for consistent advertising spenders throughout this reporting period, adding further advertising insights from third-party studies as noted.



Appendix

- (1) newsroom.fb.com/company-info
- (2) flurry.com/bid/95723/Flurry-Five-Year-Report-It-s-an-App-World-The-Web-Just-Lives-in-It#.U71eL2RDt40
- (3) developers.facebook.com/blog/post/2014/07/01/app-links-reaches-1-billion/
- (4) iab.net/about_the_iab/recent_press_releases/press_release_archive/press_release/pr-041014
- (5) slideshare.net/eMarketerInc/emarketer-webinar-7-social-media-ad-trends-for-2014



— Manage the — *Customer Journey*

Journey Builder empowers marketers to deliver exceptional, personalized customer experiences at scale. CMOs, digital marketers and customer experience teams use it to plan, personalize and optimize real-time 1:1 customer journeys across any channel or device. See how far you can go with the world's most powerful 1:1 digital marketing platform.

Salesforce Marketing Cloud empowers your business to:

- Build a single view of your customer
- Automate real-time customer journeys
- Connect to your customers with personalized content on any channel or device
- Make the most of your data
- Build on the most trusted platforms



Learn more about Journey Builder
salesforce.com/marketingcloud

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