

salesforce marketing cloud

Social.com

Advertising Benchmark



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Executive Summary

Social Advertising Gains New Level of Maturity In 2014

In many ways, 2014 was the year that social advertising gained a level of overall maturity within the advertising ecosystem. The major social networks all launched major new products and made a range of key strategic acquisitions and partnerships in the areas of video, measurement, mobile and data while reaching new heights in both user and mobile adoption.

Advertising agencies around the world built elite in house practices solely dedicated to social as they had previously with other digital and traditional advertising channels. Major global brand advertisers began to devote significant budgets (six and seven figure monthly USD investments) and measured return on investment against an increasingly sophisticated set of metrics and criteria.

The overall social advertising space was expected to grow by 27% in 2014, but our data suggests that for certain sectors, like Mobile, Video, and the integration of first party data (with Facebook Custom Audience and Twitter Tailored Audiences), social advertising is growing at a rate far greater than that. Advertisers are continuing to use new ad formats and ways of optimizing their spend so that even as media costs increase, ROI is actually increasing.

Throughout 2014, we saw advertisers utilize their own customer data to segment groups based on targeting criteria like high revenue or dormant users to create highly effective campaigns. First party data will continue to drive some of the most effective ad campaigns by targeting the right people at the right time in their customer journey.

Mobile and Video advertising options and engagement levels from Facebook, Twitter, and LinkedIn continued to increase, resulting in increased adoption by customers. Advertisers in particular saw great value in ad creatives designed to accelerate mobile app installs and engagement. Social.com's newest study covers major social and mobile advertising trends from January 1st, 2014, through September 30th, 2014, on all three platforms on which our customers buy ads. We break out different trends for each platform: Facebook, Twitter, and LinkedIn.

We broke our analysis down by region, focusing on the United States, the United Kingdom, Europe, and APAC, as well as a global analysis. We also analyzed how 20 different industry verticals spent their social advertising budgets by focusing on media costs (CPC and CPM) and measured effectiveness (ad engagement, conversion rates and cost per install). Our data covers an index of 400 advertisers representing 49 countries and over two trillion impressions.

In addition, we will provide you with insights into how this data is impacted by wider social advertising trends and news from Facebook, Twitter, and LinkedIn.



Chris Jacob, Social.com
Salesforce Marketing Cloud



Major Overall 2014 Trends

Social advertising costs rise and Mobile advertising spend surpasses Display banners

Two of the largest trends in digital media today are the **growth of mobile apps** as the preferred way that people spend their digital time and the **decline of the cookie** as a way to target users online.

Cookies are far less relevant in a mobile-first world because they don't exist in mobile apps. Also, as web browsers provide a more secure experience for users, cookies will become less effective on desktop. Cookies have been decreasing in effectiveness for several years; the IAB first convened a "Future of the Cookie Working Group" in January 2012. Additionally, this decline is due to users increasingly using multiple devices. In the UK and Australia, the average person uses 3.1 devices, and in the US, 2.9, according to Google Consumer Barometer.

At the same time, mobile users are increasingly using apps, with 86% of all mobile time spent in apps, up from 80% in 2013, according to Flurry.

Q4 2013 was the first time that mobile advertising spend surpassed banner advertising spend in the United States.

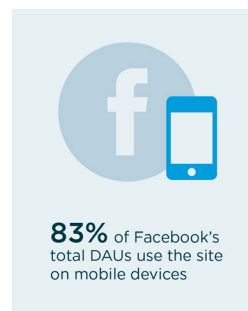
For advertisers, Q4 2013 was the first time that mobile advertising spend surpassed banner advertising spend in the United States, according to the IAB, and this trend has only accelerated in 2014. The IAB has found that in the first half of 2014 there was a 76% YoY increase in mobile advertising spend. Mobile ad spend has now reached 23%

of global digital ad spend up by Q2 2014 from 15% from the same time in 2013.

Facebook, Twitter, and LinkedIn are uniquely positioned to take advantage of these trends with strong mobile offerings. 83% of Facebook's total daily active users (DAU) use the site on mobile devices; 81% of Twitter revenue comes from mobile; and 47% of LinkedIn's total traffic comes from mobile users.*

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Facebook Macro Trends

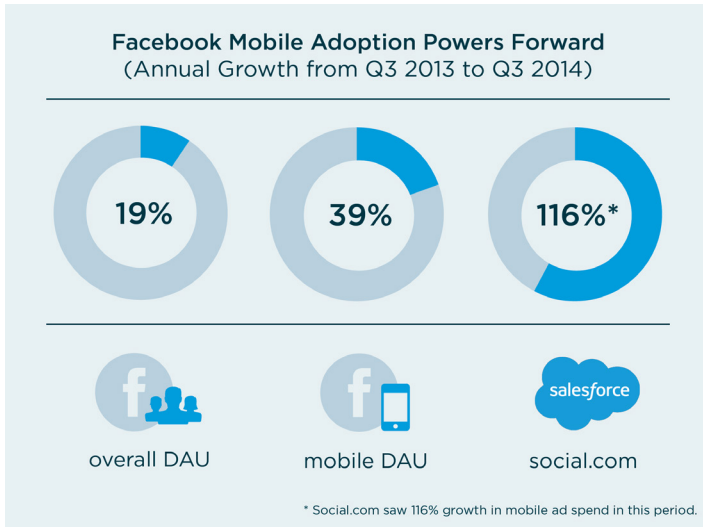


For consumers, Facebook remains the number one destination to engage with each other and spend time online. By the end of Q3 2014, Facebook had 1.3 billion monthly users, with over 1.1 billion accessing Facebook via their mobile devices.

On the advertising front, Facebook has continued its rapid pace of innovation in 2014, offering a number of powerful new options for targeting and engaging with users. Specifically, Facebook rolled out the Facebook

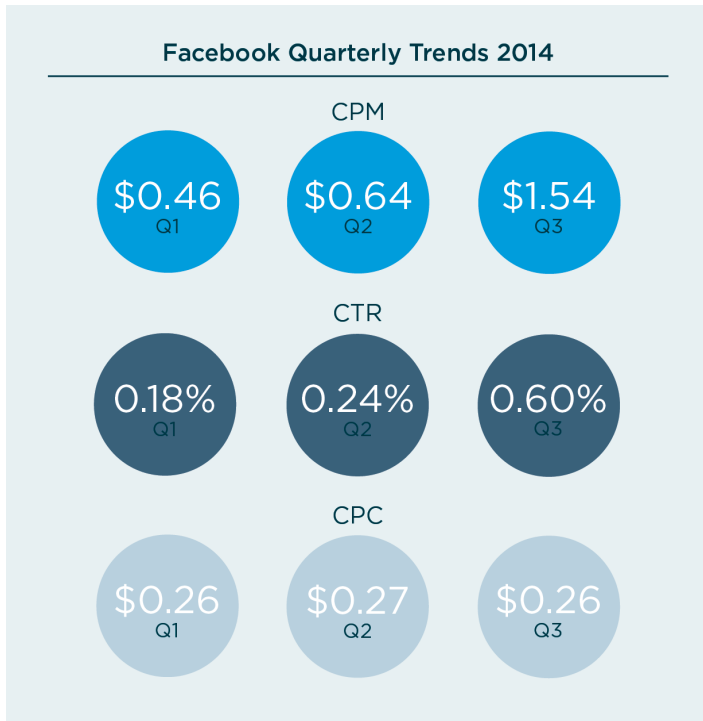
Audience Network, new and larger Right Hand Side Ads, Multi-Product Ads, and Reach & Frequency campaigns.

Social.com customers mobile ads adoption far exceeds overall market

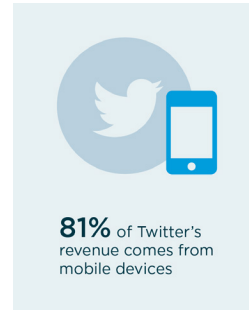


Facebook Global Media Costs Were Up Sharply in Q3

Globally, overall media costs tracked sharply upward in Q3, to a CPM of \$1.54 from \$0.46 and \$0.64, respectively, in Q1 and Q2. This was in large part driven by the newer large and more engaging right hand side (RHS) ads rolled out at the end of Q2, which helped raise the **overall CTR from 0.18% in Q1 to 0.60% in Q3. CPC remained relatively flat, at \$0.26 in both Q1 and Q3.**

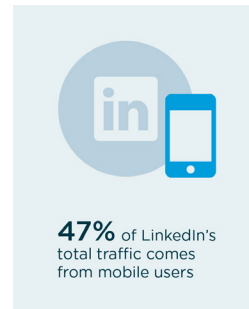


Twitter Macro Trends



Twitter is rapidly growing its advertising business alongside its position as the primary global destination for real time conversations. Twitter has always been a mobile-first platform, and as they fully integrate MoPub and build on interest in Mobile App Cards, advertisers will continue to grow their mobile advertising spend on Twitter.

LinkedIn Macro Trends



Global adoption of LinkedIn Sponsored Updates has rapidly accelerated since the launch of the API partner program in April 2014, with Social.com as one of the launch partners. **LinkedIn ad spend has grown in 2014, up 14% in Q2 and an additional 53% in Q3.** More and more marketers are beginning to use LinkedIn's in-feed advertising solutions to accurately reach a premium audience. Four out of five LinkedIn members impact business decisions at their company and LinkedIn members have twice the buying power of the average web audience, according to Comscore.

* Source: Facebook, Twitter, and LinkedIn's respective Q3 2014 earnings announcements; <http://investor.fb.com/results.cfm>, <https://investor.twitterinc.com/>, and <http://investors.linkedin.com/results.cfm>.



Facebook Trends

Ad engagement increases as Facebook mobile adoption rises and the introduction of larger RHS ads

US Industry Trends

In the United States, global brands in Entertainment and Clothing & Fashion drove those industries to have the highest CPMs at \$3.39 and \$3.20, respectively, in Q3 2014. Both numbers are sharply up from Q1 2014, when they were \$1.20 and just \$0.26. The Retail industry was the only industry which actually showed a quarter-over-quarter decline in CPM, down to \$0.56.

Gaming advertisers have among the lower end of ad engagement rates amongst the verticals in an ultra competitive market. However, these rates doubled or tripled across the regions in the first three quarters as they were

the earlier adopters of Facebook's new RHS ad format. Excluding mobile search, mobile app install ads have grown to 30-50% of all mobile ads, with between \$2.6 and \$4.3 billion in US spend alone according to eMarketer.

At the other end of the spectrum, serving ads to very different audiences, the Entertainment industry enjoyed CTRs of 2.84%, far above the second place industry, Food And Beverage, at 1.92%. Traditionally high quality and engaging creative may have helped boost interest in Entertainment industry ads as well as their early adoption of video ad units.

	United States								
	CPM			CPC			CTR		
	Q1	Q2	Q3	Q1	Q2	Q3	Q1	Q2	Q3
Advertising & Consulting	\$0.22	\$0.59	\$1.87	\$0.13	\$0.20	\$0.36	0.17%	0.29%	0.52%
Automotive	\$0.41	\$0.43	\$0.74	\$0.14	\$0.10	\$0.11	0.29%	0.42%	0.67%
Clothing & Fashion	\$0.26	\$1.02	\$3.20	\$0.07	\$0.15	\$0.20	0.38%	0.71%	1.60%
Consumer Packaged Goods	\$0.31	\$0.28	\$0.79	\$0.12	\$0.09	\$0.09	0.25%	0.30%	0.85%
Entertainment	\$1.20	\$2.83	\$3.39	\$0.14	\$0.15	\$0.12	0.83%	1.86%	2.84%
Finance & Insurance	\$0.34	\$0.39	\$1.11	\$0.16	\$0.28	\$0.38	0.21%	0.14%	0.29%
Food & Beverage	\$0.86	\$0.39	\$1.16	\$0.13	\$0.07	\$0.06	0.68%	0.59%	1.92%
Gaming	\$0.52	\$0.68	\$1.44	\$0.54	\$0.60	\$0.71	0.10%	0.11%	0.20%
Non-Profit & Education	\$0.44	\$1.92	\$2.27	\$0.11	\$0.23	\$0.30	0.41%	0.83%	0.76%
Publishing	\$0.31	\$0.73	\$0.79	\$0.18	\$0.27	\$0.13	0.18%	0.27%	0.59%
Retail	\$0.84	\$0.69	\$0.56	\$0.28	\$0.18	\$0.12	0.30%	0.38%	0.48%
Services	\$0.44	\$0.78	\$2.43	\$0.57	\$0.81	\$0.71	0.08%	0.10%	0.34%
Technology	\$0.50	\$0.69	\$2.66	\$0.13	\$0.09	\$0.21	0.39%	0.74%	1.25%
Telecom, Oil & Gas	\$0.62	\$0.77	\$1.75	\$0.10	\$0.09	\$0.17	0.60%	0.90%	1.02%
Travel & Leisure	\$0.31	\$0.29	\$0.69	\$0.24	\$0.33	\$0.34	0.13%	0.09%	0.21%

European Industry Trends

In Europe, both the telecom, oil, and gas industry and the travel and leisure industry had relatively high (€1.97 and €1.76) CPMs and also relatively high (0.86% and 1.01%) CTRs. The higher CPM reflects that they are going after more expensive audiences. The higher CTR reflects that

their content is resonating with the people to whom they are advertising. The automotive and the food and beverage industries took advantage of the new, larger, RHS ads to steadily improve their CTRs between Q1 and Q3.

	Europe								
	CPM			CPC			CTR		
	Q1	Q2	Q3	Q1	Q2	Q3	Q1	Q2	Q3
Advertising & Consulting	€0.06	€0.12	€0.46	€0.05	€0.13	€0.19	0.13%	0.09%	0.24%
Automotive	€0.18	€0.23	€0.69	€0.21	€0.19	€0.22	0.09%	0.13%	0.31%
Clothing & Fashion	€0.93	€0.89	€0.94	€0.10	€0.08	€0.14	0.93%	1.11%	0.69%
Consumer Packaged Goods	€0.26	€0.26	€0.70	€0.14	€0.15	€0.13	0.19%	0.17%	0.53%
Entertainment	€0.44	€0.34	€1.10	€0.17	€0.17	€0.18	0.26%	0.20%	0.62%
Finance & Insurance	€0.21	€0.31	€0.66	€0.18	€0.23	€0.23	0.12%	0.13%	0.28%
Food & Beverage	€0.24	€0.53	€0.89	€0.12	€0.15	€0.14	0.20%	0.36%	0.63%
Gaming	€0.34	€0.36	€1.06	€0.20	€0.23	€0.19	0.17%	0.16%	0.57%
Non-Profit & Education	€0.13	€0.17	€0.70	€0.13	€0.15	€0.19	0.10%	0.11%	0.37%
Retail	€0.16	€0.23	€0.90	€0.12	€0.19	€0.22	0.14%	0.12%	0.42%
Services	€0.32	€0.36	€0.64	€0.23	€0.22	€0.38	0.14%	0.16%	0.17%
Technology	€0.27	€0.41	€1.42	€0.19	€0.18	€0.16	0.14%	0.23%	0.89%
Telecom, Oil & Gas	€0.34	€0.74	€1.97	€0.20	€0.18	€0.23	0.17%	0.42%	0.86%
Travel & Leisure	€0.73	€1.19	€1.76	€0.27	€0.20	€0.17	0.27%	0.61%	1.01%

UK Industry Trends

In the UK, the entertainment industry enjoyed a CTR of 3.31%, as engaging content and videos helped drive clicks. Click through rates were also potentially lifted by the introduction of Facebook Multi Product Ads. The gaming

industry advertised to large audiences at low impression costs. It saw a relatively low CPM (£0.75) but a relatively high CPC (£0.37).

	United Kingdom								
	CPM			CPC			CTR		
	Q1	Q2	Q3	Q1	Q2	Q3	Q1	Q2	Q3
Automotive	£1.06	£1.54	£2.71	£0.15	£0.13	£0.18	0.71%	1.18%	1.53%
Clothing & Fashion	£1.92	£1.59	£1.39	£0.08	£0.08	£0.22	2.31%	1.94%	0.64%
Consumer Packaged Goods	£0.35	£0.48	£1.29	£0.21	£0.20	£0.21	0.17%	0.24%	0.61%
Entertainment	£1.32	£1.92	£2.16	£0.10	£0.10	£0.07	1.39%	2.02%	3.31%
Finance & Insurance	£1.48	£2.56	£3.43	£0.18	£0.23	£0.35	0.82%	1.11%	0.99%
Food & Beverage	£1.04	£1.23	£1.59	£0.16	£0.18	£0.12	0.66%	0.68%	1.30%
Gaming	£0.29	£0.44	£0.75	£0.36	£0.44	£0.37	0.08%	0.10%	0.20%
Non-Profit & Education	£0.24	£0.21	£1.26	£0.09	£0.08	£0.13	0.25%	0.26%	0.98%
Publishing	£1.91	£2.38	£1.93	£0.42	£0.35	£0.45	0.46%	0.68%	0.42%
Retail	£0.67	£1.04	£1.80	£0.16	£0.22	£0.23	0.43%	0.46%	0.79%
Services	£2.22	£0.82	£3.56	£0.36	£0.28	£0.17	0.62%	0.29%	2.15%
Technology	£0.62	£0.80	£2.01	£0.16	£0.24	£0.16	0.40%	0.33%	1.22%
Telecom, Oil & Gas	£2.51	£3.01	£2.74	£0.23	£0.24	£0.30	1.08%	1.24%	0.92%
Travel & Leisure	£1.40	£2.27	£2.82	£0.09	£0.09	£0.07	1.48%	2.47%	3.97%

APAC (Aus/NZ) Industry Trends

In APAC (Aus/NZ), the finance and insurance industry had relatively high CPMs at \$3.39 in Q3 as they advertised to

highly specific audiences. These audiences responded well to the ads, with a 2.84% CTR.

	APAC (Aus/NZ)								
	CPM			CPC			CTR		
	Q1	Q2	Q3	Q1	Q2	Q3	Q1	Q2	Q3
Automotive	\$0.41	\$0.43	\$0.74	\$0.14	\$0.10	\$0.11	0.29%	0.42%	0.67%
Clothing & Fashion	\$0.26	\$1.02	\$3.20	\$0.07	\$0.15	\$0.20	0.38%	0.71%	1.60%
Consumer Packaged Goods	\$0.31	\$0.28	\$0.79	\$0.12	\$0.09	\$0.09	0.25%	0.30%	0.85%
Finance & Insurance	\$1.20	\$2.83	\$3.39	\$0.14	\$0.15	\$0.12	0.83%	1.86%	2.84%
Food & Beverage	\$0.34	\$0.39	\$1.11	\$0.16	\$0.28	\$0.38	0.21%	0.14%	0.29%
Gaming	\$0.86	\$0.39	\$1.16	\$0.13	\$0.07	\$0.06	0.68%	0.59%	1.92%
Publishing	\$0.28	\$0.31	\$0.98	\$0.25	\$0.21	\$0.09	0.11%	0.15%	1.06%
Services	\$0.84	\$0.69	\$0.56	\$0.28	\$0.18	\$0.12	0.30%	0.38%	0.48%
Technology	\$0.44	\$0.78	\$2.43	\$0.57	\$0.81	\$0.71	0.08%	0.10%	0.34%
Telecom, Oil & Gas	\$0.13	\$0.16	\$0.76	\$0.02	\$0.02	\$0.03	0.71%	0.80%	2.97%

Advertising Goes “Mobile-First”

In Q1 2013, there were 374M mobile daily active users (DAU) on Facebook. By Q3 2014, there were 703M, an increase of 65%. Mobile monthly active users (MAU) increased by 50% in the same time.*

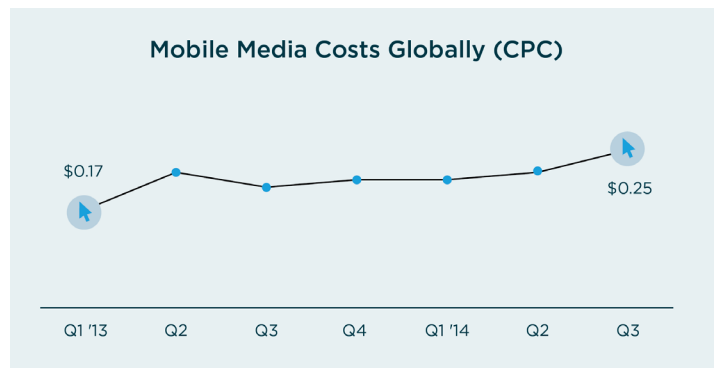
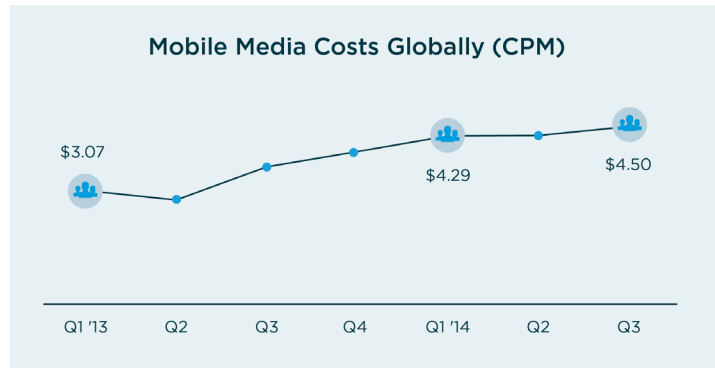
	Global Mobile Media Costs		
	Q1	Q2	Q3
CPM	\$4.29	\$4.50	\$4.30
CPC	\$0.21	\$0.22	\$0.25
CTR	2.05%	2.01%	1.70%

These mobile growth numbers far outpace the overall growth rate for Facebook, and the percentage of total daily active users who are on mobile has risen from 64% to 81%. Since Q3 2013, the number of mobile only monthly active users – people who don’t use Facebook on a desktop or laptop at all – has risen from 254M to 456M, an 80% increase.

In the United States, CPC costs for mobile ads have risen each of the last seven quarters, totaling an 80% increase to \$0.28.

Social.com has seen even faster growth in mobile ad spend than Facebook’s mobile user growth. Our customers have increased their overall mobile ad spend by 239% when comparing the nine month period from January 2013 to September 2013 versus January 2014 to September 2014.

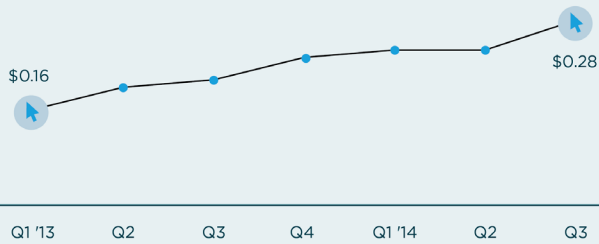
The increase in demand for mobile advertising inventory has seen advertisers pay an increasing premium for their ads overall, both in CPC and CPM terms. Advertisers are increasingly looking at the premium range of targeting and creative options on Facebook to successfully optimize their media spend.



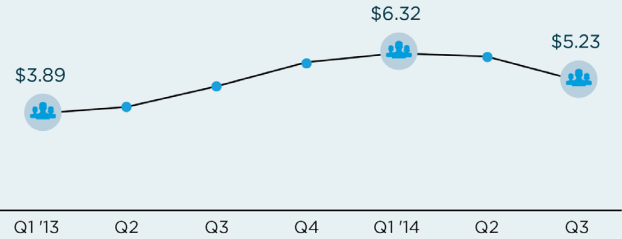
In the United States, CPC costs for mobile ads have risen each of the last seven quarters, totaling an 80% increase to \$0.28. CPM costs have risen as well, however the CPM growth rate peaked in Q1 2014, up 65%, and have somewhat stabilized in Q2 and Q3, at \$4.50.

*Source: Facebook’s Q3 2014 earnings announcement; <http://investor.fb.com/results.cfm>

Mobile Media Costs In The US (CPC)



Rise of US Mobile App Install Costs (CPM)



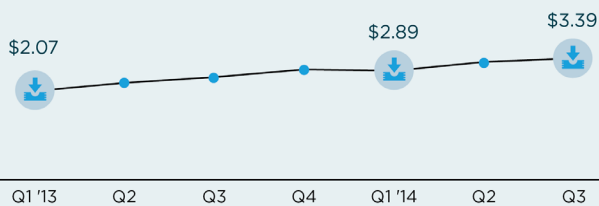
Mobile Media Costs In The US (CPM)



Mobile App Installs Grow More Expensive

Mobile app installs have continued to get more expensive at a constant rate, reaching their highest level yet in Q3 2014, at a cost-per-install (CPI) of \$3.20 globally, and \$3.39 in the United States and €4.98 in Europe.

Rise of US Mobile App Install Costs (CPI)



The decrease in CTR is matched by a corresponding increase in global CPC from \$0.35 in Q4 2013 to \$0.63 in Q4 2014. However, CPMs have begun to level off, as CPM for mobile app install ads were either level or slightly down by geography between Q2 and Q3 2014. The install conversion rate (installs per click) remains strong at 18% in Q3 2014, a historic high over the seven quarters we analyzed and up from 12% in Q4 2013.

Since Facebook introduced mobile app install ads in October 2012, it has continually improved this advertising type by growing the connection between the ads and events within an app. This includes continuing to work with 11 mobile measurement partners and growing their own app development kit (SDK). In December 2014, Facebook improved its SDK to enable better user acquisition and re-marketing to existing users. In the July 2014 earnings call, Sheryl Sandberg discussed how app install ads are one component of a broader set of mobile offerings, saying “We have large brand advertisers, small SMBs, direct response advertisers as well as developers using our mobile ads.”

	Global Mobile App Install Costs		
	Q1 '14	Q2	Q3
CPM	\$5.89	\$5.90	\$5.01
CPC	\$0.44	\$0.57	\$0.63
CTR	1.34%	1.03%	0.80%
CPI	\$2.84	\$3.20	\$3.46

	Europe Mobile App Install Costs		
	Q1 '14	Q2	Q3
CPM	€3.04	€2.55	€2.79
CPC	€0.28	€0.28	€0.59
CTR	1.10%	0.92%	0.47%
CPI	€2.20	€2.69	€3.68

	APAC (Aus/NZ) Mobile App Install Costs		
	Q1 '14	Q2	Q3
CPM	\$8.79	\$6.42	\$6.67
CPC	\$0.94	\$0.69	\$1.54
CTR	0.93%	0.93%	0.43%
CPI	\$7.37	\$4.29	\$10.49

	United Kingdom Mobile App Install Costs		
	Q1 '14	Q2	Q3
CPM	£2.62	£2.82	£3.02
CPC	£0.39	£0.43	£0.66
CTR	0.66%	0.66%	0.46%
CPI	£3.94	£2.94	£4.33

	United States Mobile App Install Costs						
	Q1 '13	Q2	Q3	Q4	Q1 '14	Q2	Q3
CPM	\$3.89	\$4.16	\$4.99	\$5.96	\$6.32	\$6.19	\$5.23
CPC	\$0.17	\$0.30	\$0.31	\$0.37	\$0.46	\$0.59	\$0.63
CTR	2.25%	1.40%	1.62%	1.62%	1.39%	1.05%	0.83%
CPI	\$2.07	\$2.40	\$2.63	\$2.94	\$2.89	\$3.24	\$3.39

Combined Desktop and Mobile Feed Ads Less Expensive

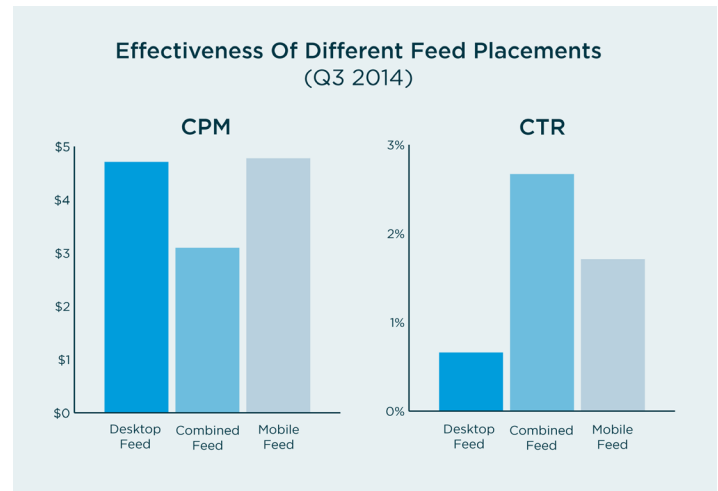
Facebook's optimization algorithm has greater potential for optimal performance when it has either a broader audience or broad placement options. In the case of the desktop or mobile news feeds, advertisers can either target multiple ad placements at once and let Facebook optimize how the ads are placed, or specify the exact placements that they want. Facebook's native ad optimization for media cost is called oCPM (optimized cost per mille/thousand impressions)

Comparing the media costs and ad engagement rates of targeting the desktop and mobile feeds jointly utilizing Facebook optimization versus targeting each device segment individually, the results were very clear across all geographies. **CPM and CPC are both significantly lower when targeting both placements together than either separately**, and the CTR is higher. For example, ads bought in USD had a \$0.12 CPC for the combined placement, versus \$0.28 for mobile feed and \$0.71 for desktop feed.

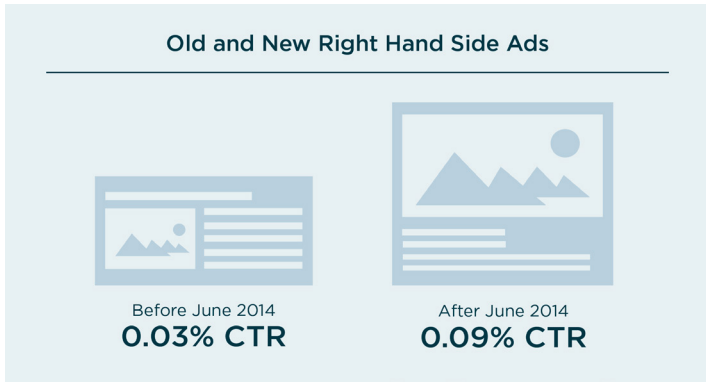
	United States		
	Desktop Feed	Feed	Mobile Feed
CPM	\$4.71	\$3.10	\$4.78
CPC	\$0.71	\$0.12	\$0.28
CTR	0.66%	2.67%	1.71%

	Europe		
	Desktop Feed	Feed	Mobile Feed
CPM	€2.13	€2.57	€2.81
CPC	€0.31	€0.14	€0.17
CTR	0.68%	1.86%	1.65%

	United Kingdom		
	Desktop Feed	Feed	Mobile Feed
CPM	£2.72	£2.44	£2.58
CPC	£0.64	£0.16	£0.17
CTR	0.43%	1.55%	1.51%

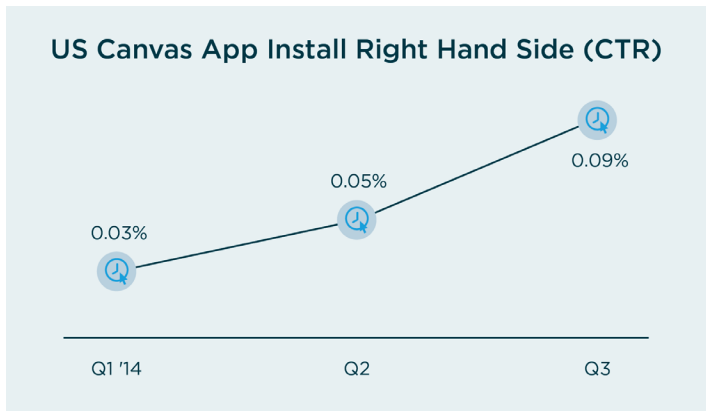


Canvas App Install Ads Demonstrate Power of New, Larger RHS Ads

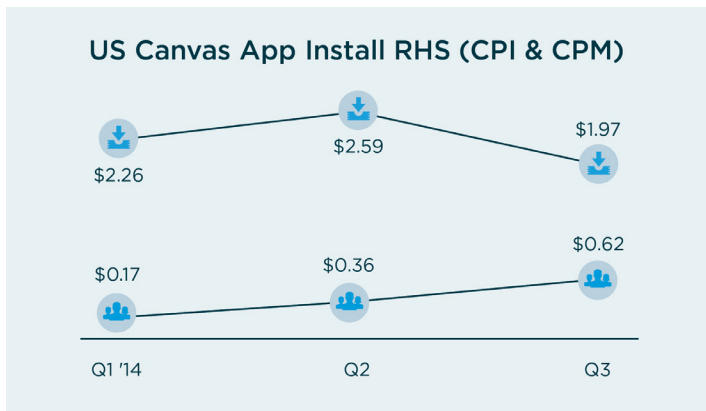


The gradual rollout near the end of June of new, larger right-hand-side ads and a corresponding decrease in available inventory dramatically changed both the cost and effectiveness of these ads. This analysis focuses on a type of right hand side (RHS) ad known as Canvas App Install

At the start of 2014, before the rollout of the new ad units, Canvas App Install RHS ads in the US had a CPM of \$0.17. After the rollout, the same ads had a CPM of \$0.62, an increase of 261%. This is primarily caused by a reduced supply of these ads, as Facebook now has fewer available RHS impressions per page, while at the same time demand has risen because they are more likely to catch the user's attention. The new RHS ads have proven to be much more effective; in the same period, despite the increased CPM, cost per canvas app install (CPI) dropped 13% to \$1.97.



ads in the US, which are used a lot by gaming advertisers. This provided a significant portion of advertising that illustrated the broader trend and was easily comparable across multiple periods.



Twitter

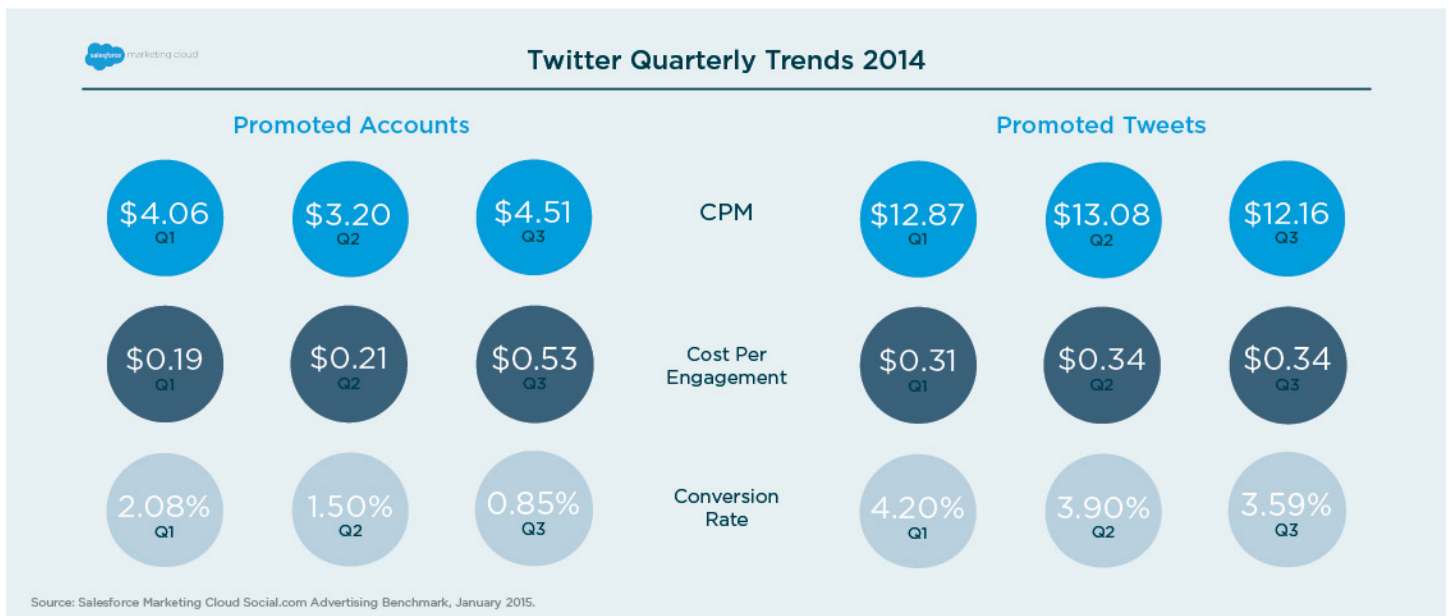
Promoted Accounts CPA grows much faster than Promoted Tweet CPA

Twitter advertising with Social.com is segmented into two primary categories - Promoted Tweets (both Search and Timeline) and Promoted Accounts. Both are primarily purchased on a cost-per-engagement (CPE) basis, however for comparison purposes, they can be viewed on a CPM basis as well.

Globally in Q3, 2014, Promoted Tweets had a CPM of \$12.16 and Promoted Accounts had a CPM of \$4.51. These ads have produced a cost per engagement of \$0.34 and \$0.51 respectively, in Q3 2014. Over the last three quarters, the CPA for a Promoted Account follow has grown rapidly, up 173%,

while the CPA for Promoted Tweets only increased 10%. The CPA for Promoted Accounts also has fewer engagement possible, with just the account follow instead of any of Clicks, Tweet Favorites, Retweets, or Replies for Promoted Tweets or Account Follows for Promoted Accounts.

The CPA for a Promoted Account follow has grown rapidly, up 173%, while the CPA for Promoted Tweets only increased 10%.



LinkedIn

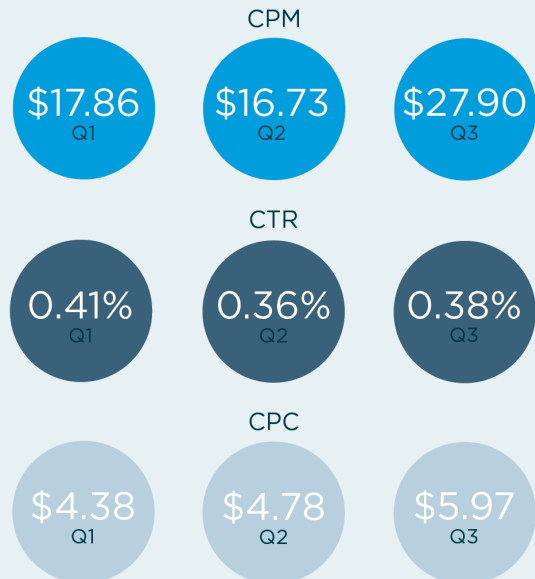
CPMs rise as Sponsored Updates gain wider adoption

In Q2, LinkedIn introduced Sponsored Updates via five partners, including social.com. Sponsored Updates are a way to advertise to highly valuable audiences directly in the LinkedIn feed. In Q3, LinkedIn added Direct Sponsored Content, the ability to create Sponsored Updates which appear to your target audience without being pushed as company updates to all of your followers.

Globally, one in three business professionals are on LinkedIn, a large benefit of advertising on LinkedIn is the accuracy of the profile information about people's professional lives, including job title, industry, seniority, and skill set – because people use LinkedIn as part of the professional identity, advertisers can target business executives on the platform with a precision that was not previously possible.

Four out of five LinkedIn members impact business decisions within their organizations, and LinkedIn members have twice the buying power of the average web audience, according to Comscore. This desirable audience drove a CPC that started at \$4.38 in Q1 and rose 36% to \$5.97 in Q3.

LinkedIn Quarterly Trends 2014



Credits

We extracted advertising data covering more than two trillion ad impressions by Salesforce Marketing Cloud customers from January to September 2014. This covered advertising on Facebook, Twitter, and LinkedIn across the globe. This aggregate data in no way represents any official position of Facebook, Twitter, or LinkedIn for advertising trends nor any individual advertiser.

Aggregate advertiser data is anonymized, categorized, and checked for consistency and accuracy before being included in any index presented in this report. This information is presented under Safe Harbor and should not be considered as any official statement by Salesforce. Please seek appropriate advice and counsel prior to making any advertising or business decision.

For 2014, social.com completely overhauled how it analyzes its stats and trends to provide greater accuracy and insights; however note that this means data should not be compared directly to prior reports.

Where possible, quarter over quarter trends were analyzed with a single index of companies to control for differences in advertisers. For some analysis, including when more than three quarters of data are shown, a larger index of advertisers were used. For this reason, individual tables of industry data can't be aggregated to arrive at total numbers.

The benchmark report was authored and constructed by members of the Product Marketing team, with support from members across the Salesforce Marketing Cloud. We acknowledge the work of Zachary Reiss-Davis and Hilary Givens in leading this effort with data support from Julien Grouteau and Ed Halliwell along with executive sponsorship from Liam Doyle.

This report or part thereof should in no way be published or redistributed without the express written permission from an authorized Salesforce representative. Please email marketing@social.com with any feedback or questions about this report.



What is Social.com?

A true self-service platform, that's powerful but easy-to-use and helps run efficient and effective social ad campaigns at scale. It powers the largest agencies and advertisers globally including the biggest social media advertisers in gaming, retail, CPG, finance, and entertainment. We also provide premium, migration and support service options to help customers optimize, manage, and scale their advertising teams and spend.

Who uses the platform?

Customer	Campaigns	Performance
Agencies	Manage thousands of clients at scale	Direct Response, Reach, Collaboration
Mobile Publishers	Drive mobile app installs & engagement	App Installs
Gaming	Drive app installs & revenue	Direct Response, LTV
Brand In-House Teams	Magnify brand message & conversions	Reach, Direct Response

What is Active Audiences?

Active Audiences helps marketers harness data from email, mobile, and social engagement along with the powerful automation and segmentation capabilities of the Marketing Cloud to create targeted audiences for paid media campaigns that drive results.

Why use it?

Agencies and advertisers can build highly targeted campaigns quickly and easily, with sophisticated tools to optimize and automate every dollar invested. Teams can share and collaborate around campaign assets to allow scalability across social ad buying and strategy.

Social.com and Active Audiences are part of the Salesforce Marketing Cloud as part of Salesforce providing a full site Customer Success Platform. This includes Sales, Service, Marketing, Community, Apps and Analytics.

The Salesforce Marketing Cloud and Social.com is a Facebook Marketing Partner, Twitter Certified Partner and LinkedIn Sponsored Updates Ads API partner.

About Salesforce: Salesforce is the world's largest provider of customer relationship management (CRM) software. For more information about salesforce.com (NYSE:CRM), visit www.salesforce.com.

Appendix

Advertising Goes “Mobile-First”

	United States Mobile Media Costs		
	Q1	Q2	Q3
CPM	\$5.27	\$5.12	\$4.78
CPC	\$0.24	\$0.24	\$0.28
CTR	2.17%	2.12%	1.71%

	Europe Mobile Media Costs		
	Q1	Q2	Q3
CPM	€2.65	€2.7	€0.81
CPC	€0.16	€0.16	€0.17
CTR	1.62%	1.76%	1.65%

	United Kingdom Mobile Media Costs		
	Q1	Q2	Q3
CPM	£2.58	£2.60	£2.58
CPC	£0.13	£0.16	£0.17
CTR	1.93%	1.61%	1.51%

	APAC (Aus/NZ) Mobile Media Costs		
	Q1	Q2	Q3
CPM	\$6.59	\$7.23	\$7.68
CPC	\$0.19	\$0.28	\$0.34
CTR	3.56%	2.60%	2.24%

Canvas App Install Ads Demonstrate Power of New, Larger RHS Ads

	United States RHS Canvas App Installs		
	Q1	Q2	Q3
CPM	\$0.17	\$0.36	\$0.62
CPC	\$0.51	\$0.76	\$0.69
CTR	0.03%	0.05%	0.09%
CPI	\$2.26	\$2.59	\$1.97
Install Conversion Rate	22.56%	29.34%	35.03%

	Europe RHS Canvas App Installs		
	Q1	Q2	Q3
CPM	€0.15	€0.23	€0.49
CPC	€0.14	€0.30	€0.29
CTR	0.10%	0.07%	0.17%
CPI	€0.73	€1.03	€0.94
Install Conversion Rate	19.68%	29.64%	30.48%



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