



Salesforce Advertising Index

Q2 2015

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Executive Summary



CPM rose 22% between Q1 and Q2 to \$2.32 and CPC remained flat at \$0.24



Entertainment industry shows high engagement, while financial services and automotive industries go after premium audiences with higher CPMs



One in five video ad viewers on Facebook watch 75% of the ad



Mobile app installs are 600% more expensive in Switzerland than in Mexico



Twitter Promoted Timeline Tweets remain highly engaging with a 1.72% CTR



LinkedIn costs rise globally with the United States rising to \$31.30

A handwritten signature in black ink, appearing to read 'GJS'.

Chris Jacob, Advertising Products
Salesforce Marketing Cloud

Facebook Trends

Facebook Continues its Rapid Growth, Especially with Video

Key Facebook Media Costs and Performance to Know

Globally, CPM rose between Q1 and Q2 from \$1.90 to \$2.32. CPC, however, was flat, at \$0.24 in both quarters. The CPC in France, the United Kingdom, and the United States all decreased slightly while it ticked up in Australia and Germany.

The CTR rose slightly in all markets except Japan, with German advertisers recording the highest engagement rates in Q2 at 1.83%.

	Global Facebook Trends					
	CPM		CPC		CTR	
	Q1 2015	Q2 2015	Q1 2015	Q2 2015	Q1 2015	Q2 2015
Australia	\$4.86	\$5.63	\$0.39	\$0.41	1.24%	1.37%
Canada	\$2.06	\$2.27	\$1.18	\$1.07	0.18%	0.21%
France	€1.08	€1.19	€0.44	€0.28	0.25%	0.42%
Germany	€2.12	€3.06	€0.13	€0.17	1.60%	1.83%
Japan	¥1,205	¥581	¥51	¥49	2.38%	1.18%
U.K.	£2.40	£2.75	£0.19	£0.18	1.25%	1.55%
U.S.	\$3.44	\$4.21	\$0.56	\$0.54	0.61%	0.78%
Global	\$1.90	\$2.32	\$0.24	\$0.24	0.80%	0.97%

Q2 2015 Global Facebook Trends



A Deep Dive into Key Industries and Markets

In Australia, e-commerce advertisers have the highest CPM (\$10.23), with a shift in focus to optimising for website conversions instead of inexpensive impressions. The entertainment industry has the lowest CPM (\$4.46) and the highest CTR (3.13%) as people engage with the content from the TV shows and movies they enjoy.

In France, CTRs for the gaming industry were only 0.15%, indicating that French consumers were not engaging with these ads as much as other regions. In contrast, in Germany gaming CTRs were over four times as high, at 0.67%.

In the United Kingdom, the financial services industry had the highest CPM, due to the highly competitive dynamics of the Facebook auction and advertisers in this industry targeting a specific and highly valued audience. In the United States, the industries with the highest CPMs fell into two groups: advertisers with more expensive or premium products and services such as automotive (\$10.09) and professional services (\$11.24), as well as advertisers who use Facebook as a major direct response channel like e-commerce (\$9.07) and travel (\$11.90).

	Australia		
	CPM	CPC	CTR
Automotive	\$9.58	\$0.45	2.13%
Consumer Packaged Goods	\$7.54	\$0.36	2.07%
E-commerce	\$10.23	\$0.70	1.46%
Education	\$5.66	\$0.56	1.00%
Entertainment	\$4.56	\$0.15	3.13%
Financial Services	\$3.65	\$1.07	0.34%
Food and Beverage	\$6.16	\$0.34	1.80%
Gaming	\$5.41	\$2.23	0.24%
Government & Politics	\$6.58	\$0.34	1.92%
Organisations & Associations	\$8.82	\$0.32	2.79%
Professional Services	\$9.00	\$0.81	1.12%
Retail	\$6.94	\$0.55	1.25%
Technology	\$4.43	\$0.73	0.61%
Telecommunications	\$4.57	\$1.08	0.42%
Travel	\$7.06	\$0.43	1.66%

	Japan		
	CPM	CPC	CTR
E-commerce	¥360	¥115	0.31%
Gaming	¥1,036	¥86	1.20%

	France		
	CPM	CPC	CTR
Automotive	€2.84	€0.25	1.14%
Consumer Packaged Goods	€2.31	€0.17	1.39%
E-commerce	€3.71	€0.44	0.84%
Food and Beverage	€2.01	€0.34	0.60%
Gaming	€1.00	€0.67	0.15%
Retail	€2.24	€0.12	1.85%
Technology	€2.35	€0.12	2.01%

	Germany		
	CPM	CPC	CTR
Automotive	€3.59	€0.17	2.08%
Consumer Packaged Goods	€3.92	€0.11	3.62%
E-commerce	€4.54	€0.37	1.22%
Entertainment	€3.37	€0.08	3.98%
Financial Services	€6.62	€0.40	1.64%
Food and Beverage	€2.98	€0.20	1.46%
Gaming	€2.37	€0.36	0.67%
Retail	€3.15	€0.26	1.22%
Technology	€3.16	€0.22	1.41%
Telecommunications	€3.71	€0.16	2.39%
Travel	€1.30	€0.43	0.30%

All currencies mentioned in narrative and tables for each region are denominated in local currency.

	United Kingdom		
	CPM	CPC	CTR
Automotive	£3.58	£0.22	1.66%
Consumer Packaged Goods	£2.18	£0.17	1.26%
E-commerce	£4.22	£0.59	0.71%
Entertainment	£2.56	£0.06	4.07%
Financial Services	£4.65	£0.77	0.60%
Food and Beverage	£2.29	£0.10	2.23%
Gaming	£2.17	£0.66	0.33%
Organisations & Associations	£2.46	£0.09	2.62%
Professional Services	£3.14	£0.39	0.80%
Retail	£2.75	£0.15	1.81%
Technology	£2.97	£0.14	2.08%
Telecommunications	£3.33	£0.40	0.84%
Travel	£1.13	£0.23	0.49%

	United States		
	CPM	CPC	CTR
Automotive	\$10.09	\$0.38	2.66%
Consumer Packaged Goods	\$5.38	\$0.24	2.26%
E-commerce	\$9.07	\$0.66	1.37%
Education	\$5.40	\$0.46	1.17%
Entertainment	\$6.78	\$0.16	4.30%
Financial Services	\$3.46	\$0.37	0.94%
Food and Beverage	\$5.80	\$0.31	1.85%
Gaming	\$3.89	\$1.01	0.39%
Professional Services	\$11.24	\$1.00	1.12%
Retail	\$5.31	\$0.36	1.49%
Technology	\$7.28	\$0.38	1.91%
Telecommunications	\$7.84	\$0.42	1.85%
Travel	\$11.90	\$0.74	1.61%

Video Views on Facebook Keep Doubling, and Doubling, to 8B Views per Day

In September 2014, one billion videos were watched daily on Facebook. By April 2015, that number quadrupled to four billion views, and by November 2015, it doubled again to eight billion views. While video ads can be effective on Facebook for many types of objectives, including website conversions and mobile app installs, we saw some interesting trends where the primary goal was higher funnel in nature like branding.

Advertisers can still achieve meaningful business results even when the video is for a short period. Nielsen and Facebook have shown that people who watch only three seconds of a video comprise 47% of the entire campaign value, and this three-second threshold is how Facebook defines a video view. Across five key markets, three-second video views cost \$0.02 each. It cost \$0.10 for people to watch 75% of the video; 21% of the people who started watching the video watched 75% of it. Video view costs ranged from €0.01 in France to AUS \$0.04 in Australia.

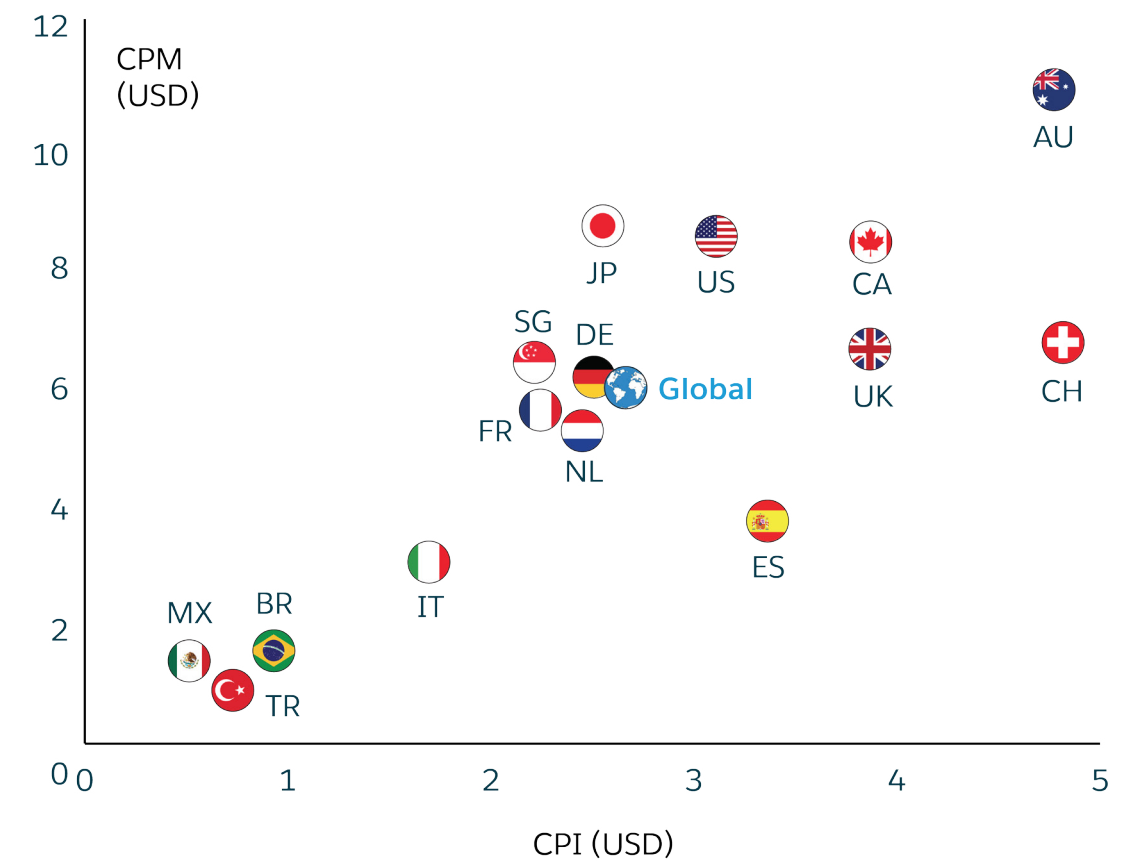
	Cost per Video View (CPV)	Cost Per 75% Video View	Watchers Who Watch 75%
France	€0.01	€0.04	24%
Germany	€0.02	€0.08	25%
Australia	\$0.04	\$0.17	21%
U.K.	£0.01	£0.04	21%
U.S.	\$0.02	\$0.13	18%
Global	\$0.02	\$0.10	21%

Global Mobile App Install Costs

Mobile app advertisers tend to run multi-region campaigns in which they are strongly focused on which markets deliver effectively priced app installs of customers who produce a true ROAS. Different European countries have very different CPIs, ranging from a high of \$4.82 in Switzerland to \$1.69 in Italy. Mexico and Brazil are less expensive for app installs than any European country except Turkey.

	Cost per Install (USD)	
	Q1 2015	Q2 2015
Australia	\$5.22	\$4.77
Brazil	\$1.00	\$0.93
Canada	\$4.72	\$3.89
France	\$3.06	\$2.25
Germany	\$4.52	\$2.51
Italy	\$1.78	\$1.69
Japan	\$2.69	\$2.54
Mexico	—	\$0.68
Netherlands	\$2.62	\$2.33
Singapore	—	\$2.22
Spain	\$3.83	\$3.36
Switzerland	\$3.84	\$4.82
Turkey	\$1.15	\$0.73
U.K.	\$3.67	\$3.87
U.S.	\$3.04	\$3.11
Global	\$2.32	\$2.58

For Mobile App Install Ads, Countries Vary Widely in Both CPM and CPI



LinkedIn Trends

LinkedIn Costs Rise Globally as Advertisers See the Value in a Premium User Base

This quarter, we broke out the CPM for multiple countries for the first time. We saw a substantial cost increase from prior quarters across all geographies, as the LinkedIn inventory becomes more competitive as advertisers see value in the premium users of the LinkedIn solution. In the United States, the CPM was \$31.30 while it was AUS\$17.73 in Australia.

	LinkedIn Q2 2015		
	CPM	CPC	CTR
Australia	\$17.73	\$3.97	0.45%
U.K.	£30.27	£7.83	0.39%
U.S.	\$31.30	\$7.12	0.44%
Global	\$26.05	\$5.94	0.44%

Twitter Trends

Twitter Promoted Tweets Continue to Be Highly Engaging

Similar to last quarter, the Twitter CPM was \$5.87 for Promoted Timeline Tweets and a much lower \$1.95 for Promoted Account Tweets. However, Twitter ads are entirely purchased on a cost-per-engagement basis, not on a per-impression basis, and the cost per engagement was only \$0.34 for Promoted Timeline Tweets, with a very healthy 1.72% CTR.

Different Bid Types Result in Different Media Costs



Credits & Appendix

The advertising data in this report covers more than two trillion advertising impressions and 200 billion ad engagements by Marketing Cloud customers using our advertising platform (Social.com) from April 2015 to June 2015. This includes 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 anonymised, categorised, 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.

Advertiser indexes were employed for the majority of this report to control for factors like seasonality, vertical variances, and other factors. For some analysis, including instances when more than three quarters of data are shown, a larger index of advertisers were used. We encourage readers not to do much comparison to much older reports and we continue to evolve our methodologies with the goal of more accurate and indicative date of market trends.

This benchmark report was authored by the members of the advertising product marketing team at Salesforce, with support across Marketing Cloud. We acknowledge the work of Zachary Reiss-Davis, Hilary Givens, and Kyle Graden in leading this effort with data support from Julien Grouteau, along with executive sponsorship from Liam Doyle.

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What is Salesforce Advertising?

Drive real business results and manage your advertising campaigns at scale with Social.com. Active Audiences unlocks your CRM data in Salesforce to securely and powerfully reach your customers, target lookalikes, and optimise advertising within the customer journey.

Manage advertising at scale

Reach customers on any device and channel with advertising powered by identity based targeting via Facebook, Instagram, Twitter, LinkedIn and Mobile Publishers. Social.com has helped large agencies and brand teams around the world run millions of campaigns with sophisticated business goals. So whether it is creating complex campaigns, facilitating efforts and intelligence across advertising teams, or visualising and reporting on performance, you can tailor your advertising approach to your digital marketing strategy with Social.com

Activate your customer data

Use the data you already have about your customers from their email, mobile push interactions, and their purchases on your site to securely sync with Facebook and Twitter. Engage with them at the right moment along the customer journey, or find new customers who have similar behaviors to your best ones. Active Audiences also integrates with the major CRM onboarding partners, so you can connect your data with the entire DMP and DSP ecosystem.

Social.com and Active Audiences are part of Marketing Cloud as part of the Customer Success Platform. This includes sales, service, marketing, community, analytics and apps.

Marketing Cloud and Social.com are a Facebook Marketing Partner, Instagram Ads API 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 (NYSE:CRM), visit www.salesforce.com

