WHO IS HANAPIN MARKETING?

Hanapin is a digital marketing agency that focuses on paid advertising for complex businesses (multiple brands, regions, products and/or service lines). Through results, unlimited innovation, sensible strategies, unique partnerships, proactive management and flexible service models, we grow businesses 251% faster in their first 12 months after hiring us.

Focusing on the success of our clients over the past 14 years has made us an Inc 5000 company 4 consecutive times, we’ve won 6 straight Best Place to Work awards from Inc, Ad Age, and the State of Indiana, and have grown 10x over the past 5 years. Our clients’ success has made us who we are.

We produce the popular industry blog, PPC Hero, and connect advertisers, agencies, and platforms at the world’s largest PPC-only event, Hero Conf.
MARKETERS SPENDING MORE THAN HALF OF THEIR BUDGET ON SOCIAL HAS INCREASED 200% SINCE LAST YEAR.

• The big increase is a huge testament to the importance and surge in priority on social budgets.
• Facebook has had a rough year so far, with the Cambridge Analytica scandal and closing Partner Categories. Despite this, 57% of marketers say their approach to Facebook advertising won’t change, so the platform will continue to dominate the social world.
• With the rise of video, we also see Instagram, YouTube, and LinkedIn surging to compete with Facebook for most popular social advertising platform.

*Disclaimer: Our data in this report is based on both full and partial submissions. Partial submissions include participants that responded to some of the questions, but not all. Data was derived from the total number of respondents for that particular question.*
14 Different Verticals Represented

Retail | SaaS | Technology | Business Services | Finance | Travel and Tourism | Education | Healthcare
Home Improvement | Automotive | Insurance | Publishing | Consumer Services | Consumer Packaged Goods
How Much are Advertisers Spending in Social?

87% of all advertisers are currently spending in social advertising. This is probably due to how easy it is to advertise, however we’ve found that many are still struggling to get a positive ROI. But it appears that marketers are willing to keep on persevering in the social space.

49% of marketers are spending more in social this year compared to last year, with the number of those spending more than half of their budget on social, doubling!

In the next 12 months, 60% of advertisers will spend more budget in social platforms.

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**Percentage of Budget Spent in Social by Advertisers**

- **0%**: 4%
- **<5%**: 25%
- **6%-15%**: 35%
- **16%-25%**: 20%
- **26%-50%**: 11%
- **>50%**: 6%
IN WHICH SOCIAL PLATFORMS ARE ADVERTISERS CURRENTLY INVESTING THEIR BUDGET?

- Facebook: 88%
- Instagram: 49%
- LinkedIn: 41%
- YouTube: 37%
- Pinterest: 9%
- Snapchat: 6%
- Other: 6%

*Only 1% of advertisers aren't investing in social.*
BUDGETING

SOME INTERESTING OBSERVATIONS...

Facebook continues to be the leading social platform for advertiser dollars, despite a rocky year with data protection violations and algorithm changes.

Instagram, YouTube, and LinkedIn are tied for second and becoming more popular by the second, likely because of how the two platforms have catered to the rise of video.

YouTube has been gaining immense popularity over the past year. The platform caters to the new trend of users watching mobile and short-form video, while connecting with the TV audience as well. According to Ad Age:

"MOBILE HAS GROWN SO UNFORGIVING TO BRANDS THAT FACEBOOK AND GOOGLE DEVELOPED SIX-SECOND VIDEO SPOTS, SO ADVERTISERS GET USED TO SNAPPY MESSAGING."

So, if you’re looking for a way to engage your audience more, six-second and fifteen-second ads are becoming the thing to do.
As video continues to grow in popularity and success, we see that Instagram, LinkedIn and YouTube are closing the gap, coming up behind Facebook in how marketers are spending their budget. This is no surprise since Instagram is relaying more video ad features and short form Stories ads, LinkedIn just announced video advertising capabilities, and YouTube Ads are becoming easier and easier to create with the new YouTube Director.

Quora has entered the social advertising playing field. This unique platform is a popular forum for people to request reliable information about your brand before they go to purchase a product. Therefore, there is a prime opportunity to advertise to potential customers during the consideration phase of their purchasing process.
Despite a rocky year, Facebook spend appears to be holding strong amongst marketers. We do predict a rise in YouTube advertising, as 38% of marketers report to spend more in this platform in the next year.
Facebook may have just barely taken the cake for most agencies to pitch to clients, but we see plans to pitch for YouTube, Instagram, and LinkedIn close behind, proving the excitement and popularity of video capabilities.
Which Social Platforms Work For Which Devices?

Most Successful on Mobile:
- Facebook: 68%
- Instagram: 63%
- YouTube: 30%
- Pinterest: 13%

Most Successful on Desktop:
- LinkedIn: 32%
- YouTube: 29%

Tablets were barely present in our numbers. According to Pinterest, 80% of its users access Pinterest through a mobile device meaning that the tablet, which used to be the dominating device for users, is now all but obscure. Last year 74% of marketers reported that they found most success on tablet for Pinterest, but now we’re only seeing about 1%. How quickly things change in one year!
88% of marketers are currently investing in Facebook, a small decline from the reported 93% last year. Despite a tough year, the platform remains the king of social. In the coming year, 66% plan to spend more.

While Facebook continues to dominate the social world right now, in the coming years it might have some opponents: YouTube, LinkedIn, and Instagram. We’ve already seen a small decline from our report last year - will the number of Facebook investors continue to drop? This can likely be attributed to the crowded and expensive nature of the social platform.

Facebook definitely had a rough year from a marketer’s standpoint. From the Cambridge Analytica data scandal to the response of shutting down Partner Categories, some advertisers were hit hard by this update. It appears that Facebook is getting back to a place where ads are less important and the native experience is better for the user, as evidenced in the major slash in marketers investing in the platform. How will this affect Facebook advertisers in the future? When will be the moment that the platform is too oversaturated and advertisers go elsewhere? And if so, when will that moment be - by 2020, 2024, 2050? Only time will tell.
BRAND SAFETY PLAYBOOK

GET THE PLAYBOOK

Protect Your Online Reputation
Again, we find Instagram fighting hard with Facebook for the title of most successful social advertising platform. While Facebook still has the lead, Instagram is growing rapidly and there’s still time for you to get on the platform before your competitors do. And the stats are a little drool-worthy... over 200 million Instagram users report that they visit at least one Business Profile each day. That could be you.

Although our findings showed that not many advertisers are using Stories ads, they might be the up and coming feature to start thinking about. In the next year or so, it is predicted that at least half of all Instagram users will be active on Stories daily, which will greatly increase your reach and brand awareness. Not only that, but 1 in every 5 stories ads gets a direct message from its viewers.

Now, you can use interactive tools like the Emoji slider to help your users engage with your ads, and can even turn organic Instagram posts into ads while keeping the social interaction (like we can do currently with Facebook).

**INSTAGRAM**

**MOST EFFECTIVE FEATURE**
- Photo Ads

**MOST SUCCESSFUL DEVICE**
- Mobile

**NEW FEATURES TO WATCH**
- Turning organic posts into ads
- Interactive tools on Stories

**EMOJI SLIDER**
YouTube advertising has been exploding in the PPC world lately. With the rise of video, this comes as no shock to anyone, but marketers are running to join the competition. Not to mention that the platform is the second-largest search engine next to Google with an audience of 1.5 billion users.

Video takes time and resources and editing, so don’t you want to get those hard-earned views? YouTube advertising is a great way to do this. The time is NOW to advertise on YouTube as advertisers are obtaining ways to make more creative and grabbing up the advertising space. And, it doesn’t have to be hard! If you find you just don’t have the time, YouTube has implemented YouTube Director, where someone from the company will come shoot your ad, edit it, and upload it for just $350. It is now available in over 170 cities in the US.

But, you also don’t need a professional. Clinique launched an incredibly successful campaign by merely creating a six-second video from print ads that they had already used! You too can recycle ads you’ve already launched to make an engaging and inspiring short video ad.

There are 6 types of YouTube ads: Skippable video/TrueView ads, non-skippable video ads, Bumper ads, Overlay ads, Display ads, and Sponsored Cards. Our data showed that TrueView ads were by far the most effective feature for our responders, and have been known to result in up to **500% more engagement** with other YouTube content by the same advertiser. Additionally, they’re low-risk, versatile, and reach a wide audience. And now, YouTube is introducing the option to opt-in to TrueView for Views, TrueView for Action, or TrueView for Reach. The company says that during beta testing the format across 84 campaigns, **9 out of 10 drove a significant lift in ad recall**, with average lift of nearly 20 percent.
15% of brands are investing in LinkedIn and 16% of agencies reported that their clients are investing in the platform.

There are usually two major complaints about LinkedIn ads: It’s too expensive, and it doesn’t work. According to AJ Wilcox’s post on Marketing Land, this may be because you don’t have the right business. He’s found that the three industries that do well on LinkedIn are high-value B2B products and services, recruiting efforts, and higher education. On the other hand, he mentions that B2C companies, smaller deal sizes, broad targets, Ecommerce, ad agencies, and commodities should probably avoid the platform.

It is curious that Sponsored Posts seem to be head over heels the most effective feature of LinkedIn, but are marketers just afraid to branch out? Lead Gen ads can be a great way to help your users convert effortlessly by having a form right there in the platform for them to fill out.

If LinkedIn provides high-quality leads for your business, then the CPCs might be worth it, but otherwise it seems as if marketers are avoiding the platform. It will be interesting to see how the numbers change with the implementation of video ads.
Only 11% of marketers reported investing in the Twitter platform. This number seems to be decreasing every year. Last year marketers reported that 49% weren’t investing at all in Twitter.

Twitter provides a live, real-time audience with specific interests. One plus side to Twitter is that while it is expensive, you pay for performance. Any additional impressions or engagements outside of your goal is an added bonus. However, it appears that most marketers are backing out of the Twittersphere for advertising.

Twitter also recently launched a **Promote Mode** beta - their first subscription ads product. Twitter Promote Mode runs in the background, automatically promoting your Tweets and profile to a larger, interested audience, for a low monthly fee. We’ll see if this is the solution marketers have been waiting for in Twitter ads.
85% of marketers are not advertising on Pinterest. In 2017, 79% were not using any features on Pinterest.

Pinterest is a small social network compared to some of the other platforms, but it still seems to serve as an important platform for users to search before making a purchase decision. According to Hootsuite, 61% of pinners have discovered new brands or products from Promoted Pins. No surprise to see Promoted Pins as the most effective feature reported by our responders.

However, the number of marketers investing in Pinterest has actually increased, so it is a good idea to analyze your industry and see if competitors are advertising on the platform and if it would be worth your spend. Or, if you can find a unique way to represent your industry and your competitors are not using Pinterest, more power to you!

As the interest in video continues to increase, we’ll keep an eye on the Promoted Video Pins as well. According to our findings, not many marketers are using them yet, which might be a way for you to stand out with your campaigns. Cinematic pins, a new feature that move only when the user scrolls, is a unique take to catch your audience’s eye as well.
Only 6% of marketers reported to be investing in Snapchat. It’s no secret that Snapchat has significantly declined over the past year, struggling to turn a profit. Only 6% of marketers surveyed are even investing in the platform. Of those, only 6% reported that Snap Ads are the most effective feature, with Geofilters close behind. Only 1% said that Sponsored Lenses were their most effective feature.

We also have to remember that Snapchat is a young advertising platform compared to the big guys. And, Digiday Daily reported recently that Snapchat will be testing unskippable 6-second ads in its Snapchat Shows. However, the content will need to be engaging enough to hold users’ attention and not turn people off. If you have the tools and resources to create snappy ads that look like user content and engage users, you’ve got a wide-open playing field in Snapchat to take the lead.

Very recently, after rolling out Shoppable AR lenses in April, Snapchat started testing Shoppable Snap and Story ads that can run both on the Discover page and in between stories. Basically, these ads have a product catalog at the bottom, and when a user taps on an item they will be taken directly to the brand’s website to complete their purchase. With this, advertisers can use the Snap Pixel (which is now available to all!) to see the total number and value of their Snapchat campaigns. It will be interesting to see how these new features will help Snapchat’s social commerce influence with the fierce competition from Instagram and Facebook.
Only 6% of marketers reported to use this platform for advertising. Although new, Quora now has over 200 million unique monthly visitors having doubled their number of visitors in just one year. The platform is unique in that it allows experts to share their knowledge on various topics, and also in its advertising opportunities. It has proved to be a great way for brands to send traffic to their landing pages.

According to Hanapin’s Mark Ferree, Quora has performed really well in terms of delivering cheap, qualified leads to a specific client since launching in December. While Quora can bring some big wins in your account, the interface, because it is such a new advertising platform, is still lacking some key metrics that are helpful in setting budgets and bid adjustments.

All in all, Quora is worth testing, especially if you have a B2B product since the platform is a great source of inexpensive leads and the relevance of Quora’s topics and interests. With B2B CPCs on the rise in AdWords and LinkedIn, it could be worth your time and investment.
Over 26,000 subscribers.
400 new resources annually.

SUBSCRIBE

hanapin marketing
WHAT’S HOLDING YOU BACK?

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While there could be a number of obstacles preventing marketers from succeeding in the social realm, 38% of respondents found staffing to be their biggest issue.

Content creation and budget tied for 2nd at 21%, and surprisingly only 9% of marketers reported that leadership buy-in was their biggest obstacle.
SOCIAL MARKETERS ARE HYPING UP VIDEO AS THE NEXT BIG THING

When marketers were asked what they thought would be the next big thing in social, there was an overwhelming response about video, in all areas. Whether it was video ads in general, Facebook live video, Instagram story ads, or VR, we’re seeing a large trend toward video in various social platforms. Right behind video were frequent mentions of AI and automation. We might even see a video and AI combination coming in the future...
SOCIAL ADVERTISING IS VASTLY IMPORTANT, AND YOUR COMPETITORS ARE INCREASING THEIR BUDGETS IN ALL AREAS.

22% of marketers reported that they’re planning on increasing their social budgets further by 2019. Perhaps you should too?

With the rise of video, take a look at investing in YouTube, LinkedIn, and Instagram ads. Their up-and-coming features, combined with low competition could be your next big win. But don’t be intimidated! You can create successful and engaging video ads with the resources already at your fingertips.
To learn more about how social strategies could be beneficial to you, check out these case studies:

How Varonis Decreased Avg Cost Per Lead by 92%

How Readers.com Increased eCommerce Pinterest Revenue by 1042%

To learn more about Hanapin Marketing:

ONLINE  CALL  EMAIL
www.hanapinmarketing.com/contact/  812-330-3134  info@hanapinmarketing.com