Overview

This report covers a broad range of the digital advertising industry with insights coming from both social media marketing as well as search engine marketing. Topics include:

- Emerging social media apps
- Facebook ad impression growth and interaction rates
- Search engine spend, click-through-rates (CTR), and cost-per-click (CPC) across different regions and devices
- Emerging search engine products like shopping ads and product ads
- Habits and behaviors of effective digital advertisers
Social streaming apps

Live streaming is the new frontier for social. There is steep competition, but strong adoption since the beginning of 2015

The Findings.
• Meerkat is averaging the most social usage since March 1st
• Periscope has the highest daily average over the last 14 days
SOCIAL

Social branded post

The arms race to post content continues as brands race to post more frequently to try and get as many eyes on their content as possible.

The Findings.
• Overall brand posting is up 31% YoY, but down slightly QoQ.
Social impressions

The increasing amount of posts is driving organic post impressions to continue a 2-year decline while paid impressions widen the gap, moving in the other direction.

The Findings:
- Organic Impressions continue decline down 35% YoY
- Paid impressions up 8% YoY, but seasonal decline of 7% QoQ
Recent Q1 algorithm changes led to slight interaction rate decline across all industries

The Findings.

• Retail remains the industry with the highest interaction rates
• Travel has the 2nd highest interaction rate, but also had the largest YoY decline in rates, down 25%
SOCIAL

Social interaction rate by type

Recent Q1 algorithm changes led to slight interaction rate decline all post types except links

The Findings.

• Algorithm changes made in Q3 have helped link posts to increase interaction rates for 2 consecutive quarters and YoY
• Images continue to be the post type that creates the highest interaction rates
• Text post interaction rates continue to decline and are now >1%

FACEBOOK BRANDED POST INTERACTION RATES BY TYPE (U.S.)

Q1 2014  Q1 2015
SEM spend growth

**The Findings.**

- Search engine marketing (SEM) spend increased 5% globally with the fastest growth coming from the APAC region; up 34%.
- SEM spend in the U.S. was flat YoY.
SEARCH

SEM spend growth by search engine

The Findings.
• Spend on Google slightly decreased YoY in global terms, but was up 16% in APAC
• YoY spend increased across the board for Yahoo! Bing with the most growth coming out of EMEA
• Both domestically and globally, marketers are transitioning more of their search spend to fully optimize SEM services from Yahoo! Bing
Share of SEM spend

The Findings.

• The increasing Yahoo! Bing share of SEM spend in the U.S. has been slowing over the last few quarters
• Google dominates the SEM market in the EMEA region
Google shopping ad growth

The Findings.

• Shopping ad spend acceleration spills over from the holidays into the first quarter of 2015
• Marketers in the retail sector spend 37% more YoY on Google shopping ads
Share of retail ad spend by ad type and platform

The Findings.

- Yahoo! Bing Product Ad share of spend increased by 72% QoQ; while Yahoo! Bing text ad share of spend was up 51% over the same period
- Share of Google shopping ad spend increased 16% QoQ among Google ads
SEARCH

Optimal spend allocation by industry

The Findings.

• Optimizing click-through-rates (CTR) is dependent on search engine spend allocation and is industry specific
• Top performers in both Travel and M&E allocate 2x of their SEM spend to Yahoo! Bing compared to their peers in other industries
• Top performers in the Auto industry heavily favor Google for their SEM needs
SEARCH
CTR growth by search engine and region

The Findings.
• Optimization on Yahoo! Bing is catching up to Google
• As content becomes more engaging and marketers employ better developed programmatic buying techniques CTR's continue to rise
SEARCH

CTR and CPC growth by device type

The Findings.

• Global CTR’s rise YoY and QoQ across all device types, while CPC’s rise YoY but decline QoQ

• Smartphone CPC growth outpaces CTR optimization growth
SEARCH

CTR and CPC comparison by device type

The Findings.
• Overall CPC on smartphones still lag CPC on tablets and desktops
• Desktop CPC was 41% higher than smartphone, and tablet CPC was 35% higher than smartphone
SEARCH
CPC growth by search engine and region

The Findings.
• While U.S. CTR growth continues to rise, CPC growth remains unchanged
Key takeaways

Popularity of social video streaming apps took off in late Q1
  • **Prediction**: Periscope will edge out Meerkat again in Q3 for usage, but marketers will continue both throughout the year.

Spread between Facebook paid and organic impression widens
  • **Prediction**: Organic impressions will continue to decline another 30-40% in 2015. Paid impressions will increase 10-20% by the end of 2015.

Algorithm changes drove decline in overall interaction rates but brand posting is up
  • **Prediction**: Posting on Facebook will increase another 10-20% by the end of 2015, interaction rates will increase slightly QoQ as marketers adjust to new changes.

Global SEM spend up; CTRs increase; CPCs remain relatively flat except with smartphones
  • **Prediction**: New algorithm changes for mobile will help increase CTR’s 10% in Q3. Larger screen smartphones will lead to a 10% increase in smartphone CPCs in Q3.

Google Shopping Ad usage continued into Q1 2015
  • **Prediction**: Shopping ads share will grow another 5-10% in Q3 leading up to the retail heavy fourth quarter
Methodology

Based on consumer data to brand sites during 2014 and 2015.

- + 490 billion Facebook post impressions
- +525 billion Google and Yahoo! Bing ad impressions
- +2 million social streaming app mentions

Composed of aggregated and anonymous data from visits to websites in multiple industries and segments.

Data captured via Adobe Marketing Cloud—Adobe Media Optimizer, and Adobe Social.

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Read our blog: adobe.ly/digitalindex
Follow us: @adobeindex and @adobeprimetime
Ask a question or make a suggestion: digindex@adobe.com
### Tables

#### Social Buzz: Meerkat vs Periscope

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#### Facebook Branded Post Growth

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<td>Paid Impressions</td>
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<td>116%</td>
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#### Global SEM CTR Growth by Search Engine

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<tr>
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<td>108%</td>
<td>115%</td>
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</tr>
<tr>
<td>Yahoo/ Bing</td>
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<td>97%</td>
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<tr>
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