



Q3 2015 SOCIAL TRENDS REPORT

Q3 Topline Summary

This quarterly report references campaign data pulled from the Kinetic Social Platform and tells the story we're seeing across all of the advertisers we work with. For more information about this data, please see the final page of this report.

FACEBOOK

- Facebook's carousel ad unit showed outstanding performance in our analysis of Q3 data. We saw that carousel ads had an incredible 10x increase in link click CTR when compared to non-carousel ad units, and strongly encourage this as a way to drive traffic to websites. This will likely continue into Q4 with Facebook's focus on their Dynamic Product Ad offering.
- Video ads continue to have the lowest eCPC for the 5th quarter straight, highlighting the efficiency of video buys on Facebook. We also analyzed video stats and concluded there is a high correlation completion rates by video length, with 15- and 30-second videos being the best performing lengths.
- The CPG vertical had both the highest CTR and lowest eCPC for Q3, highlighting the continued efficacy of CPG advertising on Facebook.

TWITTER

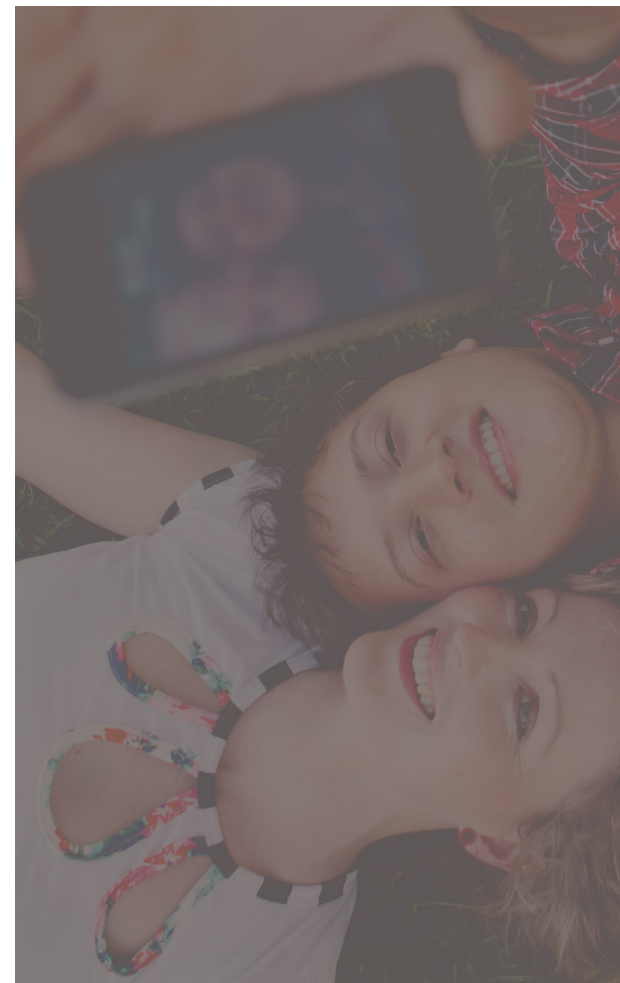
- eCPE and eCPC both dropped in Q3 for Twitter, the second straight quarter we've seen drops for both pricing types. We anticipate this to continue into Q4 with Twitter's recently released 'Moments' product, creating a more engaging and compelling experience in the Twitter platform.
- Twitter's Video product shows strong promise coming in with extremely competitive rates in Q3, with an average \$0.10 CPV and some verticals as low as \$0.05.

PINTEREST

- Pinterest saw the amount of search performed on Pinterest increase 81% year over year, an impressive feat for a platform with 100 MAUs globally.
- Pinterest has seen the number of Pinners double in the past 18 months.
- People engaging with a Pin (click-through, close up, repin) are 2 to 4x more likely to make a purchase (source: Millward Brown).

INSTAGRAM

- Kinetic was one of the first partners to launch with the Instagram ads API program, which began in Q3.
- Instagram is an immersive platform experience that is distinct from the other social platforms, driving excellent engagement and brand awareness results so far for our clients.
- Although it is too early to release wide trends, we are excited by the performance we've seen so far, and hope to share more in our Q4 report.



Q3 2015 SOCIAL TRENDS REPORT
FACEBOOK CAMPAIGNS



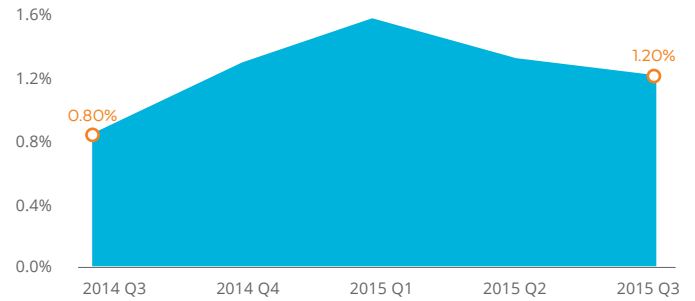
OVERVIEW OF KINETIC RUN CAMPAIGNS

FACEBOOK CTR

+44%

YEAR-OVER-YEAR

People continue to show increased interest in engaging with brands on this social network.

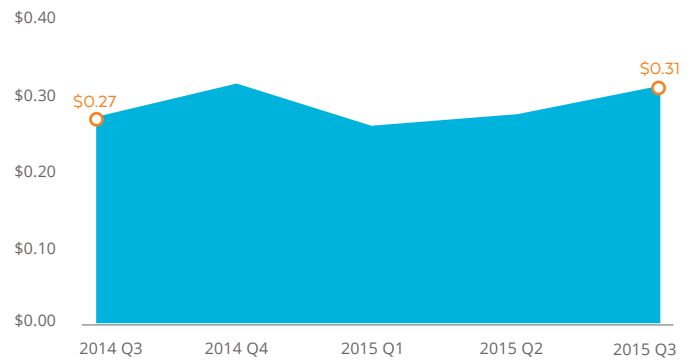


FACEBOOK eCPC

+15%

YEAR-OVER-YEAR

Showing little variance for the trailing quarters, eCPC should be comforting for advertisers looking for predictable costing.

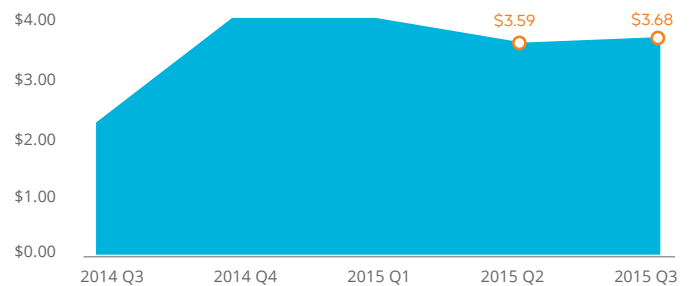


FACEBOOK eCPM

+2%

Q2 2015 TO Q3 2015

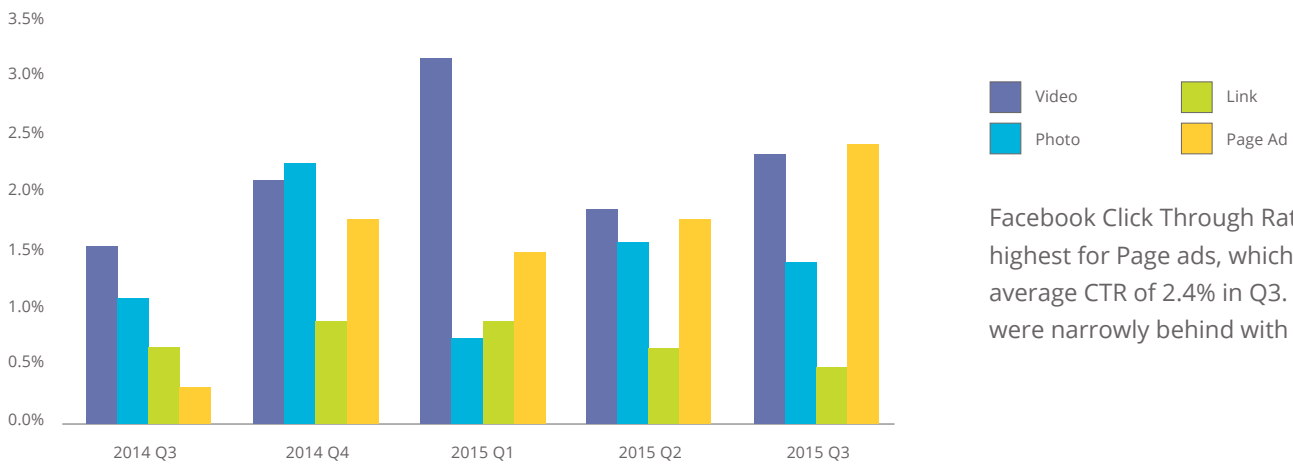
eCPM remained relatively flat from last quarter, which seems to indicate a general eCPM stabilization around \$3.75 for year to date



When looking at ad pricing trends, it is important to note: In general advertising costs have gone up, due to increasing demand. However Kinetic's optimization tools and strategies are designed to decrease wasted spend, resulting in the effective cost per goal trends seen in this report.

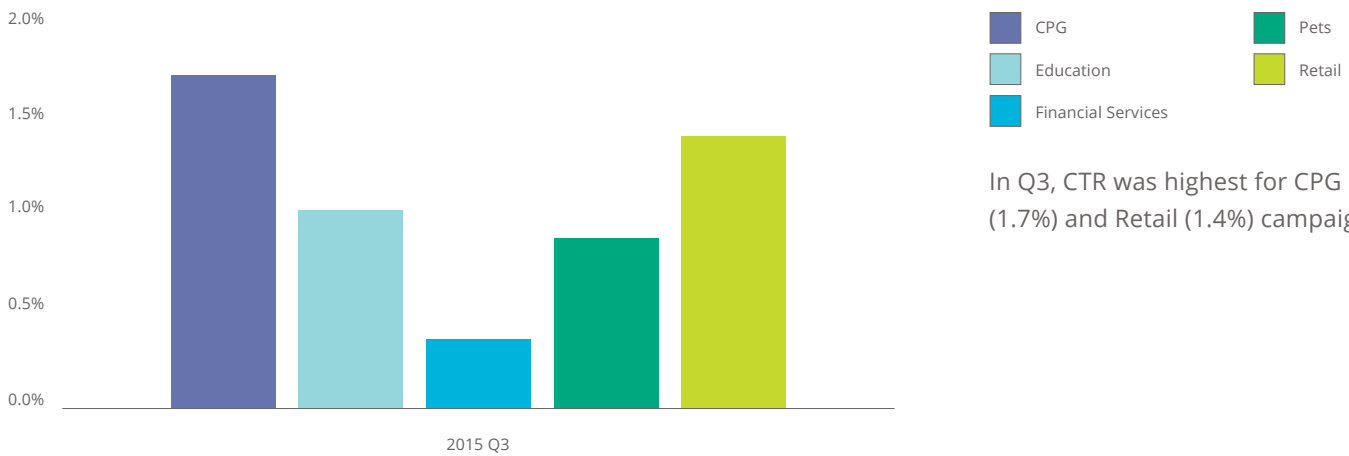
CLICK THROUGH RATES

FACEBOOK CTR BY AD TYPE



Facebook Click Through Rate (CTR) is highest for Page ads, which had an average CTR of 2.4% in Q3. Video ads were narrowly behind with 2.3%.

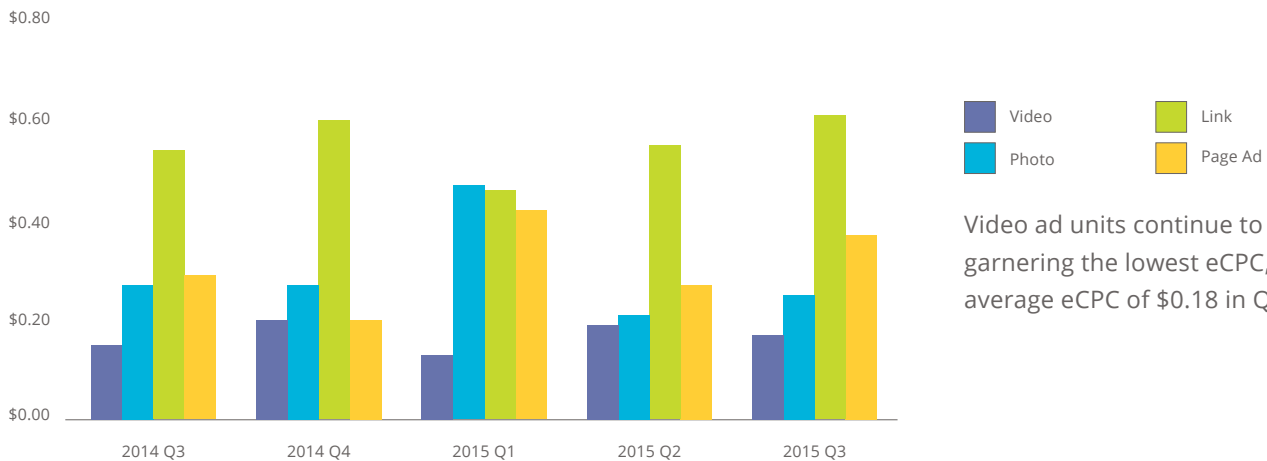
FACEBOOK CTR BY VERTICAL IN Q3



In Q3, CTR was highest for CPG (1.7%) and Retail (1.4%) campaigns.

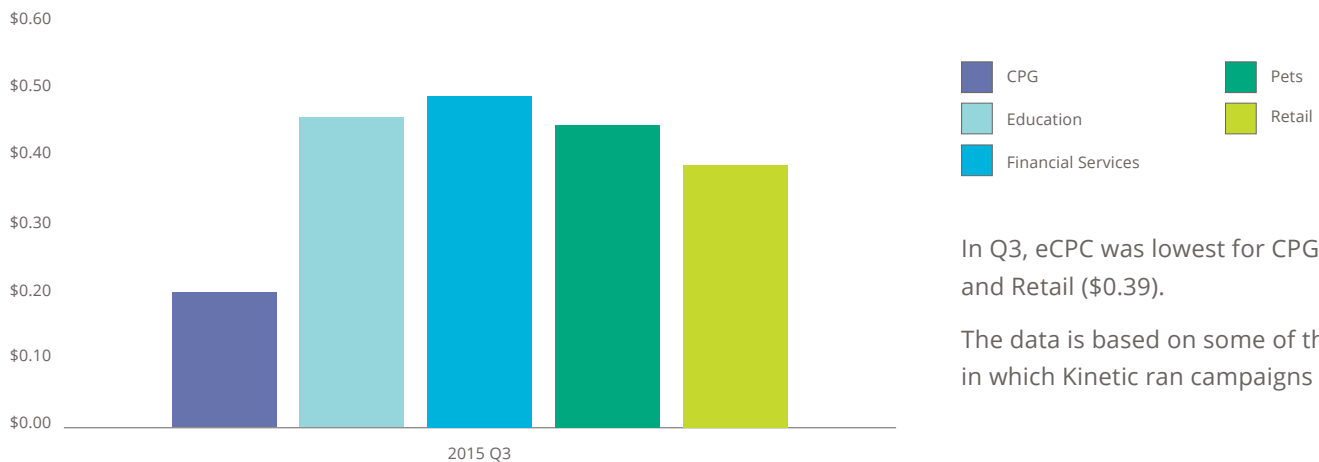
EFFECTIVE COST PER CLICK

FACEBOOK eCPC BY AD TYPE



Video ad units continue to dominate, garnering the lowest eCPC, with an average eCPC of \$0.18 in Q3.

FACEBOOK eCPC BY VERTICAL

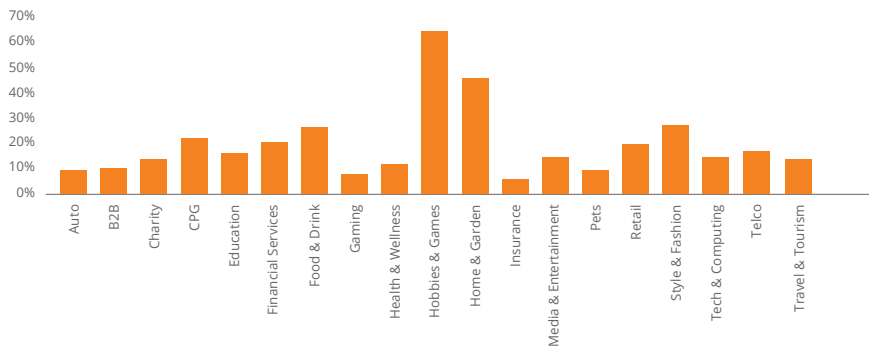


In Q3, eCPC was lowest for CPG (\$0.20) and Retail (\$0.39).

The data is based on some of the verticals in which Kinetic ran campaigns in Q3.

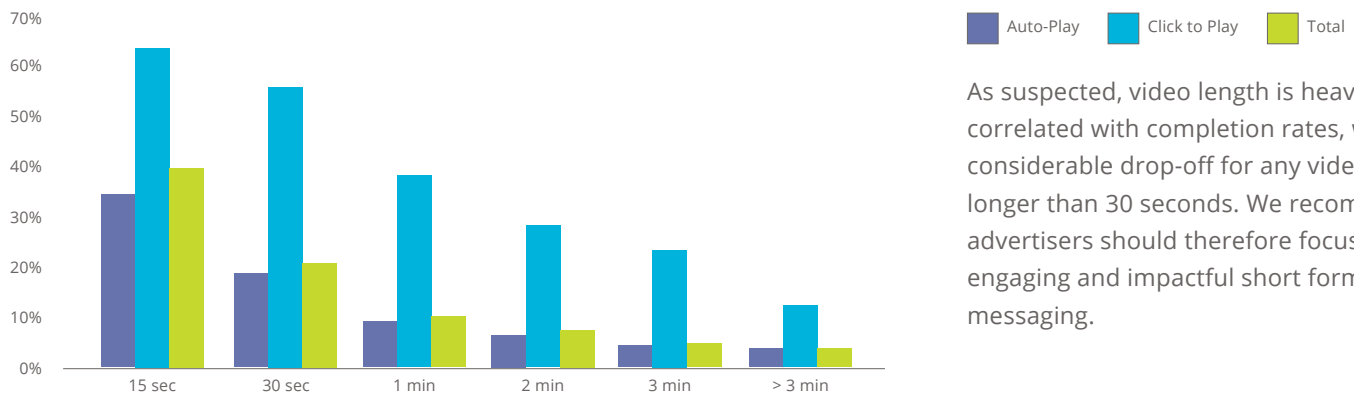
VIDEO

Q3 VIDEO VIEWS 100% COMPLETION BY VERTICAL



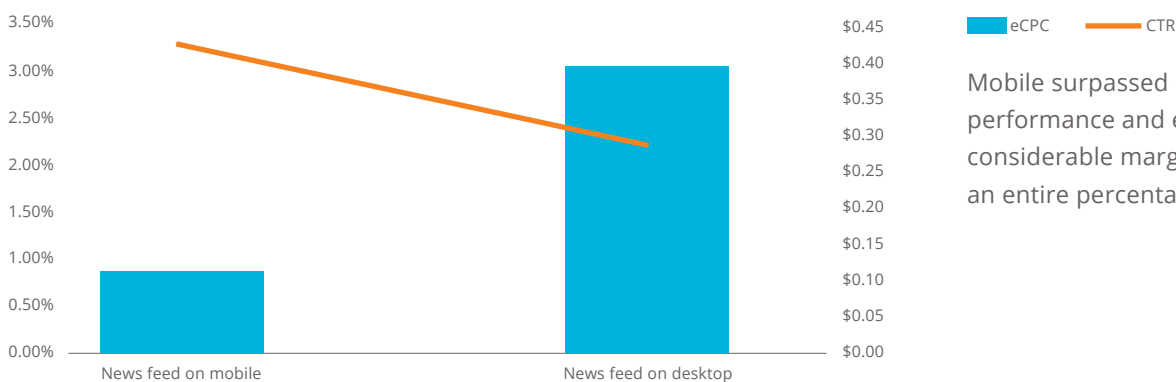
The 'Hobbies and Games' and 'Home and Garden' verticals had the highest video view completion rates in Q3, at an average of 54%.

Q3 VIDEO VIEWS 100% COMPLETION BY VIDEO LENGTH



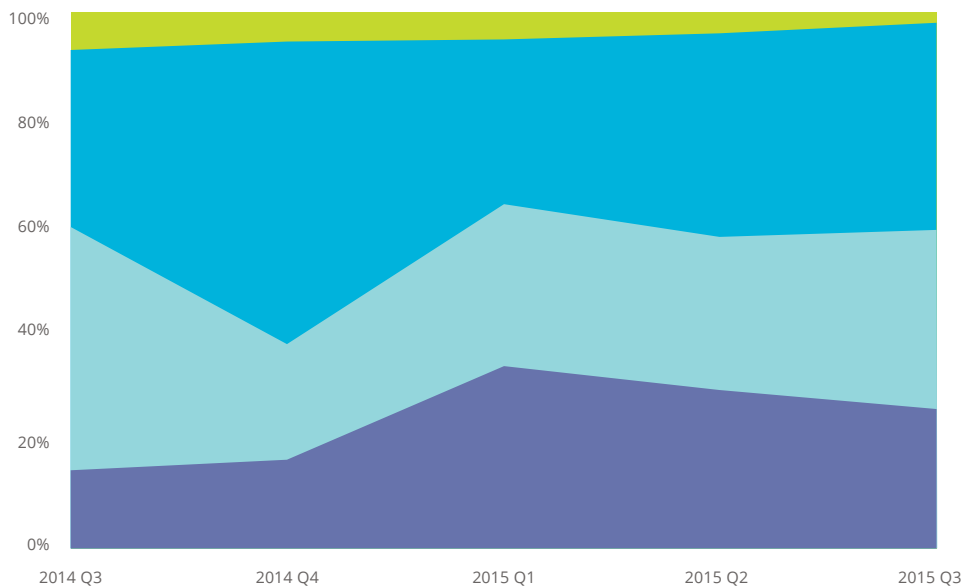
As suspected, video length is heavily correlated with completion rates, with considerable drop-off for any videos longer than 30 seconds. We recommend advertisers should therefore focus on engaging and impactful short form video messaging.

Q3 VIDEO CTR & eCPC - MOBILE vs DESKTOP



Mobile surpassed desktop in both performance and eCPC in Q3 by a considerable margin, with the CTR being an entire percentage point higher.

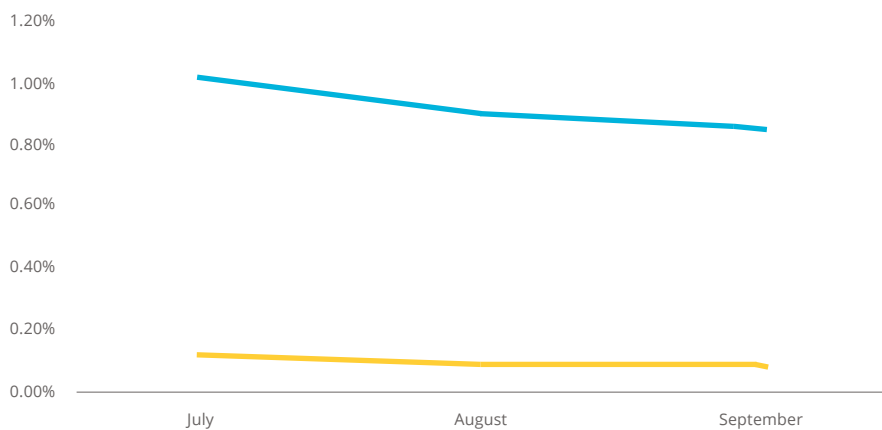
COMPOSITION OF FACEBOOK SPEND BY AD TYPE



- Video
- Photo
- Link
- Page Ad

Spend by ad type remained consistent with the Q2 results, with a slight increase in photo ad spend due to increasingly popular ad units such as the carousel ad.

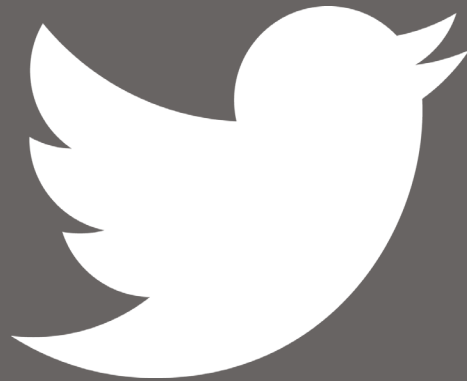
CAROUSEL vs NON-CAROUSEL ADS - LINK CLICK CTR



- Carousel Ads - Link Click CTR
- Non-Carousel Ads - Link Click CTR

We see roughly a 10x increase in link click CTR when using carousel ads vs. non-carousel ads.

Q3 2015 SOCIAL TRENDS REPORT
TWITTER CAMPAIGNS



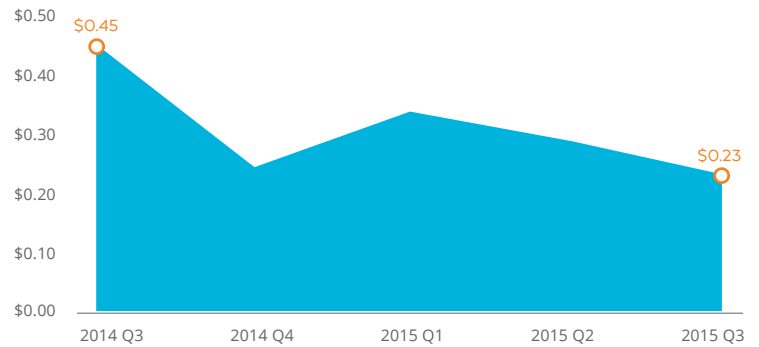
OVERVIEW OF KINETIC RUN CAMPAIGNS

TWITTER eCPE

-49%

YEAR-OVER-YEAR

Twitter eCPE decreased 49% YOY and 20% compared to last quarter.

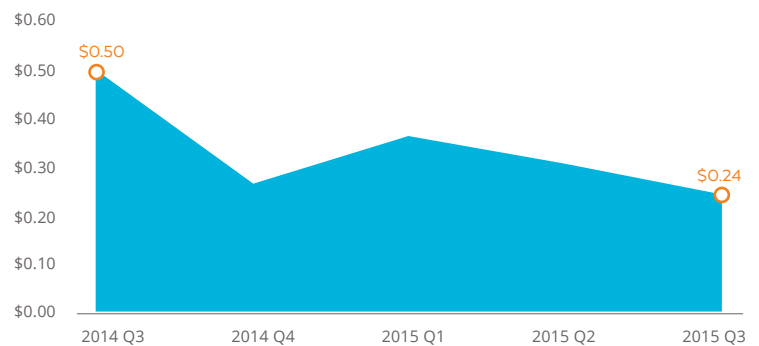


TWITTER eCPC

-52%

YEAR-OVER-YEAR

Twitter eCPC decreased 20% compared to last quarter and 52% YOY.

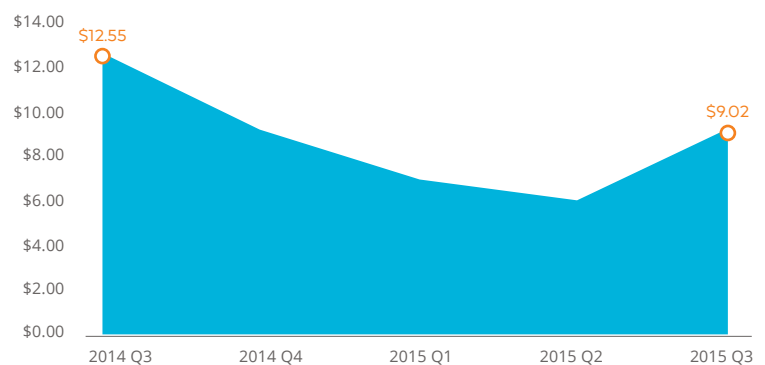


TWITTER eCPM

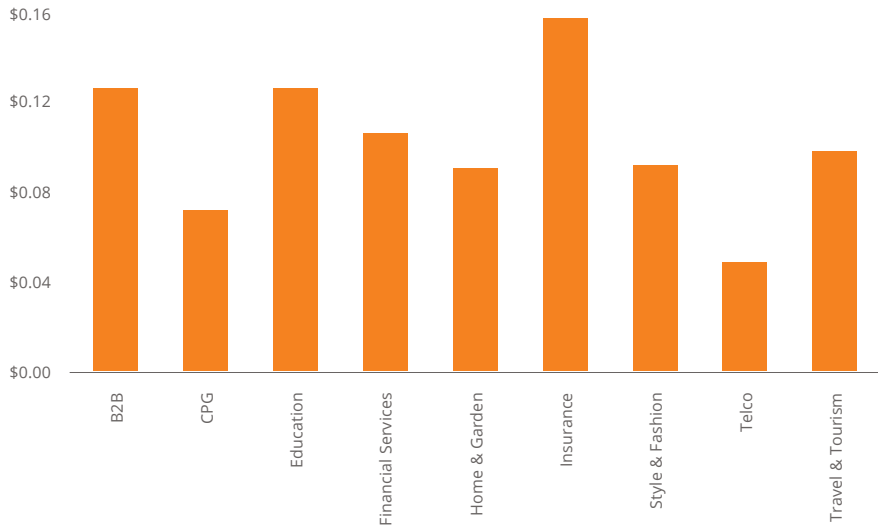
-28%

YEAR-OVER-YEAR

Twitter eCPM increased this quarter overall, though high CPMs often accompany competitive eCPC and eCPE rates, which both dropped 20% this quarter. Thus it's important to consider what the goals of a campaign are rather than solely focusing on minimizing eCPM.



TWITTER Q3 CPV BY VERTICAL *

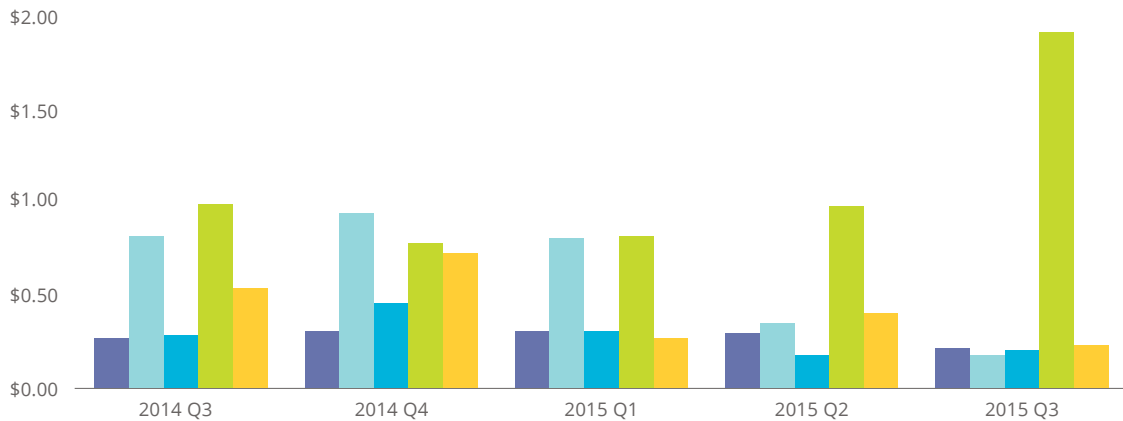


Twitter's video ad product has become increasingly popular. The vertical seeing the lowest cost per video view in Q3 was Telco (\$0.05), with CPG following closely behind with a \$0.07 CPV.

Overall \$0.10 average CPV for campaigns utilizing video in Q3.

*Data based on verticals Kinetic ran campaigns for in Q3.

TWITTER eCPE BY VERTICAL *



In Q3, eCPE was lowest for Financial Services, while CPG continues to show a declining eCPE for the third straight quarter. Travel & Tourism also dropped this quarter.

*Data based on some of the verticals in which Kinetic ran campaigns in Q3.

ABOUT THIS REPORT

The data in this report reflects all of the campaigns that ran through Kinetic Social's proprietary social marketing platform, serving over 2.7 Billion impressions in Q3 2015. This report includes ad spend on Facebook and Twitter, on both desktop and mobile, and for all ad types. We have broken out platform-specific data and indicated the corresponding platform in each chart. This data report reflects a mix of awareness, engagement and direct response campaign initiatives.

The social marketplace rapidly and constantly evolves; thus, this report should be taken strictly as an indicator of current marketplace trends that Kinetic has observed, and not necessarily an indication of future trends. The data in this report represents Kinetic campaigns only and should not be used as an indicator of the entire current or future Facebook, Twitter, Pinterest or Instagram landscape.

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Marketing
Partner



ABOUT KINETIC SOCIAL

Kinetic's social marketing platform and team of experts help brands create welcome, engaging and empowering experiences for consumers. Through every level of service, we design and manage campaigns across social channels and the open web. Our powerful, intuitive technology reflects how the modern marketer thinks and works. We combine that proactive innovation with strategic thinking at every step to deliver quality encounters that delight consumers, build brand value and drive sales. Kinetic is based in New York with offices in Toronto, Chicago and San Francisco. We are a Facebook Marketing Partner, a Twitter Official Partner and a Pinterest Marketing Developer Partner. More at www.kineticsocial.com