



Marketing Cloud
Advertising Index
Q1 2016 Report



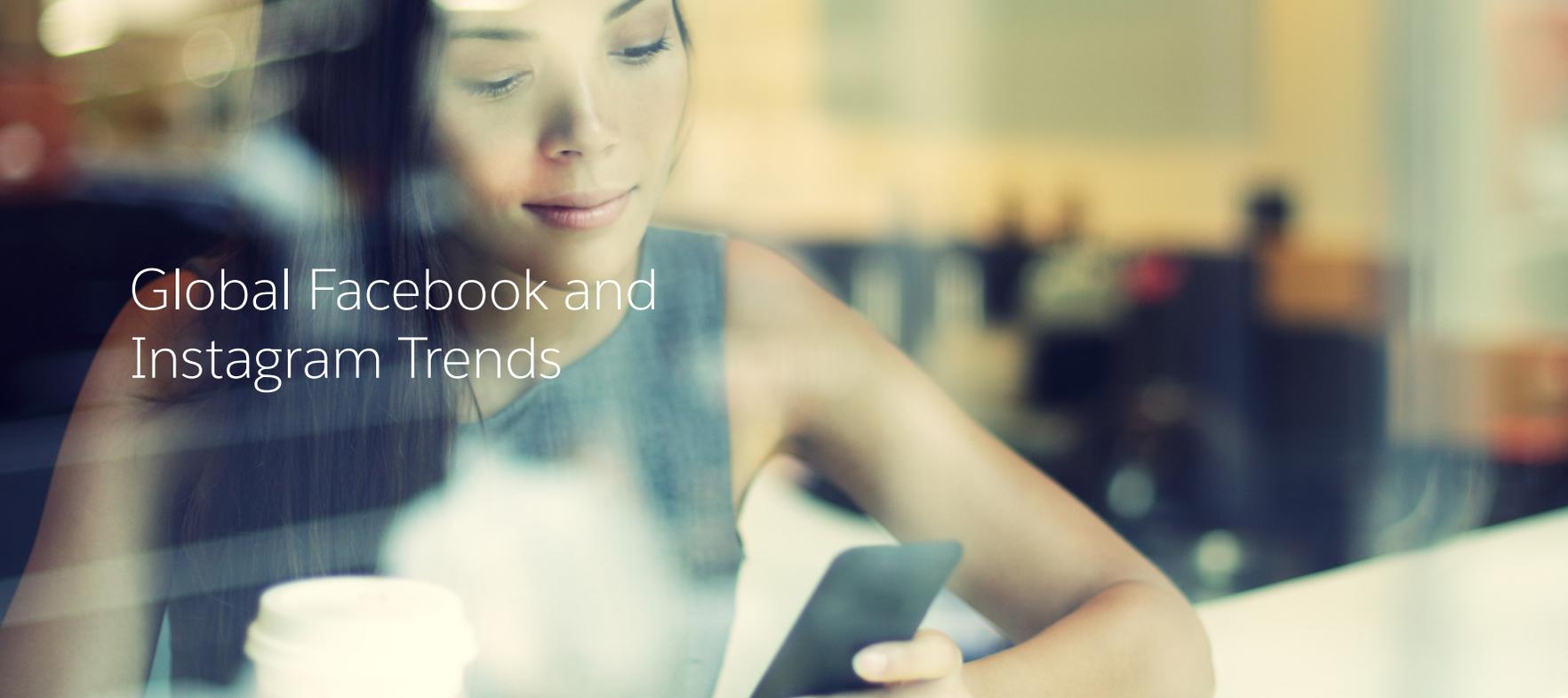
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Executive Summary

- The global Facebook CPM grew 71% year over year
- In the retail industry, Australia has the highest Facebook CTR at 1.95%, followed by the United States at 1.71%
- As of Q1 2016, the global Instagram CPM was \$4.44
- Twitter's CPM fell 4.9% year over year, but cost per engagement grew 216%
- The global LinkedIn CPM for Q1 2016 was \$29.37





Global Facebook and Instagram Trends

Trends at a Glance

Historically, media costs tend to be lower in Q1 than in Q4 due to seasonal shopping habits, but this year's global trend was different, with 14% quarter over quarter growth. Facebook media costs continue to rise year over year, with global CPM growing 71% to \$5.75. The CTR also rose 20% to 1.00% overall.

Q1 2016 Global Facebook Trends



Performance by Country

Canada experienced the highest growth in Facebook media cost at 189%, followed by Germany and the United States, with both growing 86% year over year. The United States had the highest CPM at \$7.02, while Germany had the highest CTR at 1.57%. France and Australia had the slowest growth rates for CPM year over year at 19% and 37%, respectively.

Q1 2016	CPM	CPM YoY Growth %	CTR
Global*	\$5.75	71%	1.00%
Australia	\$7.34	37%	1.57%
Canada	\$6.72	189%	0.44%
France	€1.49	19%	0.49%
Germany	€4.28	86%	1.64%
United Kingdom	£4.20	53%	1.01%
United States	\$7.02	86%	0.98%

Trends by Industry

In Australia, the retail industry had the highest Facebook CPM at AUD \$10.32, followed by gaming at AUD \$9.72. Although it had the lowest CTR in Australia at 0.99%, the financial services industry had the third-highest CPM at AUD \$7.13. In the United Kingdom, gaming had the highest costs at a CPM of £4.15, but the lowest CTR at 0.56%. In the United States, travel had both the highest cost and engagement, with a CPM of \$7.94 and a CTR of 2.52%. For the retail industry, CTR in the United States was higher than the United Kingdom, at 1.71% compared to 0.96%.

Australia	CPM	CTR
Consumer Packaged Goods	AUD\$5.55	2.46%
Financial Services	AUD\$7.13	0.99%
Food and Beverage	AUD\$4.93	1.63%
Gaming	AUD\$9.72	1.07%
Retail	AUD\$10.32	1.95%
Travel	AUD\$5.92	1.60%

Germany	CPM	CTR
E-commerce	€4.44	1.30%
Gaming	€3.35	0.51%

United Kingdom	CPM	CTR
Consumer Packaged Goods	£1.98	1.46%
Gaming	£4.15	0.56%
Retail	£3.26	0.96%

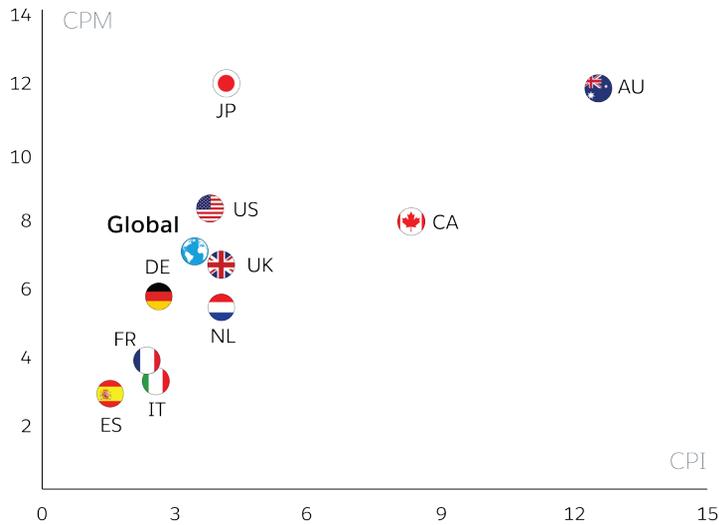
United States	CPM	CTR
Consumer Packaged Goods	\$5.40	1.72%
E-commerce	\$6.27	1.56%
Gaming	\$3.09	0.51%
Retail	\$6.33	1.71%
Travel	\$7.94	2.52%

Mobile App Install

The cost per mobile app install in Germany, France, and Spain decreased, consistent with an overall downward trend year over year of media costs in these countries. In Australia, CPI grew 140%, the highest of any country. The United Kingdom saw

the lowest growth in costs for mobile app install campaigns at 12%, followed by the United States at 26% growth.

For Mobile App Install Ads, Countries Vary Widely in CPM and CPI (USD)



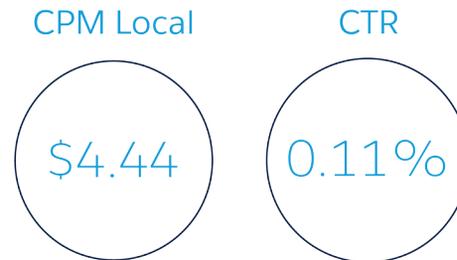
Mobile App Install	CPM	CPI	CPI YoY % Change
Global	\$7.29	\$3.82	35%
Australia	\$11.61	\$12.53	140%
Canada	\$7.86	\$8.30	75%
France	\$3.71	\$2.33	-25%
Germany	\$5.86	\$2.81	-23%
Italy	\$3.30	\$2.53	41%
Japan	\$11.80	\$4.18	54%
Netherlands	\$5.26	\$4.08	59%
Spain	\$2.83	\$1.50	-61%
United Kingdom	\$6.60	\$4.06	12%
United States	\$8.49	\$3.85	26%

Global Instagram Trends

Advertisers across the globe are adopting Instagram to reach and engage their audiences. In February 2016, Instagram announced a milestone of 200,000 advertisers on the platform, which now has over 400 million users. The global Instagram CPM and CTR for Q1 2016 were \$4.44 and 0.11% respectively. Japan had the highest Instagram CTR at 0.17%.

Instagram	CPM Local	CTR
Global	\$4.44	0.11%
Australia	\$5.49	0.09%
Japan	¥589	0.17%
United Kingdom	£2.04	0.09%
United States	\$5.10	0.09%

Q1 2016 Global Instagram Trends





Global Twitter and LinkedIn Trends



Global Twitter Trends

In its latest earnings report, Twitter announced that 86% of its advertising revenues came from mobile. In Q1 2016, the global CPM for Twitter fell 4.9% year over year, but the cost per engagement rose 216%. Media costs significantly decreased from Q4 2015 to Q1 2016 for both CPM and CPE, falling to \$6.93 and \$0.79, respectively.

Promoted Tweets	CPM	CPE
2014 Q4	\$7.66	\$0.21
2015 Q1	\$7.29	\$0.25
2015 Q2	\$5.26	\$0.21
2015 Q3	\$3.67	\$0.41
2015 Q4	\$10.40	\$1.38
2016 Q1	\$6.93	\$0.79

Global LinkedIn Trends

According to LinkedIn's Q1 2016 earnings reports in April, global user adoption surpassed 433 million users and revenue from Marketing Solutions increased 29% year over year to \$154 million. LinkedIn continues to be a premium platform for advertisers, with a global CPM of \$29.37 for Q1 2016.

2016 Q1	CPM
Sponsored Status Update	\$29.37



Credits and Appendix

The advertising data in this report covers hundreds of millions of ad impressions and engagements by Marketing Cloud customers, using our Advertising Studio platform, from January through March 2016 and comparative data from past periods. This includes advertising on Facebook Audience Network, Instagram, Twitter, and LinkedIn across the globe. This aggregate data in no way represents any official position of Facebook, Twitter, or LinkedIn for advertising trends, or for 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.

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

The Salesforce Advertising Index report was authored by members of the Advertising Studio product marketing team at Salesforce, with support across wider teams. We acknowledge the work of Zachary Reiss-Davis, Hilary Givens, and Kyle Graden in leading this effort with data support from Julien Grouteau, and executive sponsorship from Chris Jacob and Liam Doyle.

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What is Advertising Studio

What is Salesforce Advertising Studio?

Advertising Studio is Salesforce Marketing Cloud's enterprise solution to digital advertising. Drive real business results and manage your advertising campaigns at scale with Advertising Studio Campaigns. In addition, unlock your CRM data in Salesforce to securely and powerfully reach your customers, target lookalikes, and optimize advertising within the customer journey with the help of Advertising Studio Audiences.

Manage advertising at scale.

Reach customers on any device or channel with advertising powered by identity-based targeting via Facebook, Instagram, Twitter, LinkedIn, and mobile publishers. Advertising Studio Campaigns has helped large agencies and brand teams around the world run millions of campaigns with sophisticated business goals. Whether it is creating complex campaigns, facilitating efforts and intelligence across advertising teams, or visualizing and reporting on performance, you can tailor your advertising approach to your digital marketing strategy with Advertising Studio Campaigns.

Activate your customer data.

Use the data you already know about your customers from their email, mobile push interactions, and 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 behaviors similar to your best ones. Advertising Studio Audiences also integrates with the major CRM onboarding partners, so you can connect your data with the entire DMP and DSP ecosystem.

As a part of the Customer Success Platform, Advertising Studio is part of Marketing Cloud. The Customer Success Platform includes sales, service, marketing, community, analytics, and apps. Marketing Cloud and Advertising Studio are members of the Facebook Marketing partner program, Instagram Ads API partner program, and LinkedIn Sponsored Updates Ads Api Partner program. Salesforce is the world's largest provider of customer relationship management (CRM) software. For more information about Salesforce (NYSE:CRM), visit [salesforce.com](https://www.salesforce.com).



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