

AD TECH

THE NEW SOCIAL TARGETING

AVAILABLE OPTIONS AMONG THE
EIGHT MAJOR PLAYERS HAVE
EXPLODED, SO WE'RE OFFERING
MARKETERS A GUIDED TOUR.

BY CHRISTOPHER HEINE

We are living in a social world, a reality not lost on marketers. Last week, eMarketer reported 88 percent of all U.S. firms have a presence on at least one social media platform—which explains why the forecaster predicts advertising on Facebook, Twitter, Snapchat and their social brethren will exceed \$29 billion in 2016. As if on cue, Twitter just unveiled native video ads that can be targeted via its MoPub mobile apps network.

Here's what's changed with social: its targeting abilities, which in recent months have become dramatically more sophisticated. "There are infinitely two schools of thought when it comes to the targeting abilities of social networks," says Tom Edwards, chief digital officer of agency Omnicom Business at Epsilon. "Those who are constantly refining their offerings and enhancing their targeting capabilities and those who rely on their advertisers to choose their own path."

"Social-platform ads are definitely maturing, not only in targeting opportunities, but in reach," adds Joe Gizzi, senior strategy director at Meredith Xcelerated Marketing. "I can now target ads within Facebook's owned app, subsidiary apps like Instagram and throughout the ad network, using all of the great intelligence I have about its users."

"But for marketers, these social platforms are still a black box," contends Gunnard Johnson, svp of data and analytics at Centro.

That's why we've broken down the targeting abilities of the eight most prominent social platforms. Take a look:



PRICING TERMINOLOGY KEY: CPM = COST PER THOUSAND IMPRESSIONS; CPC = COST PER CLICK; CPV = COST PER VIEW; CPE = COST PER ENGAGEMENT; CPA = COST PER ACQUISITION; CPAI = COST PER APP INSTALL



FACEBOOK

Since August, Facebook has debuted six new ad products that build on its abilities to target its nearly 1 billion daily users' various shown interests. Chief among them is TRP (target-rating point) buying, to help determine the cost of Facebook video ads while informing participating brands on how to target consumers there. A TRP, by definition, is a specific consumer audience within a gross-rating point (GRP), which has been a key metric for TV ad buying since the 1950s. TRP buying leans on the social giant's partnership with Nielsen's Digital Ad Ratings division, which will verify how well Facebook's video ads perform in conjunction with TV spots.

"Our clients are always looking at channel attribution, and this closes the gap a little more for us in proving what all agencies continue to promote—cross-channel marketing," says Stephanie Spero, North American director of media strategy and business director, Tribal Worldwide.

Also this fall, Facebook released tools so a brand can measure how many viewers probably recall an ad. Then, an advertiser can group them and employ Facebook's database to find other users who have similar interest-level profiles. Called brand awareness optimization, the data-based tool will let marketers know which people appeared to spend quality time viewing a newsfeed, video or display promo. But it's not employing a typical "time-spent" metric, where viewers are clocked for a certain number of seconds and then tallied as an "engagement" or an "interaction." Rather, it's designed to measure when viewers momentarily slow their scrolling to check out an ad.

Lastly, among other moves, dynamic product ads have become an option on Facebook's mobile network, letting retailers create relevant and timely ads based on the products people have visited on their app while leveraging digital pages around for-sale items as part of their social ad strategy.

MONTHLY USERS
1.5 billion

DAILY USERS
968 million

2015 AD REVENUE (THRU 2Q)
\$7.1 billion

PRICING BASICS
Basic and optimized CPM, CPC, CPAI and CPA



SNAPCHAT

Snapchat CEO Evan Spiegel has famously said he doesn't want "creepy" advertising on his mobile-social platform thanks to hypertargeting, causing a misconception in the industry that his company only offers blanket branding. The hottest app actually offers targeting based on a myriad of situations, with live events being perhaps the best of the bunch. For instance, iHeartRadio recently accrued 340 million Snapchat impressions during its two-day music festival outside of Las Vegas.

Through the platform's channels called Live Stories, Local Stories and Discover, Snapchat can target video ads against events and locations—like a major sporting event. It can also target male versus female and, with select advertisers, can home in on users older than 18 or 21. This summer, Bud Light successfully tested the age-gating capability via a branded party on California's Catalina Island with success—and Jim Beam recently trialed the feature too. Snapchat ads can also be device targeted to consumers using an iPhone or Android. Snapchat's sponsored geofilters can zero in on one or many locations at once, such as a municipality, college campus or movie theater.

"The best and worst part about Snapchat ads is that it's a growing platform," says Azher Ahmed, svp, director of digital operations, DDB Chicago. "As such, growing pains are expected as its content changes the 'purity' of the experience. But exposure and engagement with new audiences is incredibly attractive to brands. Those willing to be authentic to the newer platforms in which they're engaging have a huge payoff."

DAILY USERS
100 million

CONTENT CREATORS
65 percent of its users

VIDEO VIEWS
4 billion per day

PRICING BASICS
CPV and fixed fees



MONTHLY USERS
400 million

U.S. MARKET SHARE
28 percent

GLOBAL REACH
45% of users live outside the U.S.

PRICING BASICS
CPM, CPV and CPE

PINTEREST

Pinterest has had retailers' attention because shoppers appear to immensely enjoy the platform's visual emphasis. When it took the wraps off its long-anticipated Buyable Pins with buy buttons, interest only grew. "You've got to be careful not to lump Pinterest in with other platforms," explains Joe McCaffrey, head of social at Huge. "People visit there for specific ideas such as recipes or tips for cocktail parties. There's real purchase consideration there. All of which makes it a potentially powerful search engine."

Via an algorithm akin to Google Adwords, brands can target users that search the site based on what products interest them and in what price range. Generally, Pinterest ads can appear in search results, category feeds and the homepage feed, while homing in on folks based on location, device, gender, age and other interests. It can also retarget users who are brand-focused influencers.

"It's a little bit different than targeting people based on demographics or psychographics," McCaffrey adds. "But you aren't blanketing the masses. You are still taking aim at someone who appears to be in the purchase funnel."



MONTHLY USERS 316 million	TOTAL AUDIENCE REACH 700 million	2015 AD REVENUE (THRU 2Q) \$840 million	PRICING MODELS CPM, CPV and fixed fees
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TWITTER

As Twitter tries to regain cred on Wall Street—its stock price has fallen 40 percent in the last year—ad revenue is key. Of its recently unveiled new products, the most noteworthy is autoplay video promos, which aim to attract TV-minded budgets. Brands such as Sony Pictures Entertainment, TV Land and Heineken have already jumped aboard, and are now promised to deliver 100 percent viewability. "They are ideal for brands to create buzz for product rollouts and media launches," says marketing consultant David Deal. "Autoplay video ads inject a crucial element of video storytelling. Out of the gate, Twitter also effectively answered Facebook and Google with more attractive standards for charging for video views and the promise to employ third-party verification."

With the Twitter Audience Platform, the company boasts the ability to reach 700 million consumers. It's also ramped up its event targeting features as well as sales-conversions measurability for direct-response brands. Additionally, it has started offering Conversion Lift, which helps marketers weigh the effectiveness of Promoted Tweets, enabling them to better target ads. Referencing Conversion Lift data, Twitter says people who see Promoted Tweets are 1.4 times more likely to interact with a brand than those who don't see an ad.

Deal is taking a wait-and-see attitude: "I would look closely at how well Twitter targets an audience based on followers of Twitter accounts, which has traditionally been a selling point—in other words, the influencer effect."



INSTAGRAM

Instagram is quickly becoming the apple of big-brand marketers' eyes, especially now that Facebook stats are available on the platform. After a test period where only Fortune 500 companies could leverage both platforms at once, the spigot is now open to all marketers—including global companies that can target at the local level. "The ability to combine Facebook's treasure trove of user data and targeting ability with Instagram's visually driven, highly engaged audience allows marketers to connect with consumers with much greater levels of sophistication," says Kyle Bunch, managing director of social at R/GA. "It enables us to effectively translate our brand story to have the maximum impact with each individual viewer."

Since September, Instagram has also added 30-second ads, landscape images and call-to-action buttons that offer political marketers and other fundraisers the ability to employ a "Donate Now" button.

"Adding more of Facebook's targeting capabilities to Instagram has opened the door to much more sophisticated marketing," says Noah Mallin, head of social, MEC North America. "With the ability to serve sequential messaging across both platforms to specific audiences, we can begin to tie exposure to content with ROI-generating actions."

MONTHLY USERS
100 million, doubling in last 18 months

SITE SEARCHES IN PAST YEAR
Up 81 percent

FASHION PIN BOARDS
300 million

PRICING BASICS
CPM, CPC, CPE and CPAI



TOTAL USERS 10 million	MONTHLY PAGEVIEWS 10 billion	MOBILE APP TRAFFIC 1 million views per hour	PRICING BASICS CPM
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WHISPER

Marketers may not think that anonymity-based platforms offer much in the way of ad targeting, but Whisper does. It pitches keyword targeting that lets marketers zero in on Whisper's 10 million users in terms of what moods they're in (happy, depressed, bored, puzzled, etc.). The nascent app's rabid audience is getting brands' attention, recently attracting more than a dozen campaigns from the likes of MTV, Fox, Coca-Cola and Paramount Pictures. "It's early days, but we're encouraged by the engagement results and the conversation sparked," says Jennifer Healan, group director of integrated marketing content at Coca-Cola North America. "It's important to us to explore new social media pathways as we innovate in the digital space."

Here's something political marketers may like: Closet liberals and conservatives in red and blue states, respectively, often express their true legislative leanings via Whisper and can be nudged with an ad to get them to cast a vote they believe in.



MONTHLY USERS 550 million	NUMBER OF BLOGS 260 million	POSTS PER DAY 85 million	PRICING BASICS CPM, CPV and CPE
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TUMBLR

The Yahoo-owned social player focuses more on its content-creators program that entertainment marketers love, but it does have some data targeting. Tumblr Sponsored Posts and Sponsored Videos can be targeted by gender, shown interests and location—advertisers including AT&T, Tombstone Pizza and JetBlue have run ads. "It's made the least progress [with data targeting] when you look across platforms," remarks Hugué's McCaffrey. "Working with brands on content creation seems to be its bigger point of emphasis."



KIK

This immensely popular app among teens and college students has an emerging ad unit called Kik Points, which lets brands offer videos or stickers as users tally up scores in a game scenario. K-Swiss made use of it and saw 55 percent of viewers signaling intent to purchase the brand's gear—Kik plans to take it out of beta in Q1 2016. The ad unit offers gender, age, operating system and location targeting.

The ad unit builds on Kik Promoted Chats, which are bots that marketers can use as an acquisition tool (they lean on gender targeting). Dozens of brands including Funny or Die, Seventeen magazine and Vans have successfully trialed it.

Despite Kik's huge user stats, Jason Stein, CEO of Laundry Service, questions whether it could compete with Facebook, Instagram and Twitter, but adds, "I'm sure this will evolve given all of the data that Kik can collect."

TOTAL USERS 240 million
TEENS MARKET SHARE 40 percent
AVERAGE TIME SPENT 97 minutes per week
PRICING BASICS CPA