



FULL-YEAR 2017

INFLUENCER MARKETING BENCHMARKS REPORT



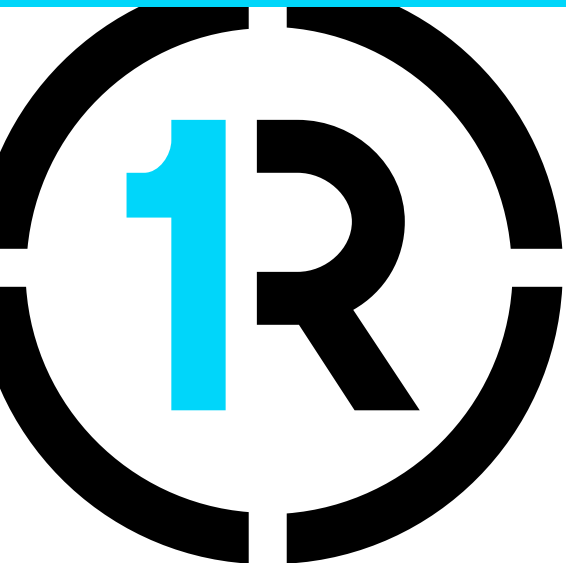


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About This Report

This Influencer Marketing Benchmarks Report for Full-Year 2017 offers an in-depth analysis of 74 US-based campaigns that ran and were completed with RhythmInfluence between January and December 2017. During this period, 66 unique brands spanning 19 advertiser categories ran campaigns with RhythmInfluence. More than 1,550 influencers created more than 8,700 pieces of content, in aggregate, across the 74 campaigns.

This report — the fifth in our series of Influencer Marketing benchmarking — is intended to provide advertisers category-level data and key insights relative to branded content execution, consumer engagement, brand sentiment and lift, earned media value (i.e., ROI), and more.

RhythmInfluence by RhythmOne

RhythmInfluence is the only end-to-end data-driven influencer marketing solution built to maximize the reach and impact of influencer content programs.

Our access to a broad and deep pool of influencers allows us to connect with engaged communities at scale. Our proprietary analytics tools — Sharing Analytics and Smart Links — capture actionable data that demonstrates what content drives user engagement and what encourages users to share with their family and friends. What's more, our social distribution expertise and industry-leading programmatic marketplace, RhythmMax, allow us to leverage this data and insights in social and programmatic environments to effectively advance prospects from awareness to action.

To learn more about RhythmInfluence, contact your RhythmOne account representative or visit RhythmOne.com > Advertisers > Influencer Marketing.

74

Influencer Marketing
Campaigns

66

Unique Brands

19

Advertiser Categories

8,700+

Pieces of Branded
Content

Full-Year 2017 Highlights

For the majority of digital marketers, Influencer Marketing has evolved from an emerging marketing practice to a trusted strategy for consumer engagement. An estimated 86% of marketers used Influencer Marketing in 2017¹ — and an estimated 67% think it helps them reach a more targeted audience².

RhythmOne's Influencer Marketing solutions leverage social media and programmatic channels that not only engage consumers at the micro-level, but scale to maximize reach and impact. This report charts benchmarks for our solutions and details how Influencer Marketing has helped 66 unique brands in 19 advertising categories engage their consumers with branded content programs.

¹ Sweeney, Erica. "Study: 39% of marketers will increase influencer marketing budgets in 2018." Marketing Dive. December 4, 2017.

² Contestabile, Giordano. "Influencer Marketing in 2018: Becoming an Efficient Marketplace." Adweek. January 15, 2018.

Full-Year 2017 Highlights

Benchmarks Snapshot



Across the 74 unique campaigns we ran in 2017, the **average spend on Influencer Marketing** was \$70,685 per campaign — an increase of 38.6% over our full-year 2016 average of \$51,000

Advertisers that implemented an Influencer Marketing campaign in 2017 received **\$12.21 in earned media value (EMV)** for every \$1.00 of campaign spend, on average, which is a 4.4% increase over our full-year 2016 EMV average of \$11.69.



Engagement rate (ER) across all Influencer Marketing campaigns was 8.20%, on average — an increase of more than 4x over our 2016 ER average of 2.01%.

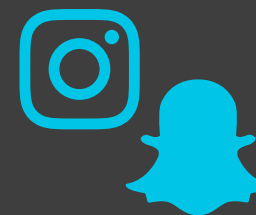
Average cost-per-engagement (CPE) was \$0.24 across all Influencer Marketing campaigns, down significantly from 2016's CPE average of \$0.93.

CPE



Advertisers that ran an Influencer Marketing program for two or more weeks saw, on average, an increase of 14.78% in brand mentions and an 8.73% increase in positive brand sentiment (vs. mentions and sentiment prior to the campaign flight).

Instagram Stories and Snapchat — utilized by 19.2% of all campaigns in 2017 — proved to be significant drivers of engagement.



A Retail advertiser that applied our emerging **Sharing Analytics and Smart Links** offerings to its Influencer Marketing campaign saw a Return on Advertising Spend (ROAS) of \$26 and a programmatic placement conversion rate of 1.19%.

Advertisers in select categories that have commoditized products generally found success with engagement when influencers showcased the products and branded content in **highly creative, DIY-style applications.**





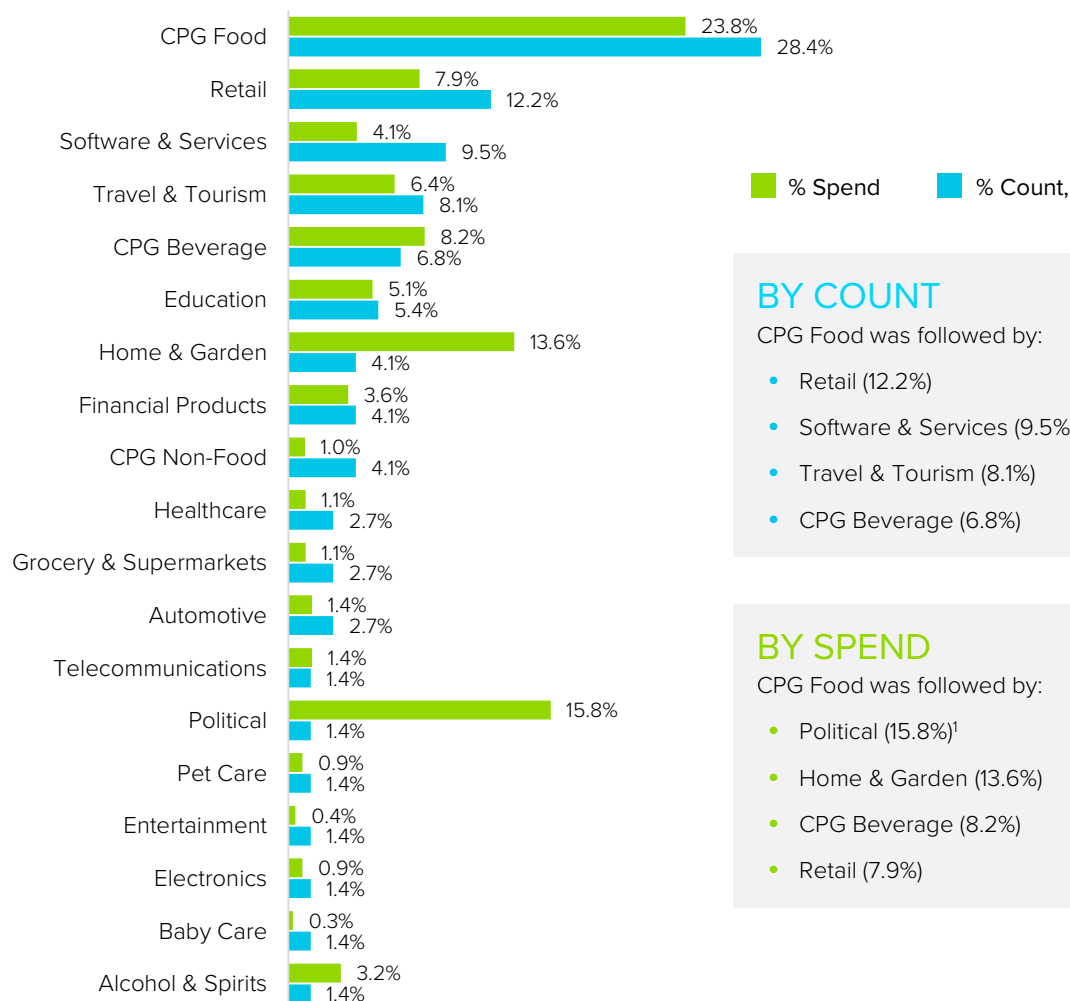
Full-Year 2017 Influencer Marketing Campaigns Overview

Similar to 2016, in 2017 the CPG Food advertiser category tops our list in both total count (28.4% of all campaigns, vs. 35.1% last year) and total spend (23.8% of all campaigns, vs. 42.6% last year). Of note: Retail gained ground this year, compared to last (12.2% of count and 7.9% of spend in 2017, vs. 2.6% of count and 5.9% of spend in 2017).

Full-Year 2017 Influencer Marketing Campaigns Overview

Full-Year 2017 Influencer Marketing Campaigns

by Advertiser Category



The average spend on Influencer Marketing campaigns in 2017 was \$70,685 per campaign. Among the 66 unique brands, 22.7% had a total program spend of \$100K or more (vs. 12% in 2016), 22.7% spent between \$50K-\$99.9K (vs. 21% in 2016), 34.8% spent between \$25K-\$49.9K, and 19.7% spent \$24.9K or less. For comparison, two out of every three (67%) Influencer Marketing campaigns in 2016 were \$49,999 or less.

By advertiser category, total campaign spend averages were as follows:

Political	\$824K
Home & Garden	\$236.7K
Alcohol & Spirits	\$165K
CPG Beverage	\$85.7K
Telecommunications	\$75K
Education	\$66.3K
Financial Products	\$62.7K
CPG Food	\$59.4K
Travel & Tourism	\$55.8K
Retail	\$45.8K
Electronics	\$45K
Pet Care	\$45K
Automotive	\$37.5K
Software & Services	\$30.9K
Grocery & Supermarkets	\$27.5K
Healthcare	\$27.5K
Entertainment	\$23K
CPG Non-Food	\$17.5K
Baby Care	\$15K

¹RhythmOne acted as the Influencer Marketing and social agency for an international political organization as part of a local 2017 election. In this activation, we utilized a number of tactics — including Facebook ads, paid search, Google Display Network, YouTube Ads, and Influencer content — to help share the organization's messaging. Due to the unique nature of this activation, certain campaign metrics were not included in campaign reporting as they did not exist in the grassroots efforts implemented by RhythmOne.

Campaign Tactics

For brands, there is no more effective place to engage consumers than a trusted environment. RhythmOne helps marketers connect with passionate influencers that authentically weave branded stories into content and social platforms that consumers trust, delivering powerful results. Whether it's a story told through a blog post, video, a picture, or any combination of these, we work with influencers to ensure they bring brands and products to life with engaging, custom content delivered to the right audience — amplified through the channels that will make the greatest impact.

SPONSORED BLOG POSTS

The majority (77%) of our 2017 Influencer Marketing campaigns included a Sponsored Blog Post.

Sponsored Blog Posts pair advertisers with influencers who develop and distribute long-form content — approved by the brand — that promotes products, services, or other initiatives. Depending on the specifics of the program, the content of Sponsored Blog Posts take the form of text, imagery, and/or video.

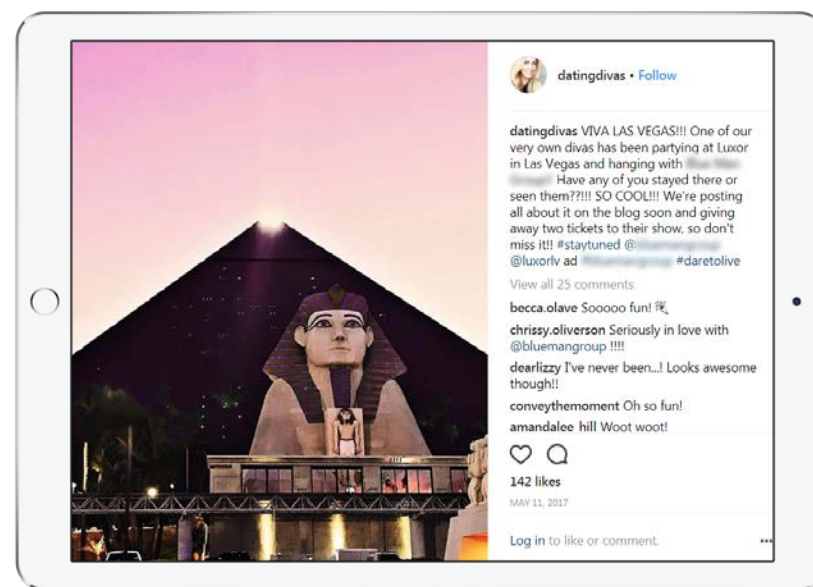
“We [are] fortunate to work with influencers who are passionate about the assets we create. They're able to share our organic content with their massive audiences and drive earned exposure.”¹

— **Tad Ehrbar**, SVP, Global Consumer Social Media and Content, **Citi**

SOCIAL AMPLIFICATION

Every campaign that ran a Sponsored Blog Post component also ran Social Amplifications.

The Social Amplification of Sponsored Blog Posts occurs when influencers promote the blog post(s) across their social media accounts including Instagram, Pinterest, Facebook, Twitter, and LinkedIn. Influencers use the features of the specific platforms to creatively feature images, video, campaign hashtags, etc. that tie back to the original Sponsored Blog Post.



¹Minsker, Maria. "Social Feeds Are Cluttered, but Citi Says There's Still Room for Brands." eMarketer. November 7, 2017.

Full-Year 2017 Influencer Marketing Campaigns Overview

Campaign Tactics (continued)

SOCIAL POSTS

Two-thirds (66%) of our 2017 Influencer Marketing campaigns featured Social Posts.

Our Social Posts component activates influencers to create original content to live exclusively on their own social media channels, including Instagram, Snapchat, Pinterest, Facebook, LinkedIn, and Twitter. Posting content in this capacity allows for our influencers to create and share succinct messaging that can include images, videos, campaign hashtags, and brand social handle tagging. Social Posts typically garner strong engagement, especially when targeting audiences of millennials.

“Historically influencers have been celebrities, but today, thanks to millennials, it’s not always about celebrities. Rather, it’s about relatability. Influencers can simply be people who have similar lifestyles.”¹

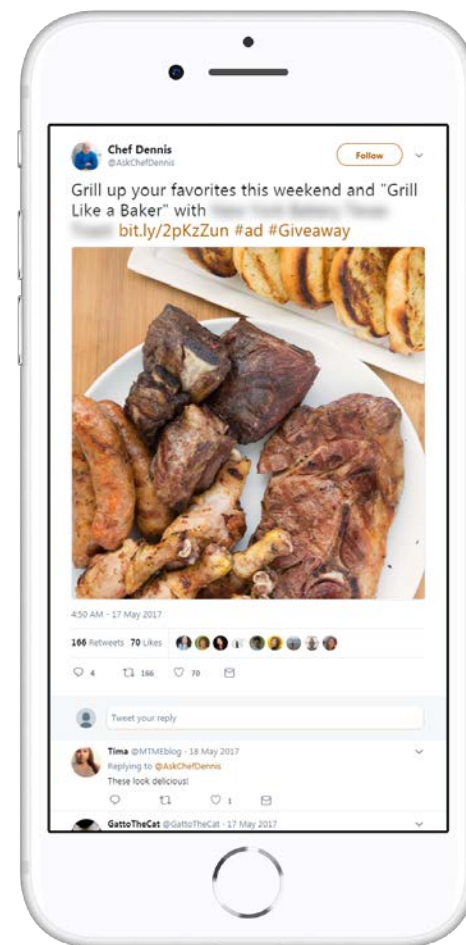
— **Mindy Murray**
Brand Communications Manager, 3M

PAID AMPLIFICATION — INFLUENCER SOCIAL ADS

More than four-in-five (82%) of our 2017 Influencer Marketing campaigns featured Influencer Social Ads.

Influencer Social Ads are the paid promotion of influencer content across Facebook and/or Instagram. The promoted posts are pushed through the influencers’ social profiles directly, vs. the social media accounts of brands. This allows advertisers to align their branded content with very specific audiences by leveraging RhythmOne’s analytics and the respective platform’s targeting capabilities. We then optimize across various influencers, content, and platforms to drive success.

¹Minsker, Maria. “Cuteness Sells: The New Twist Scotch-Brite Puts on Influencer Marketing.” eMarketer. May 19, 2017.



Full-Year 2017 Influencer Marketing Campaigns Overview

Campaign Tactics (continued)

SOCIAL MEDIA LISTENING

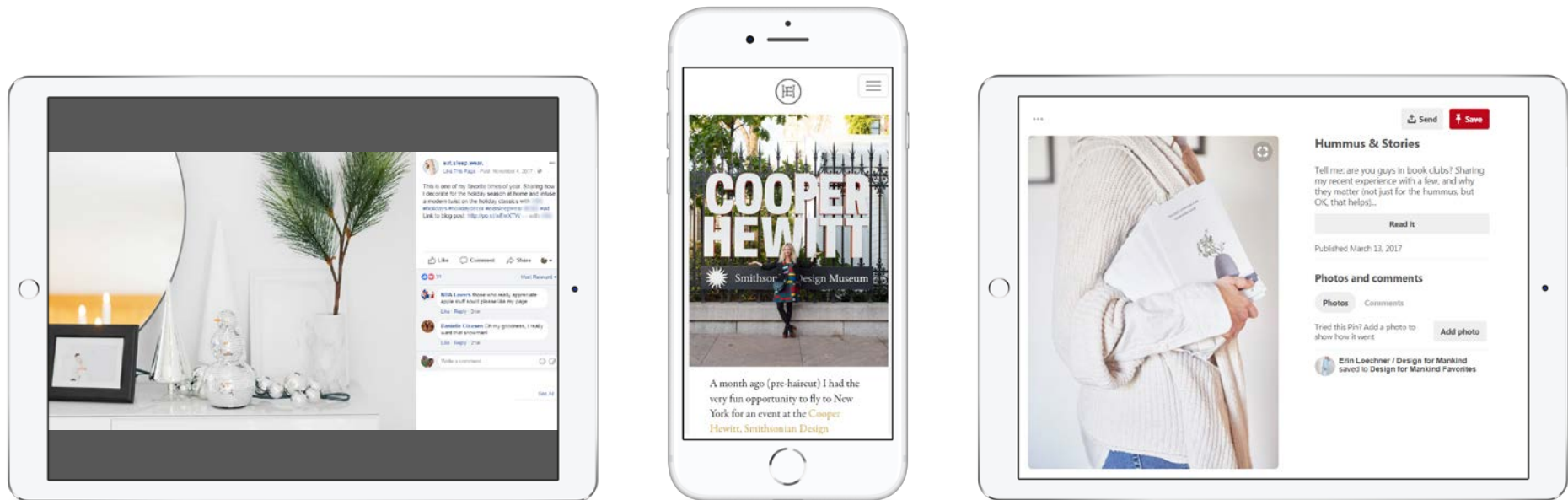
In 2017, we produced Social Media Listening reports for key advertising partners. Specifically, we tracked fluctuations in campaign positive sentiment, brand mention lift, and brand sentiment lift. Social Media Listening is offered to our clients on a campaign-by-campaign basis for programs that run for at least two weeks.

EMERGING: SHARING ANALYTICS AND SMART LINKS

In 2017, one Influencer Marketing campaign in the Home & Garden category ran with two new-to-market products that are specifically

geared towards tracking social sharing: Sharing Analytics and Smart Links. With Sharing Analytics, we analyze the activity of users that share and engage with content through copy and paste activity — and then track sharing on traditional social platforms as well as on dark social channels including email, IMs, and text.

With Smart Links, advertisers can control the paths of consumers on their sites based on country, state-level geo, and/or mobile device. Smart Links provide deep insights on consumers who click on shortened links from Influencer Marketing campaigns and allow for segmentation to maximize programmatic targeting.



A high-angle photograph of a man and a woman in business attire sitting on red armchairs. The man, on the left, is wearing a dark blue suit and is looking at a tablet held by the woman. The woman, on the right, is wearing a light-colored blazer and dark pants, and is holding the tablet. They are both looking at the screen. The background is a bright green wall with a textured, wavy pattern. The floor is a bright green surface with a similar texture. The overall lighting is bright and even.

Executive Summary

Executive Summary

Earned Media Value

Advertisers that implemented an Influencer Marketing campaign in 2017 received \$12.21 in earned media value (EMV) for every \$1.00 of campaign spend, on average. This is a 4.4% increase over our full-year 2016 EMV average of \$11.69. See the “Earned Media Value Defined” section of this report for more details into the criteria we use to calculate EMV and how campaign-specific factors affect what is calculated.

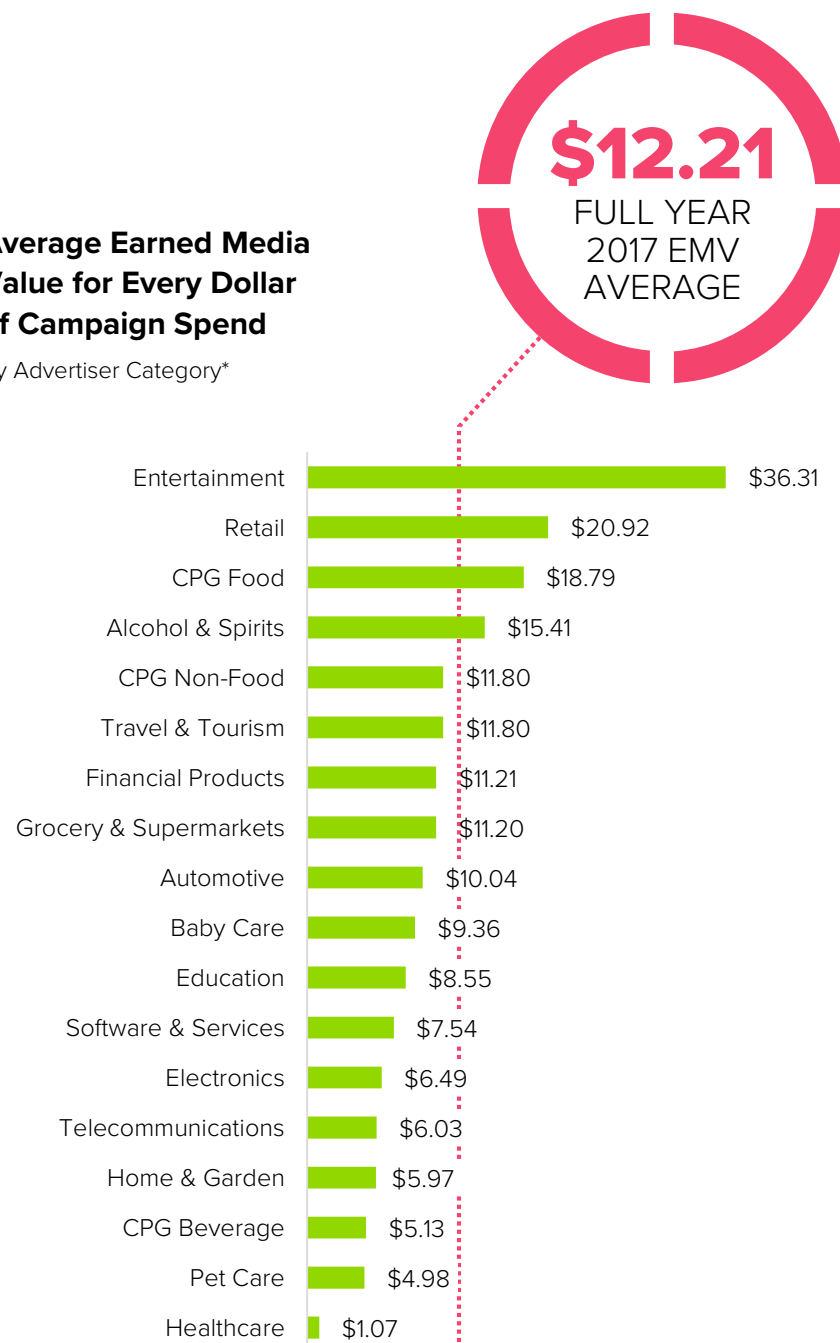
The average EMV return breakdown is as follows:

1.	Entertainment	\$36.31
2.	Retail	\$20.92
3.	CPG Food	\$18.79
4.	Alcohol & Spirits	\$15.41
5.	CPG Non-Food	\$11.80
6.	Travel & Tourism	\$11.80
7.	Financial Products	\$11.21
8.	Grocery & Supermarkets	\$11.20
9.	Automotive	\$10.04
10.	Baby Care	\$9.36
11.	Education	\$8.55
12.	Software & Services	\$7.54
13.	Electronics	\$6.49
14.	Telecommunication	\$6.03
15.	Home & Garden	\$5.97
16.	CPG Beverage	\$5.13
17.	Pet Care	\$4.98
18.	Healthcare	\$1.07

Note: The Political advertiser category was not included in our full-year 2017 EMV calculations.

Average Earned Media Value for Every Dollar of Campaign Spend

By Advertiser Category*



Earned Media Value (continued)

EARNED MEDIA VALUE DEFINED

Earned Media Value (EMV) refers to the value that can be attributed to publicity, social sharing, and other organic, earned digital media exposure. EMV provides a means of measuring the ROI of influencer programs by assigning a value to the reach and engagement with branded content. It's a good measure to understand the “amplification-effect” of Influencer Marketing. In calculating EMV, dollar values are assigned for every engagement on every channel/social media platform used by Influencer Marketing programs. These values are determined based on industry standards, independent research commissioned by partners of RhythmOne, and data released by social platforms.

We consider a wide variety of measurements to calculate EMV. The more clout an influencer has generally means more followers will engage with and share their content.

Keep in mind that campaign-specific factors (including timing/flight dates) and tactics can and do significantly impact EMV, as well as engagement rates, cost-per-engagement metrics, and even social media listening measures.

RhythmOne EMV Measurements

- B Sponsored Blog Post Comments and Replies**
- Contest and Sweepstakes Entries**
- Facebook:** Shares, Comments, Reactions, Video Views, Shares from Posts
- Twitter:** Re-Tweets, Mentions, Favorites
- Pinterest:** Re-Pins, Comments, Likes, Shares from Posts
- Instagram:** Comments, Video Views, Likes
- YouTube:** Views, Comments, Shares
- Google+:** Shares, Comments, Likes, Shares from Posts
- Snapchat:** Views, Screenshots
- Reach of Influencer Social Media Profiles**
- Other Social Shares:** Clicks to Brand URLs, Posts with Specific Campaign Hashtags



Get the Most Traction from Influencer Content

No matter what kind of custom branded content an influencer has created on behalf of your brand, it should be distributed across all digital channels in order to truly amplify the message and connect with as many consumers as possible.

In addition to distribution through social channels, which is part of most influencer marketing programs, work with a provider who can also help you amplify the impact of branded content — **allowing you to reach new and broader audiences of like-minded consumers.**

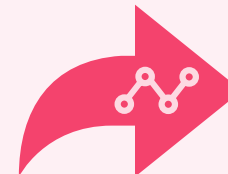
Engagement Rate

On average in 2017, our Influencer Marketing campaigns delivered an 8.20% engagement rate (ER) for advertisers. This figure is more than four times higher than our 2016 ER average of a 2.01%. As noted earlier in the EMV section of this report, campaign-specific factors can and do affect engagement levels and can steer averages for categories overall. Category-specific insights are included later in this report.

The average ER breakdown is as follows:

1.	CPG Non-Food	33.87%
2.	Home & Garden	18.35%
3.	CPG Food	14.14%
4.	Education	10.24%
5.	Baby Care	10.11%
6.	Retail	8.87%
7.	Alcohol & Spirits	6.97%
8.	Grocery & Supermarkets	6.82%
9.	CPG Beverage	6.65%
10.	Travel & Tourism	2.81%
11.	Software & Services	1.90%
12.	Financial Products	1.59%
13.	Automotive	1.17%
14.	Telecommunications	1.13%
15.	Entertainment	0.95%
16.	Healthcare	0.64%
17.	Pet Care	0.50%
18.	Electronics	0.28%

Tap Into Influencer Audiences with Sharing Analytics



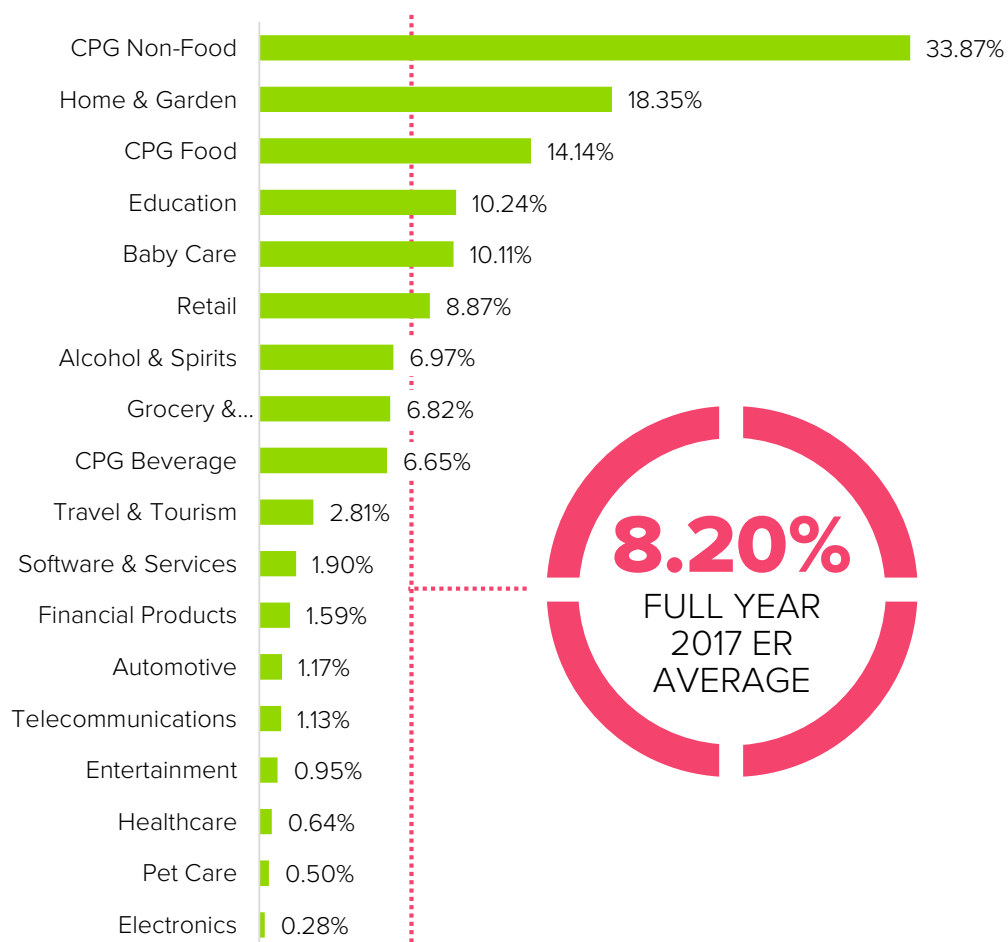
Social sharing is essential to track because it is such a strong signal of user social engagement. Knowing how consumers are behaving across your owned digital properties and social channels — even dark social channels including email, instant messaging, and text — is essential in an age where accountability and attribution are paramount.

With RhythmOne's Sharing Analytics tools, advertisers can understand what content drives user engagement and encourage them to share with their friends and family. By placing our Sharing Analytics on the sites of RhythmInfluence influencers, we can extend the engaged audiences interacting with branded/influencer content. The data derived from these proprietary analytics tools can then be leveraged together with third-party data, to seed content or run complementary ad campaigns programmatically — extending the reach of your programs and activating like-minded, high-performing engaged audiences.

Engagement Rate (continued)

Engagement Rate

By Advertiser Category



Note: The Political advertiser category was not included in our full-year 2017 ER calculations.

ENGAGEMENT RATE (ER)

Total engagements divided by total exposure

TOTAL ENGAGEMENTS

Measurable actions taken by consumers, including but not limited to: comments, clicks, and social media measures including likes, reactions, shares, views, etc.

TOTAL EXPOSURE

The number of times an influencer's audience was exposed to an Influencer Marketing program via all channels used in the specific campaign (e.g., blogs, social media, etc.).

Cost-Per-Engagement

On average in 2017, our advertisers saw a \$0.24 cost-per-engagement (CPE) on their Influencer Marketing campaigns — a change of 74.2 % when compared to our 2016 CPE average of \$0.93. CPE is generated by dividing a campaign's total spend (i.e., creative, content development, media spend, etc.) by the raw number of engagements. It is a relatively new metric in our Influencer Marketing campaigns, having first been introduced in 2016.

The average CPE breakdown is as follows.

1.	Retail	\$0.09
2.	CPG Non-Food	\$0.12
3.	CPG Food	\$0.17
4.	Alcohol & Spirits	\$0.28
5.	Home & Garden	\$0.35
6.	Baby Care	\$0.36
7.	Education	\$0.60
8.	Grocery & Supermarkets	\$0.72
9.	Travel & Tourism	\$0.78
10.	Entertainment	\$0.92
11.	Financial Products	\$0.98
12.	Software & Services	\$1.01
13.	CPG Beverage	\$1.07
14.	Pet Care	\$1.50
15.	Healthcare	\$1.72
16.	Automotive	\$2.35
17.	Electronics	\$2.64
18.	Telecommunications	\$4.14

CPE

Defining Cost-Per-Engagement

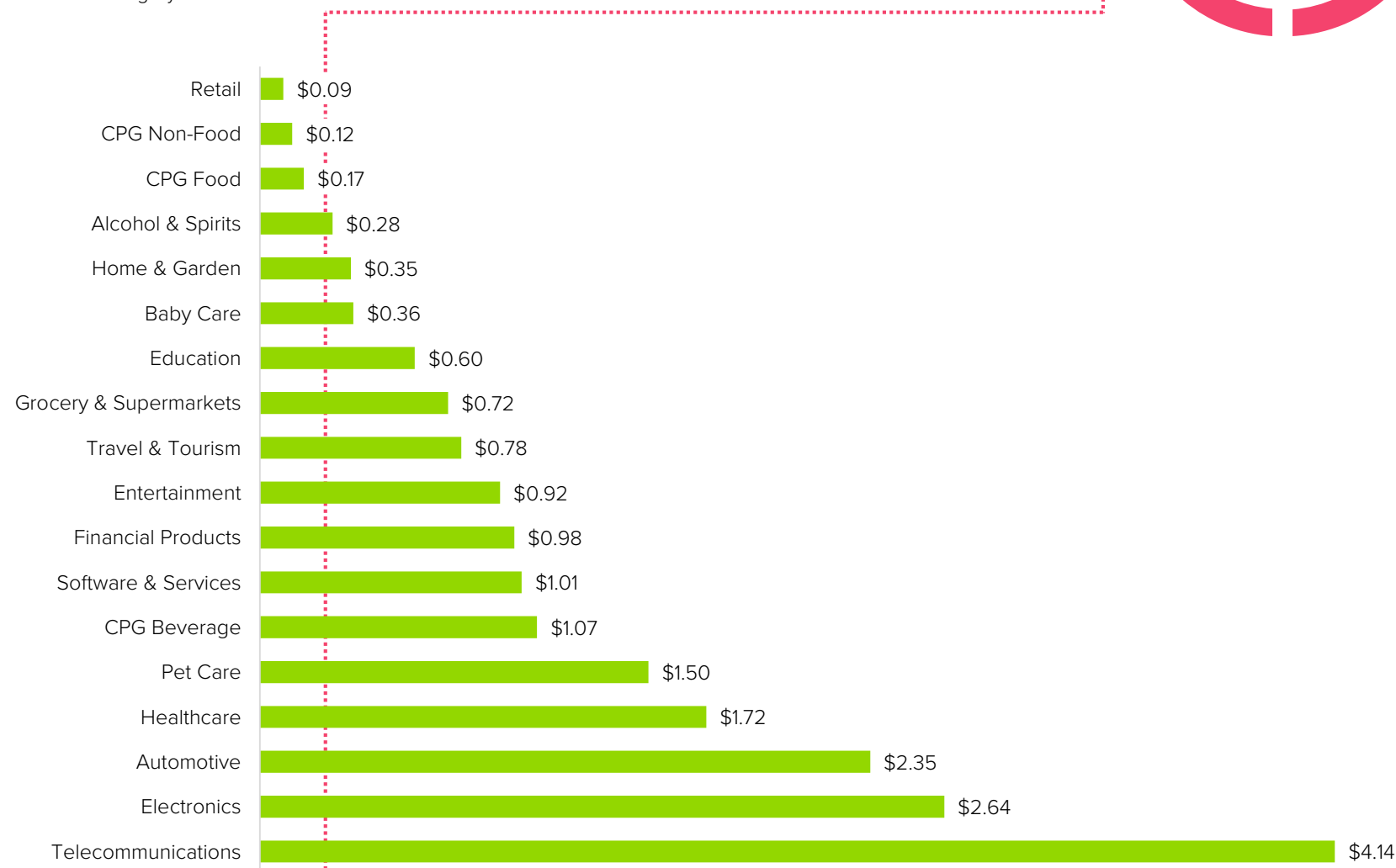
Cost-per-engagement (CPE) seeks to quantify the value of an engaged consumer across all social media channels. Like cost-per-click, CPE can provide a view into efficiency and competition for that users' attention.

The implications of a high CPE are twofold: (a) that consumers are saturated with messaging and content in a vertical, so it will be more difficult to attract attention, or (b) for an otherwise unsaturated vertical, it may indicate that the creative execution is not resonating with an advertiser's target audience. Testing messages, offerings, and/or designs to hone CPE can help create a more effective Influencer Marketing campaign.

Cost-Per-Engagement (continued)

Cost-Per-Engagement

By Advertiser Category

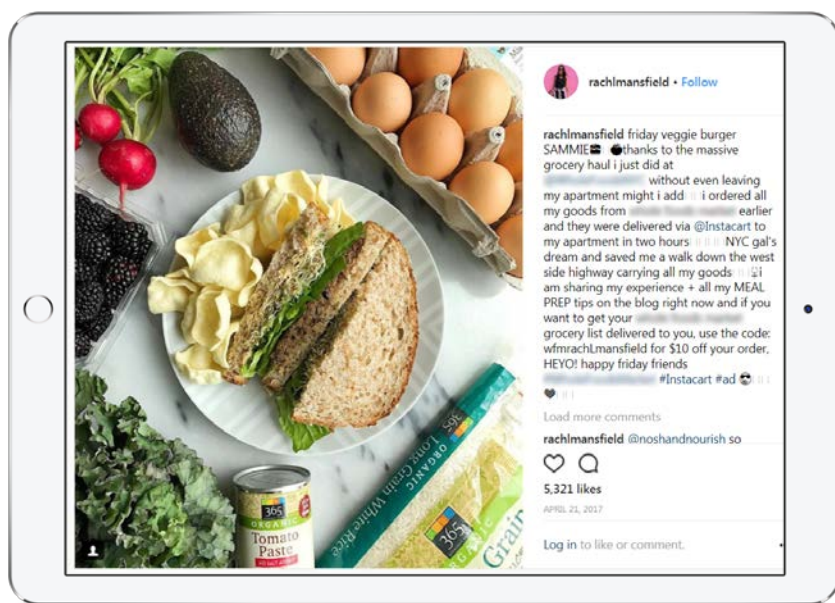


Executive Summary

Social Media Listening

Social Media Listening is the process of identifying and assessing what is being said about a company, individual, product or brand by mining text for specific keywords on social media, blogs and across media publications.

RhythmInfluence offers Social Media Listening to advertisers on a campaign-by-campaign basis. In the case of our Full Year 2017 Influencer Marketing Benchmarks Report, we examined brand mentions and brand lift for key advertisers that ran a RhythmInfluence program for at least a two-week flight. Two advertiser categories were represented in this effort.¹



In 2017, on average, advertisers saw an increase of 41.68% in brand mentions (up from an average of 14.78% in 2016) and an 8.23% increase in positive brand sentiment vs. mentions and sentiment prior to the campaign flight. The latter figure is in-line with our 2016 average of 8.73%.

The average lifts in mentions and sentiment, respectively, per advertiser category in 2017 is as follows:

Advertiser Category	% of 2017 Category Campaigns Evaluated	Brand Mention Increase (Average)	Positive Brand Sentiment Increase (Average)
CPG Food	14.3%	41.9%	8.57%
Retail	11.1%	41.0%	7.4%

¹ In 2016, nine advertiser categories were represented in our Social Media Reporting, and a larger share of campaigns in these categories applied the measures. For example: 37% of CPG Food campaigns in 2016 were measured, vs. 14.3% this year; 75% of Retail campaigns in 2016 were measured, compared to 11.1% this year. These fluctuations in volume of campaigns with Social Media Listening affect the fluctuations as reported this year in brand mentions and positive brand sentiment.

Executive Summary

Drive Amplification with Programmatic Placements

Led by **RhythmOne**, the programmatic distribution of influencer content beyond the “walled gardens” of social media emerged in 2016. By extending influencer content into programmatic ads, advertisers can deliver content that is more relevant to the target audiences and see higher engagement — and programmatic distribution can also provide another layer of measurement to help brands assess the performance of content and the ultimate value of influencers.¹

Branded content created by influencers can be turned into programmatic display and video ads that run on mobile devices and desktop. The ads can drive back to the original Influencer Marketing content (e.g., a Sponsored Blog Post) or expand the exposure to the

“[Programmatic attribution] is a matter of whether we can prove out that some of these [Influencer Marketing] tactics around brand awareness and reach for new customers actually do drive customers to the site or to stores.”²

— **Allison Holbrook**
Digital Media Manager, **DSW**

brand destination driving direct response — and depending on the execution, this influencer content and/or video can appear as “informational” and native to consumers, vs. a standard digital/video ad that might be perceived as disruptive. In addition, full-page ad

units that include a video — as opposed to using video content only — can pull both seeded content and influencer video into an immersive user experience.



By leveraging advertisers’ owned data (e.g., mobile app data, site data, and CRM/customer data), RhythmOne proprietary data including Sharing Analytics and Smart Links, and paid data (e.g., impression data, bid request data, contextual data, domain data, and behavioral data), RhythmOne amplifies reach and impact of branded content by seeding it programmatically through our brand-safe platform, RhythmMax. With this approach, we help guide consumers down the funnel from awareness to conversion, making your influencer marketing programs far more effective and impactful.

¹ Chen, Yuyu. “Bypassing creative: How agencies are turning influencer posts into programmatic ads.” Digiday. March 31, 2017.

² Hercher, James. “Why Connecting Influencers To Programmatic Was A ‘Shoe’-In For DSW.” AdExchanger. March 23, 2018.

Conclusions

Our Full-Year 2017 Influencer Marketing Benchmarks Report is intended to serve as a barometer for helping advertisers make informed decisions about how and where to implement Influencer Marketing programs.

KEY TAKEAWAYS:

Begin with the end in mind.

Advertisers that run successful Influencer Marketing programs have clearly defined goals at the outset. For example, are you looking for engagement? A lift in brand awareness across social media? An increase in traffic to your website? A higher sales conversion rate on a product landing page? Influencer Marketing can reach target consumers at all stages of the conversion funnel — and having a set of realistic KPIs in advance will not only steer your campaign in the right direction with regards to specific tactics, but it will also help ensure you reach your desired goal(s).

Focus on engagement.

Influencer Marketing is inherently social; when implemented well it can be an open (but directed) conversation that is amplified to the masses. This is why it's vital to focus on follower engagement. While metrics focused on quantity are of course important (e.g., follower count, posts per day/week, etc.), it's engagement that has the biggest impact on meeting and even exceeding KPIs. One of the highlights of Influencer Marketing is the opportunity for a brand to leverage an influencer's

unique voice. That unique voice has a big impact on the type of content an influencer can produce for brands — and it's that unique voice that ultimately drives consumer engagement with the branded content.

“Know thy audience.”

It is critical to know the social media preferences of your target audience(s) and to optimize your efforts on the channels that drive the highest levels of engagement. It's equally important to ensure your Influencer Marketing messages are aligned with channels that reflect the advertiser's brand personality and pillars — because often times the medium itself can be the message. The same can be said for selecting the right influencers for your brand.

Rely on EMV as an Organic Engagement Barometer.

Earned Media Value (EMV) is a good metric to gauge how Influencer Marketing campaigns are performing organically. No matter the category, well-executed programs that leverage the right influencers, along with the right elements and channels, deliver the highest EMV. Consumers literally “like” branded content that speaks to them authentically, and as such they are more inclined to comment, share, retweet, pin, and favorably react to it.

Measure Influencer Marketing efficiency with CPE metrics.

Cost-per-engagement (CPE) in Influencer Marketing is a measure of efficiency. At the same time, the advertiser category itself can impact CPE levels. For example, a high-consideration product — such as a new car, or a financial investment offering — is not in the same as

Conclusions (continued)

fast-food or paper towels. As such, higher-consideration products and offerings can have higher CPEs than other products/offerings.

Know the benefits and limitations of Social Media Listening.

Social Media Listening is a good way to gauge if branded content is resonating with consumers. However, outside factors unrelated to paid Influencer Marketing programs can and do affect brand mention and positive sentiment measures. For example, if a celebrity were to tweet about a brand or product in the middle of an Influencer Marketing flight, it's a safe assumption that brand/product mentions would spike during the measured period.

Embrace programmatic and analytic tools to help scale Influencer Marketing.

Distributing Influencer Marketing through video or rich media units with social sharing features can provide a great way for your branded content to reach new audiences — expanding the reach and impact of your campaign. Additionally, these distribution formats can be precisely targeted, when run programmatically, with data (captured at the content level, for example) and audience overlays to help ensure the audience you reach matches the same engaged audiences you engage through social media channels.

Work with a partner who “gets” Influencer Marketing.

At its core, Influencer Marketing is about customization. The more custom a program is, the more authentic it will be in the eyes of consumers. Authenticity is what sells in this game. Work with partners who understand and fully embrace the power of creative thinking and custom offerings, and work with partners who understand and embrace the importance of managed services. After all, Influencer Marketing is perhaps the most “human” of marketing strategies.

Category-Specific Benchmarks

Category-Specific Benchmarks

Alcohol & Spirits



1.4%

of all RhythmInfluence
programs in 2017

3.2%

of total spend

2

Influencers used by the single
advertiser in this category

76

combined pieces
of content created

CATEGORY-SPECIFIC BENCHMARKS

EMV	\$15.41
ER	6.97%
CPE	\$0.28
% of Campaigns with Video	100%
% of Campaigns with Instagram Story Views and/or Snapchat	100%

CATEGORY-SPECIFIC TAKEAWAYS

- In addition to creating videos for the sponsored blog posts, influencers promoted the alcoholic beverage's branded content via video-enhanced Influencer Social Ads — an effort which garnered a 25.8% engagement rate alone, largely due to the video creative itself resonating with the target audience.
- The influencers also leveraged Instagram Stories and Pinterest via Social Amplifications, all of which drove engagement that contributed to a higher-than-average EMV (\$15.41 vs. \$12.21).

Category-Specific Benchmarks

Automotive



2.7%

of all RhythmInfluence
programs in 2017

1.4%

of total spend

14

Influencers used

80

combined pieces
of content created

CATEGORY-SPECIFIC BENCHMARKS

EMV	\$13.55
ER	1.17%
CPE	\$2..35
% of Campaigns with Video	Not used
% of Campaigns with Instagram Story Views and/or Snapchat	Not used

CATEGORY-SPECIFIC TAKEAWAYS

- All campaigns in the Automotive category were geared towards male audiences.
- One-half (50%) of Automotive advertisers ran a giveaway to help drive user engagement.
- Automotive had the third highest CPE among all categories, but its ER fell in the bottom third among all categories — likely indicating message saturation, or a high barrier to engagement.

Category-Specific Benchmarks

Baby Care



1.4%

of all RhythmInfluence programs in 2017

0.3%

of total spend

11

Influencers used

52

combined pieces of content created

CATEGORY-SPECIFIC BENCHMARKS

EMV	\$9.36
ER	10.11%
CPE	0.36
% of Campaigns with Video	Not used
% of Campaigns with Instagram Story Views and/or Snapchat	Not used

CATEGORY-SPECIFIC TAKEAWAYS

- Baby care and baby-related products by nature have precisely defined audience: new parents and oftentimes first-time parents. Precise targeting (i.e., influencer selection) is what helped drive an above-average engagement rate for this campaign.
- Facebook and Instagram were the top-performing social media channels in this execution.

Category-Specific Benchmarks

CPG Beverage

Non-alcohol including soft drinks and bottled water



6.8%

of all RhythmInfluence programs in 2017

8.2%

of total spend

34

Influencers used

353

combined pieces of content created

CATEGORY-SPECIFIC BENCHMARKS

EMV	\$5.13
ER	6.65%
CPE	\$1.07
% of Campaigns with Video	20%
% of Campaigns with Instagram Story Views and/or Snapchat	20%

CATEGORY-SPECIFIC TAKEAWAYS

- 80% of the campaigns in the CPG Beverage category showcased products directly in the blog posts and social handles via creative imagery and video.
- 40% of CPG Beverage campaigns also leveraged influencer events that were targeted to specific geographic regions; one campaign highlighted a “mobile learning lab” throughout a Southern state.

Category-Specific Benchmarks

CPG Food



28.4%

of all RhythmInfluence
programs in 2017

23.8%

of total spend

717

Influencers used

3,103

combined pieces
of content created

CATEGORY-SPECIFIC BENCHMARKS

EMV	\$18.79
ER	14.14%
CPE	\$0.17
% of Campaigns with Video	43%
% of Campaigns with Instagram Story Views and/or Snapchat	10%



SNAPSHOT: Social Media Listening (Three Campaigns)

41.91% Average Lift in Brand Mentions

8.28% Average Lift in Positive Brand Sentiment

CATEGORY-SPECIFIC TAKEAWAYS

- The vast majority (86%) of CPG Food campaigns had the influencers personally use the advertised product(s) directly in the branded content.
- Two out of every five CPG Food campaigns ran a giveaway (29%) or contest (10%). The incentive to engage with branded content for a chance to win a product was a contributor to the more than 1.5x average ER for this category.
- Campaigns that encouraged recipe sharing (with photos and videos) contributed significantly to the lifts in brand mentions and positive brand sentiment, as well as above-category averages for engagement metrics.
- Influencer Social Ads on Facebook and Instagram drove high engagement among targeted audiences (e.g., moms), contributing to above average results for EMV and ER, and below average results for CPE.

Category-Specific Benchmarks

CPG Non-Food



4.1%

of all RhythmInfluence
programs in 2017

1.0%

of total spend

12

Influencers used

50

combined pieces
of content created

CATEGORY-SPECIFIC BENCHMARKS

EMV	\$11.80
ER	33.87%
CPE	\$0.12
% of Campaigns with Video	Not used
% of Campaigns with Instagram Story Views and/or Snapchat	Not used

CATEGORY-SPECIFIC TAKEAWAYS

- All campaigns in this category ran a product giveaway as a component of Sponsored Blog Posts and Social Amplifications — likely the primary driver of the above average ER rate (the highest average by category) and a low CPE figure.
- Products in this category (batteries, multi-purpose cleaner, and so on) tend to be commodities with “traditional” straight-ahead packaging — and advertisers who found the most success with high engagement worked with influencers who showcased the products and branded content in highly creative, DIY-style applications.

Category-Specific Benchmarks

Education



5.4%

of all RhythmInfluence
programs in 2017

5.1%

of total spend

25

Influencers used

211

combined pieces
of content created

CATEGORY-SPECIFIC BENCHMARKS

EMV	\$8.55
ER	11.80%
CPE	\$0.60
% of Campaigns with Video	50%
% of Campaigns with Instagram Story Views and/or Snapchat	50%

CATEGORY-SPECIFIC TAKEAWAYS

- Campaigns in this category were geared towards teens, young Millennials, and/or their parents. As such, Instagram, Snapchat, and YouTube were top social channels for driving engagement.
- For some campaigns, Snapchat geo-filters proved effective in reaching specific audiences of teens in several Designated Market Areas.
- One Education campaign ran a live event with influencers, on campus, to create excitement around enrollment and drive engagement with the school's social media.

Category-Specific Benchmarks

Electronics



1.4%

of all RhythmInfluence
programs in 2017

0.9%

of total spend

12

Influencers used

50

combined pieces
of content created

CATEGORY-SPECIFIC BENCHMARKS

EMV	\$6.49
ER	0.28%
CPE	\$2.64
% of Campaigns with Video	Not used
% of Campaigns with Instagram Story Views and/or Snapchat	Not used

CATEGORY-SPECIFIC TAKEAWAYS

- The advertiser in this category leveraged a product giveaway as an element of branded content, which included Influencer Ads and Social Posts.
- Precise audience targeting was a significant element of this electronics campaign, which honed-in on moms — perhaps a misfire for the advertiser's strategy given the relatively low ER and high CPE.

Category-Specific Benchmarks

Entertainment



1.4%

of all RhythmInfluence programs in 2017

0.4%

of total spend

8

Influencers used

15

combined pieces of content created

CATEGORY-SPECIFIC BENCHMARKS

EMV	\$36.31
ER	0.95%
CPE	\$0.92
% of Campaigns with Video	100%
% of Campaigns with Instagram Story Views and/or Snapchat	100%

CATEGORY-SPECIFIC TAKEAWAYS

- The advertiser in this category — a mainstream animated children's movie — leveraged a live event as well as video to create excitement and drive engagement.
- A combination of Sponsored Blog Posts plus Social Amplification, Social Posts, and Influencer Social Ads added scale to the campaign that boosted reach and exposure — leading to the highest EMV figure by category in 2017.

Category-Specific Benchmarks

Financial Products



4.1%

of all RhythmInfluence
programs in 2017

3.6%

of total spend

39

Influencers used

731

combined pieces
of content created

CATEGORY-SPECIFIC BENCHMARKS

EMV	\$11.21
ER	1.59%
CPE	\$0.98
% of Campaigns with Video	Not used
% of Campaigns with Instagram Story Views and/or Snapchat	Not used

CATEGORY-SPECIFIC TAKEAWAYS

- Two-thirds of the campaigns in this category leveraged Social Posts and Influencer Social Ads in addition to Sponsored Blog Posts and Social Amplifications.
- One campaign for a financial “wallet” app leveraged Social Ads via Facebook specifically to drive engagement, which resulted in an overall ER that was 2x the 2017 category average.
- Some financial products have a high barrier to engagement due to the nature and specificity of the offering; as such, Influencer Marketing may be considered a more effective channel for brand awareness.

Category-Specific Benchmarks

Grocery & Supermarkets



2.7%

of all RhythmInfluence
programs in 2017

1.1%

of total spend

14

Influencers used

97

combined pieces
of content created

CATEGORY-SPECIFIC BENCHMARKS

EMV	\$11.20
ER	6.82%
CPE	\$0.72
% of Campaigns with Video	Not used
% of Campaigns with Instagram Story Views and/or Snapchat	Not used

CATEGORY-SPECIFIC TAKEAWAYS

- Every campaign in this category included products in the branded content — including exclusive codes for \$10 off online orders — to help drive engagement.
- Instagram and Pinterest were successful Social Amplification platforms for engaging food photos and imagery.

Category-Specific Benchmarks

Healthcare



2.7%

of all RhythmInfluence
programs in 2017

1.1%

of total spend

7

Influencers used

82

combined pieces
of content created

CATEGORY-SPECIFIC BENCHMARKS

EMV	\$1.07
ER	0.64%
CPE	\$1.72
% of Campaigns with Video	Not used
% of Campaigns with Instagram Story Views and/or Snapchat	Not used

CATEGORY-SPECIFIC TAKEAWAYS

- All Healthcare campaigns in 2017 leveraged Influencer Social Ads and Social Posts in addition to Sponsored Blog Posts and Social Amplifications.
- Similar to the Baby Care category, the Healthcare advertisers tended to have precisely defined targets, such as expectant mothers in specific DMA(s) who may be in need of a local birthing hospital.

Category-Specific Benchmarks

Home & Garden



4.1%

of all RhythmInfluence
programs in 2017

13.6%

of total spend

18

Influencers used

233

combined pieces
of content created

CATEGORY-SPECIFIC BENCHMARKS

EMV	\$5.97
ER	18.35%
CPE	\$0.35
% of Campaigns with Video	Not used
% of Campaigns with Instagram Story Views and/or Snapchat	Not used

CATEGORY-SPECIFIC TAKEAWAYS

- One Home & Garden advertiser ran a giveaway to help drive engagement across Social Amplifications.
- Another advertiser in this category hosted a live event for influencers to discover innovative new designs from a brand and use the experience for engaging content across blogs and social media.
- With branded content generally geared towards women aged 25-54, Instagram and Facebook proved to be the best performing social media channels for the category.

Category-Specific Benchmarks

Pet Care



1.4%

of all RhythmInfluence
programs in 2017

0.9%

of total spend

18

Influencers used

233

combined pieces
of content created

CATEGORY-SPECIFIC BENCHMARKS

EMV	\$4.98
ER	0.50%
CPE	\$1.50
% of Campaigns with Video	Not used
% of Campaigns with Instagram Story Views and/or Snapchat	Not used

CATEGORY-SPECIFIC TAKEAWAYS

- This advertiser, a major dog food brand, exclusively ran with Social Posts and Influencer Social Ads only (i.e., no Sponsored Blog Posts), which likely affected the engagement rate.
- Precise audience targeting was a significant element of this campaign, and several animal “influencers” with large followings on social media were used to drive excitement.

Political



1.4%

of all RhythmInfluence programs in 2017

15.8%

of total spend

8

Influencers used

59

combined pieces of content created—
in this case, Facebook posts

CATEGORY-SPECIFIC BENCHMARKS

RhythmOne acted as the Influencer Marketing and social agency for an international political organization as part of a local 2017 election. In this activation, we utilized a number tactics — including Facebook ads, paid search, Google Display Network (GDN), YouTube Ads, and Influencer content — to help share the organization’s messaging. Due to the unique nature of this activation, certain campaign metrics were not included in campaign reporting as they did not exist in the grassroots efforts implemented by RhythmOne.

KEY TAKEAWAYS AND PERFORMANCE HIGHLIGHTS FOR THE CAMPAIGN, BY TACTIC:

- **Facebook ads:** 4.79% Engagement Rate
- **Paid Search:** 7.09% CTR; average search position of 1.1
- **GDN:** 0.26% CTR
- **YouTube ads:** 26+% VCR
- **Mobile/Desktop Video & Display ads:** 80+% VCR (video); 0.21% CTR (display)
- **Influencer content:** 6.61% positive engagement rate with Facebook posts (total “positive” comments, likes, and reactions divided by total reach of influencer posts)

Category-Specific Benchmarks

Retail



12.2%

of all RhythmInfluence programs in 2017

7.9%

of total spend

527

Influencers used

924

combined pieces of content created

CATEGORY-SPECIFIC BENCHMARKS

EMV	\$20.92
ER	8.87%
CPE	\$0.09
% of Campaigns with Video	11%
% of Campaigns with Instagram Story Views and/or Snapchat	22%



SNAPSHOT: Social Media Listening (One Campaign)

41.0% Average Lift in Brand Mentions

7.40% Average Lift in Positive Brand Sentiment

CATEGORY-SPECIFIC TAKEAWAYS

- More than half (56%) of Retail advertisers ran a giveaway, contributing to an above-average ER and high EMV for the category.
- Live events at retail locations — executed by 11% of the Retail campaigns — proved to be successful for generating engaging videos and photos.
- Instagram and Facebook were the top performing social media channels for Retail advertisers in driving engagements. Snapchat geo-filters were also effective.



SNAPSHOT: Sharing Analytics and Smart Links (One Campaign)

Return on Advertising Spend (ROAS): **\$26**

Programmatic Conversion Rate: **1.19%**

(i.e., consumers who ultimately made a purchase on the advertiser's landing page after viewing Sponsored Blog Post[s] and being served an advertiser-specific programmatic ad)

Category-Specific Benchmarks

Software & Services



9.5%

of all RhythmInfluence programs in 2017

4.1%

of total spend

64

Influencers used

1,954

combined pieces of content created—second behind the CPG-Food category

CATEGORY-SPECIFIC BENCHMARKS

EMV	\$7.54
ER	1.90%
CPE	\$1.01
% of Campaigns with Video	Not used
% of Campaigns with Instagram Story Views and/or Snapchat	Not used

CATEGORY-SPECIFIC TAKEAWAYS

- Among all campaigns in this category, 14% sent tangible products to Influencers for the purposes of generating branded content, and 14% of campaigns leveraged live events to drive engagement.
- Several of the Software & Services campaigns were geared towards business-to-business (B2B) audiences; B2B is an emerging sector for Influencer Marketing.

Category-Specific Benchmarks

Telecommunications



1.4%

of all RhythmInfluence
programs in 2017

1.4%

of total spend

6

Influencers used

34

combined pieces
of content created

CATEGORY-SPECIFIC BENCHMARKS

EMV	\$6.03
ER	1.13%
CPE	\$4.14
% of Campaigns with Video	Not used
% of Campaigns with Instagram Story Views and/or Snapchat	Not used

CATEGORY-SPECIFIC TAKEAWAYS

- The advertiser in this category, a national wireless and ISP provider, targeted its campaign to SMB (small- and medium-sized businesses) audiences in the marketing/advertising and management consulting spaces.
- Influencers used Snapchat to create stories on “Small Business Saturday” (the day after Black Friday) to drive engagement with target audiences.

Category-Specific Benchmarks

Travel & Tourism



8.1%

of all RhythmInfluence
programs in 2017

6.4%

of total spend

29

Influencers used

582

combined pieces
of content created

CATEGORY-SPECIFIC BENCHMARKS

EMV	\$11.80
ER	2.81%
CPE	\$0.78
% of Campaigns with Video	50%
% of Campaigns with Instagram Story Views and/or Snapchat	50%

CATEGORY-SPECIFIC TAKEAWAYS

- The majority of campaigns in the Travel & Tourism category (83%) had their selected influencers personally travel to the destination(s) to generate branded content.
- Half of all campaigns ran video as branded content across Sponsored Blog Posts and social media; another 50% leveraged Instagram Stories and/or Snapchat to drive engagement.
- Several campaigns (17%) used a giveaway to drive engagement.

Case Studies





Delta® Faucets: See Beautiful Design. Do Beautiful Work.

OBJECTIVES

To position Delta as the leader in design and function, and to make the brand top-of-mind for readers and followers of home décor and interior design influencers.

SOLUTION

Working with Delta® Faucets, RhythmOne helped create a once-in-a-lifetime experience curated for 10 hand-selected influencers in the home design and décor space. The Delta-hosted Chicago-based event, dubbed a “Day of Inspired Design,” featured the DIY influencer team behind Young House Love.

The Day of Inspired Design event kicked off with a tour of the Delta showroom where the client welcomed the influencers and educated them about the Delta brand. Influencers were then taken on a trolley tour of the city where they were provided with historical background and insight for several Chicago architectural landmarks. From there, the influencers were challenged to create mood boards that featured Delta products, photos taken during the tour, and inspiring materials brought from home. The boards showcased design inspiration for the influencer’s home bathroom or kitchen, for which each influencer received one Delta product of their choice, as well as a stipend to renovate their chosen room. The winner received a complete home bathroom makeover as the grand prize.

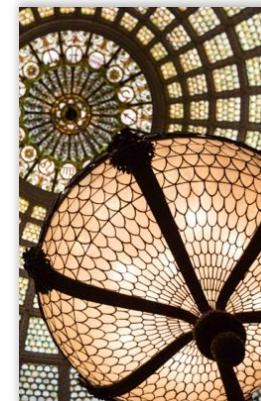
Influencers created blog and social posts prior, during, and after the Day of Inspired Design event featuring photos they took during their experience and, of course, their kitchen or bathroom renovation. RhythmOne captured the event with two custom videos that Delta hosted on its YouTube page and embedded on each participant’s website. The campaign was further amplified using influencer-created content for RhythmOne influencer social ads, Social Fire, and a programmatic expandable unit.

RESULTS

Guaranteed engagements exceeded by **330%+**

Engagements: **270,000+**

Earned Media Value: **\$4 for every \$1 of program spend**





Influencers Make The Ultimate Travel Guide

OBJECTIVES

To promote Austin, Texas and inspire new travel to the city using a variety of respected travel influencers approaching the destination from their own unique viewpoints.

SOLUTION

RhythmOne activated five influential travel bloggers to visit Austin and let loose to share their adventures in the Live Music Capital of the World®. The influencers embraced Austin's vibrant culture and community creating beautiful and creative content including blog posts, shares on social media, videos, and Instagram stories. Each of the influencers' posts shared visuals from their Austin travels, included the campaign hashtags #VisitAustin and #TrueAustin, and tagged the city's @VisitAustinTX handle to increase reach and exposure of the tourism board. We further amplified the campaign via paid social placements and programmatically-placed ad units featuring the influencers' content.

RESULTS

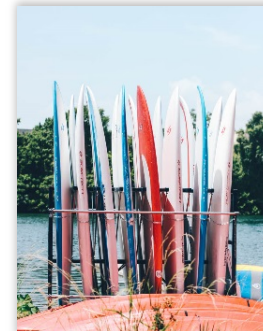
Total Reach: **3.3+ million**

Estimated Views: **970,000**

Engagements: **114,000+**

Cost per Engagement: **\$0.87**

Engagement Rate: **12%**





About RhythmOne

RhythmOne drives engagement between advertisers and targeted audiences — resulting in real, measurable business outcomes.

We offer fully integrated, cross-screen solutions that span desktop, mobile, and connected TV (“CTV”) across high-impact video, rich media, display, social, and native advertising formats — ensuring advertisers reach high-propensity audiences wherever and however they consume content. The connections we make are further enhanced through unique audience data and powered by our unified programmatic platform, RhythmMax. RhythmMax includes unique verification technology, RhythmGuard, which ensures quality audiences in brand safe environments. This end-to-end platform — coupled with the world-class service of our account teams — provides more direct, efficient, and effective connections, driving ROI for advertisers and publishers.

Founded in 2004 in the UK, RhythmOne is headquartered in San Francisco with offices in the US, UK, Europe, APAC, and Canada.

For more information, please visit www.rhythmone.com.