



#1Rinfluencer

Influencer Marketing Benchmarks Report


Full Year 2015

RhythmOne

March 2016

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"We want to be wherever our core audience is and be a relevant brand in their lives... [and] the eyeballs from a digital ad buy are less valuable than the ones we get through a genuine influencer who speaks clearly and actively about the brand."

- Mitch Mirsky, New Era Cap Co.¹

About This Report

RhythmOne's Full Year 2015 Influencer Marketing Benchmarks Report offers

an aggregated analysis of the dozens of Influencer Marketing programs we ran during January–December 2015.

This report, which is the third offering in our series of influencer benchmarks reports, provides key insights in the areas of branded content execution, earned media value, social media action, consumer engagement, and more.

In 2015, our US-targeted Influencer Marketing programs spanned 14 advertiser categories and employed (in aggregate) 752 influencers – each of whom has a direct relationship with RhythmOne.

RhythmOne and Influencer Marketing

We help marketers weave brand stories into the content and social platforms of some of the largest independent bloggers and publishers on the web. We do this through our Influencer Marketing programs that can include a variety of content creation and distribution solutions, such as Sponsored Blog Posts, Social Action programs, and content distribution rich media ad units.

We are advocates of Influencer Marketing because we know online consumers trust and are impacted by the influencers they follow. For brands, there is no more effective place to engage consumers than a trusted environment.



Full Year 2015 Highlights

On average in 2015, advertisers who implemented a RhythmOne

Influencer Marketing program received \$11.20 in earned media value (EMV) for every \$1.00 of paid media. This figure represents an increase of 16% over our 1H 2015 average of \$9.60 in EMV and 63% over our full year 2014 average of \$6.85 in EMV.



On average, our 2015 Influencer Marketing programs delivered an influencer engagement rate (total engagements/total exposure) of 1.50%.



Overall, Instagram was the best performing channel for social action– it delivered a social action rate (social media engagements/social media exposure) of 3.21%.



At \$21.03 in earned media value for every \$1.00 of paid media, the Alcoholic Beverages advertising category received the greatest EMV for our full year 2015 Influencer Marketing programs – followed by Travel & Tourism, at \$18.98 in EMV.

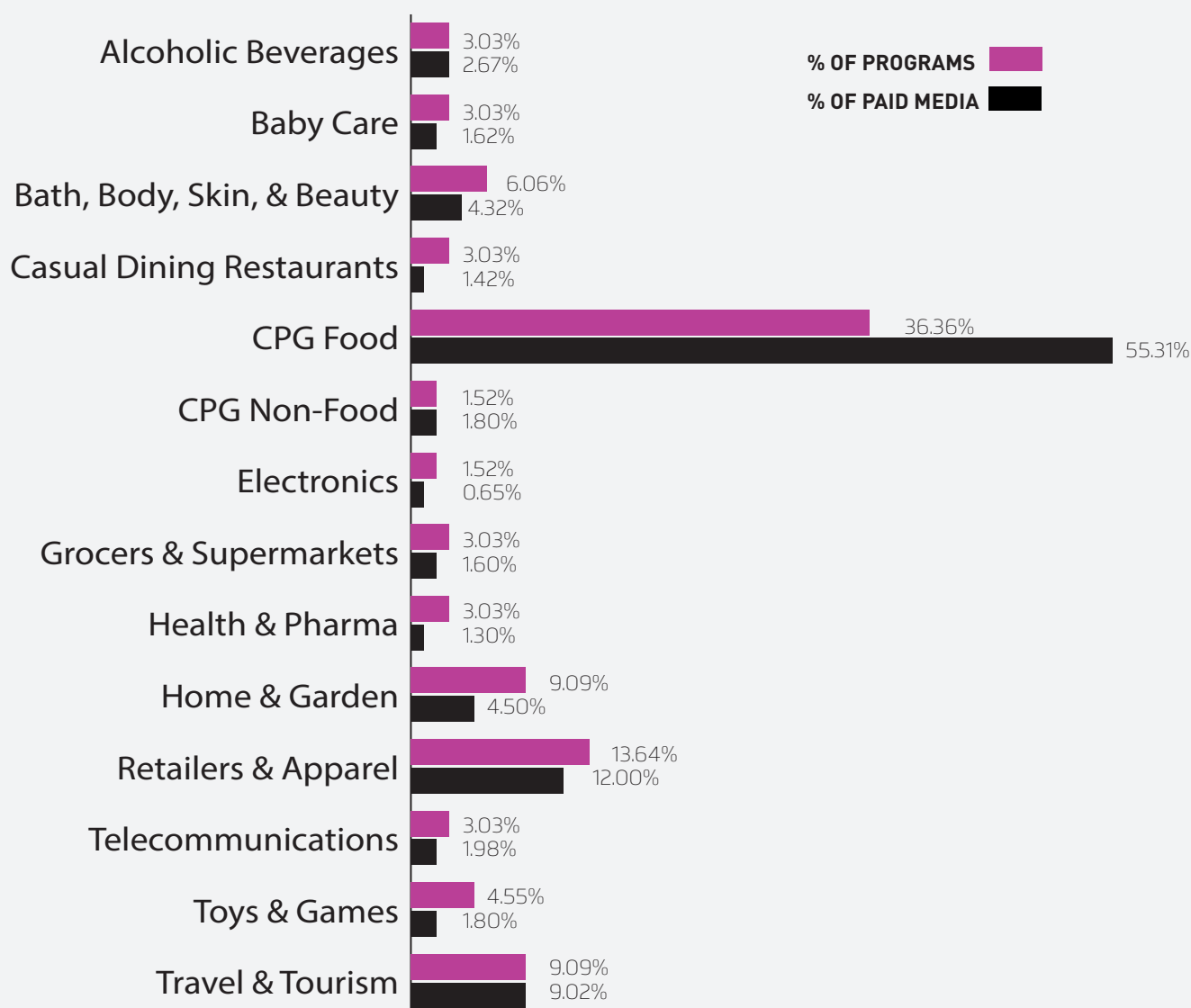


Inclusion of a sweepstakes or giveaway typically drove higher earned media value and higher influencer engagement rates, vs. those Influencer Marketing programs that did not include such a component.

Full Year 2015 Influencer Programs Overview

More than one-third (36.36%) of all Influencer Marketing programs in 2015 were in the CPG Food advertiser category.

Full Year 2015 Influencer Program (By Advertiser Category)



FULL YEAR 2015 INFLUENCER PROGRAMS OVERVIEW

Sponsored Blog Posts

The vast majority of RhythmOne's 2015 Influencer Marketing programs included paid media in the form of Sponsored Blog Posts.

Our Sponsored Blog Posts pair brands with hand-selected influencers who develop and distribute brand-approved content that promotes products, services, or other initiatives. Depending on the specifics of the program, the content of Sponsored Blog Posts takes the form of text, imagery, and/or video.

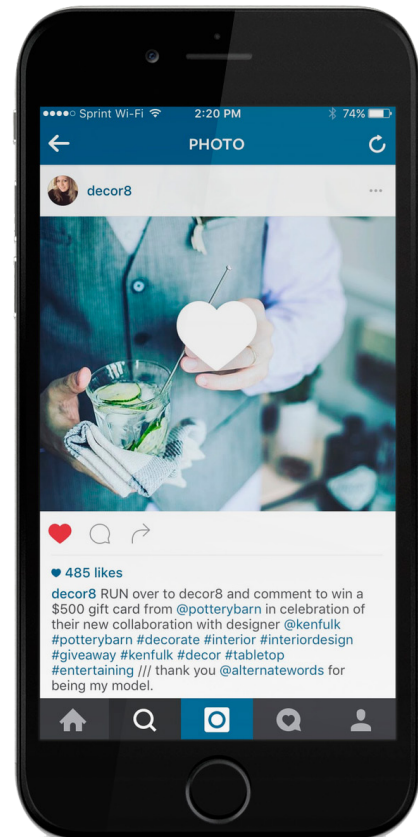
"[Influencer marketing] is a great vehicle for reaching new people and educating them on our products... it's been important for us to collaborate with different influencers because they have such loyal fans."

- Morgan Fleming, Amika²

Social Amplification and Branded Content Distribution

RhythmOne's Influencer Marketing programs leverage the social media platforms of influencers to strengthen the impact and extend the reach of Sponsored Blog Posts. We call this Social Amplification, and it can include Facebook posts, Pinterest boards and pins, Instagram posts (including photos and video), Vine videos, Twitter parties, sponsored tweets, Google+ Hangouts, and YouTube videos.

Our Expandable and Fixed Footer rich media units further extend the distribution and reach of branded and/or curated content beyond the "influence" of the influencer to targeted sites.



RhythmOne Social Amplification via Instagram



FULL YEAR 2015 INFLUENCER PROGRAMS OVERVIEW

Influencers and Influential Content

With roots dating back to 1995, independent influencers are RhythmOne's currency. Our 45,000+ digital media influencers foster vibrant online communities through sites, blogs, and social media platforms.

Most important, our influencers demonstrate seven key traits that are present in all that they do.

1. **Accelerated growth.** Determined and sustained audience development.
2. **Social power.** Significant and measurable clout on social media.
3. **Viral distribution.** Engaging content that is often shared organically.
4. **Consumer engagement.** Audiences that interact with and react to content.
5. **Content expertise.** Knows his or her focus inside out, no matter the topic.
6. **Aesthetically appealing.** Clean, clear and user-friendly design elements.
7. **Community leaders.** Respected as trailblazers within online communities.

FULL YEAR 2015 INFLUENCER PROGRAMS OVERVIEW

Earned Media Value

Earned media value (EMV) refers to the dollar value that can be attributed to publicity, social sharing and endorsement, and other unpaid digital media exposure. It is an effective measure of an advertising campaign's success at reaching beyond the bounds of paid placements and a good way to understand the "amplification-effect" of influencer marketing in general.

We consider a wide variety of measurements (see the below table) to calculate EMV for RhythmOne's Influencer Marketing programs.

Campaign-specific factors, such as a product giveaway or sweepstakes, can significantly impact influencer program EMV. Another significant consideration is the selected influencers themselves. The more clout (social media and otherwise) an influencer has generally means the more followers will share their content both organically and frequently.

RhythmOne EMV Measurements

Blog Comments/Replies

Contest Entries

 **Facebook:** Shares, Comments, Likes, Shares from Posts

 **Twitter:** Re-Tweets, Replies/Comments, Favorites, Shares from Posts

 **Pinterest:** Re-Pins, Comments, Likes, Shares from Posts

 **Instagram:** Comments, Likes

 **YouTube:** Likes, Comments, Shares

 **Google+:** Shares, Comments, +1s, Shares from Posts

 **Vine:** Likes, Revines, Shares, Comments

Reach of Influencer Facebook, Twitter, Pinterest, Instagram and Google+ Profiles

Other Social Shares: Clicks to Brand URLs, Posts with Specific Campaign Hashtags, YouTube Views, Vine Loops

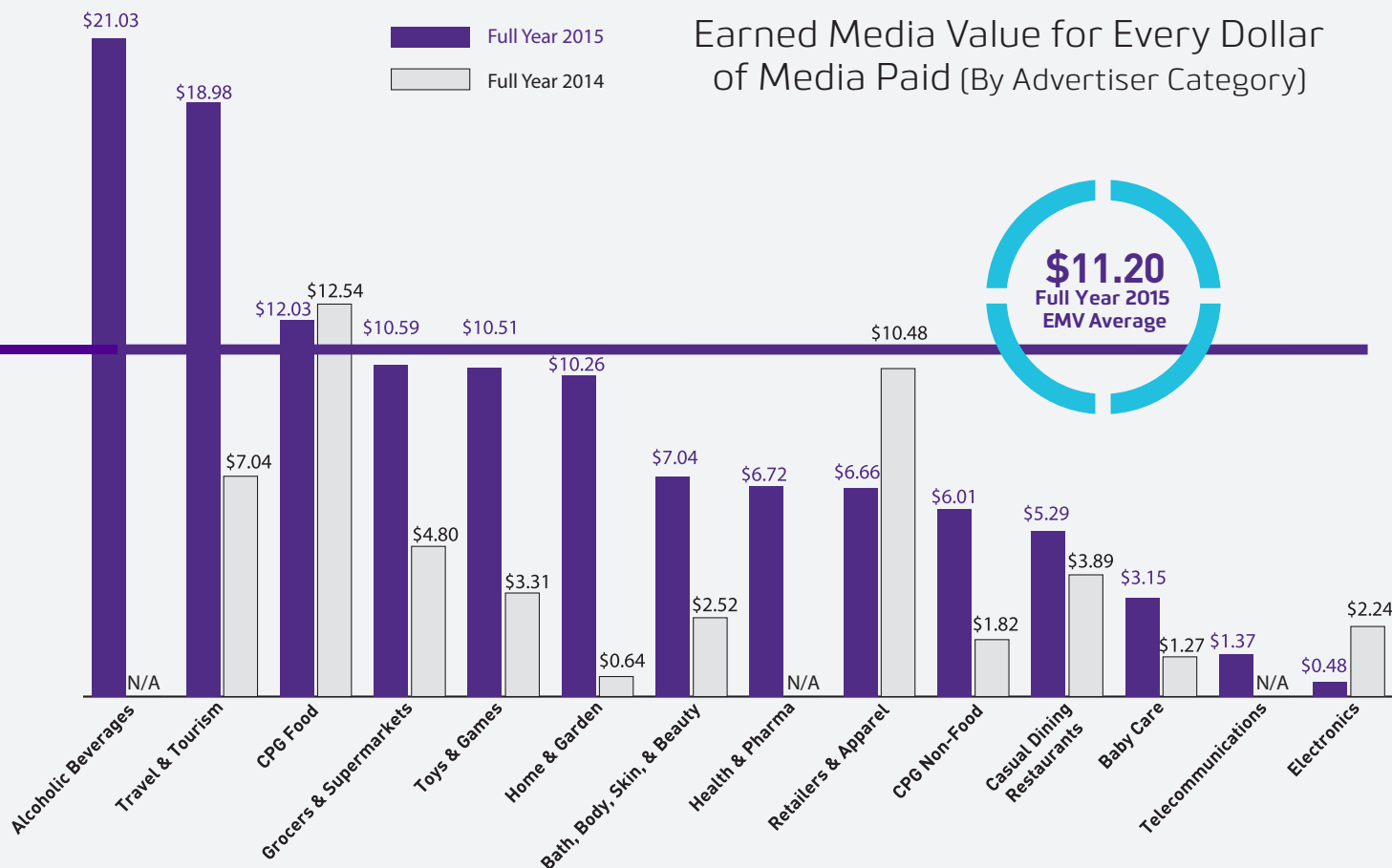
Results

Earned Media Value

On average in 2015, advertisers who implemented a RhythmOne Influencer Marketing program received \$11.20 in earned media value (EMV) for every \$1.00 of paid media. This figure represents an increase of 16% over our 1H 2015 average of \$9.60 in EMV and 63% over our full year 2014 average of \$6.85 in EMV.

Among the 14 advertiser categories comprising full year 2015 Influencer Marketing roster, the average EMV return breaks down as follows:

- Alcoholic Beverages \$21.03
- Travel & Tourism \$18.98
- CPG Food \$12.03
- Grocers & Supermarkets \$10.59
- Toys & Games \$10.51
- Home & Garden \$10.26
- Bath, Body, Skin, & Beauty \$7.04
- Health & Pharma \$6.72
- Retailers & Apparel \$6.66
- CPG Non-Food \$6.01
- Casual Dining Restaurants \$5.29
- Baby Care \$3.15
- Telecommunications \$1.37
- Electronics \$0.48



RESULTS

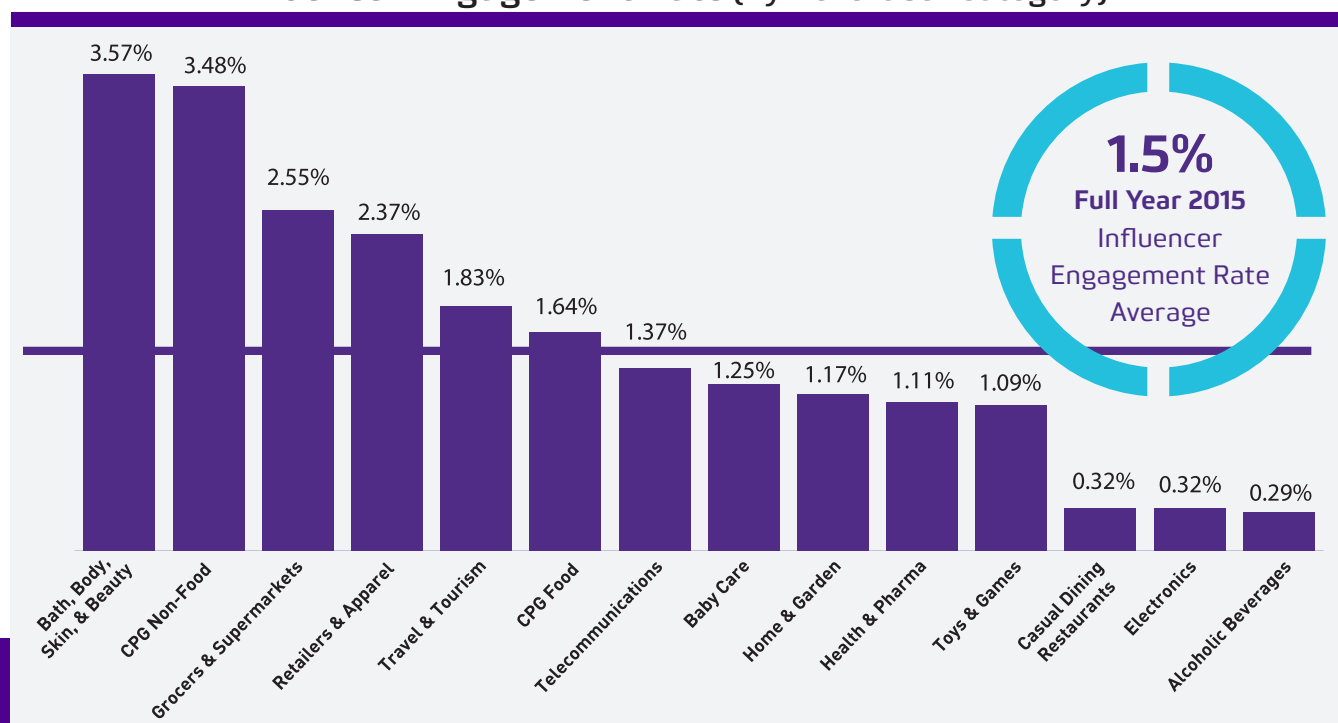
Influencer Engagement Rate

On average, our advertisers saw a 1.50% influencer engagement rate for RhythmOne Influencer Marketing programs in 2015.

Among the 14 advertiser categories comprising full year 2015 Influencer Marketing roster, the average influencer engagement rate breaks down as follows :

- Bath, Body, Skin, & Beauty 3.57%
- CPG Non-Food 3.48%
- Grocers & Supermarkets 2.55%
- Retailers & Apparel 2.37%
- Travel & Tourism 1.83%
- CPG Food 1.64%
- Telecommunications 1.37%
- Baby Care 1.25%
- Home & Garden 1.17%
- Heath & Pharma 1.11%
- Toys & Games 1.09%
- Casual Dining Restaurants 0.32%
- Electronics 0.32%
- Alcoholic Beverages 0.29%

Influencer Engagement Rate (By Advertiser Category)



Influencer Engagement Rate = total engagements/total exposure.

Total Engagements = measurable actions taken by readers, including (but not limited to) Sponsored Blog Post comments, rich media clicks, and social engagement measures including re-tweets, likes, etc.

Total Exposure = the number of times an influencer's audience was exposed to a brand's Influencer Marketing program via Sponsored Blog Posts, rich media, and social media.

RESULTS

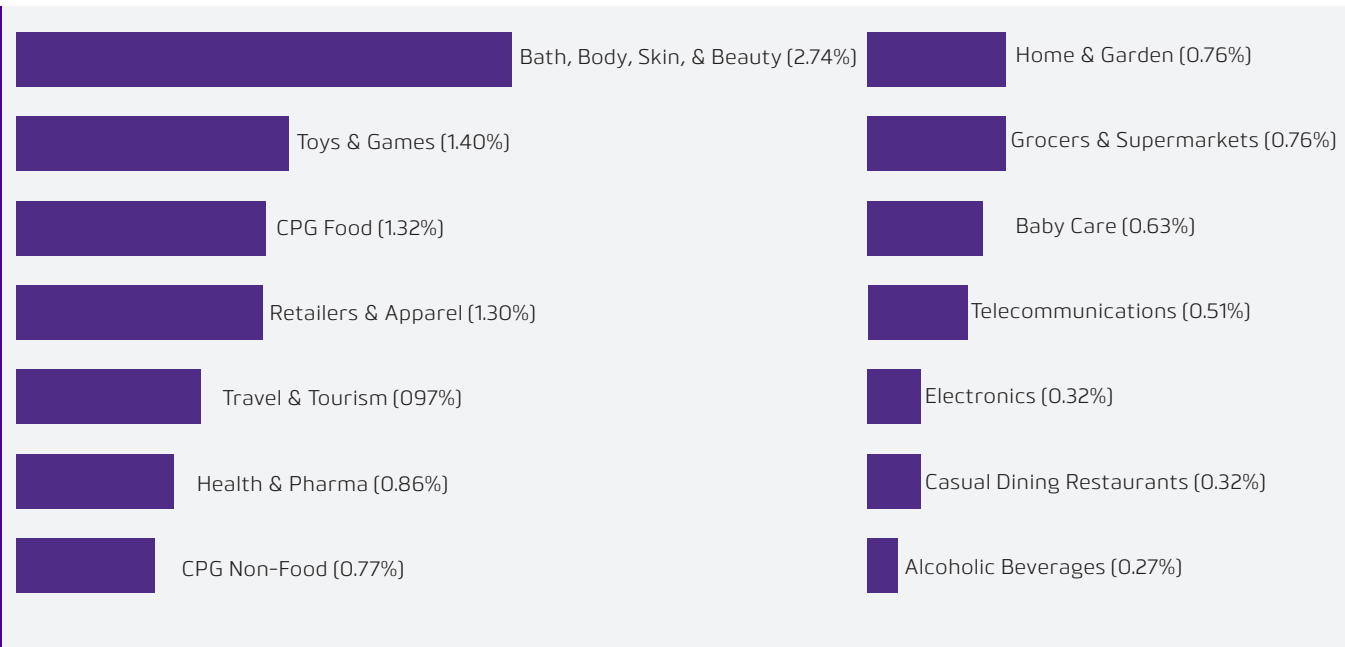
Social Action by Channel

In 2015 across five platforms, our Influencer Marketing programs delivered an average social action rate of 1.18%. Instagram was the best performing channel overall with a social action rate of 3.21%. Twitter (3.00%), Facebook (1.53%), Pinterest (0.38%), and Google+ (0.13%) respectively rounded out the list.

Video Amplification

Three percent of all Influencer Marketing campaigns used YouTube, and on average YouTube delivered a social action rate of 8.00% (engagements/video views).

Full Year 2015 Average Social Action Rate (By Advertiser Category):



Social Action Rate = social media engagements divided by social media exposure.

Social Engagements = measurable actions taken by readers, including (but not limited to) comments, retweets, likes, etc. exclusively on social media platforms including Facebook, Twitter, Pinterest, Instagram, Google+, YouTube, and Vine.

Social Exposure = the number of times an influencer’s audience was exposed to a brand’s Influencer Marketing program on social media platforms (excluding blogs and rich media).

Conclusions

Influencer Marketing focuses on engaging key individuals rather than the target market as a whole. It identifies the individuals that have influence over potential buyers, and orients marketing activities around these influencers.

Authenticity at Scale

As a marketing strategy, Influencer Marketing is inherently authentic – and as a result, advertisers that effectively weave their stories into influencer content and leverage all of the amplification channels at their disposal have the greatest opportunity to see positive returns across the entire social spectrum.

In other words: keep it real. A consumer who becomes aware about a new product through a trusted blog post and then sees a friend like an Instagram post about the same product is likely going to consider those experiences when it comes time to making a purchase decision.

A Shifting Spending Landscape

Perhaps most telling is the shift among marketers as to who should be responsible for implementing their Influencer Marketing budget: today 75% of ANA (Association of National Advertisers) members think the responsibility should rest with their brand's advertising or marketing department, vs. 18% who think PR/communications professionals should handle it.³ Digital advertising dollars are shifting channels, too. With barriers like ad blockers interrupting traditional digital tactics such as banner ads, marketing budgets in 2016 will see a shift toward platforms and methods that maximize earned media – including Influencer Marketing.⁴

Social Channels for Maximum Action

According to comScore, the total US digital population (desktop and mobile) visiting Facebook in February 2016 was 204.3 million visitors/viewers. In that same month on both desktop and mobile devices, Twitter had 117.5 million visitors/viewers, Instagram had 104.8 million, Pinterest had 86.6 million, and Google+ had 83.8 million.

It's All About Mobile

Not surprisingly, according to the comScore data, mobile devices (i.e., smartphones and tablets) are the go-to means for accessing social media. Facebook's total mobile visitors/viewers was 15% larger than the desktop figure and Twitter's mobile vs. desktops stat was 55% larger. Instagram, Pinterest, and Google+ all drew significantly larger percentages of mobile views than Facebook and Twitter – respectively, the mobile share of these channels beat desktops by 438% (Instagram), 113% (Pinterest), and 124% (Google+).

At the end of the day, Social Action success rides on knowing your audience. Be on the platforms where your target consumers are, and work with influencers who have built engaged communities on these social channels. If your target is a female aged 18 to 34, for example, Instagram is 1.81x more likely than the digital average to have visitors that fit this demo – vs. 1.16x for Facebook.⁵

“We don’t look at social as just social—it’s a way of distributing engaging content... brands like Allstate love distributing their messages in an organic way, and we know that consumers are three to 10 times more likely to convert if they see influencers promoting and sponsoring content.”

- Lizzie Schreier, Allstate⁶



Appendix



Category-Specific Benchmarks

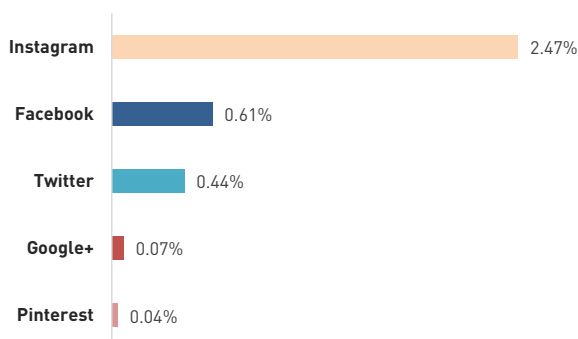
Alcoholic Beverages

Advertisers in the Alcoholic Beverages category used a total of 13 influencers (in aggregate) for Influencer Marketing programs in 2015.

On average, advertisers in the Alcoholic Beverages category saw an EMV of \$21.03 for every dollar of paid media. Advertisers did not run giveaways and/or a sweepstakes.

Advertisers in the Alcoholic Beverages category also saw an average influencer engagement rate of 0.29% and an average social action rate of 0.27%.

Social Action Rate



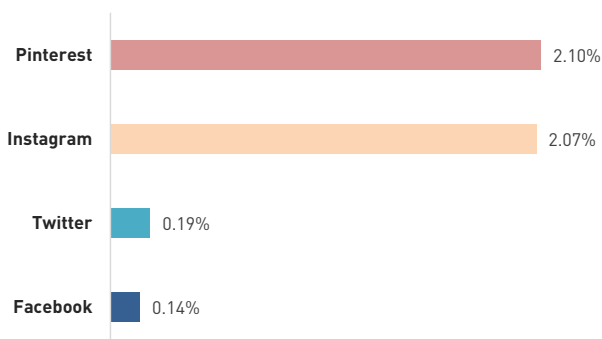
Baby Care

Advertisers in the Baby Care category used a total of 33 influencers (in aggregate) for Influencer Marketing programs in 2015.

On average, advertisers in the Baby Care category saw an EMV of \$3.15 for every dollar of paid media – 2.5x the full year 2014 EMV return of \$1.27. One-half (50%) of the Influencer Programs in this category ran a giveaway and/or sweepstakes as an engagement tactic.

Advertisers in the Baby Care category also saw an average influencer engagement rate of 1.25% and an average social action rate of 0.63%.

Social Action Rate



Charts relative to advertiser category; social exposure < 1,000 not included

CATEGORY-SPECIFIC BENCHMARKS

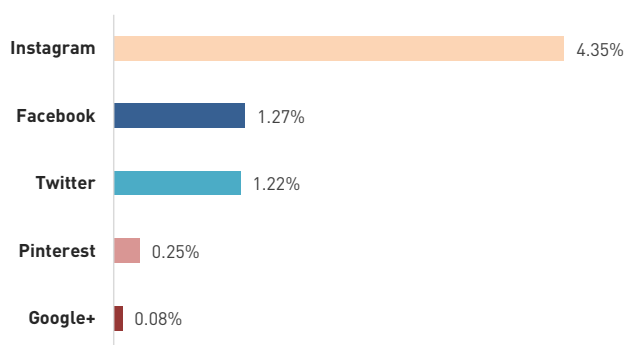
Bath, Body, Skin, & Beauty

Advertisers in the Bath, Body, Skin, & Beauty category used a total of 31 influencers (in aggregate) for Influencer Marketing programs in 2015.

On average, advertisers in the Bath, Body, Skin, & Beauty category saw an EMV of \$7.04 for every dollar of paid media – 2.8x the full year 2014 EMV return of \$2.52. One-half (50%) of the Influencer Programs in this category ran a giveaway and/or sweepstakes as an engagement tactic.

Advertisers in the Bath, Body, Skin, & Beauty category also saw an average influencer engagement rate of 3.57% (2.4x our 2015 average of 1.50%) and an average social action rate of 2.74%.

Social Action Rate



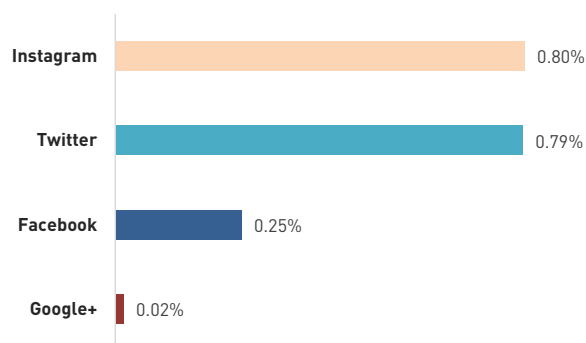
Casual Dining Restaurants

Advertisers in the Casual Dining Restaurants category used a total of 80 influencers (in aggregate) for Influencer Marketing programs in 2015.

On average, advertisers in the Casual Dining Restaurants category saw an EMV of \$5.29 for every dollar of paid media – 1.4x the full year 2014 EMV return of \$3.89. Advertisers did not run giveaways and/or a sweepstakes.

Advertisers in the Casual Dining Restaurants category also saw an average influencer engagement rate of 0.32% and an average social action rate also of 0.32%.

Social Action Rate



Charts relative to advertiser category; social exposure < 1,000 not included

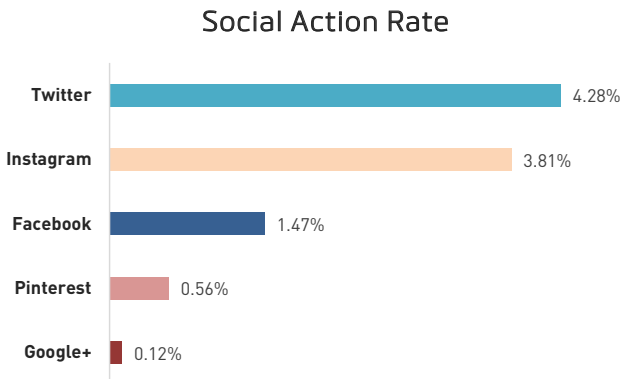
CATEGORY-SPECIFIC BENCHMARKS

CPG Food

Advertisers in the CPG Food category used a total of 269 influencers (in aggregate) for Influencer Marketing programs in 2015.

On average, advertisers in the CPG Food category saw an EMV of \$12.03 for every dollar of paid media. One-third (33%) of the Influencer Programs in this category ran a giveaway and/or sweepstakes as an engagement tactic.

Advertisers in the CPG Food category also saw an average influencer engagement rate of 1.64% (1.1x our 2015 average of 1.50%) and an average social action rate of 1.32%.

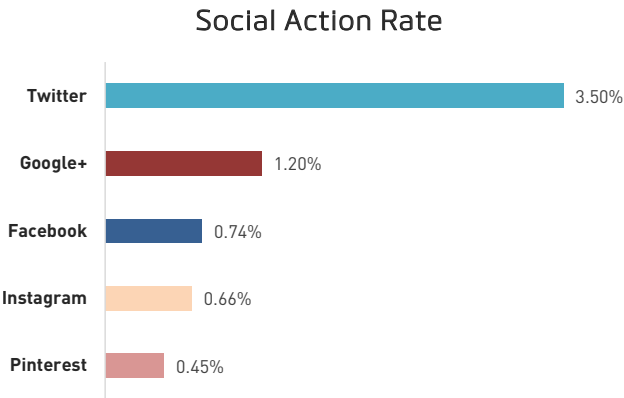


CPG Non-Food

The advertiser in the CPG Non-Food category used a total of 8 influencers for Influencer Marketing programs in 2015.

The CPG Non-Food advertiser saw an EMV of \$6.01 for every dollar of paid media – 3.3x the full year 2014 EMV return of \$1.82. The advertiser ran a giveaway and/or sweepstakes.

The CPG Non-Food advertiser also saw an average influencer engagement rate of 3.48% (2.3x our 2015 average of 1.50%) and an average social action rate of 0.77%.



Charts relative to advertiser category; social exposure < 1,000 not included

CATEGORY-SPECIFIC BENCHMARKS

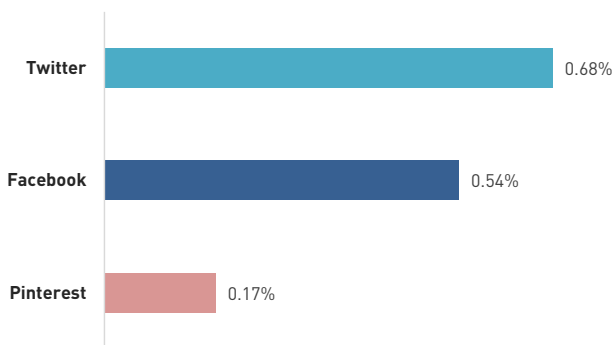
Electronics

The advertiser in the Electronics category used a total of 5 influencers for Influencer Marketing programs in 2015.

The Electronics advertiser saw an EMV of \$0.48 for every dollar of paid media. The advertiser did not run a giveaway and/or sweepstakes.

The Electronics advertiser also saw an average influencer engagement rate of 0.32% and an average social action rate also of 0.32%.

Social Action Rate



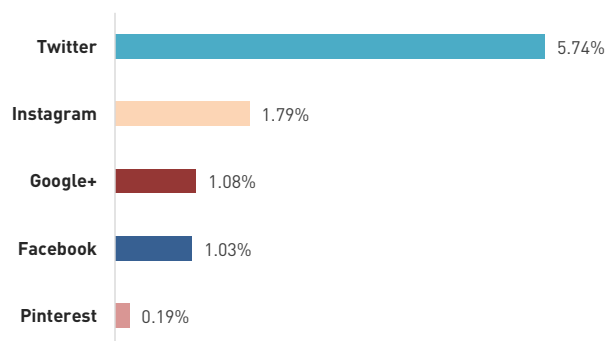
Grocers & Supermarkets

Advertisers in the Grocers & Supermarkets category used a total of 30 influencers (in aggregate) for Influencer Marketing programs in 2015.

On average, advertisers in the Grocers & Supermarkets category saw an EMV of \$10.59 for every dollar of paid media – 2.2x the full year 2014 EMV return of \$4.80. One-half (50%) of the Influencer Programs in this category ran a giveaway and/or sweepstakes as an engagement tactic.

Advertisers in the Grocers & Supermarkets category also saw an average influencer engagement rate of 2.55% (1.7x our 2015 average of 1.50%) and an average social action rate of 0.76%.

Social Action Rate



Charts relative to advertiser category; social exposure < 1,000 not included

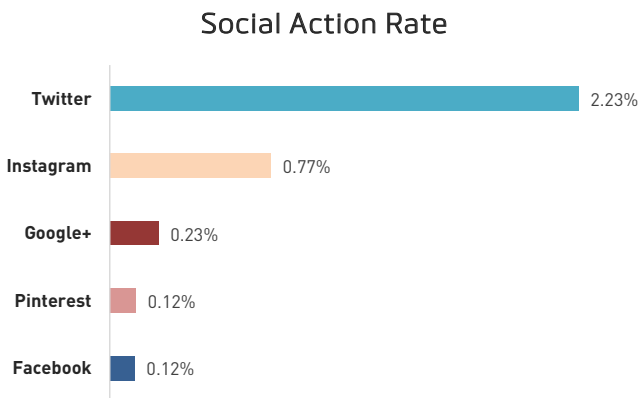
CATEGORY-SPECIFIC BENCHMARKS

Health & Pharma

Advertisers in the Health & Pharma category used a total of 15 influencers (in aggregate) for Influencer Marketing programs in 2015.

On average, advertisers in the Health & Pharma category saw an EMV of \$6.72 for every dollar of paid media. (No programs in this category ran in full year 2014.) Advertisers did not run giveaways and/or a sweepstakes.

Advertisers in the Health & Pharma category also saw an average influencer engagement rate of 1.11% and an average social action rate of 0.86%.

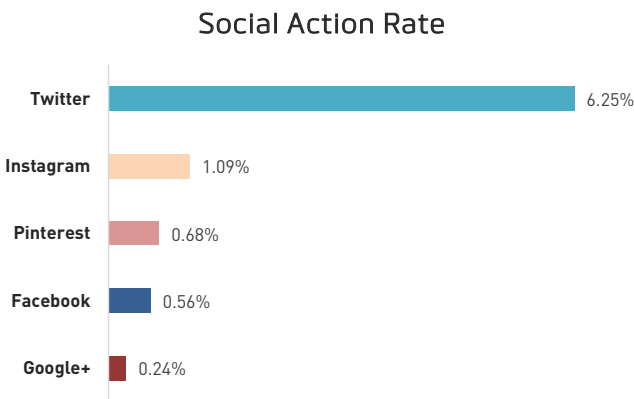


Home & Garden

Advertisers in the Home & Garden category used a total of 30 influencers (in aggregate) for Influencer Marketing programs in 2015.

On average, advertisers in the Home & Garden category saw an EMV of \$10.26 for every dollar of paid media – 16x the full year 2014 EMV return of \$0.64. One-half (50%) of the Influencer Programs in this category ran a giveaway and/or sweepstakes as an engagement tactic.

Advertisers in the Home & Garden category also saw an average influencer engagement rate of 1.17% and an average social action rate of 0.76%.



Charts relative to advertiser category; social exposure < 1,000 not included

CATEGORY-SPECIFIC BENCHMARKS

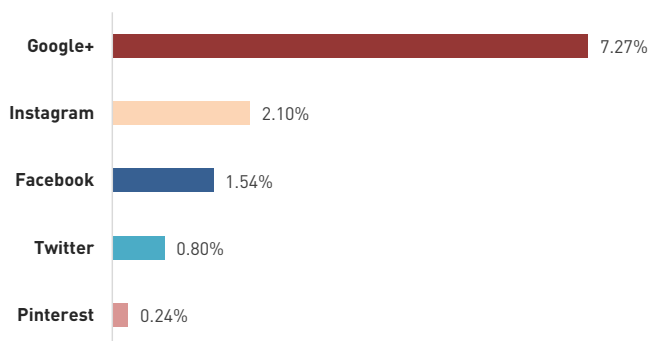
Retailers & Apparel

Advertisers in the Retailers & Apparel category used a total of 126 influencers (in aggregate) for Influencer Marketing programs in 2015.

On average, advertisers in the Retailers & Apparel category saw an EMV of \$6.66 for every dollar of paid media. One-third (33%) of the Influencer Programs in this category ran a giveaway and/or sweepstakes as an engagement tactic.

Advertisers in the Retailers & Apparel category also saw an average influencer engagement rate of 2.37% (1.6x our 2015 average of 1.50%) and an average social action rate of 1.30%.

Social Action Rate



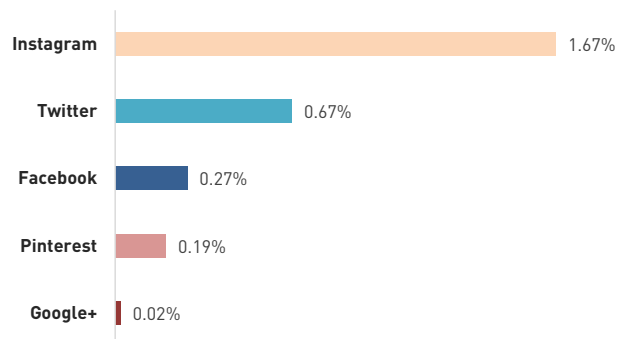
Telecommunications

Advertisers in the Telecommunications category used a total of 22 influencers (in aggregate) for Influencer Marketing programs in 2015.

On average, advertisers in the Telecommunications category saw an EMV of \$1.37 for every dollar of paid media. (No programs in this category ran in full year 2014.) Advertisers did not run giveaways and/or a sweepstakes.

Advertisers in the Telecommunications category also saw an average influencer engagement rate of 1.37% and an average social action rate of 0.51%.

Social Action Rate



Charts relative to advertiser category; social exposure < 1,000 not included

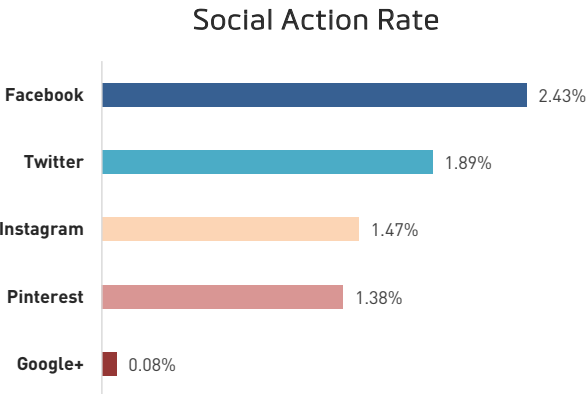
CATEGORY-SPECIFIC BENCHMARKS

Toys & Games

Advertisers in the Toys & Games category used a total of 25 influencers (in aggregate) for Influencer Marketing programs in 2015.

On average, advertisers in the Toys & Games category saw an EMV of \$10.51 for every dollar of paid media – 3.2x the full year 2014 EMV return of \$3.31. Advertisers did not run giveaways and/or a sweepstakes.

Advertisers in the Toys & Games category also saw an average influencer engagement rate of 1.09% and an average social action rate of 1.40%.

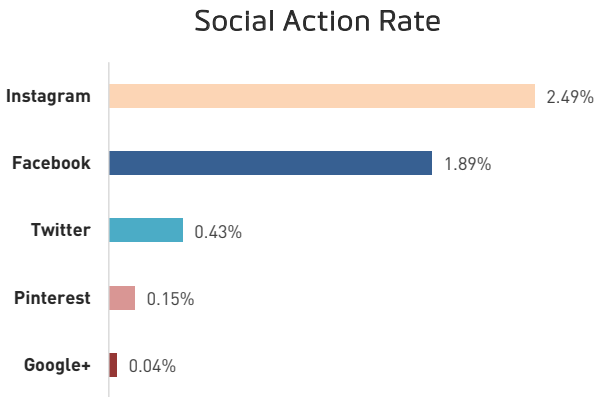


Travel & Tourism

Advertisers in the Travel & Tourism category used a total of 30 influencers (in aggregate) for Influencer Marketing programs in 2015.

On average, advertisers in the Travel & Tourism category saw an EMV of \$18.98 for every dollar of paid media – 2.7x the full year 2014 EMV return of \$7.04. One-half (50%) of the Influencer Programs in this category ran a giveaway and/or sweepstakes as an engagement tactic.

Advertisers in the Travel & Tourism category also saw an average influencer engagement rate of 1.83% (1.2x our 2015 average of 1.50%) and an average social action rate of 0.97%.



Charts relative to advertiser category; social exposure < 1,000 not included

Case Study



BEVERAGES - CPG FOOD



Client: A natural and organic processed meats brand.



Objective: Encourage product trial of a lunch kit and amplify brand messaging during back-to-school timing.



Target: Moms of children aged 5 to 10 who have made organic food purchases.



Talent: 23 health-conscious mom influencers with school-aged children at home.



Solution: The 23 influencers each received a lunch kit to enjoy with her kid(s) and one kit to give away to a reader through a Sponsored Blog Post contest promotion. Each influencer created highly visual posts showing off the brand and lunch kit.

Along with the posts, an Influencer Fixed Footer with video (featuring the lunch kit) ran across independent websites geared towards moms to increase awareness and brand engagement. We also ran Social Amplification programs across the influencers' social accounts to drive campaign engagement.



Results: The Sponsored Blog Posts and Social Amplification programs drove more than 9,000 interactions across blog comments and social media. More than 650 of those engagements were contest entries. In addition, the click-through rate (CTR) for the Influencer Fixed Footer surpassed rich media in-page CTR benchmark by more than 24x.

Case Study



RETAIL & APPAREL



Client: A national clothing retailer.



Objective: Bring the client's campaign – The Art of Dressing Normal – to life.



Target: Millennial women.



Talent: Two high-profile influencers who each have a unique sense of style showcased in what they wear and do.



Solution: Each influencer creatively brought “everyday looks” to life by creating four custom-branded content posts featuring the client's clothing. The posts lived on the respective influencers' sites and social channels, and they included video, photography, and even hand-drawn sketches.

To amplify campaign reach, we distributed the custom content within our proprietary Influencer Fixed Footer and Launchpad rich media ad formats. These ad formats gave our in-house team the vehicle to build brand approved ad creative that drove and extended conversations about the retail brand among Millennial women.



Results: Our efforts delivered an earned media value (EMV) that exceeded the RhythmOne full year 2015 average by more than 60%. In addition, the client featured the influencers' photographs of “everyday looks” both online (on a client-owned microsite), in national ad campaigns, and in physical retail locations.

Resources

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About RhythmOne

RhythmOne links brands with audiences at scale across connected devices. Our multi-channel reach and comprehensive suite of desktop and mobile ad formats let us target quality audiences wherever and whenever they engage with media. Through our cross-screen advertising capability, brands can optimize spend and execute integrated campaigns with complete transparency into attribution and performance.

Visit www.RhythmOne.com or call +1 (415) 655-1450 for more information.