

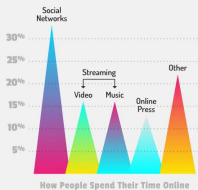
# AD GAME

## HOW SOCIAL MEDIA HAS CHANGED THE

Almost every business area has been disrupted by the rise of social media, but perhaps none has been more impacted than the world of advertising.



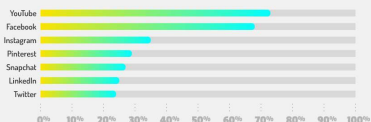
Marketers have had to change nearly every aspect of their ad approaches to keep up with consumer behavior and technological trends. Here are some of the key factors driving and influencing the shift toward social media advertising:



## CHANGED CUSTOMERS

Americans spend an average of **23.6 hours online each week**. What are they doing with this time? Social media accounts for the largest share, by far. This immense popularity is the underlying reason that marketers have moved ad spend toward social.

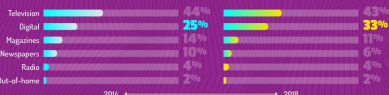
The Share of U.S. Adults Who Use Different Social Platforms



## CHANGED PRIORITIES

The impact of social media on advertising is part of a larger shift by brands away from traditional channels and toward digital channels.

Share of Total U.S. Ad Spend in 2014 vs. 2018



## CHANGED SPENDING

The confluence of marketing dollars shifting toward digital and the popularity of social media are leading brands to increasingly move ad spend to social channels.

Brands of all types expect to invest significantly more on social in the coming years.

CMOs in the U.S. expect to expand their social media spend by **71%** in the next 5 years

Social spend currently accounts for **12%** of marketing budgets, on average

CMOs expect social to account for **21%** of marketing budgets in 5 years

Expected Increase in Social Spend Over the Next 5 Years



## CHANGED GOALS

While social media was initially used by brands to simply connect with audiences, now these channels serve a wide range of different needs.

The Top Reasons Brands Are Using Social Media

- 1 BRAND** awareness and brand building
- 2 ACQUIRING** new customers
- 3 INTRODUCING** new products and services
- 4 RETAINING** current customers
- 5 DELIVERING** brand promotions (coupons, etc.)

## CHANGED CHALLENGES

As social media matures, it's presenting a unique and evolving set of new challenges for advertisers.

Marketers Say Their Top Social Media Challenges Are:

