Our Take on...
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THINGS move quickly in the world of social content.

Facebook continues to rumble on and remains the biggest player in the market. However, they have faced genuine road bumps in 2017 with the rise of fake news within their platform.

Twitter has been used by Donald Trump as a political influencing tool in a way we’ve never seen before.

And, as for LinkedIn, well, we’re still waiting for them to make a significant move.

Meanwhile the biggest movers and shakers has been Instagram who have seen massive growth in 2017 especially within the youth market.

We want to make this a quick-dip report, so we’re going to focus our attention on Facebook, Messenger, Instagram and Twitter on this occasion.
REFLECTING on the year and all the change we have seen, we agree with Robert Hollis’ thesis that: “Brands are becoming their own media companies”.

In many ways the Trump brand is the perfect illustration of this. The US President doesn’t rely on the media to tell his story because he doesn’t have to.

Using the Twitter platform he has built up an enormous audience of followers. This allows him to project his opinions (factual or otherwise) with great effect because he has the attention of the world.

And it’s that word - attention - which we see as the core driver within social media in 2018. This year we believe that:

ATTENTION is the NEW CURRENCY
Our Take on 2017
The **BIGGEST** concern we’ve seen over 2017 would be around measurement, i.e how do you measure the impact of social media marketing? We’ve heard this from many businesses, large and small.

A recent report by Immediate Future showed that only 7% of senior marketers felt that the measurement of their own social media activity was “very strong”. 50% said it was “average”.

When we work with businesses the key starting point is that the brand must understand what they are measuring and this will change by campaign.

**FACEBOOK** break down marketing activity on their platform into 3 categories and we believe this gives a nice template for measurement.

1. **Awareness**
2. **Consideration**
3. **Conversion**
Thus, when we create a new campaign it will always fit into one of these 3 categories and form the reference point for campaign measurement.

1. **For Awareness, we measure reach.** How many targeted people have seen your content?

2. **For Consideration, we measure engagement.** How many targeted people have engaged with your content?

3. **For Conversion, we measure action.** How many people have bought your product, downloaded your document, sent you an enquiry etc? Conversions will differ by company.

**TECHNOLOGY** of course will improve the technical side of measurement but we believe the key is to truly understand right at the start what you are measuring.
It is **UNIVERSALLY** accepted that Instagram “borrowed” several features from Snapchat in 2017, the most successful of which was Instagram Stories.

The big difference though was that Instagram Stories has seen a huge uptake with over 300 million daily active users.

This has to be considered a huge success especially if you consider that this represents 100 million more than Snapchat’s entire daily active user base.

The rise of the **INFLUENCER** and the surrounding eco-system is a serious development in 2017.

Influencers are now categorised (mega, macro & micro) with brands becoming more sophisticated in how they engage them.

We’ve seen brands becoming more strategic around where they use influencers, i.e which part of the buying cycle.

Again, the 3 areas of awareness, engagement and conversion represent different objectives (with different measurement criteria) where Influencers can be employed.
Major platforms
Reviews & predictions
The **FOCUS** for 2018 …

Each year Mark Zuckerberg sets himself a challenge.

He’s built a robot, he’s learned Mandarin, he’s read a book every week.

This year’s challenge is somewhat different however.

In 2018 Zuckerberg’s personal challenge is to fix Facebook. It’s been a tough 2017 where the company has faced many socio-political issues to resolve.

Here’s what ZUCKERBERG said … “Facebook has a lot of work to do. Whether it’s protecting our community from abuse and hate, defending against interference by nation states, or making sure that time spent on Facebook is time well spent.

We won’t prevent all mistakes or abuse, but we currently make too many errors enforcing our policies and preventing misuse of our tools.”

We expect to see a big focus from Facebook on issues which “touch on questions of history, civics, political philosophy, media, government, and of course technology.”
It’s no secret that Facebook have been maxing out on **AD INVENTORY**.

2017 has seen Facebook introduce new ad placements such as In Stream video and also within Instagram Stories.

In 2018 Facebook need to strike that awkward balance of growing revenues to satisfy investors whilst not putting too many ads in front of users.

The news feed is essentially saturated so they face several options:

1. Place ads more frequently in news feeds and risk annoying users.

2. Dramatically increase the cost of ads (note: we’ve already seen the cost of ads go up significantly in 2017).

3. Continue to find new inventory to place ads.

We think option 3 will be the path they take. That said, we anticipate that ad costs will continue to rise in 2018.
Some of the most powerful marketing technology within the Facebook Ads platform sits with the custom audiences and **RE-MARKETING** possibilities.

In 2017 Facebook introduced the ability to target people who have engaged with a brand’s page.

The existing custom audiences also became more sophisticated. Whilst advertisers have long been able to target visitors to their website and specific pages within that site, now we can filter those visitors by time spent on your website, thus helping us target people most likely to convert.

We expect the sophistication to improve and continue. We understand that Facebook are testing the ability to create a target audience based on “dwell time”, i.e when users are viewing a post for a period of time but not engaging with it.

It all signals Facebook’s continued efforts to offer advertisers incredibly focused targeting opportunities.
2017 was the year that Facebook really clamped down on **SPAMMY CONTENT**. All advertisers need to pay real attention to what Facebook considers spammy.

Their bots are busy looking out for a variety of words, phrases and behaviours which signal spammy ads. Otherwise, you’ll find yourself on the naughty step with your ads disapproved.

Facebook **ANALYTICS** gives brands a detailed look at the entire customer journey across mobile, web, bots etc. Essentially it’s Facebook’s answer to Google Analytics.

It’s a tool that will add huge value to brands and we anticipate that it will become more and more useful as it develops.
In August Facebook introduced Facebook **WATCH**.

In Facebook’s own words... Watch is: “a new platform for shows on Facebook. Watch will be available on mobile, on desktop and laptop, and in our TV apps. Shows are made up of episodes – live or recorded – and follow a theme or storyline. To help you keep up with the shows you follow, Watch has a Watchlist so you never miss out on the latest episodes. Watch is personalized to help you discover new shows, organized around what your friends and communities are watching”.

**WATCH** takes Facebook into a different direction to before. They are now buying rights to shows and even funding the creation of shows. Previously Facebook has been grounded in user generated content but now they are becoming content creators as well.

Of real interest is that Watch now includes 1 game per week from Major League Baseball. Live sport is in great demand with broadcasters and we believe Facebook can become a major player in the market. Indeed, the English Premier League said recently that they fully expected Amazon and Facebook to be in the running when the EPL TV rights are next up for renewal.
Thinking **ORGANIC** vs **PAID** ... Facebook has been testing a 2nd newsfeed. The idea is that there will be one news feed for content from your friends etc and a 2nd newsfeed for content from pages or brands.

This has put some brands into a tailspin because all of a sudden, if you’re relying on organic reach, i.e reach you’re not paying for, your posts will be in a different feed and thus there’s a pretty good chance that they won’t be seen.

So how does this **AFFECT** brands?

We’ve been saying for some time that if you want your posts to be seen by your target audience, you need to promote your content.

If Facebook introduce the 2nd news feed, it will do 2 things:

1. It will give Facebook much need ad inventory to sell more ads.
2. It will force brands to promote posts.
2017 saw huge growth in **MESSENGER**, not just in numbers but also in how the app is being used by individuals and companies.

Messenger is a platform. This means that 3rd parties can build apps that live within the Messenger platform. We believe that over the next few years we’ll see Messenger grow into something that resembles WeChat.

If you want to understand where Messenger is going then you look no further than **WECHAT** - the Chinese super app.

WeChat is something of a phenomenon. If you’re not familiar with it, imagine if you took 1 app and within it you had Facebook, Google, Twitter, PayPal, Amazon, Trip Advisor and more.

Essentially, within China, there is only WeChat. Everything that happens online happens in WeChat. And that’s where we believe Messenger is heading.

To understand how WeChat works, watch this excellent video by the New York Times.

https://www.youtube.com/watch?v=ec77S25kuVs
Here are some **EXAMPLES** of companies who have built apps on the Messenger Platform:

- **Uber** now offer the ability to book a ride with Messenger.
- **1-800 Flowers** is a flower delivery service now available on Messenger.
- **Fandango** is a ticket buying platform. Want to buy a ticket to a gig? You can now do it directly within Messenger.
- **KLM** is a Dutch airline. You can now book your ticket and get your boarding pass without leaving Messenger.

We’ve been working a lot with Messenger **BOTS** in 2017. We’ve used them ourselves and we’ve built them for clients.

So what are Messenger Bots?

**ANSWER.** Bots allow brands to communicate with their audience without the need for human interaction. Some bots allow you to pre-program responses whilst other, more sophisticated bots, use AI to respond based on the question from the user.
In the last 12 months, we’ve built Bots for use in 2 distinct areas:

1. Customer Service
2. Marketing

Within customer service, we’ve set up bots for 2 businesses who were looking to reduce the time it took to communicate with people via their Facebook Page each day.

Essentially they found that people typically asked the same few questions day in, day out.

So, we set up a Bot which directed users to the answer, which cut the amount of the interaction required from one of the staff members, and most importantly improved the user experience for enquirers.
Within our marketing efforts at **AD HOC**, we’ve been running ad campaigns on Facebook which direct people from an ad to a Messenger conversation rather than to a URL. The results have been very strong for 2 reasons:

1. By directing people from Facebook to Messenger there is a seamless user experience.

2. By directing the user to Messenger we are able to build up a client list in Messenger who we can then follow up with. It works in exactly the same way as directing people to an email sign up form except the sign up process is simpler within Messenger and also when you follow up in Messenger you have far better open rates than with email. We’re seeing typical open rates at **85% - 95%**. All in all, it’s a far more effective process.

To summarise, we see huge future **growth** in **Messenger**. In fact, in our mind, it is the platform to watch.
2017 saw an overall emphasis on encouraging businesses to use Instagram.

Deeper analytics for stories and posts, such as how many followers are gained from hashtags, keep pushing businesses to move from standard profiles to **business profiles**.

These changes and alluring analytics are likely indicators that the platform is moving towards a **PAY to PLAY** model, although it will be interesting to see if the reach of posts on business profiles are penalised as they are on Facebook with a number of influencers opting for business profiles.

**STORIES** continue to be of primary focus for Instagram. As well as offering users’ better analytics, new features within stories continue to improve, such as the ‘poll’ feature, allowing for more direct interactions with followers.

The ability to go Live with other users was also introduced in 2017, and has since opened up possibilities for announcements, collaborations, Q/A’s etc to be made via the Live function.
Beta testing of **SHOPPABLE** feeds has continued after Instagram first trialled the feature on larger accounts such as @katespadeny in 2016.

In 2017, initial beta testing was made available to other US based accounts. Beta testers had to run through an application process and be using Shopify.

Accounts such as @aloyoga, and even smaller accounts like @basicvalley, were able to use the feature, but seem to be no longer. However, @xbox are currently using shoppable tags, so it will be interesting to see where Instagram allows the feature next.

**2018** will see an increase in businesses utilising the platform. Users will become more familiar with ads and in doing so, will increase click throughs for sponsored posts.

We will absolutely see more encouragement of **LIVE** and **STORIES**. As users become increasingly jaded by the ‘perfect lives’ of influencers, 2018 will see an increase in ‘Raw’ content. Influencers that make use of story features and relatable captions like @simone_anderson and @healthychick101 will continue to see grow and engagement as users continue to find ‘perfect lives’ unrelatable.
If you think of **TWITTER** in 2017, you think of The US President, Donald Trump who has dominated the platform.

George Lakoff, a professor from Berkeley University wrote an excellent series of tweets which breaks down how **TRUMP** uses Twitter. Specifically he highlights 4 marketing/communication techniques which he adopts. Take a look left - it makes for fascinating reading.
They also introduced a subscriptions ads product for the first time called Twitter Promote.

In Twitter’s own words: **PROMOTE** is an “an always-on, amplification engine. It automatically promotes your Tweets and profile, steadily attracting more followers and additional reach for a flat fee of $99 per month. There’s no ad campaign management necessary. People using Promote Mode just Tweet as they normally do – publishing updates about their business, brand, or content that will interest their target audience”.

This is a really interesting model.

Whilst Twitter’s other ads products haven’t changed, this is a big change in direction from the “pay as you go” model of the existing products to a monthly subscription model.

We will watch with interest.
In other Twitter news, the platform increased the size of tweets from 140 to 280.

What was the reason for the expansion?

Here’s the explanation from Twitter:

“More space makes it easier for people to fit thoughts in a tweet. So they could say what they want to say, and send Tweets faster than before.”

Interestingly though, it hasn’t had a huge impact on how Twitter users are tweeting. In fact, during the test period Twitter said that only 5% of people had exceeded the 140 limit, with only 2% exceeding 190.

Perhaps it’ll take a wee bit of time for users to adapt, so again we’ll keep an eye on this one.
And finally... what we’re watching in the year ahead
The 5 things we’re watching:

1. The impact of the new Facebook **ALGORITHM**

2. Zuck’s commitment to **CLEANING UP** Facebook in wake of the US election fallout

3. Development of the **MESSENGER** app

4. Progress of Facebook as ‘the broadcaster’ via **WATCH** i.e. buying sports rights and creating their own content

5. The evolution of the **RELATABLE INFLUENCER**
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