



2013 state of  
**#sponsoredsocial**





## what is sponsored social?

brand

influencer

sponsored social



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The practice of providing **compensation** to a social media influencer or publisher in exchange for mention, promotion, or review through that influencer's social media channels.

	Native Advertising	
	Promoted Content	Sponsored Social
Mechanism	Advertiser creates content, distributes it through network	Influencer / Publisher creates content, distributes it through network
Placement	Within the content stream	Within the content stream
Voice	Advertiser	Influencer / Publisher
Reader Association	Content	Content + Influencer
Content Variation	Limited	Scalable
Content Shelf Life	Limited	Permanent
Primary Benefit	Distribution	Affinity
Traditional Media Counterpart	Advertorial	Endorsement
Primary Seller	Media Companies	Individual Influencers
Primary Buyer	Media Buyer	Brand Builder

# marketer RESPONSES



# 30%

of marketers say that display advertising is **dead or dying.**

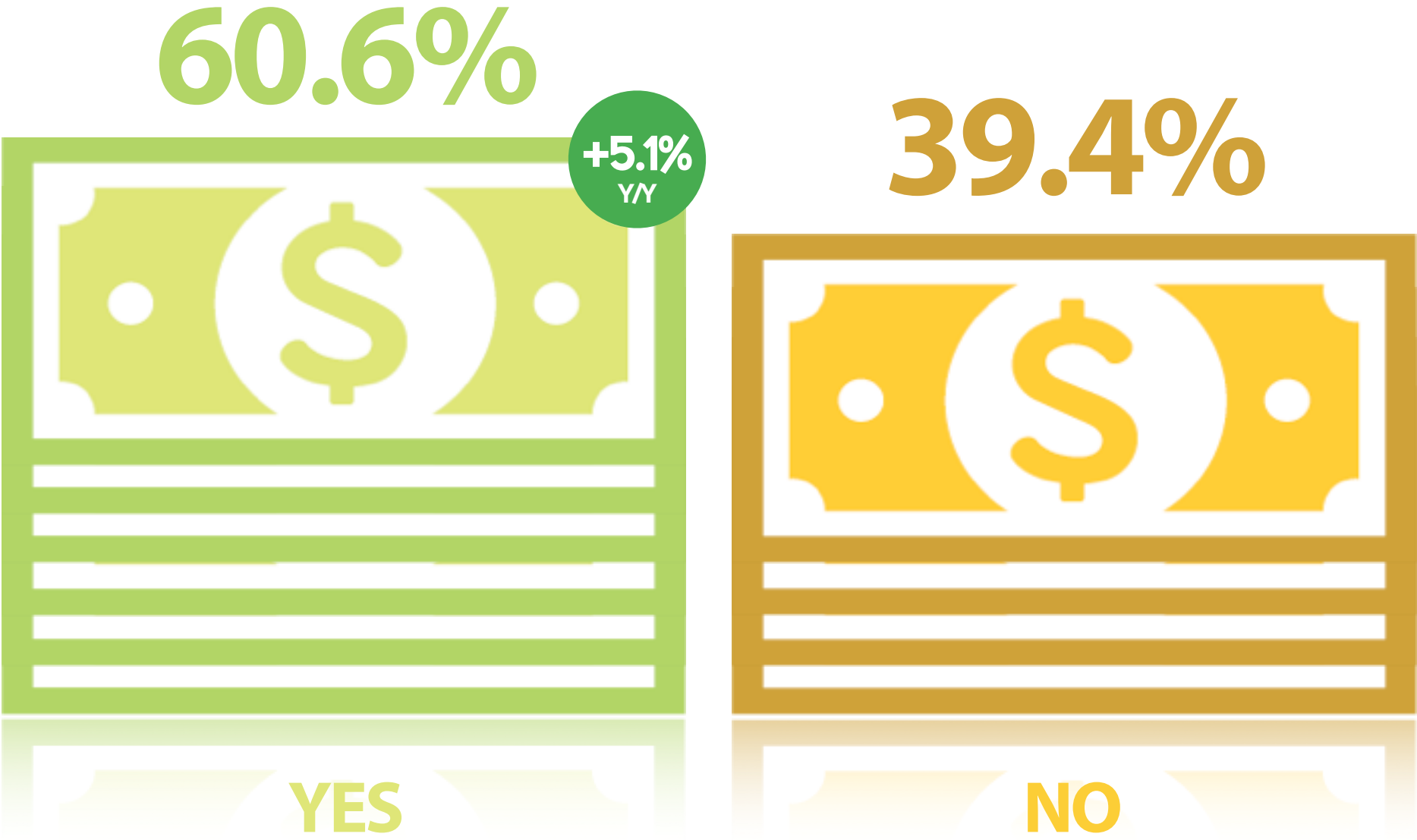


# 60%

**of companies have  
a stand alone  
social media  
budget**

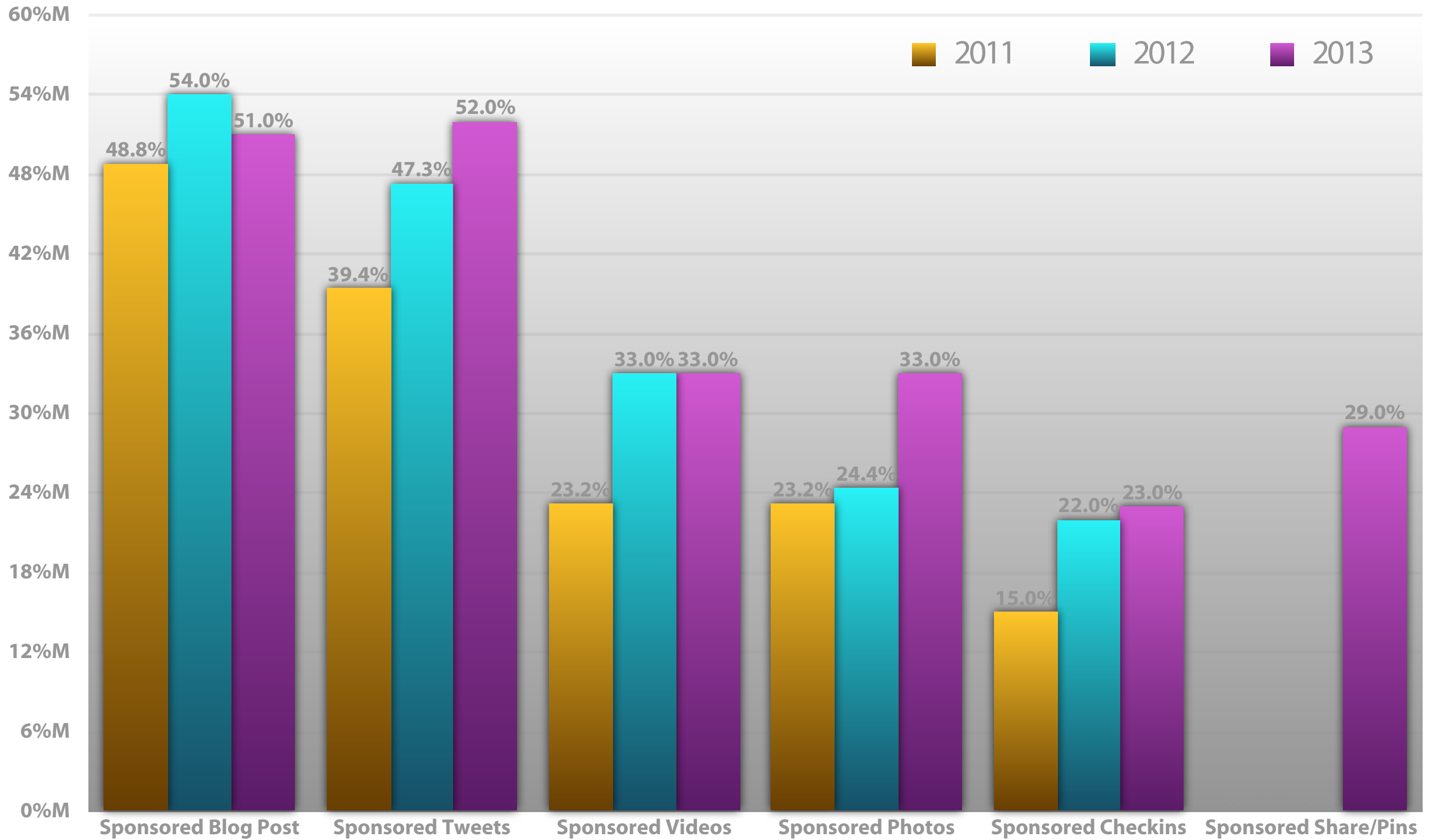
SOURCE : IZEA 2013 SOSS Study

**Marketers** : Have you ever compensated a social media publisher with cash, trips, gift cards, free product, coupons, discounts or other type of incentive with the expectation that there would be some mention through their social stream?



SOURCE : IZEA 2013 SOSS Study

# Marketers : What forms of Sponsored Social have you used?



SOURCE : IZEA 2011, 2012, 2013 SOSS Study

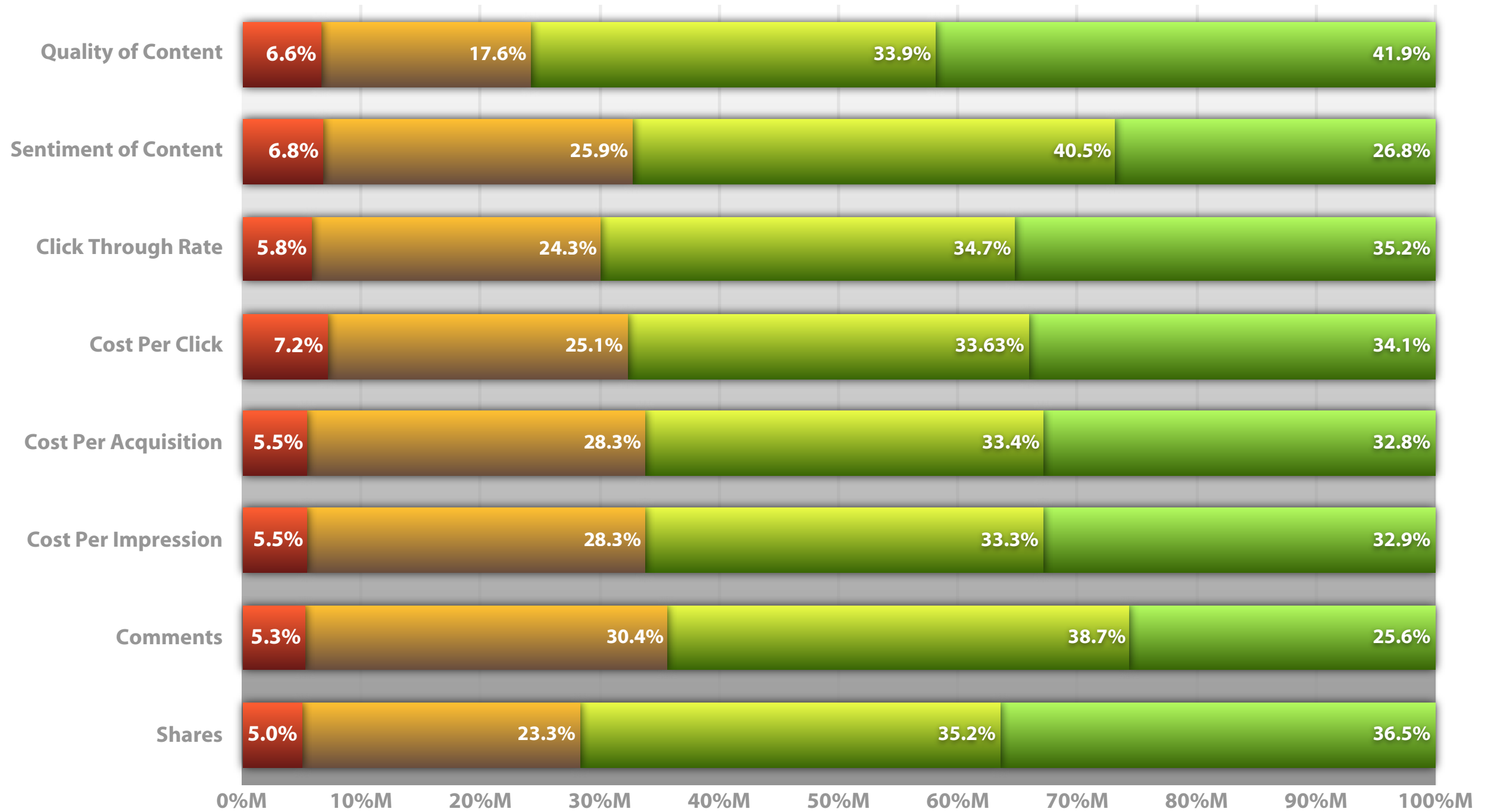


# Marketers : How do you prefer to compensate social Influencers?



SOURCE : IZEA 2013 SOSS Study

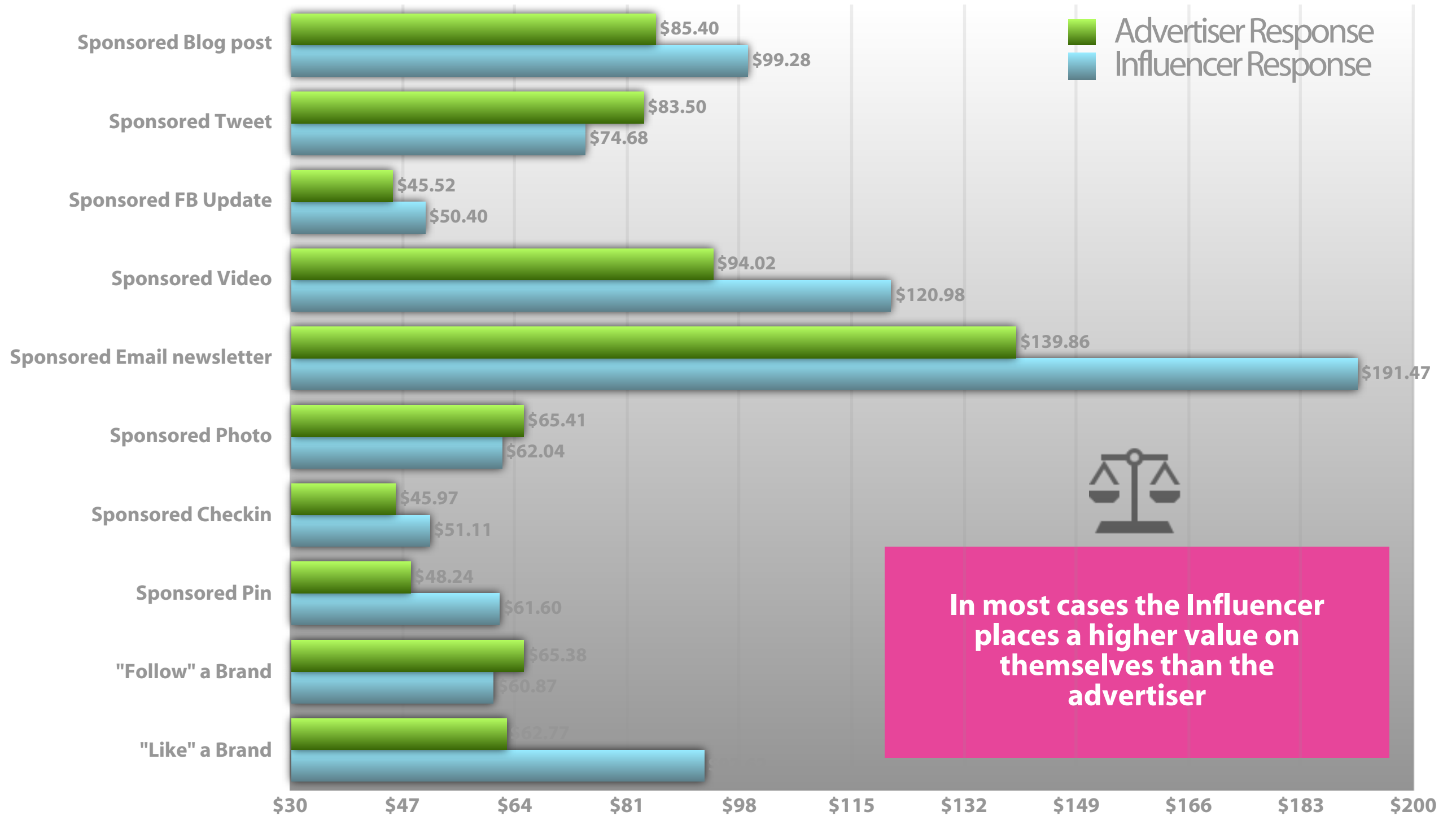
# Marketers : How do you measure success of sponsorship?



■ Not Important   
 ■ Somewhat Important   
 ■ Important   
 ■ Very Important

SOURCE : IZEA 2013 SOSS Study

# Value : On average, what are the following worth?

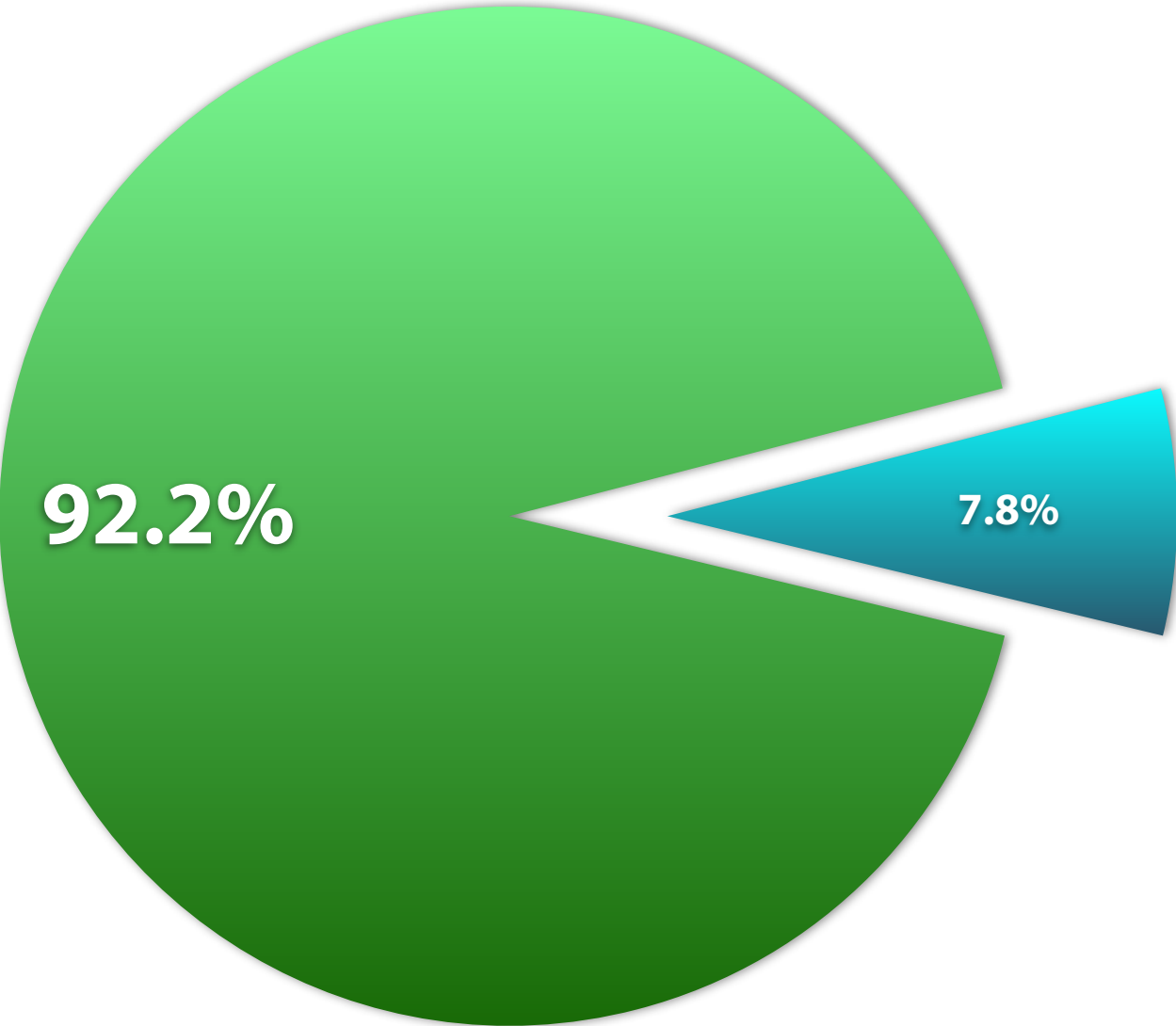


In most cases the Influencer places a higher value on themselves than the advertiser

# **influencer** **RESPONSES**



**Influencers** : Have you ever accepted any form of compensation from an advertiser to promote something through your social media channels?



**Of those that said they would never accept compensation for a post 83% said they would post for a new BMW.**

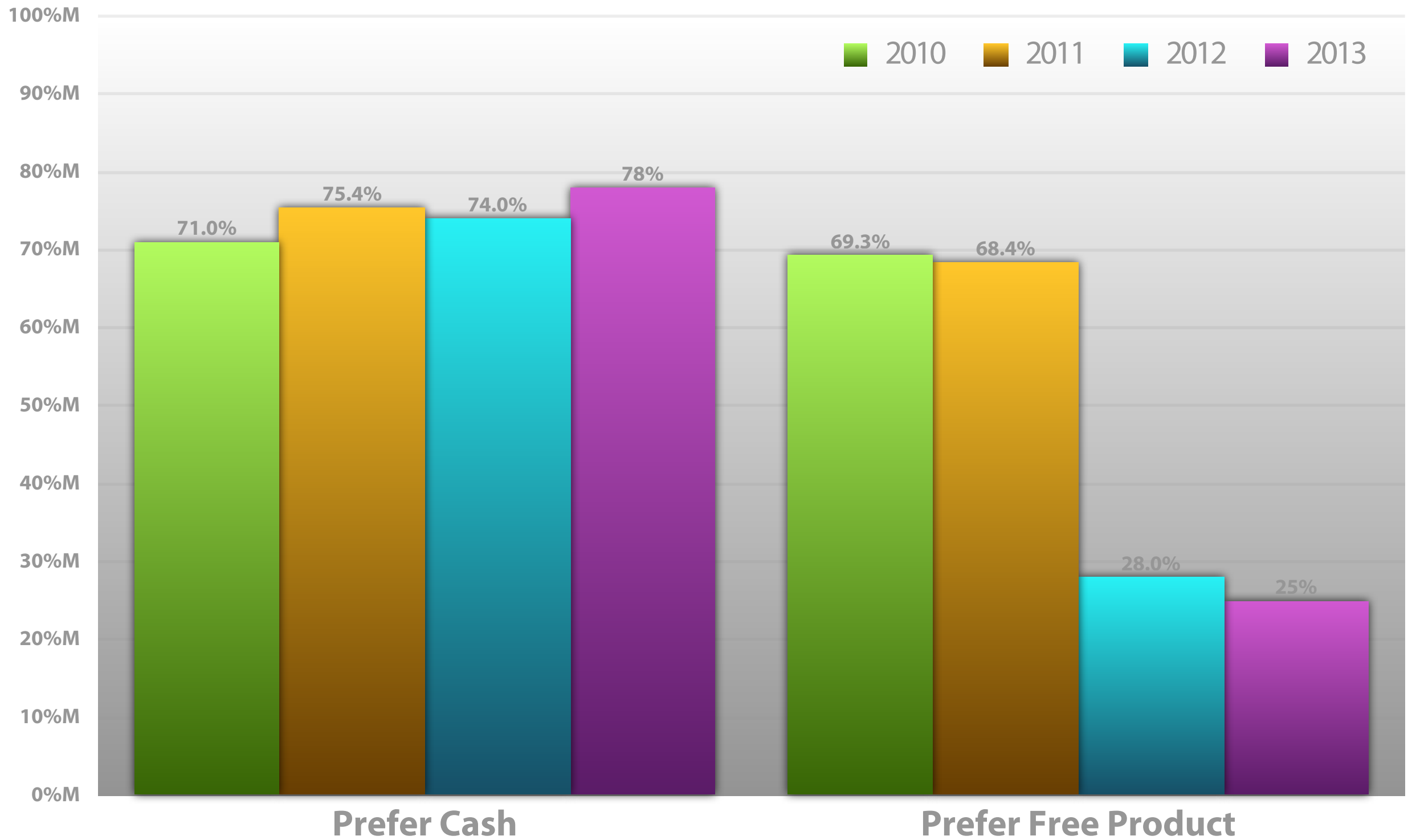
- Have or would
- No and would not

# Influencers : How do you feel about each form of compensation?



SOURCE : IZEA 2013 SOSS Study

# Influencers : Payment preference over time



SOURCE : IZEA 2010,2011, 2012, 2013 SOSS Study

## **Influencers** : Partners that share and care



**61.1%**

Share additional posts about their sponsors outside of their contractual agreement.



**80.8%**

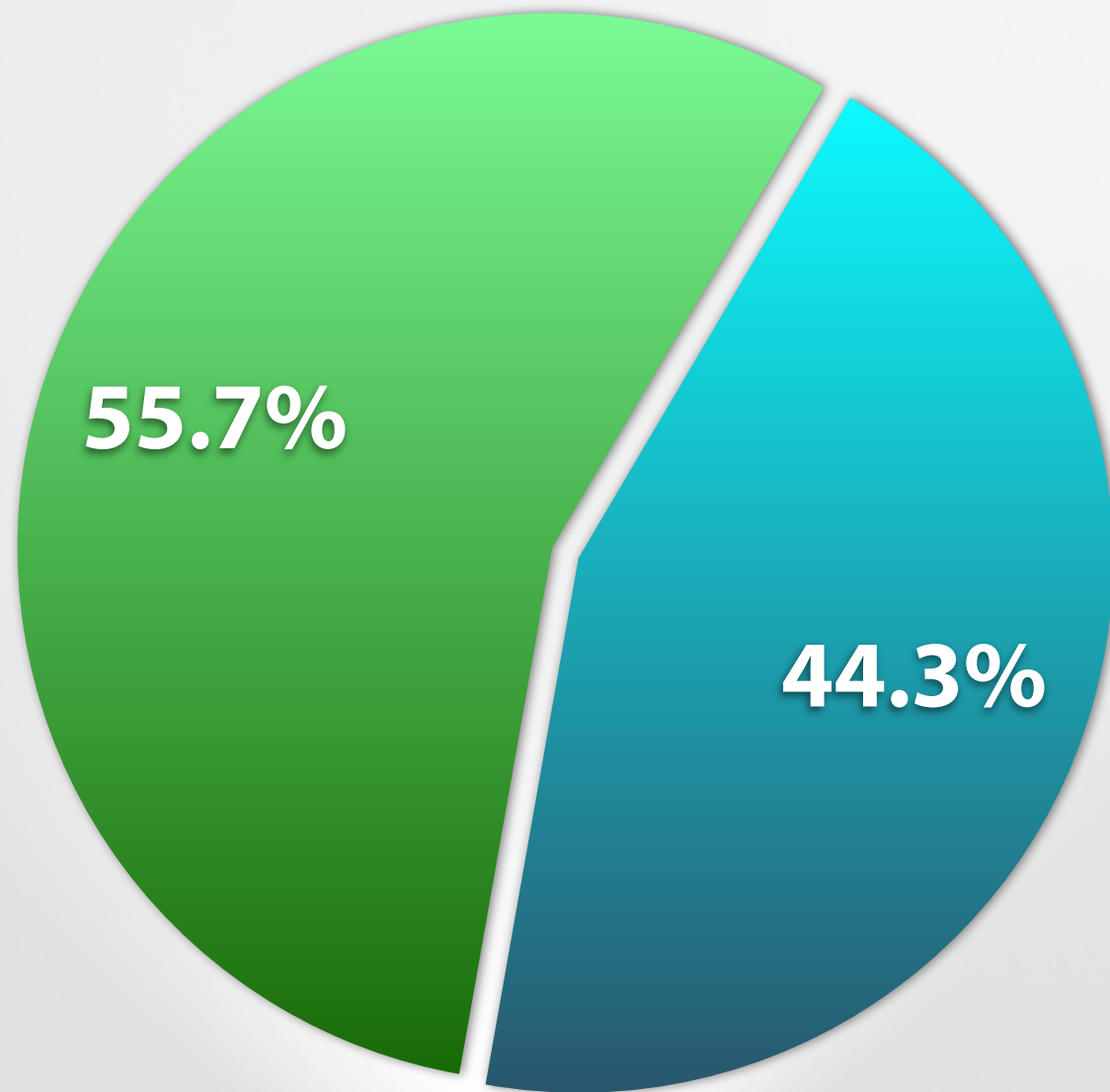
Verbally tell a friend about brands that sponsor them.



**88.6%**

Say they are more likely to purchase from brands that sponsor them.





## **INFLUENCERS: Do you make more money from display ads or content sponsorships?**

- Sponsorships
- Display Ads

**Influencers** : Importance of factors when considering an offer for a social media sponsorship

	Overall Rank
<b>Quality of Advertiser</b>	<b>1</b>
<b>Value of Compensation</b>	<b>2</b>
<b>Form of Compensation</b>	<b>3</b>
<b>Ease of Transaction</b>	<b>4</b>
<b>Clear Disclosure</b>	<b>5</b>
<b>Giveaways for My Readers</b>	<b>6</b>



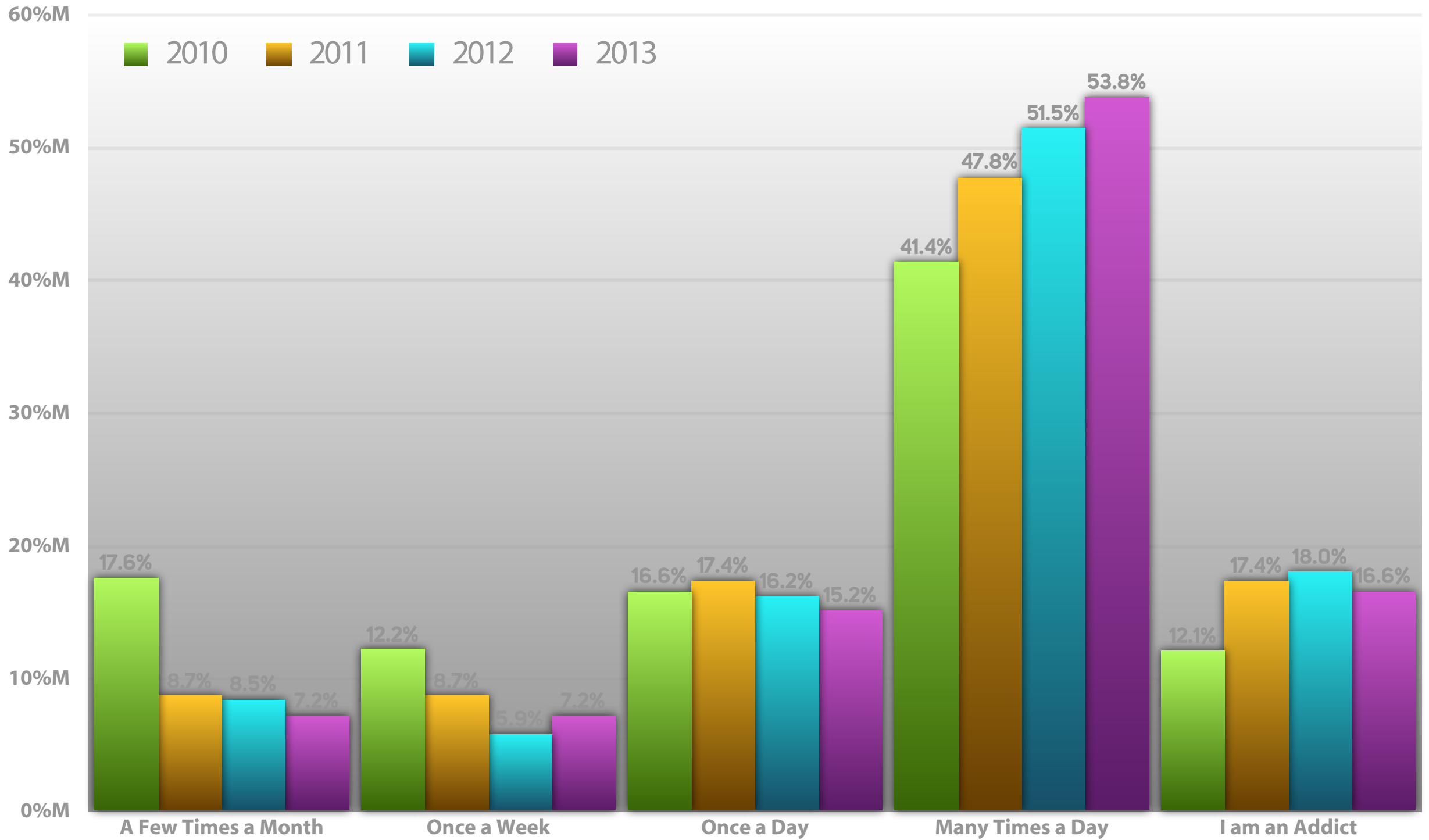
**16.8%**

of **Influencers** consider themselves a celebrity.

**34.7%**

of **marketers** say that they have hired a celebrity.

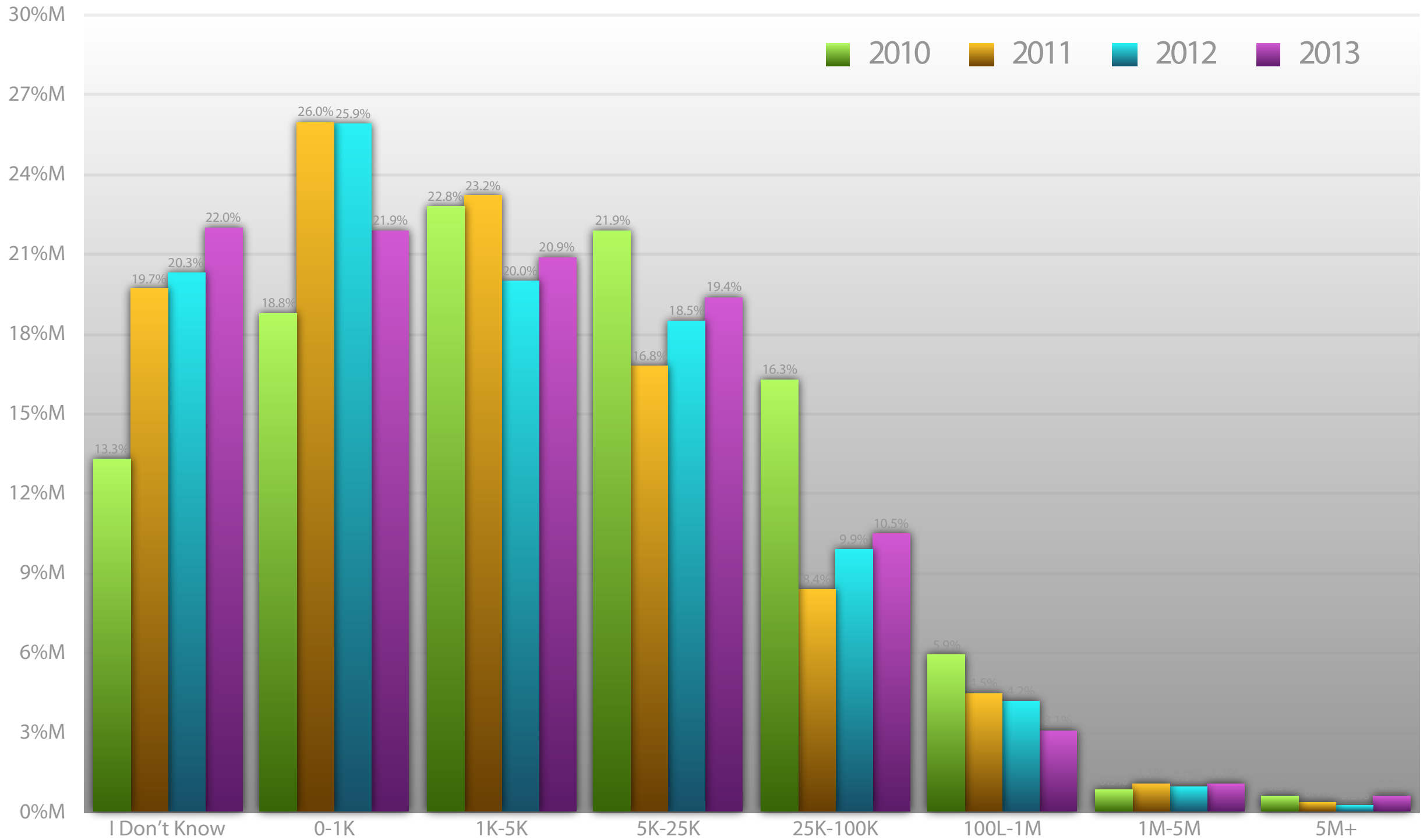
# Influencers : Twitter frequency



SOURCE : IZEA 2010, 2011, 2012, 2013 SOSS Study



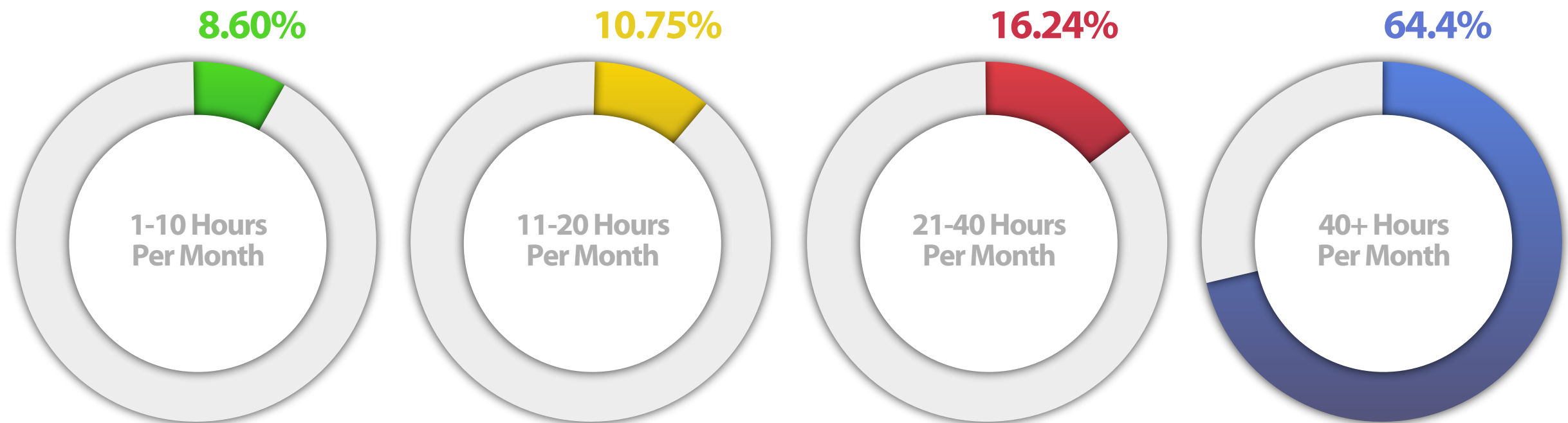
# Influencers : Monthly page views on blog



SOURCE : IZEA 2010, 2011, 2012, 2013 SOSS Study

**26.35%** of **Influencers** said that they spend the equivalent of a full time job using social media each week.

**Influencers**: How many hours a month do you spend using social media?



**58%** have been using social media for over 2 years.

SOURCE: IZEA 2013 SOSS Study

**Influencers** : What type of sponsored relationships have you had with the companies you have posted about?



**70.25%**

**Direct sponsorship**

Compensation for a specific post or series of posts.

**51.4%**

**Indirect sponsorship**

Free product provided; post was expected but not required by advertiser.

**29.1%**

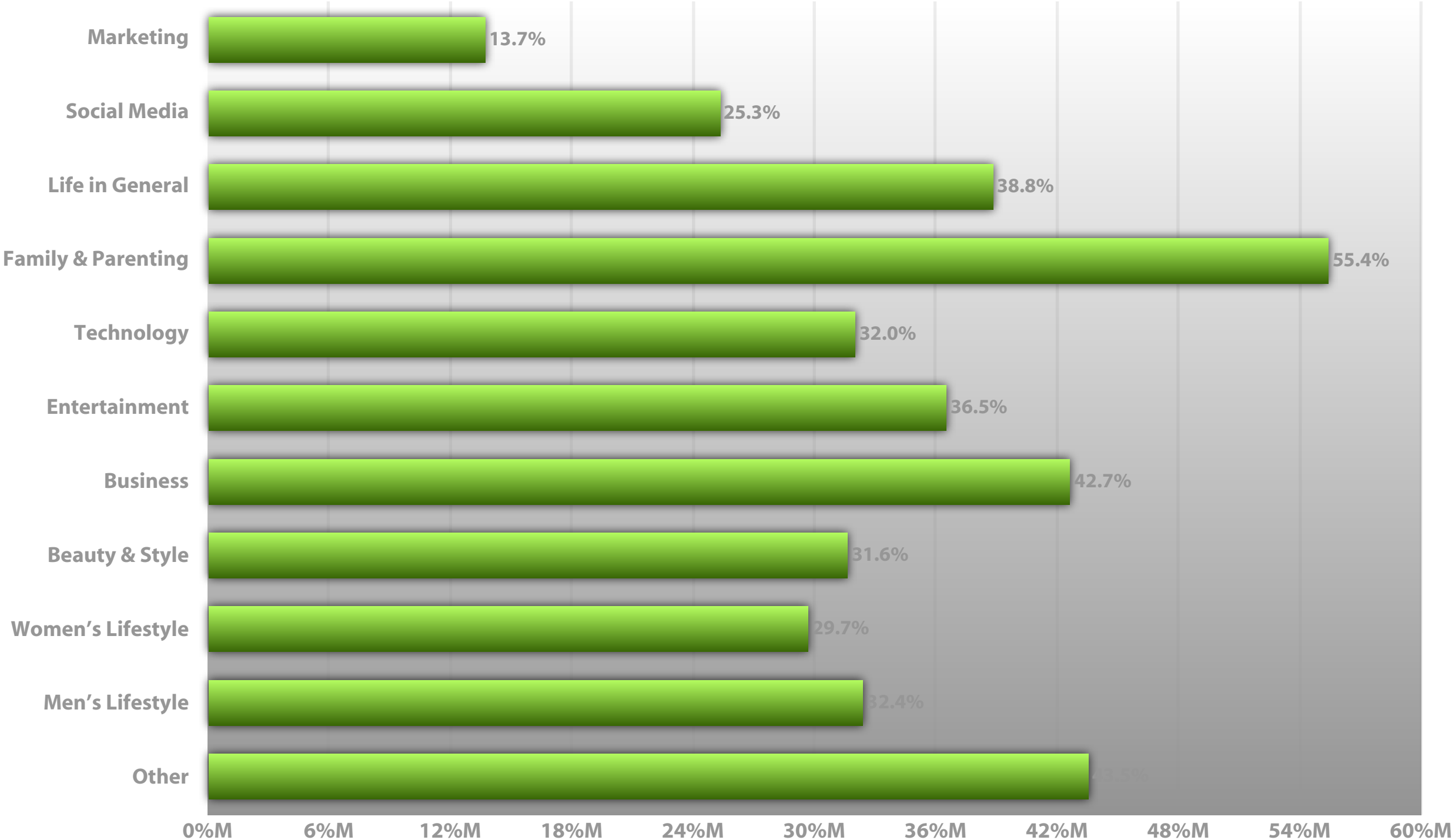
**Material relationship**

Posts to promote a client; your employer or other party with whom you have a financial connection.



**23% of Influencers say that they have attended a corporate event specially for social media influencers**

# Influencers : What do you blog about?



SOURCE : IZEA 2013 SOSS Study

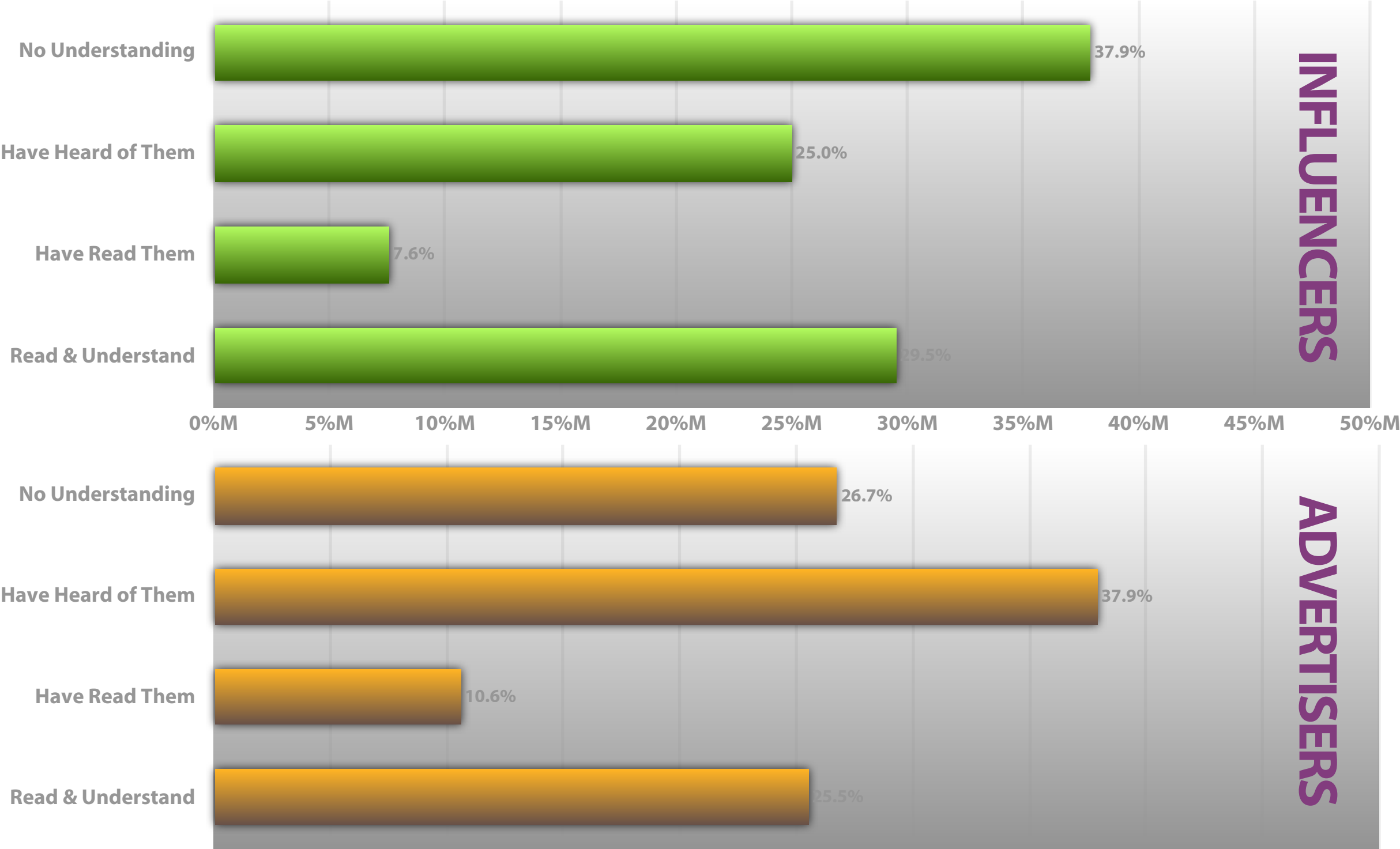


# AWARENESS OF FTC GUIDELINES

Compensation for content can be in the form of cash, free product or service, experiences, discounts, coupons or other special incentives.

If it is compensated, it is sponsored and **must be disclosed**.

# Awareness of FTC Guidelines



**INFLUENCERS**

**ADVERTISERS**

SOURCE : IZEA 2013 SOSS Study



# key takeaways

- ▶ Native advertising through Sponsored Social is growing in popularity and spend
- ▶ Influencers are now earning more with sponsorships than display advertising and many marketers believe display ads are “dead or dying”
- ▶ Sponsored Social campaigns are becoming more sophisticated and being executed through a variety of mediums and platforms
- ▶ Quality of an Influencer's content and quality of the marketer rank number 1 in importance for each party
- ▶ The average amount of followers and traffic for Influencers is steadily increasing
- ▶ Compensation for social media posts is becoming expected, if not required, with an emphasis on cash



**The pioneer of Sponsored Social.**

@izea - #sponsoredsocial