globalwebindex

Brand Discovery

Examining the ways that digital consumers discover new brands, products and services

INSIGHT REPORT | Q3 2017

INTRODUCTION

GWI Insight reports take a deep-dive into the crucial topics of the industry. In this report we examine the ways that digital consumers discover new brands, products and services, focusing in on the most effective ways that marketers can hope to engage their target audiences. We cover five key methods of brand promotion:

- **Advertising Effectiveness –** which types of ads are consumers most receptive to? How are ad-blockers impacting this?

- **The Power of Recommendation –** online recommendations are more widely available than ever, but how do online sources of advice compare with word-of-mouth?

- **Influencer Marketing –** how many are following vloggers and celebrities? How effective is this new and growing form of brand promotion?

- **Social Media Marketing –** social media is now an established brand-consumer touchpoint but how impactful is it at the start of the purchase journey? How many are clicking on sponsored posts each month?

- **Sponsored Media Content –** who is the most receptive to this form of advertising? Do consumers tend to notice product placement in TV shows and films?

CONTENT

INSIGHT REPORT | Q3 2017

www.globalwebindex.net

NOTES ON METHODOLOGY

All figures in this report are drawn from **GlobalWebIndex's online research among internet users aged 16-64**. Please note that we only interview respondents aged 16-64 and our figures are representative of the online populations of each market, not its total population.

OUR RESEARCH

Each year, GWI interviews over 350,000 internet users aged 16-64. Respondents complete an **online questionnaire** that asks them a wide range of questions about their lives, lifestyles and digital behaviors. **We source these respondents in partnership with a number of industry-leading panel providers.** Each respondent who takes a GWI survey is assigned a unique and persistent identifier regardless of the site/panel to which they belong and **no respondent can participate in our survey more than once a year** (with the exception of internet users in Egypt, Saudi Arabia and the UAE, where respondents are allowed to complete the survey at 6-month intervals).

OUR QUOTAS

To ensure that **our research is reflective of the online population in each market,** we set appropriate **quotas on age, gender and education** – meaning that we interview representative numbers of men vs women, of 16-24s, 25-34s, 35-44s, 45-54s and 55-64s, and of people with secondary vs tertiary education.

To do this, we conduct research across a range of international and national sources, including the World Bank, the ITU, the International Labour Organization, the CIA Factbook, Eurostat, the US Bureau of Labor Statistics as well as a range of national statistics sources, government departments and other credible and robust third-party sources.

This research is also used to calculate the 'weight' of each respondent; that is, approximately how many people (of the same gender, age and educational attainment) are represented by their responses.

MOBILE SURVEY RESPONDENTS

From Q1 2017 on, GlobalWebIndex has offered our Core survey on mobile. This allows us to survey internet users who prefer using a mobile or are mobile-only (who use a mobile to get online but do not use or own any other device). Mobile respondents complete a shorter version of our Core survey, answering 50 questions, all carefully adapted to be compatible with mobile screens.

Please note that the sample sizes presented in the charts throughout this report may differ as some will include both mobile and PC/laptop/tablet respondents and others will include only respondents who completed GWI's Core survey via PC/laptop/tablet. For more details on our methodology for mobile surveys and the questions asked to mobile respondents, please download this document.

INTERNET PENETRATION RATES ACROSS GWI'S MARKETS

GlobalWebIndex's research focuses exclusively on the internet population and because internet penetration rates can vary significantly between countries (from a high of 90%+ in parts of Europe to lows of c.20% in parts of APAC), the nature of our samples is impacted accordingly.

Where a market has a high internet penetration rate, its online population will be relatively similar to its total population and hence we will see good representation across all age, gender and education breaks. This is typically the case across North America, Western Europe and parts of Asia Pacific such as Japan, Australia and New Zealand. Where a market has a medium to low internet penetration, its online population can be very different to its total population; broadly speaking, **the lower the country's overall internet penetration rate, the more likely it is that its internet users will be young, urban, affluent and educated.** This is the case throughout much of LatAm, MEA and Asia Pacific.

This table provides the latest estimates on internet penetration (defined as the number of internet users per 100 people) from the International Telecommunication Union for each market that GlobalWebIndex conducts online research in. Please note that this will reflect internet penetration among the total population, and that the figure among 16-64s is likely to be higher.

INTERNET PENETRATION RATES

(ITU Internet Penetration Metric 2015)

Argentina	69.4%	Netherlands	93.1%
Australia	84.6%	New Zealand	88.2%
Belgium	85.1%	Nigeria	47.4%
Brazil	59.1%	Philippines	40.7%
Canada	88.5%	Poland	68.0%
China	50.3%	Portugal	68.6%
Egypt	37.8%	Russia	70.1%
France	84.7%	Saudi Arabia	69.6%
Germany	87.6%	Singapore	82.1%
Ghana	23.5%	South Africa	51.9%
Hong Kong	84.9%	South Korea	89.6%
Kenya	45.6%	Spain	78.7%
India	26.0%	Sweden	90.6%
Indonesia	22.0%	Taiwan	78.0%
Ireland	80.1%	Thailand	39.3%
Italy	65.6%	Turkey	53.7%
Japan	91.1%	UAE	91.2%
Malaysia	71.1%	United Kingdom	92.0%
Mexico	57.4%	United States	74.5%
Morocco	57.1%	Vietnam	52.7%

SAMPLE SIZE BY MARKET*

(Q1 2017)

Argentina	1508	Netherlands	1259
Australia	1255	New Zealand	1261
Belgium	1260	Nigeria	750
Brazil	2307	Philippines	1573
Canada	2256	Poland	1271
China	8273	Portugal	1294
Egypt	1311	Russia	2265
France	2308	Saudi Arabia	1236
Germany	2346	Singapore	1509
Ghana	750	South Africa	1531
Hong Kong	1265	South Korea	1271
Kenya	3032	Spain	2267
India	1786	Sweden	1285
Indonesia	1276	Taiwan	1240
Ireland	2279	Thailand	1524
Italy	1775	Turkey	1589
Japan	750	UAE	1305
Malaysia	1532	United Kingdom	7778
Mexico	1533	United States	16113
Morocco	750	Vietnam	1519

* This report draws insights from GlobalWebIndex's Q1 2017 wave of research across 40 countries, which had a global sample size of 89,392 (with 72,892 surveys completed on PC/laptop/tablet and 16,500 surveys completed on mobile).

Key Insights

▪ Despite some gradual changes in how people watch TV, **broadcast TV has stood its ground and remains the most effective advertising channel of all.** A decent 30% say they discover new brands via online ads, but digital still can't complete with the reach of TV. Age is hugely important here: the effectiveness of TV ads increases in line with age, while the opposite is seen for online ads. This means that 16-24s are as likely to discover brands via online ads as TV ads.

▪ As to be expected, the more 'traditional' forms of advertising like radio and newspaper are the most impactful among older age groups. In contrast, **16-24s are about 3x as likely as 55-64s to discover brands via in-app advertising** – something that has taken off in the advent of ad-blocking. **About 1 in 3 internet users are now blocking ads on their mobiles or desktop** but over 40% of blockers are "selective" when doing so – meaning they still discover brands via online ads.

▪ Globally, about half of internet users are posting reviews online each month – highlighting the great amount of noise and potential brand advocacy taking place online. Interestingly, **internet users are more likely to discover brands via word-of-mouth recommendations than they are via online options.** Older age groups, women and the top income quartile value peer-to-peer recommendations the most.

▪ **With 30% following actors, and half of 16-24s watching vlogs each month, there's little wonder that influencer marketing has been identified as a lucrative opportunity for brands.** At present, celebrity endorsements and vlogs are still among the least effective brand discovery channels, but figures reach notably higher among 16-24s. And for Gen Z, these are the channels where they over-index the most strongly.

▪ The average digital consumer spends 2 hours 13 minutes a day on social networks/services – that's a lot of time for brands to grab a consumer's attention. Updates to a brand's social network page can be important for raising awareness of new products and recommendations seen on social networks can claim to be in the top 10 brand discovery channels. Unsurprisingly, **16-34s are the most influenced by branded content on social media.**

▪ **Sponsored editorial content is one way to bypass consumer frustration with ads and ad-blocking.** Articles seen on a newspaper/magazine's website tend to perform slightly better than those in print but both score relatively low overall. **Product placement in TV shows and films, in contrast, can claim to be one of the most effective forms of brand promotion** of all. And it's certainly attractive to marketers that we see figures are consistently high across the age groups.

Overview

SOURCES OF BRAND DISCOVERY

% who say they are most likely to find out about new brands, products or services via the following

Search engines	37%
Ad seen on TV	36%
Word-of-mouth recommendation	31%
Ad seen online	30%
TV shows / films	27%
Brand/product websites	25%
Recommendation on a social network	23%
Consumer review sites	22%
In-store product displays or promotions	21%
Product comparison websites	20%
Ad seen on mobile or tablet app	19%
Ad in a magazine or newspaper	18%
Pre-roll video ad	17%
Ad on a billboard or poster	16%
Update on a brand's social network page	15%
Stories / articles on a newspaper or magazine's website	15%
Personalized purchase recommendations on a website	14%
Ad seen at the cinema	13%
Forums / message boards	13%
Ad heard on the radio	13%
Celebrity endorsements	13%
Post or review from an expert blogger	13%
Stories / articles in a printed edition of a newspaper or magazine	13%
Deals on a group-buying website (e.g. Groupon)	11%
Vlogs	9%

From TV and print advertising to celebrity endorsements and sponsored social media posts, marketers have a huge host of different channels at their disposal for reaching their target audience. GlobalWebIndex tracks 25 different ways in which digital consumers discover new brands and products, covering more traditional channels like search engines and TV ads, and such digital options as bloggers and recommendations on social media.

In this report, we discuss whether the more traditional methods of brand promotion remain relevant and impactful, or whether it's digital where marketers should be focusing. We break these channels down across different demographics and regions to find out the best possible approach.

EXPLORE THE DATA

Question: In which of the following ways are you most likely to find out about new brands, products, or services?
Base: 89,392 Internet Users aged 16-64

PRO Platform:
Marketing Touchpoints > Brand Discovery

Receptiveness to Ads

The younger the consumer, the more influenced they tend to be by advertising

Whether it's print, online or TV, ads have always grabbed the lion's share of marketers' attention, with huge amounts spent each year on different forms of advertising. And while a lot of advertising receptiveness tends to be subconscious, it's still more than 40% of internet users who say they tend to buy the brands they see advertised.

Gender exerts little impact but there are some noteworthy age-based trends here– namely, **the younger the consumer, the more influenced they tend to be by advertising**. Close to 50% of 16-34s say they are receptive to ads, compared to just over a fifth of their 55-64-year-old counterparts. One possible explanation here is that older consumers' purchasing habits tend to be more ingrained; whereas 69% of 16-24s say that like to try new products, for 55-64s this figure is less than half.

AD RECEPTIVENESS

% who say they tend to buy brands they see advertised

TOTAL		42%
AGE	16 to 24	47%
	25 to 34	47%
	35 to 44	45%
	45 to 54	33%
	55 to 64	22%
GENDER	Female	43%
	Male	41%
INCOME	Bottom 25%	37%
	Mid 50%	43%
	Top 25%	53%

EXPLORE THE DATA

Question: To what extent do you either agree or strongly agree with the statements below? Strongly and Somewhat Agree
Source: GlobalWebIndex Q1 2017
Base: 72,892 Internet Users aged 16-64

PRO Platform:
Attitudes and Lifestyle > Self-Perceptions

TV Ads vs. Online Ads

TV ADS VS. ONLINE ADS

% who find out about new brands, products or services via TV or online ads

		Ad Seen on TV	Ad Seen Online
AGE	16 to 24	31%	32%
	25 to 34	36%	31%
	35 to 44	37%	30%
	45 to 54	40%	25%
	55 to 64	46%	24%
GENDER	Female	37%	29%
	Male	35%	30%
REGION	Asia Pacific	34%	28%
	Europe	39%	28%
	Latin America	42%	38%
	Middle East & Africa	32%	38%
	North America	44%	29%

EXPLORE THE DATA

Question: In which of the following ways are you most likely to find out about new brands, products, or services?
Source: GlobalWebIndex Q1 2017
Base: 89,392 Internet Users aged 16-64

PRO Platform:
Marketing Touchpoints > Brand Discovery

Broadcast TV remains the most effective form of advertising

The TV industry has seen some rapid changes over the last decade. Back at the start of the decade, online TV services like Netflix weren't widespread enough to offer an alternative to the traditional TV set, penetration rates of devices like tablets weren't as pronounced, and there weren't smart TVs and streaming sticks like there are today. The way people view and consume television has changed. Each year, we're seeing the time devoted to online forms of television slowly tick upwards (now around 1 hour per day), while the time spent watching broadcast TV has declined ever so slightly.

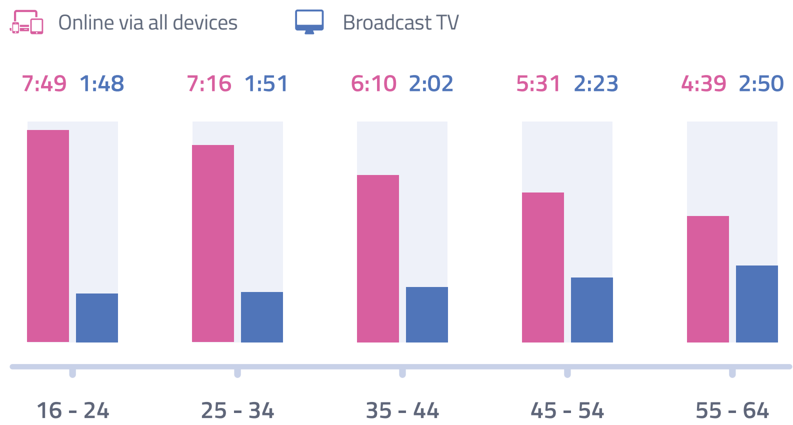
But in the face of these changes, **broadcast TV has stood its ground and still remains the most effective form of advertising.** Indeed, with the average internet user spending over 2 hours per day in front of their TV sets, digital can't necessarily compete with this level of reach. Sure, there's a decent 30% who discover new brands or products via online ads, but this is still a distance behind TV ads.

In the battle of TV and online advertising, there's one consideration bigger than any other: age. **The effectiveness of TV ads increases in line with age, while the opposite trend is seen for online ads.** For 16-24s, then, they are just as likely to discover a new brand or product via an online ad as a TV ad. In contrast, if we focus on 55-64s, the difference in effectiveness is staggering – they're twice as likely to be influenced by TV ads as online ads.

Digital can't yet challenge TV's reach, but digital used in a way that complements TV is an effective strategy

A quick look at the age-based differences in time spent online and time spent watching linear TV helps to explain this trend. **As younger age groups are spending the longest online, it follows that they're also likely to be exposed to a greater number of ads** and therefore more likely to find new brands this way. Similarly, 55-64s are spending over an hour longer watching linear TV each day than 16-24s, and so will be seeing more TV ads.

DAILY HOURS AND MINUTES SPENT ONLINE AND WATCHING TV BY AGE



EXPLORE THE DATA

Question: Roughly how many hours do you spend online on a PC/laptop/tablet or mobile during a typical day?/ Roughly how many hours do you spend watching television during a typical day?
Source: GlobalWebIndex Q1 2017
Base: 89,392 Internet Users aged 16-64

PRO Platform:
Media Consumption > Time Online on Mobile

Other Forms of Advertising

BRAND DISCOVERY VIA ADVERTISING

% who say they are most likely to discover brands, products or services by the following

	16 to 24	25 to 34	35 to 44	45 to 54	55 to 64
Ads seen in apps	21%	22%	20%	14%	10%
Pre-roll online videos ads	18%	19%	17%	15%	12%
Ads on billboards or posters	16%	16%	16%	15%	13%
Ads in magazines or newspapers	16%	17%	19%	20%	24%
Ad seen at the cinema	15%	15%	14%	10%	8%
Ads on the radio	11%	13%	15%	14%	15%

EXPLORE THE DATA

Question: In which of the following ways are you most likely to find out about new brands, products, or services?
Source: GlobalWebIndex Q1 2017
Base: 89,392 Internet Users aged 16-64

PRO Platform:
Media Consumption > Time Online on Mobile

1 in 5 YouTube Visitors discover brands via ads seen before a video

It's not just online and TV that marketers need to consider – there's also print, cinema and in-app advertising among others.

As perhaps expected, the more 'traditional' forms of advertising tend to be the most impactful among older age groups. For radio ads, for example, 55-64s have a 4-point lead over 16-24s – the result of these older consumers spending longer than average each day listening to broadcast radio. Similarly, they're even further ahead for discovering brands via magazine/newspaper ads. In contrast, younger age groups are more receptive to the digital options. **16-24s are over twice as likely as 55-64s to discover brands via in-app advertising, for example.** In-app advertising has taken off in recent years with the advent of ad-blocking and as mobiles have risen in importance – especially among the younger age groups. With consumers now spending almost 3 hours a day online on their mobiles (over twice as long as they were back in 2012), and with much of this time being spent in-app, engagement here is increasingly critical for brands and marketers.

In-app ads tend to work well because they're enhanced by location data, something which unlocks many layers of data which marketers can analyze – including weather and local events to get a full picture of what is going on at a certain location in real-time. Google's ads in its Maps app, for example, serves ads for local shops and services after users perform a search, while Foursquare allows small businesses to deliver ads based on users' locations and similar businesses they have visited. The key here is to serve ads that are relevant to the user while simultaneously presenting it in a non-invasive manner.

Ad-Blocking

AD-BLOCKER USAGE

% who say they used ad-blocking tools in the last month

32% *used an ad-blocker on desktop*

31% *used an ad-blocker on mobile*

BY REGION

	Desktop	Mobile
Asia Pacific	31%	39%
Europe	36%	19%
Latin America	30%	19%
Middle East & Africa	29%	23%
North America	38%	20%

EXPLORE THE DATA

Question: Which of the following things have you done when accessing the internet from your main computer? / Within the past month, have you used an ad-blocker on your mobile phone to prevent websites or apps from displaying ads when you visit them?
Source: GlobalWebIndex Q1 2017
Base: 89,392 Internet Users aged 16-64

PRO Platform:
Device Ownership and Access >
Online Privacy Measures

AD-BLOCKING SEGMENTATION

*% of ad-blocker users who fall into the following segments**

**For more information about how the segments are defined, click here.*

EXPLORE THE DATA

Source: GlobalWebIndex Q1 2017
Base: 31,700 Ad-Blocker Users aged 16-64

PRO Platform:
Device Ownership and Access >
Ad-Blocking Segmentation

It's difficult to think about ad effectiveness without considering the recent rise of ad-blocking – a trend that has made native and in-app advertising even more attractive to advertisers. At present, **our data shows that 32% are blocking ads on their desktop each month, with virtually the same number doing so on mobile.**

There's some important regional differences to note, though. For desktop ad-blocking, we see the highest figures in North America – a region where desktops remain especially important in online behaviors. In contrast, **mobile ad-blocking is first and foremost an Asian phenomenon,** with internet users here twice as likely to be blocking ads on mobile as those in the other regions. This is largely down to mobile ad-blocking capabilities and tools tending to be ahead of what's available elsewhere, and the fact that ad-blockers are now vital tools for reducing load times and spending on data plans. That said, as online behaviors increasingly migrate to mobile in many Western markets, it's only a matter of time before mobile ad-blocking becomes more mainstream here.

With a decent proportion still discovering brands via online ads, these ad-blocking figures do not suggest that individuals are blocking every ad on every site they visit; rather, these people have used an ad-blocker on at least one occasion in the past month – with multi-device usage, whitelisting and selective usage of blocking browsers all meaning that people blocking ads in some contexts can still be exposed to them in others. Indeed, over 40% of blockers fall into our 'selective' segmentation which encompasses those who block ads but say they still discover brands or products via online ads.

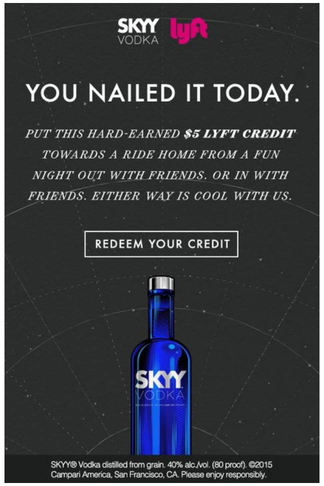
Take a look at the motivations behind this and it's frustration which is the biggest driver. **55% of those who use ad-blockers fall into our 'frustrated' segmentation** – believing that ads are intrusive, annoying, take up too much screen space, or that there are simply too many of them. Evidently, it's the poor user experience which lies at the heart of the issue – something that has undoubtedly worsened as more and more consumers are getting online via mobiles, with their smaller (and more easily invaded) screens.

Some individuals will always have reservations about receiving targeted or personalized messages, but among current ad-blockers at least, serving fewer and more relevant ads provides one of the only hopes of reversing this trend. While consumers have become more privacy-savvy in the era of Big Data, **there is still undoubtedly an appeal to relevant and personalized messaging**. Half of consumers say they tend to opt in for personalized loyalty rewards from brands, while 14% say that personalized purchase recommendations on a website are a key way they discover new brands.

> ***Serving fewer and more relevant ads provides one of the only hopes of reversing the ad-blocking trend***

TREND IN ACTION

CAMPARI AMERICA AND TARGETED LOCATION-BASED ADS



Alcohol brand Campari America targeted drinkers aged 21-34 in the USA while they were in areas with lots of bars and restaurants, offering them a $5 discount with ride-sharing app Lyft when they 'checked in' at a venue. Such ad targeting means less time and money wasted on sending a message to people who are uninterested.

Online Reviewing

ONLINE REVIEWS

% who posted a review of a product, company or service in the last month

TOTAL	
TOTAL	47%

BY AGE

16 - 24	46%
25 - 34	56%
35 - 44	52%
45 - 54	38%
55 - 64	31%

BY GENDER

Male	50%
Female	44%

TOP 5 MARKETS

India	61%
Indonesia	60%
Vietnam	57%
Thailand	56%
Philippines	56%

EXPLORE THE DATA

Question: In the past month, which of the following things have you done on the internet via any device?
Source: GlobalWebIndex Q1 2017
Base:72,892 Internet Users aged 16-64
PRO Platform:
Online Activities and Behaviors >
Activities via Any Device

Over a third of digital consumers say that online reviews encourage them to buy something online

It's often said that a brand is only as good as their customers perceive them to be. And to some extent this is true – having a positive brand perception is vital to encouraging people to buy. **Over a third of internet users globally say that reviews affect their purchasing decisions – and it's notable that 57% say they always like to seek an expert opinion before buying something.**

57% say they always like to seek an expert opinion before purchasing products and services

There's certainly no shortage of consumers who are willing to review brands, products or services. Globally, **close to half of internet users report posting reviews online each month** – highlighting the great amount of noise and potential brand advocacy that is now taking place in the online space. Across the demographic breaks, **it's**

35% say they are easily swayed by other people's opinions

25-34s who are the biggest reviewers, with numbers decreasing in line with age to hit a low of 31% among 55-64s. It's also interesting that all the top 5 markets for online reviewing are fast-growth APAC markets – largely the result of internet populations here skewing towards younger and affluent demographics.

TREND IN ACTION

LIDL ACQUIRES BRAND ADVOCATES THROUGH #LIDLSURPRISES CAMPAIGN

Understanding the importance of a positive brand perception, Lidl is one brand that has successfully recruited brand advocates. By actively encouraging customers to tweet about Lidl products, the brand acquired powerful user-generated content or tweets to do the marketing for them.

Digital vs Traditional Recommendations

TRADITIONAL VS DIGITAL RECOMMENDATIONS

% who say they discover new brands or products via the following

Word-of-Mouth Recommendations · Forums · Consumer Review Sites

		Word-of-Mouth Recommendations	Consumer Review Sites	Forums
AGE	16 to 24	26%	20%	13%
	25 to 34	31%	24%	15%
	35 to 44	33%	23%	14%
	45 to 54	35%	22%	11%
	55 to 64	38%	22%	9%
GENDER	Female	35%	22%	12%
	Male	27%	22%	14%
INCOME	Bottom 25%	26%	18%	12%
	Mid 50%	34%	25%	14%
	Top 25%	32%	24%	15%

EXPLORE THE DATA

Question: In which of the following ways are you most likely to find out about new brands, products, or services? **Source:** GlobalWebIndex Q1 2017
Base: 89,392 Internet Users aged 16-64

PRO Platform:
Marketing Touchpoints > Brand Discovery

Word-of-mouth recommendations outscore all online recommendation channels

With so many posting reviews each month, online advice is more readily available than ever before. At the mere click of a button, consumers can access a wealth of consumer review sites, forums, social recommendations, as well as recommendations from the likes of expert bloggers and vloggers. And that's on top of the traditional and ultra-important word-of-mouth recommendations from friends and family.

With internet users spending longer and longer online each day, you might expect this mass of online recommendation to be the most powerful source of product discovery. But it's actually **word-of-mouth recommendations from friends/ family that outscore all of the online options.** It's clear that online adults favor the personal touch in the real-world from people they trust – and this is a story that holds true across every demographic break. Older age groups, women and the top income quartile value word-of-mouth recommendations the most; in fact, 55-64s are almost twice as likely to discover brands via peer-to-peer recommendations as consumer review sites.

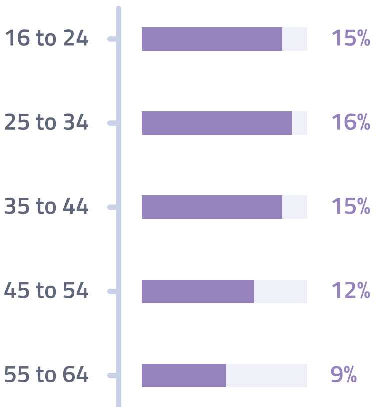
That said, online channels are still an important go-to in the purchase journey, and **for 16-24s the difference between word-of-mouth and consumer review sites is only 6-points.** Across each of the age groups over a fifth are discovering brands via consumer review sites and they remain especially important for sectors like travel and eating out. Vacation buyers are 33% more likely to discover new brands or services via consumer review sites, for instance, with regular restaurant visitors equally ahead of average.

Personalized Purchase Recommendations

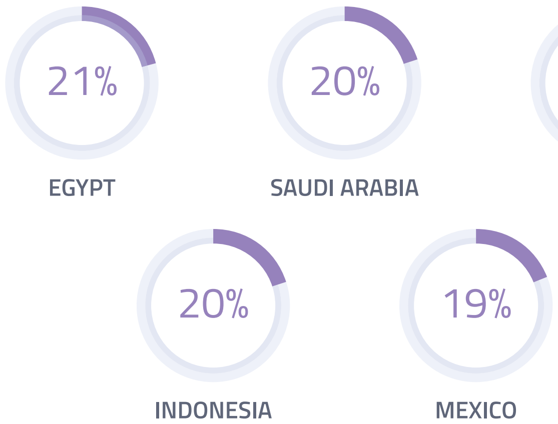
PERSONALIZED PURCHASE RECOMMENDATIONS

% who say that they are most likely to find out about new brands, products or services via personalized purchase recommendations on a website

BY AGE



TOP 5 MARKETS



EXPLORE THE DATA

Question: In which of the following ways are you most likely to find out about new brands, products, or services? **Source:** GlobalWebIndex Q1 2017 **Base:** 89,392 Internet Users aged 16-64

PRO Platform: Marketing Touchpoints > Brand Discovery

Personalized recommendations need to improve, both in what they suggest and how they are presented

As mentioned earlier, there is a clear need for relevant and targeted advertising – and suggesting the right products consumers might be interested in, based on their behavior and purchase history, can be an effective approach here.

At present, just **14% of consumers say they find brands via personalized product recommendations,** putting it towards the bottom of the list of effective brand discovery channels. 25-34s do post slightly higher figures, but even here their impact remains somewhat limited.

Although they're becoming an increasingly popular approach by brands, it seems that they're failing to grab the attention of consumers. Arguably, personalized recommendations need to improve, both in what they suggest and how they are presented.

TREND IN ACTION

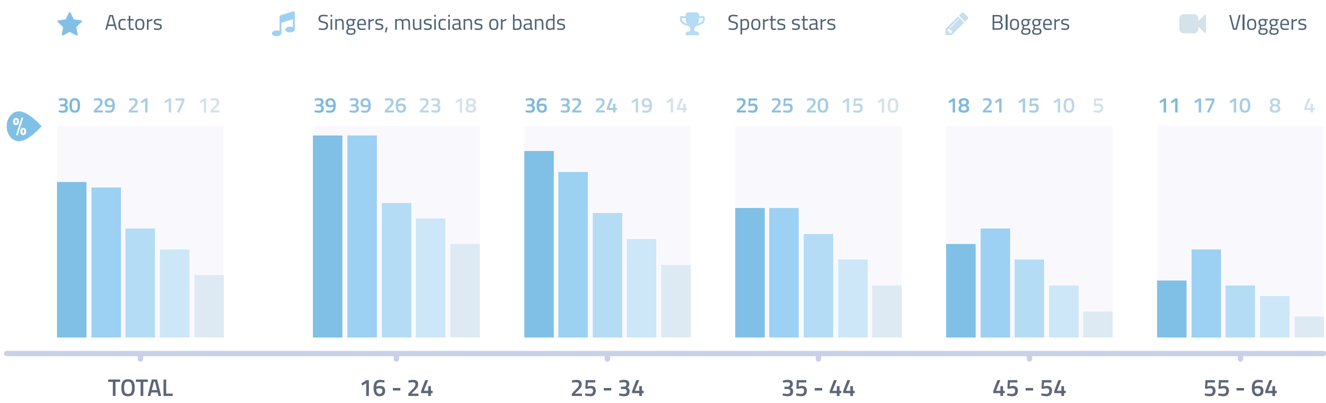
EASYJET'S PERSONALIZED NEWSLETTERS

One brand that has successfully used personalized recommendations is European airline EasyJet. To mark its 20th anniversary, the brand launched a data-driven email campaign that brought each customer's travel history with the airline to life. This involved stories of where they first traveled with EasyJet, and where they might like the go next. Open rates were reportedly over 100% higher than the average newsletter.

Influencer ‘Following’ on Social Media

INFLUENCER “FOLLOWING” ON SOCIAL MEDIA

% who say they prefer to “follow” these type of people on social media



EXPLORE THE DATA

Question: Which of these people or organizations do you prefer to follow online via social media services? **Source:** GlobalWebIndex Q1 2017 **Base:** 72,892 Internet Users aged 16-64

PRO Platform:
Social Media >
Types of People Followed on Social Media

> ***Influencer marketing provides brands with targeted exposure to the right kind of consumer who will pay attention***

Whereas 10 years ago people were using social media primarily for keeping in touch with their friends and sharing personal updates, social media is now an increasingly important channel for following celebrities and keeping up with celebrity news.

Take a look at the numbers choosing to follow celebrities and well-known individuals and this is particularly apparent. 30% of internet users globally say they follow actors, for example, with a similar proportion following singers or musicians. Vloggers have also gained traction lately, especially among the youngest age groups. **More than half of 16-24s say they have watched a vlog in the last month, for instance, and about a fifth are actively following vloggers on social platforms.**

Importantly, though, this creates new opportunities for brands – in particular, the opportunity for influencer marketing. Whether it’s Unilever employing Zoella for its ‘All Things Hair’ YouTube channel, or the large host of brands paying celebrities (as well as more niche thought leaders) to advertise their products, there’s no shortage of brands using this form of brand promotion. The belief is that **through influencer marketing, brands will get targeted exposure to the right kind of consumer who is interested and will pay attention.**

TREND IN ACTION

UNILEVER'S PARTNERS WITH ZOELLA FOR 'ALL THINGS HAIR' PLATFORM

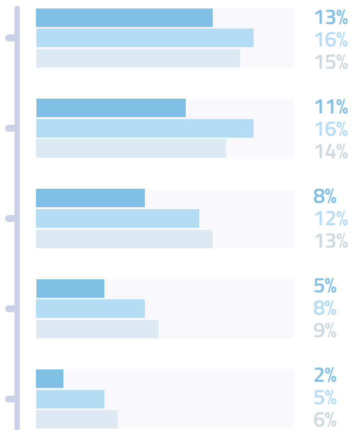
On its 'All Things Hair' YouTube channel, Unilever enlisted famous vlogger Zoella to create videos for the platform that advertise a variety of its beauty brands, including Toni & Guy, Dove and VO5. Such a move to incorporate this kind of influencer marketing in its strategy makes sense for Unilever – **both Dove and VO5 Users are around 40% more likely than average to discover new products via vloggers**

INFLUENCER MARKETING RECEPTIVENESS

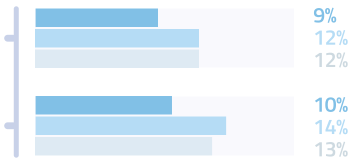
% who say they are most likely to find out about new brands, products or services via the following

Vloggers | Celebrity Endorsements | Post or Review from an Expert Blogger

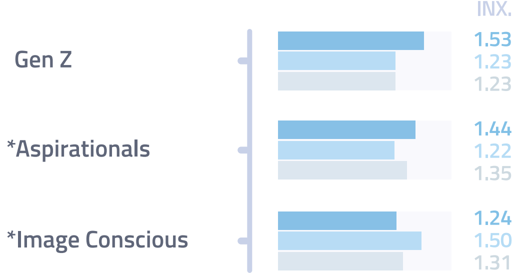
AGE



GENDER



AUDIENCES



**For more information about how the segments are defined, click here.*

EXPLORE THE DATA

Question: In which of the following ways are you most likely to find out about new brands, products, or services? **Source:** GlobalWebIndex Q1 2017 **Base:** 89,392 Internet Users aged 16-64

PRO Platform:
Marketing Touchpoints > Brand Discovery

16% of internet users watched a YouTube video posted by a celebrity/ vlogger in the last month

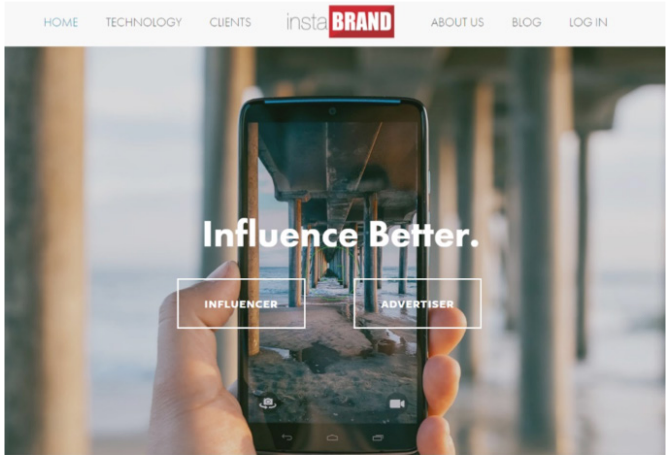
Instagrammers are **23%** more likely to discover brands via celebrity endorsements

At present, the effectiveness of influencer marketing as a brand discovery channel does seem relatively limited when compared to other sources like TV ads and search engines. Celebrity endorsements and posts from bloggers are in the bottom 5 options globally, while vlogs are the least effective discovery route of them all. But **arguably it's the age-based trends that set influencer marketing apart:** as well as being more likely to follow all the celebrities/influencers we track, across the board, we see that 16-24s are too the most likely to be discovering brands via vlogs, blogger posts and celebrity endorsements.

As we explore in our Generation Z Audience Report, this much-talked about audience are big on celebrities, more easily influenced than other generations, and their receptiveness to influencer marketing really stands out – with celebrity endorsements and vlogs being the two channels where they over-index most strongly.

TREND IN ACTION

INSTABRAND



In a direct response to the rising demand for influencer marketing, we've seen the arrival of various influencer marketing agencies. One of these, Instabrand, acts as the middleman between brands and influencers, connecting advertisers with the right kind of influencer to leverage authentic audience relationships.

Brand Discovery on Social Media

A fair share of consumers are happy to have branded content on their newsfeeds

Social networks have long been an important brand-consumer touchpoint. With **over a third of internet users globally following their favorite brands on social media,** and a further quarter following brands they are thinking of buying something from, that's a decent share of consumers who are willing to have branded content on their newsfeeds.

In the face of increasing rates of ad-blocking and banner fatigue, the native advertising that social offers has become more attractive to brands, especially given that it offers such effective targeting capabilities. **The average digital consumer spends 2 hours 13 minutes a day on social networks/services**, and so it makes sense that brands are capitalizing on this and taking measures to get themselves noticed during this time.

BRAND DISCOVERY VIA SOCIAL MEDIA

% who say they are most likely to find out about new brands, products or services by the following

Recommendation on a Social Network

Update on a Brand's Social Network Page

		Recommendation on a Social Network	Update on a Brand's Social Network Page
AGE	16 to 24	24%	17%
	25 to 34	26%	17%
	35 to 44	23%	15%
	45 to 54	19%	11%
	55 to 64	16%	8%
GENDER	Female	25%	15%
	Male	22%	15%
SOCIAL NETWORKERS	Pinterest	33%	23%
(Visitors/Users)	Instagram	31%	23%
	Twitter	31%	22%
	Facebook	27%	19%
	YouTube	27%	18%

EXPLORE THE DATA

Question: In which of the following ways are you most likely to find out about new brands, products, or services? **Source:** GlobalWebIndex Q1 2017
Base: 89,392 Internet Users aged 16-64

PRO Platform:
Marketing Touchpoints > Brand Discovery

BRAND FOLLOWING ON SOCIAL MEDIA

Follow favorite brands **36%**

Following brands thinking of buying from **24%**

Indeed, a decent proportion of consumers are happy to be interacting with brands on these platforms. Around a quarter are visiting a brand's social network page each month, while about a fifth report liking or following new brands. Importantly, **updates to these branded pages can be important for raising awareness of new products.** This is especially true for 16-34s (almost a fifth discover new products this way) and we see figures reach even higher among the various social networkers. Those visiting/using Instagram and Pinterest score the highest figures of all – the result of the visual nature of these platforms, which naturally lends itself to brands showcasing their latest products.

Recommendations seen on social networks can claim to be one of the most important brand discovery sources, sitting in the top 10. This underlines the important role social networks play in enhancing brand awareness and credibility. Once again we see a noteworthy peak for this option among 16-34s, with Pinterest users taking the top spot among the social networkers.

Sponsored Editorial Content

SPONSORED EDITORIAL CONTENT

% who say they are most likely to find out about new brands, products or services via the following

Articles in a Printed Edition of a Newspaper/Magazine
Articles on a Newspaper/Magazine's Website

		Print	Online
AGE	16 to 24	11%	14%
	25 to 34	12%	15%
	35 to 44	13%	16%
	45 to 54	14%	15%
	55 to 64	16%	16%
INCOME	Bottom 25%	10%	12%
	Mid 50%	13%	16%
	Top 25%	15%	17%
BY REGION	Asia Pacific	12%	16%
	Europe	12%	13%
	Latin America	12%	15%
	Middle East & Africa	14%	16%
	North America	13%	14%

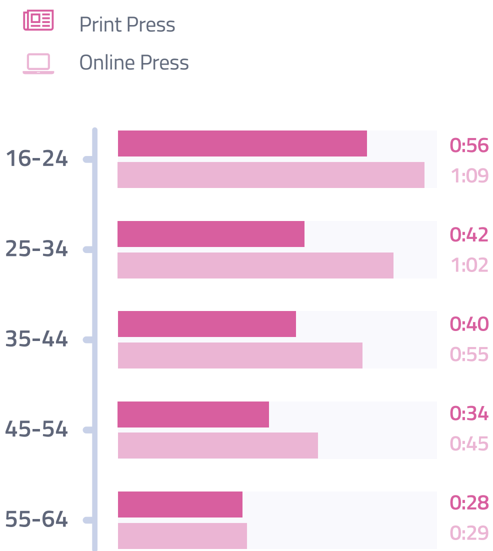
EXPLORE THE DATA

Question: In which of the following ways are you most likely to find out about new brands, products, or services? **Source:** GlobalWebIndex Q1 2017
Base: 89,392 Internet Users aged 16-64

PRO Platform:
Marketing Touchpoints > Brand Discovery

TIME SPENT READING PRINT VS ONLINE PRESS BY AGE

Average hours:mins spent reading the following



EXPLORE THE DATA

Question: Roughly how many hours do you spend reading physical/printed forms of press during a typical day? / Roughly how many hours do you spend reading online forms of press during a typical day? **Source:** GlobalWebIndex Q1 2017
Base: 72,892 Internet Users aged 16-64

PRO Platform:
Media Consumption >
Time Spent Reading Physical Print Press

As we saw earlier, that ads are often intrusive, take up too much screen space and get in the way is a key reason why many consumers have resorted to ad-blockers. One possible solution to this is to employ native advertising, whereby commercial messaging is blended so that is appears like editorial content.

Overall, **articles or stories on a newspaper/magazine's website tend to perform slightly better than those in a printed edition,** though both come in towards the bottom of the list of brand discovery sources. Across the demographic breaks, **the effectiveness of articles in print increases in line with age**, whereas the figures are much more consistent for articles on a newspaper/magazine website. Interestingly, the top income quartile tends to be more receptive to this form of content marketing than the lower quartiles.

Product Placement in TV and Movies

PRODUCT PLACEMENT

% who say they are most likely to find out about new brands, products or services via TV shows or films

AGE	16 to 24	27%
	25 to 34	29%
	35 to 44	27%
	45 to 54	25%
	55 to 64	24%
INCOME	Bottom 25%	27%
	Mid 50%	28%
	Top 25%	25%
BY REGION	Asia Pacific	29%
	Europe	20%
	Latin America	31%
	Middle East & Africa	27%
	North America	24%

EXPLORE THE DATA

Question: In which of the following ways are you most likely to find out about new brands, products, or services? **Source:** GlobalWebIndex Q1 2017 **Base:** 89,392 Internet Users aged 16-64

PRO Platform: Marketing Touchpoints > Brand Discovery

With the recent ability to skip commercials, the logic is that consumers will pay attention to the content they like

Product placement in TV shows and films can claim to be one of the most effective methods of brand promotion of all. It's been a hugely popular method of advertising for some time now, with one of the most famous instances taking place back in the 1980s in the movie "E.T" when Reese's Pieces were featured, having a huge impact on the product's popularity. It follows the logic that consumers will pay attention to the content they like.

Over a quarter of internet users say they find new brands or products this way, meaning that they're more likely to do so than via the actual brand or product website. Impressively, the figures are consistently high across each of the demographic breaks. Figures peak slightly among 25-34s (the age group who is most likely to be strongly interested in movies), but even among the oldest age group, there's still 24% who find new brands/ products this way.

Across the regions, **it's Latin Americans who see the highest figures (31%), putting them 10-points ahead of their European counterparts (on 20%).** This is in line with the peak in movie interest we see in Latin America, with this region also ahead for being fans of most the film franchises we track.

TREND IN ACTION

TOYOTA PRIUS FEATURES IN "LA LA LAND

One of the most notable product placements in "La La Land" was the Toyota Prius, making its appearance as the car driven by the main character. This product placement had mutual benefit for the car and the movie. The fuel-efficient Toyota Prius successfully reflected the character's practical nature, and it also helped to push the brand's positioning as a fuel efficient and eco-friendly car – with Prius typically attracting those who have a very practical lifestyle and care about the environment.

Future Outlook

- With mobile ad-blocking set to gain precedence in the West (as behaviors shift to mobile and consumer awareness of ad-blocking capabilities grow), other forms of brand promotion are set to gain traction – in particular, those that revolve around social and mobile that are (as yet) immune to ad-blockers, including influencer marketing and in-app advertising.

- With ad-overload and irrelevancy being key drivers behind ad-blocking, one of the only ways to reverse this trend is to serve targeted, relevant and personalized messages that will add value to a consumer's life. Some privacy-savvy consumers might be resistant to personalization, but with 16-24s being particularly receptive to personalized advertising, it's likely to become more acceptable as well as essential.

- Although influencer marketing is still yet to become an established brand discovery route, this form of marketing is set to mature and make a big impact as more and more brands opt for this route. The key here is for brands to fit in with the lifestyle portrayed by the influencer – and it's not all about their number of followers.

- Younger consumers are likely to push more attention towards digital channels, but there's no denying the continuing reach and importance of more traditional channels like TV ads and search engines. Online TV forms might be becoming more prominent, but broadcast TV continues to hold its own and remains the most effective advertising channel. As such, this should remain the focus of marketing budgets for the immediate future.

More from GlobalWebIndex

REPORTS

FLAGSHIP REPORTS
Our flagship reports present insights and statistics on social networking, device usage, online purchasing and entertainment.

MARKET & REGION REPORTS
Tracking key digital behaviors and engagement rates at a national or regional level, providing the very latest headline figures as well as looking at trends over time and across demographics.

AUDIENCE REPORTS
In-depth examinations of particular groups, assessing their most important behaviors and motivations as well as what sets them apart from the wider online population.

INSIGHT REPORTS
Deep-dives into some of the most pressing topics for marketers, from traditional vs digital media consumption to audience measurement issues.

TREND REPORTS
Tracking the stories of the moment, from ad-blocking and live streaming to VPNs and multi-networking.

INFOGRAPHICS
One-page visual summaries of key services, behaviors & audiences.

To see all of our available reports

CLICK HERE

PRO PLATFORM

The questions and data-points featured in this report are available to explore on PRO Platform. They can be analyzed by any audience, date range or selection of countries/regions, with users able to build bespoke audiences based on our wide range of demographic, attitudinal and behavioral variables.

Each chart is accompanied by a hyperlink which will take you to the appropriate section on PRO Platform; simply click on the relevant link to start exploring the data further.

CLICK HERE *To start a PRO Platform free trial*

GWIQ

GWIQ offers clients the ability to create bespoke audiences on the platform by connecting the GWI panel and passively monitored visitation to their own websites/campaigns. Segment your visitors by the actions taken on your site then profile them utilizing the 100% declared data you already find in the PRO platform. Validate digital campaigns against rich targets far beyond demographics. Understand the impact of digital campaigns on brand perceptions by sending bespoke advertising effectiveness surveys to panelists using a control vs exposed methodology.

CLICK HERE *To find out more about GWIQ*

GWI CUSTOM

GlobalWebIndex can also offer a variety of custom solutions to suit all your data and insight needs. All projects are conducted in close consultation with clients and resulting data is available for analysis in our PRO Platform.

Our Custom offerings include:

BRAND SOLUTIONS
Brand Health
Brand Tracker
Brand Profiling

PRODUCT SOLUTIONS
Usage and Attitudes
Price Point
Platform Testing
Concept Testing

CAMPAIGN & AUDIENCE SOLUTIONS
Segmentation
Campaign Measurement
Audience Profiling
Audience Targeting

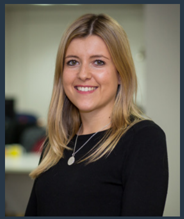
CLICK HERE *To find out more about GWI Custom*

Jason Mander

Chief Research Officer

E jason@globalwebindex.net

@thejasonmander



Katie Young

Senior Trends Analyst

E katie@globalwebindex.net

@katie_young11

www.globalwebindex.net

T + 44 207 731 1614 /// E hello@globalwebindex.net

/// A 3 Dorset Rise, London, EC4Y 8EN, UK