Social Advertising

2018 Recap

Pathmatics
Introduction

As with year’s past, 2018 saw several shifts in the world of advertising, among them a greater shift to programmatic advertising, the launch of Amazon’s new advertising platform, and numerous PR blunders from Facebook.

One constant among the ever-changing landscape has been the reign of top advertisers across digital—unsurprisingly, dominating our top advertiser reports, are brands like Walmart, Target, Verizon, Apple, and Samsung. The nature of the shifting social landscape, however, including the unique feature of placing, editing, and optimizing ads on the fly, has allowed for a greater variance in top advertisers year-over-year, perhaps suggesting a shift in strategy for some of the top brands and a few surprise high-spenders.
A Social Story: 2017 vs. 2018

In 2017 and 2018 Procter & Gamble (P&G), Microsoft and Amazon remained steady as the top Facebook advertisers in the United States, joined in the last two years by Target, Walmart, Best Buy, and the somewhat surprising high-sander: Domino’s Pizza.

For the remaining top 5 advertisers, we’ve seen a fluctuation year-over-year, from CPG brands like Kraft-Heinz, Proctor and Gamble, and The Hershey Company leading 2017, to a bit of a mix-and-match in 2018. This year the trends are less clear, with a mix of retail giants interrupted by The New York Times, alcohol producer Diageo, and the European shopping website Wish.com. What accounts for this unlikely group of social-advertising leaders, and how are they leveraging Facebook to stand out against their competitors?

Let’s take a look.
Facebook vs. All of Digital

If we were declaring winners (and, why not?), Procter & Gamble would easily take the crown, topping our spend charts across the board in 2018 with nearly $400 Million spent across all digital (including desktop video & display, mobile video & display, native, and social). About half of that budget—almost $200 Million—was spent on Facebook alone. This is over $18 Million more than our second highest spender, Walmart.

After P&G we begin to see a small, albeit meaningful, shift between the top spenders across digital as compared to the top spenders on Facebook. Digital high-rollers include the likes of tech & e-commerce giants Amazon, Microsoft, Apple, Walmart, Target, and Verizon, with major insurance-industry competitors Progressive Insurance and Geico rounding out the top 10.

On Facebook, by contrast, top spenders include the spirits company Diageo, The New York Times, and Domino’s pizza, with Apple notably missing from the mix. Why do these companies top the charts on Facebook? Let’s have a look.
Top Facebook Advertisers of 2018

#10 Best Buy Co., Inc.

**Spend:** $88 Million +

**Impressions:** 10 Billion +

**Unique Creatives:** 1.8k

**Targets:** Females, iOS users

With a spend of over $88 Million, Best Buy comes in as the 10th biggest advertiser on Facebook for 2018. Utilizing a product-forward creative strategy, the brand released over 1,800 new creatives throughout the year, utilizing carousel posts more than video or static image posts to show their depth of products to prospective buyers.

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**Percent of Spend by Creative Type**

- Carousel Post: $15 M
- Link Post: $3.5 M
- Unknown Post Type: $614 K
- Other: $2K
Domino’s Pizza

Spend: $97 Million +

Impressions: 10 Billion +

Unique Creatives: 5k

Targets: Females, California

Domino’s Facebook ads can be summed up in three words: pictures of pizza. As part of an ongoing effort to reframe their image, the last few years have seen onslaught of creative strategies from Domino’s, including their pizza delivery app, tech integrations with Twitter, Google, and Amazon Alexa, Domino’s hotspots, their campaign to fix city roads that are “tough on pizza” and much more.

When we saw Dominos on our top advertisers list, we assumed it was because social media was the perfect vehicle for the continuation of their creative campaigns and a great way to further interact with consumers.

But we were wrong. Instead, pretty much every single one of the 5,000 creatives we picked up, gets straight to the point. Order pizza—and just look at that cheesy goodness.
Across all of digital, The New York Times spent just over $108 Million on advertising. The vast majority of this budget—$98.9 Million—went to Facebook.

This choice makes sense when you consider that about two-thirds of Americans get their news from social media sites like Facebook, according to the Pew Research Center. This, combined with an overall increase in mobile news consumption year over year, paves the way for The Times to drive traffic off of Facebook and onto their site for increased news consumption.
#7

**Diageo**

**Spend:** $100 Million +  
**Impressions:** 10 Billion +  
**Unique Creatives:** 3.5k  
**Targets:** Females, Texas

While you may not have heard of Diageo, odds are you’ve heard of Bailey’s, Bulliet, Captain Morgan, Don Julio, Kettle One, and Smirnoff—just a few of the over 50 brands in the Diageo family of liquors and spirits.

Although several brands are represented by Diageo, the throughline is a focus on lifestyle content, utilizing a user-generated-content (UGC) approach to styling, as if the ads were posted by friends sharing drink recipes and weekend plans. There’s also a notable focus on what we’ll loosely call “health benefits,” with claims like “non-GMO,” “90 calories,” “0G fat,” and recipes with as such. Diageo’s targeting skews female across all brands, while their Geo-targets include California, Texas, New York, Florida, and Georgia.
Home Depot

Spend: 105 Million +
Impressions: 10 Billion +
Unique Creatives: 19.9k
Targets: Males, iOS users

A glance at Home Depot’s display strategy shows product after product, highlighting smart garage door openers, faux-wood flooring, front doors, barbeques—the usual.

On Facebook, however, the strategy shifts to photos of beautiful kitchens, outdoor spaces, and families gathering, following suit with the lifestyle focus we have seen from other top advertisers.

Instead of a focus on product, messaging suggests improving your home, upgrading your light fixtures, and working on your garden. It’s the sort of DIY and home improvement projects that might appeal to young homeowners, or those who follow home furnishing stores like Pottery Barn, interior design influencers, or brands like HGTV on their social channels.

As you may have guessed, their gender targeting skews female—an interesting juxtaposition to their digital and mobile display strategy, which includes high spending on traditionally male-focused websites like ESPN and This Old House.
#5

## Amazon

**Spend:** 147 Million +  
**Impressions:** 15 Billion +  
**Unique Creatives:** 13.3k  
**Targets:** Males, California

With a huge number of brands and initiatives—we’re tracking over 100 unique Facebook pages owned by Amazon—it’s not surprising that Amazon comes in as our 5th highest spender on Facebook in 2018.

Top creatives for the year include a bit of everything—two Ads for Amazon.com’s summer sale, a few ads for Alexa, Amazon Prime, Audible, and Amazon Web Services. Ads targeting California account for 15% of the total spend share. Let’s dig into the numbers.

### Amazon Web Services (AWS)

AWS spent $8.9 Million in 2018 (mostly in Q4), with 40% of this budget targeted toward Los Angeles, California. We’re used to seeing CA high-up on the geo-targeting list, but this number far exceeds our typical benchmarks, and in terms of AWS, far exceeds their second highest targeted metro, New York, at 5%.

Ads showing the Los Angeles skyline suggest that their strategy and targeting we’re aligned.
Amazon Prime

Did you know that Amazon Prime had its own Facebook page? So does Prime Day, and Prime now. Amazon spent $4.1 Million on their Prime Facebook page, utilizing video posts almost exclusively. The vast majority of this budget was spent during November and December, which is to be expected given that the Q4 holidays account for Amazon’s highest volume of sales.

Amazon Echo

Amazon spent steadily on Echo ads throughout the year, with a high volume of ads in Q4. Overall, Echo accounted for $20.5 Million of Amazon’s overall Facebook budget. Several top creatives featured busy parents, with Alexa featured as a time-saving, hands-free feature for the modern-day scattered parent. Interestingly, these ads were targeted toward males (62%) over females (38%).
Some brands start slow in Q1, coming off a busy holiday season and taking January to re-focus on the busy year ahead. Target is not one of these brands. Starting just a few days into January, the company hit the ground running, capitalizing on New Year’s resolutions with ads for healthy food and workout gear.

Advertising spend and cadence remained steady throughout the year, peaking in November.

### Target

**Spend:** 158 Million +  
**Impressions:** 16 Billion +  
**Unique Creatives:** 8.2k  
**Targets:** Females, iOS users
As one of our top Black Friday/Cyber Monday advertisers, we saw a big leap beginning in early-November, with almost $30 Million—or about one-fifth of their total 2018 budget—allocated to holiday advertising. During this time Target heavily utilized video posts, accounting for 52% of all Facebook posts during these two months.

In September of 2017, Target announced a brand partnership with HGTV mega-stars Chip and Joanna Gaines, which received scores of press and millions of dollars in advertising spend. The brand’s first collaboration hit stores just before the holidays and sold out within hours. Here’s how they carried that success into 2018:

Throughout 2018 we saw 27 unique creatives for #HearthAndHand on Facebook, to the tune of $1.3 Million. Most of these posts were videos, many of which either featured clips of Joanna herself, or vivid Fixer Upper style b-roll that shows popular Hearth and Hand items staged in Joanna’s signature rustic homes.

Of the 27 creatives, 23 of them were targeted almost exclusively toward females (70% or higher), with 2 of the 5 creatives targeted toward males hitting just before Valentine’s day.
Microsoft spent steadily during Q1, heavily promoting XBox Game Pass, which announced an expansion in late January 2018. Late May and June show another spike, coinciding with the E3 convention where Microsoft released several new Xbox announcements.

Comparing Microsoft’s Facebook strategy to their overall digital strategy, a few trends become clear. On social, seven of the top 10 creatives for the year focus on Xbox, especially in the months (mentioned above) where Xbox showcased new features or game releases, and ramping up again during the winter holidays in November, with a strong push around Black Friday and into December.

On the contrary, the company’s native, desktop and mobile display strategies showcase a more holistic brand focus, with top creatives split between software solutions like Office 365, video ads for the Surface Pro, and several content pieces, like “The Modern Note Taking E-book.”
Between 2017 and 2018 Walmart more than doubled its spend on Facebook - jumping from $85 Million in 2017 to $178 Million in 2018, representing the highest year-over-year increase across the top 10 social advertisers.

What accounted for this massive spend increase? A major factor suggests Walmart’s increased effort to compete with Amazon, especially when it comes to their grocery offering. According to Forbes, Walmart’s 2018 numbers showed a 40% jump in online sales, suggesting that their increased marketing efforts have paid off.

Walmart released over 50 thousand creatives on Facebook in 2018, with a heavy often highlighting fresh produce.

Spend for the brand ramped up throughout the year, peaking during the November and December holiday months. A few holiday creatives appear during this time, but the overarching focus remains steadily on grocery pickup, staying true to their 2018 year-long strategy.
#1

Procter & Gamble

Spend: $197 Million +

Impressions: 20 Billion +

Unique Creatives: 5.9 k

Targets: Females, California

With over 45 brands under the Procter and Gamble (P&G) name, it’s no surprise that they’ve topped our Facebook advertiser charts in both 2017 and 2018. When it comes to brands, P&G’s portfolio boasts household names like Bounce, Charmin, Crest, Gillette, Olay, Pantene, and Puffs, to name just a few.

While P&G’s portfolio is quite broad, the creative strategy across these brands feels strikingly similar, utilizing product-forward messaging and imagery. These ads are a striking departure from the story-driven television and video campaigns we’ve come to expect from many of these brands, including the cartoon Charmin bears, and, of course, the recent Gillette video that sparked controversy across the internet (though this was, notably, not an ad).

However, there were two notable exceptions to this strategy, including high-spending Febreze and a collection their growing collection of competing beauty brands.
Febreze

With a portfolio this broad you may not have guessed that the highest spend—and 7 of the top 10 creatives for all of P&G—went to the odor eliminating brand Febreze. In fact, the brand spent almost $70 Million on Febreze ads, heavily utilizing cinemagraphs (static images with one moving element) to showcase the scent-boosting power of Febreze products.

Beauty Brands

P&G houses five major beauty brands in their stable, including Aussie Haircare, Herbal Essences, Pantene, Olay, and SK-II. When compared with many of the brands listed above, there is a notable shift in messaging and creative imagery on Facebook for these beauty brands—likely due in large part to the increasingly competitive nature of the beauty space thanks in part to an onslaught of young D2C brands that have turned to social media influencers to redefine their image.

From lifestyle imagery and hashtag activations to influencer partnerships, here’s how P&G handles this space:
Want more social insights?

Request a demo!

About Pathmatics

Pathmatics turns the world’s marketing data into actionable insights. As consumption rapidly shifts to digital, media decisions have become complex and opaque. Pathmatics Explorer, the Pathmatics marketing intelligence platform, creates trust and transparency, bringing visibility into the digital ad performance of brands, their competitors, and entire industries across display, social, video, mobile, and native advertising data. Brands and agencies get access to the creative used by all advertisers, spend and impression data, and path from publisher to viewer, empowering them to minimize waste from their budgets, better position their marketing, and predict the next moves of their competitors. Pathmatics data powers Nielsen’s digital ad intelligence offering, Kantar Media’s Facebook intelligence, and is used by agencies like Mindshare, MediaCom and Possible. Founded in 2011, Pathmatics is headquartered in Santa Monica, California, and backed by Upfront Ventures, BDMI, and Baroda Ventures.