



# Facebook Ads Benchmark Report

WITH INSIGHTS ON PINTEREST  
AND SNAPCHAT ADVERTISING

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## → About Tinuiti

Tinuiti is a performance and data-driven digital marketing leader focused on every aspect of the customer journey. We are the largest independent digital performance marketing agency, with more than \$2 billion in ad spend managed across Amazon, Google, Facebook and other platforms.

## → Executive Summary

Pricing rose meaningfully across both Facebook and Instagram year over year in Q1, accelerating spend growth for both Facebook-owned platforms from Q4 to Q1. Pricing also rose within Q1 from January to March for both platforms, and ad auctions are currently highly competitive heading out of the pandemic.

The Apple ATT prompt going into effect for iOS14.5 users on April 26 may cause ripples in how advertisers approach the platform, as the update is likely to impact targeting, measurement and performance for many advertisers. Apple iPhones accounted for 62% of all ad impressions across Facebook platforms for Tinuiti advertisers in March 2021, up from 56% last March, and the effects of the update stand to be significant as a result.

Facebook and Instagram weren't the only platforms that saw CPM growth during the quarter, with March CPM for Pinterest advertisers coming in at 44% higher than in January. While smaller social platforms like Pinterest and Snapchat have a smaller advertiser base than Facebook, advertisers that are active on these platforms invest meaningfully in them, and adoption has grown over the last year as brands sought to expand paid social footprints in 2020. This was particularly true as a result of events like the July Facebook boycott pushing advertisers to temporarily pause Facebook campaigns.

## → Methodology

The Tinuiti Facebook Ads Benchmark Report is based on anonymized performance data from Facebook programs under Tinuiti management, with annual digital ad spend under management totaling over \$2 billion. Samples are restricted to those programs that have remained active and maintained a consistent strategy over the time periods studied. Unless otherwise noted, all figures are based on same-client growth. The trends and figures included are not meant to represent the official performance of Facebook advertising or the experiences of every Facebook advertiser.



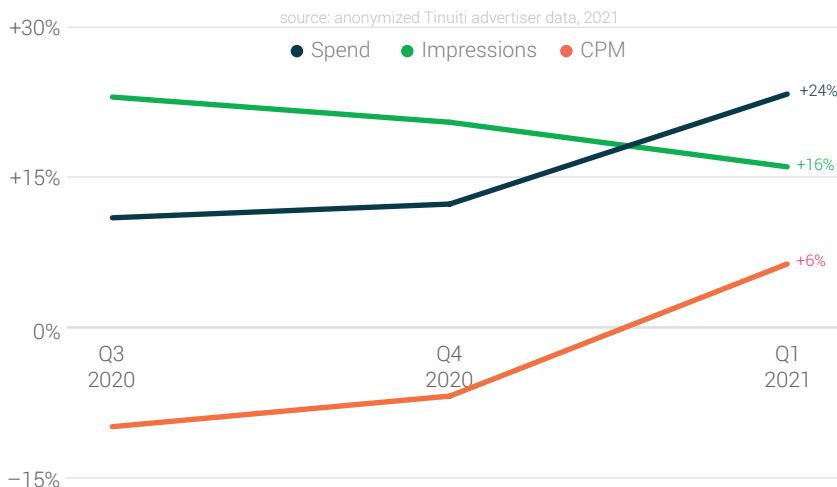
# Facebook & Instagram Overall

Q1 2021

**→ Facebook spend growth soared in Q1 as pricing recovered to grow 6% year over year.**

Many advertisers initially pulled back on social investments in early-2020, which made for less competitive auctions for those advertisers that remained active. Facebook CPM then steadily recovered throughout 2020, and in Q1 rose year over year for the first time since Q3 2019 with a 6% increase. In turn, spend growth ballooned from 12% in Q4 of last year to 24% in Q1, even as impression growth slipped from 21% to 16%.

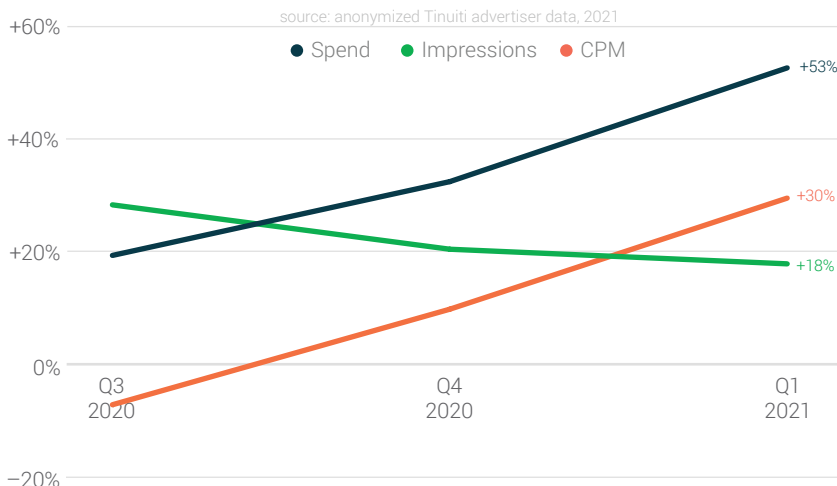
**Facebook US Ads Y/Y Growth**  
Excluding Instagram, Messenger and Audience Network



**→ Instagram CPM grew an incredible 30% year over year in Q1.**

Much like in the case of Facebook proper, Instagram CPM has been in steady recovery for some time, though was already at positive year-over-year growth in the final quarter of 2020. In Q1, CPM growth soared to 30%, pulling spend growth up over 50% for the quarter. Also like Facebook, Instagram impression growth slowed from Q4 to Q1, falling from 20% to 18%, and impression growth for both Facebook and Instagram has been roughly similar for the last three quarters.

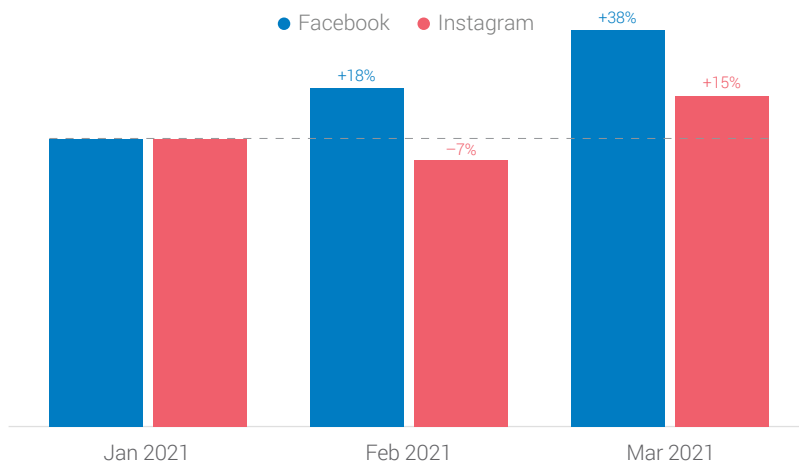
**Instagram US Ads Y/Y Growth**



**→ Intra-quarter CPM growth was stronger for Facebook than Instagram.**

In addition to growing substantially year over year as a result of soft comparisons last Q1, when many advertisers pulled back or out of auctions in the early part of the pandemic, CPM also rose from the beginning of Q1 to the end of the quarter on both Facebook and Instagram. March CPM was 38% higher on Facebook than in January, while March CPM was 15% higher on Instagram, and ad auctions promise to be competitive as we head further into the year even with the looming impact of Apple’s App Tracking Transparency prompt on the horizon.

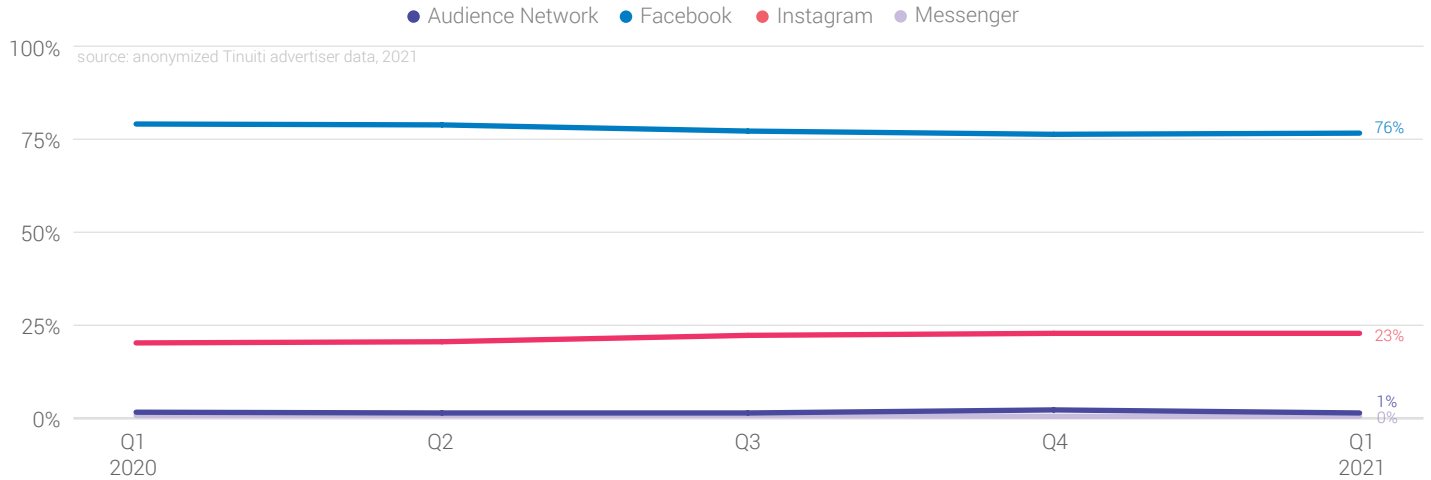
**Facebook Ads CPM**  
Relative to January 2021



➔ **Instagram accounted for 23% of spend on Facebook Ads in Q1 2021.**

The share of advertiser spend across all Facebook properties attributed to Instagram rose from 20% last Q1 to 23% this Q1, as year-over-year spend growth for Instagram far outpaced that of Facebook for the quarter. However, Instagram spend share was identical to Q4 spend share for Tinuiti advertisers. The Facebook Audience Network accounted for just 1% of spend in Q1, the same share observed over the last five quarters, while Messenger accounts for only a small fraction of a percent of Facebook spend.

**Facebook Ads Spend Share by Property**

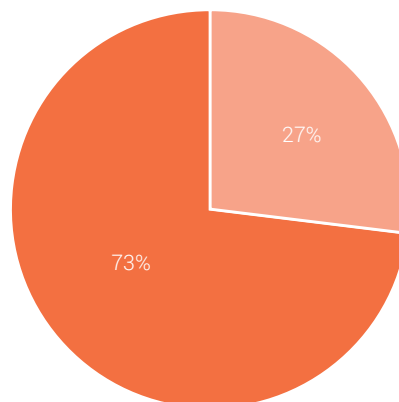


➔ **Capitol riots in January showed advertisers will have to remain vigilant in 2021.**

With many advertisers pausing Facebook campaigns during the George Floyd protests of 2020 as well as during the July advertising boycott a few months later, brands had to stay on their toes throughout last year and adjust marketing strategy on the fly. 2021 has shown that there will continue to be key events that force advertisers to reconsider existing marketing plans, with 27% of enterprise Facebook advertisers pausing Facebook ads for a time as a result of the riots at the Capitol on January 6. These pauses were very short-lived, but highlight the need for a nimble approach to advertising.

**Share of Enterprise Facebook Advertisers by Response to Events of January 6**

● Paused January 6 ● Did Not Pause January 6  
source: anonymized Tinuiti advertiser data, 2021





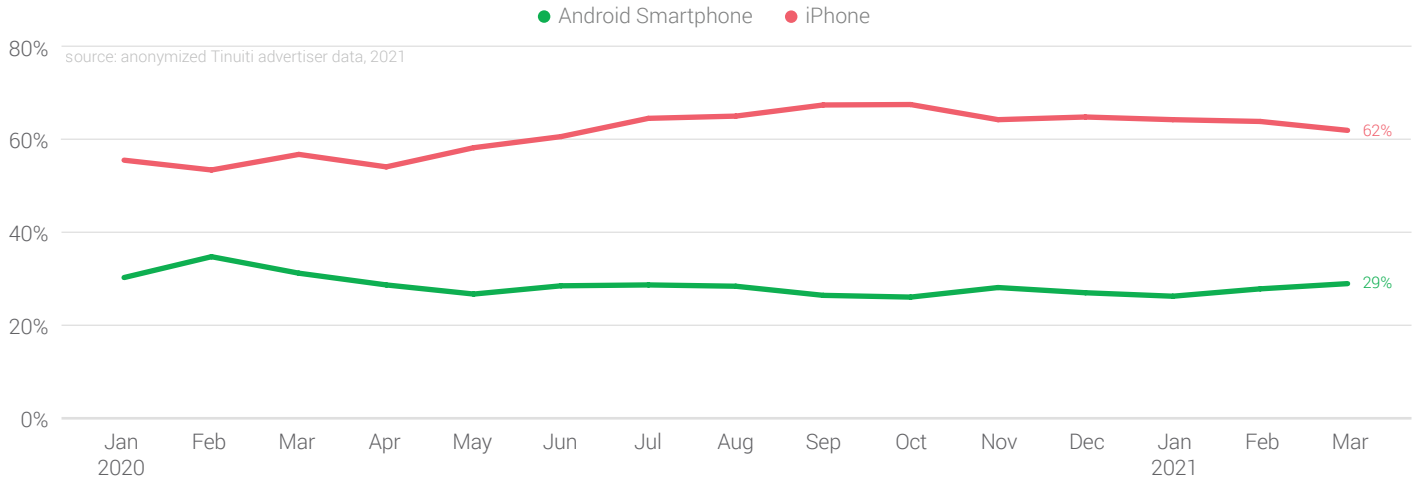
# Devices & Placements

Q1 2021

➔ **iPhones accounted for 62% of US Facebook impressions in March.**

Apple device owners are hugely important to Facebook advertisers, with iPhones driving 62% of all ad impressions across Facebook, Instagram, Messenger and the Audience Network in the US in March compared to 56% a year prior. By comparison, Android smartphones accounted for just 29% this March, down from 31% last year. The huge share of impressions attributed to Apple devices highlights the significance of the App Tracking Transparency prompt rolling out to Apple users, with the change taking effect on April 26.

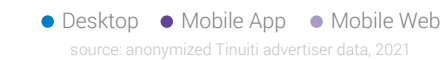
**Device Share of US Ad Impressions Across All Facebook Properties**



➔ **89% of all Facebook ad impressions came from mobile apps in Q1.**

The vast majority of Facebook ad impressions come from mobile users, with mobile app and mobile web impression shares combining to account for 92% of all ad impressions across Facebook properties in Q1 2021. Just 8% of Facebook ad impressions were attributed to users accessing the platform via desktop for the quarter.

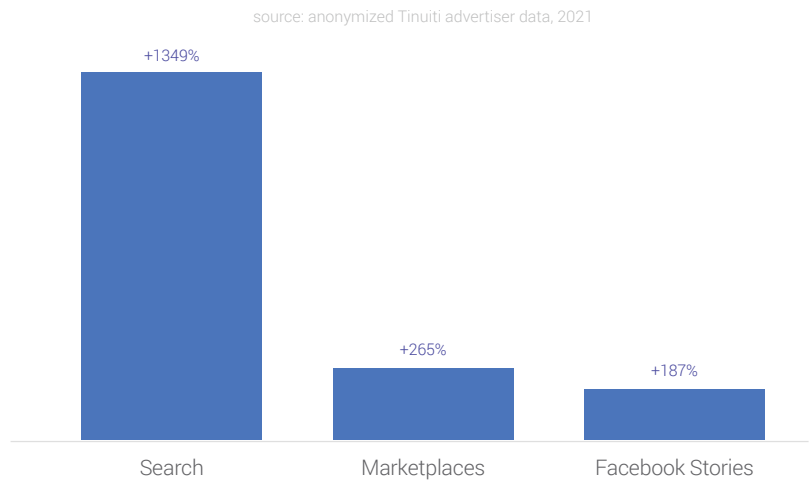
**Share of All Facebook Property Ad Impressions by Device and Access Type**



→ **Facebook search placement impressions grew a whopping 1349% Y/Y in Q1.**

Facebook opened up search placements to all advertisers in Q4 2019, allowing brands to show ads to Facebook users searching for queries that indicate commercial intent. In Q1 2021, search impressions rose by 1349% year over year, making it the fastest-growing placement and driving the share of total Facebook (excluding Instagram, Messenger and FAN) impressions attributed to search from 0.3% last Q1 to 4.3% this Q1. Marketplace and Facebook Stories placements were the second and third-fastest growing placements with 264% and 187% year-over-year growth, respectively.

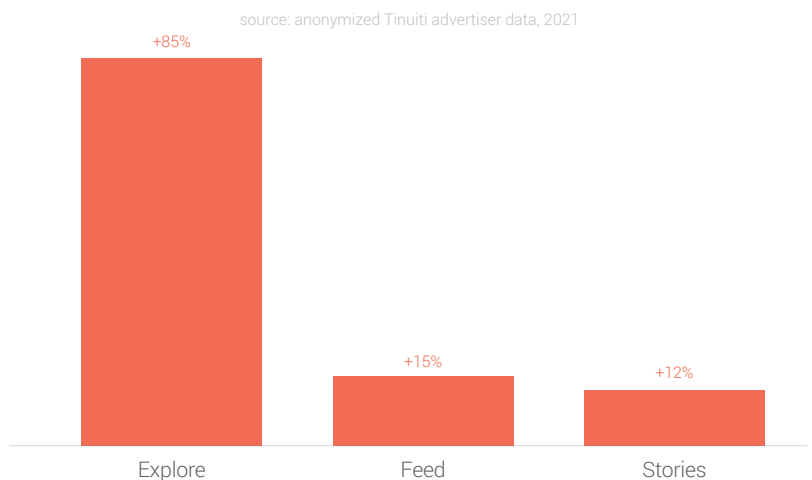
**Q1 2021 Y/Y Impression Growth by Facebook Placement**  
Excluding Instagram, Messenger and Audience Network



→ **Explore inventory far outpaces other Instagram placements in impression growth.**

Instagram announced Explore tab inventory in mid-2019, and the placement has steadily grown in importance ever since, with an 85% year-over-year increase in impressions boosting the share of total Instagram impressions coming from the Explore tab from 5% last Q1 to 8% this Q1. Feed and Stories placements grew at fairly similar rates of 15% and 12%, respectively, as Stories growth has slowed down after taking a huge leap in importance over the last two years.

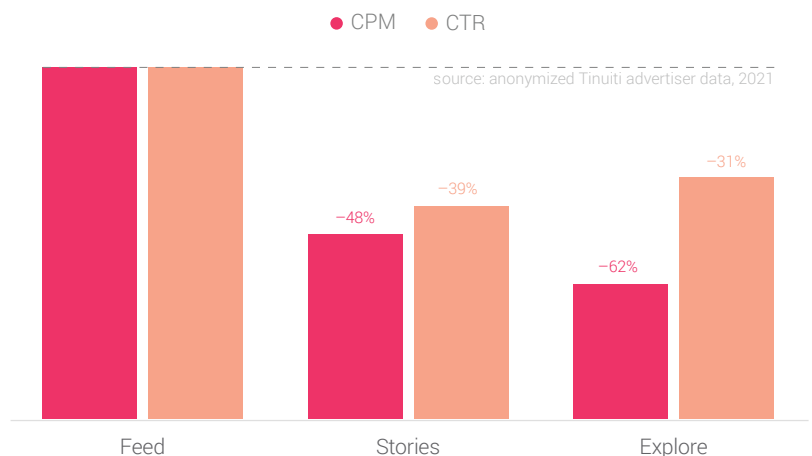
**Q1 2021 Y/Y Impression Growth by Instagram Placement**



→ **Feed placements continue to have highest CPM and CTR of any Instagram placement.**

CPM for Stories and Explore tab inventory was 48% and 62% lower than that of Feed placements for the median advertiser in Q1 2021. For newer placements like Explore, it often takes quite a while for CPM to catch up to older, core placements like Feed. However, because CPM is usually a product of the expected value of impressions for advertisers, discounts relative to Feed placements often linger even once placements have matured, as shown with the lower CPM of Stories ads, which produce a CTR 39% lower than Feed placements.

**Instagram Placement Performance Relative to News Feed**  
Median Advertiser





# Pinterest & Snapchat

Q1 2021

**→ Average CPM is quickly on the rise for Pinterest advertisers in 2021.**

Facebook and Instagram aren't the only paid social platforms where advertisers are seeing ad pricing surge in 2021, and the median advertiser active on Pinterest in Q1 found that CPM in March was 44% higher than in January. Snapchat advertisers found more modest increases during the quarter, with March CPM just 5% higher than January. Marketers will have to ensure that they're deploying highly engaging creative that drives results as ad platforms continue to become more competitive and expensive over time.

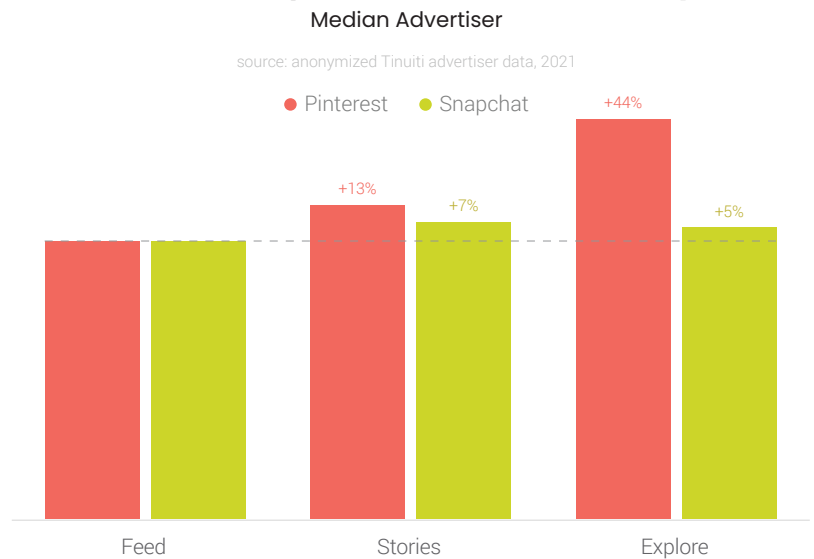
**→ Advertisers are allocating meaningful paid social budget to smaller platforms.**

Essentially all paid social advertisers are active on Facebook, whereas adoption of other platforms like Pinterest, Snapchat and LinkedIn is less expansive. However, for those brands targeting both Facebook as well as these other platforms, spend on the smaller social networks ranged between 7% and 9% as much as on Facebook in Q1. Many advertisers diversified their paid social marketing efforts to new platforms in 2020 to reach consumers online during the pandemic and allow campaign spend to shift between platforms when the moment calls for it, such as during the July Facebook boycott.

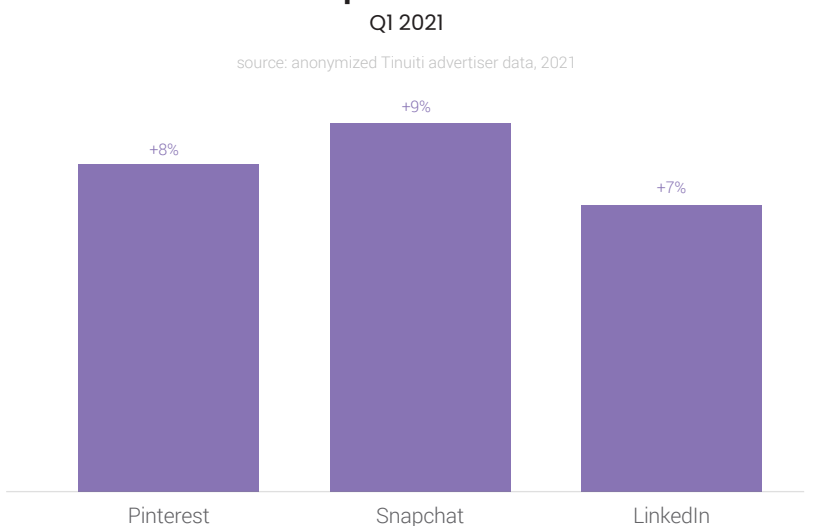
**→ The number of advertisers targeting Snapchat rose 80% year over year.**

Advertisers are increasingly wading into paid social platforms other than Facebook, as shown by 33% and 80% year-over-year increases in the number of Tinuiti advertisers that were active on Pinterest and Snapchat, respectively, in Q1. While no other social platform can currently offer the scale of Facebook, alternative platforms offer incremental audience reach and opportunities to reach customers at different stages of the buying cycle, such as Pinterest planners pinning ideas for long-term projects.

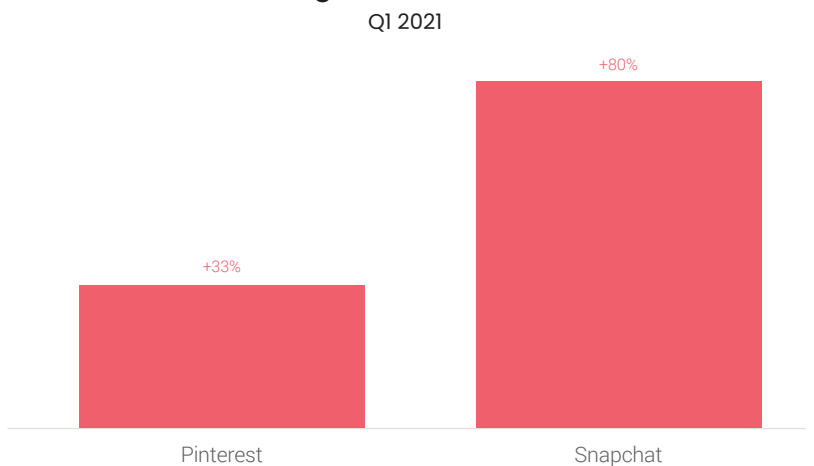
**Pinterest and Snapchat CPM Relative to January 2021**



**Social Platform Spend Relative to Facebook**



**Y/Y Change in Platform Adoption Among Tinuiti Advertisers**



**TAKE THE NEXT STEP**



## **Schedule Your Paid Social Strategy Evaluation**

Schedule a complimentary analysis of your existing paid social campaigns and ad strategy to identify areas for improvement and opportunities for growth.

**CONTACT US**