# Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>INTRODUCTION</td>
<td>3</td>
</tr>
<tr>
<td>ABOUT ADSTAGE</td>
<td>4</td>
</tr>
<tr>
<td>METHODOLOGY</td>
<td>5</td>
</tr>
<tr>
<td>FACEBOOK</td>
<td>6</td>
</tr>
<tr>
<td>Audience Network</td>
<td>7</td>
</tr>
<tr>
<td>News Feed</td>
<td>10</td>
</tr>
<tr>
<td>Messenger</td>
<td>13</td>
</tr>
<tr>
<td>INSTAGRAM</td>
<td>16</td>
</tr>
<tr>
<td>LINKEDIN</td>
<td>20</td>
</tr>
<tr>
<td>TWITTER</td>
<td>24</td>
</tr>
<tr>
<td>GOOGLE ADS</td>
<td>28</td>
</tr>
<tr>
<td>GOOGLE DISPLAY NETWORK</td>
<td>32</td>
</tr>
<tr>
<td>YOUTUBE</td>
<td>36</td>
</tr>
<tr>
<td>BING ADS</td>
<td>40</td>
</tr>
<tr>
<td>TRENDS</td>
<td>44</td>
</tr>
<tr>
<td>RESOURCES</td>
<td>53</td>
</tr>
</tbody>
</table>
Q1 2019

Introduction

Are you paying too much for a click on a Facebook ad? What’s a good conversion rate on LinkedIn?

These questions are top-of-mind for marketers tasked with generating leads in any industry. At AdStage, we believe data should be used to drive decisions that will grow your business. To help you set the benchmarks for success, we’ve aggregated data from over 13 billion impressions and over 209 million clicks powered by the AdStage platform.

We used this data to find network-specific benchmarks for paid search and paid social. Our benchmark report includes AdStage data from the following ad networks:

- Google Ads
- Facebook
- Instagram
- LinkedIn
- Twitter
- Bing

In addition to benchmark data, you will also find trend analysis and insights from business leaders in this edition of the AdStage Benchmark Report.

Keep in Touch with AdStage

To stay current on the most recent trends in paid marketing and to receive the latest news about major digital ad networks, follow us on Twitter @adstage and subscribe to our popular newsletter.

If you are interested in learning more about how AdStage technology can help your organization drive higher results for you paid marketing efforts, contact us at info@adstage.com.
CROSS-CHANNEL PAID MEDIA ANALYTICS & OPTIMIZATION
AUTOMATICALLY CONNECT AD DATA TO WEB ANALYTICS AND SALES DATA

ADSTAGE PRODUCTS

REPORT
Measure, analyze, and report on your advertising campaigns

AUTOMATE
Always-on campaign monitoring & optimization rules

DATA API
Ship your ad data anywhere

JOIN
Optimize campaigns based on actual sales data

ADSTAGE FOR GOOGLE SHEETS
All your ad data into Google Sheets for $29/month
Methodology

Benchmark metrics are representative of AdStage customers whose ad accounts are in USD currency. We make no claims that our benchmark metrics are indicators of a network’s performance at large. Customers’ ad account metrics are summarized at daily intervals. These summaries are further aggregated to determine the median performance at monthly and quarterly intervals.

Step 1
Sum metrics for each day across all ad accounts

<table>
<thead>
<tr>
<th>date</th>
<th>account_id</th>
<th>clicks</th>
<th>impressions</th>
<th>spend</th>
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<tbody>
<tr>
<td>2019-12-01</td>
<td>1234xxx</td>
<td>13</td>
<td>2336</td>
<td>76.83</td>
</tr>
<tr>
<td>2019-12-01</td>
<td>2345xxx</td>
<td>15</td>
<td>713</td>
<td>41.069</td>
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<td>1014</td>
<td>65.559</td>
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<tr>
<td>2019-12-02</td>
<td>6789xxx</td>
<td>7</td>
<td>133</td>
<td>10.85</td>
</tr>
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</table>

Step 2
Calculate metrics using the day totals

<table>
<thead>
<tr>
<th>date</th>
<th>clicks</th>
<th>impressions</th>
<th>spend</th>
<th>ctr</th>
<th>cpc</th>
<th>cpm</th>
</tr>
</thead>
<tbody>
<tr>
<td>2019-12-01</td>
<td>28</td>
<td>3049</td>
<td>117.90</td>
<td>0.0092</td>
<td>4.21</td>
<td>38.67</td>
</tr>
<tr>
<td>2019-12-02</td>
<td>16</td>
<td>1147</td>
<td>76.41</td>
<td>0.014</td>
<td>4.78</td>
<td>66.62</td>
</tr>
</tbody>
</table>

Step 3
Find the median value for the time period

<table>
<thead>
<tr>
<th>date</th>
<th>ctr</th>
<th>cpc</th>
<th>cpm</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q 2019</td>
<td>0.012</td>
<td>4.50</td>
<td>52.65</td>
</tr>
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</table>
In Q1 2019, we analyzed over 152 million ad impressions and over 1.5 million clicks for ads in Facebook’s Audience Network.

Median CPC is up significantly Q/Q and Y/Y. Since last quarter, median CPC jumped $0.30 and is charting $0.53 higher than the same time last year.

**Key Takeaways**
- CPC increased by 71.4% since Q4 2018
- CPC increased by 278.7% year over year since Q1 2018
After analyzing over 152 million ad impressions and over 1.5 million clicks for ads in Facebook’s Audience Network, we found that median CPM continued its upward climb, ending the first part of the year $0.68 more expensive than last quarter, and way up Y/Y – costing marketers on average $4.59 more than the same time last year.

**Key Takeaways**
- CPM increased by 10.8% since Q4 2018
- CPM increased by 191.1% year over year since Q1 2018
Q1 2019

Facebook Audience Network Q1 Benchmarks

Q1 MEDIAN

CTR

0.99%

Median CTR for ads in Facebook’s Audience Network dropped 0.41% since last quarter, and is down 0.33% compared to the same time last year.

Key Takeaways

- CTR decreased by 29.3% since Q4 2018
- CTR decreased by 25.2% year over year since Q1 2018
In Q1 2019, we analyzed nearly 4 billion ad impressions and over 51 million clicks for Facebook News Feed ads.

Median CPC continued to chart up, but only by 6 cents, ending Q1 at the most expensive it’s been all year. It’s median Q1 price charted 15 cents higher Y/Y.

**Key Takeaways**
- CPC increased by 10.5% since Q4 2018
- CPC increased the same, by 31.3% year over year since Q1 2018
Q1 2019

Facebook News Feed Benchmarks

Q1 MEDIAN

CPM $8.40

Of the nearly 4 billion ad impressions and over 51 million clicks analyzed for Facebook News Feed ads, median CPM jumped slightly – 15 cents – from last quarter and is down $2.80 compared to the same time last year.

Key Takeaways

- CPM increased by 0.6% since Q4 2018
- CPM decreased by 25% year over year since Q1 2018
Q1 2019

Facebook News Feed Benchmarks

Median CTR for Facebook News Feed ads slipped slightly in Q1, and is down significantly Y/Y by 1.03%.

**Key Takeaways**
- CTR decreased by 8.9% since Q4 2018
- CTR decreased by 43.6% year over year since Q1 2018
In Q1 2019, we analyzed nearly 86 million ad impressions and over 665,000 clicks for ads in Facebook Messenger.

Median CPC rose 21 cents since last quarter, but is still down 27 cents from where it charted the same time last year.

**Key Takeaways**
- CPC increased by 34.4% since Q4 2018
- CPC decreased by 24.8% year over year since Q1 2018
After analyzing nearly 86 million ad impressions and over 665,000 clicks for ads on Facebook Messenger, we found that median CPM jumped $2.33 from last quarter and is 39 cents more expensive than the same time last year.

Key Takeaways
- CPM increased by 58.7% since Q4 2018
- CPM increased by 6.6% year over year since Q1 2018
Q1 2019

Facebook Messenger Benchmarks

Q1 MEDIAN

CTR

0.78%

Median CTR for ads on Facebook Messenger jumped 0.11% from last quarter and is up 0.24% Y/Y.

Key Takeaways

- CTR increased by 16.4% since Q4 2018
- CTR increased by 44.4% year over year since Q1 2018
Q1 2019 Paid Search and Paid Social Benchmark Report

INSTAGRAM

16
In Q1 2019, we analyzed nearly 2.3 billion ad impressions and nearly 13 million clicks for ads on Instagram.

Median CPC jumped just 3 cents since last quarter and is still significantly cheaper than it was this same time last year.

**Key Takeaways**
- CPC increased by 3.6% since Q4 2018
- CPC decreased by 39.2% year over year since Q1 2018
After analyzing nearly 2.3 billion ad impressions and nearly 13 million clicks for ads on Instagram, we found that median CPM continued to plunge, dropping 44 cents from last quarter, and is $3.11 cheaper than the same time last year.

**Key Takeaways**
- CPM decreased by 8.4% since Q4 2018
- CPM decreased by 39.3% year over year since Q1 2018
Median CTR for ads on Instagram dropped 0.07%, and is close to where it landed this same time last year.

**Key Takeaways**
- CTR decreased by 11.3% since Q4 2018
- CTR increased by 5.4% year over year since Q1 2018
In Q1 2019, we analyzed nearly 2 billion ad impressions and just over 4 million clicks for ads on LinkedIn.

Median CPC ended its decline, jumping up 27 cents in the first quarter and down $1.27 from where it was the same time last year.

**Key Takeaways**
- CPC increased by 7.3% since Q4 2018
- CPC decreased by 24.1% year over year since Q1 2018
After analyzing nearly 2 billion ad impressions and just over 4 million clicks for ads on LinkedIn, we found that CPM increased 28 cents, and is over a dollar more expensive than what it was this same time last year.

**Key Takeaways**

- CPM increased by 3.7% since Q4 2018
- CPM increased by 15.3% year over year since Q1 2018
Q1 MEDIAN

CTR

0.18%

Median CTR for ads on LinkedIn dropped 0.08% from last quarter, and is up slightly Y/Y.

Key Takeaways

- CTR decreased by 30.8% since Q4 2018
- CTR increased by 38.5% year over year since Q1 2018
In Q1 2019, we analyzed over 139 million ad impressions and over 1.4 million clicks for ads on Twitter.

We found that median CPC rose 9 cents from last quarter and is up 11 cents from where it was same time last year.

**Key Takeaways**
- CPC increased by 22.5% since Q4 2018
- CPC increased by 29% year over year since Q1 2018
After analyzing over 139 million ad impressions and over 1.4 million clicks for ads on Twitter, we found that median CPM continued to plunge, falling $1.73 since last quarter, and is $2.26 cheaper Y/Y.

**Key Takeaways**
- CPM decreased by 29.2% since Q4 2018
- CPM decreased by 35% year over year since Q1 2018
In the past year, Median CTR for ads on Twitter has been all over the map. In Q1 2019, CTR fell 0.71% from last quarter, and is down around the same percentage compared to the same time last year.

**Key Takeaways**
- CTR decreased by 45.8% since Q4 2018
- CTR decreased by 44% year over year since Q1 2018
Q1 2019, we analyzed over 1.3 billion ad impressions and over 36 million clicks for ads on Google Search.

Median CPC jumped 13 cents from last quarter, but is $1.27 cheaper Y/Y.

Key Takeaways
- CPC increased by 9.8% since Q4 2018
- CPC decreased by 47.1% year over year since Q1 2018
After analyzing over 1.3 billion ad impressions and over 36 million clicks for ads on Google Search, we found that median CPM reversed its plunge, rising $3.31 since last quarter, but is still well below its Y/Y price when it started 2018 $78.44 more expensive than now.

Key Takeaways

● CPM increased by 9.4% since Q4 2018
● CPM decreased by 67.1% year over year since Q1 2018
In Q1 2019, median CTR for ads on Google Search halted its downward slide, ticking up 0.03%. But, it still remains 1.52% lower Y/Y.

Key Takeaways
- CTR increased by 1.1% since Q4 2018
- CTR decreased by 35.8% year over year since Q1 2018
In Q1 2019, we analyzed over 2.6 billion ad impressions and nearly 22 million clicks for ads on Google Display Network.

We found that median CPC plunged 26 cents from last quarter and is down 46 cents Y/Y.

**Key Takeaways**
- CPC decreased by 46.6% since Q4 2018
- CPC decreased by 60.5% year over year since Q1 2018
After analyzing over 2.6 billion ad impressions and nearly 22 million clicks for ads on Google Display Network, we found that median CPM ticked up 12 cents, but is still down 40 cents Y/Y.

Key Takeaways
- CPM increased by 5.3% since Q4 2019
- CPM decreased by 14.3% year over year since Q1 2018
Median CTR for ads on Google Display Network had a slight increase by 0.01% since last quarter, and rounding out Q1 well above where it was Y/Y.

**Key Takeaways**
- CTR increased by 2.44% since Q4 2018
- CTR increased 20% Y/Y since Q1 2018
Q1 2019

Google YouTube Benchmarks

In Q1 2019, we analyzed over 242 million ad impressions and nearly 1.2 million clicks for ads on YouTube.

We found that median CPC dropped $1.07 from last quarter and is down 67 cents Y/Y.

Key Takeaways
- CPC decreased by 30% since Q4 2019
- CPC decreased by 20.9% Y/Y since Q1 2018
After analyzing over 242 million ad impressions and nearly 1.2 million clicks for ads on YouTube, we found that median CPM slid $2.38 and is down $2.25 compared to the same time last year.

**Key Takeaways**

- CPM decreased by 24.1% since Q4 2018
- CPM decreased by 22.6% Y/Y since Q1 2018
Q1 2019

Google YouTube Benchmarks

Median CTR for ads on YouTube jumped up 0.06% in the first quarter, and is just slightly down Y/Y.

Key Takeaways
- CTR increased by 25% since Q4 2018
- CTR decreased by 9.1% Y/Y since Q1 2018
In Q1 2019, we analyzed over 76 million ad impressions and nearly 2.3 million clicks for ads on Bing.

We found that median CPC continued to drop, falling 36 cents from last quarter. Compared to the same time last year, median CPC for ads on Bing is down $2.06.

**Key Takeaways**
- CPC decreased by 19.8% since Q4 2018
- CPC decreased by 58.5% Y/Y since Q1 2018
After analyzing over 76 million ad impressions and nearly 2.3 million clicks for ads on Bing, we found that median CPM continued its downward slide, falling $8.81 since last quarter. It’s way down Y/Y, rounding out Q1 $49.35 cheaper than the same time last year.

**Key Takeaways**
- CPM decreased by 16.4% since Q4 2018
- CPM decreased by 52.3% Y/Y since Q1 2018
Median CTR for ads on Bing increased slightly Q/Q, but is up 0.55% compared to the same time last year.

**Key Takeaways**
- CTR increased by 2.6% since Q4 2018
- CTR increased 20.8% Y/Y since Q1 2018
TRENDS
In Q1, Facebook debuted several new features designed to make advertising on the platform easier and more effective. Instead of the mysterious and confusing relevance score, Facebook now offers three metrics that will help marketers better identify how to revise under-performing ads:

- Quality ranking
- Engagement rate ranking
- Conversion rate ranking

Facebook also announced a bundle of three existing products under the name Showcase. Together, In-Stream Reserve, In-Stream Reserve Categories, and Sponsorships provide a new “premium” video advertising program. This move is designed to help advertisers reach a desirable audience — 18 to 34-year-olds, which Facebook says make up 43% of U.S. viewers watching In-Stream Reserve videos.

To help marketers spend their advertising dollars more effectively, Facebook announced in Q1 that it is moving budgets to the campaign level starting in September. Under this new strategy, you can set one campaign budget for all ad sets and Facebook will automatically and continuously distribute that budget to the top performing ad sets.

And to manage it all more efficiently, Facebook is testing a new Ads Manager interface. If you haven’t gotten a peek yet, expect drop downs where navigation tabs used to be. Though that may seem strange on Facebook, digital media analysts guess Facebook is moving toward an interface that feels more like other platforms, so marketers can move more seamlessly between their accounts.

On the consumer side, Facebook will now show users the advertisers who used their contact information for Custom Audience targeting. Since the end of February, Facebook says the “Why am I seeing this?” info boxes available from ads using Custom Audience targeting may show:

1. The name of the business that uploaded the customer file with the user’s information included
2. Any Custom Audience sharing between businesses such as the agency, Facebook Marketing Partner (FMP) or other partner.
3. The type of information such as email address or phone number uploaded in the Custom Audience file and matched to the user.

While this move doesn’t change anything for marketers, you should be aware should customers reach out to you with questions about how you’re using their data.
For several quarters now Instagram has made strides to make the platform more e-commerce friendly. From the eagerly awaited standalone IG Shopping app to shoppable updates for Stories, the company is ramping up its advertising features so much so that Instagram is expected to account for 70 percent of Facebook’s new revenue by 2020.

According to advertising platform Nanigans, marketers are seeing pleasing results from Instagram Stories and reallocating budgets to boost success. In Q4, budgets allocated to Stories increased by 124% year-over-year and 94% quarter-over-quarter. CTR, CPM, and CPC rates for Stories also shot up. CTRs jumped by 52% compared to Q4 2017. CPMs rose 112%, and CPCs grew by 39%.

Certainly part of Instagram’s ability to help advertisers sell on the platform comes from its dedicated influencers and their die-hard followers. For that reason, in Q1, Instagram started working on a new ad unit for Sponsored Posts, which is a part of a broader strategy to build clear partnerships between brands and creators. Currently, sponsored posts appear with the tag “Paid partnership with [brand name],” but are only shown to followers of the influencers. These new branded content ads can be promoted to appear throughout Instagram’s network.

Like every other platform, Instagram is looking for new ways to encourage people to log in, scroll, and engage. On that front, their latest endeavor is to bring direct messaging to desktop. Currently, users can only access DMs through Instagram’s mobile app. Some digital and social media analysts suspect it’s also a move to bring Instagram up to speed with Facebook’s other products, including WhatsApp, which already support desktop messaging.
Google Debuts Tools to Give Marketers More for Every Dollar

Like Facebook, Google also spent Q1 making advertising easier on its platform. Its new Budget Planner tool for Google Ads campaigns lets you create a budget plan with clicks or conversions as a key metric, and clicks, spend, or average CPC/CPA as a target. From there, you’ll get a table you can toggle to see how the spend curve changes based on different goals.

Google is also helping marketers get the most bang for their buck with first-price auctions through Google Ad Manager. Previously, bidding worked much like eBay where, for example, if the highest bidder bid $5 for an ad, and the second highest bidder bid $3 for the same ad, the highest bidder would pay $3.01. Now, whatever you bid is what you pay. Google clarified "It’s important to note that our move to a single unified first price auction only impacts display and video inventory sold via Ad Manager. This change will have no impact on auctions for ads on Google Search, AdSense for Search, YouTube, and other Google properties, and advertisers using Google Ads or Display & Video 360 do not need to take any action."

In Q1, Google continued to build out features for Responsive Display Ads, announcing 3 new capabilities designed to improve functionality and reporting:

- **Video Assets**: Up to 5 video assets can now be incorporated into responsive display ads. This enhanced functionality also comes an expanded reach to new inventory.
- **Combinations Report**: A new combinations report provides insights into the performance of different creative asset combinations.
- **Ad Strength Scorecard**: The new ad strength scorecard will measure how well your responsive display ads are set up before they go live.

It was only a matter of time before Google started testing ads in Assistant results. With over a billion devices using Assistant, we’ll have to wait to see how this might affect traditional PPC.

Google used Q1 to do a little clean up, too. The company says it removed 2.3 billion "bad ads" that violated its policies and introduced a new Ad Policy Manager to guide ad creators to avoid listing non-compliant ads in the first place. Google also announced it will get rid of its average position reporting metric later this year. At the end of last year, Google introduced four new ad position metrics that indicate the percentage of impressions and impression share your ads received in the absolute top (the first ad at the very top of the page) and top of page (above the organic results) ad slots.
YouTube saw itself caught up in the media in Q1, and it wasn’t because the news was good. As cases of measles outbreaks reached record levels, YouTube removed ads on videos that advocate against vaccination after marketers complained about programmatic ad placements showing up on anti-vaccination focused content. YouTube justified the move saying the videos fall under its policy prohibiting the monetization of videos with “dangerous and harmful” content.

But anti-vaccination wasn’t the only content topic advertisers were upset about. AT&T, Disney, and Epic Games dropped their YouTube ads over concerns of pedophile comments on videos. AT&T had just started advertising on the platform again after pulling ads in 2017 over concerns their ads were appearing with videos that promoted terrorism. To combat issue, YouTube says it disabled comments on tens of millions of videos featuring minors, removed thousands of comments, and deleted over 400 channels who had participated in the inappropriate comments.
LinkedIn Adds Interest-Based Targeting for B2B Marketers

What was once a platform used almost solely to upload resumes and update profiles is attracting more people for longer periods thanks to its content strategy. In Q1, not only did LinkedIn report reaching 610 million members in over 200 countries and territories, but its parent company, Microsoft, pointed out record levels of engagement. "LinkedIn revenue increased 33% (up 33% in constant currency) with record levels of engagement highlighted by LinkedIn sessions growth of 34%.”

LinkedIn is getting creative with the ways it’s helping advertisers reach that engaged audience. In Q1, the professional networking company announced interest-based targeting through its self-serve ad platform. B2C marketers know all about interest-based targeting, but there hasn’t been much useful data available to B2C marketers to date. LinkedIn says the new capability recognizes the fact that people are more than just their job title, and have interests outside of the office. However, LinkedIn is building its interests lists by extrapolating job titles, initially providing marketers with a list of 200 professional interests like "AI" and "customer experience" to choose from. Interest-based targeting will not only help marketers increase scale, but also humanize their interactions with potential leads.
After an ok Q4 where Twitter beat sales expectations but announced an MAU decrease of 9 million year-over-year and down 5 million quarter over quarter, the company is already setting expectations for a seasonal decline in Q1. It also let investors know it will stop giving MAU numbers after the next quarter, perhaps as a move to get people focused on other more positive areas of growth. It won’t be long until we hear Q1’s actual results.

On a more positive note, at CES, Twitter debuted new analytics tools for publishers focused on improving video engagement. The dashboard would show publishers what sort of content is resonating with their readers, who’s engaging with content and when, and what’s performing well. Twitter warns publishers that the graph doesn’t show when your followers are watching your videos, but when they’re watching videos across Twitter. So post some videos during the most engaging times of the day, but don’t go all in. If the timeframe is an inconvenient time for you to post, Twitter is also now offering a scheduling tool in the new dashboard.
Bing continues to go hard on AI as a way to set itself apart from other search platforms. Its latest innovation is AI-powered performance insights. Bing explains the new feature as “when a significant or unexpected change in your account performance is detected, Bing Ads’ machine learning automatically attempts to identify why it happened and proactively inform you.” For example, if you see a dip in impressions, Bing will highlight the anomaly for you and offer follow up actions.

In a similar innovative vein, Bing is teaming up with Samsung to bring 3D ads to search specifically for the cell phone makers new Galaxy S10. Users on desktop can use the feature to get a closer look at product features and details. The 3D unit expands to the size of the screen and users can interact with it by rotating and zooming in on the product image to explore features. No doubt Bing will look for other ways to apply this technology to other campaigns.

Starting at the end of Q1, Bing Ads will exclusively serve Yahoo search traffic. For marketers, this means Bing Ads, Yahoo, and AOL will be simplified and accessible under the Bing Ads umbrella and managed in the same Bing Ads platform and will give them access to an expanded audience, which could drive up clicks.
Look beyond the surface data

We hope our data on the median CPC, CPM, and CTR across advertising networks will be useful to benchmark your own campaigns. It’s important to note that our benchmarks represent aggregated data from the accounts linked to our reporting platform, so the numbers may differ from other reports using different data sets, or larger industry trends. CPC, CPM, and CTR metrics also only show the tip of the iceberg of data that marketers need to improve new customer acquisition.

AdStage customers -- top lead generation marketers across different industries -- use our paid media analytics and optimization platform to connect campaign data with conversion data, see real customers and revenue behind the clicks, and take action on those insights to improve marketing ROI.

Learn more about AdStage

Visit us at AdStage!

If you’re ready dig deeper into the power of AdStage, set up a demo and one of our team-members will be happy to discuss your specific paid marketing goals.

You can also start a free 14-day trial to see how you can use our solutions to optimize paid marketing campaigns at scale and drive business growth.
Q1 2019

Resources

5. “This Week in Ad Tech” Top News in Ad Tech Newsletter (Q1 2019). Email.