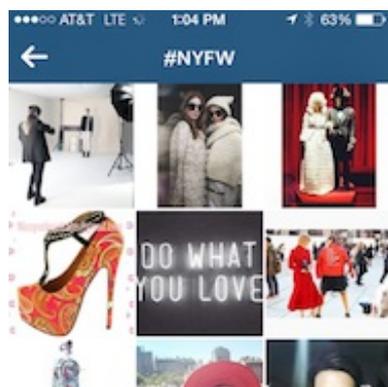


RESEARCH

## Instagram acts as moisturizer to preserve Facebook's appeal: L2

March 13, 2015



*#NYFW has more than 1 million mentions on Instagram*

---

By JEN KING

Between 2011 and 2014, nearly 3 million teens in the United States abandoned Facebook in favor of Instagram, further cementing the image-sharing platform as “the most important” social network, according to a new report for L2.

[Sign up now](#)

**Luxury Daily**

Findings in L2's “Intelligence Report: Instagram 2015” show Instagram to be the “moisturizer” of parent company Facebook that has allowed the latter social network to maintain relevance despite its dwindling “cool factor” and aging user base. With the introduction of sponsored content on Instagram, Facebook has leveraged data-sharing practices to connect consumers with brands and products, resulting in what L2 calls “the marketing world's nuclear fusion.”

“As most social media communities scale, engagement rates naturally decline, as brands attract fans outside their core group of evangelists,” said Claude de Jocas, intelligence group director at [L2 Inc.](#), New York.

“We haven't seen this type of pronounced negative correlation between follower count and engagement rate on Instagram,” Ms. de Jocas said. “For brands, this is a ‘unicorn’

moment where it is difficult to over invest in the platform.”

L2 partnered with visual marketing platform Olapic for the commission of the [Intelligence Report: Instagram 2015](#). For the report, they analyzed 250 brands across nine categories including automotives, beauty, consumer electronics, drinks, fashion, retail, sportswear and watches & jewelry, to analyze the growth of Instagram use and how brands use the platform to engage consumers in a meaningful way.

### Social moisturizer

Instagram caters to all organizations and allows brand building across industry sectors. Brands can use Instagram to grow the value of their offerings, build awareness and inspire purchases.

The Intelligence report found that over the last five quarters, the frequency of brands' posting to Instagram has increased by 23 percent. On average, in the fourth quarter of 2014, brands posted 9.3 times per week, an increase from 7.5 post per week from the year-ago.

Depending on industry sector these numbers vary. On average retailers post 14 posts per week while fashion brands average 11 posts, and this number increases greatly during global fashion weeks when brands are competing for visibility and aiming to keep consumers informed of its happenings.

Automakers average eight posts per week, beauty marketers seven and jewelry brands and the hospitality sector averages six posts per week.



*Instagram post by retailer Bergdrof Goodman*

In comparison, brand posts on Facebook dipped from an average of 11.1 posts per week in Q4 2013 to 8.8 per week in Q4 2014.

“Facebook has kept itself relevant via positioning as a direct-response platform – an environment where consumers can click-through from an advertisement directly to an ecommerce page and make a purchase,” Ms. de Jocas said.

“Marketers can't afford to take a step back from the biggest social network in the world,” she said. “Instead, they should think about which content types and activations work best

on each platform, and optimize their strategies to generate the highest possible return on investment."

The type of content posted matters just as much as frequency of posts. Sixty-five percent of the best-performing posts featured a product while 43 percent depicted lifestyle and 29 percent included a celebrity or influencer.

For example, during New York Fashion Week, U.S. fashion brand Michael Kors' top five posts included product and influencers models Karlie Kloss and Kendall Jenner, but an image of a wallet and handbag outperformed that of the runway models.



*Michael Kors' New York Fashion Week post with 106,000 likes*

"When a brand posts a product or look on Instagram, consumers generally want to know one of two things: how much does the product cost, and where can they buy it," Ms. de Jocas said. "Instagram users have been relying on the comments section underneath photos to try and solicit this information, leaving social media managers inundated with requests."

Recently, Ms. Jenner was selected by Estée Lauder as its ambassador to align the beauty marketer's namesake products with a younger consumer sect, likely enamored by the model's notoriety.

For one of her first campaigns as ambassador, Ms. Jenner promoted the Little Black Primer mascara on her social media accounts. At the time, Ms. Jenner's Instagram post announcing the video for Little Black Primer garnered more than 420,000 likes. In the first two hours of its posting, the video generated over 230,000 likes on her channel ([see story](#)).



### *Kendall Jenner's Little Black Primer post on her personal Instagram*

According to L2, Estée Lauder posted the exact same content, but Ms. Jenner's post received more likes than all of the beauty brand's social community on Instagram.

Indeed, L2 notes that the amount of followers "super users"—such as Ms. Jenner, who is the eighth most followed Instagrammer—have does not result in a statistical relationship that drives conversions.

But, user-generated content on Instagram results in 6.4 times the likelihood of a purchase in the fashion sector, 2.4 times in jewelry and 1.6 times for beauty products. Above all, the quality of the posted image is what is most important, not the accompanying handle.

### Meaningful crossovers

The Intelligence report found that 94 percent of Instagram users have Facebook accounts, the highest crossover rate of any two social platforms. As a result of Facebook's ownership of Instagram, the social network is able to retarget Instagram users with sponsored advertisements on Facebook, which then drive the consumer to the Web.

Also, the advent of Instagram's Carousel ads that allow clickable hyperlinks, not before supported by the app, make for more meaningful consumer interactions.

"[Instagram's] new carousel ads should enhance the Instagram experience by making it easier for users to learn more about the products users are seeing in their feeds," Ms. de Jocas said. "Instagram's challenge will be ensuring the new format is in keeping with the aesthetic of the platform, doesn't alienate users by being too overtly sale-sy."

The carousel feature will allow advertisers to add multiple pictures on one post. Similar to a slideshow, consumers can scroll through if they wish to see more, but move on if they are not interested.

In addition, a clickable "See More" feature will be added to the right-hand corner of the ad, taking consumers to the advertiser's Web site. Such functionality lets advertisers create a unit that tells a story instead of just a single picture and caption ([see story](#)).

From an ROI view, the benefit of integrating Instagram on site and throughout brand properties is great.

"Brands can see several benefits to integrating consumer-generated photos on to a site," said Nicole Tiberia, senior brand strategist of luxury & beauty at [Olapic](#), New York. "For ecommerce sites, we have demonstrated that placement of photos on product detail pages can increase conversions on an average of 4.6 percent.

"For luxury brands that focus on engagement, user-generated content is a powerful way to tell a brand story through the eyes of their consumer," she said. "What better way for a brand that caters to product associated with celebrating 'moments' to showcase meaningful life events such as a wedding or the birth of child to reinforce the message of enduring significance.

"It is authentic, inspiring and tells a story in an emotionally impactful way that the brand-produced content cannot."

Final Take

*Jen King, lead reporter on Luxury Daily, New York*

Embedded Video: <https://www.youtube.com/embed/Mt7JPPXvIUo>

---

© Napean LLC. All rights reserved.

Luxury Daily is published each business day. Thank you for reading us. Your [feedback](#) is welcome.