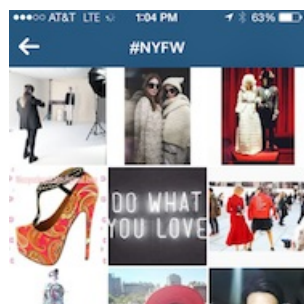


RESEARCH

Instagram demonstrates its effectiveness as advertising platform for app installs

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#NYFW has more than 1 million mentions on Instagram

By **Brielle Jaekel**

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Instagram is proving to be a strong advertising platform to drive mobile application installs, with a click-through rate of 0.8 percent compared to Facebook's rate of 0.6 percent, according to a new report from Nanigans.

The photo-sharing app is home to one of the largest user bases of social media platforms, and advertisers are finding success in terms of app downloads through the channel. Nanigans has developed an advertising solution specific to Instagram, and clients are seeing \$5.14 cost per impression.

"Instagram adoption among our customer base has not only been rapid, but also spans many verticals," said Cheryl Morris, vice president of marketing at [Nanigans](#). "Testing and learning a new advertising channel is hard, and Facebook has eliminated much of the learning curve for mobile marketers by porting over their proven ad products on Facebook to this new mobile advertising ecosystem."

"Mobile app marketers leveraging our software are approaching Instagram as a new channel with incremental budgets, and are seeing great performance alongside meaningful scale," she said. "These early results should help you feel more confident in testing Instagram, especially if you are a marketer already promoting your app on Facebook."

Rise of Instagram

Instagram has become one of the staple social media platforms in consumer behavior, and since its launch of advertising this year, marketers are fairing well on the space. Users enjoy the sleek one column feed, which also allows advertisers to become more visible to users.

Many users feel comfortable click over to download an app advertised on Instagram, as the experience is seamless for the most part.

Nanigans information shows that cost per click is only \$0.61 on Instagram, compared to Facebook at \$.80. The data is based on static ads, and does not include video advertisements.

□

The budgets Nanigans' advertisers have spent on Instagram app install ad campaigns are 4 percent lower than those set for the ad unit on Facebook, as a whole.

Return on investment

A retailer hoping to drive sales through Instagram saw an increase of 179 percent return on ad-spend within 60 days. Another client saw an increase of 219 percent for purchase rates by targeting users who are most likely to purchase with higher quality photographer for flash sales.

It is also clear that advertisers in the gaming and ecommerce verticals have taken to Instagram faster than others. However, of the two, ecommerce is showing slightly higher results with 1 percent CTR compared to gaming close behind with .9 percent.□

"From ad types to targeting parameters, Facebook has made it easy for mobile marketers to extend what they already know works for user acquisition and remarketing on Facebook over to Instagram's large and engaged mobile user base," Ms. Morris said. "We believe Instagram is on track to becoming a core channel for mobile app marketers to reach new customers and reengage existing ones in 2016."

Final take

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