

THE
DARK SIDE
OF MOBILE SHARING



RADIUM ONE™



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EXECUTIVE SUMMARY

In 2014, RadiumOne published a report that helped marketers and agencies harness Dark Social data and improve the return on their digital marketing investment.

THIS PAPER IS A FOLLOW-UP TO THE 2014 PAPER AND DEMONSTRATES HOW:

- > **Consumers' Dark Social activity is too big to ignore** – 84% of consumers' outbound sharing from publishers' and marketers' websites now takes place via private, Dark Social channels such as email and instant messaging.
- > **Consumers respond the most to Dark Social shares via their mobile devices** – 62% of clickbacks on Dark Social shares now come from mobile devices. The other 38% of clickbacks on Dark Social shares come from desktops.
- > **It's easy and worthwhile to convert Dark Social activity into a marketing opportunity** – Marketers and agencies who use Dark Social activity to fuel their paid media achieve great results. A luxury retailer used RadiumOne's sharing software to

capture Dark Social activity on its website and then used this data to inform paid media. As a result, the retailer tripled its site traffic and beat its CPA goal by 71%. A new SVOD service in Southeast Asia partnered with RadiumOne and publishers to access the Dark Social activity of entertainment fans, and then activated it with paid media to convert 560,000 of its first 1 million subscribers.

- > **Multiple global measures point to the increasing influence of mobile engagement** – In 2015, mobile advertising took the lead in digital advertising expenditure and mobile search took the lead in search queries. Now, in 2016, mobile traffic almost equals desktop traffic. This highlights the need for all types of digital engagement to work well on mobile.

ACT ON INSIGHTS

AFTER READING THIS PAPER, YOU WILL KNOW WHY AND HOW TO USE DARK SOCIAL DATA TO CONNECT WITH MOBILE AUDIENCES. YOU CAN ACT ON THIS KNOWLEDGE BY:

- > **Using a two-step process for connecting with mobile audiences**
 - In the first step, you track all content sharing. In the second step, you use this data to fuel paid media, including mobile media.
- > **Sizing the intersection of Dark Social and mobile by region**
 - As you consider tracking all content sharing, you may want to explore what to expect in your country or region and in your vertical. Here, you'll find Dark Social insights from the U.S., the U.K., Europe, Australia, Southeast Asia and insights from 23 diverse advertising verticals.
- > **Solving the investment disconnect in the sharing economy** - Marketers and agencies are spending over 1 billion USD per month on mobile advertising with Facebook despite the fact that, according to RadiumOne's research in February 2016, just 11% of site-originated mobile shares and 21% of mobile clickbacks happened via Facebook worldwide. In contrast, Dark Social channels made up 82% of site-originated mobile shares and 67% of mobile clickbacks worldwide.

THE DATA SOURCED IN THIS PAPER COMES FROM AN ANALYSIS OF THE AGGREGATE ACTIONS OF THE UNIVERSE OF USERS WHO SHARE CONTENT USING RADIUMONE'S SHARING SOFTWARE. IN 2014, THIS UNIVERSE INCLUDED OVER 900 MILLION MONTHLY ONLINE UNIQUE USERS. TODAY, THIS UNIVERSE OF USERS IS OVER 940 MILLION.

ADVERTISERS ARE FINDING
INCREASING OPPORTUNITIES
AT THE INTERSECTION OF
DARK SOCIAL AND MOBILE

**DARK
SOCIAL
THEN &
NOW**

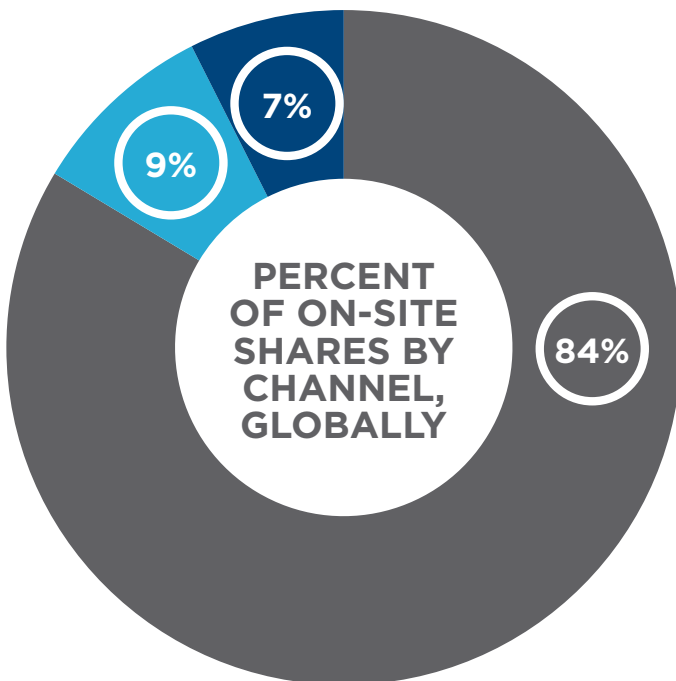
DARK SOCIAL THEN & NOW

In the last year-and-a-half, Dark Social has become an even bigger share of consumer's outbound sharing activity from publishers' and marketers' owned and earned assets. Consumers are also increasingly responding to sharing from their mobile devices. As a result of these consumer trends, a growing number of advertisers are finding increasing opportunities at the intersection of Dark Social and mobile.

Let's explore these trends in a little more detail.

1 CONSUMERS' DARK SOCIAL ACTIVITY IS TOO BIG TO IGNORE

Shares that happen over Dark Social channels, such as email and instant messaging, dominate how content is getting shared online. **In the last year-and-a-half, Dark Social shares as a percent of on-site shares jumped from 69% to 84% globally.** If you want to connect with audiences, you can't ignore Dark Social because it's how your existing customers and prospects are recruiting your future customers.



● DARK SOCIAL ● FACEBOOK
● ALL OTHER PUBLIC SOCIAL NETWORKS

DARK SOCIAL DOMINATES SHARING ACTIVITY

Source: RadiumOne Po.st social data, February 1-29, 2016

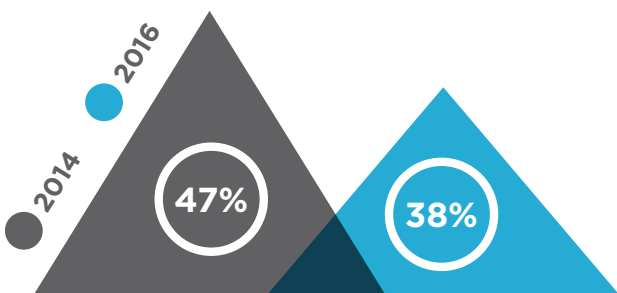
DARK SOCIAL THEN & NOW

2

CONSUMERS RESPOND THE MOST TO DARK SOCIAL SHARES VIA THEIR MOBILE DEVICES

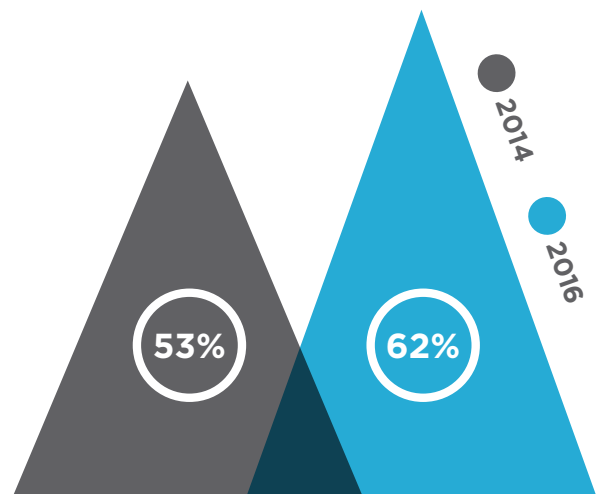
For the past year-and-a-half, the majority of responses to Dark Social shares or “clickbacks” have come from mobile devices, which are quickly becoming consumers’ preferred devices for content consumption and interaction. Remarkably, clickbacks on Dark Social shares coming from mobile devices are up from 53% of clickbacks in August 2014 to 62% of clickbacks in February 2016.

Conversely, clickbacks on Dark Social shares coming from desktop devices are down from 47% of clickbacks in August 2014 to 38% of clickbacks in February 2016. **Agencies and marketers need to assume that when someone shares their content, it will more often than not be viewed on a mobile device.**



38% OF CLICKBACKS ON DARK SOCIAL SHARES COME FROM DESKTOPS

Global percent of clickbacks on Dark Social shares coming from desktops.



62% OF CLICKBACKS ON DARK SOCIAL SHARES COME FROM MOBILE DEVICES

Global percent of clickbacks on Dark Social shares coming from mobile devices

Source: RadiumOne Po.st sharing data, August 1-28, 2014 and February 1-29, 2016

DARK SOCIAL THEN & NOW

3

IT'S EASY AND WORTHWHILE TO CONVERT DARK SOCIAL ACTIVITY INTO A MARKETING OPPORTUNITY

The right software, such as RadiumOne's sharing tools, can gather and activate Dark Social data on your behalf, every time visitors to your owned media assets share your content or links into private messages. These tools also ensure that your Dark Social data is rich with intent by capturing information about how audiences respond to the content that has been shared with them.

In addition, since Dark Social shares are personalised to the recipient, Dark Social data provides an accurate representation of consumers' interests and intent, and the ability to target a highly qualified and intimate network of connections. This representation makes it worthwhile to harness Dark Social on owned and earned media because it can be used together with data-driven media buying to **capture the attention of consumers at just the right moment in their increasingly complex consumer journeys.**

16%



PUBLIC SOCIAL

THE MAJORITY OF SHARING HAPPENS VIA EMAIL, IM & TEXT

84%



DARK SOCIAL



**DARK SOCIAL
CASE STUDIES**

MARKETERS AND
AGENCIES WHO
USE DARK SOCIAL
ACTIVITY TO FUEL
THEIR PAID MEDIA
ACHIEVE GREAT
RESULTS

Three case studies that demonstrate how...

HOW A LUXURY RETAILER BEAT ITS COST PER ACQUISITION (CPA) GOAL BY 71% USING DARK SOCIAL DATA ACROSS SCREENS

In the shopping category, 74% of all on-site shares and 42% of the clickbacks on shares happen via Dark Social. So, when a luxury retailer started to build custom audience segments based on people who shared and clicked back on their content, they began to tap into the power of Dark Social on desktop and mobile devices. These custom audiences of people sharing and responding to sharing were much more intent on purchasing from the luxury retailer.

With these custom segments, the results of a data-driven ad campaign will always be good, but this luxury retailer went one step further. They also scaled the audience segments by finding more people across the Web connected to their sharers. Then, they reached all segments – their sharers, sharing recipients, and the amplified segment – with relevant creative designed to convert.

**THE
RESULTS**

**THE LUXURY RETAILER
TRIPLED TRAFFIC TO
ITS WEBSITE.**

HOW A NEW SVOD SERVICE IN SOUTHEAST ASIA CONVERTED 56% OF ITS FIRST 1 MILLION SUBSCRIBERS USING DARK SOCIAL DATA ACROSS SCREENS

In the entertainment category in Southeast Asia, 93% of all shares and 61% of the clickbacks on shares happen via Dark Social. With this in mind, the region's newest subscription-based Internet TV service, iflix, built the campaign for its initial product launch on gathering and activating live data about how entertainment lovers share content with their intimate social networks of friends, family, and colleagues.

Mark Britt, iflix Group CEO said, "We knew entertainment lovers shared high volumes of digital content with each other but, we also knew a lot of sharing was occurring outside of public social networks."

"Harnessing Dark Social means we are covering all bases; no blind spots in our view of consumers' sharing behaviour across all channels and devices," he added.

iflix initially targeted entertainment lovers who had no relationship with the brand. To do this, RadiumOne formed strategic partnerships with large entertainment publishers who deployed RadiumOne's sharing software.

As iflix acquired customers rapidly, the company generated their own first-party Dark Social data and leveraged new customer interest by tracking all sharing of their content and offers, across all channels and devices. This enabled iflix to convert prospects to subscribers with great effectiveness.

THE RESULTS

SINCE MAY 2015, THE 'ALWAYS ON' FULLY AUTOMATED IFLIX CAMPAIGN HAS SEEN 56% OF ALL NEW SUBSCRIBERS CONVERTED THROUGH TARGETING BASED ON DARK SOCIAL SHARING DATA.

HOW A LEADING HEALTH AND BEAUTY RETAILER INCREASED ROI BY 10X AT CHRISTMAS WITH A CROSS-SCREEN CAMPAIGN FUELED BY DARK SOCIAL DATA

Imagine what it would be like to increase ROI by 10x at Christmas. This is what the health and beauty retailer Boots UK was able to do with a cross-screen campaign during the 2015 Christmas season.

Boots UK achieved this level of success by implementing a plan to identify, amplify, target, and optimize data-driven ads for the “Christmas gifter” segment of consumers who are likely to buy health and beauty gifts for their loved ones.

To identify this high-value audience, Boots UK conducted an in-depth analysis of both online and app data. The analysis revealed that “Christmas

gifters” were extremely active in sharing holiday content such as photos, videos, recipes, gift ideas, and wish lists via apps, websites, social, email, IM and other channels.

To amplify this audience, Boots UK extrapolated the “Christmas gifters” on its own website to a much larger group of over 10 million UK consumers using RadiumOne’s ShareGraph™ algorithms, which considered variables such as the recency of sharing holiday content, the frequency of sharing holiday content, and the directionality of sharing activity.

Finally, to target and optimize paid media for this audience, Boots UK used RadiumOne’s buying platform.

THE RESULTS

RADIUMONE DELIVERED A RETURN OF 10X ON BOOTS’ CAMPAIGN INVESTMENT. CONSUMERS FROM DARK SOCIAL CHANNELS DROVE A COST PER ACQUISITION 12.3 TIMES BETTER THAN AVERAGE.



THE INCREASING INFLUENCE OF MOBILE ENGAGEMENT

In the last year-and-a-half, consumer engagement on mobile devices has surpassed that of desktop devices across a number of global measures

Mobile advertising took the lead in digital ad expenditures

In April 2015, eMarketer predicted that the global mobile advertising market would account for more than **50%** of all digital ad expenditure in 2016.¹

Mobile searches took the lead in search queries

In October 2015, Google's senior vice president of search, Amit Singhal, said that worldwide, mobile searches now exceed desktop searches.²

Mobile traffic almost equals desktop traffic

As of May 2016, mobile traffic is nearly as large as desktop traffic with smartphone and tablet devices together driving **47%** of traffic while desktop devices are driving **52%** of traffic, according to StatCounter Global Stats.³

These measures all point to the increasing influence of mobile engagement. More now than ever before, marketers and agencies must connect with mobile audiences. **But how?**



A TWO-STEP PROCESS FOR CONNECTING WITH MOBILE AUDIENCES

Around the world, marketers and agencies are leveraging RadiumOne's sharing software and data to connect with their most valuable audiences. In the first step, you track all content sharing. In the second step, you use this data to fuel paid media across all channels, including mobile. [HERE IS HOW IT'S DONE:](#)

1

TRACK ALL CONTENT SHARING

This arms you with powerful signals of consumer interest and intent that come from previously unsighted Dark Social activity across your owned and earned media assets.

2

USE THIS DATA TO FUEL PAID MEDIA

Through RadiumOne's data-driven platform, you can use your first-party sharing data, overlaid with RadiumOne's publisher data, to reach people who share your content, people who respond to your shared content, and others in the sharing universe of users that have demonstrated interest and intent in your product or category.

This simple approach works. It works because when you track content sharing on your owned and earned assets, you collect the most powerful and timely signals of interest and intent. Acting on these signals has proven to lift performance considerably. For instance, in October 2015 RadiumOne looked at all live campaigns in Australia and reported an overall 153% uplift in conversions among consumers who shared relevant content.

THE TWO-STEP PROCESS

1. TRACK ALL CONTENT SHARING

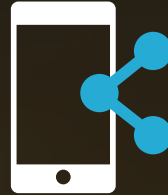
COPY

PASTE

ALL COPY AND PASTE DARK SOCIAL SHARING



40+ PUBLIC SOCIAL NETWORKS



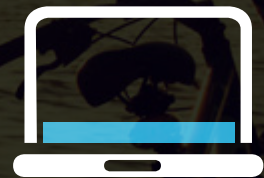
IN-APP SHARING


SHORTEN & SHARE

[HTTP://SUPERLONGURL](http://superlongurl)

SHORTENED LINKS

2. USE THIS DATA TO FUEL PAID MEDIA



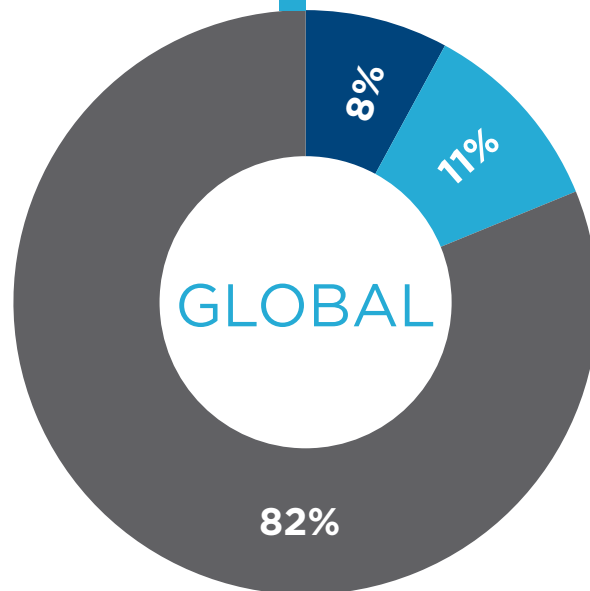


THE INTERSECTION OF **DARK** SOCIAL AND MOBILE BY REGION

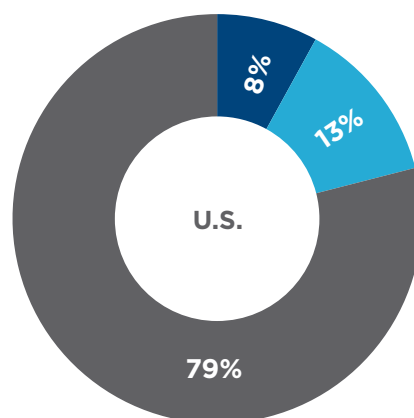
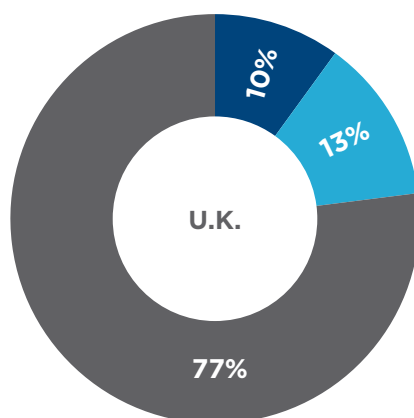
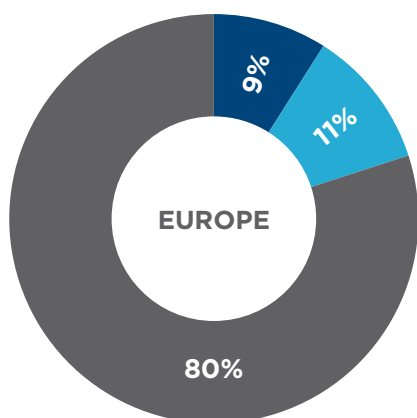
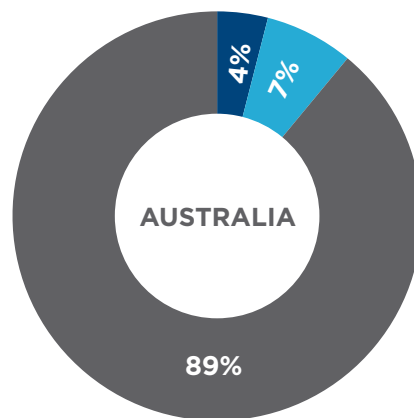
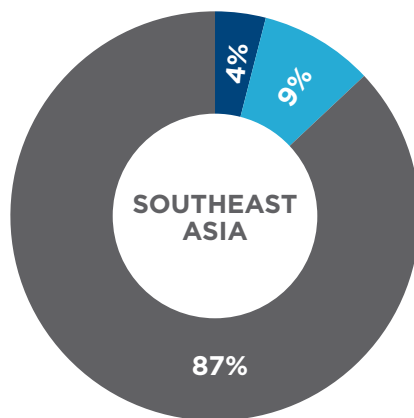
Zooming in on mobile sharing and mobile clickback activity, RadiumOne's sharing data shows that Dark Social is too big to ignore on mobile, in addition to being too big to ignore overall. Globally, Dark Social represents 82% of mobile shares originating from publishers' and marketers' owned and earned assets. 67% of the clickbacks to the original content source are also coming from mobile. So, when people share a publishers' or marketers' content from their mobile device, 8 out of 10 times they will share it via a Dark Social channel. And, when people respond to shares from their mobile device, nearly 7 out of 10 times they're clicking on a share within a Dark Social channel.

The majority of mobile shares happen via Dark Social channels

- DARK SOCIAL
- FACEBOOK
- ALL OTHER PUBLIC SOCIAL NETWORKS



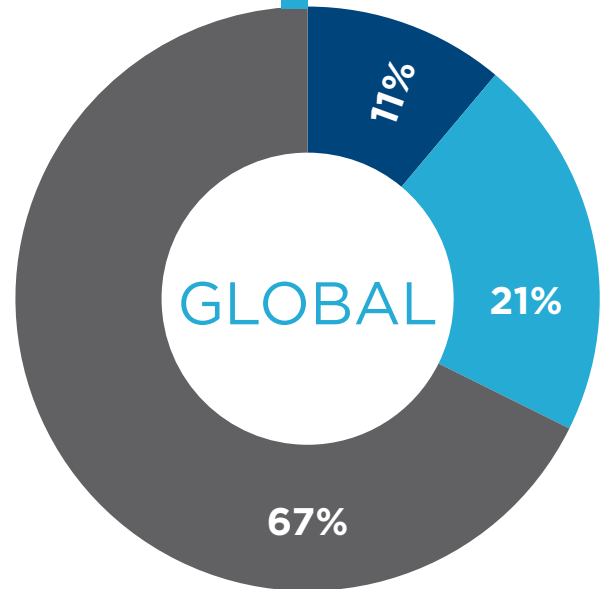
BY REGION



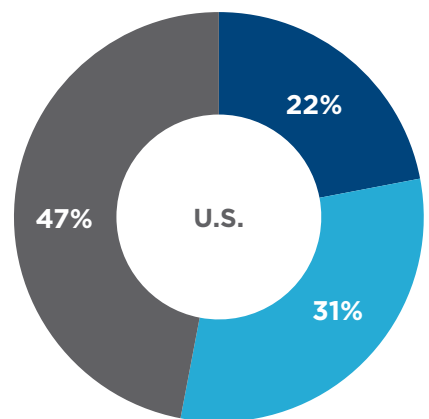
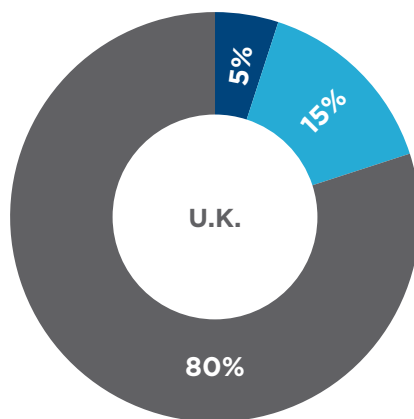
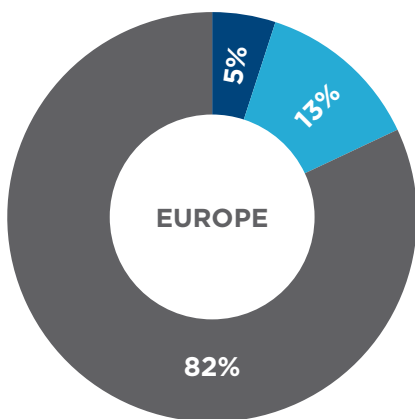
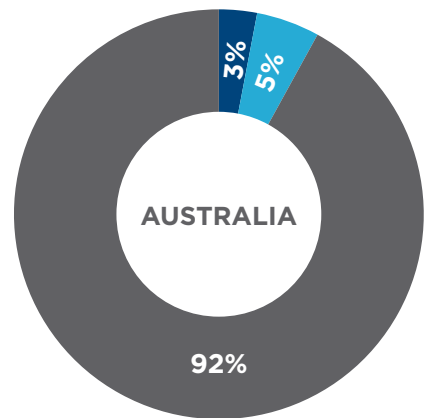
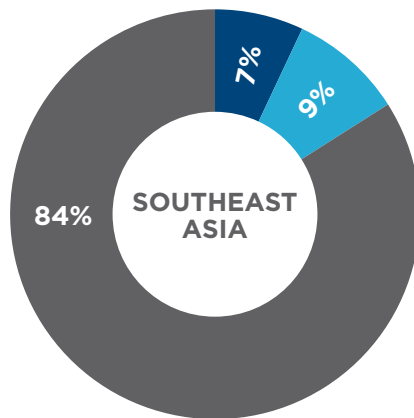
Source: RadiumOne Po.st social data, February 1-29, 2016

The majority of mobile clickbacks happen via Dark Social channels

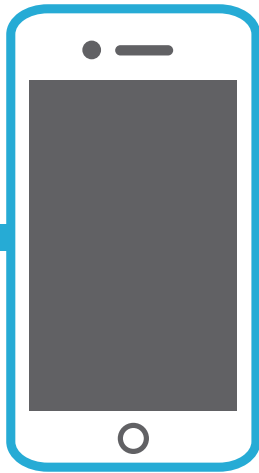
- DARK SOCIAL
- FACEBOOK
- ALL OTHER PUBLIC SOCIAL NETWORKS



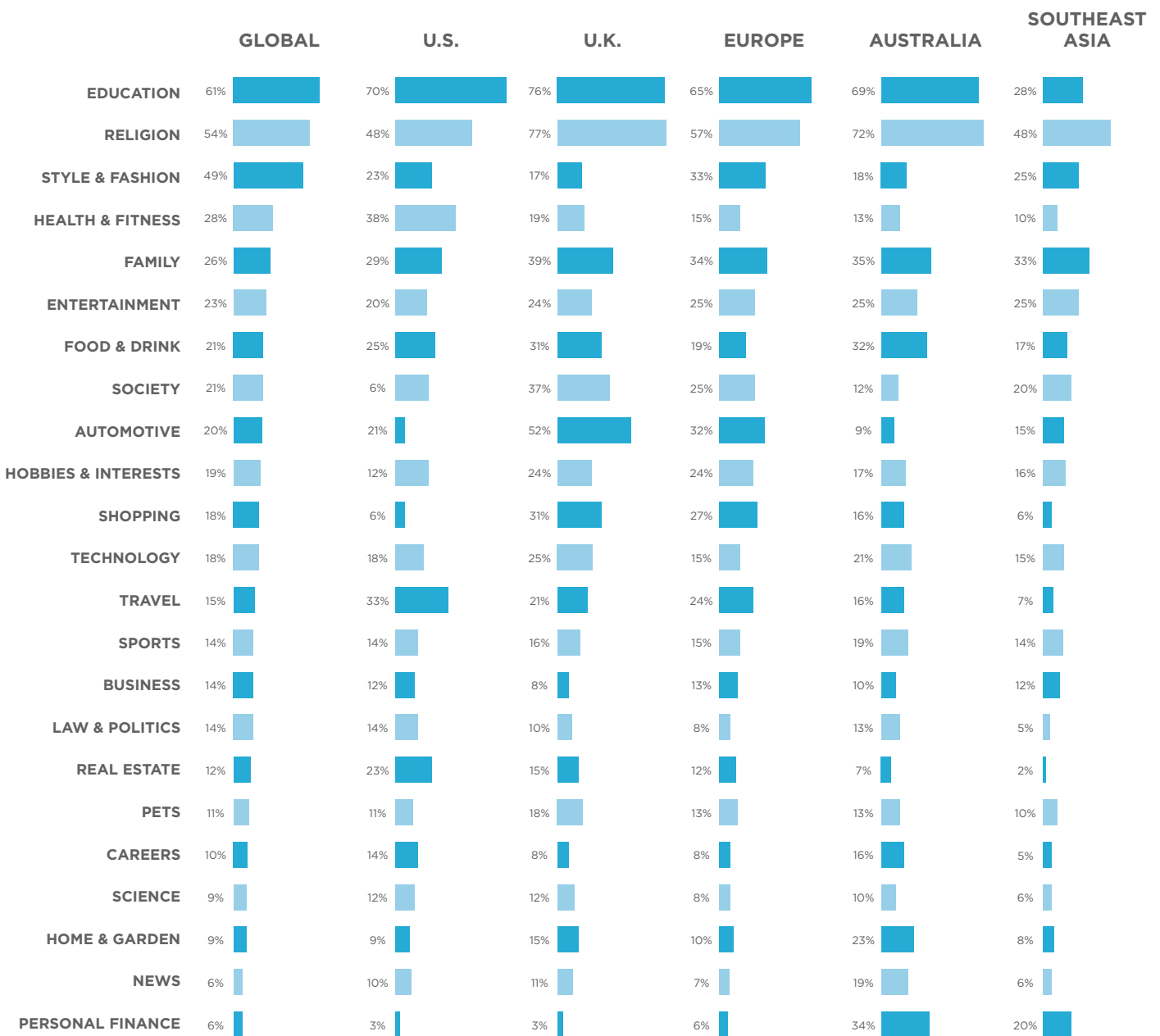
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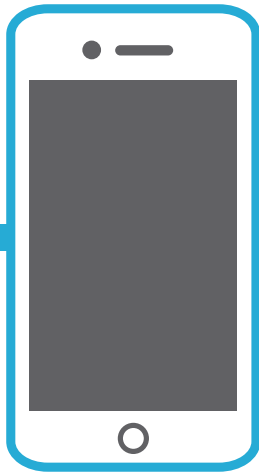
Source: RadiumOne Po.st social data, February 1-29, 2016



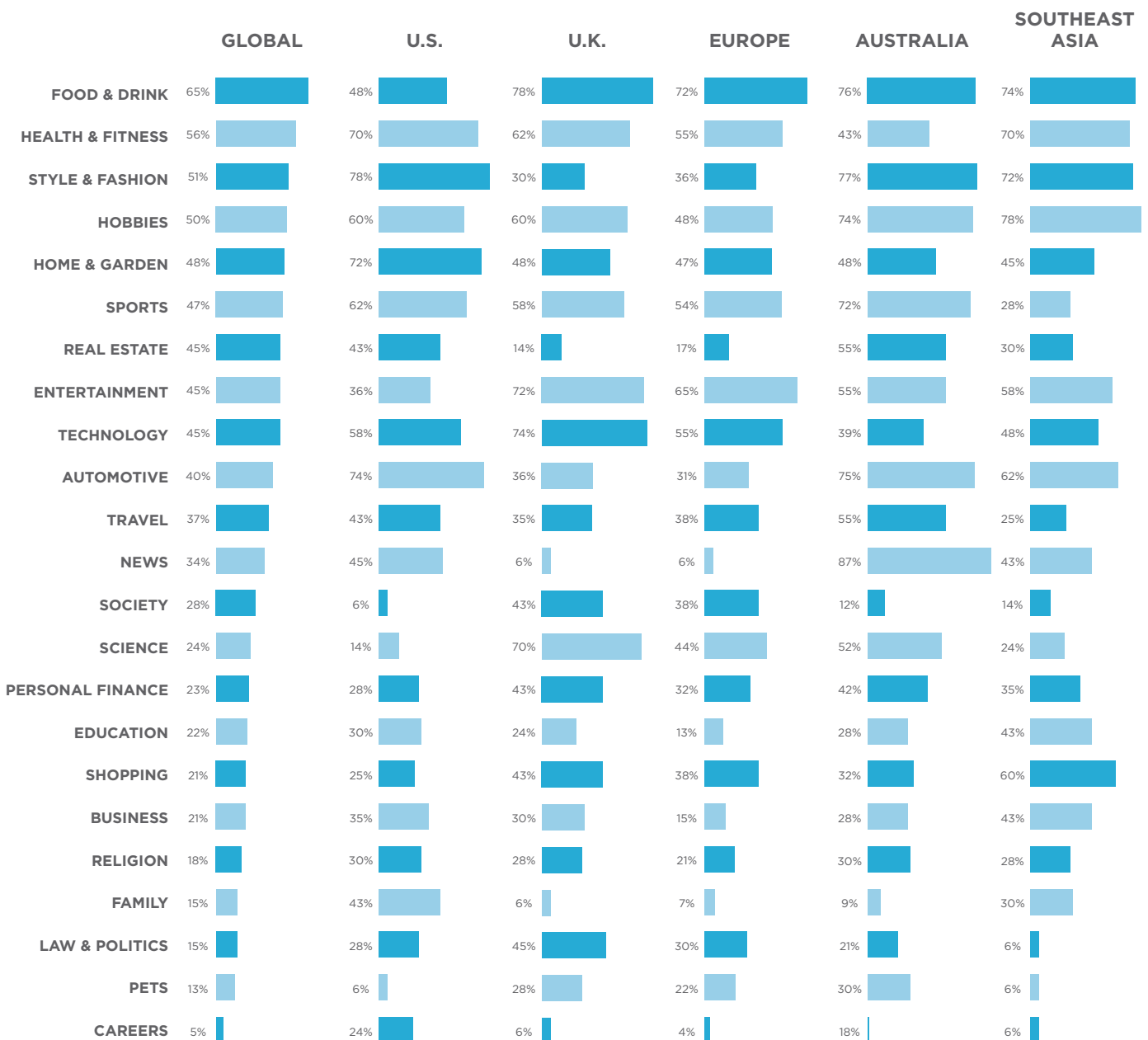
Mobile Dark Social sharing as a percentage of all sharing by advertiser category



Source: RadiumOne Po.st social data, February 1-29, 2016



Mobile Dark Social clickbacks as a percentage of all clickbacks by advertiser category



Source: RadiumOne Po.st social data, February 1-29, 2016

In the U.S., Dark Social clickbacks from mobile devices accounted for the majority of all clickbacks in 7 categories including the highly popular Sports category. In this category, 62% of clickbacks happened via Dark Social channels on mobile devices.

In the U.K., Dark Social clickbacks from mobile devices also accounted for the majority of all clickbacks in 7 categories including the Food & Drink, Arts & Entertainment, and Sports categories. In the Food & Drink category, 78% of clickbacks happened via Dark Social channels on mobile devices. In the Arts & Entertainment category, 72% of clickbacks happened via Dark Social channels on mobile devices. In the Sports category, 58% of clickbacks happened via Dark Social channels on mobile devices.

In Europe, Dark Social clickbacks from mobile devices accounted for the majority of all clickbacks in 5 categories including the Food & Drink, Health & Fitness, Sports, Arts & Entertainment, and Technology & Computing categories. The largest percentage of clickbacks that happened via Dark Social channels on mobile devices in the region was in the Food & Drink category, at 72%.

**DARK SOCIAL
CLICKBACKS**
**FOOD &
DRINKS**
72%

**DARK SOCIAL
CLICKBACKS**
HOBBIES
78%

In Southeast Asia, Dark Social clickbacks from mobile devices accounted for the majority of all clickbacks in 7 categories including popular categories like Hobbies & Interests, and Food & Drink. In the Hobbies & Interests category, 78% of clickbacks happened via Dark Social channels on mobile devices. In the Food & Drink category, 74% of clickbacks happened via Dark Social channels on mobile devices.

In Australia, Dark Social clickbacks from mobile devices accounted for the majority of all clickbacks in 10 categories including News, Sports, and Arts & Entertainment. In the News category, 87% of clickbacks happened via Dark Social channels on mobile devices. In the Sports category, 72% of clickbacks happened via Dark Social channels on mobile devices. In the Arts & Entertainment category, 55% of clickbacks happened via Dark Social channels on mobile devices.

SOLVING THE INVESTMENT DISCONNECT

Even though Dark Social activity dominates mobile sharing from brands' and publishers' owned and earned assets, the marketing dollars have primarily been going to public social networks, and Facebook in particular. For instance, Facebook's mobile ad business grew 82% year-on-year to account for \$4.5 billion in Q4 2015 revenue for the company. According to Ad Age⁴ this was 80% of the company's total ad revenue for the quarter. RadiumOne's research in February 2016 found that only 11% of site-originated mobile shares and 21% of mobile clickbacks happened worldwide via Facebook. In the same month, 7 times the number of site-originated mobile shares and over 3 times the number of mobile clickbacks happened via Dark Social.

A FEW BIG DISCONNECTS



84% OF SHARING IS HAPPENING OUTSIDE OF SOCIAL NETWORKS

YET OVER 90%* OF SOCIAL MARKETING \$ GOES TO SOCIAL NETWORKS



* THE 2016 CMO SURVEY.



**MARKETERS
SPEND 10%
OF THEIR
BUDGETS
ON SOCIAL
MEDIA***

**AND PLAN TO
DOUBLE THIS IN
THE NEXT 5 YEARS**

**YET 40% OF
CMOS REPORT A
BELOW AVERAGE
PERFORMANCE***

One of the reasons for this investment disconnect is that not all agencies and marketers know what you know. They don't know why or how to use Dark Social data to connect with mobile audiences. That makes the two-step approach outlined in this paper a lucrative, untapped marketing opportunity for you.

RadiumOne can help you get started.

www.radiumone.com

* THE 2016 CMO SURVEY.

APPENDIX

- 1) "Mobile Ad Spend to Top \$100 Billion Worldwide in 2016, 51% of Digital Market," eMarketer, April 2, 2015. <http://www.emarketer.com/Article/Mobile-Ad-Spend-Top-100-Billion-Worldwide-2016-51-of-Digital-Market/1012299>
- 2) "Worldwide, More Than Half of Google's Searches Happen on Mobile," Search Engine Land, October 8, 2015. <http://searchengineland.com/half-of-google-search-is-mobile-232994>
- 3) StatCounter GlobalStats, Platform Comparison, December 2008 to May 2016. <http://gs.statcounter.com/#all-comparison-ww-monthly-200812-201605>
- 4) "Facebook's Ad Volume Has Grown for the First Time in Two Years," Ad Age, January 27, 2016. <http://adage.com/article/digital/facebook-q4-2016-earnings/302378>



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