

A new take on search

A perspective from Kenshoo and Pinterest

Table of contents

| | |
|--|----------|
| Executive summary | 2 |
| The state of search | 3 |
| Pinterest search: Building for mobile discovery | 5 |
| Kenshoo and Pinterest partner up | 8 |

Executive summary

Search marketing is on the brink of a new frontier. New innovations will help marketers reach consumers throughout the path to purchase, all the way up to that final click. Pinterest is offering a paid search product that will help marketers grow demand and sales across the entire consumer journey. In this paper, Kenshoo and Pinterest discuss key trends reshaping consumer search to show how marketers can build programs that stretch from discovery, to action.

The state of search

Search has transformed the way consumers make decisions. Whether they need to fix a leaky faucet or buy a new car, people expect to find the answers online. In turn, search marketing has become an essential part of every marketer's toolkit. But as the consumer journey gets more complicated, so does search. Today's consumers jump between devices and platforms, sometimes over the course of the same path to purchase. Consumers have higher expectations for content relevance, lower brand loyalty and much less patience for disruptive ads.

It's never been more important for brands to reach new audiences and drive incremental growth. Many marketers rely on search ads to capture demand at the moment of purchase. However, new tools and formats help marketers reach their audience much earlier in the search journey. Recasting the role of search can help marketers unlock powerful opportunities.

Search marketers should consider these key search trends as they plan:

Search is now ubiquitous

For years, most consumer searches happened on dedicated websites. Now, search is so widespread, it's hard to predict which path a consumer will take. Think of all the new places searches can begin today: social media, retail sites, in-app, voice controls... to name just a few. Consumers also stretch their search out over time, switching between devices and platforms throughout the path to purchase.

This increased flexibility makes things easier for consumers, but a lot more challenging for marketers. To optimize for fragmented searches, brands should map their audience's search patterns by device, platform and goal. This will uncover the true potential for each platform and help marketers bridge messaging across a potentially staggered search process.

Mobile takes the lead

In 2016, mobile overtook desktop as people's preferred device for accessing the Internet! This influx in mobile sessions carried over to search behaviors too. Mobile search volume began to grow at an accelerated rate in the second quarter of 2016. By the end of the year, smartphones accounted for 52% of search clicks.² Kenshoo's fourth quarter trend report shows marketers are watching: mobile search impressions and spend increased by roughly 50% from 2015 to 2016.³

52%
of search clicks
came from
smartphones in
Q4 2016²



50%
increase YoY
for mobile search
impressions
and spend³



¹Zenith quoted in Digiday, "How mobile is overtaking desktop for global media consumption, in 5 charts," 2016

²⁻³Kenshoo, Digital Marketing Snapshot, Q4 2016

The shift toward mobile moments impacts how search works and feels. Mobile search should feel seamless, with simple navigation and streamlined design. If people have to click too many times, they might just give up. Images make mobile search more digestible, since they're easier to browse than tiny blocks of text.

Marketers can't control every detail of searches off of owned channels, but they can optimize all search ads for mobile. Brands should consider what happens after someone clicks on their search ad. Is that page visually compelling and optimized for mobile? Is it simple to continue the path to purchase?

Native ads grab spend

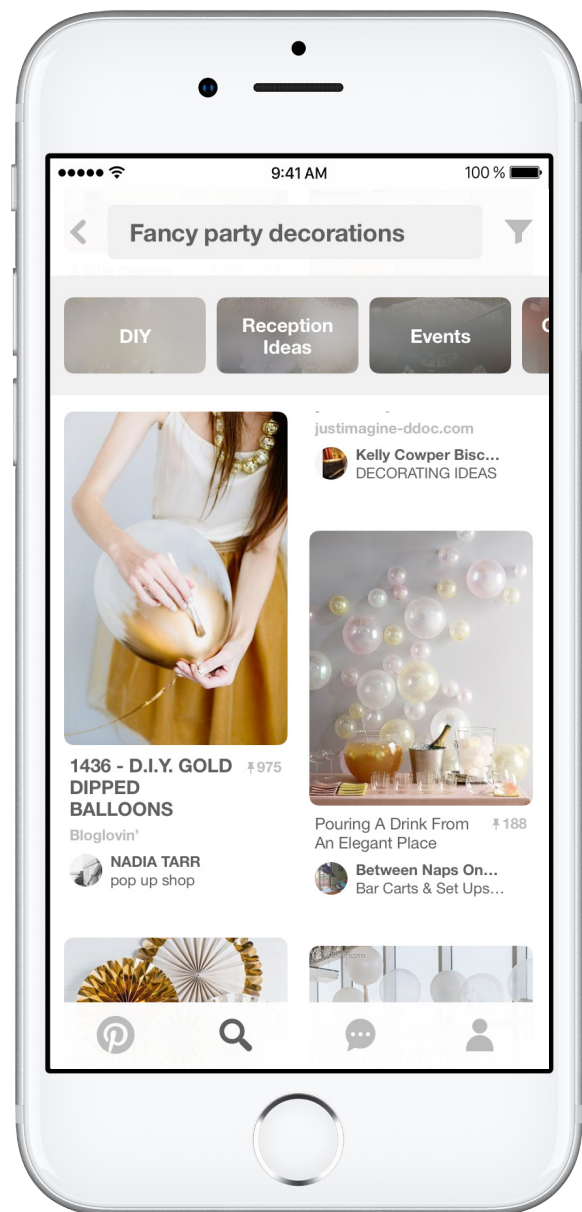
Native spend is on the rise as marketers prioritize in-feed, minimally disruptive ad formats. Native display formats are expected to account for 74% share of display revenue by 2021 as impressions migrate from browser-based banners to in-app placements.⁴ Search has always benefited from native placements, but the newest formats provide even better engagement. Since images are perceived as less disruptive in-feed, the user experience is shifting to more visual formats. A standout example comes from product listing ads, which grew ~86% in impressions and clicks between 2015 and 2016.⁵ PLAs give marketers an edge since they bring inspiring product imagery directly into consumers' search results.

Consideration gets a boost

Search engines are great at solving objective queries, like where to buy a certain product or where to get the best price. But as consumers gain more places and ways to search, they're expecting search results to help with a broader array of needs. Search can help shape decisions throughout the entire purchase journey, from top funnel queries to lower funnel choices.

In reality, most people start searching when they're higher in the funnel. In a blind study, Pinterest researchers found that many people start their searches broadly, with 64% preferring to start searches with a general idea, rather than specific search terms.⁶ Often, consumers don't want objective answers: they want tools for subjective discovery.

Better tools for the awareness and consideration phases benefit both consumers and businesses. Consumers get to explore more possibilities, evaluate their options and feel more confident in decisions. On the flip side, advertisers can reach their audience with targeted, relevant messaging much earlier in the path to purchase. Rather than intercepting existing demand, marketing against earlier stages of search helps marketers create new demand.



⁴ eMarketer, "US Digital Display Ad spending to Surpass Search Ad Spending in 2016," 2016

⁵ Kenshoo, Digital Marketing Snapshot, Q4 2016

⁶ Pinterest, Search study, 2016

Pinterest search: Building for mobile discovery

Discovery is at the heart of Pinterest, so its search tools are designed with consideration in mind. Every month, 150 million people use Pinterest to plan their lives, from everyday moments to big life events.⁷ Since Pinterest helps people find and evaluate possibilities, its search tools look different from what's on other platforms. Pinterest search guides people all the way from upper funnel inspiration, to lower funnel decisions. This strategy has significant upside for advertisers, who can capture intent well before Pinners reach their last click.

As Pinterest continues to grow, search plays an increasingly important role. Search is now responsible for more on-site impressions than any other Pinner action.⁸ Pinners conduct 2 billion searches a month, primarily on mobile. Whether someone wants dinner recipes or decorating advice, Pinterest helps them find ideas and take action. That consideration mindset extends to people's interactions with brands. In fact, 72% of Pinners say that Pinterest has introduced them to a new brand or service.⁹

Here's a closer look at what makes Pinterest search a unique opportunity for marketers:

72%

of Pinners say that Pinterest has introduced them to a new brand or service⁹



Tools for guided consideration

Let's say you want a new jacket—but that's all you know so far. You could type "jacket" into a search engine, but such a vague query probably wouldn't return very meaningful results. Pinterest search was built for this type of subjective query. 97% of Pinterest's search terms are unbranded.¹⁰ That means that when Pinners search, they're in an open mindset and receptive to new ideas.

97%

of search terms on Pinterest are unbranded¹⁰



Pinterest guides people from open-ended keywords to filtered, personalized choices. When someone searches on Pinterest, data-driven search guides suggest potential directions. How someone clicks on those guides creates a personalized search journey. Two people could start by searching "jacket," but end up with completely different results. Pinners appreciate this unique take on search: 42% even say they use Pinterest instead of a standard search engine.¹¹ Starting wide, then adding filters helps people thoughtfully zero in on the right options. Pinterest is people's go-to platform for this kind of search, especially in categories like fashion, home décor and food.¹²

^{7-8,10} Pinterest internal analysis, 2016

⁹ Pinterest with Millward Brown, Pinterest consumer study, 2015

¹¹ Ahalogy, Pinterest Media Consumption Study, 2016

¹² Pinterest, Search study, 2016

When someone finds an idea they like in Pinterest search, they can save it to a “board,” or personal collection. This helps people continue the same search across the entire path to purchase since their favorite ideas are only a click away. 76% of Pinner save items to purchase later, taking advantage of this unique way to preserve ideas that resonate.¹³

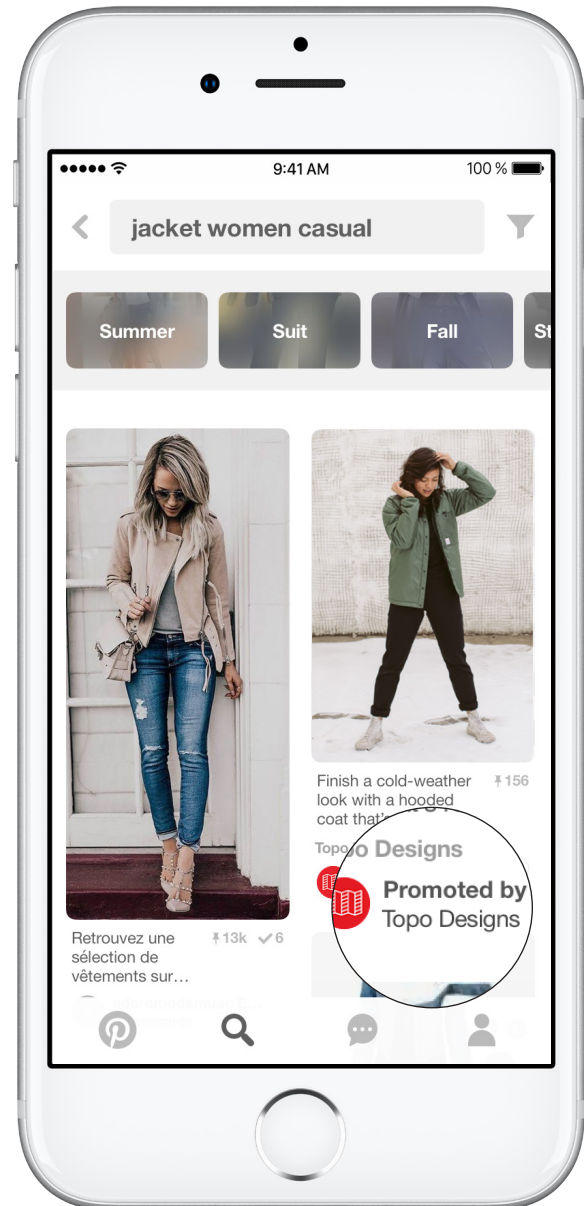
A visual experience, built for mobile

Sometimes you can't describe what you want, but you'll know it when you see it. When people shop in the physical world, visual cues steer them to the right products. Pinterest uses visual content to replicate this browsing process online and in-app.

Pinterest is inherently visual: it's made up of 75 billion “Pins” that people create by saving images from around the web.¹⁴ Each Pin serves as a visual reference for people in discovery mode. When people search on Pinterest, they get Pins as search results. This visual content helps people figure out what suits their taste, or doesn't.

Visual content makes Pinterest especially mobile-friendly and easy to navigate on a smaller screen. Plus, the entire search journey can happen in-app, from the first search to the final click. Since 80% of Pinner use the app, Pinterest's team optimizes each search feature for mobile moments.¹⁵ Mobile search requires minimal typing after someone enters their first keywords. After that point, they can navigate their entire search with visuals and search guides.

Pinner content preferences also give marketers a canvas for deeper visual storytelling. Promoted Pins look just like organic content, with hero visuals. And the more visual intrigue, the better. In an internal study of retail Promoted Pins, ads that showed products in real-life settings led to a 30% higher clickthrough rate and 170% higher checkout rate than Pins that showed products against a backdrop.¹⁶ It makes sense: seeing a product in action helps people envision how it'd look in their own lives.¹⁷



¹³ Pinterest with InsightsExpress, The access search provides, 2016

¹⁴⁻¹⁵ Pinterest internal analysis, 2016

¹⁶⁻¹⁷ Pinterest, Retail Promoted Pin study, 2016

New growth for marketers

Pinner's discovery mindset is closely tied to commercial intent. According to investment firm KPCB, Pinner's are more likely to say they use Pinterest to shop than users on social platforms.¹⁸ Pinner's also start their searches early, sometimes up to three months before a key event or holiday.¹⁹

This combination of open-mindedness and commercial intent creates new demand. When marketers advertise on Pinterest, they reach a receptive, engaged audience that actively wants new ideas. This helps brands reach consumers before they've made key decisions, fueling audience growth and higher sales. In an Oracle Data Cloud study, CPG brands that advertised on Pinterest saw 5x more revenue per impression.²⁰ A second study with retailers delivered similarly impressive results: 70% of the retailers' incremental sales came from new customers, with an average 7.2x return on ad spend.²¹

5x

revenue per
impression for
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advertised on
Pinterest²⁰



70%

of retailers'
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customers²¹



¹⁸ KPCB and Mary Meeker, 2016 Internet Trends Report, 2016

¹⁹ Pinterest internal analysis, 2016






²⁰⁻²¹ Pinterest with Oracle DLX, Pinterest CPG ROI Analysis, 2016

Kenshoo and Pinterest partner up

Pinterest is building a paid search product on top of its organic search platform. New ad options will give marketers even more opportunity to reach consumers as they discover products and services on Pinterest. Search Ads on Pinterest includes a full suite of features such as Keyword Campaigns, Shopping Campaigns, targeting options and reporting. Pinterest has been testing with a small group of advertisers, and will be rolling the products out to more brands over the coming months.

Kenshoo and Pinterest have formed a strategic partnership to bring these new offerings to market. Together, they will expand this innovative search product. As a market leader, Kenshoo is providing valuable insight to help Pinterest create a platform that delivers results for all kinds of businesses, including the world's most sophisticated marketers. Kenshoo's industry-leading technology will also help marketers scale their Pinterest initiatives. If you're interested in learning more, please contact Kenshoo or your Pinterest account manager today.

Pinterest's audience

-  **150 million**
monthly active users globally²²
-  **70 million**
US users, 80 million international users²³
-  **80%**
are on mobile²⁴
-  **73%**
of online US women ages 18-34²⁵
-  **40%**
of new signups are men²⁶

Search and shopping

-  **2 billion**
monthly searches²⁷
-  **97%**
of searches are unbranded²⁸
-  **76%**
of Pinners save items to purchase later²⁹
-  **42%**
of Pinners use Pinterest to search instead of search engines³⁰
-  **55%**
of Pinners use Pinterest to shop (higher than users on social platforms)³¹

²²⁻²⁴ Pinterest internal analysis, 2016

²⁵ ComScore, Audience stats, Sep 2016

²⁶⁻²⁸ Pinterest internal analysis, 2016

²⁹ Pinterest with InsightsExpress, The access Pinterest provides, 2016

³⁰ Ahalogy, Pinterest Media Consumption Study, 2016

³¹ KCPB and Mary Meeker, 2016 Internet Trends Report, 2016

About Kenshoo and Pinterest

kenshoo

Kenshoo is the global leader in agile marketing. Kenshoo has a over a decade of experience in large-scale social and SEM marketing across leading industry publishers. Kenshoo's products are used by over 3,000 brands, including half of the Fortune 50. Kenshoo has innovated new areas for SEM, including budget optimization, shopper marketing, creative management and campaign automation, so marketing teams can scale their effectiveness while remaining agile and responsive to the latest opportunities, ad formats and consumer preferences.

business

Pinterest is the world's catalog of ideas, personalized for you. More than 150 million people worldwide use Pinterest to discover ideas and plan their lives—from everyday moments to big life events. With more than 75 billion Pins, Pinterest has ideas for all interests, including food, style, beauty, home and more. Launched in 2010, Pinterest is based in San Francisco, CA and available everywhere at [Pinterest.com](https://www.pinterest.com) and on iOS and Android devices.
