



# #AreYouFollowing

*Social commerce in Canada:* How brands and influencers are driving consumer product education and conversion across social platforms.



Make better decisions, faster, with access to rapid insights at every stage of the consumer journey



# Today's Topic: Social Commerce in Canada

- How much time Canadians are spending online and which platforms are winning with each demographic?
- Who do Canadians follow on social media and why?
- How much do Canadians trust influencers and brands based on their social media presence?
- To what degree is social media influencing Canadian purchase habits?
- How does social media usage drive product education and conversion for brands?
- How does #ad disclosure helps build Canadian Influencer and brand trust?



# Who We Are



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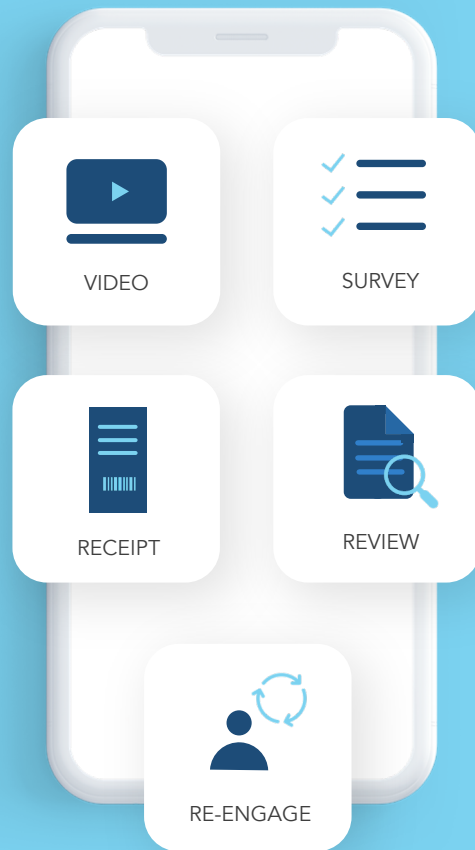
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# How It Works

Capture relevant insights for any challenge or opportunity. Engage seamlessly with shoppers at every stage of the consumer journey by leveraging the **Caddle suite of tools**.

Caddle rewards panel members for actions ranging from video, survey, receipt capture, reviews, and more.





# AskCaddle®

Better insights, faster.



Largest daily active panel in Canada: 10,000+ DAUs and 100,000+ MAUs



Every type of shopper



Canadian representative samples



Holistic understanding across path to purchase



Engaged users rewarded for actions



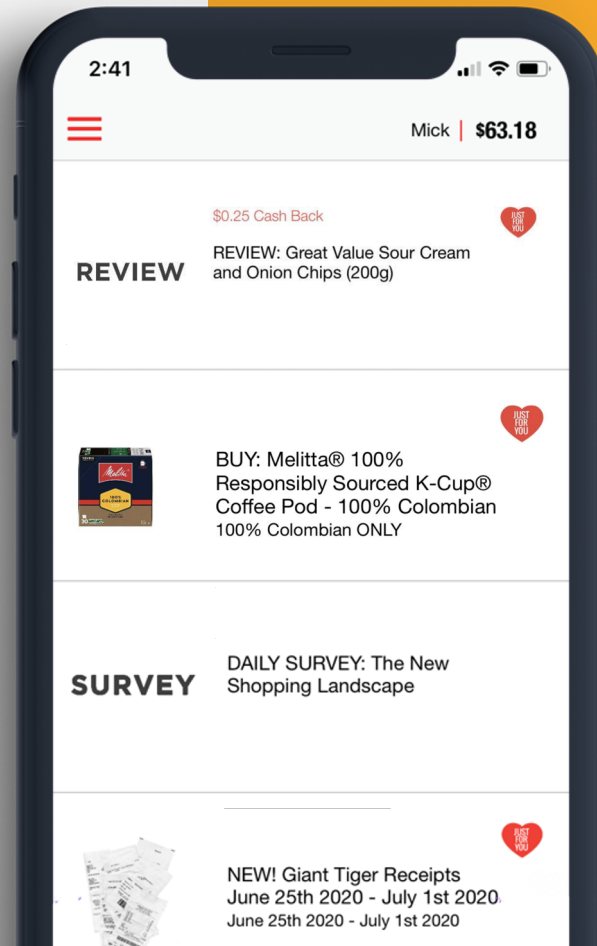
Dynamic, on-demand reporting dashboard

Macro and niche data verticals including:

- New Moms
- Costco Shopper
- Amazon Prime Members
- Cannabis Consumers
- Health Professional
- Luxury Shoppers
- Shopper Dad
- Repeat Purchasers
- Vegan Buyers
- Pop Consumers
- Environmentalists

# Methodology

- A representative survey of Canadians was conducted in September 2021, in partnership with Ad Standards.
- Two custom studies conducted from Sept 9 - Sept 13 with over 3,000 Canadians.
- Data also presented from Caddle's Daily Survey Panel with over 8,000 Canadians.
- All data presented is owned by Caddle and has a Margin of Error of 1% or lower.



# Social Media Usage in Canada



# Most Canadians Use Social Media on the Daily, with Gen Z Being the Most Active

	Baby Boomers 57-75 years old	Gen X 41-56 years old	Millennials 25-40 years old	Gen Z 16-24 years old
% who uses social media daily or more	51.3%	52.7%	60.3%	62%

Net usage increase of +19.2% compared to 2020, with an expected net decrease of -7.7% next year

# Generation Dictates Where Hours are Spent

On an average, how many hours do you spend on these social media platforms every week?

	Baby Boomers 57-75 years old	Gen X 41-56 years old	Millennials 25-40 years old	Gen Z 16-24 years old
Facebook	4	3.9	3.7	2.6
Instagram	1.5	2.1	3.3	3.7
Youtube	2.6	3.2	4.2	4.9
TikTok	2	2.7	3.4	4.5
Reddit	2.1	1.9	3.4	3.1
Snapchat	1.1	1.8	2	3.3
Twitter	1.4	2.1	2.2	1.9
Twitch	2.5	3	2.7	2.3
Pinterest	1.3	1.4	1.5	1.5

Canadians are satisfied with majority of social media platforms, with YouTube at the top						
How would you rate your level of satisfaction with this social media platform?						
	Baby Boomers 57-75 years old	Gen X 41-56 years old	Millennials 25-40 years old	Gen Z 16-24 years old	Females	Males
Facebook	60.9%	59.4%	59.3%	60%	62%	58.7%
Instagram	60.2%	66.5%	72.5%	75.2%	69%	69.8%
Pinterest	78.6%	78.9%	80.2%	74.2%	80.8%	74.8%
Reddit	69.9%	69.2%	76.2%	84%	64.9%	76.9%
Snapchat	69.9%	69.5%	72.4%	81.9%	73.5	75.5%
Tiktok	73.9%	64.7%	79%	84%	80.1%	77.3%
Twitch	79.9%	71.4%	78.2%	79.9%	82%	77.2%
Twitter	86.8%	61%	66.5%	70.9%	62.2%	66.2%
Youtube	80.5%	82.7%	83.4%	82.9%	82.6%	82.9%

# How the pandemic made millennials uncool

Hillary Hoffower Sep 5, 2021, 6:45 AM

INSIDER



Millennials aren't cool anymore. Roy Rochlin/Getty Images

- No longer cool, millennials have fallen as the 'it' generation. That title belongs to Gen Z.
- As the oldest millennial turns 40, Gen Z has lambasted them for their side parts and skinny jeans.
- On the surface, millennials feel outdated. But the real issue is that they're reckoning with a new life stage.

MONEY

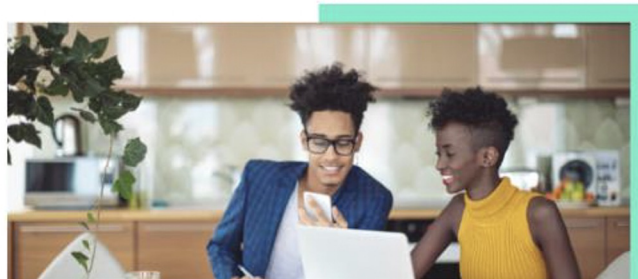
## Gen Z incomes predicted to beat millennials' in 10 years and be 'most disruptive generation ever'

Published Fri, Nov 20 2020 8:38 AM EST • Updated Fri, Nov 20 2020 4:20 PM EST



Vicky McKeever  
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### Trending Now

**1** Kim Kardashian's cryptocurrency Instagram ad sparks criticism from UK financial watchdog

Jan 21, 2021, 08:20am EST | 8,728 views

## Gen Z And The Future Of Spend: What We Know About This Generation, The Pandemic And How They Pay



Lilah Raynor Forbes Councils Member

Forbes Business Council

COUNCIL POST | Membership (fee-based)

Small Business



# How the pandemic made millennials uncool

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INSIDER

Gen Z is now spending more than before the pandemic

62.8 million Gen Z spend \$143 billion in the US, equivalent to about \$15.4 billion a year in Canada at the same rate of spend

A generation of self-discovery

Work habits and ideas of work/life balance: 56% of Gen Z believe a regular meditation practice will improve work/life balance

MONEY

# Gen Z incomes predicted to beat millennials' in 10 years and be 'most disrupted'

Published

There's a (gigantic) trust gap

Generation Google It and do your own research

## Trending Now

1 Kim Kardashian's cryptocurrency Instagram ad sparks criticism from UK financial watchdog

Health is more than a vital sign

Gen Zers are doubling down on the wellness lifestyle - exercising more, eating well, and prioritizing mental health and sleep. Brands need to react



Small Business

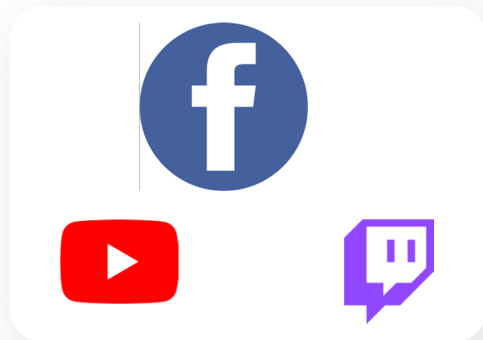
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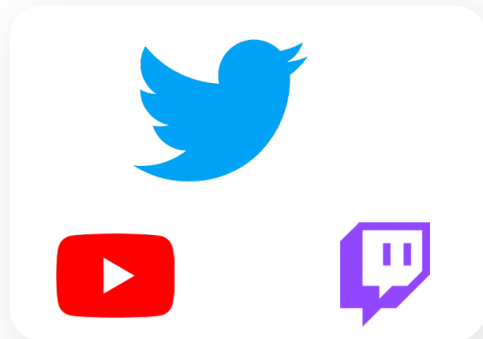


# Top platforms based on hours spent and satisfaction

## Baby Boomers



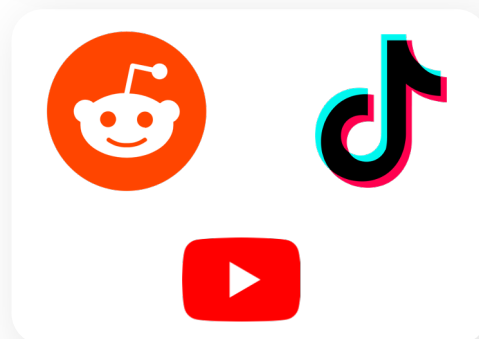
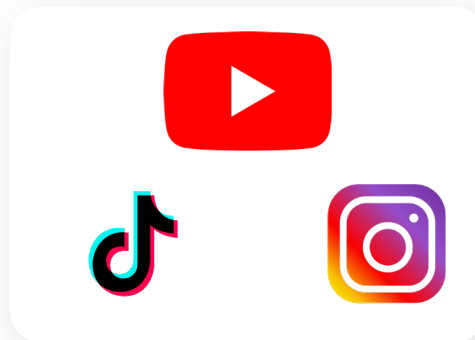
hours spent



satisfaction



## Gen Z



# TikTok Deep Dive

63%

of users like when brands show creators (influencers) in their videos

56%

of users feel closer to brands they see on TikTok—particularly when they publish unpolished content

66%

enjoy when brands sponsor creators to show off their products

The level of satisfaction with TikTok is second after YouTube and 43% of Canadians plan to increase their time on this platform in the future

# Who Canadians Are Following



# Who Do Canadians Follow on Social Media?

- Personal connections lead the way - Friends and family are the highest category followed on social media
- Influencers are the second most followed category after personal connections
- Gen Z are leaps and bounds more engaged with influencers compared to the average Joe

	General Population	Gen Z
Friends & Family	64%	63%
Acquaintances	29%	28%
Colleagues/Networking	18%	23%
Sports Teams	13%	23%
Consumer Brands	12%	13%
Celebrity /Mega-Influencers*	7%	14%
Macro Influencers*	6%	12%
Micro Influencers*	6%	12%
Nano Influencers*	6%	7%
Other	18%	11%

25% of the general population follow influencers

45% of Gen Z follow influencers

# From nano to celeb, influencers are reaching younger generations more than brands

## General Population

12%

follow brands



## Gen Z

13%

follow brands

Q: Who do you follow on social media? (% of those who follow nano, micro, macro, and/or celebrity influencers)

25%

follow influencers



45%

follow influencers

# Among users who follow at least one brand, accounts that make the Top 5:



51%

Restaurants



37%

Retailers/Stores



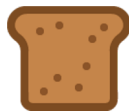
35%

Clothing



33%

Consumer Brands (i.e.,  
toothpaste)



29%

Food

# Food & Restaurant-Oriented Accounts Dominate for Followership & Discovery

1 in 2

Canadians learn about new restaurants through social media

1 in 3

learn about food through social media

1 in 3

follow restaurant brands and a further 22% follow food accounts

“Restaurants” and “Food” accounts make the top 3 in “brands you follow” and “things you discover” on social media

## Why Canadians Follow Brands

**55%** follow to stay up to date and get the latest news from brand accounts

**33%** follow brands because they like their content

**30%** follow to be the first to see new releases/products

## Why Canadians Unfollow Brands

**43%** unfollow if they no longer use the brand

**30%** unfollow if content wasn't engaging/relevant (Gen Z values this most out of any generation!)

**25%** unfollow if brands post too much



## Why Canadians Follow Influencers

**2.5X** Canadians like influencer content 2.5X more than brand content

**64%** follow influencers because they like their content

**41%** follow to learn about new products / trends

## Why Canadians Unfollow Influencers

**53%** unfollow if their platform is no longer relevant

**25%** unfollow if posts turn political

**29%** unfollow if influencers post too much

# Does Canada Know What Influencer Marketing is?

43.9%

General Population

68.7%

Gen Z

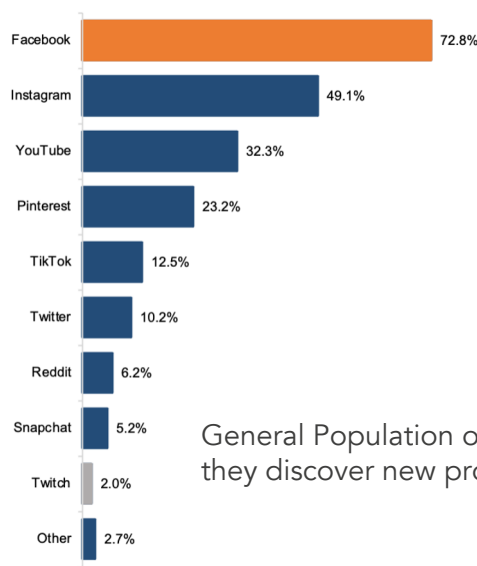
know a fair amount about influencer marketing

# Driving Conversion on Social Media



# Product Discovery on Social Media

Majority (61%) of Canadians have discovered new products on social platforms, and they're learning about them on all platforms!

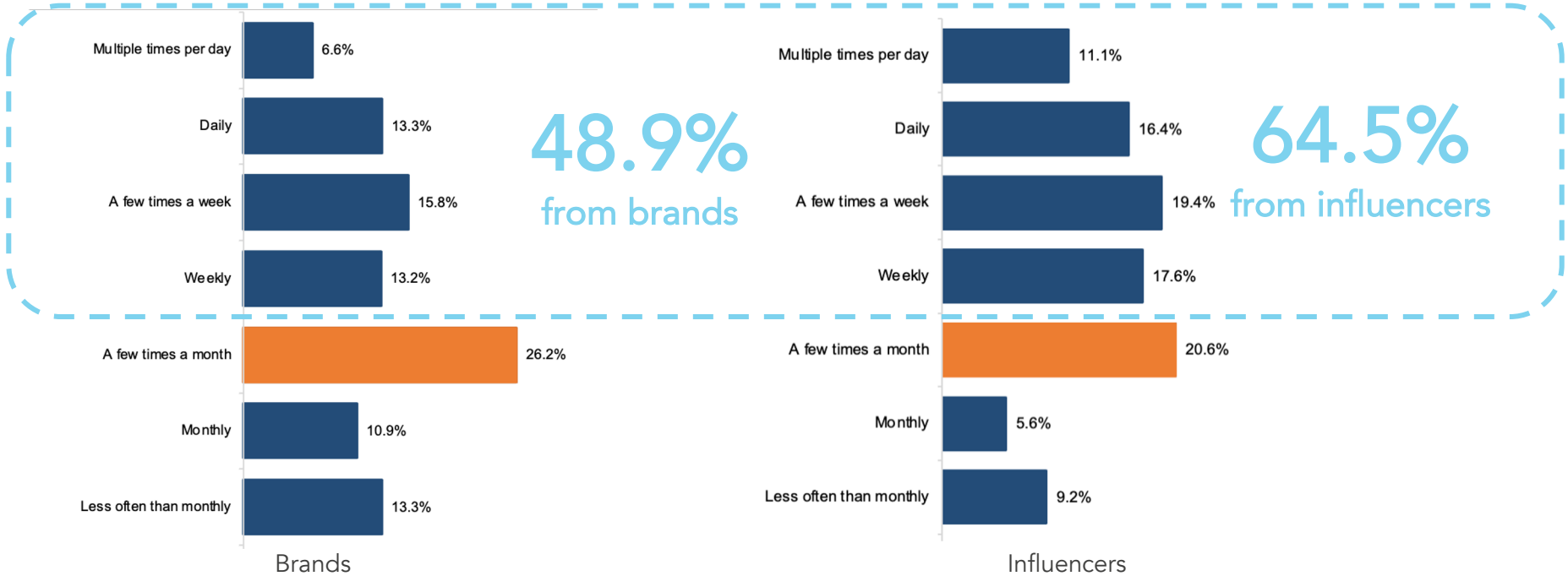


General Population on where they discover new products

Gen Z & Millennials are leading the way with 66% having discovered new products through social media

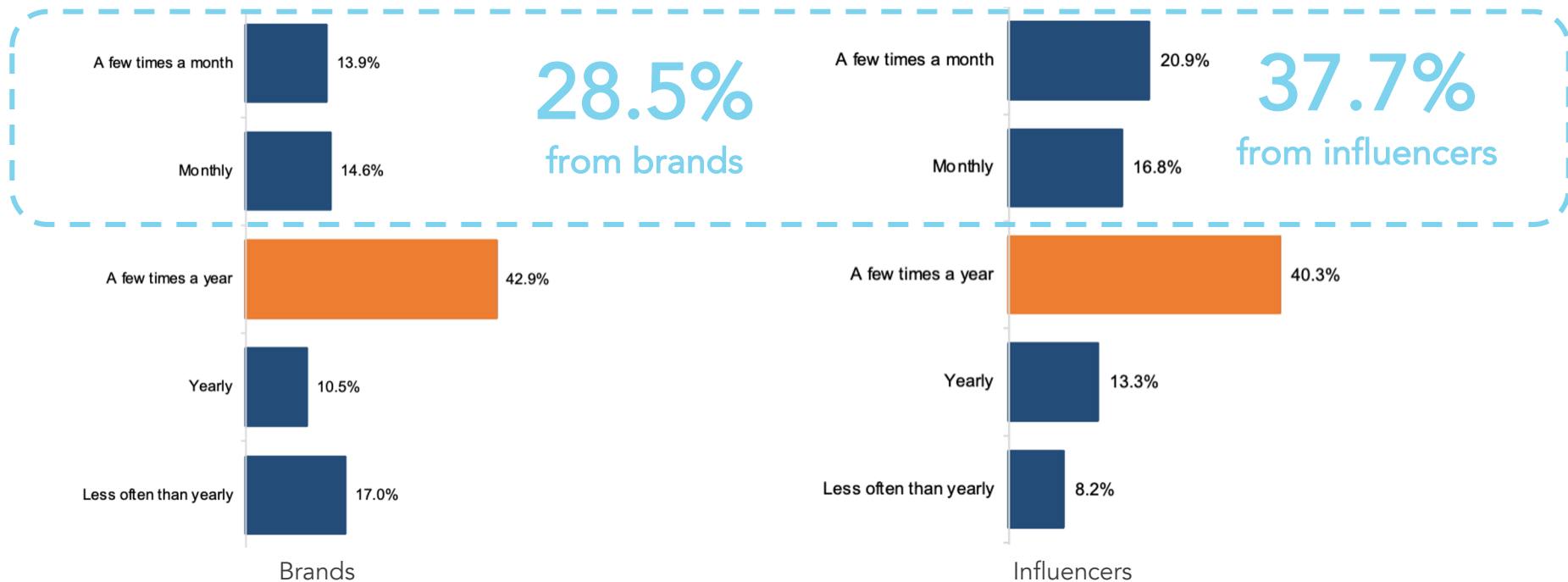
# Brands and Influencers are Both Effective for New Products

How often do you learn about new products from brands OR influencers?



# But Influencers Drive High Education and Conversion

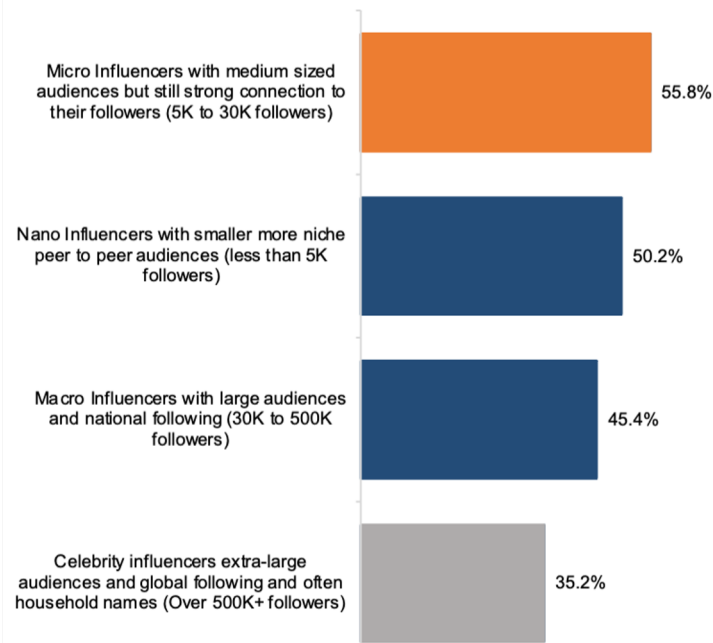
How often do you purchase a product because of brand OR influencer's recommendation?



# Influencers of All Sizes are Influential

- Canadians are more likely to remember promotions by smaller influencers than larger ones
- Micro and Nano influencers are both chosen by over half (55.8% and 50.2% respectively) of Canadians as places where they learn about new products
- The largest influencers are least likely to push new products with only one third (35.2%) learned about new products from them

What type of influencers do you discover new products from? (select all)



# Platforms most valuable in sales conversion for a brand vs. an influencer

When you bought a product from a brand OR influencer on social media, which sites did you buy from? (check all that apply)

	Brand	Influencer
Instagram	28.9%	54.4%
Facebook	51.3%	52.4%
Youtube	9.8%	25.6%
TikTok	3.5%	19.8%
Pinterest	6.1%	14.3%
Twitter	1.1%	11.4%
Snapchat	1.8%	9.7%
Reddit	2.0%	9.1%
Twitch	0.1%	6.7%
Other	18.8%	10.8%



# In Summary | Converting on Social

Those who have made purchases because of a brand recommendation:



Facebook (51%) and Instagram (29%) dominate brand-driven product purchasing



Gen Z-driven platforms like TikTok need to adapt ad format to be native to the platform



Facebook vs. the rest:  
Facebook is dominating

Those who have made purchases because of an influencer recommendation:



Instagram has led to almost 2x as many sales for influencers than brands



Every platform has more sales from influencers than brands (excluding Facebook and Instagram) and have 2x as many sales than they do for brand accounts.



Underdog alert - Twitch influencers convert 67x more in sales vs. brands

# Clear Advertising on Social Media



Twitter



Facebook



Pinterest

# With Knowledge Comes Trust

- Gen Z are experts when it comes to influencer marketing as digital natives
- 72% of Gen Z know what disclosure #hashtags are, compared to just 48% of the general public
- 24% of all Canadians think every 3 in 4 influencer posts are sponsored, compared to only Gen Z who believes only 15% are

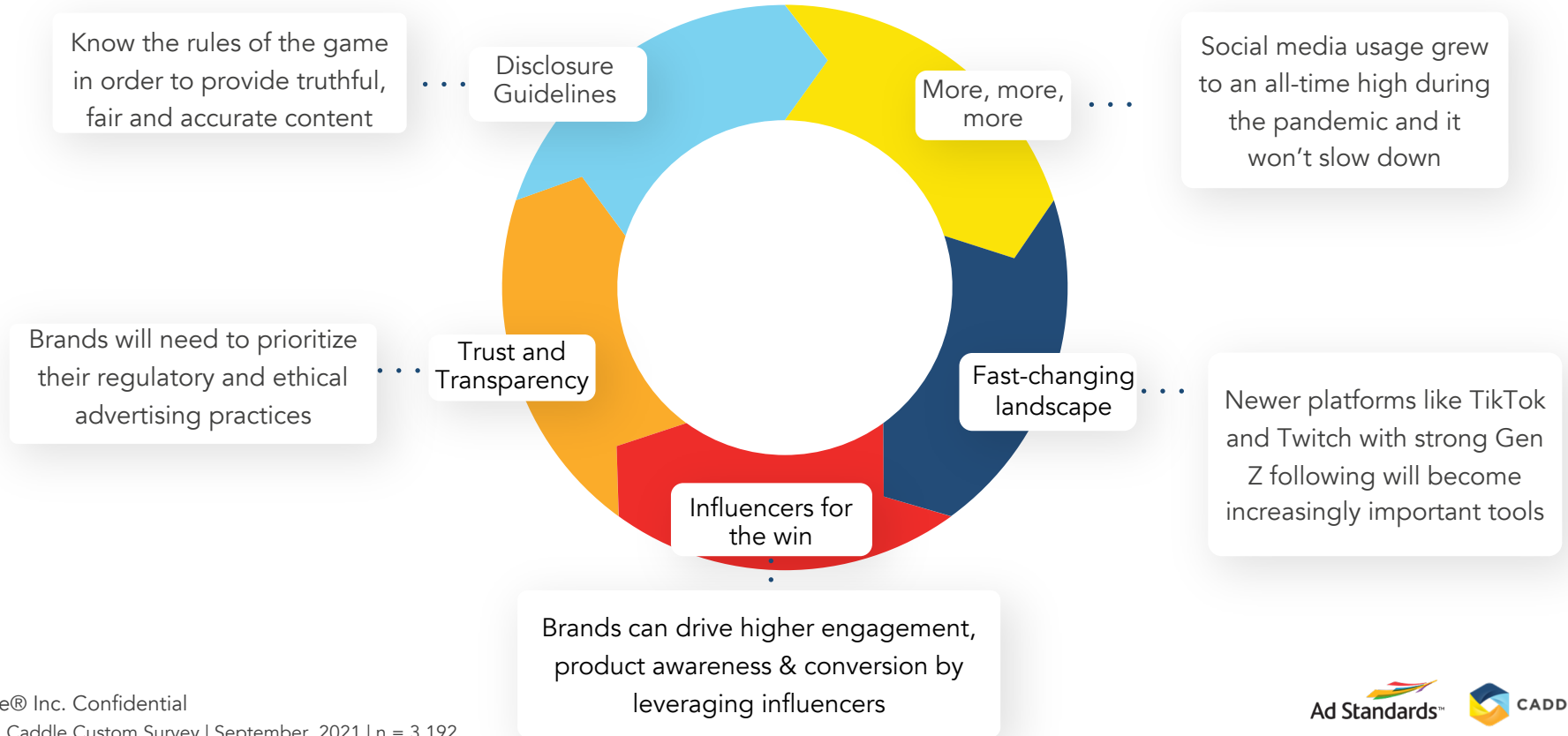
	General Population	Gen Z
Know what influencers are	44%	69%
Know what influencer marketing is	40%	62%
Familiar with the difference between sponsored vs. not sponsored content	39%	64%
Know what it means when a post uses #ad or #sponsored	48%	72%

# Trust is a Must for All

- There's a growing demand for authenticity and transparency on social media
- Canadians like to have rules in place
- While there's a knowledge gap between the general public and Gen Z, there is minimal difference when it comes to whether or not to have regulations
- Regulations = Trust

	General Population	Gen Z
Familiar with regulations on influencer ad disclosure	20%	35%
Feel comforted by the fact that there are regulations in place for influencer marketing	59%	64%
Trust influencers more if there are regulations in place	53%	56%

# Main Takeaways





# Let's talk insights.



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