SOCIAL MEDIA TRENDS REPORT

The Power of Community

DASH HUDSON

Contents

Introduction

Social media has officially entered the era of the algorithm.

Gone are the days when audience feeds resembled a linear timeline with a definitive endpoint that showcased updates from the people and brands they followed. Instead, users are served a near-infinite stream of content specifically tailored to their interests, an increasing majority of which comes from outside their network. In Q1, Meta reported that more than 20% of the content on Facebook and 40% on Instagram Feeds is now being recommended by AI, nearly double what it was roughly a year ago.

In this content-driven landscape, the entertainment value of a post is one of the most reliable indicators of predicting performance, but that doesn't rule out a host of other contributing factors. The ever-shifting tides of trending topics, audience tastes and algorithmic tweaks mean that simply showing up in a user's feed with a mic-drop or trend-relevant piece of content is no longer enough. Brands experiencing sustained success on social media invest time and effort to cultivate a community alongside their content.

This shift from a follower growth mindset to a community-building one is profound. Whereas 'following' is a passive behavior, members of a community are much more active and engaged, stemming from shared interests, two-way relationships and mutual value creation. For brands able to crack the code, community creates a flywheel effect that boosts discovery, grows audience and engagement, amplifies messaging and drives sales.

Within this report, Dash Hudson has connected the dots across some of our most valuable data from the past year to understand the outsized impacts a community can have on social media performance. In the following pages, we unpack those insights and related analysis to help you put them to work as part of your team's social media strategy.

What's Inside:

- Gain insight into how two top-performing brands leverage community-building best practices to experience significantly higher engagement and follower growth than industry averages.

- Uncover how creator-brand partnerships outperform brand-only content and understand how to choose the right type of creator based on scale and interest to achieve key objectives.

- Explore the impact that the Entertainment Score and Engagement Rate have on driving sales on Instagram and TikTok.

- Learn how to optimize hashtags and caption length to boost the Reach, Engagement Rate and Effectiveness of content.

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Snapshot of Key Social Platform Updates

Meta's **AI Sandbox** project offers options for building better ad campaigns, and its **Automated Stories** generation process uses image recognition to create new Stories from previously shared content.

Instagram tests a **new sticker creation process** that will enable users to create visuals in the app based on text prompts.

TikTok experiments with an **AI-generated profile picture** creation tool.

Snapchat releases **AR Lenses powered by generative AI**.

TikTok's AI-generated profile pictures
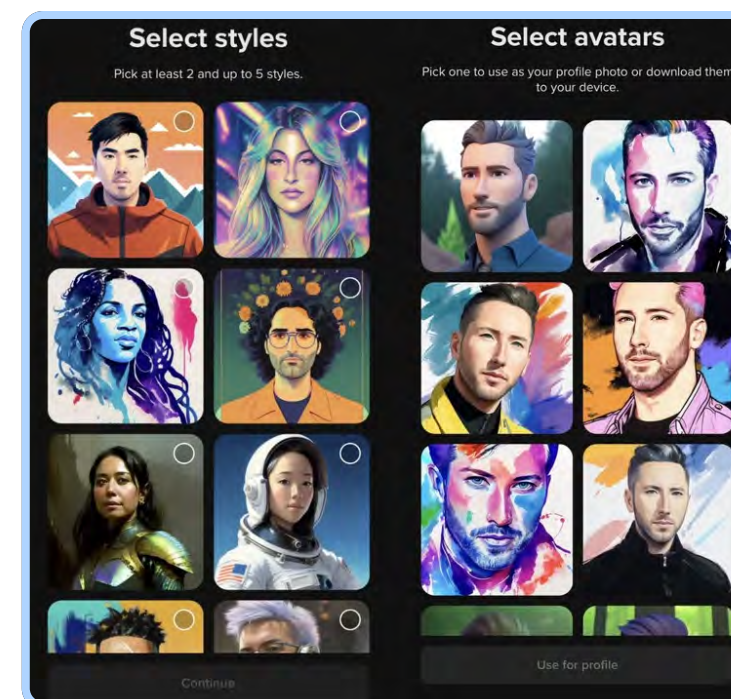
Facebook explores **re-integrating Messaging** into the main app.

Instagram launches a **broadcast chat feature, 'Channels,'** so audiences can stay updated on their favorite creators and brands, and enable **hosts to invite guests** to participate in a conversation.

Instagram tests a **'discover content together' feature** to create a collaborative feed among two friends, and its **Collaborative Collections** is a new way to spark group discussions around posts.

TikTok prompts users to **add location tags and reviews** to posts to boost business discovery.

YouTube's **expiring posts option** creates urgency around content updates and promotions.

Twitter launches **direct responses in DM threads**, expands Emoji response and **voice memo** options and releases a beta version of **encryption for DMs**.

LinkedIn has launched a new feature that allows **Company Pages to send and receive direct messages**, adding another engagement opportunity for businesses.

## Ad Offerings Focus on Improved Targeting, Premium Placement and Engagement

- Meta's **Advantage+** automated ad targeting tools have driven a 32% increase in return on ad spend with **performance enhancements ongoing**, and it also launches **AR filters** for its Reels Ads.

- TikTok's **Pulse Premiere Ads** enable brands to maximize ad placement alongside the app's most popular content. Additionally, the **updated 'Promote' tools** provide more ways to amplify organic content, and **Branded Effects** enables branded AR campaigns.

- YouTube's **Video Reach Campaigns** use AI to serve and improve ad reach and efficiency, while its **Select program** now places ads alongside the most popular and relevant Shorts.

- Pinterest launches **'Premiere Spotlight'** to feature ads prominently on the search tab.
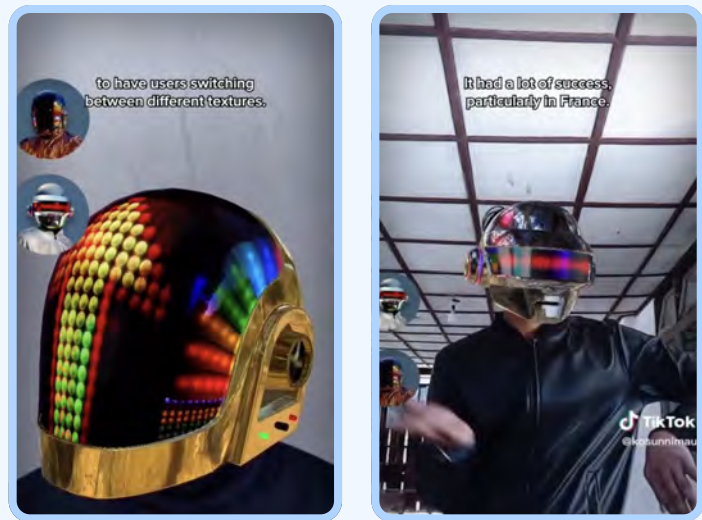
TikTok's Brand Effects enables branded AR campaigns.

Shopping Becomes More Seamlessly Integrated Into the Native Platform Experience

- Meta streamlines Shop set-up with in-app checkout, **enhances its Shop Ads** and adds improved CTA buttons and product carousels in its **Reels Ads** while also testing **product promotions** in IG Group Chats.

- **TikTok Shop** and **Video Shopping Ads** enable audiences to discover and purchase products in one seamless experience.

- YouTube adds the ability to tag and pin products within **live streams on mobile**.

- Pinterest **streamlines the process of uploading product catalogs**, adds a separate shop tab on profiles, makes posts on its 'Shuffles' app shoppable and partners with **Amazon Ads** to enable a seamless shopping experience.
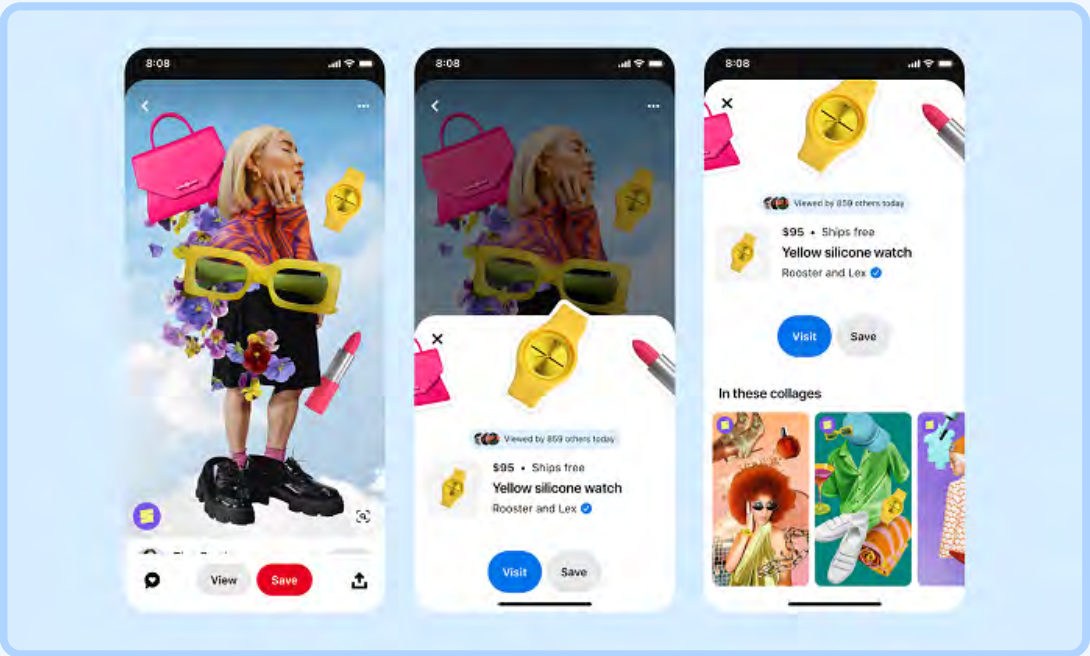
Platforms Are Empowering Creators To Commercialize and Monetize

- TikTok's **Creativity Program Beta** gives top creators the potential to earn higher rewards for their content. Additionally, its **Creative Challenge** program invites select creators to review and respond to brand briefs, while its **Talent Manager Portal** allows agents to oversee brand deals for their clients.

- Meta is testing a new **performance-based payout model for Reels** and its **Professional Dashboard** provides improved analytics and engagement tools.

- Instagram helps **brands discover relevant UGC**, expands **access to its Creator Marketplace API** to streamline hiring talent and releases **Partnership Ads** to create more ways for brands and creators to work together.

- Twitter relaunches its **Creator Subscription Program**, allowing users to monetize their tweets, and gives them the ability to search their Tweet Likes and filter responses to ensure they're maximizing audience interaction.

- Pinterest expands its **Creator Inclusion Fund** to support creators from underrepresented communities and rolls out **enhanced metrics on Pins** to make it easier to track performance.

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Community in Action: Brands Setting the Standard

The shift from social to content-driven feeds has made it more difficult for brands to build and sustain a community.

The behavior of 'following' a favorite brand or creator loses its importance in an endless stream of perfectly tailored content. As a result, brands must work even harder to be worthy of a follow. Top performers actively listen and respond to audience comments to create a deeper level of engagement. In addition, they promote popular UGC on their own channels to elevate individuals and transform top fans into ambassadors through formalized programs and perks. The brands successfully tapping into their communities are seeing meaningful benefits — from increased engagement to major upticks in positive sentiment.

Dash Hudson took a deep dive into two brands with well-established and active social communities — Summer Fridays and Coterie — to uncover best practices for cultivating and engaging followers and to understand how that impacts performance.

SUMMER FRIDAYS

+71%
increase in followers across channels.

+100%
higher Engagement Rate than the Beauty industry average.

Coterie

+700%
increase in positive sentiment on Instagram.
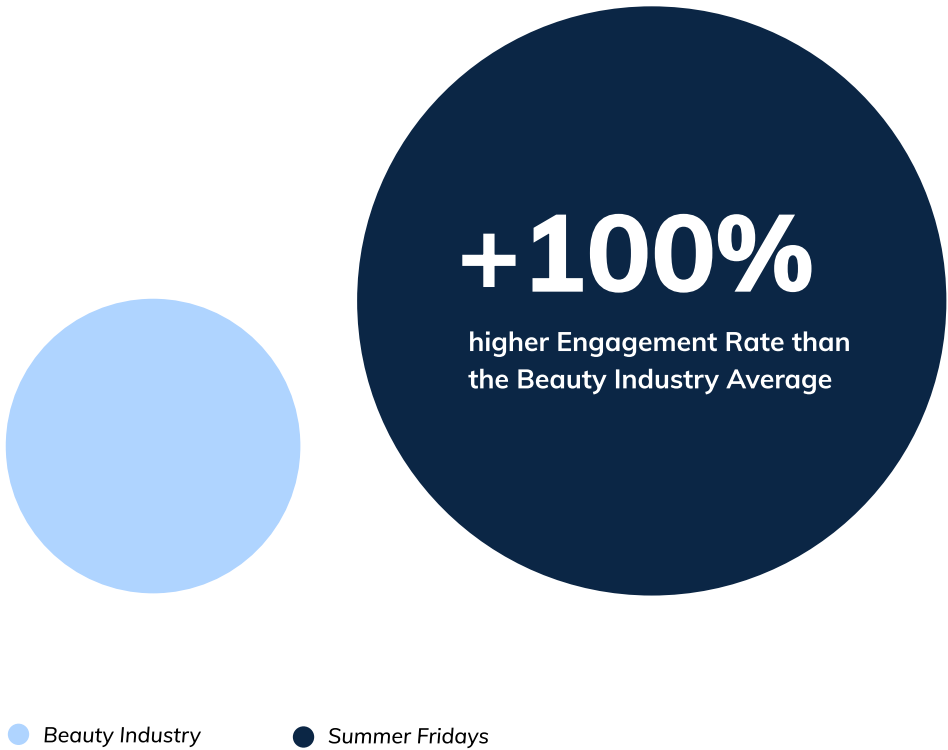
+470%
increase in positive sentiment on TikTok.

SUMMER FRIDAYS

Leveraging Educational Content as a Hub To Cultivate Conversation

When Summer Fridays discovered that educational content was popular with its audience, the brand put more resources into producing posts that share expertise and practical advice alongside engaging infographics. The shift in creative strategy provided a consistent rallying point for its community to exchange ideas and feedback.

In addition to responding to comments, Summer Fridays also leverage direct messages from its fans as an opportunity to engage in personalized conversations about their skincare needs and goals. This approach ensures that customers feel heard, resulting in an **Instagram Engagement Rate +100% higher** than the Beauty industry benchmark and a **+71% increase in followers** across channels.

+100%

higher Engagement Rate than the Beauty Industry Average

● Beauty Industry   ● Summer Fridays

**Read the Case Study →**

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Coterie

Listening to Its Audience in Real-Time To Find Perfect Moments To Connect

As Coterie places community at the center of its social strategy, the brand has shifted its focus from metrics such as likes and follows to more meaningful indicators such as comments, shares and saves. The team actively monitors comment sections in real-time to gauge audience sentiment, understand the impact of its marketing and product messages and identify opportunities to connect with members of its community

These insights ensure the brand consistently produces content that its audience finds valuable while highlighting moments where the team can interact with customers to create deeper connections. In the first four months of 2023, Coterie's average

Engagement Rate increased by +27% across channels and experienced a **+700% and +470% increase in positive sentiment** on Instagram and TikTok respectively.

Read the Case Study →
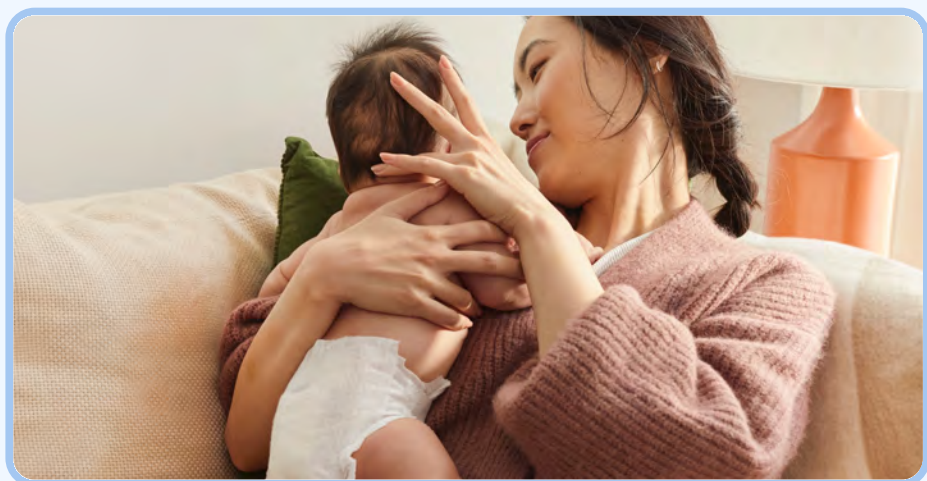
Coterie's Increase in Positive Sentiment

Percentage Increase

Instagram +700% increase

TikTok +470% increase
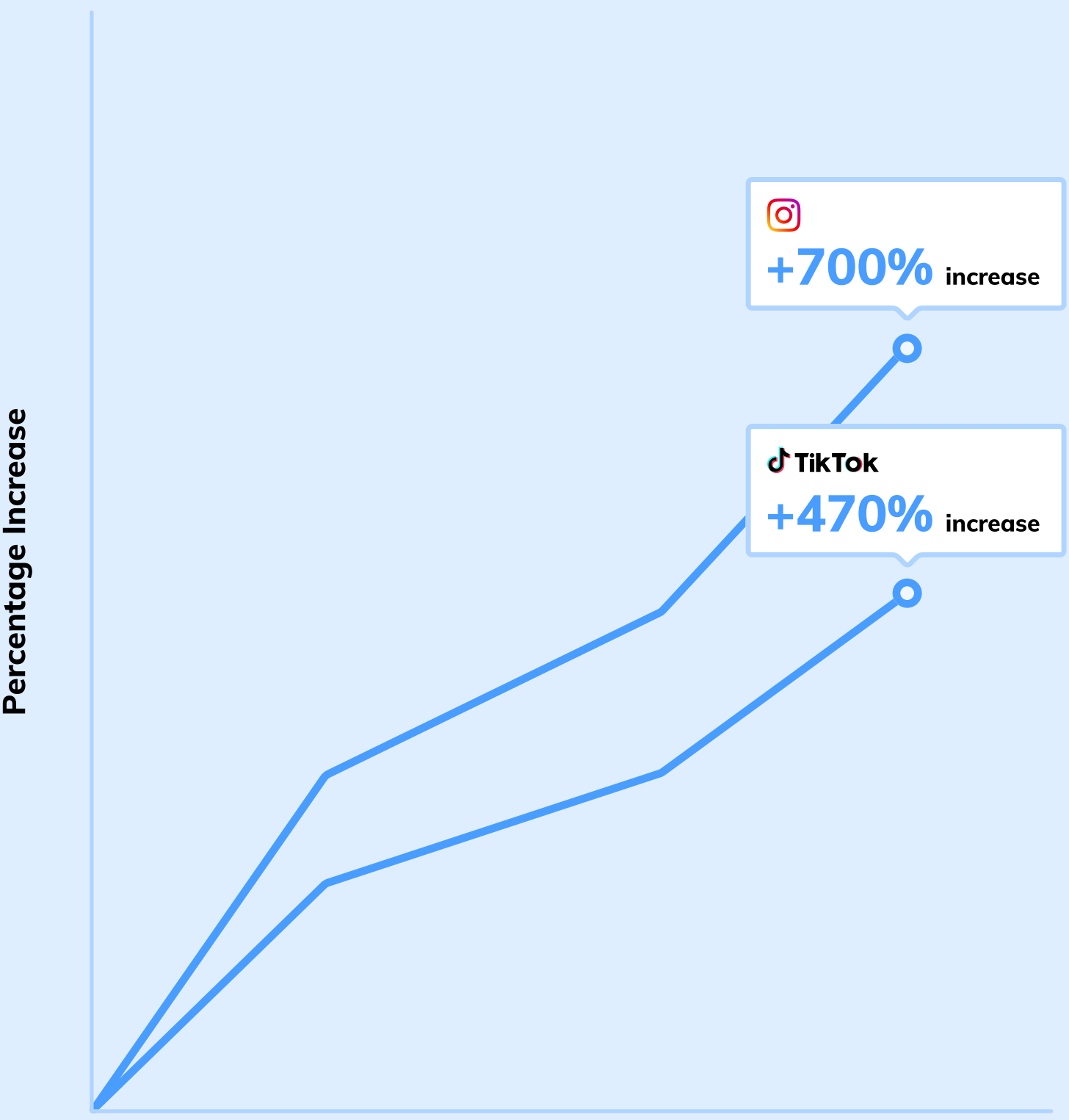
Unlocking **Successful** Creator-Brand Partnerships

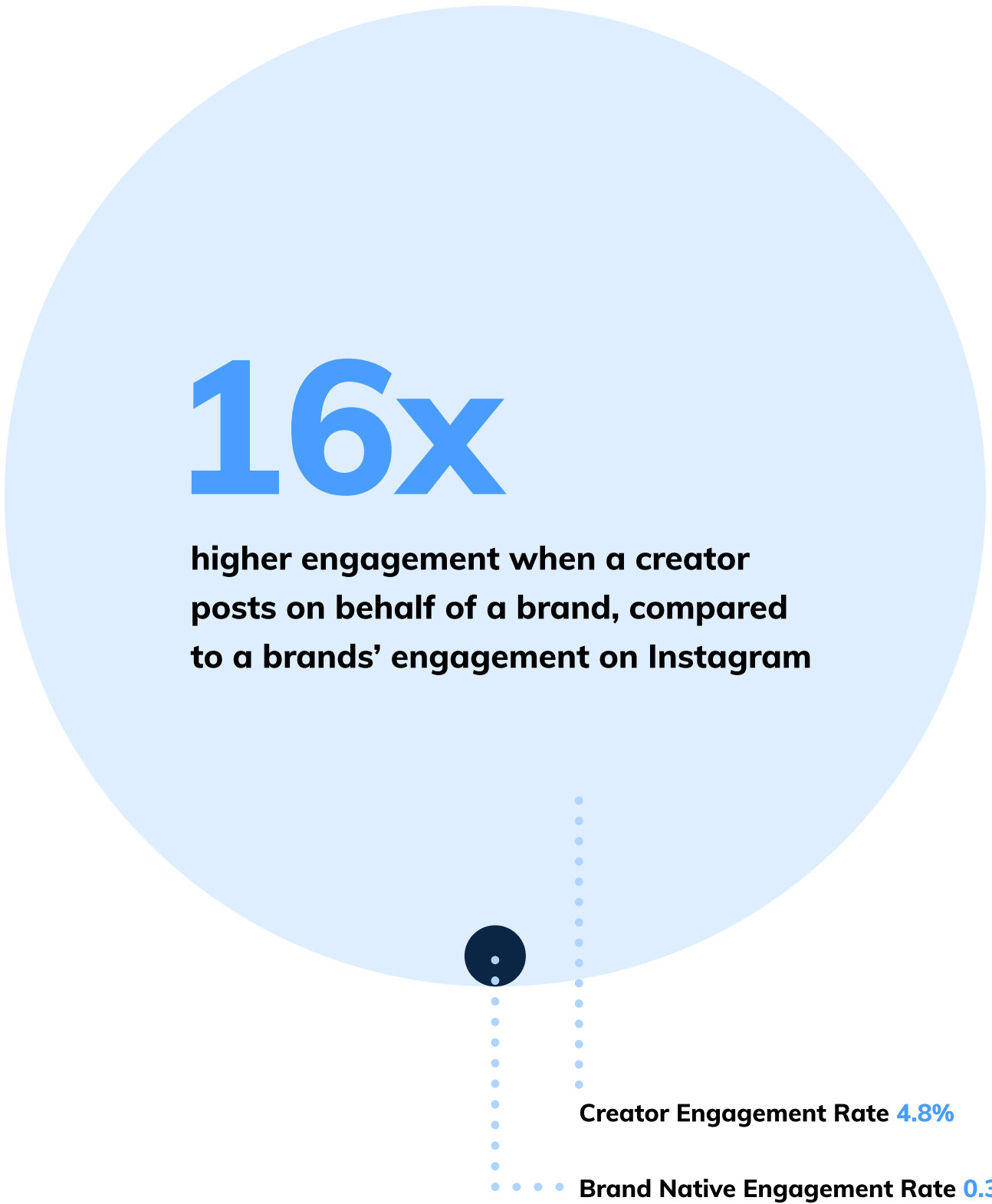**The impact creators have on shaping culture and driving engagement on social media continues to grow.**

From a platform point of view, creators' ability to garner attention and influence action has put them on the same level as brands in terms of importance in ensuring long-term success. Major social channels continue to compete for the best talent, and their continued investments to improve the creator experience with better tools and monetization programs speak to their value.

Creators of all sizes are noteworthy for their deep understanding of their fans and what content will resonate. Creators develop close personal relationships with their growing audiences, often built on shared experience, direct interaction and un-brandished authenticity — something many brands might struggle with as they look to uphold their corporate image. These are all critical factors when transforming passive followers into active communities, particularly as the audience landscape becomes increasingly niche.
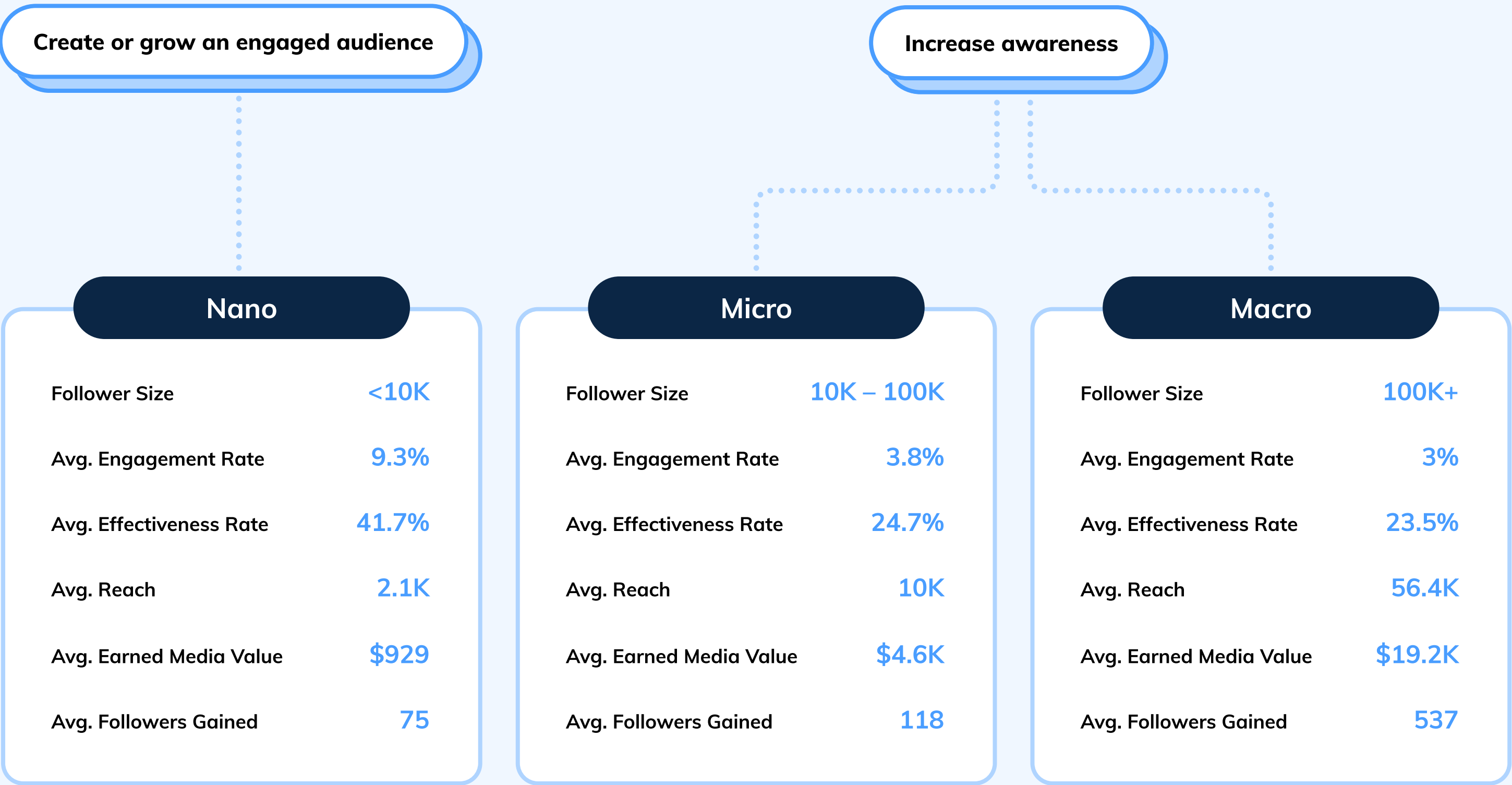
16x

higher engagement when a creator posts on behalf of a brand, compared to a brands' engagement on Instagram

Creator Engagement Rate **4.8%**

Brand Native Engagement Rate **0.3%**

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Creator Follower Size

Choose your creators based on brand goals and most important KPIs.

Create or grow an engaged audience

Increase awareness

Nano

Follower Size	<10K
Avg. Engagement Rate	9.3%
Avg. Effectiveness Rate	41.7%
Avg. Reach	2.1K
Avg. Earned Media Value	$929
Avg. Followers Gained	75

Micro

Follower Size	10K – 100K
Avg. Engagement Rate	3.8%
Avg. Effectiveness Rate	24.7%
Avg. Reach	10K
Avg. Earned Media Value	$4.6K
Avg. Followers Gained	118

Macro

Follower Size	100K+
Avg. Engagement Rate	3%
Avg. Effectiveness Rate	23.5%
Avg. Reach	56.4K
Avg. Earned Media Value	$19.2K
Avg. Followers Gained	537

Nano-creators generate a higher Engagement Rate, 9.3%, compared to Micro-, 3.8%, and Macro-creators, 3%, on average, while Macro-creators achieve the highest Reach.

Creator Interest

The average performance of each type of creator category can be attributed to the predominant size of creators (Nano, Micro and Macro) in that space.

- Animal and Pets and Clothing and Accessory show the highest Engagement Rates as creators in that space are primarily Nano or Micro.

- Home and Design creators have gained the highest number of followers on average, which could be due to the high number of Micro- and Macro-creators in this category.

Breakdown of Creators
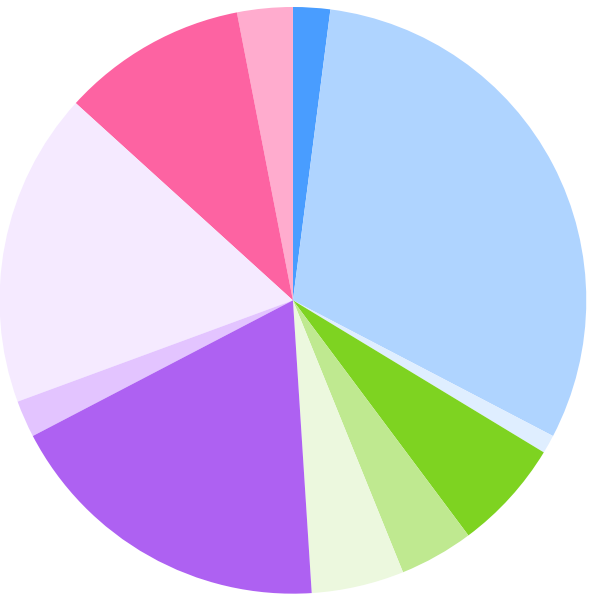
- Animals and Pets: 2%
- Clothing and Accessories: 30%
- Media and Entertainment: 1%
- Health and Wellness: 6%
- Family and Relationships: 4%
- Travel: 5%
- Sports and Athletics: 18%
- Food and Beverage: 2%
- Design and Home: 17%
- Beauty and Esthetics: 10%
- Other: 3%

	Average Engagement Rate	Average Reach	Average Earned Media Value	Average Effectiveness Rate	Average Followers Gained
Animals and Pets	8.6%	14.1K	$20.8K	73.0%	346
Clothing and Accessories	6.9%	18.3K	$6.5K	29.4%	151
Media and Entertainment	5.4%	40.7K	$22.8K	61.2%	274
Health and Wellness	4.7%	19.8K	$13.7K	25.5%	219
Family and Relationships	4.6%	33.7K	$2.9K	22.6%	78
Travel	4.5%	13.2K	$1.4K	33.3%	57
Sports and Athletics	3.7%	16.1K	$6.8K	24.1%	101
Food and Beverage	3.4%	26.5K	$3.6K	17.0%	48
Design and Home	3.2%	29.6K	$12.3K	28.5%	641
Beauty and Esthetics	3.1%	15.4K	$1.4K	30.2%	37

Top 3 Creator Partnerships Based on Engagement Rate

@tailynnvictoria

AVG. ENGAGEMENT RATE   **51.4%**

FOLLOWER SIZE   **Micro**

CREATOR INTEREST

Family and Relationship

BRAND PARTNERSHIP

Gerber. Childrenswear

@sarasuleiman

AVG. ENGAGEMENT RATE   **34.6%**

FOLLOWER SIZE   **Macro**

CREATOR INTEREST

Clothing and Accessories

BRAND PARTNERSHIP

ANTHROPOLOGIE

DATE NIGHT OUTFIT INSPO

@healthycerys

AVG. ENGAGEMENT RATE   **33.9%**

FOLLOWER SIZE   **Micro**

CREATOR INTEREST

Sports and Fitness

BRAND PARTNERSHIP

Muscle Food

Diving Into the Data:
Top-Performing Partnerships

Authenticity and Relatability

Audiences want to see their lives and experiences reflected in the content they consume and feel like their favorite creators are just like them. Creators who share their true selves will form deeply personal connections with their fans.

Inspirational and Aspirational

Creators that encourage and motivate their fans to take small steps toward achieving their goals and striving to reach desired future states resonate with audiences.

Pointed and Practical

Delivering how-tos and advice in dynamic, easily digestible formats is equivalent to social media gold. Creators who can pack a lot of valuable information into 30-second clips are establishing loyal followings.

Predicting Sales Success: The Role of Entertainment Score and Engagement Rate

One doesn't need to look any further than #TikTokMadeMeBuyIt — which currently sits at more than 56 billion views and counting — to understand that social media has an outsized impact on product discovery. But just because a brand decides to double down on its social media strategy doesn't mean it can expect an exponential uptick in sales.

> **The most successful brands are taking the time to understand their audience and what resonates with them.**

In 2022, Dash Hudson discovered that highly entertaining content successfully drives sales on TikTok, and now in 2023, we can see the same correlation on Instagram as well.

Dash Hudson partnered with NielsenIQ to highlight to what degree higher Entertainment Scores and Engagement Rates positively impacted sales. Entertainment Score is a proprietary Dash Hudson metric that measures how entertained a user was by a video, while the Engagement Rate measures the number of engagements it received.

The following insights are based on an analysis of Beauty brands from Dash Hudson's 2023 Cross-Channel Benchmark Report using sales and social data from July 1 to December 31, 2022. Sales data reported by NielsenIQ's Syndicated Omnishopper database.

DASH HUDSON **NIQ**

Beauty brands that scored the highest Entertainment Scores and Engagement Rates in Dash Hudson's January 2023 Cross-Channel Benchmark Report experienced an average of **100% growth in sales**.

100% growth in sales
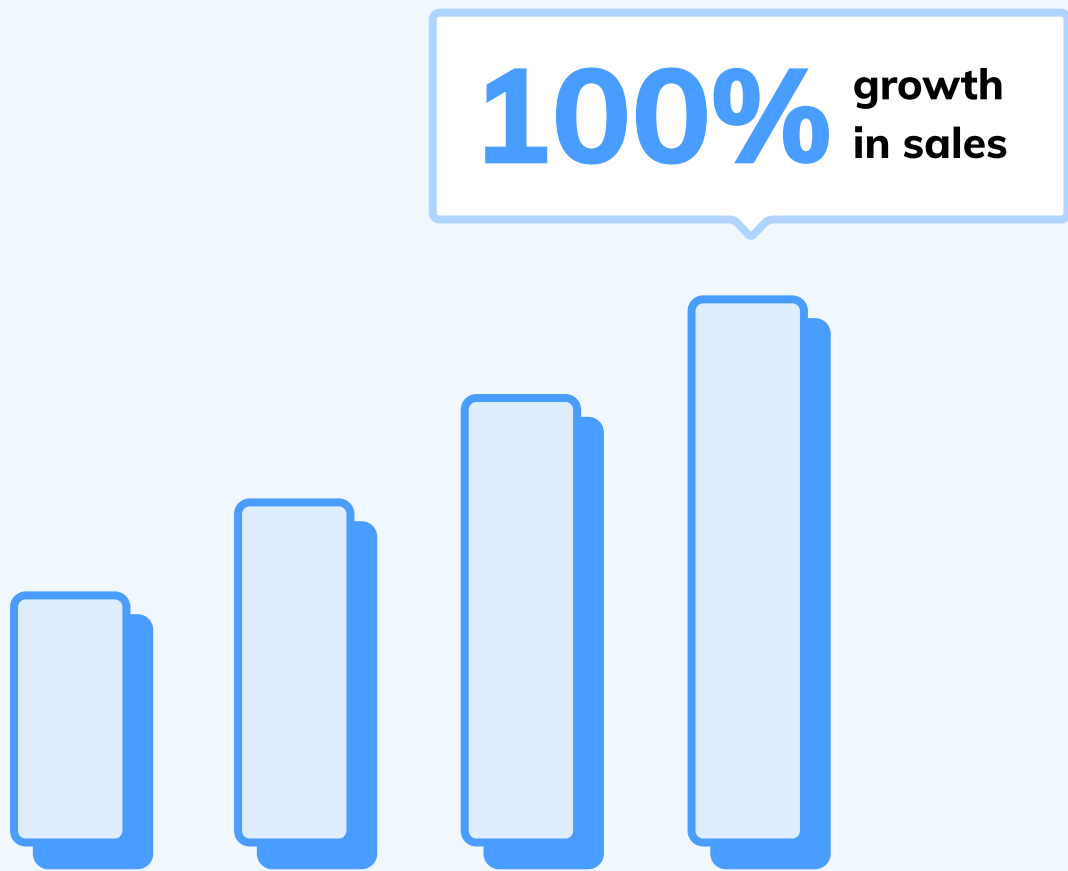
Top performing Beauty brands that all showed increased sales growth:

florence by mills   LANEIGE   TREE HUT   TATCHA   KYLIE COSMETICS

Entertainment Score

A higher Entertainment Score on TikTok and Instagram (Reels) correlates to higher sales growth. On average, brands scoring an Entertainment Score of 5 and above experienced **13% higher sales growth** than those scoring below 5.

Looking at each channel, brands with an Entertainment Score 5 and above grew 29% on TikTok and 33% on Instagram, compared to brands scoring below 5 (19%, 17% respectively).

♪ TikTok

10% higher sales growth

⌾ Instagram

16% higher sales growth

● Above 5   ● Below 5
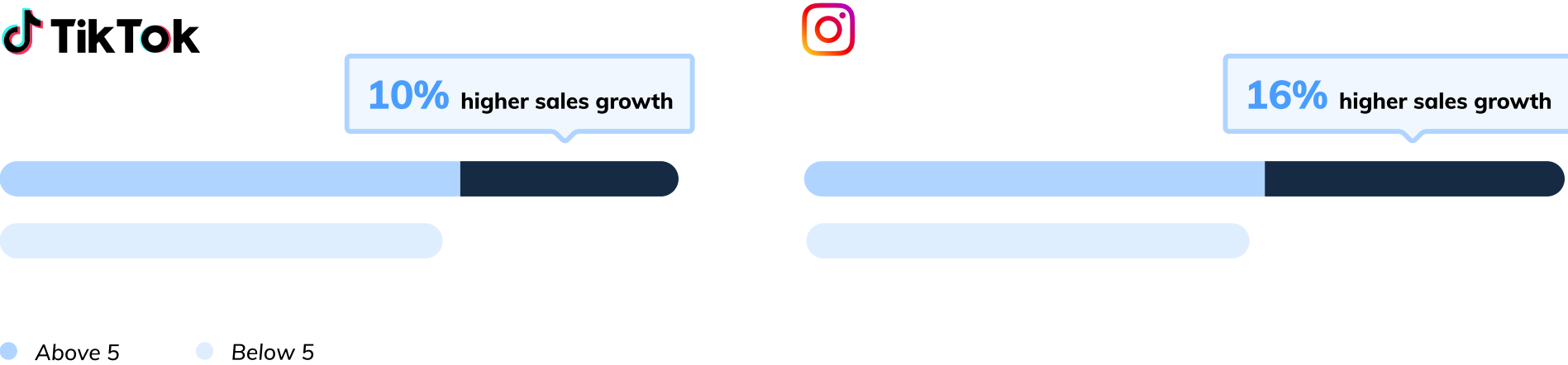
Engagement Rate

A higher Engagement Rate on TikTok and Instagram also correlates to higher sales growth.

Looking at each channel, brands with an Engagement Rate above 4.7% (TikTok) / 0.2% (Instagram) grew 25% on TikTok and 35% on Instagram, compared to brands scoring below 4.7% (TikTok) / 0.2% (Instagram) (19%, 11%, respectively).

♪ TikTok

6% higher sales growth

⌾ Instagram

24% higher sales growth

● Above 4.7% (TikTok) / 0.2% (Instagram)   ● Below 4.7% (TikTok) / 0.2% (Instagram)
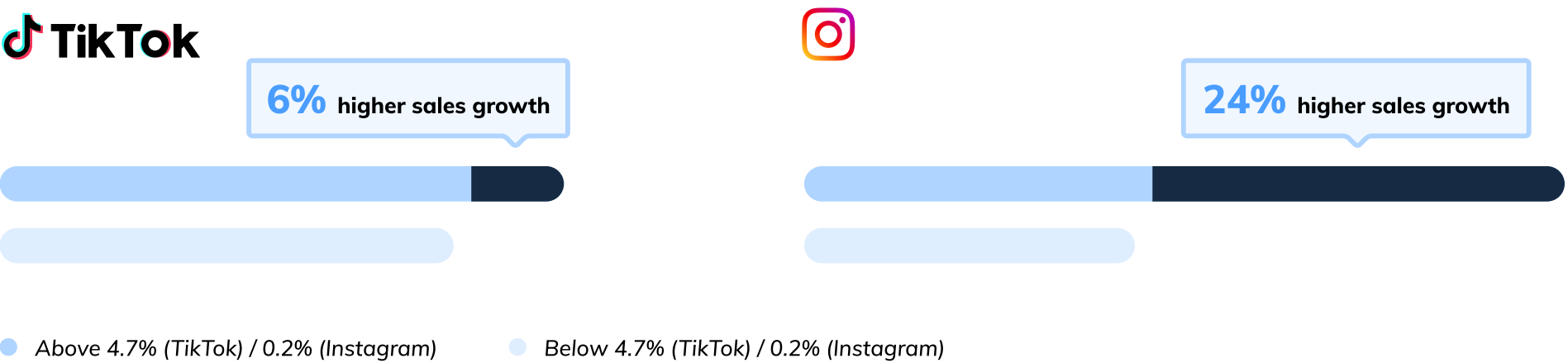
Methodology:
Instagram and TikTok use unique calculations to measure Engagement Rate and Entertainment Score. Different calculations lead to varying ranges in numbers that cannot be directly compared.

Entertainment Score:
Instagram: Engagement Rate and Reach
TikTok: Engagement Rate and Retention Rate

Engagement Rate:
Instagram: (Likes + Comments) / Followers
TikTok: (Likes + Comments + Shares) / Reach

Amplifying Content Impact With Hashtags and Captions on Instagram

As social search becomes a more mainstream behavior in people's day-to-day lives — from product recommendations and what to eat nearby to expert money-saving tips or make-up tutorials — content discoverability has never been more important.

At the same time, the speed of culture and conversations taking place on these platforms means that a given trend or challenge could show meteoric growth and be the most significant topic on

people's minds for hours or days, only to disappear just as quickly. Brands that are able to successfully ride the wave of these moments can gain huge traction with audiences and, by extension, activate communities around shared interests.
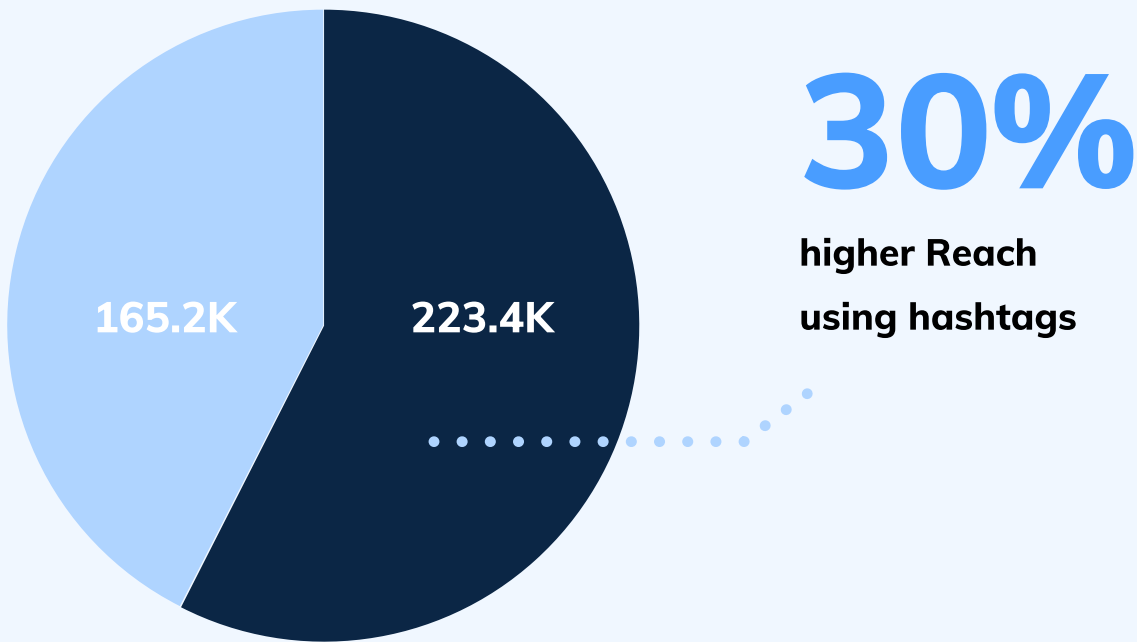
Whether looking to boost their search ranking or participate in a fleeting trend, brands need to optimize every aspect of their content, including using the right hashtags or keywords and fine-tuning caption word choice and length. To understand the impact these attributes have on a post's performance, Dash Hudson analyzed more than 100,000 posts on Instagram across content types.
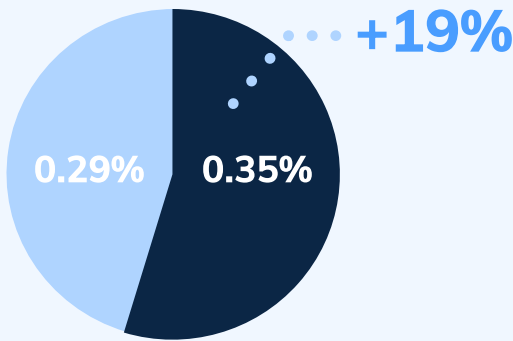

HASHTAGS

Boost Reach and Discoverability

On average, Reels content using at least one hashtag obtained 30% higher Reach than content without a hashtag. Additionally, content that used hashtags also saw an increase in Engagement Rate, 19%, Effectiveness Rate, 18%, and Shares, 18%.*
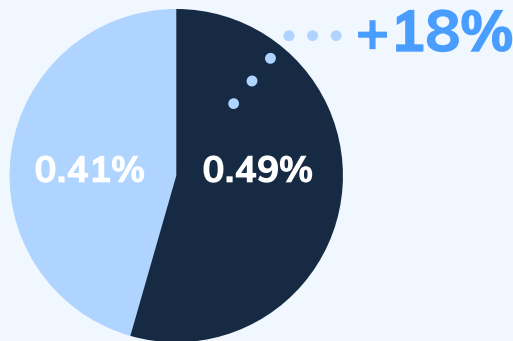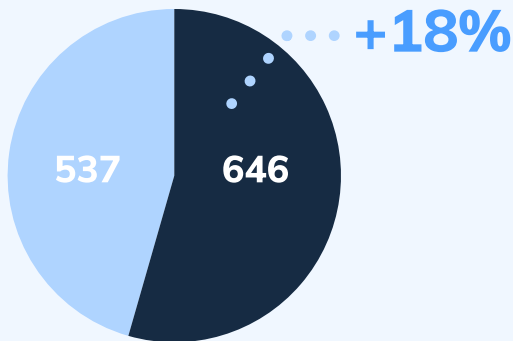
Reels Content

Reach

165.2K   223.4K

30%
higher Reach using hashtags

Engagement Rate

0.29%   0.35%

+19%

Effectiveness Rate

0.41%   0.49%

+18%

Shares

537   646

+18%

● Reels Content With Hashtags   ● Reels Content Without Hashtags

*Based on an analysis of approximately 65,000 Reels.

Choosing the Optimal Number of Hashtags

2-4 hashtags result in the highest average Reach*

Based on an analysis of approximately 65,000 Reels.
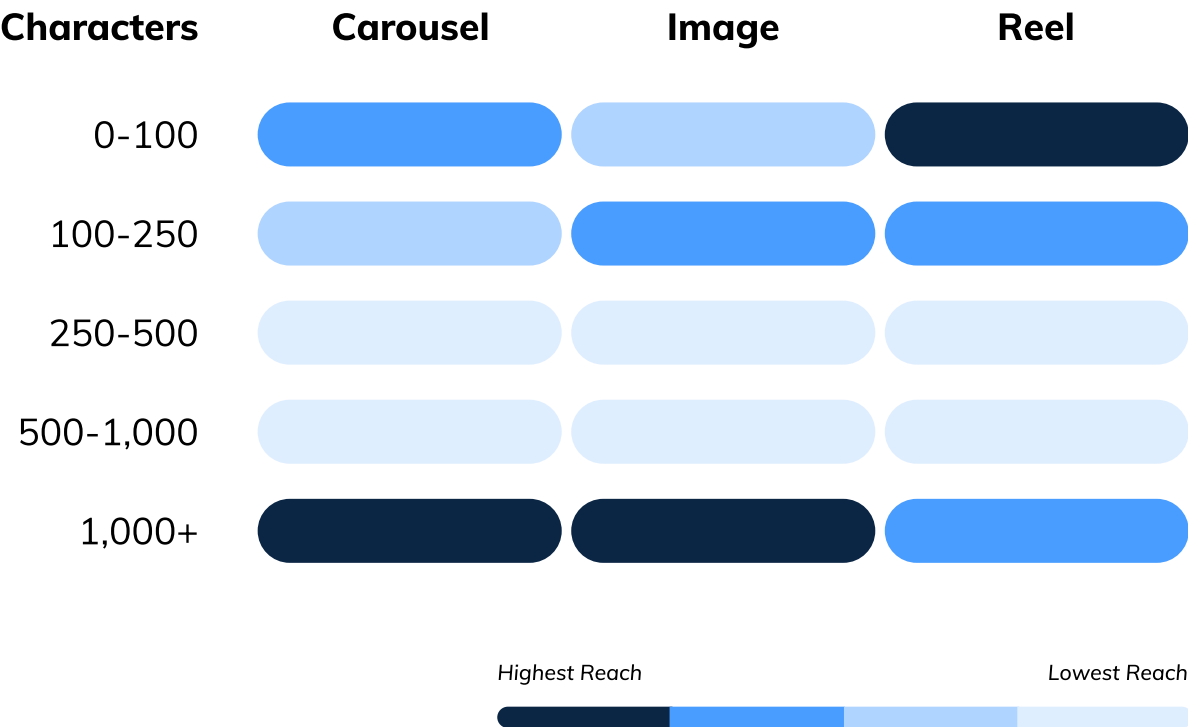
Diving Into the Data:

Hashtags

- Relevant hashtags increase the likelihood of Reels being seen by users who follow or search that hashtag, creating an opportunity to foster community engagement and collaborations.

- Hashtags play an important role in trends and challenges. When brands adopt hashtags related to a specific trend, they become part of the discussion.

CAPTIONS
Maximizing Reach

Optimal caption length varies based on content type.**

- On average, static and carousel content with more than 1,000 characters showed the highest Reach.

- On average, Reels content with fewer than 100 characters showed the highest Reach.

Characters	Carousel	Image	Reel
0-100			
100-250			
250-500			
500-1,000			
1,000+			

Highest Reach .... Lowest Reach

**Based on an analysis of approximately 180,000 posts on Instagram.

Diving Into the Data:

Captions

Longer captions for static content:

- Images need more context to clearly tell a story compared to video.

- Upfront information and education, like product features and tips, provide value.

- Brand voices that exude personality build authenticity and trust.

Shorter captions for Reels:

- The Instagram algorithm prioritizes visuals when serving content.

- Let video content speak for itself. Include text in the video to more effectively capture audience attention and engagement.

Conclusion

With the content graph driving the social media experience for audiences today, producing highly-entertaining content remains a key determiner of success. But as more brands and creators increase the quality of their content, standing out now requires embracing a community-building mindset. Based on Dash Hudson's analysis of our platform data and the broader marketplace, the shift from growing followers to courting fans, contributors and advocates leads to sustained social marketing success.

Brands with strong community-building strategies outperform the competition.

A shift from away follower count to community cultivation gives brands an edge in audience engagement and growth with the ability to boost overall sentiment.

Fostering an active community requires listening to, learning from and elevating your audience.

To achieve greater engagement and growth, top-performing brands actively read and respond to comments, promote UGC and convert top fans into ambassadors.

Creator relationships provide direct access into sought after audiences and power authentic connections.

As creators achieve the same level and significance as brands, forming synergistic partnerships is a pathway to greater success. Brands need to be clear about their campaign goals upfront to ensure they select the right creator based on audience size (Macro, Micro and Nano) and interest.

Entertaining content leads to higher sales conversion.

On both Instagram and TikTok, brands with higher than average Entertainment Scores experienced significantly higher sales growth than competitors with lower average scores.

Hashtags and captions are critical to discoverability and performance.

Boost the chance that your content will appear in social searches and ensure it can ride the wave of trending conversations by employing a thoughtful hashtag strategy and optimizing captions based on content type.

Methodology

Platform Insights:
TikTok, Instagram and YouTube: Data is based on customer and non-customer content posted from January 1, 2023 to June 30, 2023. Sample sizes include XYZ, respectively. Facebook, Pinterest and Twitter: Data is based on customer content posted from January 1, 2023 to June 30, 2023. Sample sizes include XYZ, respectively.

Unlocking Successful Creator-Brand Partnerships:
Dash Hudson analyzed 946 Instagram creator partnerships using data from its Relationships tool. The data examined encompasses Dash Hudson customers, with a timeframe from January 2022 to the present.

Predicting Sales Success: The Role of Entertainment Score and Engagement Rate:
In collaboration with NielsenIQ, Dash Hudson analyzed 167 brands operating within the beauty sector. The analysis focused on sales growth and social data from March 2022 to March 2023. The study included Dash Hudson customers and non-customers.

Amplifying Content Impact With Hashtags and Captions:
Dash Hudson analyzed 180,000 Instagram in-feed posts and 65,000 Instagram Reels to assess the influence of caption length and hashtags respectively. The content examined pertained to Dash Hudson customers and included posts made from January 2023 to June 2023.

DASH HUDSON

Outsmart Social

Dash Hudson is a social media management platform that equips brands with intelligence and speed to stay ahead of the curve. Through its sophisticated cross-channel insights and workflow tools, Dash Hudson enables brands to create content that entertains, engages and drives consistent business results. To discover how Dash Hudson is empowering brands to outsmart social, visit dashhudson.com.