



RESEARCH AND FINDINGS BY



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## WHY THIS STUDY MATTERS

You need to understand your audience to have an effective marketing strategy. But who is your audience exactly—people in New York and California, or customers here in the Upper Midwest?

Too often, marketers rely on national technology trends to make regional and local decisions. And it's understandable why this happens; most digital research is done at a national level, so data tends to be heavily skewed toward high-population areas like the East and West Coast. But why should coastal behavior shape your strategy toward customers closer to home?

This study was designed with the Upper Midwest in mind. We asked questions about technology usage and online behavior to people in a five-state region, to help marketers in our region make better data-driven decisions.

Your best marketing strategy is designed around your target audience, and you can start by understanding your audience with the data in this report.

## DEMOGRAPHICS & METHODOLOGY

- We surveyed 1,000 people in the Upper Midwest, with equal segments of respondents from North Dakota, South Dakota, Nebraska, Minnesota, and Iowa.
- Surveys were distributed through an enterprise research platform to a targeted randomized audience with equal distributions around location and age.
- In addition to the state-based location buckets outlined above, we received equal responses from three age groups: 18–34-year-olds, 35–54-year-olds, and 55-year-olds and above. (Minors were excluded from the survey.)
- A 1,000-person sample of a population of 12.3 million people in this five-state region yields a confidence interval of 95% and a margin of error of  $\pm 3\%$ .

## DIGITAL DEVICES

# Effective marketing considers context.

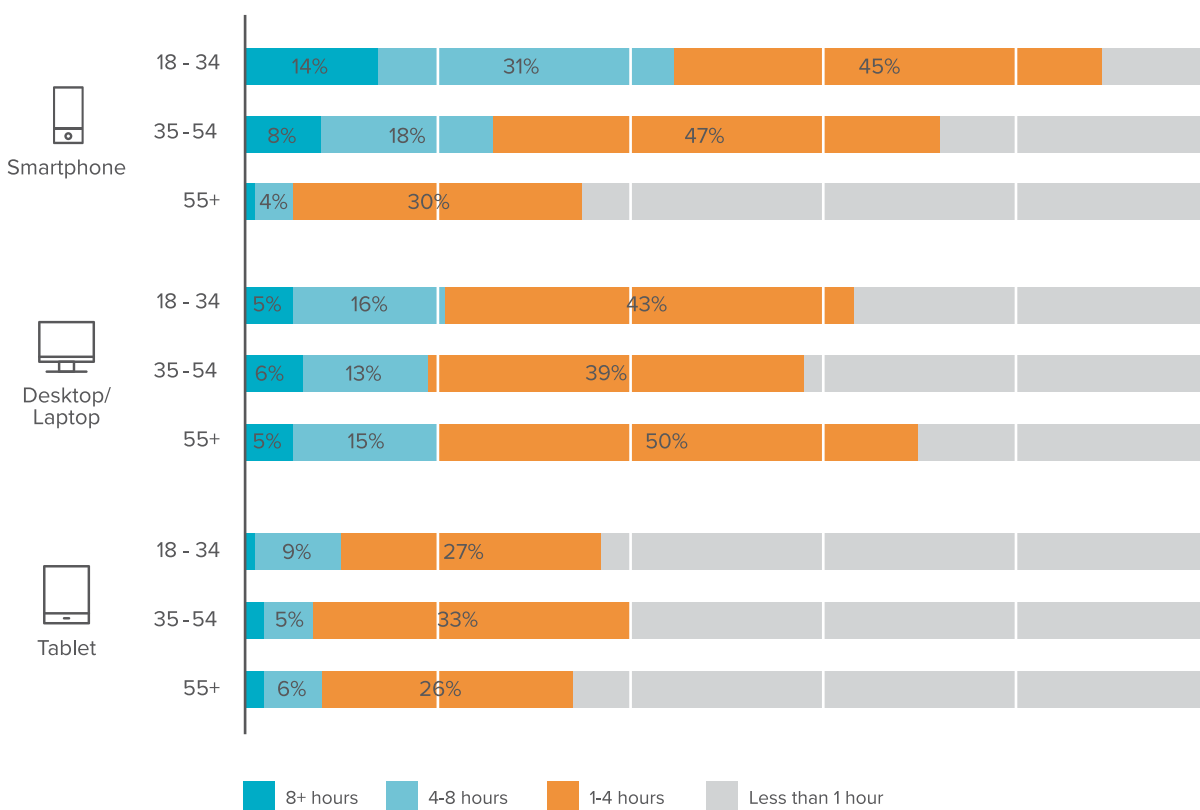
Great marketing is more than great creative. The best marketers consider their audience and the context where their campaign will be delivered. We can't always control when or where people will use their devices, but we can use audience trends to plan our initiatives.

One trend we examined was device usage. The types of devices we use change the way we interact with the world around us—and how receptive we are to a marketing message. The environment where we use these devices also yields additional insights. This important context can help you better understand the reality of the customer journey, so you can reach your audience more effectively.

# FINDINGS

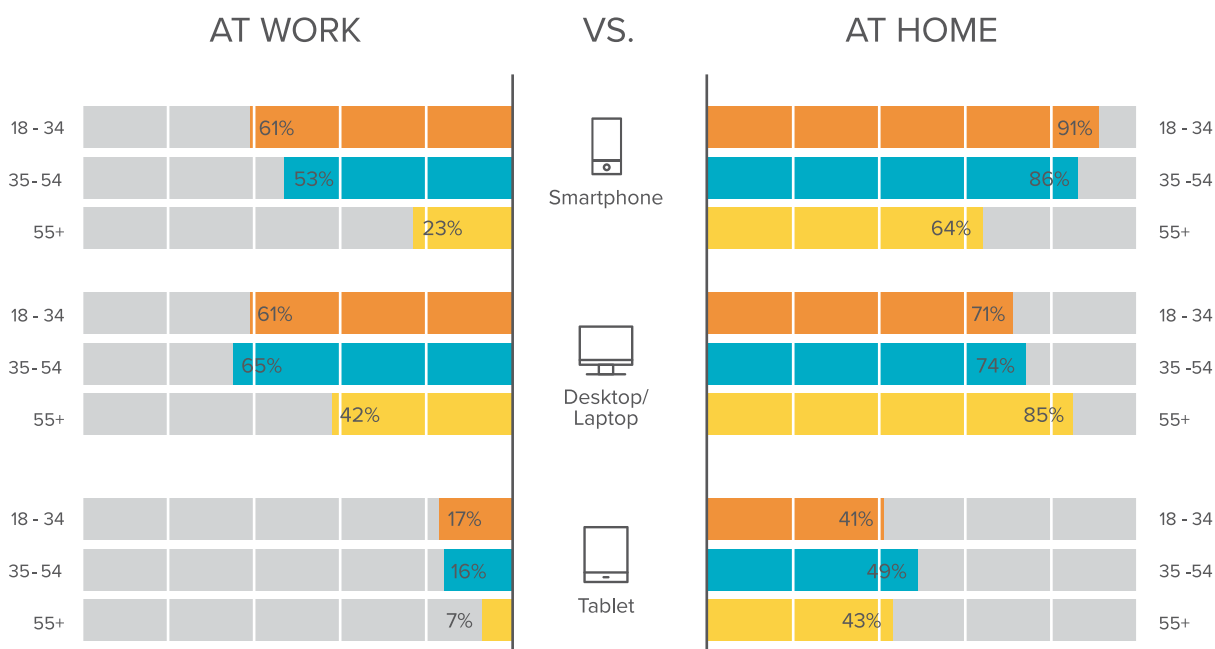
**We spend a lot of time online, but millennials spend the most.** 97% of people in our region spend at least 1 hour online outside of work across all devices, while 18–34-year-olds spend the most time online. 91% of Midwest millennials use a smartphone, and 45% of them spend more than 4 hours on their smartphones at home every day. In addition, they are 60% more likely than everyone else to use a smartphone at work.

*Daily Device Usage by Age (Outside of Work)*



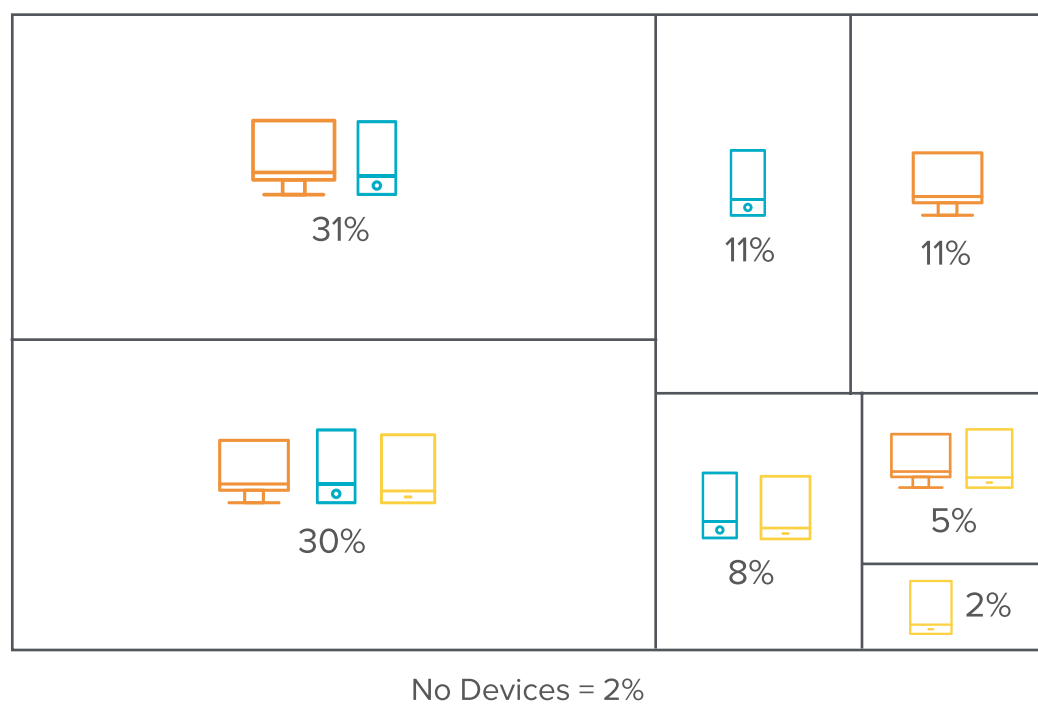
**We have drastically different device contexts at home and at work.** Smartphones might be our most popular device outside of work, but at work we tend to put them away in favor of desktop and laptop computers. Unless you're a millennial, 61% of whom report using smartphones at work.

*Device Usage by Age*



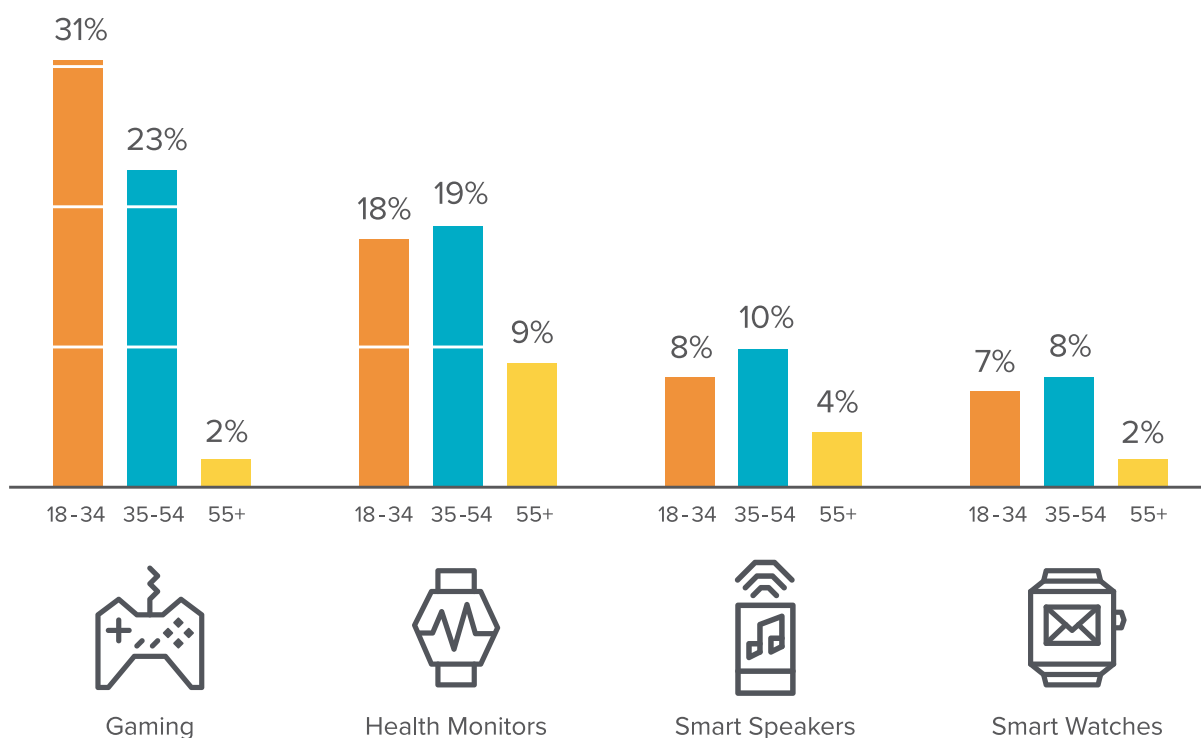
**Mobile-first is growing, but not everyone's there yet.** 11% of people fall into the “mobile-only” category, and another 8% only have regular access to mobile and tablet devices. This trend is led by younger generations—so, if your audience is younger than 55, your marketing strategy should probably be mobile-first. On the opposite end of the spectrum, 20% of people in the Midwest don't have a smartphone at all. Hence, desktop and tablet are still important to reach your full audience.

### *Multi-Device Usage Across the Midwest*



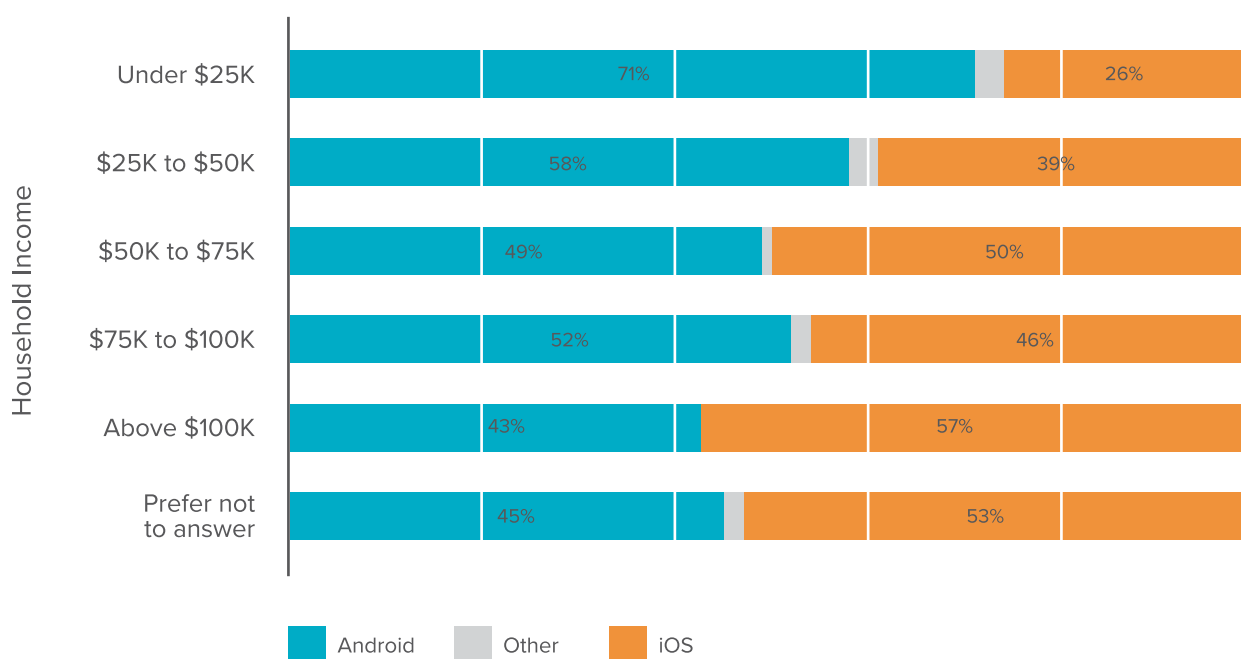
**We experiment with new devices.** Other popular devices include gaming consoles, fitness trackers, smart speakers, and smart watches. 35–54-year-olds are most likely to regularly use new platforms.

*Device Usage by Age*



**Midwesterners prefer Android devices—unless you make more than \$100K.** If you're investing in a mobile app for an audience around this area, you might want to start with Android first. Across all demographic segments, Android has 54% market share amongst all smartphone users in the Midwest, whereas Apple iOS only holds a majority share for the household income bracket of \$100K and above.

*Smartphone OS by Household Income*



## TAKE ACTION

Your audience exists on every device type and in many different contexts, and your website will have to cater to all of them. In 2018, spend time experiencing your brand as your customers do. Try spending a week interacting with your digital brand entirely on a mobile device, or experiment with a different mobile operating system. You might be surprised by what you learn in an unfamiliar context.

## SEARCH HABITS

# Your customers are searching for answers.

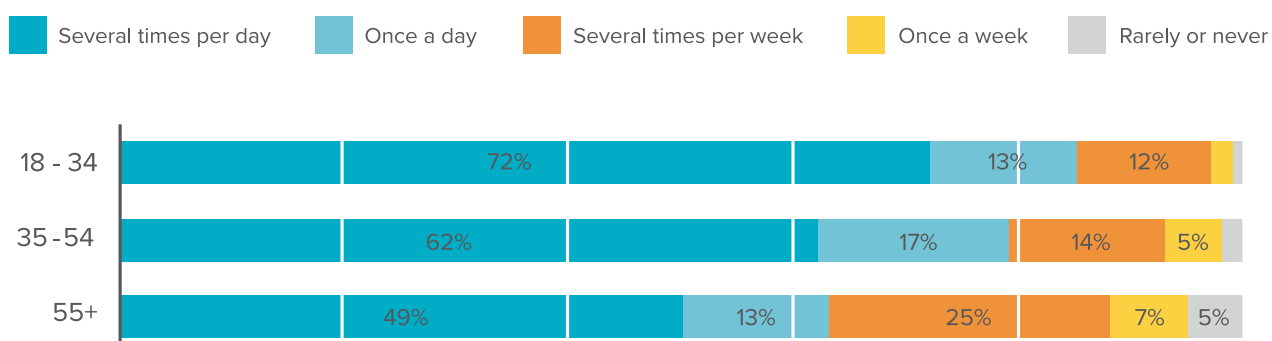
Search drives valuable traffic—a lot of it. Google processes around 10 billion searches a month and that number keeps increasing. Marketers need to know what search engines their target audience are using and how they're using them in order to optimize and capture that valuable audience.

Virtual assistants like Siri and Google Home are also contributing to a rise in voice search. As computers get better at understanding natural speech patterns through machine learning, people start using them more—and this can shake up your search engine optimization efforts. It's time to update your marketing strategy when your target audience starts making this shift.

## FINDINGS

**We're all searchers now.** 96% of respondents use a search engine at least once a week. 75% use one daily, and 60% use it several times a day. Younger audiences are likely to use search engines more often.

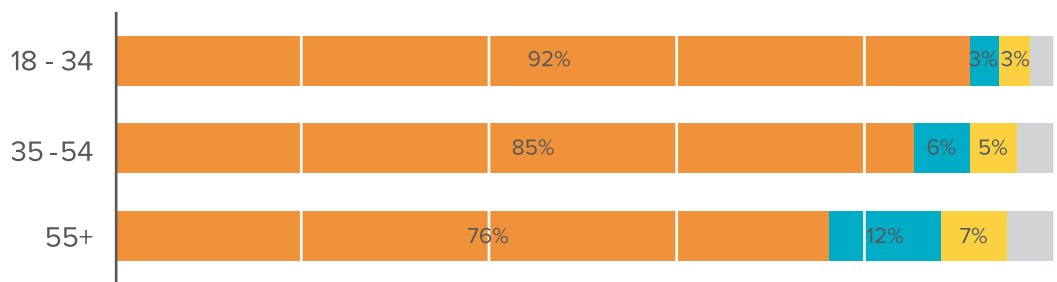
*Search Engine Usage by Age*



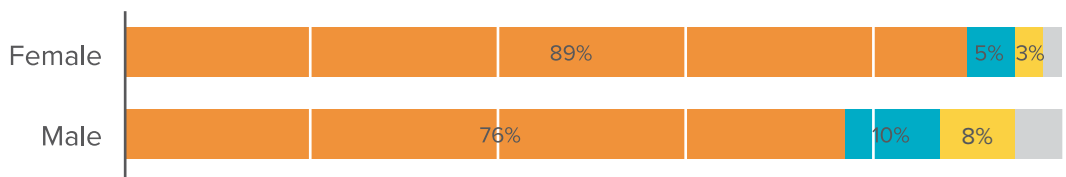
**Google reigns in the Midwest.** According to Statista, national data indicates that Google handles 63% of U.S. queries, followed by Microsoft Bing at 23%. In the Midwest, Google’s lead is even more significant, accounting for 85% of search engine usage. However, older audiences are still using Bing, Yahoo, and other search engines—and this skews slightly male.

Source for national stats: <https://www.statista.com/statistics/267161/market-share-of-search-engines-in-the-united-states/>

Search Engine Preference by Age



Search Engine Preference by Gender

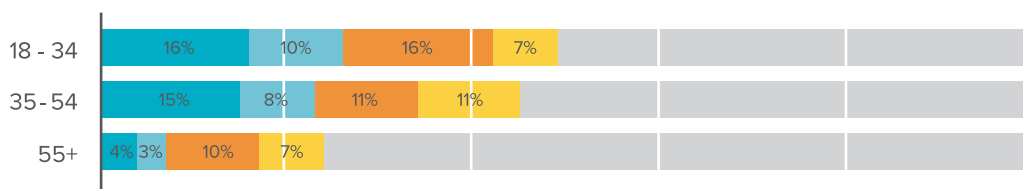


**As mobile usage rises, so does voice search.** 40% of people in the Midwest use voice search at least once a week on a mobile device, and 12% use it multiple times a day, with the trend being led by younger generations. Google reports that 20% of all mobile queries are voice search queries. This mobile voice search data, combined with the growing smart speaker usage, proves that your business will need a voice search strategy in 2018.

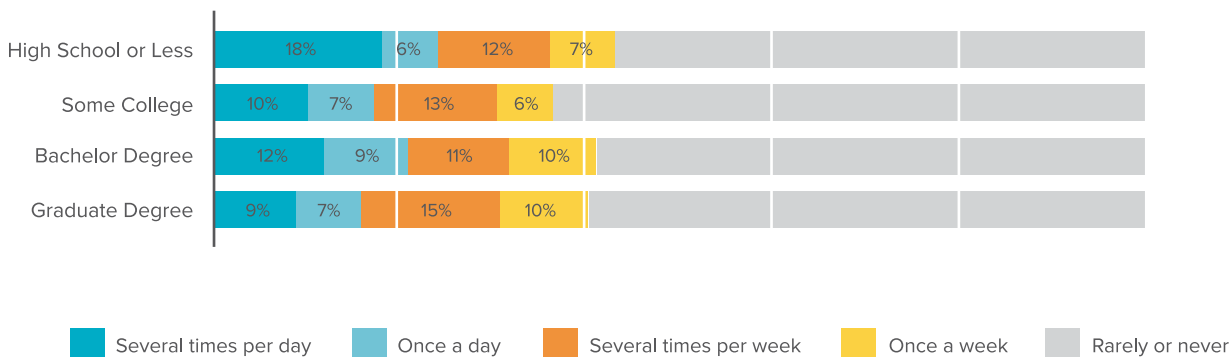
Source for mobile percentage of queries:

<https://searchengineland.com/google-reveals-20-percent-queries-voice-queries-249917>

### Mobile Voice Search Usage by Age



### Mobile Voice Search Usage by Highest Education Completed



## TAKE ACTION

Review your brand's search presence. How does your website show up compared to your competitors on a Google search results page? What answers do Siri, Alexa, and Google Home provide when you ask questions about your brand?

If you're not satisfied with your search rankings, you may need to review your content, improve your website speed, or generate additional links to your site.

And if you don't like what voice search assistants are saying about your company, consider adding structured data to your website and answering more questions within your content.

## SOCIAL MEDIA

# Social strategy is not one-size-fits-all.

Social media can be a great way to grow your audience, build brand awareness, or manage your reputation through responsive customer service. It's also where many of your customers hang out online—we asked them.

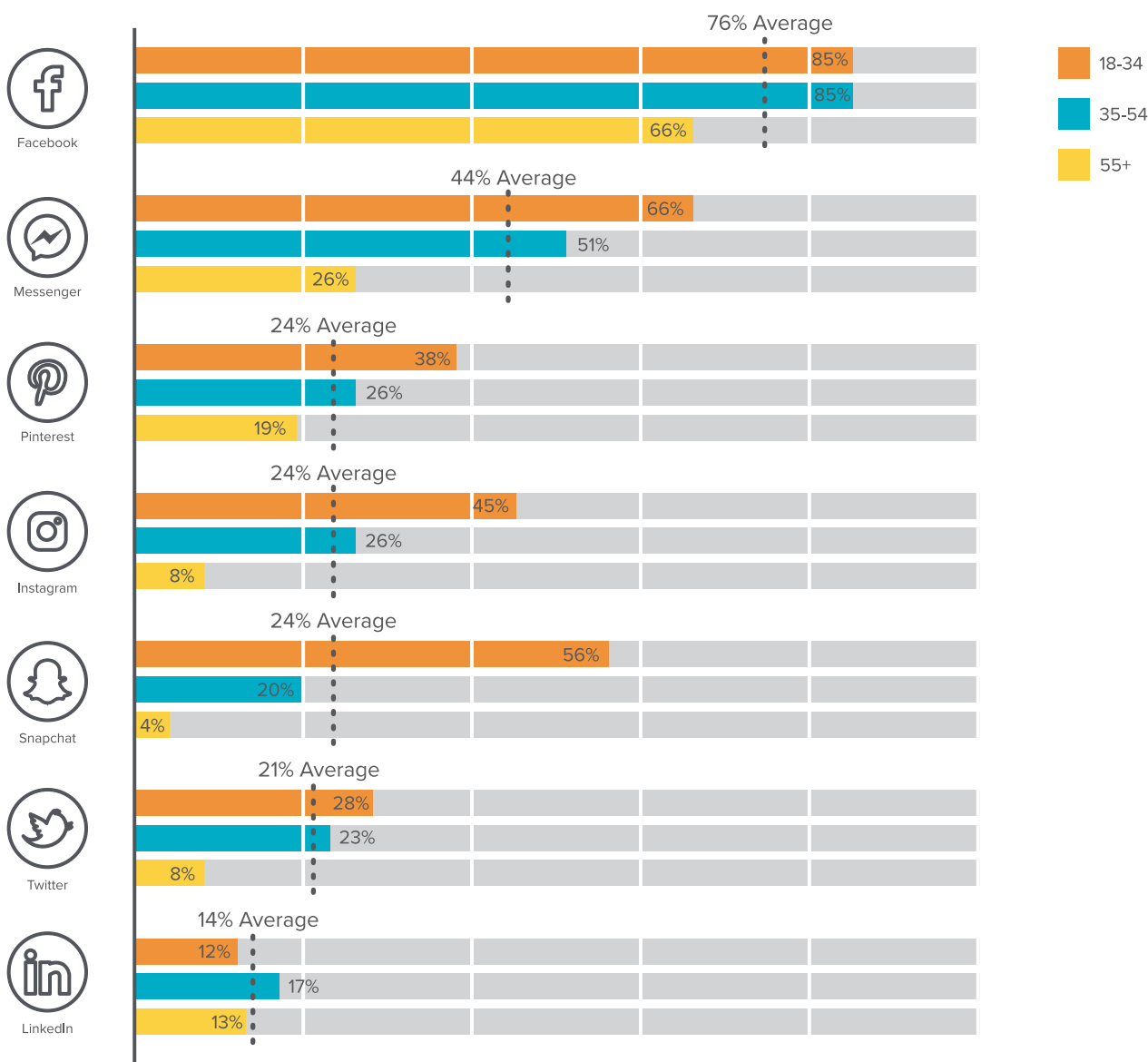
Many companies spend time posting and boosting their messages on social media, but most don't need to invest in **every** social media platform. So, how do you choose? Social media usage patterns can give you a clue to your audience's preferences.

# FINDINGS

**Respondents all agree: Facebook is the most popular social media platform in the Midwest.** Messenger and Instagram (all owned by Facebook) are right behind. Facebook itself is popular among every age group, while platforms like Instagram and Snapchat skew significantly younger.

How do you make the most of this Facebook audience? As Facebook organic reach continues to decline in 2018, you may not be able to reach your customers on Facebook without paying for it. Read more about social media advertising in the *Digital Ads* section.

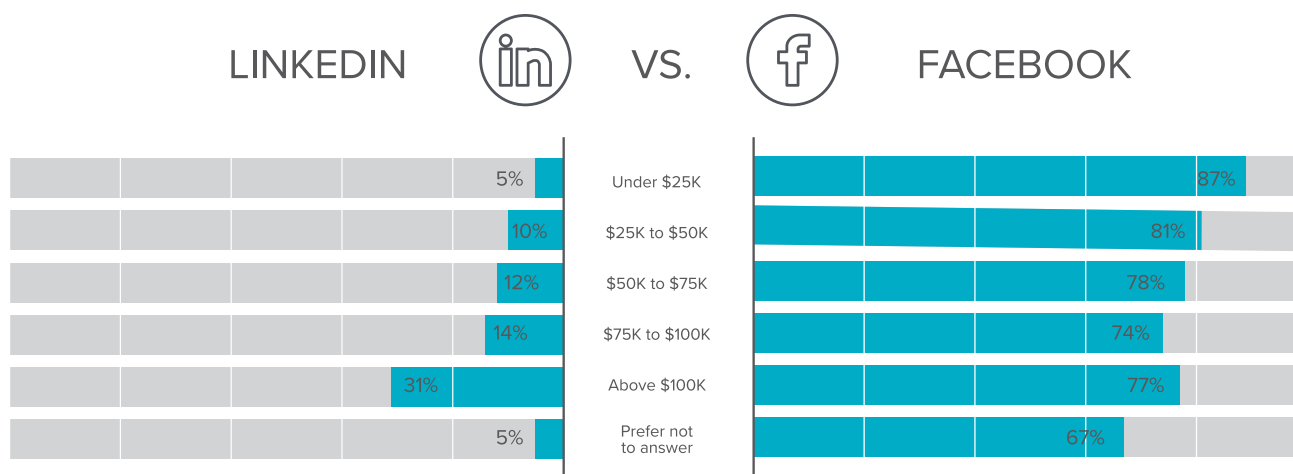
Social Media Platform Usage by Age



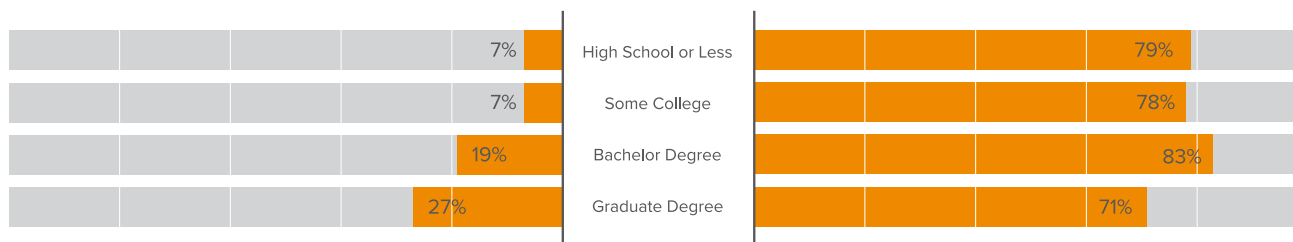
**Facebook is for everybody, LinkedIn is for the well-employed.** A professional network is best for, well, professionals. 31% of respondents with household incomes \$100K+ use LinkedIn. That's double the next income bracket and over six times more than the lowest income bracket. We see a similar trend in education levels with over 20% of college-educated Midwesterners on the platform.

However, even with this trend, Facebook outpaces LinkedIn across every income and education bracket. Keep these demographic insights in mind as you consider your social media strategies.

*LinkedIn and Facebook Usage by Household Income*

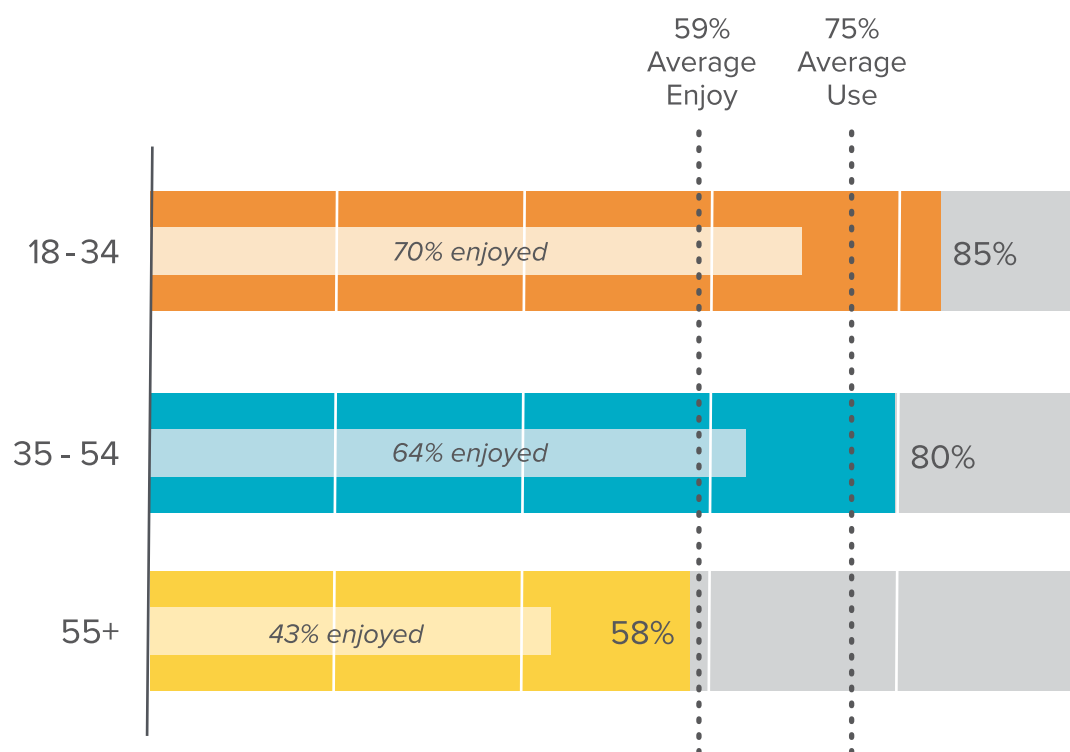


*LinkedIn and Facebook Usage by Highest Education Completed*



**Most Midwesterners enjoy social media.** 75% of people in our region use social media, and 59% enjoy reading social media posts, both statistics led by 18–54-year-olds. 86% of social users report feeling positive or neutral after spending time on social media, while only 14% report feeling negative emotions after spending time on the platforms.

*Social Media Usage vs. Enjoyment by Age*



## TAKE ACTION

Understand the role of social media in your larger marketing strategy. Are you allocating the right amount of time and resources to social platforms, given where your audience is spending their time and how effectively you can reach them? When it comes to social, it's better to do a few things effectively than trying to maintain a presence on every platform.

## DIGITAL VIDEO

# Focus on the right audience.

Video is a natural storytelling tool, and we spend a lot of time with it. Video traffic will account for 80% of all consumer Internet traffic by 2019\*. To find all of these videos, people increasingly turn to YouTube, making it the second largest search engine on the web. How do you convince this traffic to watch your compelling brand stories? What content should you create, where should you place it, and which age segments are most likely to start watching?

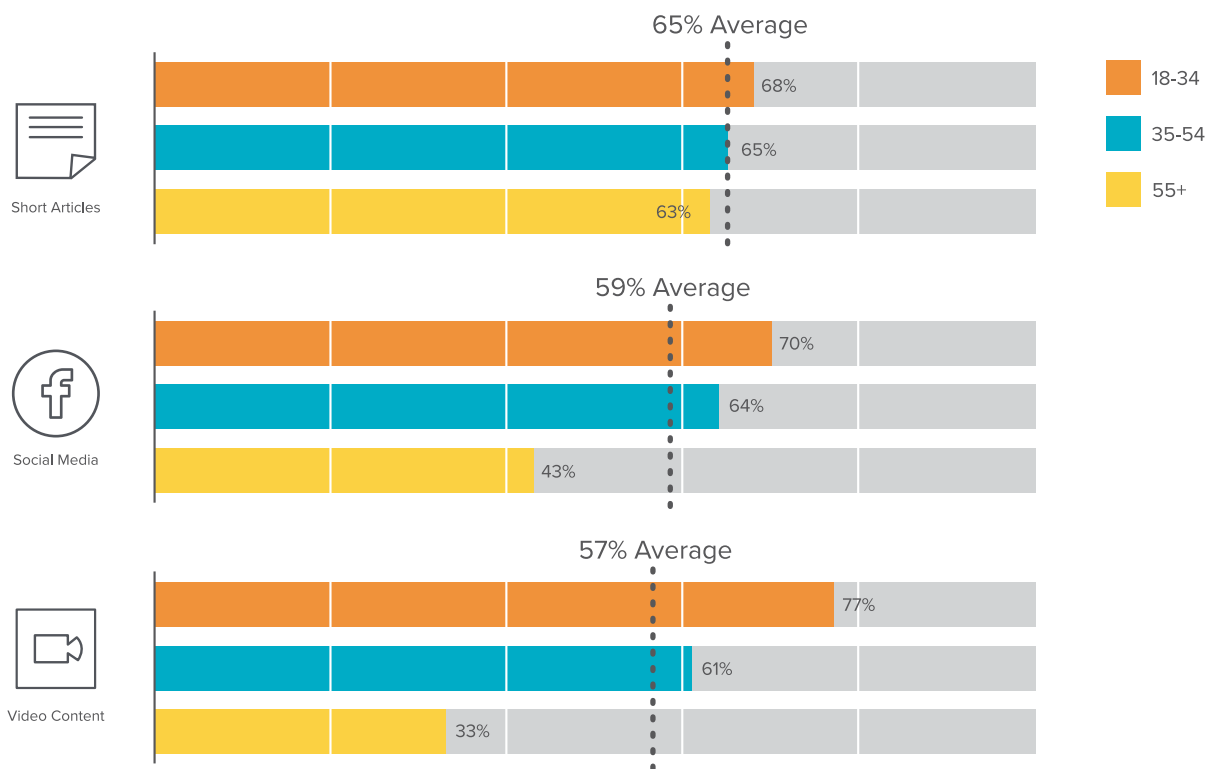
You can start by looking at video consumption habits, then tie this into your marketing strategy. When done correctly, your videos can boost SEO, drive brand loyalty, and lead to higher conversions.

\*Source: <https://www.cisco.com/c/en/us/solutions/collateral/service-provider/visual-networking-index-vni/complete-white-paper-c11-481360.html>

# FINDINGS

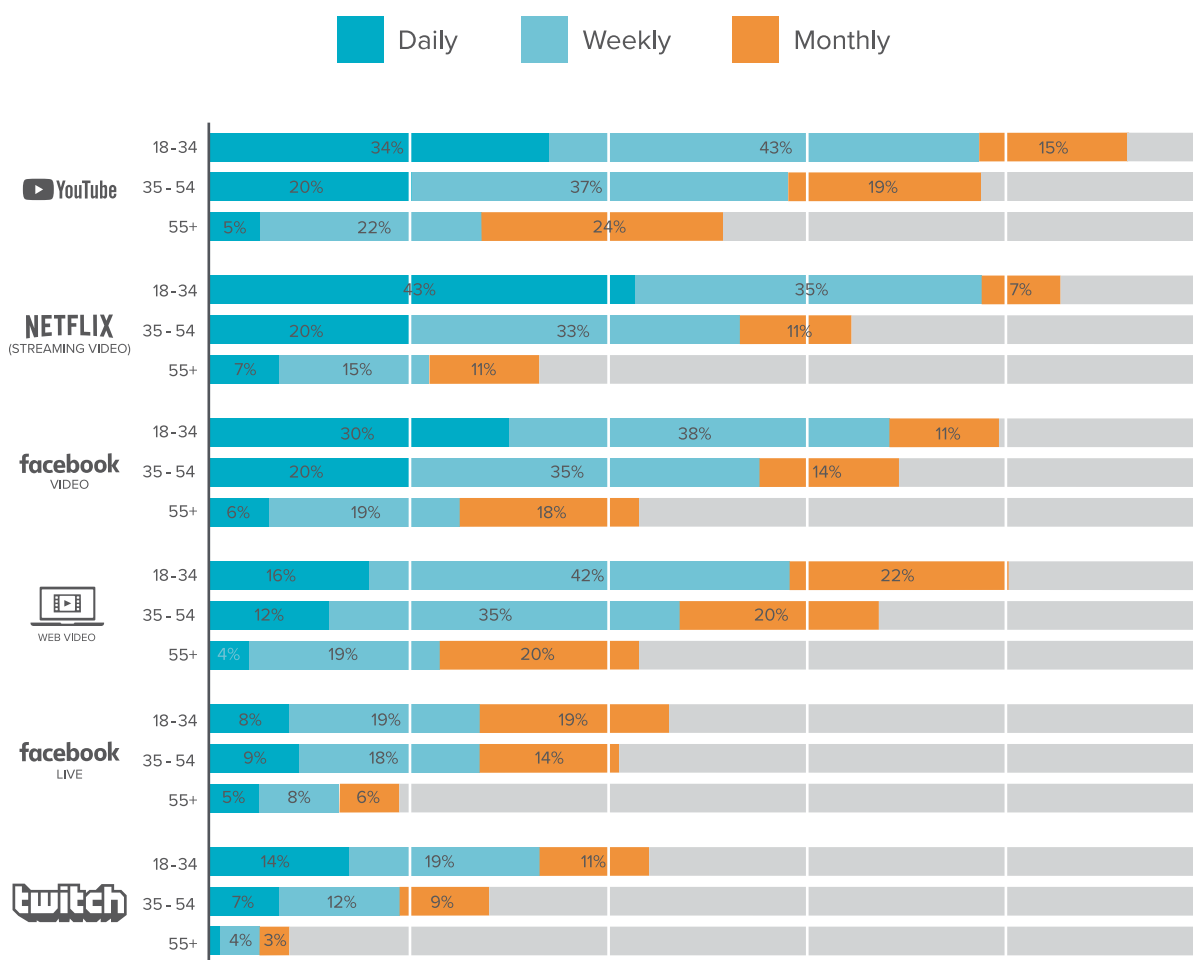
**Most people want to consume video online.** 57% of Midwesterners enjoy watching online video, with 77% of millennials (18-34) preferring video to 33% of baby boomers (55+). Consider your audience and tailor video messaging towards the most-engaged demographic. It is also imperative to have a multi-channel approach to your marketing to ensure you are catering to your full audience.

*Preferred Online Content Types by Age*



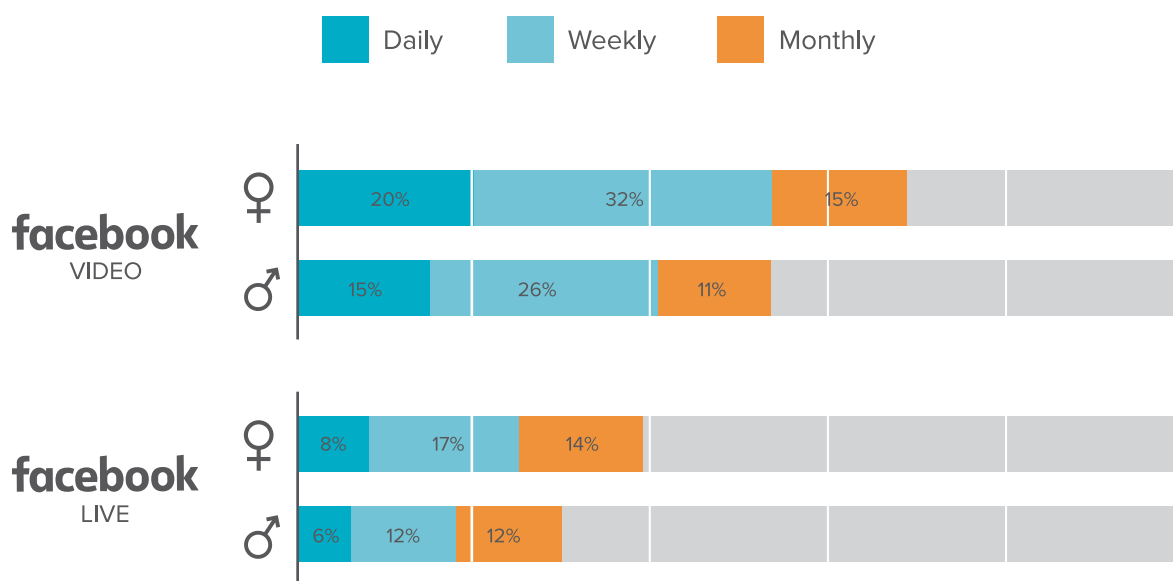
**41% of Midwesterners watch video daily on either Facebook, YouTube, or streaming video services.** The vast majority of people (74%) watch YouTube at least once per month, which is a large opportunity to provide relevant video content or pre-roll advertising efforts to get in front of your audience. Streaming video services, like Netflix and Hulu, top overall daily consumption with 23% of respondents, while the millennial segment generates 43% daily viewership on these channels. As the younger audience segment is shifting their media consumption habits, your marketing efforts should be aligning with how and where they are interacting.

Video Platform Frequency by Age



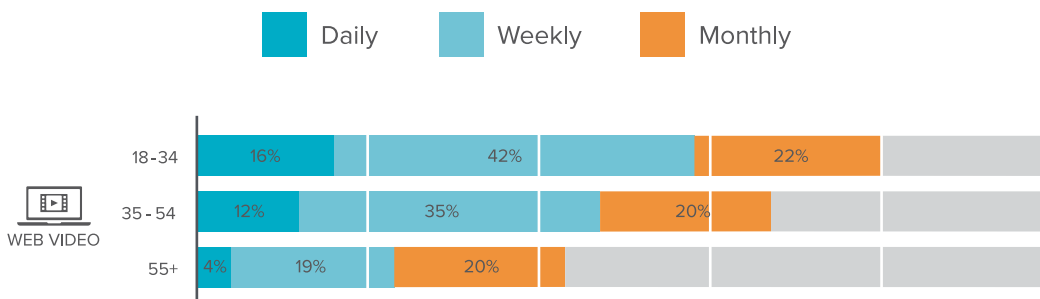
**Don't put your money on Facebook Live just yet.** 50% of Midwestern respondents have never watched Facebook Live streams, with only 7% stating they watch daily. The same is not true for Facebook videos (not live) though. 63% watch Facebook videos at least once per month, with 19% watching daily. For both video options, females have higher rates of engagement than males. This channel and content have great opportunity, as long as you understand how your audience wants to interact.

*Facebook Video vs. Facebook Live Frequency by Gender*



**Add video to your website to increase engagement.** 64% of Midwesterners watch videos on non-video websites (like your company’s website) at least monthly. Looking specifically at age groups, 58% of millennials watch web videos at least weekly, compared to 24% of baby boomers. Adding video is a great way to improve engagement on your website.

*Web Video Frequency by Age*

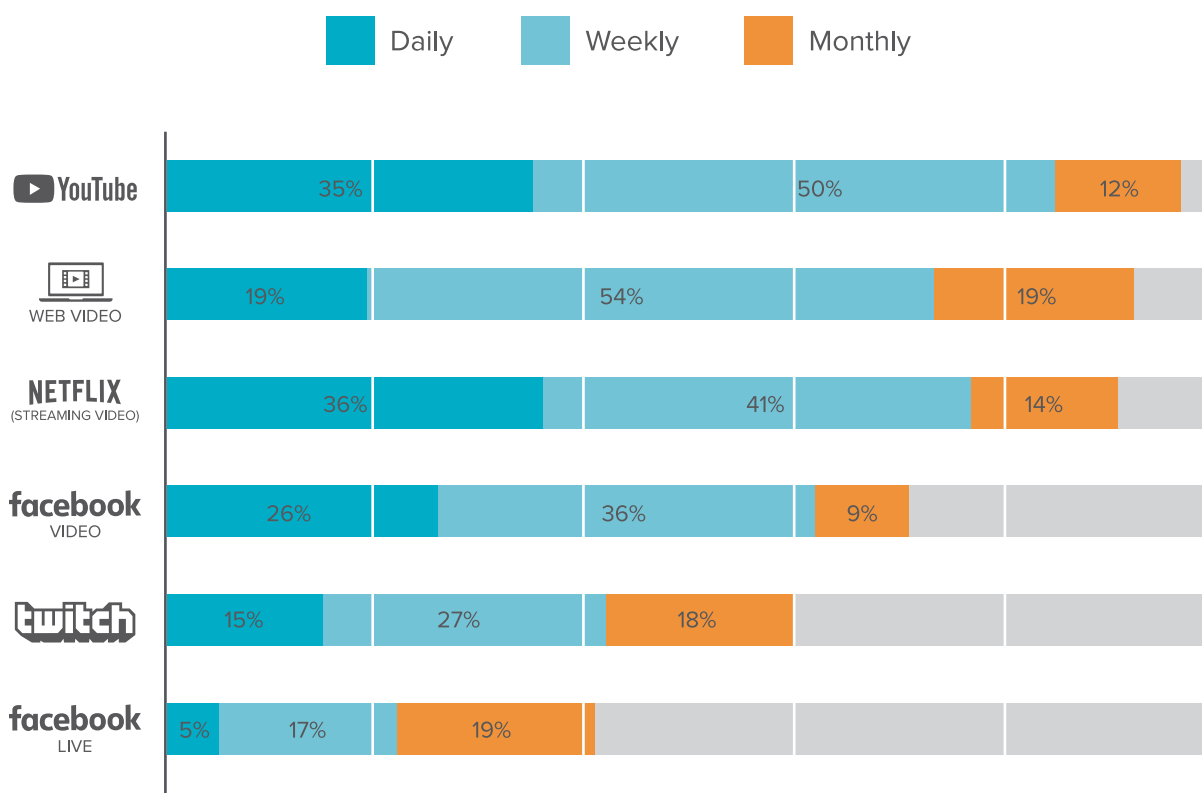


**The average Twitch user spends 106 minutes per day on the platform.\*** What is Twitch?

Twitch is a live-streaming video platform focused around e-sports (i.e. competitive video games), and it's a subsidiary of Amazon. If your audience consists of millennials, in particular millennial males, you should absolutely be paying attention. 42% of males, 18-34, in the Midwest watch Twitch at least once a week.

\*Source: <http://twitchadvertising.tv/audience/>

### Video Platform Frequency Among Millennial Males



## TAKE ACTION

Based on these trends, where should video fall in your 2018 marketing priorities? Effective digital video doesn't exist by itself, but complements other pieces of a larger marketing strategy. Ensure that your digital video efforts this year align with your audience segments and channels most likely to engage your customers.

# ONLINE CONTENT AND ACTIVITIES

## **Content is king, but keep it short and interactive.**

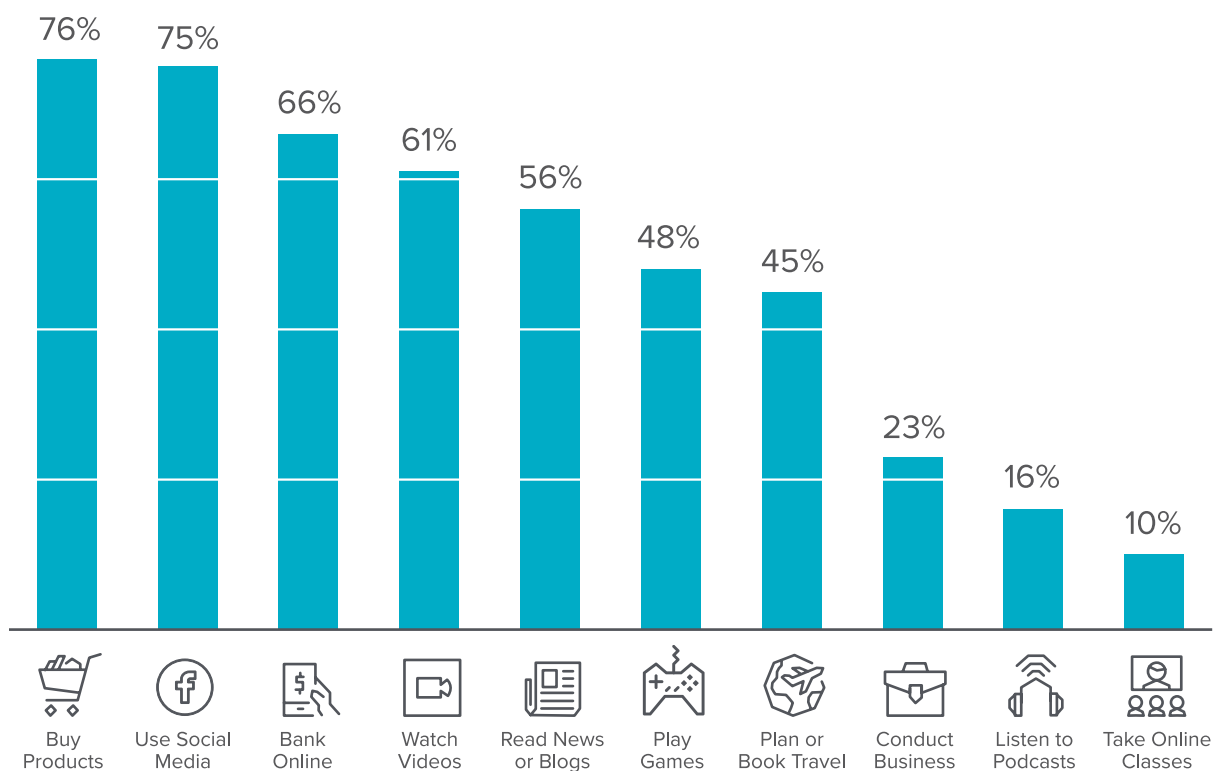
Your content is your connection to your audience. Whether it's a graphic, video, or blog post, every piece needs to carry value for the customer. The better you can match those pieces to what people are looking for and doing online, the more valuable your content will be.

It sounds simple, but it takes work. Why are you customers coming to your site? What content do they want to find when they get there? These answers can help you form a strategy—for both topics and delivery—that gives the people what they want: valuable information.

## FINDINGS

**The internet isn't all fun and games, just most of it.** When we go online, we really like online shopping and entertainment. Shopping, social media, videos, news, and games are all popular online activities in the Midwest. It's not always about entertainment though, we also bank online (66%), plan travel (45%), conduct business (23%), and take classes (10%).

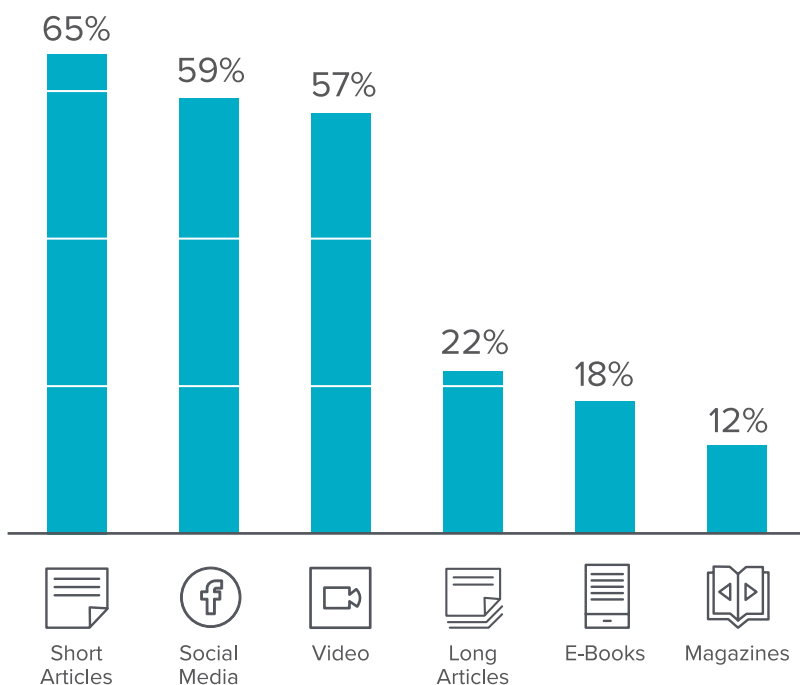
*Top Online Activities*



**Keep it brief—most don't want articles over 3 minutes long.** The majority of people in the Midwest want short articles (65%), social media posts (59%), or video (57%). (See the Video section for more.) Nearly twice as many people prefer a short article (under 3 minutes of reading time) to a long one (over 3 minutes).

**Don't disregard longer articles.** Nearly a quarter (22%) of your audience still wants long content, and high-quality long content is great for SEO. Make sure you have a mix of media types and break longer articles into readable bites.

*Preferred Online Content Types*



## TAKE ACTION

From entertainment to business, Midwesterners are moving more of their lives to the digital world. What aspects of your business aren't yet online—and how long can you afford to keep it that way? Consider structuring your operations around a “digital-first” mindset, and start planning for functionality to support this growing trend.

Audit your website content to see what kind of content is out there. Do you have an abundance of short articles, long articles, videos? Think about what you should be producing in the next year to better serve your audience's needs and capture their attention.

## DIGITAL ADS

# Some digital ads are better than others.

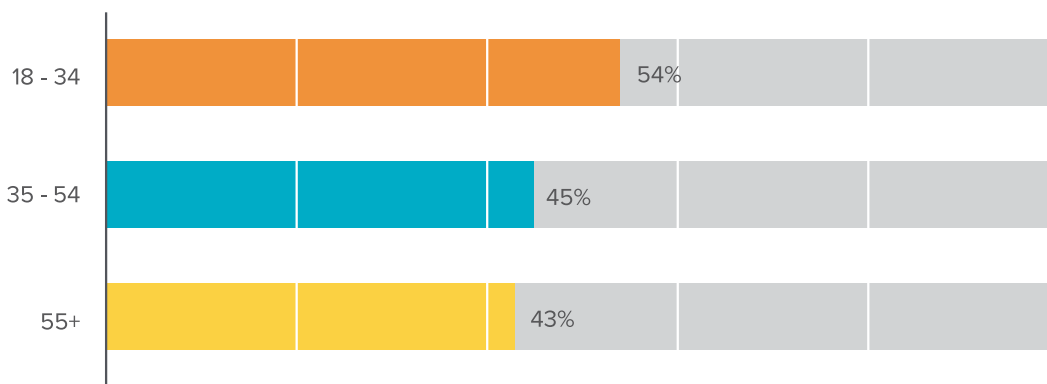
One size does not fit all for online ads. Mass messaging and irrelevant ads have tarnished the reputation of digital ads, and ad blocker use has risen in response. With the mix of data and strategic platforms, the right message, timing, and targeting is still possible. But it takes work. A more sophisticated digital ad strategy can help.

Revise your advertising strategies to align with how your customers are consuming media. Pay attention to ad placement and context, because your customers are. In fact, 37% of consumers change their view of a brand if it's next to questionable content. Sponsored content, social media ads, social media filters, display banners, online radio—the options are endless, but what works for your customers?

# FINDINGS

**Digital ads work and lead to purchases.** 47% of respondents have purchased a product or service after viewing an online ad, and that percentage increases to 54% for millennials. Online ads especially drive more purchases with clothing and household goods.

*Purchased After Viewing an Online Ad by Age*

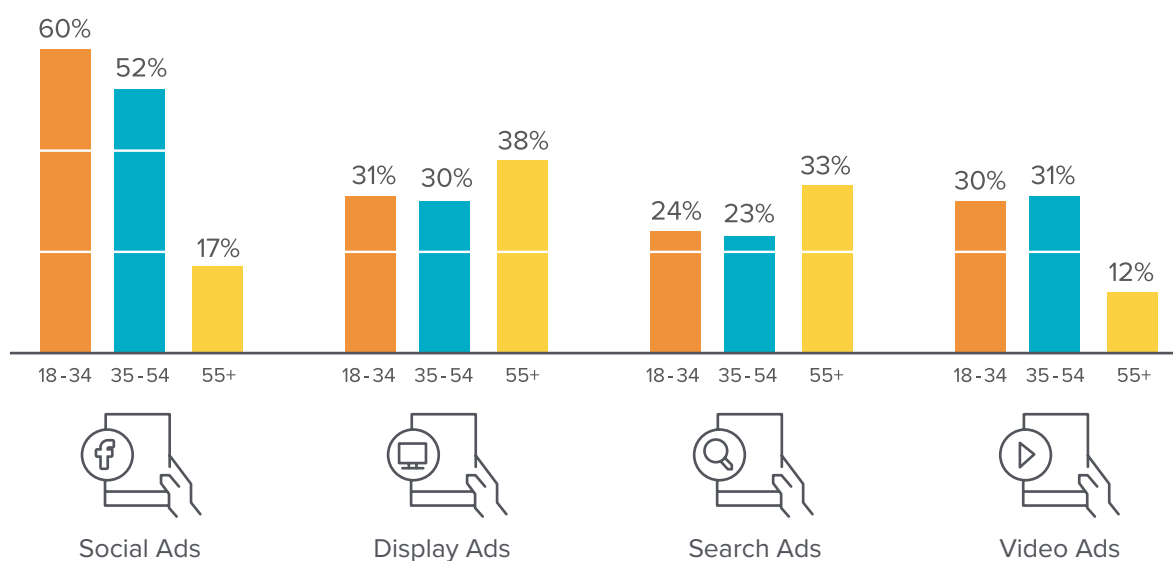


*Products/Services Purchased After Viewing an Online Ad*



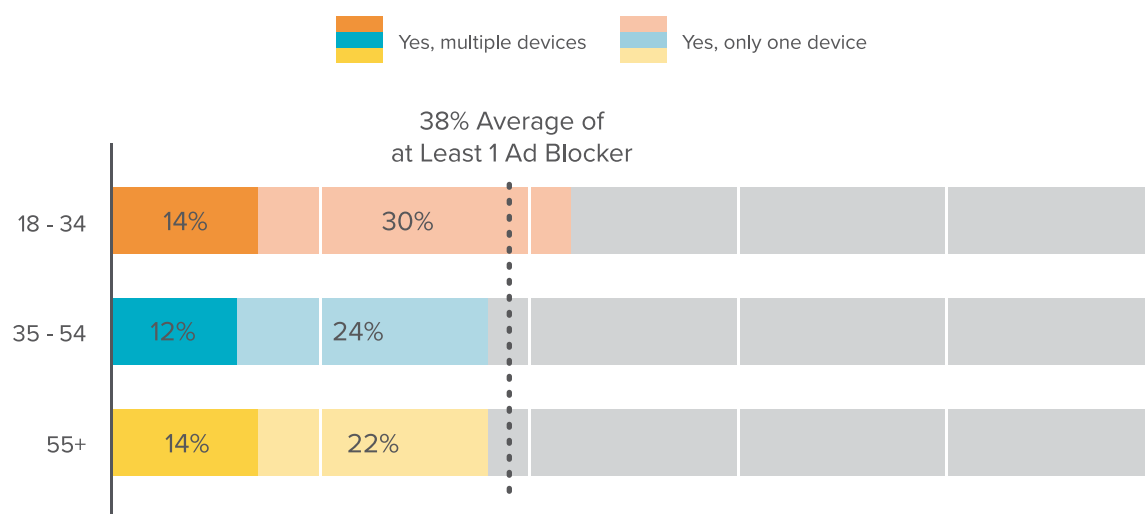
**Social ads lead to more conversions.** Respondents were most likely to make a purchase after seeing a social ad (44%), followed by display ads (33%). Enhanced targeting capabilities, social nature, and the large amount of time spent on social platforms could all contribute to this trend. Social pays off the most for millennials (18-34) and those 35-54. When targeting baby boomers (55+), make display ads part of your marketing mix, as they generated the greatest likelihood to purchase for this age group.

*Types of Ads Most Likely to Lead to Purchase by Age*



**The Midwest is embracing ad blockers.** 38% of respondents reported using ad blockers, with millennials leading the charge. What does this mean for your marketing mix? Over a third of your audience won't see your digital ads. While we're not saying to stop running media campaigns, it's even more important to be investing in your own website and SEO strategies to ensure your company stays top of mind.

### Ad Blocker Usage by Age



## TAKE ACTION

While media strategies are successful at driving new visitors to your site and leading to purchases, the increased usage in ad blockers and distrust in online ads makes it more important to diversify your marketing mix.

Ensure that your digital analytics can fully track the effectiveness of a multi-channel strategy. Invest in digital advertising toward profitable segments, and invest in your company's website and SEO to stay ahead of the growing ad-blocking trends.

## TRUST AND REPUTATION

# Build trust online with a multichannel approach.

What's a good reputation worth? Companies with better reputations can spend less on hiring and resources, garner free press coverage, and accrue other benefits that actually contribute to profits. Simply put: reputation adds value to the actual worth of a company. As such, marketers can spend a lot of time worrying about their organizations' reputations. But do their customers care?

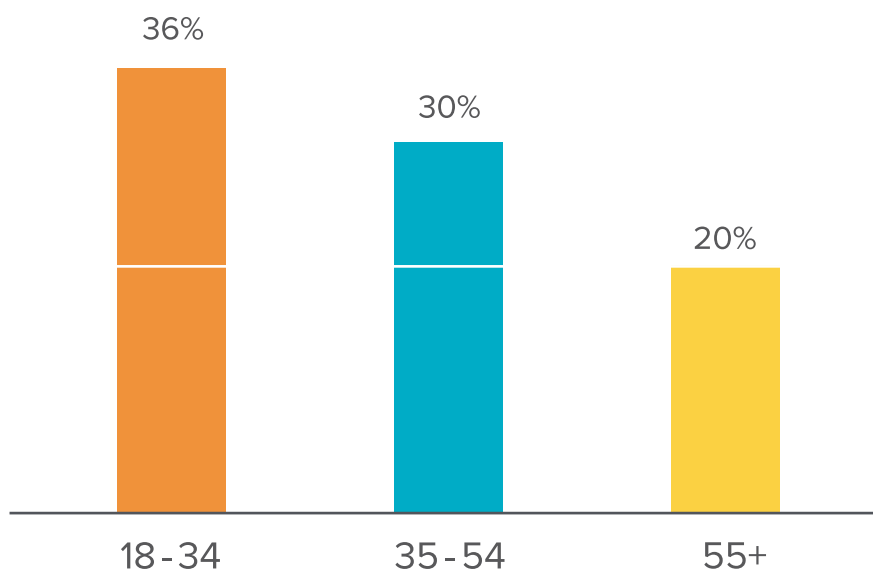
Turns out they do. National averages claim that 92% of consumers read reviews online before making a purchase. On the other hand, three-fourths of consumers are worried about the rise of fake news, causing 60% of them to look for trusted sources and channels. We studied what level of interest Midwesterners pay to online reviews, what online sources are trusted most, and how they engage with those sources.

## FINDINGS

**Younger generations are more accustomed to leaving reviews about your business.**

Across the Midwest, 29% of people have reported leaving an online review in the last 12 months. But millennials are almost twice as likely as the 55+ age group to leave a review.

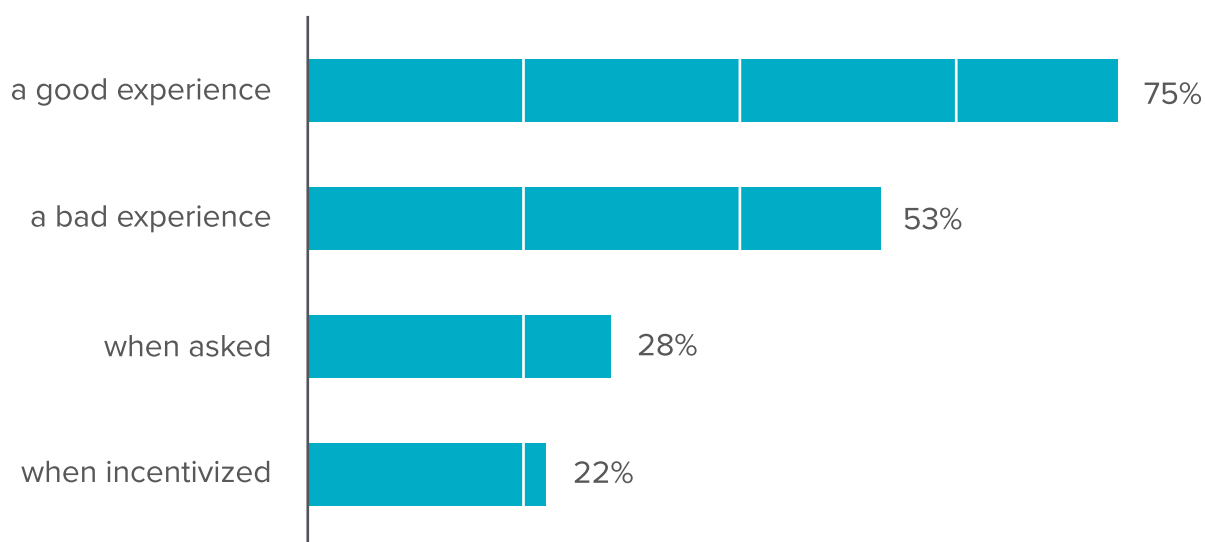
*Likelihood of Leaving Online Reviews by Age*



**People want to leave reviews for good experiences.** We asked Midwesterners who posted an online review in the last year, “When were you most likely to leave a review?” And overwhelmingly, 75% of people want to leave a review after a good experience. This is good because positive reviews make 73% of consumers trust a local business more\*. You need to make it easy for them and monitor your reviews on trusted sources.

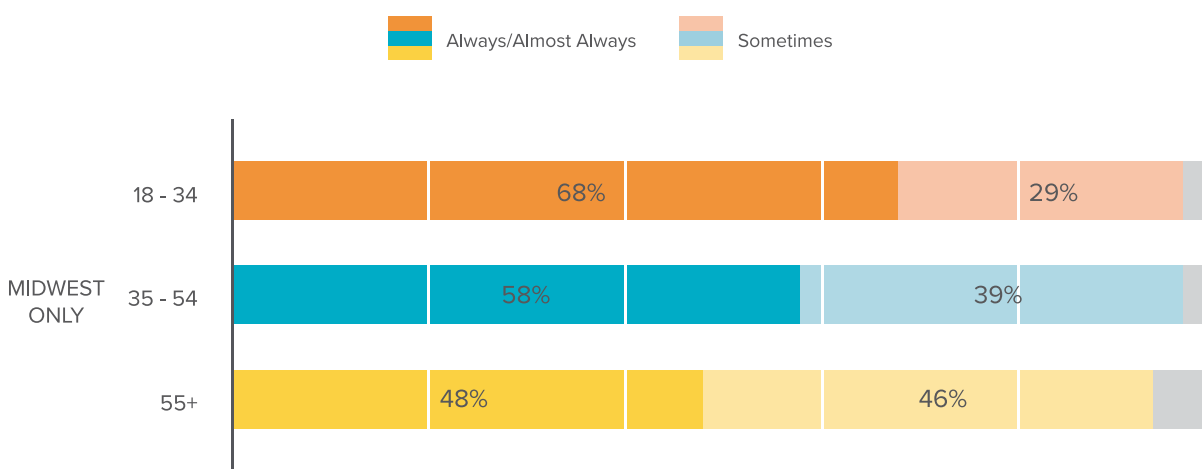
Source: <https://www.brightlocal.com/learn/local-consumer-review-survey/>

### Reasons Consumers Leave Online Reviews

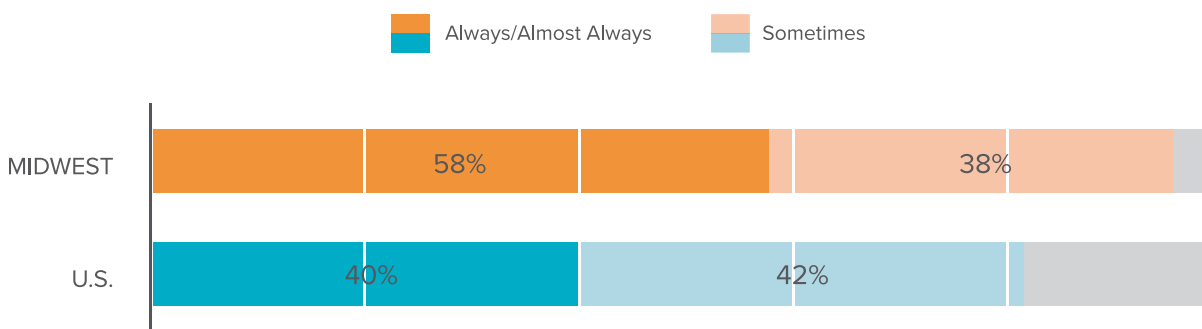


**Younger people are more likely to read online reviews.** In our region, nearly 70% of millennials always or almost always read online reviews before purchasing a product or service. As a whole, all age groups in the Midwest are more likely than our national counterparts to read online reviews. 58% of people in our region always or almost always read online reviews, compared to only 40% of people across the nation, according to a study by Pew Internet.

*Reading Online Reviews Prior to Purchase by Age*



*Reading Online Reviews Prior to Purchase by Region*



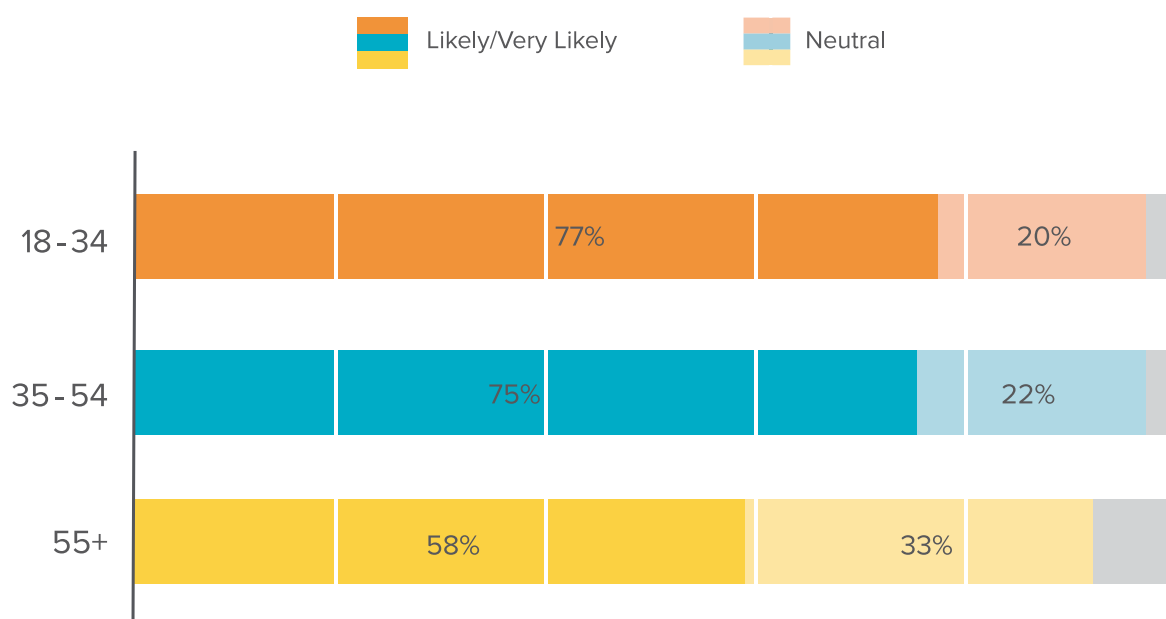
**South Dakotans are 21% more likely than the rest of the Midwest to read reviews before buying a product or service.** Even within the Midwest, there is a variation on who is most likely to read online reviews. South Dakota residents are the most avid readers, with 68% reporting that they always or almost always read digital reviews. On the other hand, only 54% of Minnesotans are likely to read online reviews prior to purchase.

*Reading Online Reviews Prior to Purchase by State*



**Reviews matter, especially for younger generations.** We now know who is writing reviews and who is reading them, but what’s the impact? We asked Midwesterners how likely an online review would impact their purchase decision. Across all age groups, 70% reported that reviews were “likely” or “very likely” to impact their purchases, with 18–54-year-olds most affected by what they read.

*Likelihood of Online Reviews Impacting Purchase by Age*



**People are more likely to talk *about* you than talk *to* you.** From social media to online review platforms, personal blogs to e-commerce on-site reviews, customers have more outlets than ever to talk about your brand. But many marketers only pay attention to the feedback that comes directly to a business. If you're only listening to what people are telling you, you're missing the majority of the conversation. Midwesterners are 53% more likely to talk about your company than talk to you directly.

*Consumer Feedback Methods*



## TAKE ACTION

Online reviews are more important in the Midwest than they are elsewhere in the nation. Midwesterners are more likely to read reviews, and more likely to make purchase decisions based off of what they read. What's your review strategy in 2018?

Data shows that your customers want to give you good reviews, so it's your job to make it easy for them to do so. Whether you use a marketing technology platform, a grassroots employee effort, or some combination of the two, make review generation a priority this year.

And what about the brand conversations happening outside of your field of view? Consider social listening and reputation monitoring platforms to capture this sentiment that, statistically, is already happening about your company online.

## KEY TAKEAWAYS

- **80% of Midwesterners have a smartphone.** It's time to adopt a mobile-first marketing strategy, especially if you are targeting customers under 35 years old.
- **40% of people in this region use voice search weekly.** Make sure your site is showing up for both typed-in and voice queries.
- **Facebook dominates our region across all age categories—but you'll need to pay to keep reaching that audience.** Make sure your social efforts are worth the cost of both time and media investment.
- **Video is a growing part of our online lifestyle, and millennials are watching digital video nearly every day.** If this is your target audience, plan on making the investment in digital-specific video in 2018.
- **The Midwest prefers Google, at a greater rate than the rest of the country.** 83% in this region use Google as their search engine, compared to the national average of 63%. If you are running paid search campaigns, make sure they focus on where customers are.
- **38% of those in the Midwest use ad blockers.** You'll need multiple platforms in your digital media mix to target all age groups in this region. When ads are blocked, how else can you reach your target? Make sure your investment includes a healthy dose of SEO so you don't miss out on this audience.
- **Reviews matter more to customers in our region.** And people want to leave you good reviews! Add reputation management to your 2018 strategy, and make it easy for your happy customers to share their stories.

## ABOUT US

Click Rain is an award-winning marketing technology agency headquartered in downtown Sioux Falls, SD. On the map since 2008, Click Rain has grown to be the region's leading, dedicated MarTech agency and a strategic partner for organizations across the country. Our approach is straightforward: we solve business problems using a tailored mix of smart strategies and tools. Our team of developers, designers, strategists, and engineers translate their deep expertise into simple solutions, so you can reimagine what marketing can be.





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