



Making Pinterest Work for Your Brand



Executive Summary

Launched only four years ago, Pinterest is already the #1 e-commerce traffic driver. And with more than 70 million registered users, rapid growth, and the launch of new business features, it has become a highly attractive channel for business that deserves full consideration to be a part – even a big part – of social media plans.

In this report, we take a close look at Pinterest, examining at how other companies are using it and exploring the areas which we think have the most business potential. We include specific recommendations to:

- 1 **Drive** Intent to Buy with a rich, daily content strategy that delivers insights into the path of purchase.
- 2 **Leverage** Pinterest's ranking as the top e-commerce driver to connect with consumers who are seeking to fill needs, wants and lifestyle aspirations across digital channels, creating an ecosystem of invaluable content.
- 3 **Listen** and engage with pinners to create a community around products and to gather insights about aspirations and market research.



What is Pinterest?

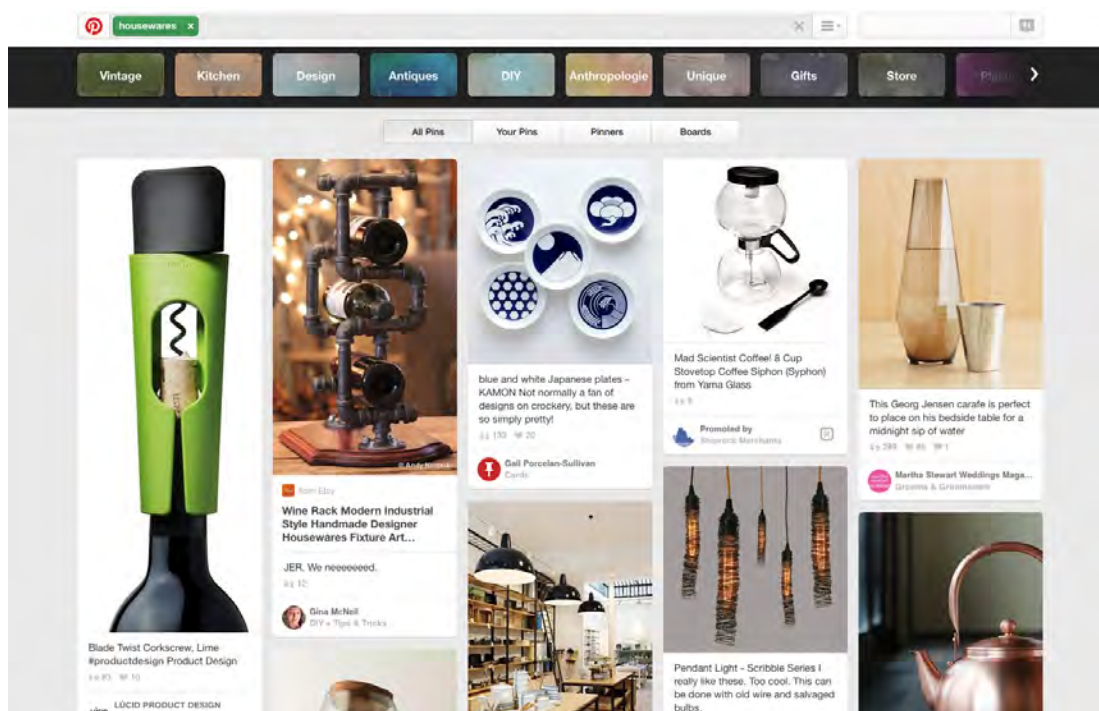
Pinterest is an online social scrapbooking experience on which users “pin” the interesting things they find online. They typically organize these pins into boards, like “Home Decorating” or “Vacation Ideas.”

These pins usually serve as a wish list, such as products a user would like to purchase or places a user would like to visit in the future. Success is driven by this site’s visual emphasis (“pinning” one’s favorite online images) and its focus on lifestyle (digital scrapbooking: creating boards for the important areas of one’s life). Using Pinterest, users create a vision of a future lifestyle for their hopes and dreams – a vision that has actionable steps because of Pinterest.

When Browsing Becomes Shopping

Pinterest provides a direct connection between consumers who are seeking to fill needs, wants and lifestyle aspirations and the products and services that fill them. As the site evolves, especially as Pinterest adds business-focused features, companies will likely learn more about their consumers and their purchasing behavior.

Pinterest’s goal is to show consumers what they want before they know they want it. And, as a brand, that’s an ideal environment in which to exist. The platform does so by making item discovery easy, and, once discovered providing the ability to easily purchase.



The Opportunity for Businesses

With more than 70 million registered users and 11.7 million unique U.S. visitors according to ComScore, Pinterest is the fastest social media site to amass 10 million unique visitors to date.

Pinterest has steadily been introducing professional features for businesses – more than 500,000 brands are now participating on the platform. Also, it's now estimated that 47% of U.S. online shoppers have made a purchase based on a Pinterest recommendation.

Pinterest drives 41% of all referral traffic to top ecommerce sites, which makes it the #1 ecommerce traffic driver in the world (Facebook is second at 37%). In addition, a recent study states that people referred from Pinterest spend nearly twice as much as those referred by Facebook.

70mil
Registered Users

11.7mil
Unique U.S. Visitors

500k
Brands

41%
of all Referral
Traffic
e-Commerce Sites

“Social scrapbooking” is becoming the visual database of things in the world that matter to human beings.

How Does it Work?

When a user clicks a brand's product or service, that user is making it known that this is a product they want to purchase – in effect, creating a path from Pinterest to purchase that a brand normally wouldn't have visibility into. In fact, Pinterest claims it now has more than 30 billion pins, which has increased by 50% in the past six months.

Due to the social nature of Pinterest, pins catalogued by one user are often seen by that user's friends. Well-known personalities, like home decorators or chefs, are followed by their fans, who will then see and share their pins and follow their boards. Once a user has followed several persons of similar tastes and interests, they'll see a stream of images (which are opportunities to a brand) that constantly refreshes itself.

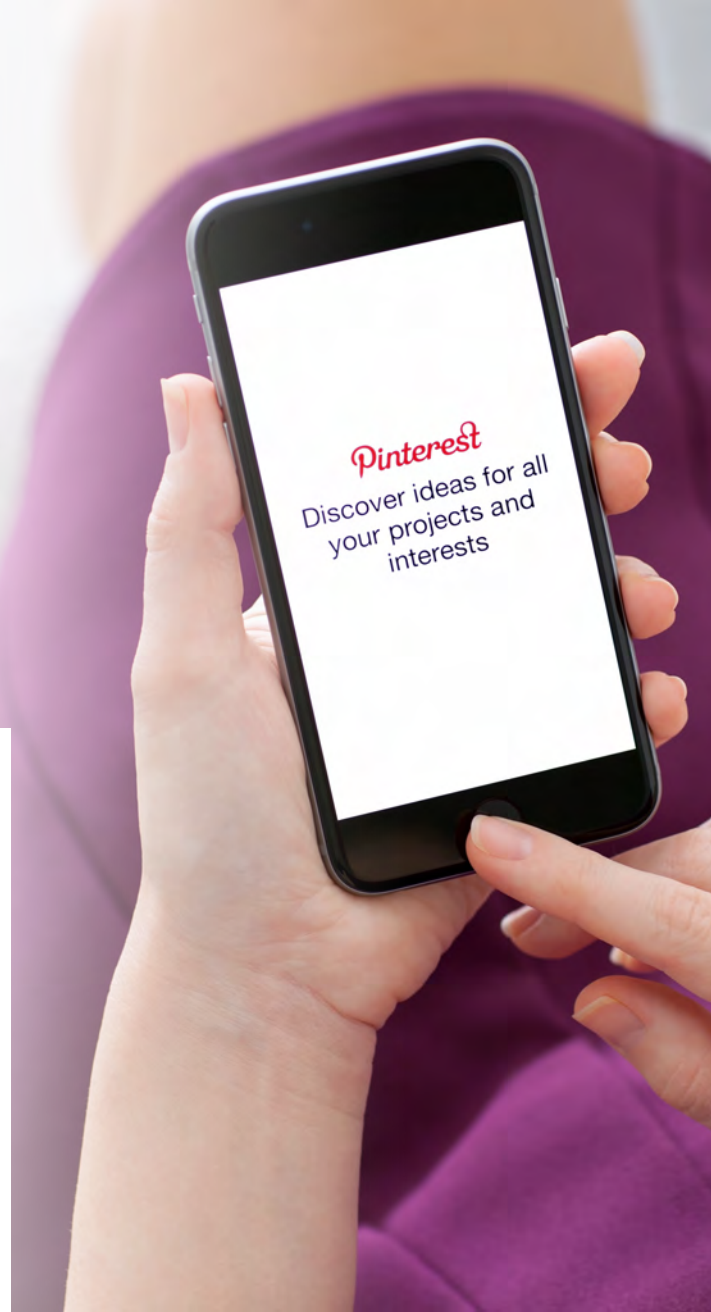
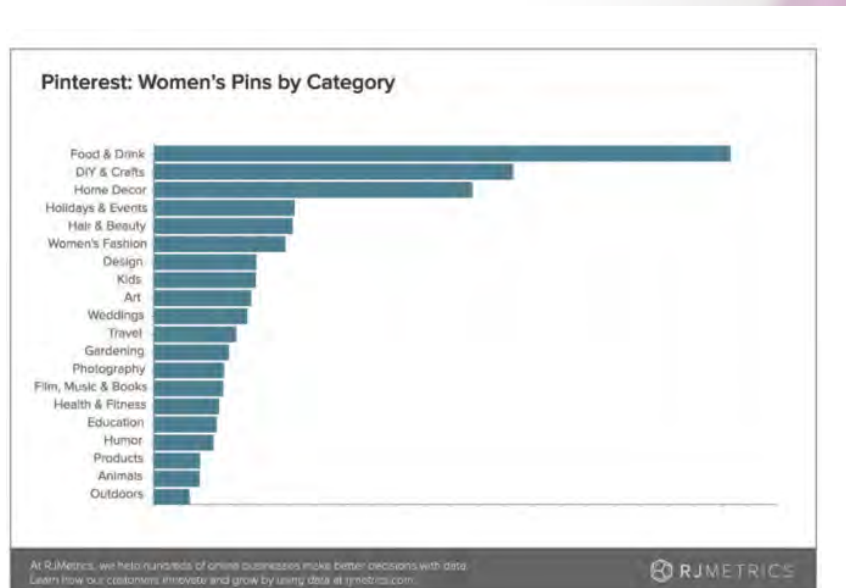
Allowing users to label or use descriptors (“tags”) for each pin in Pinterest's “Guided Search” feature makes it extremely simple for people with similar interests to find highly specific content. This feature allows one to narrow the scope of a search into very particular interests, and it marks the difference between Google and Pinterest. Google delivers web pages about things, while Pinterest shows a picture of that thing (as well as offers users a chance to buy it or experience it), exposing people to possibilities they may have never known existed.

Some social and ecommerce leaders say Pinterest's open-ended form of search and discovery is the biggest opportunity for businesses in the last decade.

Reaching the Female Consumer

From its debut, Pinterest has attracted a high proportion of women, and they are still the key contributors to its estimated 30 billion pieces of pinned content. More than 80% of Pinterest's users are women ages 19-44. Though not yet five years old, Pinterest is already more popular than Twitter among its female demographic. Since women account for 85% of consumer purchases in the U.S., Pinterest is a remarkable channel for ecommerce-based businesses. Also noteworthy is that Pinterest has doubled its male user base over the past year.

Women on Pinterest are most interested in food and drink, fashion and, home décor, as indicated below:



Search

Lynette Swedeen

Beauty Fun

Follow Board

Outfits

Pinned from fashionistatrends.com

Women Transparent Sexy Fish Sparkling Mermaid Tail Printing Tights Pantyhose

Mermaid tights. Cute :)

Pinned from ebay.com

Love this dress

Pinned from revolveclothing.hardpin.com

Flash Tattoos. Sheebani Pack - Gold and Silver Temporary Tattoos

Pinned from sundancebeach.com

15 Bra Hacks, Tips, and Tricks

fromgurl.com

stuffedtoffee.polyvore.com

How Have Other Companies Leveraged Pinterest?

In the 2013 holiday season, Amazon averaged 16,300+ pins per week, which reportedly helped triple the company's revenue on Cyber Monday . Nordstrom utilized Pinterest to crowd source its in-store visual merchandising efforts which helped the brand generate more than 4.5M followers, invaluable for gathering customer insights.



Nordstrom is also using Pinterest to personalize its relationship with customers. Tying online campaigns and channels to the real world – that is to “real” people – is a fundamental way to provide more trust and loyalty into online relationships. On Pinterest, Nordstrom provides the names of its social media team, provides brand engagement, as well as how to contact customer service with questions about products.



Whole Foods provides more than a replication of their in-store experience on Pinterest. It uses Pinterest to better living by sharing tips like DIY projects, health-related tips and advice on how to grow your own food.



Kraft uses Pinterest to help consumers discover and share tasty, easy-to-prepare meals, which provides the brand with real-time insights about consumers.



Etsy maintains more than 110 boards on Pinterest that highlight the diversity of its brand. The company's tactic is to create boards centered on occasions, like weddings, holidays or parties. These boards are not only places to shop, but places where creativity thrives as people get and share ideas with others. And, it works. Etsy has more than 510,000 followers on Pinterest.

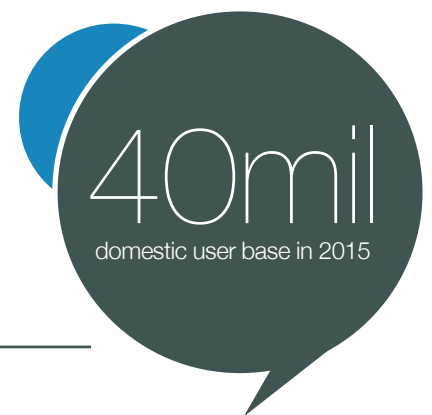


Land of Nod focuses on seasonal design trends for its children's products. The company also bridges the gap between online and the real world by introducing consumers to its artists and community initiatives. Like Whole Foods, it also focuses on a consumer's life by promoting advice and ideas on whole living and bringing their products to life via fan submissions.

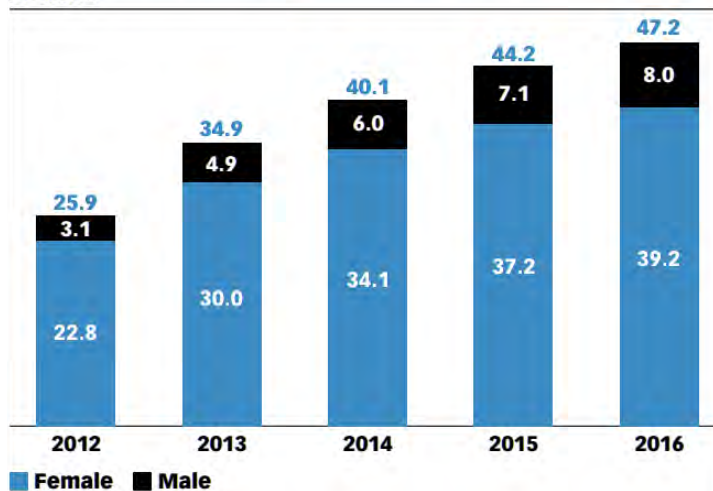


Instead of images of products, **Sephora** organizes its boards on beauty industry topics, such as runways and magazines, which provides a vision of real-world application for their products. When a user can picture what a product looks like in their own lives, they can be more apt to purchase it.

Pinterest's Potential



US Pinterest Users, by Gender, 2012-2016
millions



Note: internet users who access their Pinterest account via any device at least once per month; numbers may not add up to total due to rounding
Source: eMarketer, Feb 2014

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www.eMarketer.com

This year, Pinterest will reach numbers similar to both Twitter and Instagram. Its user base is projected to top 40 million domestically in 2015. In addition, international users now make up nearly half of new sign-ups, and the company has opened offices in London, Paris, Berlin, and Tokyo over the past year. Analysts believe it is only a matter of time before Pinterest as a revenue-generating engine surpasses Facebook and the rest of the social media sites.



The Pinterest Opportunity

We recommend that brands develop a customized channel strategy for every Pinterest board created that delivers on their mission and facilitates customer connections and inspiration. Pinner's follow brands to seek information on deals, events, product information, ideation and/or to read comments about merchandise which allows brands a cross-promotional marketing strategy utilizing visual imagery to connect and entice the pinner.

LiveWorld Recommended Programs



Drive Customer Discovery & Intent to Buy

Pinterest is a growing social shopping and scrapbooking platform that should be part of your organization's daily content strategy. This should be done through customers, partnerships and brand resources to create visually appealing and interesting content while leveraging other digital marketing channels to amplify and drive activity and followers.

- Boards should inspire customers to follow, pin and facilitate social sharing.
- Boards should be mostly thematic, and relevant to the season, region and the customer mindset with regularly pinned content.
- As we've said previously, gaining insight into the path to purchase is an extremely relevant and valuable process that can deliver new discoveries into consumer online behavior that can be leveraged across other channels.

2

Leverage Pinterest's EcoSystem for Conversion

Pinterest provides a way for brands to connect to consumers who are seeking to fill needs, wants and lifestyle aspirations, by providing the products and services that fill them. Brands should leverage Pinterest to show consumers what they want before they know they want it. And, once established, creates a continuous lifecycle of discovery, demand and delivery.

Pinterest Content Ecosystem and Conversion Paths



Brand examples of Pinterest Pin Cross-promotions



3

Listen to & Engage Pinners

Not only does Pinterest help consumers discover the products that fulfill their visions of the future, but their behaviors also translate to valuable insights. Through a Pinterest campaign, brands should also:

- Listen to what is resonating with customers on the scrapbooking platform to gain insights on content strategy and deliver more relevant and exciting products.
- Comment on pins where your brand is mentioned.
- Engage via Promoted Pins to monitor for impactful conversations and intentions to purchase, and then use this information to develop new boards and pins.
- Offer customer service options when pinners have questions or issues with their products to help the brand be more accessible to its customers, especially the 30% of Millennials who make up Pinterest's user base and believe that positive brand identity is built through transparency and trust.



About LiveWorld

Through services and software, LiveWorld empowers the largest companies in the world to deliver social customer experiences that deepen relationships between brands and customers. Our marketing, customer service, and insights solutions enable companies to maximize the potential of social media and online communities. LiveWorld services include strategy, campaign management, content moderation, customer engagement, social media analytics, and customer service. For over 19 years, LiveWorld has delivered services and software for moderation, engagement, customer service, and insight, enabling brands to manage social media and online community programs at scale. LiveWorld clients include the #1 brands in consumer packaged goods, retail, pharmaceutical, financial, and travel services. LiveWorld is headquartered in San Jose, California, with offices in New York City and Austin.

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