

# Instagram's New Explore Ads Signal Potential Changes to Organic Reach

**ARTICLE** | **JULY 03, 2019**

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Instagram's new Explore page ads will bring more opportunities for marketers—but they also raise concerns about the limit of organic reach, which some **claim has already happened** in the Instagram feed. Savvy marketers have **established best practices** to get their content featured on Explore, but when ads are introduced, it could become more challenging to appear there organically.

"The fact that organic reach may be falling on Instagram is a huge issue, but one that marketers should have been prepared for," eMarketer principal analyst Debra Aho Williamson said.

"Anyone who paid attention to the decline in organic reach that happened on Facebook a few years ago should have known that a similar decline would come to Instagram as the revenue push got stronger. In general, marketers should expect that paying to reach consumers on Instagram will become more and more necessary, whether in Explore or in the feed."

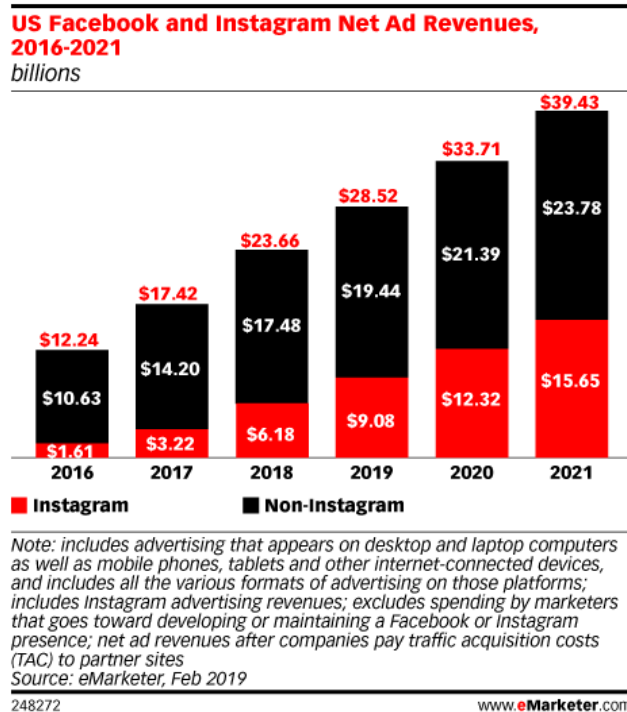
Instagram announced at the end of June that it will start placing **ads on Explore**, the discovery page where users are shown curated content based on their interests and can discover content from accounts they don't follow. This marks the first significant expansion of ad

placements beyond Stories and the traditional feed. It also comes at a time when Facebook has become more dependent on Instagram for ad revenue growth.

Additionally, Explore ads come on the heels of the **launch of Instagram Checkout**, which gives users the ability to purchase products directly through the app. The Explore page has a shopping category of its own —which already consists of mostly shoppable posts—and Explore ads will likely appeal to marketers who are looking to utilize the app’s **social commerce** features.

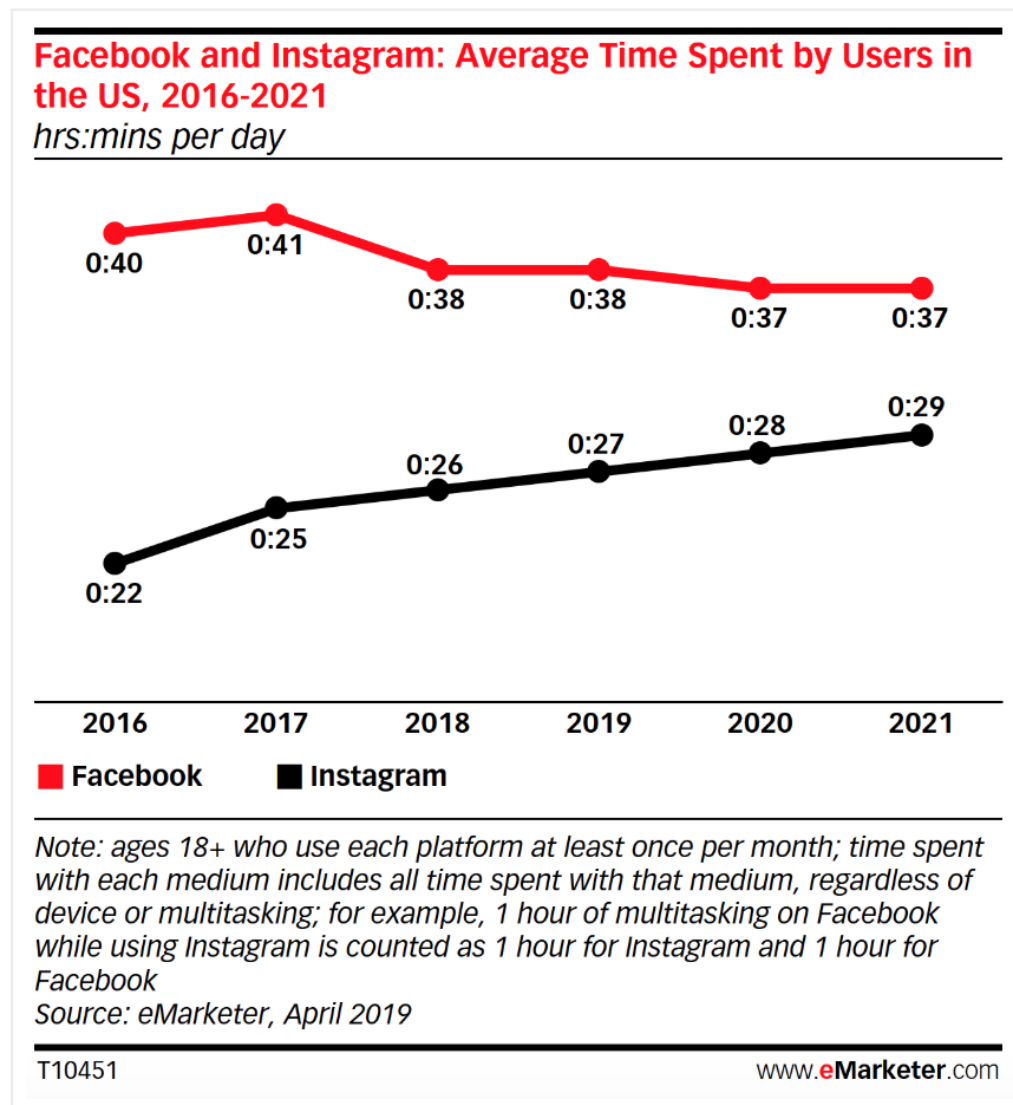
“People who visit Explore are open to discovering new things,” Williamson said. “That’s what the page was built for, and it lends itself well to shopping-related advertising.”

Instagram’s ad revenues are increasing more quickly than those of Facebook and its other entities, so it makes sense that the company would want to introduce as many ad placements as possible. We expect Instagram’s US ad revenues will grow 46.8% this year, surpassing \$9 billion. Facebook’s non-Instagram segment, by comparison, will grow by just 11.2% this year.



"Instagram is still growing fast, both in terms of the number of users and ad revenues, and it's good timing to bring new ad formats into the property," Williamson said. "Time spent on Instagram is still growing in the US; that's different from Facebook, where time spent fell last year among users and is expected to essentially flat-line in the next few years."

We expect the average US user will spend 38 minutes each day on Facebook this year—unchanged from 2018. Meanwhile, time spend on Instagram will increase from 26 minutes to 27 minutes year over year. By 2021, Instagram will further tighten the gap, averaging 29 minutes per day, while Facebook will fall to 37 minutes.



Ads on the Explore page will function a bit differently from ads on the feed and in Stories—at least for now. Users won't see sponsored posts while scrolling through the "grid" on Explore; ads will appear only after the user taps on a post and begins to scroll through the Explore feed. That will allow users to see ads related to the content they are interacting with in that moment.

"This will better ensure that people who see a marketer's ad are truly in the mode of wanting to discover," Williamson said. "Sometimes people browse Explore's tiles just to see what's there, not necessarily because they want to explore a topic in-depth. That said, I think once users get used to seeing ads in the Explore feed, they will eventually show up in the tiles as well. Instagram wanted to take baby steps, which is appropriate."