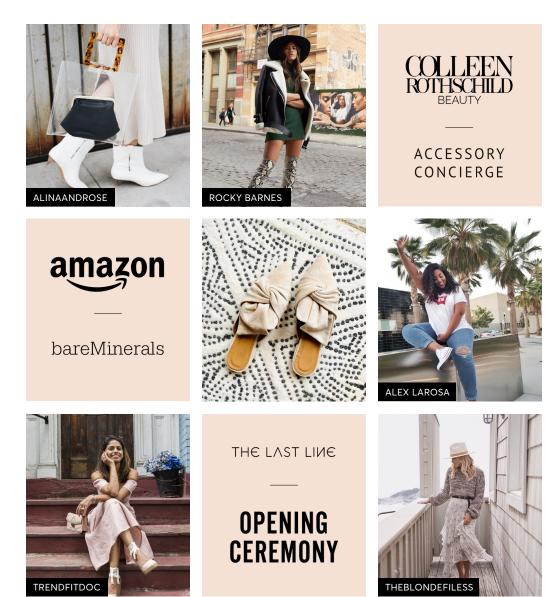
A Year of Style



SHOPSTYLE C O L L E C T I V E



We welcomed new partners, advanced our platform, and launched exciting products to help our community grow in style.

SHOPSTYLE COLLECTIVE

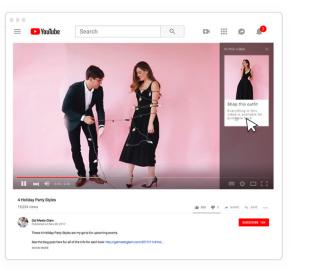
Highlights

ShopStyle Collective CPA Program

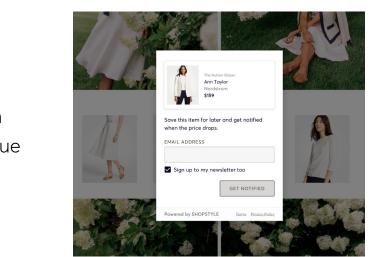
Favvrites

Our new feature allows consumers to "favorite" products directly from an influencer's site, creating a new revenue stream and email acquisition source. Since launch, **33k Favorites** have been set.

Video Looks



This new, **more transparent** payment model helps influencers better understand what readers want, and offers data to help improve conversion and earning potential over time.

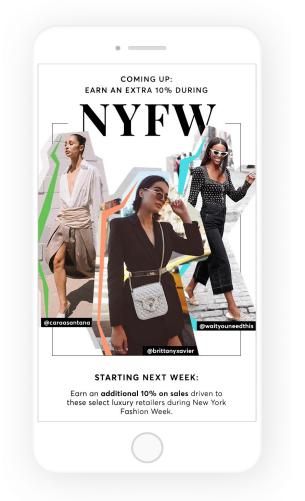


YouTube influencers can now help viewers easily shop products featured in their videos with a **single link**.

After releasing Video Looks in beta, we have seen conversation rates of up to **13%**. On average we're seeing conversion at 8%. Stay tuned for more on Video Looks in 2019.

Commission Boost Promotions

We launched a series of promotions (Back to School, NYFW and Holiday Cheer) and gave influencers the opportunity to earn a **10% bonus** on commission from select retailers. In 2019, we will continue to offer more commission boosts on blogger's favorite retailers.

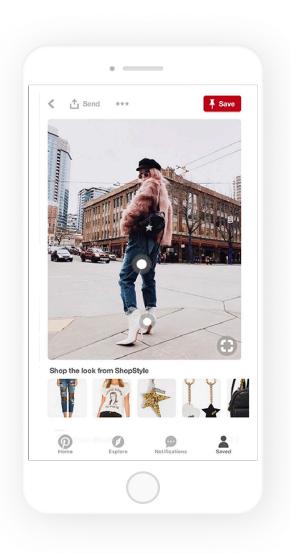


Pinterest Shop the Look

We partnered with **Pinterest** to give users the exclusive ability to create shoppable Pins.

With Shop the Look Pins,

people can find and buy products right inside fashion and home decor Pins, making it easy to bring inspiration to life.



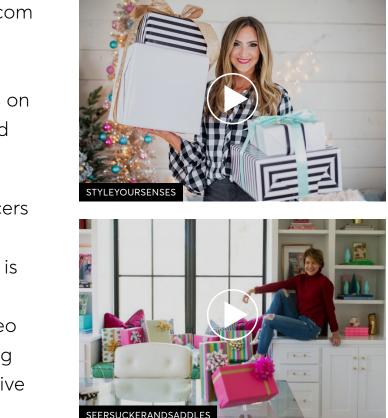
Video Gift Guides

This past holiday season, ShopStyle.com partnered with top brands and influencers to launch our first ever **influencer-curated video gift guides** on influencer's blogs, social channels and ShopStyle.com.

Results showed that the cast influencers had an average conversion rate of nearly 2% during the campaign. This is up to **40%** higher than their average conversion rate on posts without video for the same retailers. All participating retailers in the campaign had a positive return on investment.

ShopStyle.com in the Press





ShopStyle.com received exciting mentions across notable publications this year, including articles with **Women's Wear Daily** on helping influencers combat algorithm changes, a spotlight in **Adweek** on our Video Looks launch, and shoppable content features on **Who What Wear**.

Global Community Growth

The SSC family grew tremendously this year, welcoming influencers from around the world. Among the many new faces to join were **Blair Eadie** (Atlantic Pacific), **Allegra Shaw** from Canada, **Tash Sefton** (WhereDidYourStyleGo) from Australia and **Sangiev** from the UK.









New Retailer Partners

ShopStyle Collective is always working to add valuable partners to our platform to help you grow your business.

This year **we welcomed 52 new stores**, bringing us to over 1,500 supported brands and retailers on our platform. Below are some of our favorite new additions from 2018:



amazon

bareMinerals

BARRINGTON



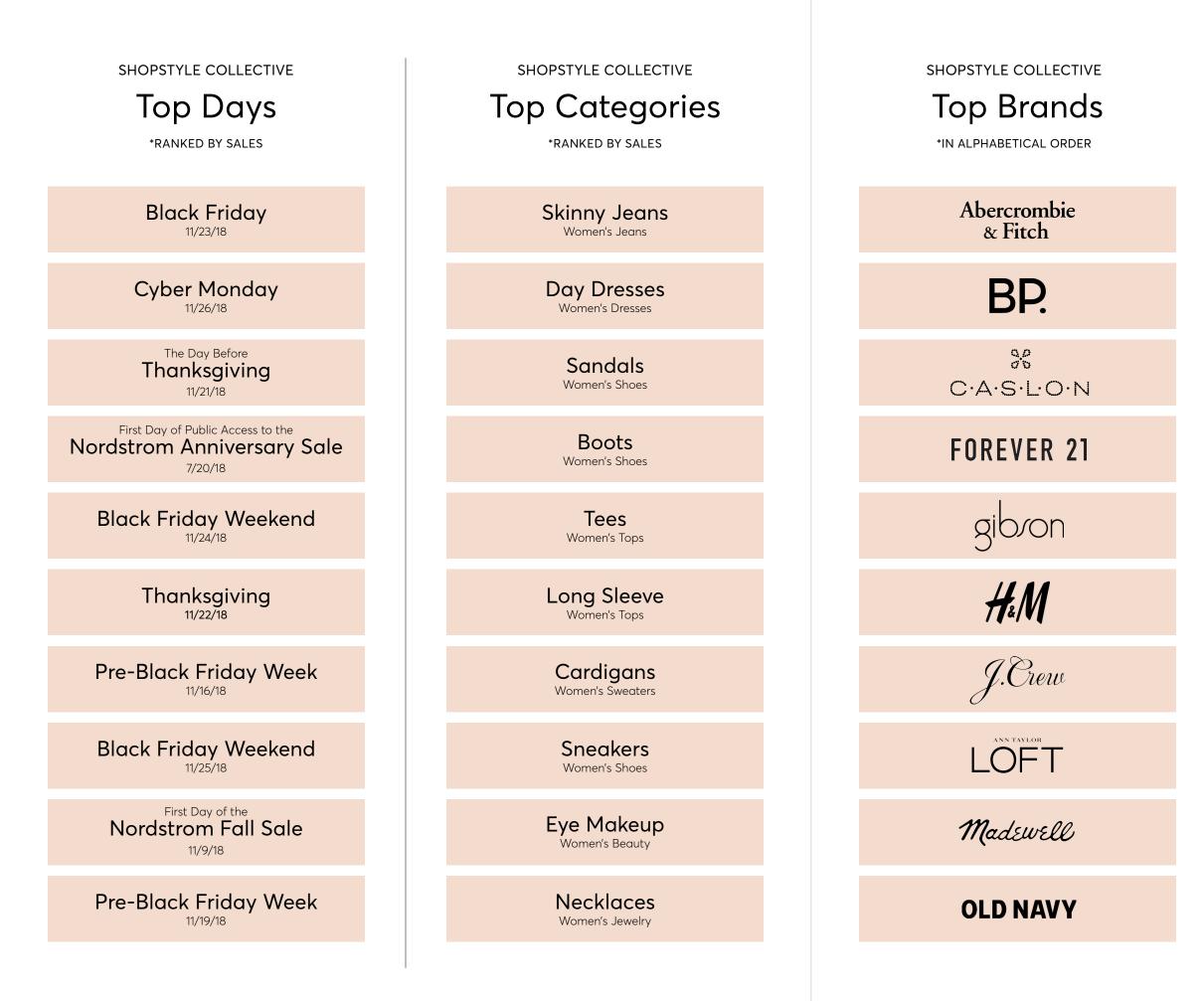
OPENING Ceremony



Insights

Data is based on performance across our entire influencer network for 2018.

ShopStyle Collective



shopstyle collective

*IN ALPHABETICAL ORDER



amazon

AMERICAN EAGLE

Etsy



NORDSTROM

OLD NAVY

PRETTYLITTLETHING

OTARGET.

VICTORIA'S Secret

SHOPSTYLE COLLLECTIVE

Top Products

*RANKED BY SALES





1. Leith Ruched Body-Con Tank Dress

2. Mad Love Prudence Footbed Sandal



3. H&M **Ribbed Dress**



4. Old Navy Pull-On Destructed Rockstar Jeggings





7. BP. Side Slit Tee



8. LOFT Striped Cold Shoulder Sweater



9. Abercrombie & Fitch Asymmetrical Snap-Up Fleece



10. Barefoot Dreams Cozy Chic Lite Circle Cardigan







5. Free People Intimately FP Adella Longline Bralette

6. Mad Love Kasandra Slip-on Canvas Shoes

11. BP. Twist Front Tee



12. Lush Perfect Roll Tab Sleeve Tunic

SHOPSTYLE.COM

Top Growing Brands

*BASED ON YOY GROWTH, IN ALPHABETICAL ORDER

ALFRED SUNG



Blondo

HERMĚS

JKARA®



MARCHESA

PrivacyPlease

RALPH LAUREN



ShopStyle.com Insights

Data is based on ShopStyle.com shopper behavior and reflects consumer eCommerce trends. SHOPSTYLE.COM

Top Days

*RANKED BY SALES

Black Friday

Cyber Monday 11/26/18

Black Friday Weekend

Black Friday Weekend

Thanksgiving 11/22/18

Green Monday

Cyber Week 11/27/18

Pre-Black Friday Week

End of Cyber Week

Pre-Black Friday Week

SHOPSTYLE COLLECTIVE

Tool Insights

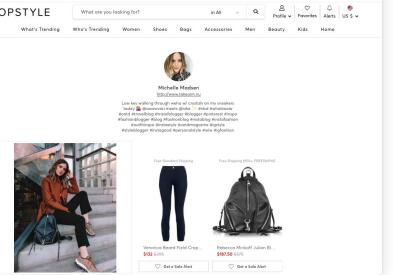
Top F	'er To
•••• How to Wear Knee High Boots in the	Winter
It's a rainy day here in LA and I am enjoying this winter weather for a change! Feels like th perfect excuse to throw on a cozy sweater and work from home. I'm always looking for a ways to incorporate pieces that I can wear all year long-rain or shine. Boots with dresses	ie
and skirts is a perfect way to pull some of those summer pieces out of the back of your closet! I love these Loeffler Randall boots! They have been one of my favorite purchases ir	n
the last couple of months and they go perfectly with the coral in this Isabel Marant skirt.	
For a more glam skirt/boot look, you can see how I styled a New Year's Eve look with so cool Stuart Weitzman black boots.	•••
If you live in a really cold place, adding tights or socks can make it even cozier. Here a some tall boots that I've had my eye on for some upcoming trips cold-wealter trips tha know I'll need to be bundled for. Where are you gosh headed this winter?? Comment be if you are planning any trips and let me know which boots are your fave!	SHOPS
MICHELLETAKEAIM	

Looks

TOP CONVERTER

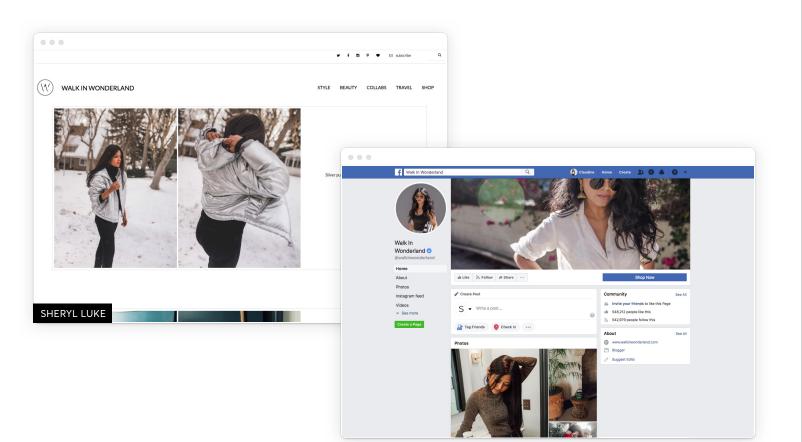
Text Links

TOP REVENUE AND TRAFFIC DRIVER



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Top Performing Channels

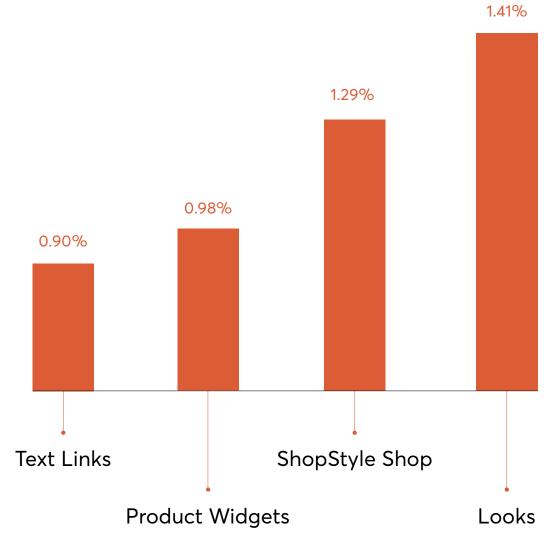


TOP REVENUE AND TRAFFIC DRIVER

Blog

TOP CONVERTER

Tie between Facebook and Blog



CVR **Conversion Rate**

SHOPSTYLE COLLECTIVE

Shoutouts

ShopStyle Collective influencers had a lot to celebrate in 2018. Check out a few of our favorite collaborations and brand launches.











GAL MEETS GLAM COLLECTION



Living in Yellow, Hi Sugarplum, Style Your Senses, Sheaffer Told Me To, Pinteresting Plans, Honey We're Home, and Fancy Ashley



Social Media Insights

Facebook

Facebook's newsfeed changes had a significant impact on influencer and brand content. The algorithm was adjusted to favor showing posts from friends and family **deprioritizing content from publishers or businesses**.

Best Practices for Facebook



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The only way to ensure organic reach is to **create meaningful content** and posts that provoke discussion and provide value. Sharing relevant news, live videos and how-tos are great ways to do that.

Instagram

The rise of **Stories** was exponential this year. The volume of brands posting on Instagram Stories **increased by 400%**. Stories have improved engagement with users and attracted the attention of brand advertisers — and their budgets.





Shopping is an essential and growing part of the Instagram community. Now, when you're watching behind-the-scenes Stories from your favorite brands and see something you love, you can quickly tap on a product to learn more. More than 90 million users now tap to reveal tags in shopping posts on Instagram every month.

Best Practices for Instagram

delivered to a feed.

Instagram launched IGTV, introduced the ability to follow hashtags in your feed, and made Stories more engaging with questions, polls, music, GIFs, and countdowns. They also made strides in accessibility with the launch of automatic alternative text and custom alternative text and custom alternative text, so now users can hear descriptions of photos.



$\mathbf{\nabla}$

Utilize the **Swipe Up feature** and the **link in your bio** to drive traffic to your IG shop page on your blog or to your shop on Shopstyle.com.



Big changes were made to the **algorithm** that determines what shows up in someone's feed. IG claims that **users now see 90% of posts from friends and family**, instead of 50% when in chronological order. Instagram uses frequency, following, and usage as factors to determine what content is



Interact with followers.

This helps build a more loyal and engaged following.



Include a location in

your posts to help with your reach. Posts with locations get 79% more engagement.

Pinterest

This year, ShopStyle Collective partnered with Pinterest to bring influencers **Shop the Look Pins**. Connecting inspiration to action, Shop the Look Pins allow people to find and buy products right inside fashion and home decor Pins, so it's easy to bring inspiration to life.



Write a caption for your Look and add hashtags

M

to increase search discoverability. These hashtags also increase exposure of your Look on ShopStyle.com.

Best Practices for Pinterest

Save the same Shop the Look Pins to multiple boards, both broad (e.g. Favorite Outfits) and specific (e.g. The Best Denim) for increased exposure.

 \Box

#Hashtags

While generic hashtags were the most widely used this year (#instagood, #fashion) **we recommend using a mixture of broad and specific hashtags** to really help your content get discovered. Relevant hashtags that describe your image — and what interests and topics it addresses — have become the best strategy.

$\overline{\mathbf{Q}}$

Tag multiple products per item — both exact items and similar

products to those pictured in your Look.

A Changing Tech Landscape

Privacy Protection

GDPR

The EU General Data Protection Regulation (GDPR) was the most important change in data privacy regulation in 20 years. GDPR added new requirements regarding how websites (including blogs) protect individuals' data. We encourage blog owners to research GDPR and **make sure they are compliant**, as the consequences for violation can be huge. Here are quick tips to get you off to a good start:

Display a privacy notice anytime you are collecting data on your site.

Have strong security anywhere data is processed.

Create a data processing and security policy.

Be able to evidence permissions.

ITP 2.0

Apple updated their Intelligent Tracking Prevention to block even more cookie-based tracking. This update, **ITP 2.0**, was rolled out with the release of Safari 12 (desktop) and iOS 12 (mobile) on September 17th.

This change affects all affiliate links where the retailer is still using a third-party cookie for tracking. ShopStyle.com worked directly with all of our retail partners to ensure ITP 2.0 did not impact our community's links and revenue.

Facebook Privacy Restrictions

Facebook announced in March that **third-party targeting data would be removed** due to the privacy concerns that arose from the Cambridge Analytica scandal. This affected many businesses that rely on third-party information, e.g. accessing Instagram likes to support like-based shopping.

Facebook tightened their privacy policies across the board, requiring that apps get approval and meet strict criteria to access the Pages API, Group API and Events API.

SEO Learnings

Go mobile. As smartphones now make up the majority of users for most sites, it's important to be sure that your users can access key features of your site on their mobile devices.

Leverage Google tools to learn more about your site's performance – specifically, Google Analytics to access traffic stats (not too technical) and Google Search Console (slightly technical) to understand your site's health (errors, speed, etc.)

Google's **Lighthouse** tool delivers SEO, performance, best practices, and accessibility reports – as well as opportunities to improve your site.

Google Algorithm

Google claims to perform hundreds of algorithm changes every year. Details are not published for all of these, but the major changes come with explanations from Google and the SEO industry.

MARCH 26, 2018

Mobile-First Index Roll-out

In the past, Google crawled and indexed based on desktop crawler, but now it uses mobile crawler and mobile data. If your site is not mobile friendly, it may start to rank lower.

JULY 9, 2018

Mobile Speed Update

This update made page speed a ranking factor for mobile results. Google claimed that it only affected the slowest mobile sites, and that those with a responsive site (site that adapts to varying screen sizes) will not be affected.

JULY 24, 2018

Chrome Security Warnings (Full Site)

Chrome 68 marks all non-HTTPS sites as "not secure", and now users may get a "not secure" warning.

AUGUST 1, 2018

Medic Core Update

Google confirmed a "broad core algorithm update", with reports of massive impact. This update seemed to disproportionately affect sites in the health and wellness vertical, although large-scale impact was seen in all verticals.

Google works hard to detect sites that are spammy and trying to trick users into purchasing. It's important for bloggers to publish original content and photos that target specific use cases. Google rewards sites that have unique content answering user queries (direct or intentional) typed into the Google search bar.

Influencer Revenue Trends

2018 was a rollercoaster year for the influencer industry. From the challenges brought about by Facebook algorithm changes and the FTC crackdown, there were many learnings. While the industry did see setbacks when it came to affiliate revenue, we also witnessed success in the space of micro influencers, enforcing the link between authenticity, engagement and conversion.

Influencer collaborations hit a record high this year, and this trend isn't going away anytime soon.

Influencers are becoming a larger part of a brand's story as retailers shift more of their budget to influencer marketing. This means more opportunities for influencers to partner with a larger scope of partners. The estimated influencer

marketing ad spending will reach \$5 to \$10 billion by the end of 2020.

Looking Ahead in 2019

Engagement Still Reigns King

Keep it real. If your content is not in line with your personal brand, your followers and subscribers will lose interest. The more you fake, the less you make.

Celebrate Individuality

ShopStyle.com has always been committed to supporting all bloggers of any vertical, age, race, body shape, etc. Our tools are **built for everyone** and we celebrate our diverse community across our promotional channels. We are committed to helping everyone use their voice and **power their passion** on our platform. As we enter the new year, we encourage you, our influencers, to celebrate yourself and own your **personal brand**.





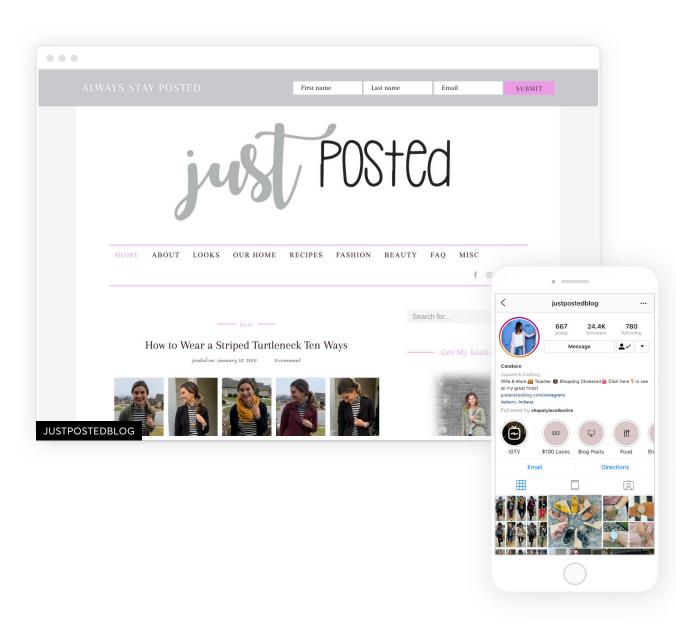






Own Your Audience

Make it a point to focus your time and energy on channels that **you own**. Building your business on channels under your control, like a **blog website**, can help mitigate risk from major platform changes. Train your audience to visit your owned channels, and leverage platforms like Instagram to bring traffic to your website. Remember – it's **your audience** and you should feel confident in what you are building.



Influencer Content on ShopStyle.com

This year we are excited to launch the **ShopStyle Contributing Editor Program**, open to qualifying members of the Collective influencer community.

Contributing editors will be featured on ShopStyle.com, in newsletters, and on social channels. As seasons change and new trends emerge, ShopStyle.com will enlist influencers to create inspiring content speaking to these trends. We're excited to bring **diverse voices** to our platform and give our influencers a new channel to grow their audience.

Eco-Friendly is Trending

Shoppers are becoming more **socially and ecologically responsible** when it comes to their purchasing habits — and the rising popularity of sustainable brands can attest to that. ShopStyle Collective is aware of this consumer trend and supports many sustainable stores on our platform, including:





SEO or Bust

Images

Google image search drives over **25% of clicks** for fashion-related queries. Therefore, having the right images and markups could drive more traffic.

- Make sure the images on your blog are as large as possible and high-resolution.
 Images should be at least 600 pixels wide.
- Make sure images have ALT tags and image URLs that specifically describe the image.

Interlinks

Interlinking content on your site can **make it easy for Google to crawl your site**.

- Add a strip for "new articles" and "popular articles" under each post. This will let users know the breadth of content available on your site and create more interlinking for SEO.
- Create an HTML site map.
 As more articles are created, internal links to those articles may disappear and Google may rank those articles lower. An HTML sitemap allows Google to find all articles, and they can be grouped by year or by topic.

Titles

Titles have long been considered one of the **most important** on-page SEO elements.

 Make sure Meta Title (page title), Meta description and H1 tags are present on the page. The Lighthouse tool previously mentioned will detect any abnormalities.

Google

Leverage user queries on Google for article titles and description, and use the language that Google users use to make your articles **rank higher**.

- Find query terms to target by using autocomplete in the Google search bar (when you start typing and Google populates the search bar with the most common searches.)
- Find related searches at the bottom of Google page.

FTC Compliance is a Must

The FTC (Federal Trade Commission) is focusing heavily on influencers and disclosures for sponsored and affiliate content. ShopStyle Collective requires users in our program to adhere to FTC Endorsement Guidelines and disclose any time they use our tools.

Below are best practices to follow when creating sponsored and affiliate content. The golden rule: when in doubt, disclose!

> Disclosures must be next to the content to which it relates.

Disclosures must be obvious, not buried in hashtags.

Disclosures should be visible every place the post appears.

Disclosures must be in a font of the same size as the rest of your post.

> Always disclose if a brand sent you product for free.

Privacy Regulation Forecast

Expect to see stricter online privacy regulation introduced in the US this year – like the California Consumer Privacy Act that passed in 2018, with the law going into effect in January 2020. As with GDPR, this privacy legislation will give consumers more control and transparency into how their data is tracked and shared by businesses.

Get started by implementing the following best practices:

Create a Privacy Policy so your readers see how data is controlled and handled on your site.

Ensure that your site is installed on **https** rather than http.

Update your blog hosting platform, plugins and themes regularly.

If you gather email addresses as part of a newsletter, you must provide the ability for people to unsubscribe.

You should also provide people who sign up with information about what data you gather and how it is stored/used.

Thank you for being a part of the ShopStyle Collective family – and for making each year better than the last!