Part III
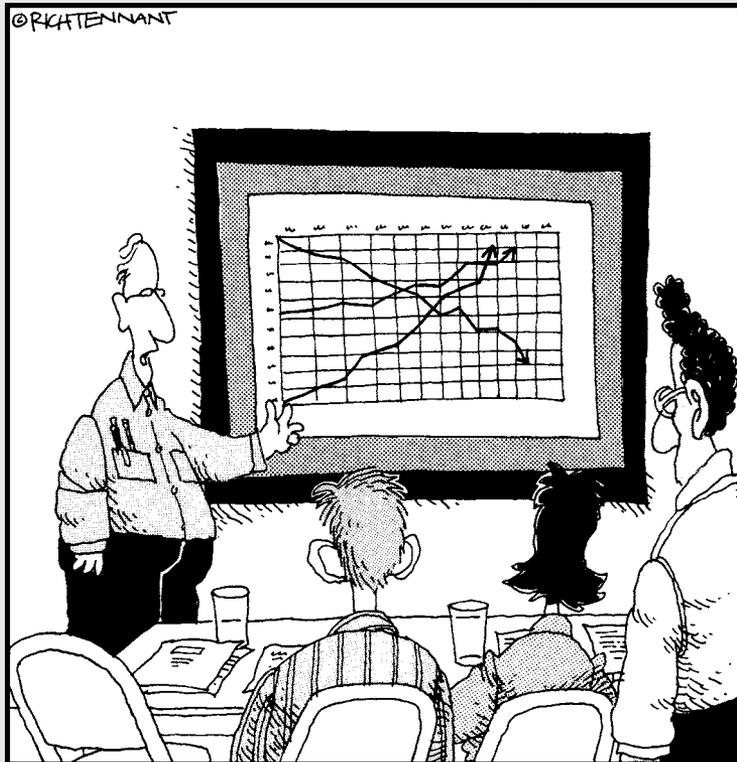# Strategies for Advertising Success

"The top line represents our revenue, the middle line is our inventory, and the bottom line shows the rate of my hair loss over the same period."

In this part . . .

Part III discusses strategies that can help you advertise your products and services on Facebook. You can target your ads to a very specific audience and then create and test that ad to ensure its success. We explore the Facebook tools that help you optimize your advertising campaign and then obtain insights into your customers from their interactions with your Facebook Page.

We also show you how to sell your products and services on Facebook via the Facebook Marketplace, which can create a new source of revenue for your business and further promote your interests.

Chapter 9

Checking out Advertising Options and Strategies

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*W*ith more than 200-million members worldwide, Facebook has the potential to reach an audience nearly twice the size of the Super Bowl's television viewing audience. The social network's ability to target down to the desired age, sex, location, relationship status, education, and interest marks a major paradigm shift in mass media advertising. It's now possible to reach a highly defined consumer market and pay only when one of those consumers clicks through an ad to the advertiser's Facebook page or other Web destination.

Facebook provides a self-service advertising model akin to Google's. Just like Google, Facebook allows you to easily create your ad, select your target audience, set your daily budget, and measure results. Ads can be purchased based on pay for impression (CPM) or pay for clicks (CPC). However, unlike Google, Facebook's engagement ads allow consumers to interact with ads in entirely new ways.

In this chapter, we show you how to use Facebook ads to your advantage. We introduce you to Facebook engagement ads: what they are and how to use them to fulfill your advertising goals. We offer tips on designing a link page to an internal Facebook location or an external Web site, writing ad copy (see Chapter 6), uploading an effective image, targeting your audience, and

evaluating your advertising budget (see Chapter 5). Finally, we help you create your first Facebook ad and evaluate its effectiveness in fulfilling your marketing goals.

Getting Started with Facebook Advertising

The stakes are high for Facebook to have a winning advertising strategy. Advertising now represents the company's largest source of revenue and is expected to grow exponentially over the next five years. The self-service option is relatively new for Facebook and it's still lacking in many features that we surmise will come in time. The Facebook advertising platform shows tremendous potential and true innovation for both large and small advertisers. Figure 9-1 shows Facebook's advertising launch pad from which you can create a new ad or manage an existing ad campaign.

Facebook offers you an opportunity to form a sustained relationship with potential customers. By linking to internal Facebook Pages, you can keep the user contained within the Facebook environment. Just as you would approach any marketing initiative, it's best to follow your own pre-determined marketing strategy (see Chapter 5) when advertising on Facebook.

Figure 9-1:
The
Facebook
Advertising
launch pad.

Setting your Facebook advertising goals

In setting your goals for a particular ad or overall campaign, it's always best to keep it simple. Stick to one primary objective. Facebook users are on Facebook for social purposes. Keep your message to a single call-to-action. Make it simple, fast, and suited to the social nature of Facebook.

Facebook offers an incredibly *sticky* site for advertisers, meaning that users come back often. In fact, with a 50 percent daily return rate, consumers spend more time on Facebook's Home page than they do on Yahoo's, MSN's, and MySpace's combined.

You can place three types of ads directly through Facebook. This includes a traditional text ad, a display ad, which includes text and an image, and the unique Facebook engagement ads, which need to be ordered via a Facebook advertising sales rep.

In developing your overall Facebook advertising strategy, keep in mind the bigger picture. Provide a compelling experience for members after they click through the ad. Keep it social, because that's why they're on Facebook. Create an incentive for users to take the first step toward engagement.

Getting to know engagement ads

An *engagement ad* allows you to interact directly with the ad unit. Engagement ads allow users to RSVP to an event, become a fan of a Page, or watch a video, all without leaving the ad unit. For marketers who have a very specific goal (for example, drive more fans to the Page), engagement ads have the potential to drive a much higher conversion rate (see Figure 9-2).

Exploring a Facebook Ad

Facebook offers advertisers a number of unique ways to interact with Facebook members. From becoming a fan of a company's Page (see Chapter 4 to create your own) to confirming attendance at a Facebook business event (see Chapter 8) to installing an application (see Chapter 12), these actions are automatically turned into stories that appear in your friend's News Feed. Marketers who maximize these interactions by giving fans reasons to participate are transforming their fans into brand advocates, often without them even knowing it. (See Figure 9-3.)
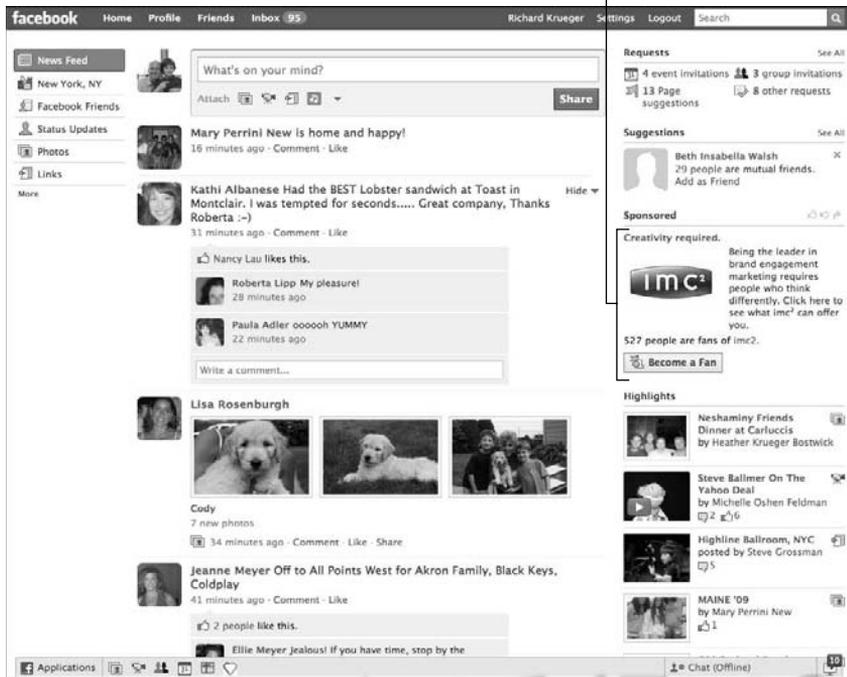
Engagement ad

Figure 9-2:
A Facebook engagement ad allows users to become a fan without leaving the ad.

In this section, we prepare you for the placement of your first Facebook ad. We discuss setting up your ad link (*landing page*), writing your ad title and body copy, and adding your image. We also discuss targeting your audience and setting your advertising budget (see also Chapter 5).

Setting up your ad link page

If you are familiar with interactive marketing, you understand the importance of making a good first impression with your ad link. Your *landing page* (as it is known in advertising) is that page associated with your ad that the user views after clicking the ad and can be an internal Facebook page or external Web site. All engagement begins on the landing page. Successful landing pages provide an easy path to *conversion* — or realizing your goal. A conversion can include capturing data on a user via an input form, driving membership for your Page, or simply making a sale. Regardless of your objective, if your landing page doesn't deliver a desired result, your campaign is worthless.

Figure 9-3:
A member's interactions with an advertiser appear in the headline of this sponsored ad within the News Feed.
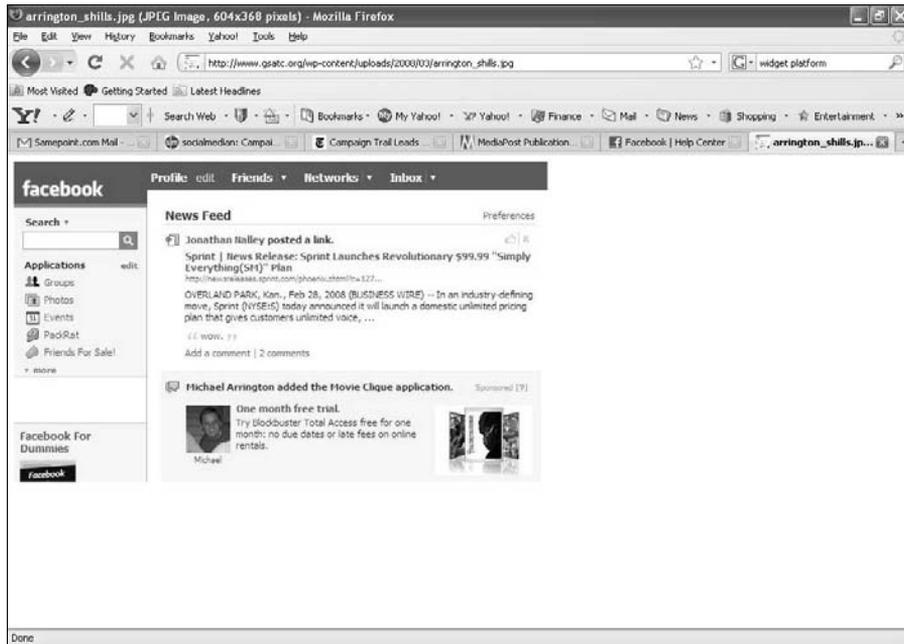
Nowhere is the landing page more critical than when it originates via a Facebook ad. Facebook members are typically not in the habit of clicking ads. This is because they are on Facebook for social purposes, as opposed to browsing and discovery. Comparatively, Google's text-based ads generally yield a higher click-through rate because of the search-centric nature of the site.

Landing on a Facebook location

As a best practice, when running a Facebook ad campaign, link your ads to an internal Facebook location, as opposed to an external Web site. Facebook allows you to create ads that link to either an internal Facebook location or an external Web site (URL), but only one per ad.

For internal Facebook ads, you can link to a Facebook Page, application page, Group page, Event page, or Marketplace ad that you created or are the administrator of.

Furthermore, with the new Facebook tabbed format, you can link to specific tabs within your Facebook Page, delivering a more relevant Facebook ad that's optimized for your target audience. Conceivably, you can create a customized landing page within Facebook for each ad and audience segment. Figure 9-4 shows the Victoria's Secret PINK page — the company's landing page for a Facebook ad campaign — which is ranked sixth in most fans. It's easy to see from the figure why fans are so eager to engage with the landing page.
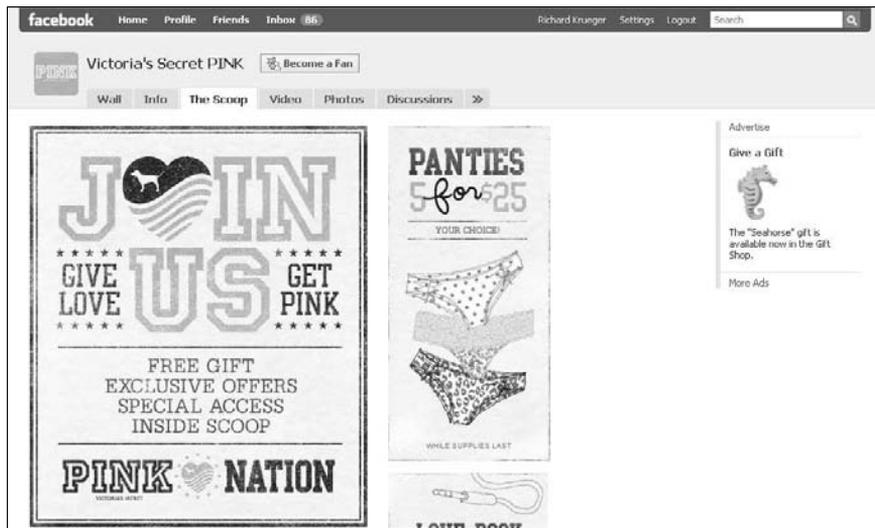
Figure 9-4:
The
Victoria's
Secret PINK
Page.

Everyone who sees your Facebook advertisement is a Facebook member. Don't take them away from the Facebook experience with your ad by leading them to an external page. Instead, bring visitors to your Facebook Page where they're just one click away from becoming a fan. Because you have access to your fans profiling data, your fan base can become an extremely valuable marketing asset.

Landing on a Web site page

Facebook also allows you to refer your ad visitors to an external Web address (URL), provided it adheres to the company's advertising policies and guidelines. If you choose an outside Web site, you aren't required to prove that you are the owner of the Web domain.

Advertisers might want to send visitors to an outside Web site for many reasons. Linking to an outside Web site offers advertisers greater control over their landing page's content, technology, and design. Advertisers might already have finely tuned landing pages that they prefer to drive ad traffic to, regardless of where the traffic originated. And, advertisers can employ much more sophisticated Web analytics on their site than is presently possible on Facebook.

Because ads can be purchased on a pay-per-click basis, you can opt to pay only when a user clicks through to your page, regardless of whether it's an internal Facebook page or an outside Web site. Figure 9-5 shows Party Poker's compelling graphics. The white-on-black color scheme and prominent usage of Facebook Connect (see Chapter 15) make this Web site for the company's Facebook application an effective landing page.

Writing your ad message

Facebook is about making connections. Ad copy should reflect this spirit and maintain a familiar, conversational tone. With a friendly attitude in your headline and body, social stories generated around your ad have a more natural flow within the Home page News Feed. Given a 25-character limit on the title and a 135-character limit on the body, you can't waste a whole lot of words. Be direct, be straightforward, and be honest with your objective. Facebook is also about building trust, and your copy must show an openness and willingness to share and connect with your audience.

Facebook ads should entertain if the subject calls for it. Ads with a humorous message deliver higher rates of user engagement.

Choosing an image

Ads accompanied by images overwhelmingly perform better than text-only ads. Therefore, we strongly recommend that you include an image in your Facebook ad. If you use a photo, include a high quality picture with the maximum allowed size of 110 pixels wide by 80 pixels tall with an aspect ratio of 4:3 or 16:9. Image files cannot exceed 5MB.

Preferably, use images that are easily recognizable, not too intricate in detail, and feature bright colors without the use of the dark blue so strongly identified with the Facebook logo and navigational color scheme.

Targeting your audience

Facebook has made it very easy to target your desired audience. In fact, selecting your target audience is central to the Facebook self-serve platform. You can target by location, age, relationship status, and interests. You can even target by language, as Facebook is available in 40 languages with many more in development.

TIP

Targeting your audience is as important as the message itself. Develop personas to represent your target audience. Learn what they're interested in — their educational background, relationship status, and where they live. Reach only the audience you desire by targeting to meet your specific business's ideal customer profile. (See Chapter 5.)

Facebook has focused its advertising strategy around its vast member data, allowing advertisers to target an audience segment precisely. You can say that Google's AdSense is more a question of where your ad is seen, while Facebook is all about who sees your ad. In fact, Facebook offers advertisers the ability to reach their exact audience — from a broad demographic, to a geographic preference, and to a more granular interest.

TECHNICAL STUFF

Facebook advertising is not directly *contextual,* meaning ads don't necessarily correlate to the content being displayed. An advertiser can't pinpoint where on the site their ads should appear. Google's AdSense, on the other hand, is a contextual-based advertising platform. Google's text-based ads are tied directly into the keywords being queried.

Targeting by location

Facebook allows for precise location targeting, based in part on your profile data and the IP address of the computer you log in with. Most cities in the U.S., Canada, and the U.K. allow you to add surrounding areas of 10, 25, and 50 miles for advertisers looking to reach specific regional markets, as shown in Figure 9-6.

Targeting by keywords

Facebook leverages its members' profile data to allow advertisers to drill down to specific keywords. These keywords represent a member's interests. Topics that users are passionate of, such as their musical tastes, television preferences, religious views, and other valuable psychographic data (see Chapter 5), can be used to further micro-target your audience. Never before has there been a mass medium that allows for this kind of precise targeting. By adding keywords to your targeting, you can reach consumers based on the interests listed on their profile page.

REMEMBER

By micro-targeting, you're limiting the total reach of your campaign. By casting a wide net, you might be reaching outside of your target audience.

Figure 9-6: Facebook allows you to target by city.

Money, money, money — setting a budget

After you create your ad and identify your targeted audience, setting the budget is the final step before you can launch your advertisement. Facebook employs a bidding structure for its advertising inventory based on supply and demand. If there's greater demand to reach a specific demographic, the ad typically has higher bids. The company also provides a suggested bid based on the approximate range of what other ads reaching this demographic have historically cost.

Facebook's ads are based on a closed bidding system. You can't see what others pay for ads, nor can they see your bid. Facebook provides a recommended bidding range. As a strategy, setting your bid initially on the low side of the suggested range is a good idea. You can monitor your campaign to see whether the ad is performing at your given bid. Although Facebook allows you to bid as low as one cent, expecting a bid at that price to deliver any impressions is unrealistic.

You don't have to follow the Facebook pricing guidelines, but remember, if you bid too low, your ad won't appear.

Facebook also allows you to purchase ads based on a pay for clicks (CPC) or pay for thousand impressions (CPM). If your goal is to drive traffic to a specific page, paying based on CPC is probably the best performer for you. If your objective is to get as many people within your target demographic to see the ad, but not necessarily click thru, then ads based on a CPM basis could be your best option.

On Facebook, ads purchased on a CPC basis are more cost efficient at driving traffic to a given Web site or Facebook destination than ads purchased on a CPM basis. However, if your goal is more of a brand awareness campaign and you're trying to gain exposure to as many people as possible, ads purchased on a CPM basis could be a more effective strategy.

Putting your ad to the test

The social network offers marketers a full range of metrics to measure success, both from the Web site's internal ad management measurement or via Facebook's internal reports and measures. Because replicating an ad and creating different iterations for testing is easy, Facebook is quickly becoming the advertising platform of choice for savvy marketers. For a complete review of how to measure your ad's success, see Chapter 10.

Creating a Facebook Ad

Creating your ad in Facebook is quick and easy. Whether you're creating a text ad, display ad (text and image), or building in social actions, such as a fan request, getting your ad up and running in Facebook requires some basic steps:

1. **Scroll to the bottom of your screen, and click the Advertising link.**

2. **At the top of your screen, click the Ads Manager link to see the Facebook Ads page.**

3. **Click the Create an Ad button on the upper right of your screen.**

Design your ad

When it comes to designing your Facebook ad, it's best to keep it simple. Focus on one simple objective and be direct. Ads with images generally perform better than straight text ads. And, if your image features people, the chances are even greater that someone will click through (see Figure 9-7). For more information on designing your ad, see the "Exploring a Facebook Ad" section earlier in this chapter.

1. **Under Destination URL, click the I Want to Advertise Something I Have on Facebook link.**

   A list of your Facebook Pages, Events, and/or Groups that you manage appears depending on what you've designated for your business.

2. **Select the appropriate internal destination.**

3. **Type a title, or headline for your ad.**

   Note you only have 25 characters and must adhere to the Facebook formatting policies.

4. **Add body copy with up to 135 characters.**

   Using all caps or title case caps is prohibited under Facebook ad guidelines.

5. **Upload an image.**

   Please note that this step is optional, but it is a proven fact that images do a better job at attracting attention than a text-based ad.

   Note also that as you start building your ad, you'll see it in near-real time on the right.

Target your ad

After designing your ad, you need to target your audience. You can think of targeting in terms of an archer's bull's eye. The closer you get to the center, the narrower the circles; the farther out you go, the wider the area. For more information on targeting your ad, see the "Exploring a Facebook Ad" section earlier in this chapter.

Following are steps to target your Facebook ad campaign:

1. **Select the location of the user you want your ad to be seen by.**

   There are nearly 100 countries from which to target and each ad can reach up to 25 countries. You can also drill down to the state/province or city level. For many cities, you can even specify between 10, 25, and 50 miles surrounding the city.

2. **Select the age range of the audience you want to see the ad.**

   You can use the default, Any, to reach the widest possible audience. Keep in mind, Facebook doesn't allow targeting to members younger than 13.

3. **Select Male, Female, or both.**

   You see Male and Female checked in the default mode, making the ad available to the widest amount of members possible.

4. **Type any keywords you want to specifically target.**

   Keywords are based on the information a user chooses to include in their Facebook profile. When you start typing a term, you see a range of possible words appear. You can click one of these words without completing your term. If the keyword you enter is not identified in enough Facebook members' profiles, it's not statistically large enough to target. You can enter as many keywords as are relevant.

5. **Select the desired education level of the audience.**

   You can reach high school, college, college graduate, or all.

6. **Target down to the workplace.**

   When you begin to enter the workplace, you see a range of workplace possibilities with those letters appear. If the workplace you're seeking to enter isn't statistically large enough to support an ad, it remains blank.

7. **Select the status of the audience's relationship.**

   You can choose between Single, In a Relationship, Engaged, and Married.

8. **Select which sex your target audience is interested in, Men or Women.**

9. **Type the target audience's language preference.**

   There are 40 languages listed and nearly 100 countries, and growing. Facebook offers a truly global campaign from one centralized management platform (see Figure 9-8).

   Note: As you narrow your audience, you'll see a revised Estimate of the potential audience based on your selected criteria on the bottom of the Targeting section. The estimate also recaps the targeting attributes that you have selected.

   When using keywords of interest to target an ad campaign, it's always a good idea to include those keywords in the ad copy.

Figure 9-8:
Target your audience's primary language.

Campaigns and pricing

When it comes to setting your campaign budget, Facebook advertisers are wise to pay attention to their daily spend and performance results. It's always a good idea to get some benchmarks as to your campaign's performance. If you find you're click-thru-ratio (CTR%) is higher than 1 percent, you might consider lowering your bid, as a high performing ad gets preference over underperforming ones. The difference in a few cents can be significant, depending on your total spend, so you want to constantly adjust your bids to maximize your ROI. (See Figure 9-9.) For more information on setting a budget for your ad, see the "Exploring a Facebook Ad" section earlier in this chapter.

The following steps detail how to set your Facebook ad budget:

1. **If you've created a new campaign, type the name of the campaign.**

2. **Set your daily maximum budget.**

   Please note, the minimum daily spend amount is $1.00 USD, which means that you can run a Facebook ad for as little as $1.00 a day, albeit to a very small number of people.

3. **Choose when your ad runs, either continuously starting today, or within a specific date range.**

4. **Enter your bid.**

   Facebook allows you to either bid based on Pay for Impression (CPM) or Pay for Clicks (CPC). If you select Pay for Impression (CPM), remember you're bid represents every 1,000 impressions, or ad views. The minimum amount you are allowed to bid is one cent, although Facebook often rejects bids that are too low.

5. **Enter the maximum amount you are willing to pay.**

   Specify for either one thousand impressions, or per click, depending on your selection in Step 4.

6. **Click the blue Continue button at the bottom of the page.**

7. **Click the blue Place Order button near the bottom of the screen.**

   You are presented with a Review Ad page that recaps your creative, your targeting, type of bid (CPC or CPM), bid price, daily budget, and duration of ad flight (the time period an ad runs is also referred to as an ad flight).

Figure 9-9:
Campaigns and pricing information.

Creating Multiple Campaigns

Facebook makes it easy for you to duplicate an existing ad, change a number of variables, and launch multiple multi-faceted ad campaigns. An advertiser has several reasons for doing this:

✔ For targeting many locations to tailor each ad to a specific region. Because economical, educational, and personal preferences vary from region to region, the ad copy and image may need to reflect these differences.

✔ To reach multi-language audiences, use Facebook's language targeting on an ad-by-ad basis.

✔ To test which variables in ads perform better to optimize the campaign to the better performing ads.

✔ To test different bids and models (CPC versus CPM) to determine which are more economically efficient.

The Ads Manager screen in Figure 9-10 displays all campaigns, both active and paused (campaigns placed on hold).

All Campaigns	Ad Lifetime									
New Survey Ad (paused) edit			Daily Budget $25.00 USD							Since 09/17/2008
Name		Status	Max Bid ($)	Type	Imp.	Clicks	CTR (%)	Avg. CPC ($)	Avg. CPM ($)	Spent ($)
Dinner For Your Thoughts?		Paused	0.65	CPC	3,077,864	748	0.02	0.59	0.14	443.71
Dinner For Your Thoughts? 1		Paused	0.61	CPC	183,787	36	0.02	0.58	0.11	20.74
Dinner For Your Thoughts? 2		Paused	0.52	CPC	263,691	58	0.02	0.36	0.08	20.87
Totals					3,525,342	842	0.02	0.58	0.14	485.32
My Ads (paused) edit			Daily Budget $25.00 USD							Since 09/12/2008
Name		Status	Max Bid ($)	Type	Imp.	Clicks	CTR (%)	Avg. CPC ($)	Avg. CPM ($)	Spent ($)
Dinner For Your Thoughts?		Paused	0.60	CPC	0	0	0.00	0.00	0.00	0.00
Dinner For Your Thoughts? 1		Paused	0.45	CPC	82,896	12	0.01	0.42	0.06	5.09
Dinner For Your Thoughts? 2		Paused	0.45	CPC	162,321	49	0.03	0.45	0.14	22.15
Dinner For Your Thoughts? 3		Paused	0.32	CPC	0	0	0.00	0.00	0.00	0.00
Meal For Your Thoughts?		Paused	0.32	CPC	0	0	0.00	0.00	0.00	0.00
Totals					245,217	61	0.02	0.45	0.11	27.24
All Campaigns	Ad Lifetime									
Show Deleted Campaigns And Ads										Disable Ads Account

Figure 9-10: The Ads Manager displays all your campaigns.

Placing Ads through a Facebook Rep

Like all major media companies, Facebook has a staff of competent sales professionals at the ready to assist you with your campaigns. Purchasing ads directly through a Facebook representative has its advantages. A rep assigns you a campaign manager, who oversees all aspects of a campaign, from creating an ad to targeting through bidding, and optimizing your campaign. And, for those advertisers that can commit to spending a minimum of $10,000 per month over an initial three-month period, this is definitely a preferred option.

Although Facebook limits their handholding ad service to advertisers with a sizeable budget, there are significant advantages to this direction. First, advertisers can choose to have their ads displayed on the coveted Home page, where click-through rates tend to be higher.

Additionally, they're able to participate in Facebook's newest type of ad unit, engagement ads, which bring interactions with your brand directly into the ad unit. Examples of engagement ads include the ability to send virtual gifts, RSVP to an event, add a video comment, become a fan, or take a poll. Facebook's engagement ads are ideal for driving consumer engagement, collecting data, and raising brand awareness.

Facebook claims that their engagement ads have a higher action rate than the industry average click-through rate of 0.15 percent. They also offer extended reach by generating social stories around user's interactions with the ad,

amplifying reach as they are seen on friend's News Feeds. If your budget is large enough and your objective is to generate engagement, engagement ads purchased via your Facebook ad rep are just the vehicle to meet your marketing needs.

To get in touch with Facebook's advertising staff, you can complete a contact form at `www.facebook.com/help/seeall.php?facebook&id=409#/ help/contact.php?show_form=new_advertiser`.

Or, call Facebook's corporate headquarters in San Francisco, CA at (415) 467-2300 and request to speak with the advertising sales dept.

Ten Common Ad Mistakes

To maintain a high standard of content, Facebook places strict guidelines on advertisers. All ads require a review period, which can take up to 24 hours. Ads that are approved can be served immediately thereafter. Unapproved ads can be found on your Ad Manager page, under Status Unapproved. Ten common ad mistakes are

- ✔ Incorrect use of capital letters
- ✔ Incorrect grammar, spelling, and use of slang
- ✔ Inaccurate ad text
- ✔ Deceptive claims
- ✔ Inappropriate images
- ✔ Misguided targeting
- ✔ Improper sentence structure
- ✔ Use of language deemed inappropriate
- ✔ Incorrect usage of punctuation
- ✔ Symbols exchanged for words