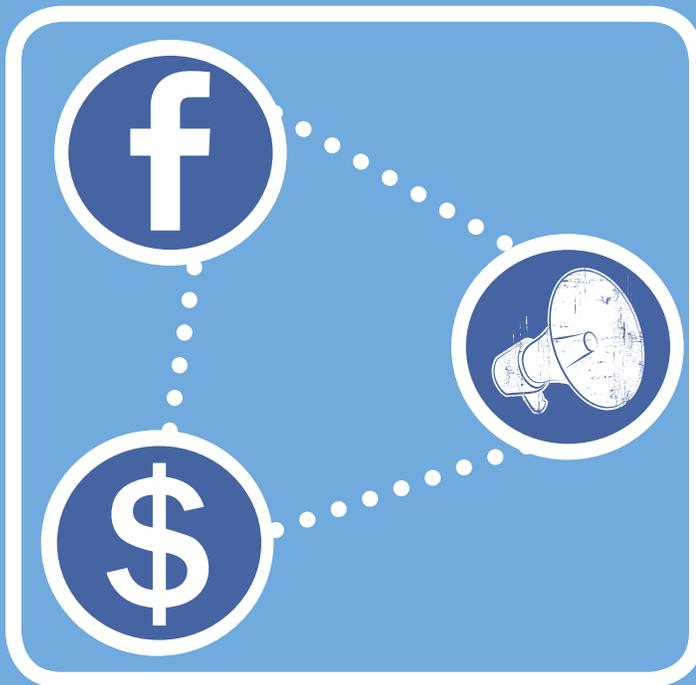


HOW TO CREATE KILLER FACEBOOK ADS



Using Facebook
Advertising for
Lead Generation

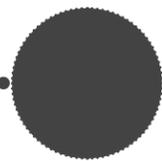
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HubSpot



IS THIS BOOK RIGHT FOR ME?

Not quite sure if this ebook is right for you? See the below description to determine if your level matches the content you are about to read.



INTRODUCTORY

Introductory content is for marketers who are new to the subject. This content typically includes step-by-step instructions on how to get started with this aspect of **inbound** marketing and learn its fundamentals. Read our introductory ebook [“How to Use Facebook for Business.”](#)



INTERMEDIATE

←..... *This ebook!*

Intermediate content is for marketers who are familiar with the subject but have only basic experience in executing strategies and tactics on the topic. This content typically covers the fundamentals and moves on to reveal more complex functions and examples. After reading it, you will feel comfortable leading projects with this aspect of **inbound** marketing.



ADVANCED

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HOW TO CREATE KILLER FACEBOOK ADS

By Andrea Vahl

[Andrea Vahl](#) is a social media coach, speaker and strategist. She's been using social media and internet [marketing](#) for years. She is co-author of *Facebook Marketing for Dummies, All-in-One* book. She enjoys coaching and developing strategies to show small businesses how to use Facebook, Twitter, LinkedIn, and YouTube to find new customers and clients.



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“Placing ads on Facebook provides one of the most targeted advertising opportunities today.”

Last year, [projections](#) forecasted that Facebook's ad revenue for 2011 would be around \$2.5 billion dollars. Last time I checked, that was a heck of a lot of money for a seven year-old company. Why then, is Facebook advertising so popular?

Facebook has a wealth of information about its users. The social network knows its members' sex, age, location, likes, and interests. This, in turn, translates into Facebook's ability to target ads to users' specific tastes. Knowledge is power and in this case, knowledge is money.



Why should you advertise on **Facebook?**



Placing ads on Facebook provides one of the most targeted advertising opportunities today. Online advertising has gone through incredible growth in the last few years and social advertising is no exception. You can advertise on Facebook, LinkedIn, and YouTube with increased chances of reaching your perfect customer thanks to the targeted demographic information.

In this ebook, you will learn how Facebook advertising works, how to set your goals, design your Facebook ad campaign, test different variations, and finally how to read the reports to analyze your results. In short, get ready to learn everything you need to create killer ads on Facebook!

(If you still need more help after that, HubSpot offers a free [Inbound Marketing Assessment](#) to see how you're rocking it).

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“Surely you have seen Facebook ads on the right side of many areas in Facebook.”

CHAPTER 1

UNDERSTANDING FACEBOOK ADS

Surely you have seen Facebook ads on the right side of many areas in Facebook: your homepage, events, pages, and now even your own [Timeline](#). If you have ever noticed that these ads seem particularly relevant to your geographic area or interests, it is because of the targeting features in Facebook ads.

The ads shown here appeared for me in Facebook. The top ad is a local college for my area and the second ad may be targeting gardening keywords in my profile.



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Facebook ad pricing works on an auction system (just like Google ads if you have tried your hand at those). You place a bid to tell Facebook how much you are willing to pay per click (CPC), or per thousand people who will potentially see your ad (CPM). Your actual cost will depend on how many other people are bidding for the same demographics or keywords. You will typically pay less than your bidding price but Facebook can charge you any price up to your bid to show your ad.



A key difference in Google Ads vs. Facebook Ads is that with Google you are bidding on **keywords** people are actually searching for.

With Facebook ads, you bid on “likes” and interests in people’s profiles. The people who have those keywords in their profiles may not need your product or service at this time. You must craft your ad to appeal to your target market and get them to “like” your page or opt in to your email list so that when they need your product or service, you are the one that they turn to. In other words, try to develop a long-term relationship with them that could potentially result in a purchase.

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Another issue with targeting ads through the *Interests* keywords in Facebook is that people may not put those interests in their profile. Many users don’t fill out all the *Interests* category completely and the keywords will have to come from the pages they have “liked.” To see your own “likes” and interests as an example, go to your Timeline and click the “likes” box that appears below your Timeline cover photo (hint: you may have to click the arrow on the right side of the page).



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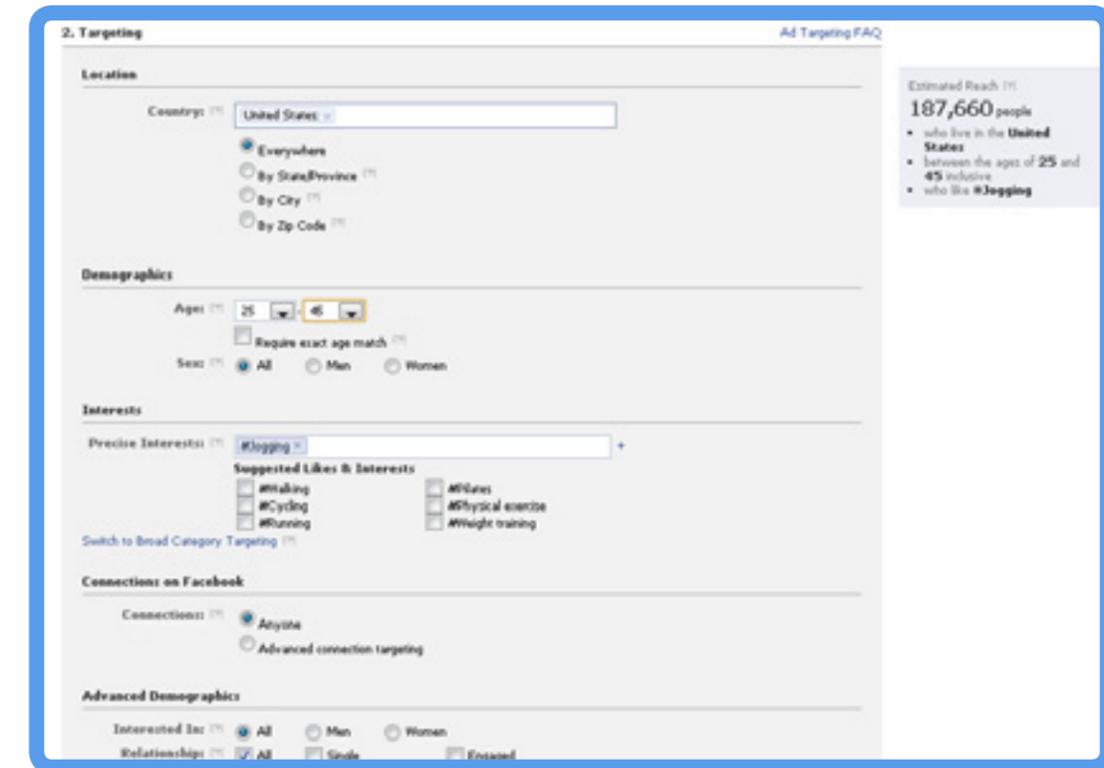
You can see what your profile may show in the way of targeted keywords by your activities, interests, favorite books, television shows, and movies and also all your “other” page likes at the bottom of the page.



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You will be able to select keywords that relate to your audience’s “likes” and interests in the targeting section of the ads area.



Within Facebook, you can advertise an external website or something within Facebook, such as a page, event, place or an application. Facebook also has a feature called “Sponsored Stories” that enables you to advertise an individual activity, such as a post on your page, someone checking into your place or “liking” your page. We’ll dive into each of these options. To follow along with the screenshots shown, log into your Facebook account and go to <http://www.facebook.com/ads/create/>.

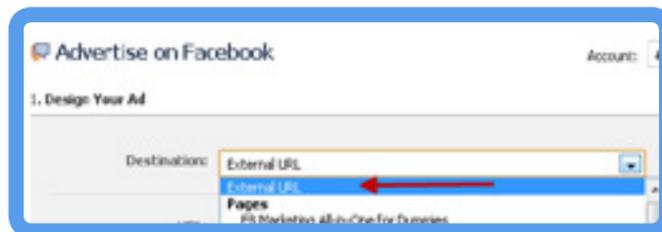
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Advertising Your Website

In general, advertising your Facebook Page, rather than an external site, is the best way to use Facebook ads. But in some instances, like directing someone to a specific [sales](#) page or an email opt-in page, an external site can be beneficial.

When you advertise an external website, you will need to select *External URL* from the dropdown menu under the *Design Your Ad* section.



In the ad below, the Zappos website is shown (indicating where it will be sending you after you click). Zappos used this ad wisely by sending people directly to a clearance page, which is well aligned with the ad's promise.



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CHAPTER 2

HOW TO CREATE ENGAGEMENT ADS



Engagement ads don't send people to external sites, but to other Facebook pages.

When you advertise something within Facebook, you will automatically create an "engagement ad," an ad that people can interact with directly. They can "like" your page or RSVP to an event without having to go to the page or event itself. Here are two examples of this method:

Engagement "Like" Ad



Engagement Event Ad



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Just to be clear, you will be charged for a click when someone presses the "like" button or responds to your event. But that click will take you one step closer to achieving your goal!

Hopefully, you can make your ad compelling enough to convert someone to a fan or an event attendee right from the ad itself. If someone clicks anywhere else on the ad, they will be taken to your fan page or event page and they may decide not to "like" you or come to your event.

“Advertising your Facebook Page is one of the best things you can advertise.”

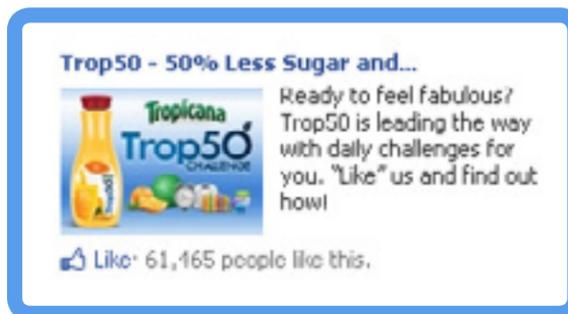
Advertising your Facebook Page is one of the best things you can advertise because you know that the person who clicks on your ad is active on Facebook and is in your target market. Notice that Verizon ad shown on the previous page advertises the company's Facebook Page rather than its corporate website where you can buy their products. Verizon knows that getting the Facebook connection is more important so that they can engage with the potential customer over and over on Facebook through their posts.

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Setting Up Your Engagement Ad

When you advertise your Facebook Page, the ad title will default to the title of your Facebook ad. If you have a long Facebook Page title, your Page title will be cut off. The title of your ad is limited to 25 characters. To combat this, make sure you take advantage of the body of your text and your photo to ensure the focus of your Page is captured.



HOT TIP

If you want to change the title of your Facebook ad but still direct traffic to your Facebook Page, just advertise it as an external URL. You will put the address of your Facebook Page as the URL and then you can design the ad however you want. Now you can create your own catchy title.

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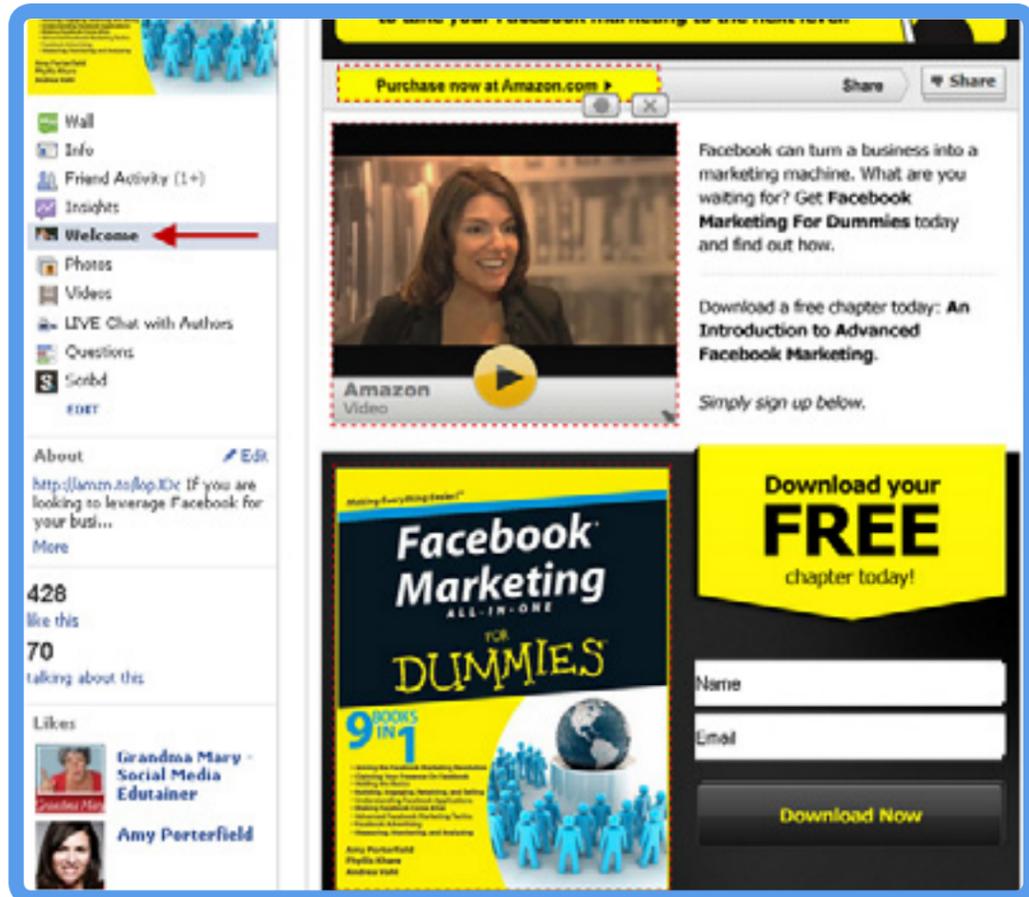


In the example below you will see a call-to-action to “Get Your Free Chapter,” with the body of the ad revealing more information about what Facebook users will receive. Make sure the user’s experience matches the promise in the ad. In this case, the Facebook Page has a default landing page that offers the free chapter when you sign up. Anyone who hasn’t “liked” this page, lands on the Welcome tab and is prompted to enter their name and email address in order to receive the offer.



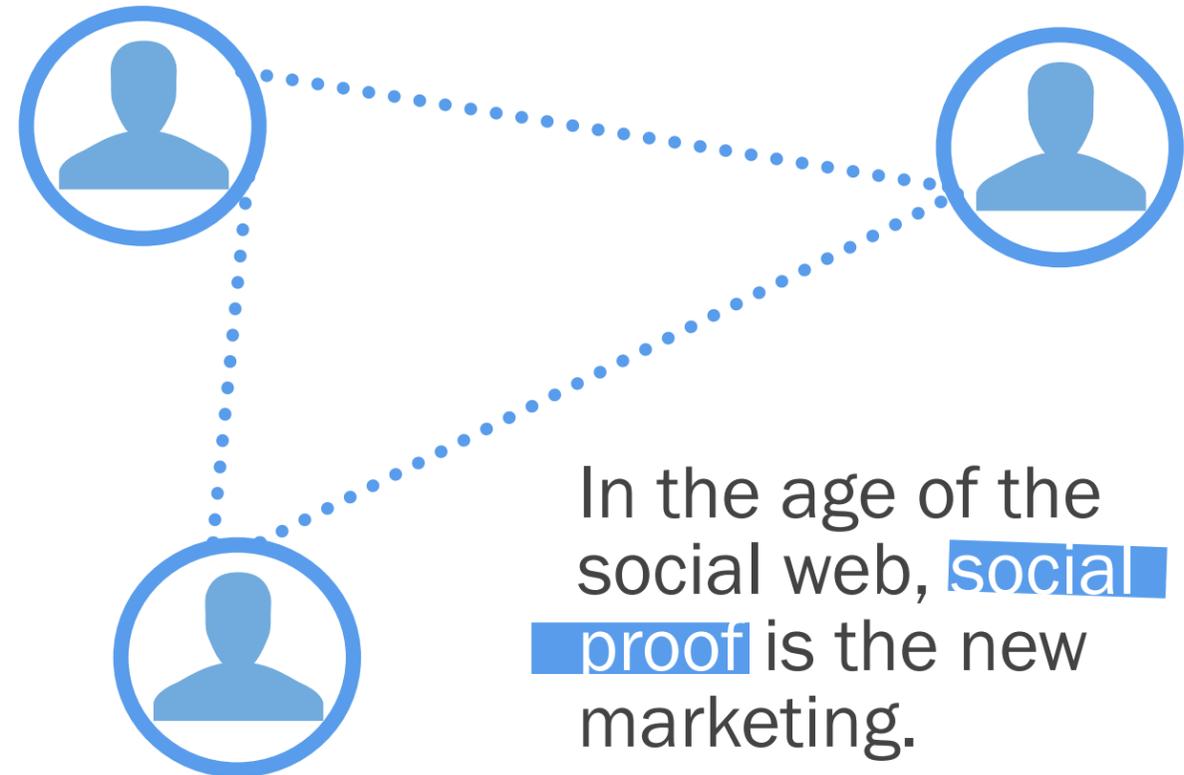
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When you are setting up the ad, make sure you keep the box next to “Show stories about people interacting with this Page with my ad” checked. In that way you will get the benefit of “social proof.” When somebody “likes” your page, their friends who also fall under your target marketing, will see that. The fan’s name showing in your ad increases the chances of attracting new “likes.”

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In the age of the social web, **social proof** is the new marketing.

- Aileen Lee, Kleiner Perkins Caufield & Byers

If you decide to use the external URL option to promote your Facebook Page (the hot tip we suggested earlier in this chapter), remember that people cannot “like” your page directly from the ad itself. They will have to visit your page in order to take that action. So make sure you create a nice Welcome tab (more on that later) or promote a compelling offer that will get conversions when users come to your Page.

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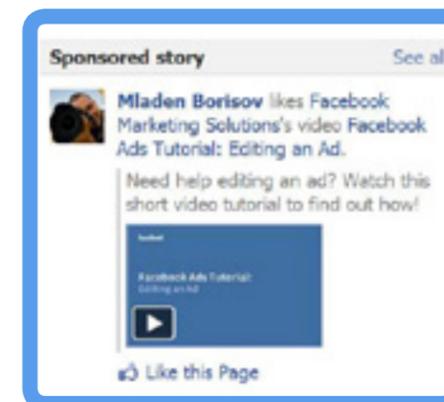
“Sponsored stories increase the visibility of News Feed stories.”

CHAPTER 3

ADVERTISING THROUGH SPONSORED STORIES

Sponsored Stories are a relatively new addition to the **marketing** mix at Facebook. They allow you to amplify the effect of News Feed stories. How exactly do they work?

- 1 First, a person needs to engage with your real estate on Facebook: she might “like” your page or check in to a place, for instance.
- 2 The activity shows up on her friends’ News Feed.
- 3 With Sponsored Stories, this activity also gets prominent display in the right-hand side of the News Feed of this person’s friends.



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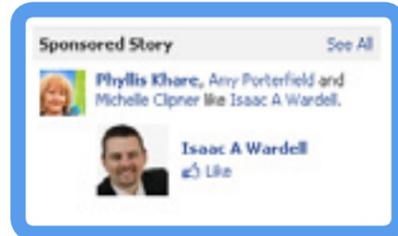


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Types of Sponsored Stories

PAGE LIKE STORY

Advertised to all the friends of people who "like" your page with a message that their friend "likes" your page. This ad is shown only to the friends of your fans.

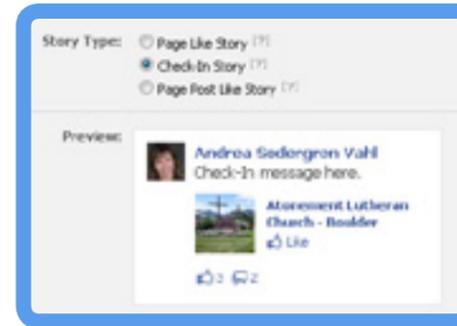


PAGE POST STORY

Advertises a particular recent post of your choosing as the ad copy. It includes "social proof" since it is being shown to a friend of your fan. The Page Post story can also include a link to an external website (be careful where this link goes, don't advertise someone else's website by mistake).

CHECK-IN STORY

This ad is for Places only and is shown to the friends of people who are checking in to your Place.



Fun Maker

Try the Fun Maker - you don't know how much fun you can have until you've tried it.

Andrea Sodergren Vahl used this.

New Game on Facebook

Bubble Witch Saga - The new Bubble shooter! Take your skills to a new level now. Warning - Highly Addictive!

Kim Gillaspie played Bubble Witch Saga.

APP USED/SHARED & GAME PLAYED STORY

This ad is for apps or games only and is shown to the friends of your app users or game users. The difference with this ad is that you will get text in the body to tell people about the app.

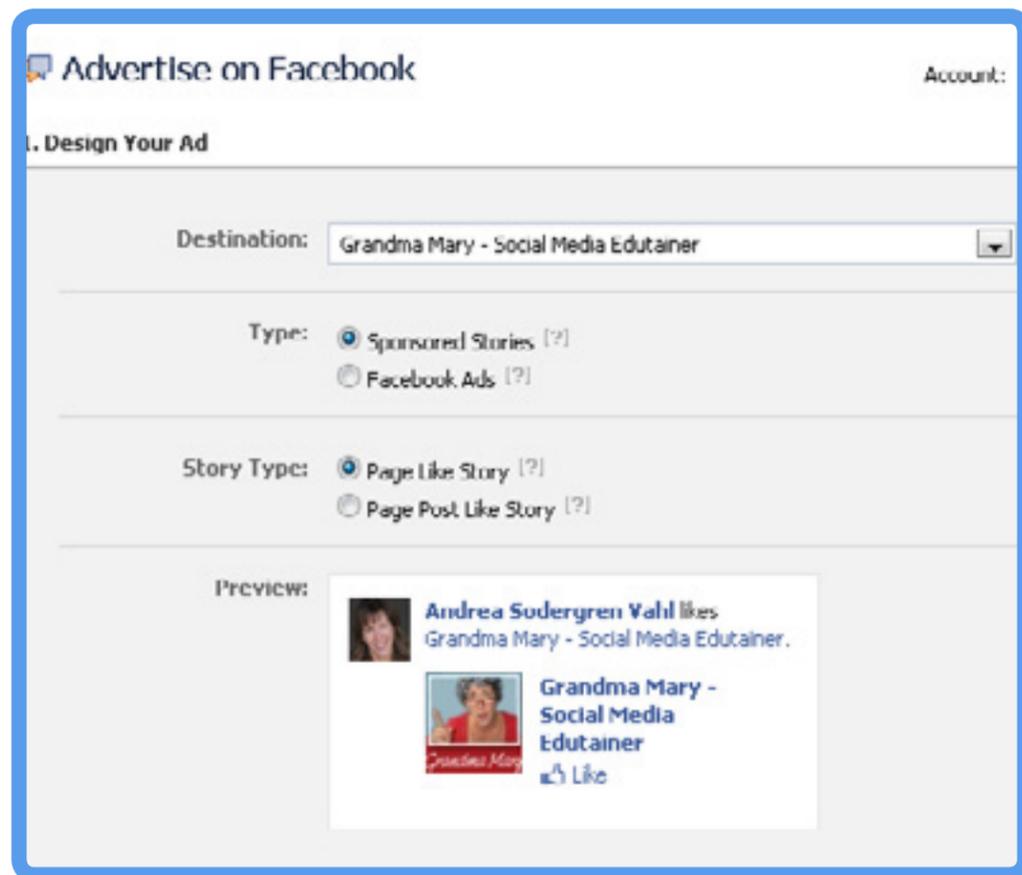
DOMAIN STORY

This ad is triggered when someone "likes" a piece of content on your website, shares a piece of content from your website, or pastes a link to your website in her status update.



How to Design Your Sponsored Story

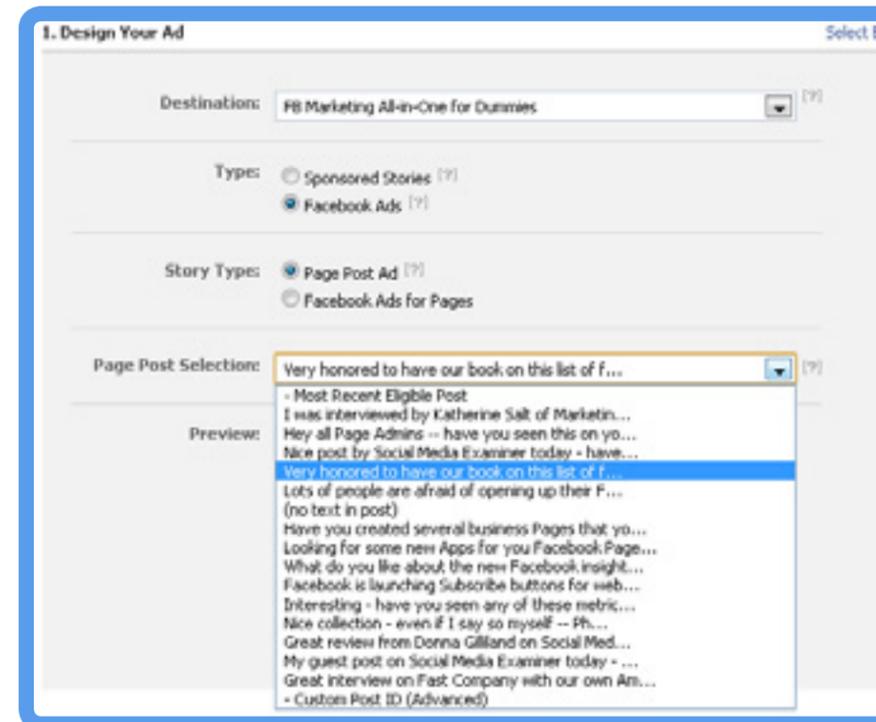
To design your Sponsored Story, choose the destination of the ad, then select the Sponsored Story radio button. If you have selected a Place or an App as the destination, you will be able to choose the check-in story or app story, respectively. In the example below you see that the Page Like Story is very simple with no copy, title, or photo to select.



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In a Page Post story, you are able to select which post to advertise as shown in the figure below. Consider putting a special post up that you will choose to advertise in the Page Post story.



Now that you know how to set up the Sponsored Story, the question remains: why use a Sponsored Story? [As Facebook explains](#), Sponsored Stories can broaden the reach of actions your followers take. They can also be less expensive than traditional Facebook ads. Build your campaign design and start split-testing to determine what the best vehicle is for your type of advertising.

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“It’s tough to nail down a successful strategy unless you do some testing.”

CHAPTER 4

FACEBOOK AD SPLIT-TESTING EXPLAINED

While in this ebook we share some marketing best practices for advertising on Facebook, it’s tough to nail down a successful strategy unless you do some testing. Your target audience will differ from the Facebook communities other companies are focused on. That means you will need to take the insights you have collected about your market and experiment with your messaging on Facebook. In this chapter, we’ll cover how you can get started with split-testing.

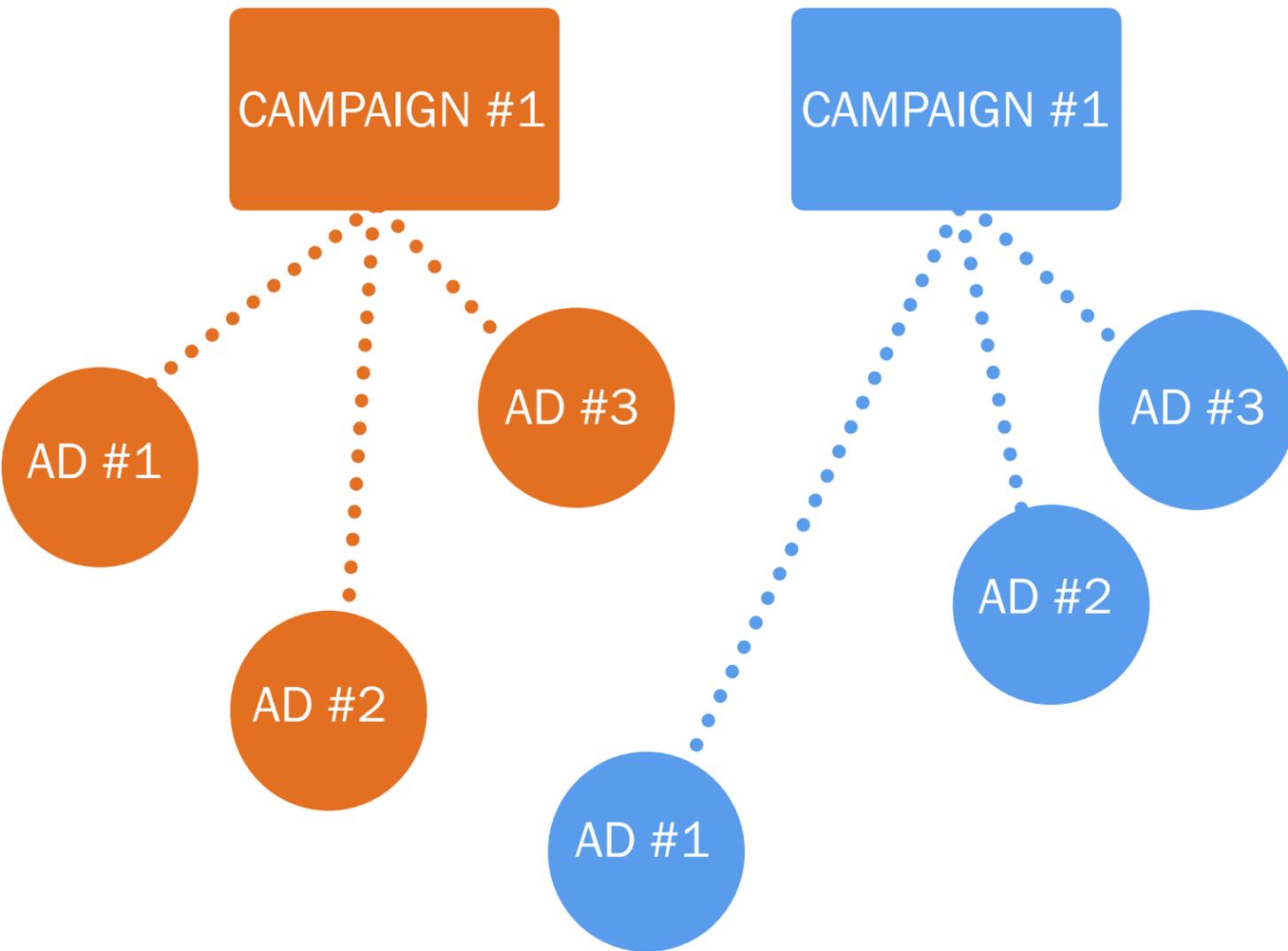


In the Facebook Ads Manager, you arrange your ads into campaigns. A campaign is a group of similar ads with the same purpose, but with slight variations. To optimize your Facebook ads and get the best return on your investment, you must split-test your ads.

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The above chart is just an example of how you can arrange your campaigns. The ads below the campaign will be split-testing different variables. For instance, you can test different versions of an image or a title to find out the most effective one to use in your ad.

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Split-testing **Tips** for Facebook Ads

- ● CHANGE ONE VARIABLE AT A TIME
Your main variables are the title, the picture, the copy and the targeting.
- ● KEEP SIMILAR AD CONDITIONS
Same time of the day, same bid (although bid prices vary), same length of time, etc.
- ● WATCH THE REPORTS
It may look like one ad did better than the other, but check the actual connections.
- ● ALWAYS CREATE A NEW AD
Don't try to tweak one that didn't perform well. Facebook makes it easy to click on "Create a Similar Ad" so you preserve your settings.
- ● TRY SPLIT-TEST YOUR LANDING PAGE
Where do people land after they've clicked on your ad? Make sure the page is congruent with your message. If it's your website, do you have the promised offer on the page? If you have the resources, you can also [design two landing pages](#) on your website where you send the traffic. In that way you can optimize for higher visitor-to-lead conversion rate.
- ● ROTATE YOUR ADS OFTEN
Even a well-performing ad will wear out its welcome. The ads are often served to the same audience several times and if you aren't rotating them every few days, or when the CTR drops to 50% of its original value, you will be wasting your money.

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“Always focus on the end goal of your campaign when measuring the performance.”

If you are advertising your Facebook Page, focus on connections received rather than the CPC or CTR (CTR stands for click through rate - more details on measurement terms in the reports section of this ebook).

#1

#2



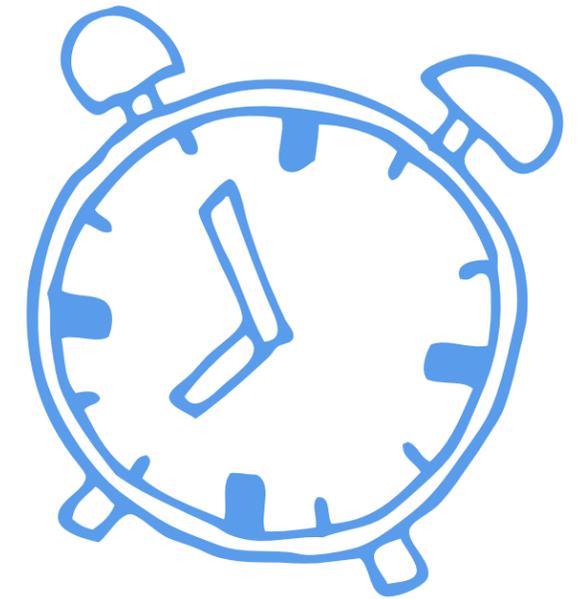
In the example above, we split-tested the picture in two ads. The first Namaspray ad received more clicks, achieved a higher CTR, and boasted a better CPC compared to the second ad. But the second ad resulted in more connections and did a better job of converting (combined over September and October).

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This example reinforces the point that you should make sure to collect enough data to make a valid conclusion.

One mistake people can make is not testing the ad long enough or letting it run too long and wasting your ad budget. A good comparison usually requires at least 20 clicks and needs the ad to run for at least two days. But clicks may not always be the best measure depending on your targeting. You may want to run them for the same amount of impressions.



179,274 Impressions **126** Clicks **57** Connections **0.070%** CTR **\$58.32** Cost/Imp **\$0.33** Cost/Click **\$0.46** Cost/Connection

Date	Campaign	Ad Name	Impressions	Social Impressions	Social %	Clicks	Social Clicks	CTR	Social CTR	CPC	CPM	Spent	Connections
Sep 2010	Namaspray - Fan Page	Namaspray™ Yoga Mat Disinfectant-pc 1	37,221	38	0.10%	17	0	0.046%	0.000%	0.69	0.27	10.00	11
Sep 2010	Namaspray - Fan Page	Namaspray™ Yoga Mat Disinfectant-pc 2	0	0	0.00%	0	0	0.000%	0.000%	0	0	0.00	0
Oct 2010	Namaspray - Fan Page	Namaspray™ Yoga Mat Disinfectant-pc 1	56,380	208	0.37%	41	1	0.074%	0.461%	0.44	0.32	18.32	15
Oct 2010	Namaspray - Fan Page	Namaspray™ Yoga Mat Disinfectant-pc 2	85,673	121	0.15%	67	0	0.079%	0.000%	0.45	0.35	30.00	25

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“Several factors impact the design of your ad campaign.”

CHAPTER 5

DESIGNING YOUR AD CAMPAIGN

Before placing your first ad, you need to design your campaign and the ads within your campaign. Consider the following factors:



GOALS OF THE CAMPAIGN

What are you trying to achieve? A certain number of “likes,” subscribers, contest entries, [sales](#)? Make sure you have the tracking mechanisms in place.

CAMPAIGN DURATION

How long will you run the campaign? Have enough ads to test and allow for rotation of the ads every 2-3 days. Have backup ads to replace an underperforming ad if needed.

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CAMPAIGN BUDGET

What will be the overall budget and daily budget? Facebook makes it easy to automatically turn ads off as you hit these thresholds. You can run ads for as little as \$1/day (which may not pay for one click but you could do it).

AD DESIGN & TARGETING

Design the title, body, and targeting for several ads in your campaign and split test several factors (more on this later).

CLICKTHROUGH THRESHOLDS

Set your targets ahead of time so you know when an ad isn't performing well. Typically, Facebook ads don't get as good clickthrough rates as Google ads because people are not actively searching for something.

Your ad has to pique a user's interest to get a click. A clickthrough rate of 0.02 – 0.05% can be a decent benchmark, but it depends on your campaign. Always pause the ad once the clickthrough rate starts dropping to 50% of the original value. You can reactivate it later but people do get fatigued of seeing the same ad.

CONVERSION RATES

Track how many conversions you are getting according to the goals that you set. If your goal is new "likes," make sure you are getting them and not just clicks. If your goal is [sales](#) on a website, make sure you have [a tracking system](#) in place to see how many [sales](#) your campaign is creating.

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Things You **Can't** Advertise On Facebook

- ● Work-at-home sites that promise easy money for little or no investment
- ● Multilevel marketing opportunities
- ● Sites that have domain forwarding, where the URL listed forwards to another Web site
- ● Alcohol, gambling or pornography



You may occasionally see ads that violate these terms as well as some of the basic terms of how the ad appears (such as capitalization, abbreviations, etc.) Facebook ads are reviewed by a team of individuals and sometimes an ad that was rejected by one of the individuals is approved by another. The process is not always completely consistent.

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How to Design A **Killer** Facebook Ad

Once you have the basics in place, you are ready to design your ads. If you are using Sponsored Stories, there isn't much to design. If you are advertising your Facebook Page using the traditional method which uses your Facebook Page title, then you will only have to worry about the picture and the body. The ad will default to your Page profile picture but you may need to change it depending on your message.

If you are advertising an external URL, then you will need to pay attention to all three parts of the ad design. Here are some tips on designing the title, body, and image.

title

25 characters.
No abbreviations
or excessive
capitalization allowed.

Make it interesting
and address the
customer's issue.
Questions make
great titles.

Here are some examples:

Trying to quit smoking? (Asks a question)

No More Aching Back (Solves a problem)

Get Our Free Report (Offers something for free)

Attend Our Blowout Sale (Sends out a call to action)

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body

135 characters.
No abbreviations
or symbols, such
as @ or \$.

Must be
grammatically
correct without
excessive
punctuation, such as
"Buy now!!!!"

You have 135 characters of text in the body. Not a lot to work with but you can make it compelling. Always work to answer the question that's on the mind of the customer: "What's in it for me?" Include a call-to-action if you didn't already put it in the title of the ad. Tell them to "click 'like'" or "sign up" or "enter now."

You may also want to include something in the body of the article or the title if you are targeting a particular demographic group. You could say "If you like Yoga, you'll love our meditation CD," or "Live in Des Moines? Come to our one-day sale!" Mentioning the customer in the ad is very powerful and eye-catching.

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image

Make it clear and not too busy as it will only be 110 by 80 pixels when shown.

It must be less than 5 MB.

If you are advertising your Facebook Page or event, the image will be automatically populated with the profile image. You can change it but you may want to keep it consistent for branding.

Images of people tend to convert better than a logo but you will have to do your own testing. Make sure your messaging is consistent but don't be afraid to try something unusual to get more clicks.

HOT TIP

Use the picture area to add more words to your advertisement. Another strategy you can implement is to have a picture that also conveys your message. Use both the title and the picture to tell a story. Keep the call-to-action is short and sweet. You don't always have to reach the character limit: sometimes a shorter ad is more eye-catching.



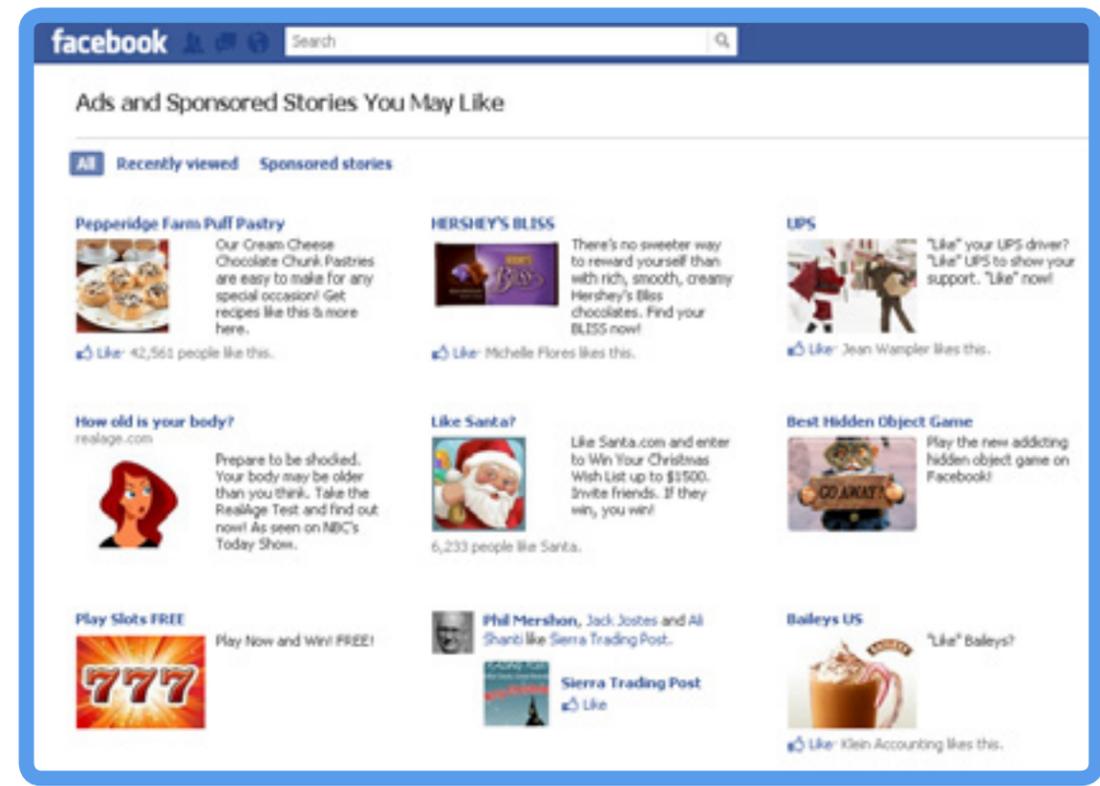
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Get Ideas From The Ad Board

Take a look at all the ads that are currently running that are targeting your demographic by going to the [Facebook Ad Board](#). That will help you get some good ideas for your ad.

These are only the ads that would be targeting your profile in the Targeting section so you won't see all the ads currently running but it's a good place to start.



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HOT TIP

Having a killer Facebook advertising presence is only one part of the inbound marketing process. If you want to learn how to integrate your social efforts with your entire marketing strategy, optimize your website to get found by more prospects, and convert more of them into leads and paying customers, then you should give HubSpot's inbound marketing software a try!

HubSpot offers a **free 30-day trial** that will allow you to take a deeper look into your overall marketing success, including Facebook.

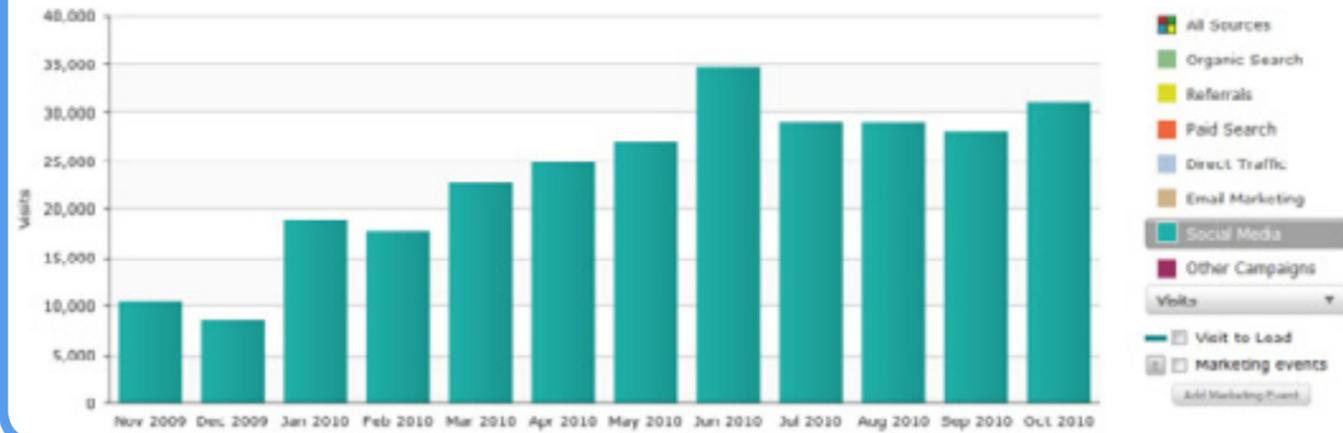
CHAPTER 6

WHO SHOULD YOU TARGET?

Visits for Social Media

See how different sources have driven visits, leads, and customers to your site.

Select date range: 1m 2m 3m 6m 1y custom Nov 1, 2009 - Oct 31, 2010



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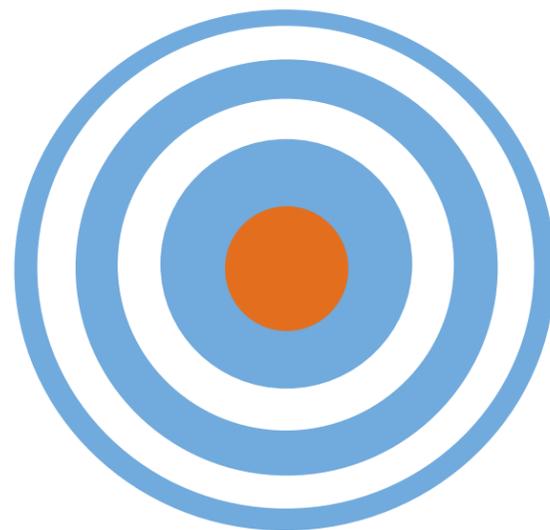




“ You won’t get a lot of clicks with a very narrow target. ”

Targeting will determine the price for your ad as well as who is eligible to see your ad, shown in the Estimated Reach box on the right. As you narrow your audience with the targeting, the Estimated Reach will be updated.

I don’t recommend narrowing your target below 20,000 (unless you have a special circumstance) because you are rewarded by Facebook with cheaper clicks when you get more clicks on your ad. You won’t get a lot of clicks with a very narrow target.



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Deconstructing the Targeting Categories



LOCATION

You can target by country, state, city and even zip code. If you are using the city option, you will not be able to add cities in different countries. You will have to create multiple campaigns.



AGE

You can choose a range or no upper bound. Facebook gives you the option to require an exact match within an age range if you select the Require Exact Age Match box. This means that if a user turned 51 yesterday, that user will not be shown the ad for which you selected the age range of 25 to 50.

However, it’s better not to require an exact match because Facebook will give you a “discounted bid” when people slightly outside the selected range click on your ad (although Facebook does not provide an exact idea of “slightly” and it doesn’t specify its definition of “discounted bid”).

“ It’s better not to require an exact age match. ”

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SEX

Straightforward choices of men, women and all.

INTERESTS (Precise Interests or Broad Category Targeting)

The interests show up in people's profiles in the pages they "like" or are based on keywords mentioned in their information. When you start typing a keyword, you may notice the # symbol next to some words. Facebook refers to this as "topic targeting." Those terms include overlapping precise interests. For example, there may be many Pages or interests around the term "yoga" and by selecting #Yoga, you are including all of them so you don't have to individually select each one.

The screenshot shows the Facebook Ad Targeting interface. The 'Location' section is set to 'United States' with 'By City' selected, targeting 'Boulder, CO' within a 50-mile radius. The 'Demographics' section shows 'Age' set to '25 - Any' and 'Sex' set to 'Women'. The 'Interests' section shows 'Precise Interests' with '#Yoga' and '#Yoga Journal' selected. A sidebar on the right displays 'Estimated Reach' of 29,700 people, with a breakdown: who live in the United States, who live within 50 miles of Boulder, CO, age 25 and older, who are female, and who like #Yoga or #Yoga Journal.

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INTERESTS

If you want the specific term and not a broader match, choose the term without the # symbol in front. You can also click the *Switch to Broad Category Targeting* link to use a broader range of general terms to target, such as "outdoor fitness activities." Watch your Estimated Reach numbers as you add these keywords.

The Interest section keywords are listed in the Boolean operator terms: when you add two interests, the target audience will include anyone in the first interest OR anyone in the second. So if you were to have the terms #yoga and #bicycling, someone could have the term yoga in their interests but not bicycling and still see your ad as opposed to being into yoga AND bicycling.

CONNECTIONS ON FACEBOOK

The radio button is defaulted to Anyone, but you can choose to include or exclude Fans of the Fan Pages where you are the admin.

The screenshot shows the 'Connections on Facebook' section of the targeting interface. The 'Connections' radio button is set to 'Anyone'. Other options include 'Only people who are not fans of Grandma Mary - Social Media Edutainer.', 'Only people who are fans of Grandma Mary - Social Media Edutainer.', and 'Advanced connection targeting'. The 'Friends of Connections' section has a checked option: 'Only show my ad to friends of the fans of Grandma Mary - Social Media Edutainer.', which is highlighted with a red arrow.

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ADVANCED DEMOGRAPHICS

Many of these selections will limit your audience heavily so only choose these options if you have a very specific purpose.

As you narrow your targeting, watch your suggested bid at the bottom of the page. You may decide that adding a certain keyword or certain age range may be too expensive and you may want to adjust your strategy.

HOT TIP

TARGET THE FRIENDS OF YOUR FANS

Target the friends of your connections in addition to other target demographics. When you check the box next to *Friends of Connections* you are ensuring that anyone who sees your ad will see the name of a friend who “likes” your Page. You are building in the social proof in addition to targeting. If your Page doesn’t have many “likes” yet, this technique could be narrowing your targeting too much.

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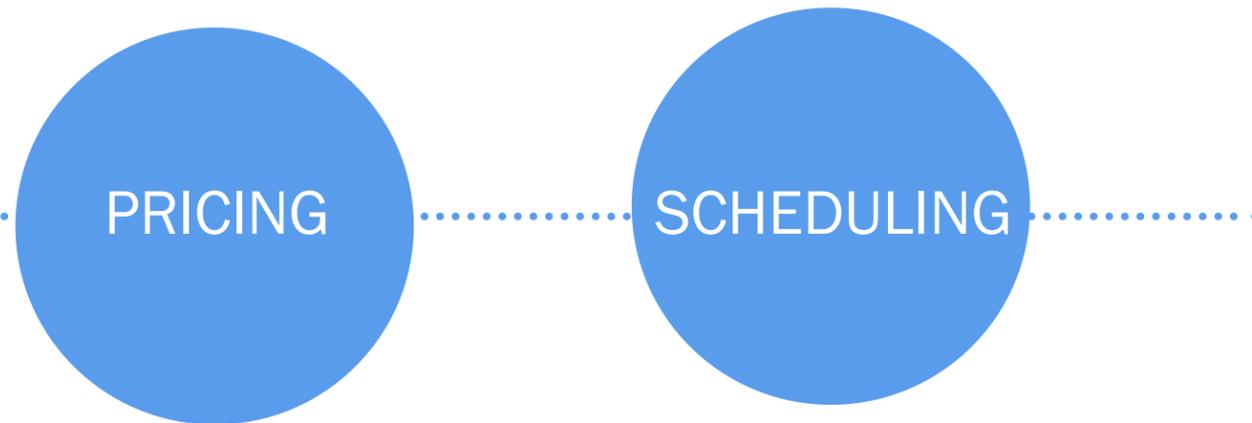
CHAPTER 6

THE SCIENCE OF BIDDING



“ Ads are bid on a cost per click (CPC) or cost per thousand impressions (CPM) basis. ”

The amount you bid on each ad translates to the amount you're willing to spend per click (CPC) or thousand impressions (CPM). Once you have set up your ad, you will need to set the campaign, pricing, and scheduling.

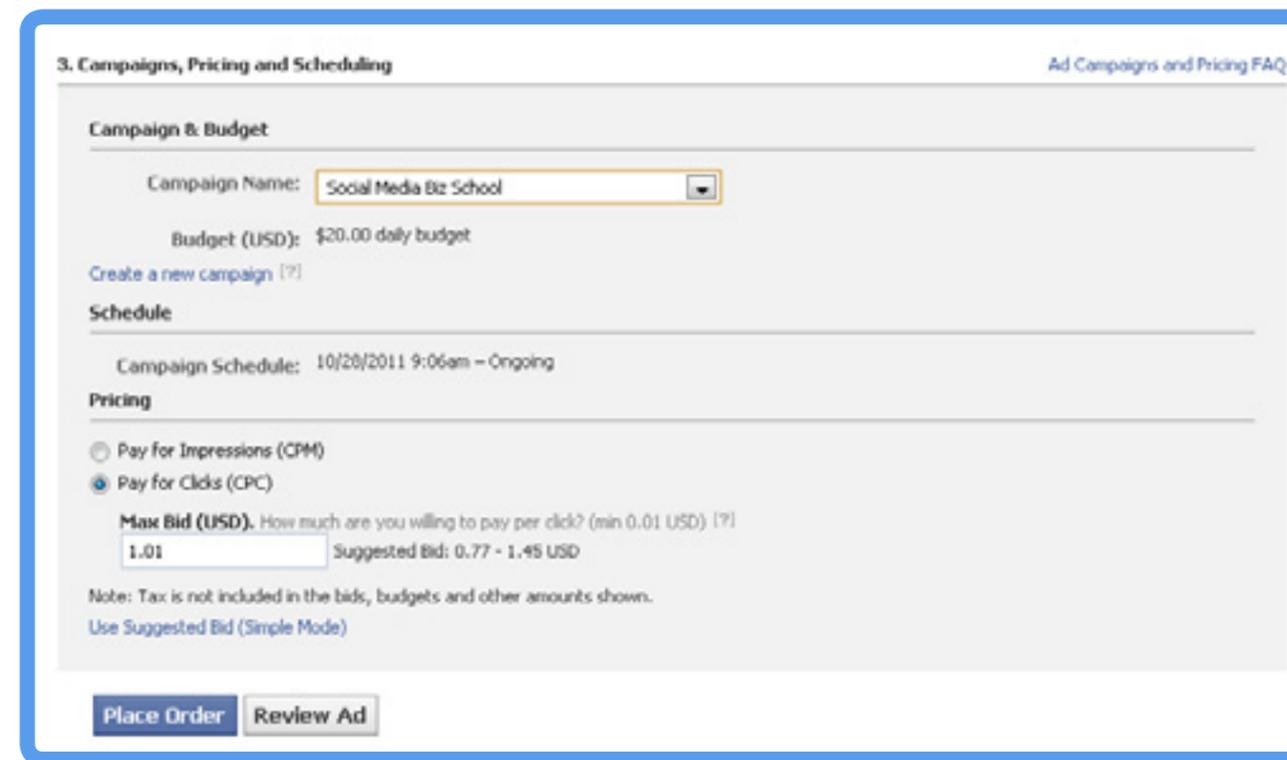


When you create your first ad, you will have to set up your account with your credit card, your campaign name, and schedule. After your first ad is created and first campaign is named, any ads you create will default to be included in that first campaign. But you can select the *Create A New Campaign* link to create the structure discussed in the split-testing section.

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New accounts default to \$50/day spending limit but will increase after a few days of successfully charging your credit card (they want to make sure they can trust you first!) Once you get to \$1000 limit, you will need to [contact](#) Facebook to request further increases.



You can create your own schedule for your ads to run. You can have the ads automatically shut off each day as they reach the daily limit and then have the whole campaign shut off after a certain number of days.

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When you start the bidding process, the radio button on the Pricing section defaults to “Cost Per Click (CPC).” It’s recommended that you start all ads with a CPC bid. Since the clickthrough rate is lower on Facebook ads, you may end up paying more for a CPM campaign than a CPC campaign. Paying for impressions, which looks cheaper in the bidding process, may end up costing you more than getting the same number of clicks.



Also, CPC ads may get higher clickthrough rates because they are placed above CPM ads. This is not confirmed by Facebook, but several tests have shown that the same ad when bid with the CPC model will be placed higher than the identical ad using the CPM model. A higher placement will naturally get a higher CTR.

If an ad is performing well and getting a lot of clicks, you can consider moving it to the CPM bidding model. Ultimately, any campaign will depend on a lot of variables, so there are no hard and fast rules. You have to find out what works best for your campaign. Many advertisers create hundreds of ad variations to find the three or four that perform well for them.

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Always start your ad at the suggested bid or even higher. The first part of your campaign is critical to determining your CTR and the success of your ad. If you bid below the suggested bid range, your ad may not be shown at all. You can try bidding a little less to save some money, but the best way to get cheaper clicks is to have an ad that gets a lot of clicks. Make sure your bid price isn’t higher than half of your daily limit. So you can’t have a bid price of 75 cents if your daily limit is \$1.



The best way to get **cheaper clicks** is to have an ad that gets a lot of clicks.

Watch your ad impressions as your ad is being shown. If your impressions are going up, the suggested bid price window may have gone up and you may have to adjust your bid.

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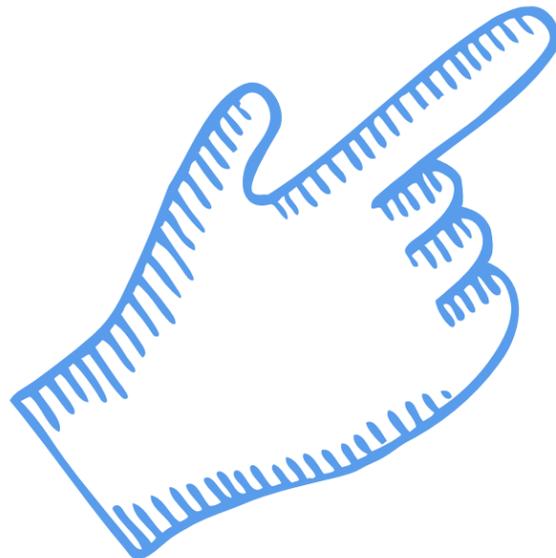




You can't just decrease your bid because you will notice that your ad is not being displayed.

Of course, you want to get the cheapest click available. But how do you accomplish that? You can't just decrease your bid because you will notice that your ad is not being displayed. Or maybe it's being displayed a few times at 3 in the morning. There is no one magic bullet or ninja trick that will dramatically lower your click price. Mostly, it's a series of small tweaks that will help you get the best bang for your buck.

First and foremost, start split-testing and find your best performing ad. As mentioned earlier, Facebook rewards ads that are performing well with cheaper clicks. Facebook is interested in displaying the ads that their audience is clicking on the most. So CTR is a key component of your monitoring.



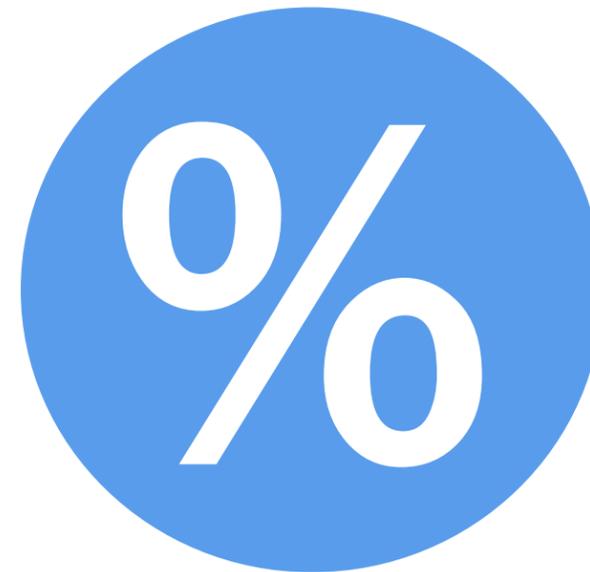
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You can also try creeping your bid price down as Facebook gives you better click prices. This technique does not always work as well as it does in other places like Google. Sometimes your ad will simply stop showing since it is out of the recommended bid price. But you can occasionally get cheaper clicks this way.

411,299 Impressions 108 Clicks 0 Conversions 0.026% CTR \$107.33 Total \$0.26 CPM \$0.99 CPC

Date ?	Campaign ?	Ad Name	Impressions ?	Social Impressions ?	Social % ?	Clicks ?	CTR ?	CPC ?	CPM ?	Spent ?
Sep 2010	Character Connect	Boost Confidence in Kids - CPC	0	0	0.00%	0	0.000%	0	0	0.00
Oct 2010	Character Connect	Create Leadership in Kids	0	0	0.00%	0	0.000%	0	0	0.00
Oct 2010	Character Connect	Boost Confidence in Kids - CPM	0	0	0.00%	0	0.000%	0	0	0.00
Oct 2010	Character Connect	Boost Confidence in Kids - CPC	181,063	0	0.00%	52	0.029%	0.83	0.24	43.00
Sep 2010	Character Connect	Create Leadership in Kids	138,441	12	0.01%	46	0.033%	1.06	0.35	48.40
Sep 2010	Character Connect	Boost Confidence in Kids - CPM	91,795	0	0.00%	10	0.011%	1.59	0.17	15.85



Also, realize that the higher you bid, the higher position your ad will receive. So bidding high makes sense economically. But wait, I thought we were talking about getting cheaper clicks! You will get these cheaper clicks when you optimize your ad for CPC. When you are running several ads, you can sort by the columns to see the best ad performance within the campaign.

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“Reporting is a crucial part of Facebook advertising.”

CHAPTER 7

MEASURING FACEBOOK ADS

There are two areas on Facebook which you can access data to evaluate the performance of your ads. There is a dashboard area that you see when you click on the campaign name itself that can look like this:



You will see all the individual ads listed below and the graph will default to the last seven days of data. You can click on the full report button and get a lot more information about how your ads are performing.

Row #	Campaign	Ad Name	Impressions	Social Impressions	Social %	Clicks	Social Clicks	CTR	Social CTR	CPC	CPM	Spent	Reach	Frequency	Social Reach	Connections	Adged Clicks	Return CTR
1012044	Grandma Mary	Grandma Mary - Sponsored Ad	15,297	15,297	100.00%	18	18	0.117%	0.117%	1.11	1.30	21.28	5,248	2.9	5,248	6	18	0.34%
1012053	Grandma Mary	Grandma Mary - Sponsored Ad	1,104	1,104	100.00%	2	2	0.179%	0.179%	0.53	0.96	1.86	140	2.2	140	1	2	1.43%

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Check These Facebook Ad Metrics



IMPRESSIONS

Impressions tell you how many times the ad has been shown to a Facebook user. Watch this number closely – if it stops increasing, your bid may have fallen out of the suggested range.



SOCIAL IMPRESSIONS

Social impressions tell you how many times the ad has been shown to a Facebook user *and* also had one of their personal friends showing as “liking” the Page or attending the event. This is valid only for advertising things within Facebook, such as Fan Pages, events or apps.



SOCIAL %

This metric shows what percentage of the total impressions were social impressions.



CLICKS

The actual number of clicks on the ad. This can also include a click if someone “liked” your Fan Page right from the ad itself.



SOCIAL CLICKS

Shows how many clicks you received from an ad that a personal friend took an action upon. Again, this is only valid only when you advertise within Facebook for Fan Pages, groups, or events.

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CTR

How many times your ad was clicked, divided by the number of times your ad was shown (impressions).



SOCIAL CTR

The number of social clicks divided by the number of social impressions. Theoretically, this number should be higher than the CTR because the ad included a personal friend who “liked” the Page, and thus social proof.



ACTIONS

The number of people who took the action desired from the ad itself, such as “liking” your Fan Page or responding to your event.



ACTION RATE

The number of actions divided by the number of impressions.



CONVERSIONS

Measurement of how many people responded to your [call-to-action](#). This counts actions from the ad itself and includes when someone goes to your Fan Page and then clicks “like.”



COST PER CONVERSION

Calculates your cost per conversion, so you can see how much you pay for a new Fan, an event RSVP or a new group member.



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CPC

How much each click you received cost you. This number is calculated even if you didn't bid on the cost-per-click model. It will take how many clicks you received (even if you're paying by impression) and calculate how much it cost you for each click.

CPM

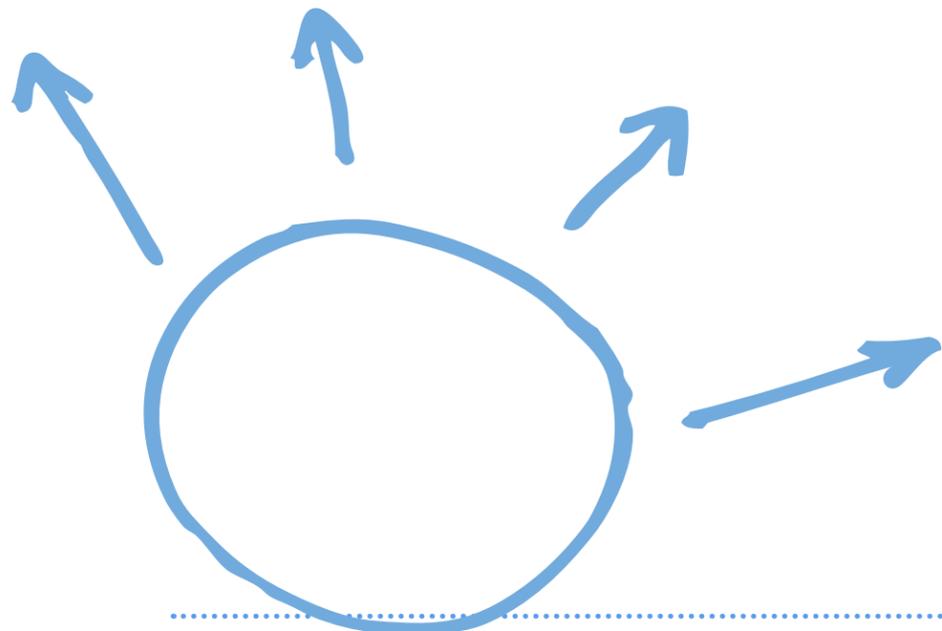
Even if you did not bid with the CPM (cost per thousand impressions) model when you placed your ad, Facebook Reports will calculate it for your reference. This is helpful if you decide to switch to the CPM bidding model, so that you can compare how your ads are performing between the different bidding models.

SPENT

The amount you spent for that time summary you chose in the report: daily, weekly or monthly.

UNIQUE IMPRESSIONS

How many times your ad was shown to a unique person. Compare this against the number of impressions to see how many times your ad was shown to the same person.



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UNIQUE CLICKS

How many unique clicks you received. This data is helpful to know if the same person happened to be shown your ad twice and clicked it both times because the second click wouldn't be a unique click.

UNIQUE CTR

Unique clicks divided by unique impressions. Again, in relation to the unique clicks and the unique impressions, you want to know whether new people are clicking through to your ad or if it is one person clicking on your ad over and over. It's best to have your Unique CTR come close to your CTR.

Critical Metrics **Outside** Facebook

In order to determine if Facebook advertising brings you real business results, you'll need to use [a marketing system](#) that measures:

NEW LEADS

If your goal is lead generation, then you need to make sure that your ads are helping you convert visitors into leads. How many people converted on your offer and opted in to continue their relationship with your company?

NEW CUSTOMERS

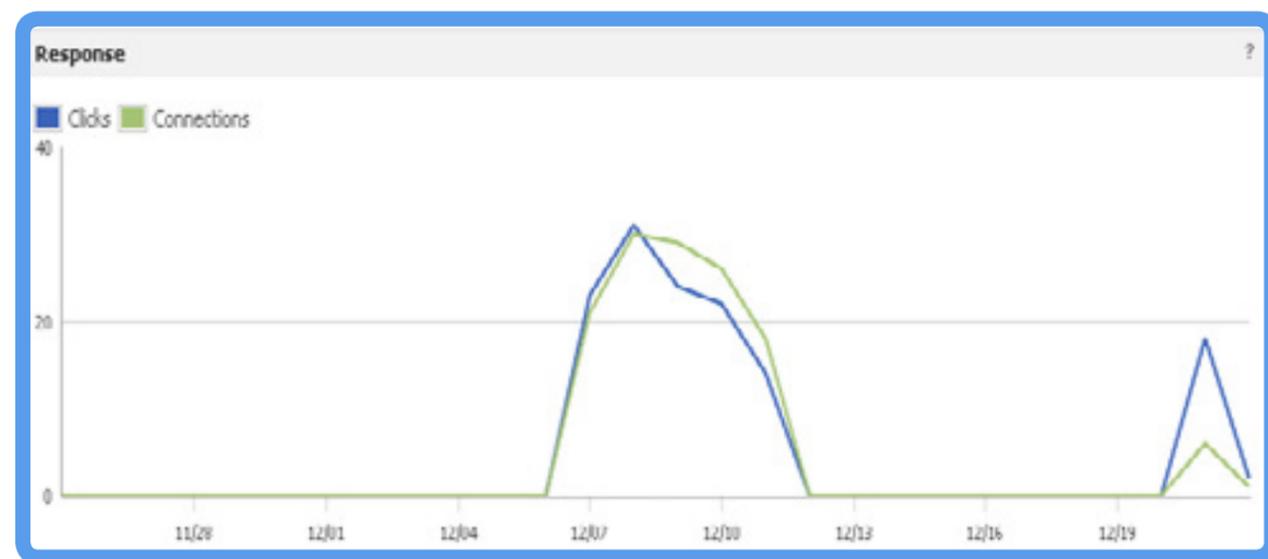
Were you able to drive new customers from all that Facebook advertising? If so, what was the conversion rate from visitor to customer compared to the same conversion rate on a different social network. You should [have the data](#) to make such strategic decisions.

RECOMMENDATION: You can track both these features with the HubSpot software. Sign up for a **free 30-day trial** to see for yourself!

Comparing Two Types of Facebook Ads

The blue line represents analytics for a full Facebook ad, advertising Grandma Mary's Facebook Page. The ad performed very well as it had a slightly higher than 100% conversion rate to "likes." This can happen when friends see their friend's "like" a Page and it also gets a "like," as a result. The viral effect gives you a 2-for-1 "like."

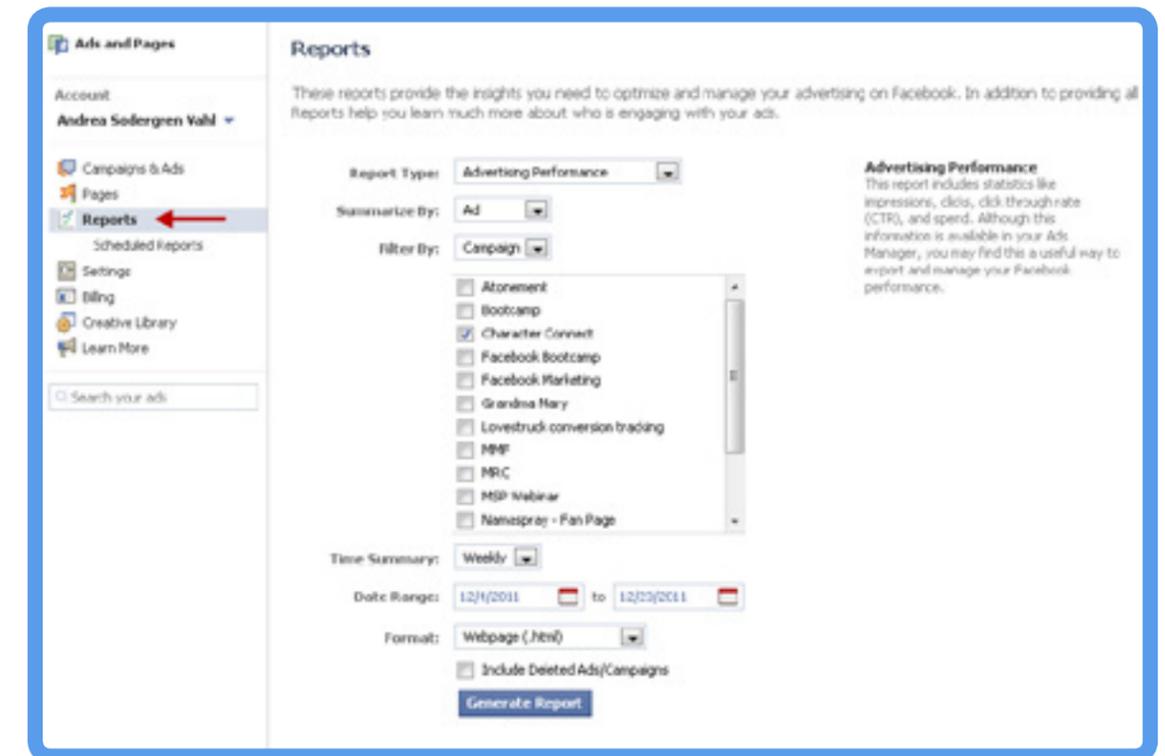
The green line represents analytics for a Sponsored "Like" Story ad and, while it had a decent clickthrough rate, it didn't get the conversions into "likes" as you see by the gap between clicks and connections, so I stopped running the ad fairly quickly.



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You can also dive into the Reports section on the left sidebar of the page to run customized reports for your campaigns and ads.



Choosing the Advertising Performance will yield the same report as shown earlier when you click on the *Full Report* button within the campaign. But you will be able to look at performance across several campaigns in one spreadsheet.

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Don't Ignore Demographics

The Responder Demographics is one of the available reports if you are advertising your Facebook Page. (You can also run the report if you have advertised an external URL, but the only data you'll get is the percentage of impressions for the campaign.)

Choose the Responder Demographics selection from the Report Type drop-down menu. You can then find out what demographic is giving you the best clickthrough rate. In the example below, the ad was displayed to a wider demographic but got the most clicks and the best clickthrough rate from females in the 55-64 age range (Grandma Mary does well in the older demographics). This is true even though the ad was shown across the demographics fairly evenly. So, my next ad should target this range specifically.

View Advertising Report Export Report (.csv) Generate Another Report Schedule this Report

Report Type: Responder Demographics | Summarize By: Ad | Time Summary: Monthly | Filter: Santa Hat free report | Date Range: 11/1/2011 - 12/25/2011

Date	Campaign	Ad Name	Demographic	Bucket 1	Bucket 2	% of Impressions	% of Clickers	CTR
Dec 2011	Grandma Mary	Santa Hat free report	country	US		100.000%	100.000%	0.159%
Dec 2011	Grandma Mary	Santa Hat free report	gender_age	F	25-34	0.046%	0.000%	0.000%
Dec 2011	Grandma Mary	Santa Hat free report	gender_age	F	35-44	4.673%	6.988%	0.221%
Dec 2011	Grandma Mary	Santa Hat free report	gender_age	F	45-54	5.988%	6.452%	0.159%
Dec 2011	Grandma Mary	Santa Hat free report	gender_age	F	55-64	5.926%	11.215%	0.254%
Dec 2011	Grandma Mary	Santa Hat free report	gender_age	F	65-100	3.491%	3.226%	0.126%
Dec 2011	Grandma Mary	Santa Hat free report	gender_age	F	Unknown	0.486%	0.000%	0.000%
Dec 2011	Grandma Mary	Santa Hat free report	gender_age	M	25-34	6.723%	6.989%	0.153%
Dec 2011	Grandma Mary	Santa Hat free report	gender_age	M	35-44	27.541%	25.882%	0.144%
Dec 2011	Grandma Mary	Santa Hat free report	gender_age	M	45-54	21.182%	10.817%	0.131%
Dec 2011	Grandma Mary	Santa Hat free report	gender_age	M	55-64	12.929%	14.516%	0.166%
Dec 2011	Grandma Mary	Santa Hat free report	gender_age	M	65-100	6.364%	3.226%	0.075%
Dec 2011	Grandma Mary	Santa Hat free report	gender_age	M	Unknown	3.399%	2.688%	0.117%
Dec 2011	Grandma Mary	Santa Hat free report	gender_age	Unknown	25-44	0.219%	0.000%	0.000%
Dec 2011	Grandma Mary	Santa Hat free report	gender_age	Unknown	45-54	0.142%	0.000%	0.000%

You will also see clickthrough data from regions of the country, thus being able to do geotargeting.



CHAPTER 6

CONCLUSION & ADDITIONAL RESOURCES



“After a while, you’ll really see a difference in the performance of your ads.”



Facebook ads change all the time. Sometimes the bid prices seem to jump for no reason. Other times, Facebook introduces new ways to advertise and these tweaks can make a big difference. Testing and tracking your Facebook ad will take some practice.

There are lots of variables that you can test to see what gives you the best CTR or the highest conversion rate. Don’t get discouraged if it seems hard at first. After a while, you’ll really see a difference in the performance of your ads, and you’ll get a lot more value for your hard-earned advertising dollar.



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Make sure you keep following the Facebook advertising resources, as they will update with new changes that the social network makes. Here is a list of the key pages you want to keep an eye on:



FACEBOOK MARKETING

[Click here to visit this page.](#)



FACEBOOK ADVERTS

[Click here to visit this page.](#)



FACEBOOK ADBOARD

[Click here to visit this page.](#)



FACEBOOK BUSINESS ADS

[Click here to visit this page.](#)

Here are a few other [HubSpot](#) ebooks that will help you in defining your Facebook marketing strategy:



[Beyond the Facebook Business Page: How to Generate Traffic and Leads with Facebook](#)



[How to Master Facebook Marketing in 10 Days](#)



[How to Use Facebook for Business](#)

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MAKE THE MOST OUT OF YOUR FACEBOOK ADS

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