

webtrends™

WHITEPAPER / **FACEBOOK AD CAMPAIGNS**

Get Viral!

A Guide for Developing Facebook Campaigns



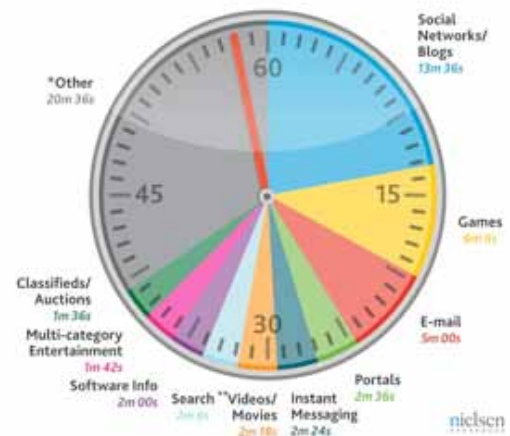
SUMMARY

With consumers spending more time on Facebook than Google or any other website, marketers are jumping at the opportunity to reach them. In fact, users spend four times as much time on social networks than they do email.

It makes sense that marketers are rushing to build a “social” presence on Facebook. Not only are consumers spending more time on the social network, but Facebook users are also extremely engaged with both friends and brands, sharing activities and interests sometimes multiple times a day.

So, where do you begin? We have pulled together tips to help marketers get Facebook ad programs on track.

If all U.S. Internet time were condensed into one hour, how much time would be spent in the most heavily used sectors?



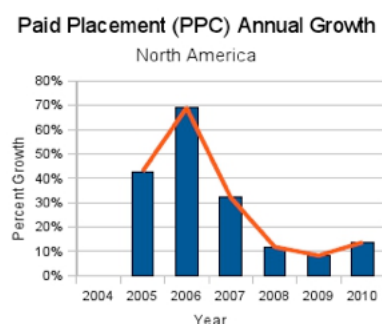
SOCIAL IS BOOMING AND FACEBOOK IS THE LEADER

There are over two billion users on the internet. Facebook, with its 500 million users, has a quarter of the internet population. So if you are looking for a place to reach a broad section of customers, there is no better source than Facebook.

With advertising, marketers are still in the early stages of understanding how to best use the Facebook platform. Despite Facebook’s sizeable and growing ad revenues, marketers are still limiting their efforts to testing on Facebook to evaluate performance.

While ad budgets are lagging for social, that is not going to be the case for long. Social advertising is going to increase by 30% in spend, reaching over \$4.6 billion in 2011, and Facebook is expected to be about 41% of that total industry.

We have seen this pattern before and have a history here we can learn from, looking at the trends which have occurred in the search industry beginning several years ago. The charts below show the overall growth in search over the last seven years and the actual percentage of growth.



PPC is a concept introduced to the market by Google in 2004. It saw tremendous growth in 2005 with 40% growth; in 2006 it saw closer to 70% growth; and in 2007 over 30% growth. Those years were very significant growth years for the market, and we are in that exact same space with social right now.

In 2012, we will see more significant growth and even more growth moving into 2013. This is a very good time to be in this space, especially the next three years because that is where all of the opportunity is going to be.

SOCIAL MARKETING

PAID & ORGANIC

Search makes a good comparison for another trend that is going on in social: the split between paid and organic. Until recently the majority all conversation around social marketing has been around organic. This includes share of voice, how many mentions are you getting, and the sentiment around that. A lot of techniques around how you try to earn media and grow your share of voice in the market is through listening and monitoring. You still want to use those methods, but a new trend has emerged with paid social.

Paid social marketing is very similar to the types of marketing we have seen in the past, but it offers some slightly different ways we can target and deliver the experience. Similar to what happened with search, organic was the first thing that hit, and if you were in the market in 2003-2004 you will remember exactly what happened when PPC advertising and Google AdWords really came online.

The reality is that paid now dominates the revenue for search marketing, and it is going to do the same for social marketing because you have the easy ability to turn that investment on. You have very clear measurable value that you can track, and it is highly scalable. Because of those reasons, businesses are going to gravitate more and more to the paid aspects of social marketing and will likely represent the majority of spending in the industry.

THE SOCIAL APPROACH

Since we have done some references to similar trends that have occurred in search around the growth of the market and the way paid and organic disciplines have emerged, it is worth pointing out the differences in the way the social approach works compared to how the search approach works.

In search you have a typical advertising workflow and the first thing that happens is the customer types in a search term they are looking for. They are served an ad that most likely has that exact same term in the ad and linked away to a website where they are likely to participate in some level of the transaction.



With social, you are targeting people based on their interests. In the example above you have a television show called The Biggest Loser. They are showing an ad which is the right fit for the perfect woman. Then that ad is driving someone to a Facebook property, in this case the fan page. This is a custom tab which is giving the consumer a place where they can begin to engage. In this particular campaign it is all about figuring out which fit is right for you.

It is taking more of the soft sell approach. In both cases you are doing targeting, delivering an ad, driving that to a landing experience. With search you are more focused on demand fulfillment, and with social you are more focused on creating demand generation.

Another key thing to note is that the targeting you are using in the advertising is different. In search it is all about key word lists. In social it is all about interest lists. Interest lists rarely contain the keywords, so you can't just take keyword lists from your search marketing programs, copy and paste them into your social program, and expect them to work. This is a big difference in how you approach social and the messaging you provide.

AUDIENCE TARGETING

UNDERSTAND YOUR AUDIENCE

With over 500 million users on Facebook there are likely a lot of consumers you'd like to target. but where do you start?

By now, most organizations have built some type of social presence and have organically attracted fans. Marketers find a surprising amount of insightful information from users who already "like" their page. If your company already has a Facebook page or application, it can be a great way to understand the seed audience that will perform well for your ads. On the "Insights" page you can see the breakdown of your fans by age, gender and location. Use this information to understand your demographic and apply these parameters to target uses similar to your current fan base.

TARGET YOUR FANS AND THEIR FRIENDS

Marketers should take advantage of users that already “like” their page or app. Especially for well-known brands with an established presence on Facebook, your fanbase is likely already a strongly performing audience; they might just need that extra push or reminder from an ad to make a purchase.

Fans are the best users inside Facebook for you to be able to reach. Facebook did a study across their network and they found that the Facebook user that clicks the “like” button consume over 5 times more URLs from Facebook than those who don’t. The average number of friends a person has on Facebook is 130. People who click the like button have almost 2.5 times more friends. In other words, people who click the like button have more connections and consume more content on Facebook. Those are the people you want to reach.

Also, friends of connections are a great way to expand your audience to reach people likely to convert. User’s connections tend to be of similar age, status and location so that puts them in your target audience. Moreover, when you target Facebook users’ friends, your ad will mention their connection, giving it increased credibility and relevancy to the audience

Last but not least, fans don’t regularly check your page. If you think about your own use of Facebook and how many pages you have become a fan of, how many of those do you just go check out to see if there is something new and cool? That is probably not a very big number. You have to figure out how you are going to re-engage your existing fan base.

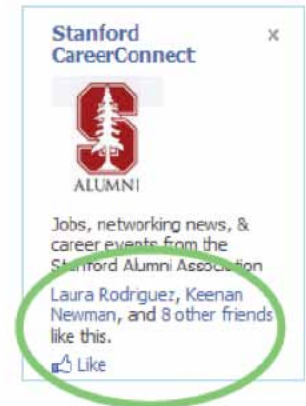
Once someone is a fan of a particular product or brand, send them targeted ads. This type of targeting is really powerful and something you can only do in Facebook: the ability to target people based on their interests and based on things people self-selected to say they like among your products.

CREATIVE

IMAGES ARE IMPORTANT

The audience you are targeting on Facebook is on the social network to interact with friends, share their photos, and play games, not to look for products and services; so ads need to grab their attention. Facebook users are inundated with content and typically scan text and images quickly to find what interests them, but there are tricks to attracting attention in the Facebook world. Marketers need to focus on creative that first captures consumers’ attention, unlike in search where they are already seeking information about a topic related to your product.

The most successful ads tend to be those that stand out on a page with engaging images and contrasting colors. Adding borders to photos in colors like orange or yellow that contrast with the blue and white Facebook interface is a simple way to pull the users’ eyes towards ads. Relating images to your audience, (for example, by serving an image of a local landmark or a sports team that users have listed in their “likes”) is another way to garner more attention than a generic image.



KEEP ADS AND APPS FRESH

The creative refresh demand of social requires you to be able to iterate much quicker, refreshing your content and creative much quicker than what we have seen with the other types of online marketing. Just standing out on a page is not enough; marketers need to rotate ads to keep them fresh. Facebook Ads are typically served to the same users multiple times, often in the same day, so they quickly tune out repeat ads. Ads have around 3 to 5 days before you see a dramatic drop off, while apps have about a 10 to 14-day shelf life before people start to drop off in interaction.

Why? Because now you are targeting people, not search terms. When you are targeting search terms you can have a campaign that runs really long. With search, every time someone types in that search term it is a pretty good chance this is the first time they have been exposed to your campaign. In social, you are targeting people, so after about two weeks you have pretty much determined whether or not that person is going to engage with your campaign or not.

You have to keep that content very fresh. For instance, if you are doing a 30-day campaign, expect to do at least 10 creative refreshes on your advertising. Switching out images and headline copy typically helps boost click-through rates. In fact, successful Facebook advertisers typically rotate creative to combat the “ad blindness” that can result from a user seeing an ad multiple times.

FACEBOOK-SPECIFIC PROMOTIONS

Getting consumers to convert on Facebook requires more than just getting them to your page. Users also have to click the “like” button or install your applications. Just as you would provide a promotion or call-to-action on a paid search landing page, marketers must encourage Facebook users to convert even past the click.

One of the most successful practices we’ve seen on Facebook is when advertisers reward consumers for engaging with them through fans-only sales and promotions. You can offer things such as exclusive content or free shipping. It is simple to build a tab on your Facebook page that appears only to fans. Promoting a coupon code in ads, as well as on the landing page, is a great way to get users to convert.

This conversion is easier for consumers than most paid-search conversions, because they don’t have to enter any information. Consumers just click “like” or “accept,” and marketers immediately have the ability to engage with them.

USER EXPERIENCE

MAINTAIN THE FACEBOOK EXPERIENCE

Many of the advertisers we spoke with have found keeping users on Facebook is a more engaging experience. While sending users to external websites may work for some, tailoring your brand experience to Facebook users typically delivers better results.

Linking ads to Custom Pages, Applications, or Events on Facebook allows you to keep users within the social network for a consistent browsing experience, resulting in lower bounce rates.

Use Custom Pages as part of your Facebook Page that make it easy for consumers to “like” your product or brand. A “like” allows you to then remarket to them over time with messages and status updates about deals or upcoming events.

Facebook Apps provide you with more control over the user experience as well as the ability to gather detailed demographic data from user profiles.

MEASURE CONVERSIONS

Remember the cardinal rule of online marketing still applies to Facebook: you need to track conversions. Once you define the goal of your campaign, whether you want to drive fans, sales or installations, an important step is to track these actions and measure conversions for each Facebook campaign. Marketers want to understand where to focus and which social campaigns are most successful. With the ads integration and ads conversion funnel available in Webtrends Apps, marketers are now able to build and track ad conversions for each of their Facebook campaigns. These capabilities offer marketers a quick time to value by providing key insight into the success of Facebook campaigns.



FACEBOOK INFLUENCES SEARCH

Although Facebook users spend a significant amount of time online within the social network, they're not browsing in a vacuum. Consumers exposed to a brand's social media content are actually 50% more likely to click on paid search ads and 1.7 times more likely to purchase through search. As you manage and optimize Facebook ads, it is important to analyze cross-channel performance and adjust spend and messaging accordingly. Your Facebook and search audiences overlap, and it is critical that paid search campaigns are optimized for the increased traffic driven by the social network.

When launching new Facebook Ads, marketers should pay attention to the impact these ads have on paid search performance and attribute appropriately. Start by tracking users across channels to understand which channels combine to drive sales and specific paths to conversion. Understanding the interaction between channels should allow you to quantify the value of companies for budgeting purposes and to adjust the tone of the media on each site.

Path	Revenue	Visits	Conv. Rate	Rev./Conv. Visit
Facebook + Google (Paid)	1,335.04	36	25.21%	104.73
Google (Paid) + Facebook	528.54	93	5.30%	105.71
Facebook + Google (Paid) + Google (Paid)	174.99	13	15.38%	67.49
Facebook + Google (Paid) + Google (Paid) + Google (Paid)	0.00	5	0.00%	0.00
Facebook + Google (Paid) + Google (Paid) + Google (Paid) + Google (Paid)	0.00	1	0.00%	0.00
Google (Paid) + Facebook + Facebook	0.00	11	0.00%	0.00
Total for all 6 paths	2,038.57	379	11.17%	102.93

Above, in the screenshot from a Webtrends Ads “Paths Report,” most users who interacted with both paid search and Facebook saw the Facebook Ads first. In this case, the marketer could adjust the tone of the Facebook messaging to be more focused on top-of-funnel interactions and make sure paid search creative encourages a final purchase or conversion.

CONCLUSION

These tips should get you started on the road to a successful Facebook advertising program, but the buck doesn’t stop there. Marketing campaigns require continued analysis and adjustments for optimal performance. Don’t underestimate the value of analytics and daily reporting. Just because you may not be driving sales directly from Facebook ads doesn’t mean there isn’t an opportunity to optimize for downstream conversions.

Webtrends offers a complete social marketing solution for professional marketers. First, Webtrends helps marketers quickly define and execute on Facebook marketing strategy. Facebook ads drive traffic to campaign apps that increase engagement, and then analytics help test concepts and measure success. Not only can you see how Facebook apps are performing with built-in analytics, but you can use integrated multi-channel analytics to see how your apps are performing along with digital campaigns you are running across other channels.

Not only will you need to measure and adjust the performance of your campaigns, but we as marketers will need to continue evolving within the Facebook solution as its advertising tools change. Remember, most organizations are still figuring out how to best leverage Facebook Ads and Apps, and we expect Facebook to grow with them. Building a fan base now, before cost-per-“likes” begin to rise, can work to your advantage.



851 SW 6th Ave., Suite 1600
Portland, OR 97204
1.503.294.7025
fax: 1.503.294.7130

Webtrends Sales
1.888.932.8736
sales@Webtrends.com

Europe, Middle East, Africa
+44 (0) 1784 415 700
emea@Webtrends.com

For offices worldwide, visit:
www.Webtrends.com

About Webtrends Inc.

Webtrends is the global leader in mobile and social analytics. We help marketers create, measure and improve campaigns for more than 7,000 leading brands including: The New York Times, Microsoft, BMW, RIM, China Telecom, China Mobile, CCTV, Tencent QQ, Hitachi, The Associated Press, HSBC, Barclays, Vivo Cellular and Petrobras. Our leadership extends beyond the web analytics industry we founded to the measurement, optimization and integration of all digital content and customer intelligence, including websites, social media, mobile and paid-search advertising.

Webtrends is a registered trademark of Webtrends Inc. in the United States and other countries. All other trademarks and registered trademarks are the properties of their respective owners.