

THE ADVANCED GUIDE TO FACEBOOK ADVERTISING



Advertisers have been driving real revenue growth using Facebook for years, but this year may be the biggest year yet.

Ten plus years in, Facebook shows no signs of slowing down. And as consumers spend more time using mobile devices, Facebook is the undisputed leader.

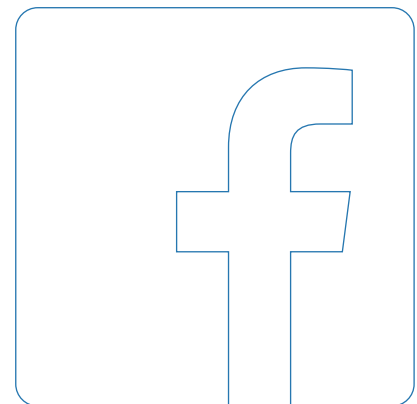
With Facebook's massive base of 2.12 billion daily active users, it continues to be a critical digital channel for reaching existing and potential customers. This highly engaged audience offers a tremendous opportunity for marketers to not only build brand awareness, but also drive real revenue growth on a global scale.

As the platform continues to evolve, CEO Mark Zuckerberg is steering Facebook toward three main advertising business objectives:

- ✓ Capitalize on the shift to mobile
- ✓ Grow the number of marketers using ad products
- ✓ Ensure ads are more relevant and effective

It's these goals that will help guide Facebook to solidify its marketing and advertising dominance over the coming years.

In this guide, we'll explore strategies and approaches for scaling the revenue impact from your Facebook advertising in the coming year and beyond.



9 FACEBOOK MARKETING TRENDS TO WATCH

As expected, the Facebook marketing and advertising ecosystem will continue to evolve at an ever-increasing pace. It's up to strategic digital marketers, like CC&A, to adapt and take advantage of every opportunity Facebook has to offer. If you're looking to grow your business using one of the world's most popular advertising channels, these are the themes to watch.

① MOBILE CONTINUES TO DOMINATE

Well over half of all Facebook users are accessing the platform solely on their mobile device.

Desktop's final days are still a long way off, but marketers on Facebook are increasingly prioritizing their efforts where consumers spend the most time: on smartphones.

Mobile Internet Ad Spending Worldwide, 2014-2019						
	2014	2015	2016	2017	2018	2019
Mobile internet ad spending (billions)	\$42.35	\$72.06	\$104.96	\$136.70	\$169.11	\$198.81
—% change	122.3%	70.1%	45.7%	30.2%	23.7%	17.6%
—% of digital ad spending	29.4%	42.3%	52.9%	60.3%	66.2%	70.2%
—% of total media ad spending	7.9%	12.7%	17.3%	21.3%	24.8%	27.6%

Note: includes display (banners, video and rich media) and search; excludes SMS, MMS and P2P messaging-based advertising; ad spending on tablets is included
 Source: eMarketer

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www.eMarketer.com

Beyond Facebook, the global mobile advertising market will have two significant milestones, according to eMarketer.

For the first time, mobile ad spend will surpass \$100 billion, and account for more than 50% of all digital ad expenditure worldwide.

② INSTAGRAM GAINS TRACTION

In 2015, Instagram opened programmatic access to its advertising ecosystem for the first time, offering native ads with direct response features—like call-to-action buttons—that fit seamlessly into a user’s mobile feed.

With an engaged mobile audience of 800 million monthly users at their fingertips, digital marketers have been quick to test and scale campaigns on Instagram. In fact, most cutting edge marketing companies, like CC&A, adopted the channel in just the first three months of availability.

While the Instagram advertising landscape is still young, early direct response results are promising. For example, a large online retailer increased return on ad spend 179% in just 60 days, while another drove a 219% increase in purchase rates. All early indicators point to Instagram becoming a more critical revenue-generating channel for marketers throughout the coming years.



FREE RESOURCE

Instagram Marketing: The Performance Marketer’s Guide to Advanced Marketing and Scaling Success

As direct response marketers worldwide rapidly adopt Instagram advertising, this FREE GUIDE features creative best practices and audience insights to help businesses power true business growth.

[Download the Free Guide](#)



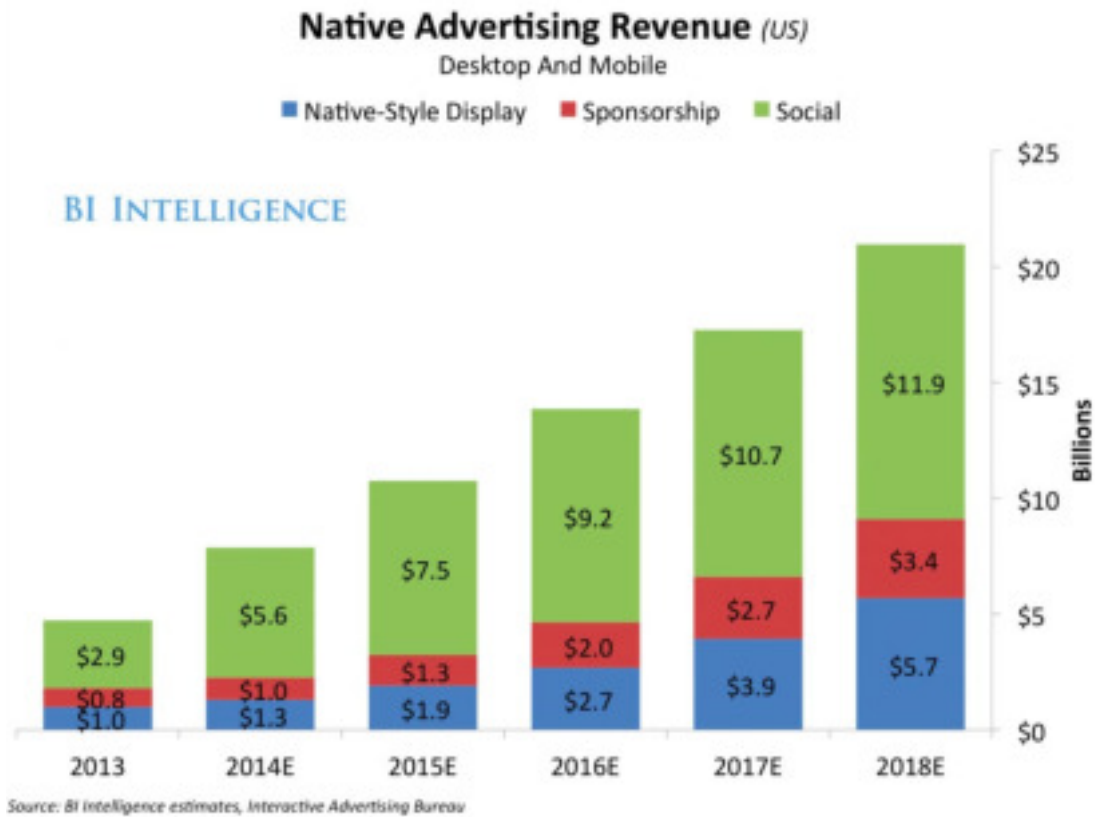
③ NATIVE ADVERTISING RISES ABOVE THE BLOCK

Facebook—and other platforms that feature native ads that seamlessly fit in with the surrounding content—will stay above the ad blocking fray.

As ad blockers slowly grow in popularity in some markets, publishers that follow Facebook’s lead by building unobtrusive ad products will offer the most value to users (and marketers).

Native ad revenue is expected to hit **\$18.9 billion**, up from just \$4.7 billion in 2013, according to BI Intelligence. A significant majority of that growth is projected to be driven by native ads on social platforms like Facebook.

According to eMarketer, **native ads continue to represent almost all of Facebook’s revenue**. Clearly they are effective for publishers, but more importantly, they are also effective for marketers looking to grow their business across social and mobile. Throughout 2016, other publishers such as Google and LinkedIn, and even media properties like *The New York Times* or *Forbes*, continued to scale up their own native ad offerings at an increasing rate.



④ MARKETERS MASTER ANALYTICS AND AUTOMATION

The rising popularity of automation indicates that data and analytics will be a key growth area for Facebook marketing investment.

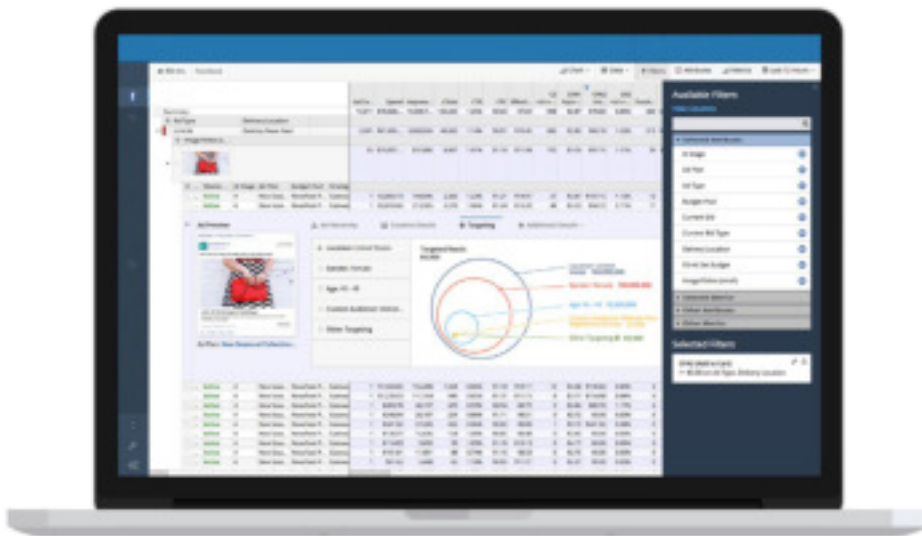
As digital marketing becomes more and more essential to driving revenue for businesses, proving and maximizing return on investment requires deep business intelligence analytics, advanced work flow automation, and predictive machine learning optimization technology.

For example, when predictive machine learning algorithms are constantly optimizing campaigns for return on ad spend—and getting more intelligent as they learn from your unique business—the possibility for higher ROI at scale is huge.

When marketers like CC&A can quickly launch Facebook campaigns on desktop and mobile, and easily track purchases, lead generation, and more as customers move across devices, growth opportunities become much clearer. And when revenue can be accurately

attributed to specific campaigns, audiences, creatives, devices, or channels, advertisers are armed with the data they need to unlock continued growth.

As marketers become more and more data-driven, and the need to intelligently track, predict, and increase ROI grows, more of them will adopt automation platforms to help them achieve their goals.



⑤ ROI IS THE METRIC THAT MATTERS

Facebook hasn't become the advertising force it is without delivering measurable return on investment, at scale, for marketers. There is such a wealth of data available to advertisers, and as strategic investments in channels like Facebook become even more critical to growing revenues online, marketers are under constant pressure to prove the value of their efforts.

For direct response advertisers especially, return on investment has always been the most important performance indicator for the bottom line. Moving forward, ROI will be thrust even further into the spotlight as new measurement, optimization, and automation tools make it easier to track than ever.

As more marketing teams move toward strategic agencies like CC&A for their programmatic advertising on Facebook and beyond, they can elevate their thinking around ROI to focus on the true customer lifetime value driven by ad campaigns.

Marketing automation technologies like these will help propel the industry forward toward achieving more meaningful business growth from Facebook.

✓ **CROSS-DEVICE MEASUREMENT AND ATTRIBUTION**

Strategic agencies like CC&A will help you to close the loop on attribution, measuring and optimizing ad-driven behaviors across desktop and mobile devices.

✓ **PREDICTIVE REVENUE OPTIMIZATION**

Optimizing campaigns for actions like purchases or lead generation is a strong start, but CC&A can help intelligently target Facebook ads at customers who will deliver the most revenue over time—maximizing value from your investment.

✓ **CROSS-CHANNEL REPORTING**

Strategic programs that offer deep, customizable reporting across Facebook and more enable you to more quickly identify what's working and what's not. Getting a complete picture of marketing ROI—using the unique metrics that matter most to your business—is essential.

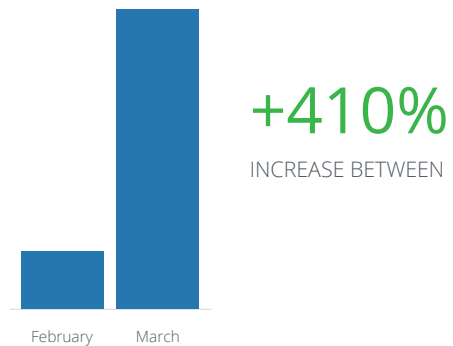
⑥ VIDEO BUDGETS SOAR

Marketers are significantly increasing their investment in video ads on Facebook. In one month alone, a group of professional service providers increased spend on **video mobile ads 410%**.

Facebook is integrating video options into more and more ad products, including its highly engaging carousel ads. One step further, the company has even begun testing immersive ads that feature full-screen video, product information, and more. CEO Mark Zuckerberg has indicated that rich media will continue to be a priority on the company's product roadmap, and with good reason.

Daily video views on Facebook topped 8 billion in November 2015. Given that this figure is double what Facebook reported in April 2015, it's clear that Facebook is a powerful force in video and will likely give YouTube a run for its money.

Video Mobile Ad Spend



For companies that invest in video ads on Facebook, it will be important to develop creative content with the platform in mind. Rather than simply repurposing television ads, video ads on Facebook should be **short and snappy** to drive the highest level of intent. When you tell a compelling story, showcase a visual aspect of your product, and feature highly shareable content, the potential for video ads is huge.

The image shows a Facebook advertisement for the game 'MARVEL Contest of Champions'. The ad features a central video player showing Spider-Man fighting Iron Man. Above the video, the text reads 'MARVEL Contest of Champions', 'Sponsored', and 'Choose your favorite Superheroes to fight against the ENTIRE Marvel Universe. Play FREE!'. Below the video, it says 'BRING IT ON!', '★★★★★', and 'Over 9 million players'. An 'Install Now' button is visible in the bottom right corner. The ad is surrounded by several smaller, overlapping video thumbnails showing various game scenes.

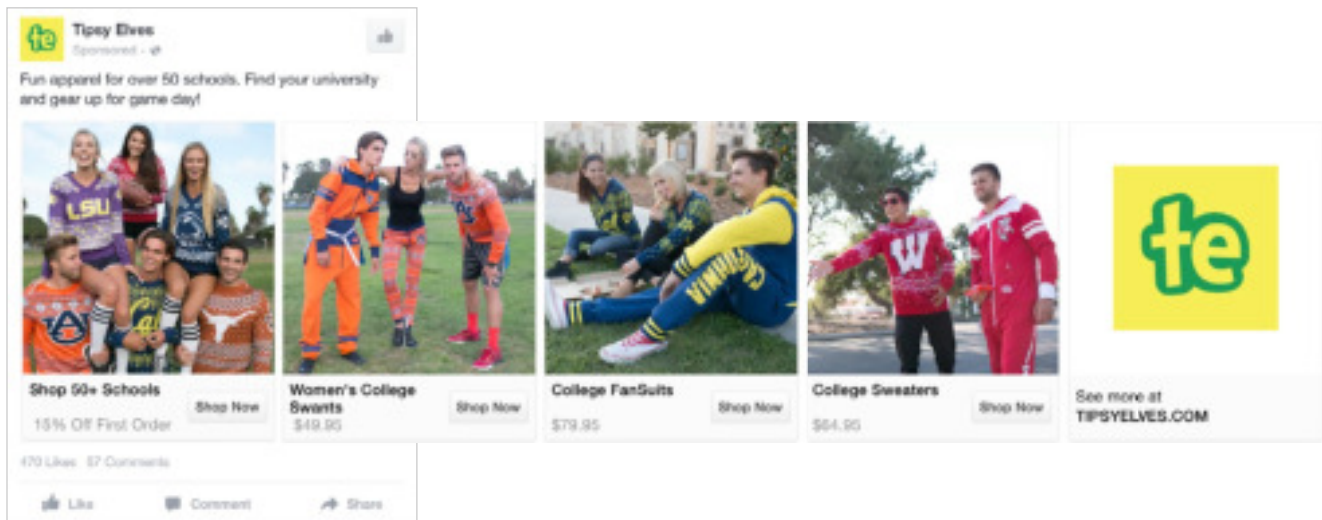
© 2015 MARVEL. MARVEL CONTEST OF CHAMPIONS SOFTWARE © 2015 KABAM, INC. DEVELOPED BY KABAM. ALL RIGHTS RESERVED. Kabam is the original developer of Marvel Contest of Champions, trademark, property and all rights reserved by Kabam.

⑦ FACEBOOK AMPS UP INNOVATION

Over the past decade, Facebook has become a leading channel for digital marketers aiming to find and retain new customers.

With its unparalleled audience reach and targeting capabilities, Facebook is a powerful marketing force. Its effectiveness is thanks in large part to a record of rapid and constant innovation.

Parallel to designing the best cross-platform experience for its more than 2 billion users, Facebook has focused on building industry-leading tools to enable performance marketers to achieve their direct response and brand advertising goals.



Facebook has brought countless ad innovations, and here are just a few:

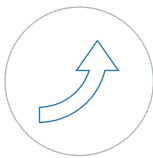
- ✓ **CAROUSEL ADS**
Showcase multiple products or tell a multi-stage story in a single ad unit. Learn how to maximize carousel ad performance with this [free eBook](#).
- ✓ **RELEVANCE SCORE**
Gain an overall understanding of how ads are resonating with your target audience.
- ✓ **DYNAMIC PRODUCT OR SERVICE ADS**
Retarget customers by promoting the right product or service at the right time across any device, with ads informed by a real-time product feed. This [free eBook](#) has strategic insights to help you drive more revenue with dynamic product ads.

⑧ RETARGETING GETS EVEN MORE POWERFUL

Now more than ever, digital marketers are realizing that if they don't employ a robust, data-driven retargeting strategy, they're likely leaving revenue on the table. Especially for retailers, this year brings the perfect opportunity to reassess current retargeting efforts and begin leveraging the newest, most powerful tools available.

With the introduction of dynamic product ads, Facebook offered marketers a highly scalable retargeting solution that's built on a foundation of real-time product information. This way, campaigns can be more effective (and generate more revenue) by promoting the most ideal products or services to individuals at the right time, all across any device.

Marketers on Facebook will further adopt and grow dynamic product ad campaigns moving forward, driven by these core benefits.



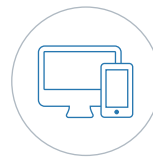
SCALE

Promote all of your products and service with unique creative without having to configure each individual ad



ALWAYS-ON

Set up your campaigns once and continually reach people with the right product and service at the right moment in time



CROSS-DEVICE

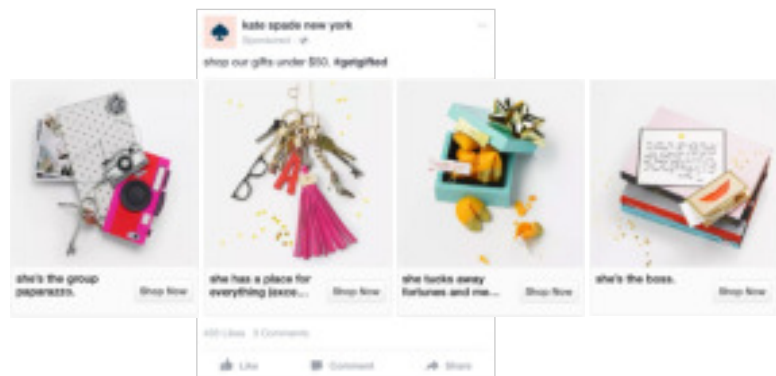
Reach people with ads on any device they use, regardless of their original touch point for your business or promotion.



HIGH RELEVANCE

Show people ads for products and services they are interested in to increase their likelihood to contact your sales team

Automatically showing customized messaging to individuals based on their desktop or mobile browsing behavior—while tapping into all the available data on your products and services—increases the likelihood of a lead. Download [The Essential Guide to Driving ROI with Facebook Dynamic Product Ads](#) for insights and strategies to fuel successful retargeting.



9 INTERNATIONAL MARKETS TAKE OFF

The Asia-Pacific region presents an enormous opportunity for marketers. Home to 4.3 billion people in 20+ countries, this fast-growing geography is a ripe market for businesses looking to expand their global customer base.

Some of Facebook's strongest user growth is coming from the Asia-Pacific markets. eMarketer indicates there are over 401 million Facebook users in the region, and 90% of them access the site on mobile devices. Targeting an APAC audience of Facebook users is a great deal for advertisers compared to the average Cost Per Thousand Impressions (CPM) and Cost Per Click (CPC) in more saturated markets.

Facebook advertising is the perfect entry point for marketers looking to expand to the Asia-Pacific region, as ads can reach a large group of new customers for a relatively low cost. However, advertisers must keep localization and regional factors in mind when creating their ads.

Though it may take more time to create or update advertising campaigns for an APAC audience, these tactics will have a considerable positive impact on the effectiveness of ads.

“When dealing with multiple languages, currencies, time zones, product preferences, religions, ethnicities, and cultures... you’ve got to plan for multiple sale campaigns with different time frames, and you need creative in multiple languages that speaks to a wide variety of cultural backgrounds.”

STEPHEN TAORMINO
President & CEO
CC&A Strategic Media



Facebook Users in Asia-Pacific*, by Country, 2014-2019 millions and % change

	2014	2015	2016	2017	2018	2019
Facebook users (millions)						
India	103.2	134.5	167.3	200.8	234.3	269.5
Indonesia	58.5	67.7	77.7	87.8	96.3	105.1
Japan	26.5	27.7	28.4	29.2	29.8	30.4
South Korea	13.0	13.6	14.0	14.3	14.6	14.9
Australia	10.4	10.8	11.0	11.3	11.4	11.6
Other	161.3	182.8	207.2	233.0	254.7	277.3
Asia-Pacific*	372.9	437.1	505.7	576.4	641.2	708.7
Facebook user growth (% change)						
India	35.6%	30.4%	24.4%	20.0%	16.7%	15.0%
Indonesia	16.4%	15.8%	14.7%	13.0%	9.7%	9.1%
Japan	4.9%	4.2%	2.8%	2.6%	2.2%	2.1%
South Korea	7.0%	3.8%	3.4%	2.2%	2.3%	1.9%
Australia	4.1%	3.5%	2.4%	2.1%	1.4%	1.4%
Other	24.3%	13.4%	13.3%	12.5%	9.3%	8.8%
Asia-Pacific*	22.8%	17.2%	15.7%	14.0%	11.2%	10.5%

Note: internet users who access their Facebook account via any device at least once per month; numbers may not add up to total due to rounding;
*eMarketer estimates no Facebook usage in China due to the country's ban on the site, depressing Facebook penetration in Asia-Pacific as a whole
Source: eMarketer

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6 FACEBOOK ADVERTISING BEST PRACTICES

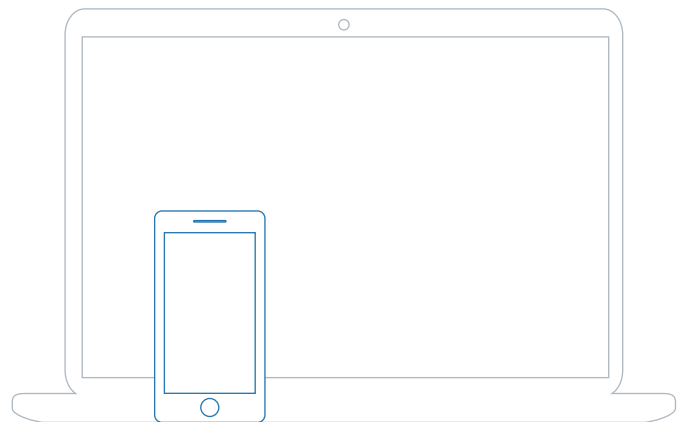
How quickly you adapt to changes in the digital marketplace can make or break your marketing performance. Because a few small tweaks to your strategy can have a big impact on your bottom line, the team at CC&A have created a series of suggestions on where to focus.

① FOCUS ON MOBILE

Smartphones and tablets are geared to become the most important player in the world of marketing, and businesses need to take notice. Traditionally used to peruse products before purchasing on desktop, mobile devices are coming into their own as buying tools.

According to [eMarketer](#), mobile devices have finally left behind the browsing stigma. Last year, 73.9% of US mobile shoppers are slated to use their smartphones or tablets to make a purchase, instead of just using them to research or compare prices. That percentage is expected to rise in the years to come.

As more consumers adapt to the new paradigm, companies who can adapt quickly to the shift in mCommerce will be ahead of the curve.



② INCREASE CONVERSIONS WITH RETARGETING

If you're not incorporating retargeting into your Facebook ad campaigns, you're missing out on a massive opportunity to grow your revenue by reaching and re-engaging consumers that have interacted with your business.

According to ecommerce analytics firm Formisimo, **the average rate of shopping cart abandonment last year was 68%**. This means that online retailers have been watching nearly seven out of ten potential customers get so close to completing their purchase, and then walk away.

Since Facebook and agencies like CC&A offers a variety of retargeting options—including dynamic product ads, Facebook Exchange, and website custom audiences—there's no shortage of retargeting strategies to incorporate into your Facebook advertising plan.



Retargeting can take many forms, but here are a few example goals that can kickstart your campaign planning.

- ✓ Convert more add-to-carts into purchases
- ✓ Fuel discovery of similar products and services in any given category
- ✓ Cross-sell complementary products and services
- ✓ Increase purchase frequency with your top customers
- ✓ Grow average order value by upselling products and services with higher margins
- ✓ Keep lapsed customers active and engaged

③ REFRESH YOUR CREATIVE STRATEGY

Because Facebook ads are such a highly visual medium, constant creative iteration is key to strong performance.

Testing different creative can help reduce ad fatigue, which occurs when audiences see the same ad over and over again, eventually becoming blind to the promotion. On always-changing social platforms like Facebook, audiences will quickly get bored with your ads if they continually feature the same creative and copy.

There are infinite creative possibilities for Facebook ads, but here are some ideas to test.

- ✓ Overlay text on images
- ✓ Vary the length of ad copy
- ✓ Highlight specific sales, offers, and exclusive promo codes
- ✓ Feature loyalty program incentives
- ✓ Leverage imagery and video with eye-catching bright colors
- ✓ Include seasonal visual elements for timely relevance
- ✓ Appeal to specific buyer persona using tailored creative
- ✓ Include strong, bold call-to-action buttons within your imagery
- ✓ Vary your angle between product-focused and people-focused creative
- ✓ Visually explain your product's core benefits
- ✓ Make the most of an expanded creative canvas using the carousel ad format

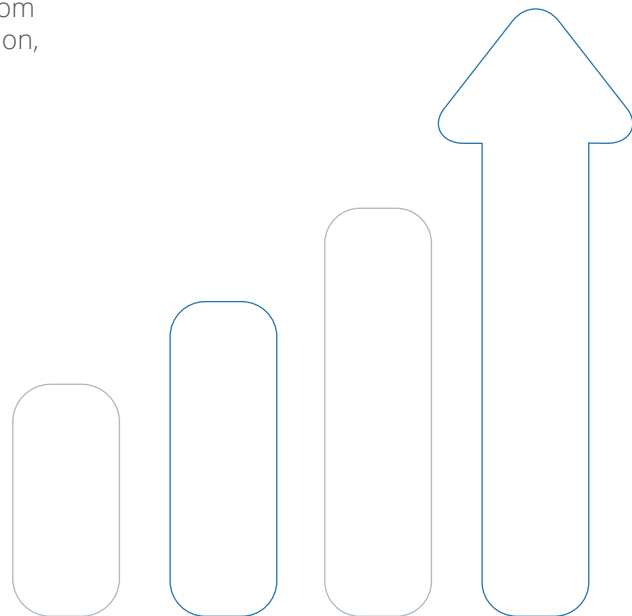


④ OPTIMIZE YOUR AD SPEND FOR TRUE ROI

For many industries, digital advertising has shifted from primarily brand-oriented campaigns to more direct response efforts, driving toward actions like purchases or lead generation. Retailers—which spend more on programmatic display advertising in the US than any other industry—dedicate 65% of ad spend to direct response campaigns versus 35% to branding, [according to eMarketer](#).

Driving the shift to direct response is its clear, measurable ability to increase return on ad spend. However, there are always opportunities to further improve returns. For direct response marketers, adopting predictive lifetime value optimization is a must. Predictive lifetime value revenue optimization enables you to intelligently (and automatically) adjust campaigns to reach customers who will generate the most value for advertisers over their entire lifetime. When you can accurately predict the longterm ROI of specific customers, you can more efficiently allocate ad budgets to maximize returns and grow your business.

Because it's rooted in downstream behavior (or what happens after an ad is clicked and a user is acquired), predictive optimization provides direct response advertisers with the ability to advertise on Facebook with a focus on sustainability and future success. 2016 was the year more marketers than ever before moved away from proxy metrics like click-through rates and cost per action, and instead make strategic digital advertising choices based on true ROI.



⑤ TEST FACEBOOK VIDEO ADS

Video advertising is the **rising star** in the world of programmatic. By using video creative, marketers can engage audiences with sights and sounds, making for a more memorable viewing experience that can be more likely to drive a marketer's desired action.

While video ads were once considered primarily a brand-focused tactic, direct response advertisers are embracing the format—and achieving impressive returns as a result. When Kabam debuted the mobile game *Marvel: Contest of Champions*, its advertising team looked beyond maximizing reach and exposure among its target audience. Instead, Kabam set a goal of minimizing cost-per-install (CPI), while optimizing ad campaigns to reach gamers more likely to make in-app purchases. Video ads were essential to their success.

After testing the performance of Facebook's mobile app install ads using static images versus video creative, the winner was clear.

78%

HIGHER CTR ON VIDEO VS.
IMAGE ADS

46%

OF TOTAL IMPRESSIONS WERE
VIDEO ADS

77%

OVERALL BOOST IN PURCHASES
FROM VIDEO VS. IMAGE ADS

When planning a video ad campaign on Facebook, remember that creative is key to capturing a user's attention as they scroll through their Newsfeed. Auto-playing video makes the first few seconds of video (with muted audio) even more critical. These strategic tips can help your video ads perform their best.

✓ **DON'T BURY THE LEDE**

To get the best results from video, you need to feature the most exciting, eye-catching aspects of your product or service right at the start of the video to draw people in.

✓ **KEEP IT REAL**

For game advertisers, it might seem easy to repurpose an existing game trailer as a video ad. However, CC&A has observed a number of gaming companies drive significantly stronger performance using gameplay-centric video ads, as opposed to more cinematic trailer-style videos. This philosophy works in all industries.

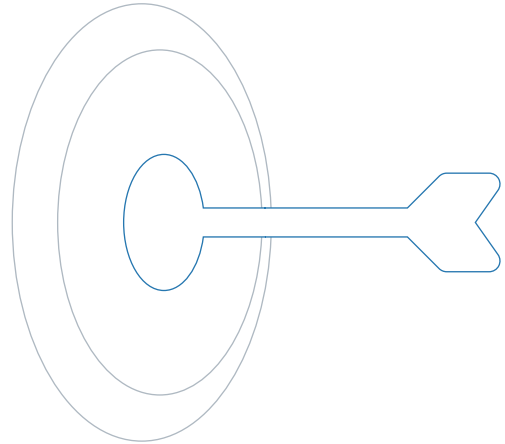
✓ **USE A STRONG CALL-TO-ACTION**

As a direct response tactic, video ads provide ample opportunity to drive specific behaviors using strong calls-to-action. Ensure you take advantage of and test all the video call-to-action features Facebook offers.

⑥ SEGMENT YOUR MARKETING CAMPAIGNS

Thanks to the sophistication of modern measurement and analytics tools, marketers have access to a vast array of information on customer interests and behavior at their fingertips. Much of the power of Facebook advertising comes from its unmatched targeting capabilities. Make it a priority to test campaigns using all the Facebook targeting options at your disposal. Data-driven marketers know that experimenting with new strategies is essential to scaling success, leveraging new targeting (and retargeting) solutions—from website custom audiences to dynamic product ads—could help you uncover untapped pockets of high-value customers.

Facebook offers some of the most sophisticated ad targeting in the industry. Be sure to experiment with all available options to find out what strategy drives the best performance for your business.





CONCLUSION: MAXIMIZING THE GROWTH OPPORTUNITY

Facebook's explosive growth combined with its rapid innovation in advertising make it one of the world's top digital marketing and advertising channels. Advancements in ad formats, audience targeting, and mobile have created new opportunities to achieve ever-increasing ROI.

To be successful, marketers on Facebook must continue to explore new frontiers like video and dynamic product ads. But no matter what innovations come along, strategic testing, optimization, and measurement will continue being critical to growing return on ad spend.

With the trends and insights in this guide, you're ready to put Facebook advertising to work for your business. Some of the country's largest organizations are already driving more revenue from Facebook advertising with CC&A Strategic Media. CC&A helps marketing teams to elevate their mindset from managing ads to managing revenue, achieving customer growth and predictable ROI at scale. Offered as strategic marketing partner, CC&A features multichannel programmatic media buying, predictive revenue optimization, and real-time business intelligence across today's most valuable digital channels.

If digital marketing and advertising is a key lever of growth for your business, and you want to maximize revenues from your efforts on Facebook, [contact us to get started with a custom solution](#).



CC&A Strategic Media

STRATEGICALLY PLANNED MEASURED RESULTS

CC&A Strategic Media empowers in-house marketing teams to grow the revenue impact of their digital marketing and advertising. We analyze big data, understand brand values, and look for demographics that are under represented. Our team uses technology, psychology, art, and science to grow businesses!

Offered as a strategic marketing partner, CC&A features multichannel programmatic media buying, predictive revenue optimization, and real-time business intelligence across today's most valuable digital channels.

Contact Us

www.CCAstrategicMedia.com

PO Box 39 | Perry Hall, MD 21128

Info@cca-mail.com

410-931-6717

