



# Social Media Advertising

How using Facebook Ads can benefit your business

In this whitepaper, we'll focus on when you should consider paid Facebook ads for building brand awareness and, to a limited extent, conversion on your company's website. We'll also review the most effective tactics for ad creative, targeting and implementation.

## Why Use Facebook Ads? 5 Reasons to Start Your Campaigns TODAY

*It is with much geekery that we explore Facebook ads. First up, the important, fundamental question: why use 'em?*

If you're not using Facebook ads by now, it's seriously time to consider it. As the second most-visited website in the world (second to our beloved multi-colored search engine), Facebook is an avenue not only for your personal page, company page, and occasional pictures of the office dog; **it is (or can be) a tool for reaching new audiences and getting new customers.** It has proven to be a success at gaining customer traction, and not just online. Facebook ads, when done right, have the potential not only to amass a following and bolster online presence, but also generate real-life discussions needed to grow your business.

### Facebook's "Throttling" of Organic Reach

As you've probably realized, Facebook has been limiting the reach of your posts. We're finding that a typical post, if you don't boost it, only reaches between 10 and 15% of the people who "like" your page. This, however unfair-sounding, seems to be the new reality. So if you really want to reach a larger audience, paid ads have become mandatory.

### Increased Brand Awareness

More than anything else, Facebook ads **get your name out** in the social sphere to a highly targeted audience of your choosing. Users taken from a stunningly relevant audience will see your ads.

You have the option of displaying your ads in the news feed, the sidebar, on mobile, and to the audience network. If those ads are good, people will click, and people **will get to your site**. Voila! Now, assuming your page is [optimized for conversion](#), we've snagged a visitor who is on the road to customerhood.

## Lead Conversions

No, Facebook is not an online shopping site...However, targeting the right visitor at the right time **creates superb opportunities** for turning browsers into conversions. It is a viable channel for getting customers to schedule a service online, fill out a contact form, etc. Plus, they just released a new feature that allows you to include a button (that drives to your selected web page) on the ad itself.

## (Very) Affordable

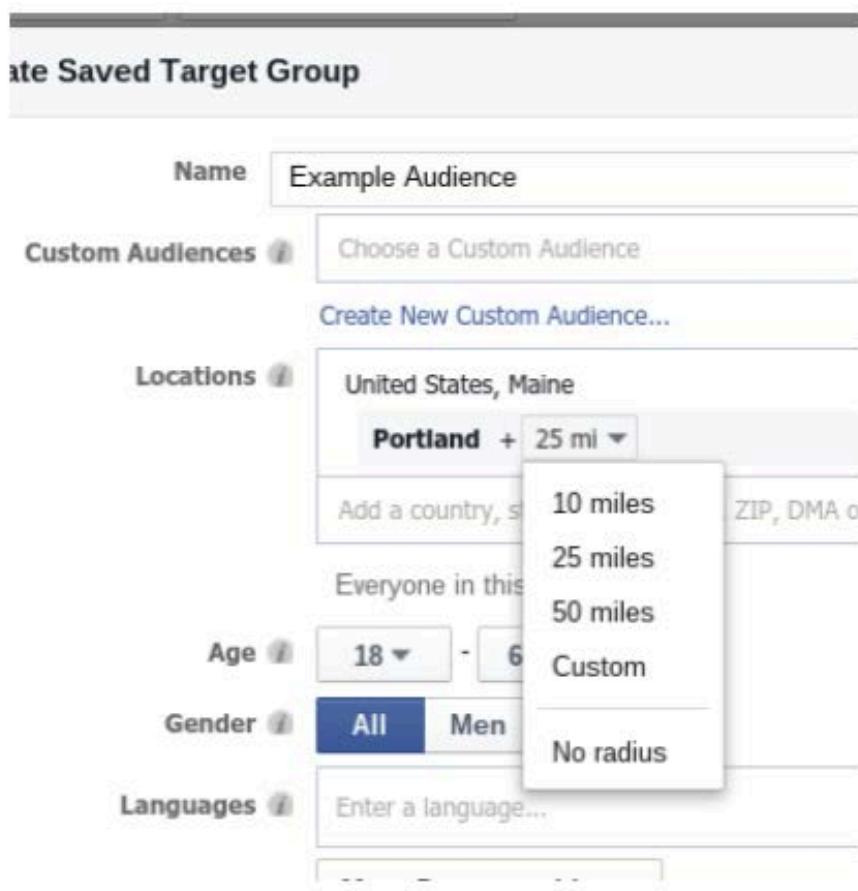
You can run a successful series of ad campaigns for **low costs**, budgeting as specifically as maximum cost per day or as generally as setting a budget and letting it run out. For our home performance and HVAC clients, we recommend a beginning spend of around \$300 in clicks per month, an amount that allows us to run about 5 separate ad campaigns and see great numbers in impressions, visits, and conversions.

## Super-Customizable Configuration & Auto-Optimization

We usually create a few variations of the same ad to see which performs better. We like to think we know what a good Facebook ad is, but Facebook knows better. The **platform will optimize** the ads that perform well for you, automatically allocating more budget to the ones that outperform the not-so-clickable ones.

Also, **pretty much everything relating Facebook ads is customizable**. Audiences, ad style, display time, and spend are all factors that can be tailored to your needs and budget. **For example:** We can display a specific ad to a farmer in Holden, Maine between the hours of 3-5am. This farmer likes couponing and cats, is usually an offline buyer, has recently opened up a new line of credit, is a huge cricket fan, just got back from a trip to Egypt, and is engaged. Probably not a particularly large audience, but if that farmer exists, you better be darn sure he's seeing my ad.

## Steady Stream of New, Cool Features



They're constantly updating the platform. Recently added features, like specific radius targeting for audiences, new interest groups, video display, and multiple images and links demonstrate the ever-shifting landscape of social media advertising. Done correctly, it's a viable option for your company's advertising, and it's constantly improving.

Convinced?

## II. Advanced Targeting with Facebook Ads: What you Need to Know (or, "Becoming a Professional Creeper")

*Now that you're convinced using Facebook ads is a good idea for your business, let's move on to the nitty-gritty details of ad management. A good place to start: who are you looking to target with your ads?*

The **extreme specificity** of Facebook's advanced targeting features ensure that advertisers are **not** taking a shot in the dark with their ad placements. Need some targeting options to get you started? Check out just some of the audience building features Facebook ads offer:

### Choosing an Audience: You've Got Options!

There are a few ways to create an audience on the Facebook ad platform, each one useful depending on the campaign you'd like to run.

#### Targeted Audience ("Saved Audience" in Facebook Speak)

Saved audiences are fully-customizable target groups that advertisers can create based on a plethora of variables. The more variables selected, the narrower the audience gets. By giving some thought to the kinds of customers with whom your business has historically worked, and by brainstorming the kinds of people you know are likely to become customers, you can come up with a specific target audience.

#### "Custom" Audience

You can create a custom audience based on traffic to your website, or by uploading a current customer list. Once you upload your list (or put a [tracking pixel on your site](#) to collect web traffic), the ad platform will link customers on your list (or visitors on your site) to their existing Facebook profiles.

This tactic for audience building is useful in several instances. If you'd like to get back in front of site visitors who didn't convert the first time they visited, you can run a remarketing campaign. These campaigns will display your ads within Facebook to Facebook users who have previously visited your site. Custom audiences are also useful if you're running an offline campaign that is geared towards customers at specific addresses (ex. a direct mailer) and would like to synch it with an online campaign.

### "Lookalike" Audience

These audiences are based on existing custom audiences, users who like your page, or visitors who visit your website. Facebook's algorithms will generate a list of users whose profiles are similar to those in the audience you select to mimic. From there, you can narrow down the audience by targeting geography and other features.

...This is where things get creepy.

## Where's Your Audience? Location Targeting

Home performance, insulation, and HVAC companies are inherently service area-specific (SABs), so location targeting is an invaluable asset as we create Facebook ad campaigns. In its typical super-customizable fashion, the ad platform lets you target certain geographies in a variety of ways, by using zip codes, cities, and even specific addresses. You can add as many locations as you want, exclude certain areas, create custom radii around each area, include people who live in the location vs. people who have recently visited the location...it gets pretty specific.

## Demographic Targeting

**Create Saved Audience**

Audience Name

Custom Audiences

Locations   Everyone in this location

Age

Gender

Languages

**More Demographics**

Relationship >

Education >

Work >

Financial >

Home >

Behaviors >

Connections >

Ethnic Affinity >

Generation >

Parents >

Politics (US) >

Life Events >

Target people based on their age, language, education level, and a whole lot more with demographic targeting. Advertisers can get crafty with options like homeownership, net worth, year home was built, political persuasions, job titles, and life events (like recent engagements, expectant parents, and new movers - all people who are likely to be in the mood to invest in their homes).

## Becoming a Creeper: Interests & Behavioral Targeting



The stealthiest and most specific targeting options live in two categories: interests and behaviors. Certain demographics are also excellent targets to include. Selections are additive, meaning the audience size grows the more factors you target. Facebook has said that interest and behavioral targeting is based on a user's activity within Facebook (pages the user "likes," content the user shares, etc)...the jury is still out on whether that is totally true, since some of these interests seem way outside the activity of a normal Facebook user within Facebook. Check out some of these options and see for yourself:

### Example Interests

- Ventilation
- Mold growth
- R-Value
- Allergen
- Thermal comfort
- Radon mitigation
- Air quality index
- Fresh Step cat litter
- Neon

### Example Behaviors

- Watch home improvement shows
- Use primarily cash
- Intending to travel to Dubai
- Example Demographics
- Length of residence
- Recent homebuyer/new mover

Next, we'll explore the fundamentals of creating the actual Facebook ad, including suggestions for creative, strategies for some unique features to the platform, and tactics for ongoing management of ad campaigns.

## III. Creating a Rockin' Facebook Ad

*If we've been persuasive, by now you're 1.) convinced that using Facebook ads is a great idea for your business and 2.) really good at targeting your specific audience. The final ingredient for your potent Facebook ad cocktail? The ad itself.*

### Linking: Where should you drive ad traffic?

Each ad must link to a specific page of your website, and making sure your ad creative is directly relevant to the page it links to is critical (the section on ad performance dives into relevance more). While the ad is associated with your business's Facebook page, users who click will come to your company's website. Here are a few suggestions for where to bring your visitors:

- Important service pages
- FAQ pages
- Specials, deals, & promotion pages
- Listicle-type posts
- Recent blogs

Pages that provide easy-to-access, well-structured, bite-size information (along with a form with a strong call-to-action, or CTA) help to improve the quality of a user's experience on your site, and will increase the chances that they'll call or fill out a form once they get to your page.

### Key components of a Facebook ad

Facebook's ads are divided into three major tiers: Campaigns, Ad Sets, and Ads. A campaign sets an overall objective (clicks to website, post engagement, etc.) and buying type (auction vs. fixed price). Ad Sets specify an audience and budget. Ads are where you generate the ad creative, links, and any ad variations. That's what we'll focus on here.

While Facebook has just debuted a few updates that allow easier access to editing ads within Ads Manager, we prefer create and manage ads using [Power Editor](#). It's easy to replicate campaigns, make small ad variations, and set audiences; we also prefer the interface. Here are the major components of a typical ad:



### 1. Text

This is a one or two sentence, catchy intro to your ad. Leading with a question, keeping it brief, and even adding an element of humor is a good idea here.

### 2. Image

Choosing a relevant, interesting, or funny photo is key to an attractive, clickable ad. Experience tells us that real company photos usually outperform stock photos. [Carousel ads](#), a new Facebook ad feature, allows you to display multiple images (and links) for a single ad. For non-carousel ads, Facebook recommends a photo size of 1,200 x 628 pixels.

### 3. Headline

This is the place to briefly explain what this ad is for. The name of the page this ad links to, the advertised product, or the topic of the blog post is what should be included here.

#### 4. News feed link description

Though Facebook will automatically fill this with an excerpt of the page to which the ad links, this field is customizable, and is a great opportunity to provide people with a more meaty and enticing description of what they're about to click.

#### 5. Call to action

Get viewers of your ad to take the next step by using a call to action button. There are several options to choose from, including "Learn More," "Shop Now," "Contact Us" and "Book Now."

#### Keep track of ad performance

##### FB Ads Manager data

Facebook's Ads Manager has some very helpful reporting features. Metrics like **number of impressions, clicks, frequency** (or how many times an ad was displayed to each visitor, on average), **click through percentage**, and **cost per click** are all helpful factors for determining how effectively your ad is performing. These metrics are key to informing any edits or variations you create, as well. An ad variation with a low impression rate and high cost per click probably needs some new messaging or perhaps a snazzier photo.

Facebook also measures **relevance score** for your ad on a scale of 1-10. In Ads Manager, this is defined generally as "how your audience is responding to your ad" after it reaches 500 impressions. Recently, however, we've noticed that fresher, more recent content (like newly published blogs with seasonal messaging) are more likely to get high relevance scores. So yes, creating an ad about that recent blog you wrote on August air conditioner maintenance is a good idea. With a monthly click spend of around \$250 and consistent, weekly ad management, a solid benchmark to aim for for clients in the HVAC and home performance industry is between 5-10 goal conversions per month and a low (under \$0.60) cost per click.

##### UTM tracking codes

While the reporting offered by Ads Manager is great, it's important to get the full picture of what users are doing not only within Facebook, but what happens once they get to your site as well. Making sure each ad is trackable, then, is key. Warning: I'm going to get a little technical...

While Facebook offers URL tags and conversion tracking directly in Power Editor, we like using "UTM codes" that specify the campaign source, medium, and name. Using Google's [URL builder](#), We create a custom URL that has a few tracking tags attached to it. These tags drive data directly into everyone's favorite analytics program, Google Analytics. By viewing Campaign data within Google Analytics (GA), I'm then able to see how many visitors came to the site, session duration, the number and type of conversions, and all the other good stuff GA reporting has to offer. Specific UTM codes can be set at either the Ad Set or Ad level.

Combined, these reporting capabilities do allow you to see pretty far into how your ads are doing, how often people see and click on them, actual website conversions, and cost per click.

### What makes a good & bad ad?

While it's tempting to use the text and headline areas of your ad to emphatically promote your awesome company, **being salesy and overtly promotional isn't going to fly on this platform**. Generally speaking, people are not visiting Facebook to sign up for an energy audit. However, a witty or funny text that grabs a user's attention plus a real photo of your team doing an audit can get you some attention. Using ad creative that is **native to the platform** and not making a sales pitch is key. Talking about things like the season, beating the heat, saving cash on energy bills, or a fun fact about how much solar, leading with an engaging with a "did you know?", and **keeping it casual** is the way to go. This way, people won't view your ad as something totally alien to their normal Facebook experience, but will find it more integrated. If your ad is good and your target audience is on point, your chances of getting that visitor on track to customerhood are a heck of a lot better.

Now get out there and start Power Editor-ing away, people!

# ABOUT ENERGY CIRCLE



Energy Circle builds tools and services to grow companies and organizations dedicated to providing comfortable, efficient, healthy buildings. It's our job to stay on the cutting edge of the digital marketing. It's your job to make better buildings. **We're here to help you move that needle.**

We help companies, organizations and institutions within this vertical excel at marketing through our unique and industry-specific products, tools and services. Based in New England, we're proud to support over 350 of the most successful national, regional and state businesses and organizations dedicated to home performance, HVAC, solar, low-energy builders and architects across 49 states. We measure our ultimate success in the \$787 million+ in energy retrofit work that our client base has accomplished since Energy Circle's 2009 launch.

## Our Solution

We've built our innovative [website platform](#) as a digital marketing tool to help companies dramatically grow their businesses. We offer comprehensive marketing services that encompass the most effective tactics with the highest ROI for clients, and we're constantly developing more. Energy Circle's project and account managers excel at communication and will work collaboratively with you on each step of the process to ensure your solution is practical, scalable and permanent. Our platform and services enable contractors to easily manage their marketing efforts, maintain a dynamic online presence, capture quality leads and take advantage of online marketing opportunities in their multifarious forms.

## ZERO-OBLIGATION MARKETING EVALUATION

Give us a call today.  
Find out what's working,  
what's not, and what to  
do about it. **IT'S FREE.**

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