FACEBOOK

PRACTICAL GUIDE

INSTAGRAM

START SELLING DIRECTLY

ADS

WRITTEN BY

FORMER FACEBOOK EMPLOYEE

🕐 30 MINUTE READ

Topics

Introduction

This guide is created to help improve the way you run your Facebook and Instagram ads. It's not a guide on how to set up your Facebook, pixel, business manager, etc. There are plenty of great resources on those topics already. Check out the help section of Facebook for Business, for example, where you'll find the answer to almost any question you may have: https://www.facebook.com/business/help.
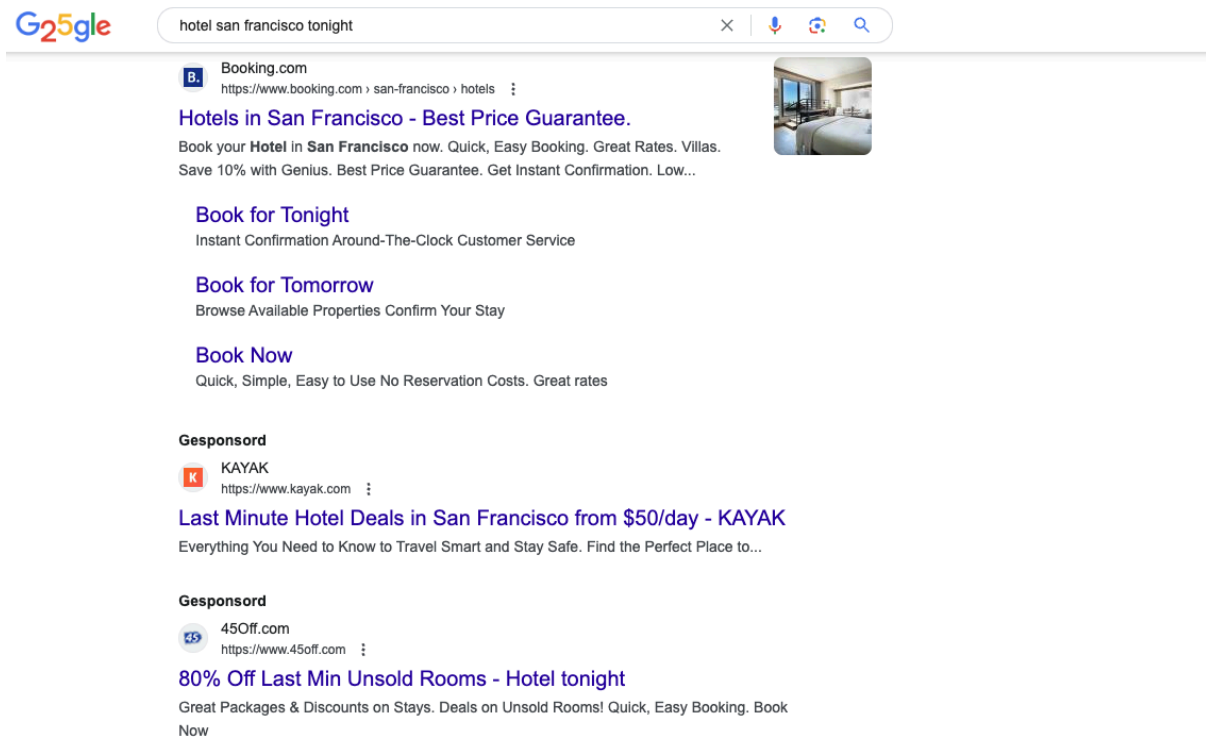
In this book, you'll learn about some of the most important concepts behind advertising on Facebook. Things like machine learning, auctions and the learning phase. The key to winning on Facebook is figuring out how to use this algorithm in such a way that it provides you with the most meaningful results. And you can influence this by doing two things right: campaign setup and your message (the actual ad).

Advertising on Facebook means you're working with a very sophisticated piece of software. You can refer to this software as machine learning, an algorithm, or artificial intelligence. The algorithm doesn't know who is giving it orders, so it will work just as hard for you as it will for your competitor. Finding your competitive advantage is difficult, but it is the most important factor for success.

The book is written by Jonas Sluijs, a highly experienced social advertising professional. Jonas has worked in leadership roles at both Facebook and Snap, where he managed over $500 million in advertising spend from clients such as Booking, Disney, and Takeaway.com. After more than 7 years on the platform side, he has started his own agency, Adborne, where he provides his marketing experience to startups.

How is Facebook different from Google ads?

Google and Facebook advertising are both data driven and scalable (meaning you can distribute your ads to millions of people in one click). But how does it differ? Google advertising looks pretty straightforward, you type 'hotel San Francisco tonight' in Google search and you'll get served with 3 ads matching this search query.

The likelihood of you wanting to book a hotel is high, you've just told Google. While the underlying technology is complex, the concept is simple. The ads shown have a direct connection to your search. Your *intent* is known (you typed 'tonight'), Google surfaces their clients' ad, you click and do your thing. This is how the online travel industry has grown so much. Booking and Expedia were expected to spend around $11 billion on Google ads in 2019 alone.

Google works very well when intent is *known* and people express this intent on a large scale. Industries who benefit from this type of advertising are companies where search related questions make the most sense. To put it differently, where the search phrase 'I'm looking for' is related to a product or

service and is used widely. Travel (looking for a hotel in Paris), Jobs (I'm looking for a job), Car (looking for a second hand car) etc. Google is your best pick when promoting products or services from these kinds of industries. One disadvantage of this working so well is that every company wants it and it has become very expensive to advertise. You need to make conversions from your ads at a high rate otherwise you'll be bleeding cash.

But what if you're selling fashionable beaded bracelets for men. Sure, you can use Google ads, but how many men are actively putting 'beaded arm bracelets' in the search bar everyday? Not too much. You'll still be able to sell a few but you're never going to find scale. But Facebook will, and has proven it over and over.

The reason is that Facebook doesn't find *active* intent but it finds *latent* intent with their users. It *predicts* who will potentially be in the market for these bracelets. Sounds spooky but it's not really. First it needs a data source, that could be pixel data (data from your website and other websites), customer data (you can upload customer emails, which Facebook will match with their Facebook profile) and the interest targeting you can add to the campaign. Second, it builds a very broad target group based on your input.

Then it's the algorithm's job to find engagement or intent (if you set conversions as objective it will be looking for people who are likely to convert) in this group. The way it does that is by running thousands of tiny experiments. It constantly keeps on improving their target group based on how they engage to the ad that is shown. It keeps on drilling down to find the people who show the desired behavior (click, conversions, leads etc) and still keep a large enough group to ensure scale. And that's pretty amazing. This makes Facebook the biggest distribution platform out there.

Google Ads vs Facebook Ads

- Similarities: data driven, scalable
- Differences: intent, creative

How is Facebook different from Television advertising?

Television ads and Facebook ads are both mass media advertising. With Television you can target certain demographics by contextually putting your ad in between certain television programs which are tailored to a specific audience. Also you're able to target geographically. When advertising on Television you need to create a very compelling ad to trigger any latent intent by the viewer to create a desired action (buying your brand of diapers when visiting the supermarket). This is pretty similar to the latent intent aspect of Facebook ads. But lucky for us Facebook is helping out in ways the television wouldn't be able to.

It actually has models to understand the intent of the user. It 'knows' if someone is a frequent online shopper, if someone has done searches on the internet related to your product and what people with similar profiles are doing on the web with regards to brands. What Facebook advertising can learn from Television advertisers is the way they use creatives. Television has no algorithms that support any targeting and timing; it all has to come from one very compelling piece of creative or communication. The process of coming up with creative concepts is explained later in the Creative Setup chapter.

Television Ads vs Facebook Ads

- Similar: immersive video ads, intent indirect,
- Not: data driven. Television you decide Facebook the alto decides

Feed the machine

What does a machine learning algorithm need? It needs data. The more data it ingests, the better it can do its job. Who provides the algorithm with this data? That's you as an advertiser, the people scrolling on Facebook, and the people buying your product/service. Getting user data has become

increasingly challenging with the biggest industry impact event until now, the Apple iOS 14.5 update. Apple now limits apps in the App Store to retrieve user data. This also applies to the [Facebook app](#), so it's harder to add real-time data to the algorithm. More on how to mitigate this in the [Advertising in a New Era](#) chapter.

Facebook's machine learning is dynamic; it constantly improves based on new signals and increases its performance based on the rules it has received. These rules could be a bid or a demographic that you want to target. The "rules" you set determine ad delivery. No personas or ideal customers are used in this process. The system only looks at data that will help it improve performance. The more positive signals a specific group of users show, the more the algorithm will be skewed toward this group. For example, you might *think* your audience for your cool mobile app game *should* be young people in big cities. But when you let the algorithm go its way, you find out the highest conversion, lowest CPA and biggest scale is with women over 60 in suburbs. Thank you algorithm for scaling my product and not letting me constraining the distribution with predefined persona's and demographic assumptions...

This concept requires a different way of looking at, and setting up your advertising campaigns. You have to understand the concept of letting the algorithm do the hard work of distributing your ad for you. This means you should not interfere too much with distribution yourself. You should only be thinking about making this automatic distribution work as well as possible. Facebook has almost three billion active users. Let the platform distribute your ad based on its sophisticated models and data. You just worry about delivering a great product, a compelling ad creative, a landing page that converts, and setting an appropriate advertising budget.

To succeed with advertising on Facebook is to provide as much data as possible, to have the least constraints on your ad campaign, to have a high

enough budget, and to have a testing roadmap. Testing is key when advertising with Facebook as it is a very dynamic environment. It changes every time a new data point is added, which affects the algorithm. There is no world where you effortlessly "find" the ideal setup, targeting and creative, then just keep pouring money into the Ads Manager. You have to be constantly changing it up. That sounds like a lot of work, but with a clear testing and learning roadmap, it's really not that difficult.

Takeaways:

- Facebook automatically distributes your ad to the right people.
- You should focus on your creative, testing and your budget.
- Your competitive advantage (aside from your product and landing page) is your ability to test.
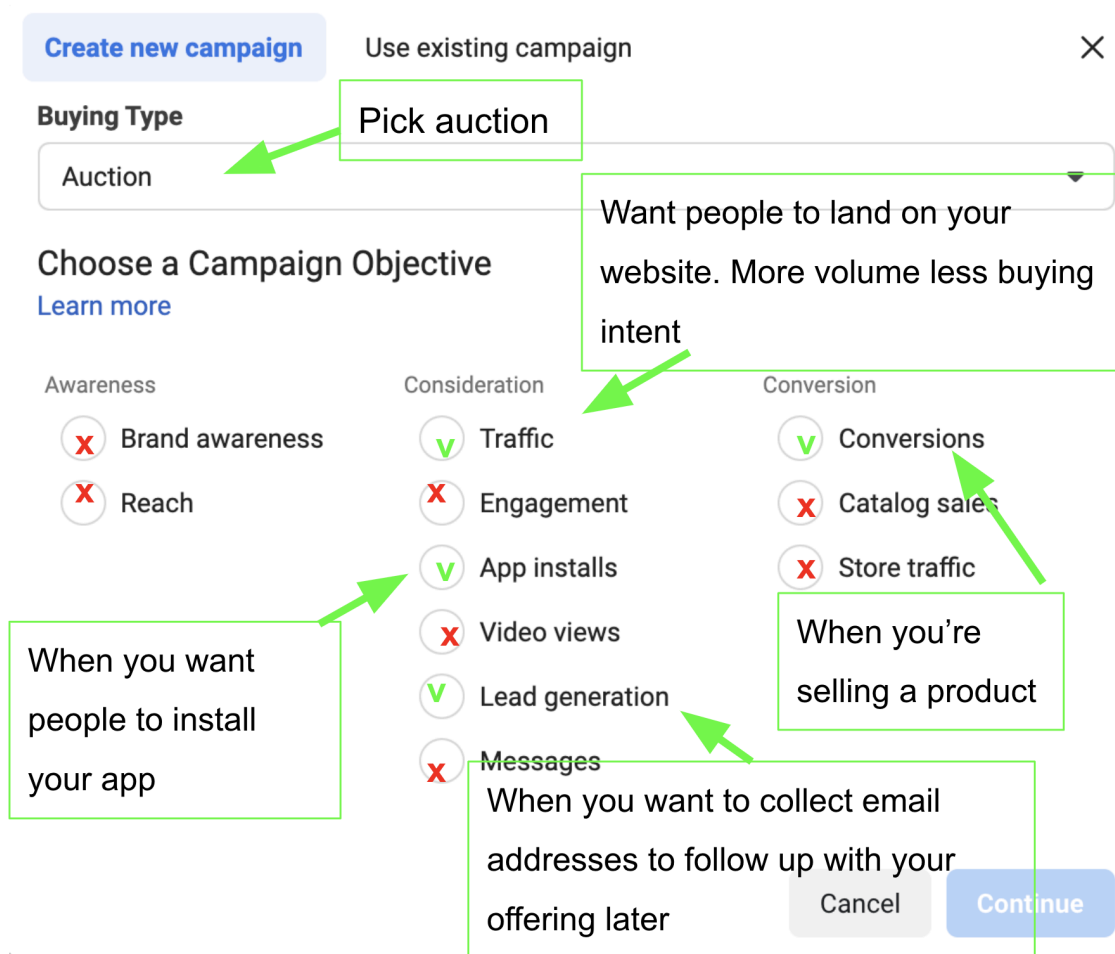
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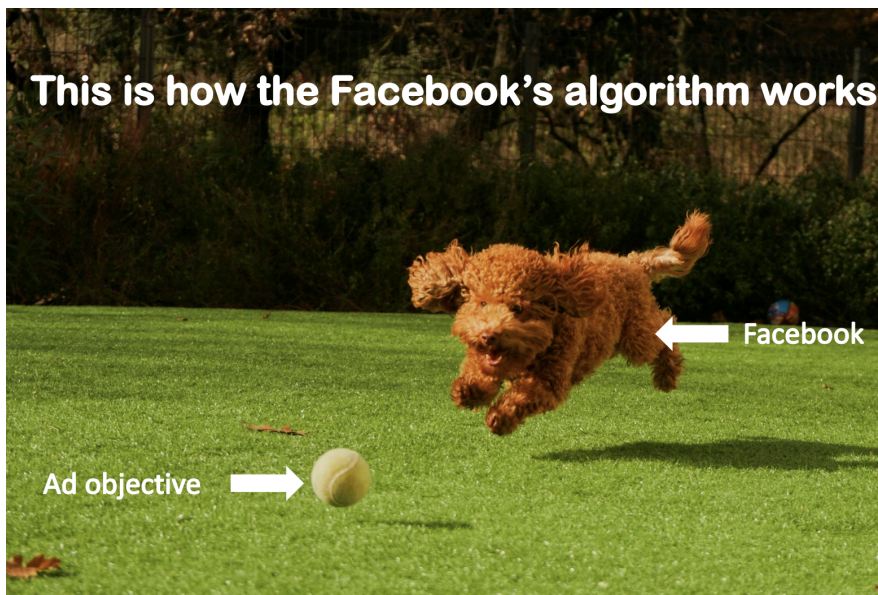
Campaign Setup

You have a product or service you want to advertise on Facebook but where do you start? Step one is to head over to Ads manager and create a new campaign. This is where you start both Facebook and Instagram ads (you'll make a decision on where to show your ad later).

A few quick tips per screen for a basic direct response setup.

Campaign Budget Optimization   On ⬤

Campaign budget optimization will distribute your budget across ad sets to get
more results depending on your delivery optimization choices and bid strategy.
You can control spending on each ad set. Learn more

Campaign Budget

| Lifetime Budget ▼ | €700.00 | EUR |

⚪ Daily Budget

🔵 Lifetime Budget   ⬅ Pick lifetime budget

Pixel

Select a Pixel

Conversion Pixel is Required

Select your pixel (read how to set up one)

Budget & Schedule

Budget ⓘ

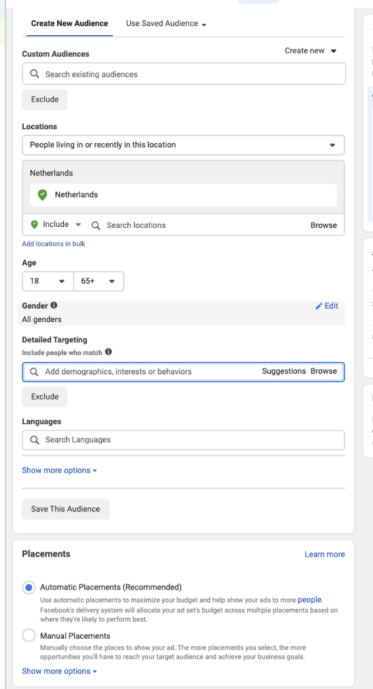**Schedule** ⓘ   The way I do it is to base it on your budget. If your budget
                        is large enough you can go for longer campaign duration if
Start Date   budget is small (100-300) go for max 2 weeks.

| Nov 16, 2021 | 🕐 9:37 AM |

Amsterdam Time

End

| Dec 16, 2021 | 🕐 9:37 AM |

Audience:

Look-a-like is your best option. 2 ways to create one

1. Pixel
2. Upload audience

Learn how [here](#)

Pick 4% lookalike audience from your custom audience.

If you don't have a custom audience use the interest tab.Pick broad and the algorithm do its thing. Give it a few directions (gender, age and try to limit interests).

Pick automatic placements

Next step is designing your creative. You'll read how to set up your creative strategy in the [Creative Setup](#) part of the guide. Now we go more in-depth on understanding the campaign setup so you can develop your own competitive edge and set up all sorts of campaigns. You'll learn about account consolidation, the learning phase, bidding and advertising in a new era (IOS 14.5) in this chapter.

Account structure: please, keep it simple

The way you're communicating with Facebook's ad platform is via your account structure. This structure is based on three levels:

1. Campaign → objective
2. Adset → targeting, schedule, budget
3. Ad → creative tools to build your creative

Through this structure you're able to answer 5 important questions. You are advertising using a very, very sophisticated machine learning algorithm. And while the algorithm will do all the heavy lifting, it asks the following five things of you:

1. "Tell me what I should be looking for (conversions, clicks, views)."
2. "What do you want to pay for this (your bid)?"
3. "Give me enough budget so I can catch a few of these things for you."
4. "Give me an asset I can distribute to a specific audience"
5. "Let me go my own way, don't constrain me too much, and don't interfere while I'm working."

What if my ads aren't working? That's most likely point 5, the constraining of the algorithm. How do you know if you are constraining it too much? You'll notice two things:

1. A lack of conversions
2. Ads are expensive (because your conversion rate is low)

There are four factors causing this:

1. Low budget
2. Overlapping audiences
3. Small audience size
4. Limited placements

Cause

Low Budget

Small audience size

Overlapping audiences

Limited placements

Effect

Conversions

Conversion rate

Solution

Account Consolidation
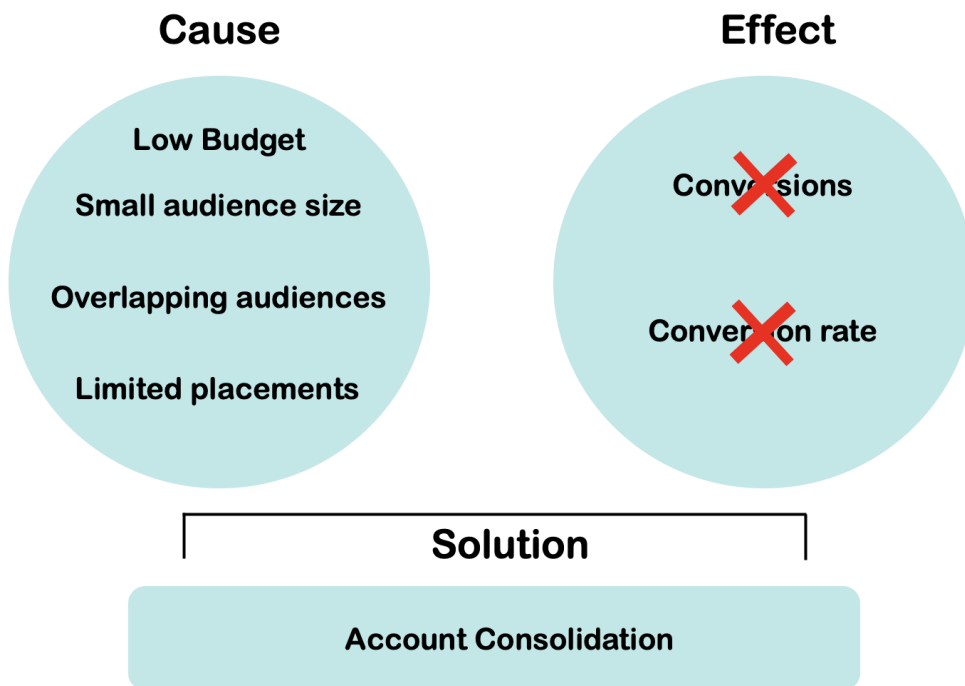
The solution? → *Account consolidation*.

Account consolidation means minimizing and combining all your ad sets and ads into one campaign. This lets the algorithm focus its attention and your budget on your most important goal: as many conversions as possible for the lowest possible price.

When you consolidate your account, you're telling the algorithm: "I value all of these ad sets equally. I don't care which one gives me conversions."

What does a good account look like?

1 Campaign - 1-3 Adsets - 2-5 Ads
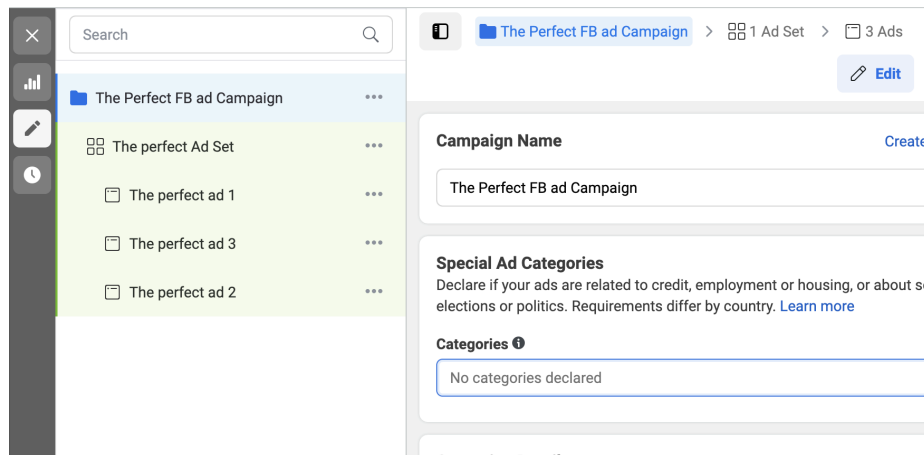
Learning phase

A quick mention of the learning phase before we continue. The learning phase is the period when the ad delivery system is learning (i.e., getting data) about who to target in combination with your objective, bid and budget.

How does the learning phase work in practice? Let's say, you've just created your ad and put it live. *Now what?*

Now the system has to learn to which people the ad should be shown in order to get the most desired results (your objective). The way that it does that is through measuring engagement.

Ads are treated like any other piece of content, and the same rule applies to both: it has to be engaging for the user. That's why the highest paying ad doesn't always win the auction. It comes down to a combination of the bid and the engagement that the ad is getting. When the algorithm finds a person who engages with the ad, it gives the signal that this type of user is interested and Facebook should be finding more of these people because they clearly enjoy this type of content. When the algorithm has found approximately 50 conversions, it has enough signals to justify scaling distribution within the constraints it has been given. **On average, Facebook says it needs 50**

conversions to get out of the learning phase. Read more about the learning phase on the [Facebook website](#).
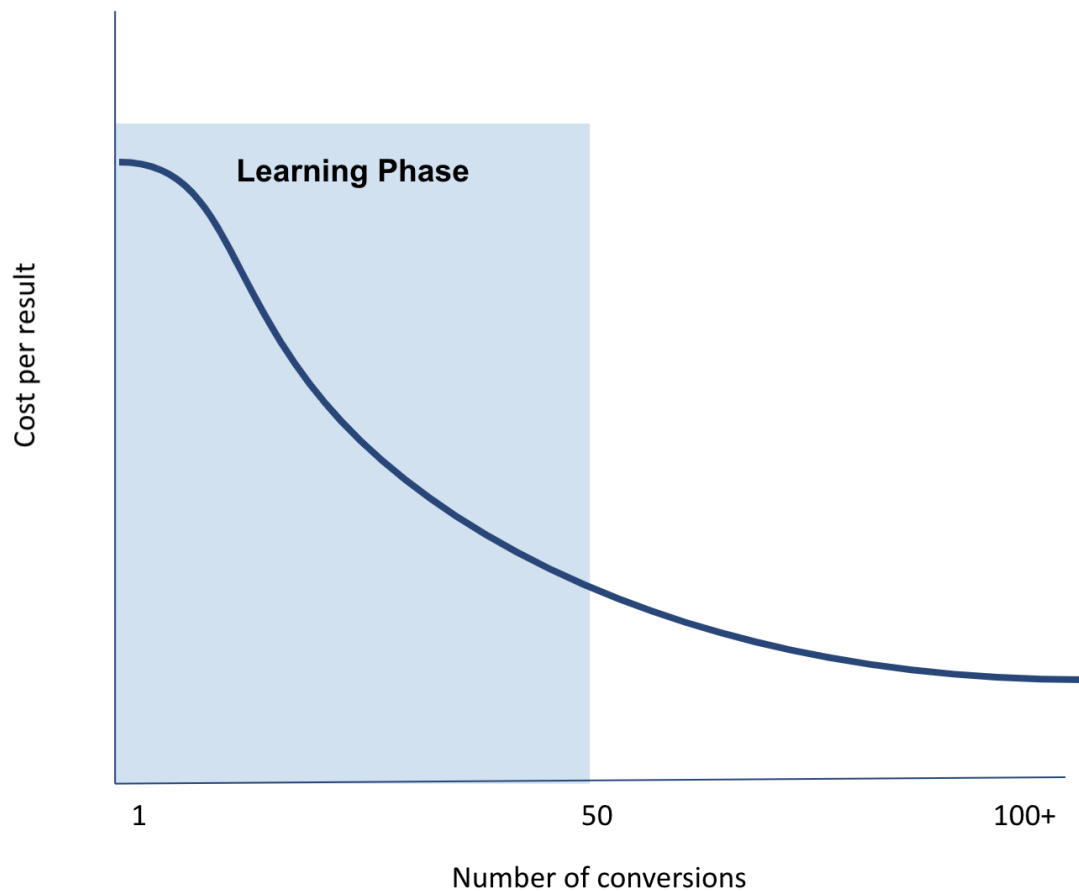
The cost per result goes down the more conversions (data) the system is getting in.

Leave your ads alone!

Leaving your ads alone when they are running is both difficult and important. The learning phase kicks in after **each** significant edit (and needs approximately 50 conversions to get out).

A significant edit is:

- Any change to your targeting
- Any change to your creative
- Any optimization event
- Adding a new ad to your ad set

- Pausing your ad set for seven days or longer
- Changing your bid strategy

Things that are **not** seen as significant edits are:

- Changes to your ad set spending limit amount
- Changes to your bid control, cost control or ROAS control amounts
- Changes to your budget amount

So, once you've set up your ads, you should leave them alone (in order to reach 50 conversions and get out of the learning phase). But what if your ads are performing poorly? Should you just sit there and wait while you're bleeding money? If you want to get the most out of the Facebook ads system, then yes, you should leave them alone. And this is why a good setup is so important. Once you have a good, strong (consolidated) setup in place, you're in a better position to trust the system and wait until it finds your engaged audience. If your ads are all over the place and you don't know what you're doing, it will cause you unnecessary stress and cost you money.

Okay, let's get back to consolidation. The goal of consolidating your account structure is to get 50 conversions per ad set as quickly as possible, so you're not spending too much time in the learning phase.

When should you consolidate?

You should be consolidating when your ads have the same value (products, margins, etc.) and creatives but differ in audience and placement. In this case,

simply put everything together and let the algorithm find the right people to target.

There are several indicators that you need to consolidate.These are as follows:

1. Your daily budget is too low. How do you know? You can use this calculation. Average CPA * $50 = minimum budget. For example: if your CPA is $15, then $15 * $50 = $750. Your budget should be $750 minimum (as a total budget).
2. Your audience size is too low to get enough conversions. Consolidate all ad sets with the same audience into one ad set.
3. Your audiences are overlapping ([how to check overlap](#)).
4. Your ad sets are split by placements (Facebook, Instagram, Messenger, etc.).
5. Your ads are spread too thin. Too many ads in an ad set makes it difficult to gather consolidated learnings. What to do: limit the amount of ads to a maximum of six.

When should you choose not to consolidate?

It is often best not to consolidate in the following scenarios:

- Your ad sets have **different objectives**. The algorithm's goal is to find people who match your objective (people who buy, click, view, etc.). The algorithm can only pick one objective to work on, so consolidating will not be the right thing to do if you have multiple objectives.
- Your audiences have **different values**. The algorithm looks for the cheapest conversions, disregarding the details of who is buying. If you have information about a certain type of audience that the algorithm will not detect, you should not consolidate.
- Your **locations are valued differently** or you need to prioritize one location above another. Again, in this instance, the algorithm will go for the cheapest conversions. It won't take countries or specific locations into consideration.

If you want to stick with all your ads and ad sets anyway, then make sure you use exclusions for your audience (no overlap, as that will cost you more) and assign a sufficient budget per ad set to get enough conversions.

Bidding strategies

How much should I bid?

You should bid the amount that you are able to spend and still drive a profit. So, basically, it's the margin between cost and profit. You take that amount and you use that for your cost cap bidding in the Ads Manager.

My delivery is gone after I changed my bid.

Make sure your bid is high enough to get delivery going. Try not to be too cheap here. Remember that Facebook's auction always looks for the cheapest conversions. For example, if your bid is $20, the auction will start looking for all conversions below this amount. When there are no conversions left, it will look for conversions at a higher price until it has exhausted all opportunities that match your bid, budget and targeting.

Bidding strategy best practices

Don't know how much you should be bidding? → Autobid

Know what you want to pay for a conversion? → Lowest cost with cost cap

With cost cap, you control the cost.

[More on bidding strategies here](.).

Advertising in a new era

In April 2021, Apple decided to add a prompt to all apps, asking all app users if they want to share their data with app developers. The expectation is that a lot of people would rather opt out of sharing data than opt in. This means that app developers, including Facebook, will receive less data from their users. They will still receive some data, but it will be very limited and delayed.

What type of data is missing when the user decides not to share? When a user opts out, data on all of their actions outside the Facebook platform is not shared. This means no data on conversions, clicks and landing page views (this all happens on the advertiser's site). Data is limited to one event (purchase) and will be reported with a delay of a few days. And this also means that Facebook is no longer able to include this data in their reporting, which limits Facebook's ability to optimize based on it. It will make optimizing ads and targeting users much more difficult. There are several other possible impacts to consider:

- More volatility in the first days of a campaign's delivery because of restricted and delayed data.
- Retargeting audiences will be impacted because of a lack of website data that's being shared with Facebook.
- Share of spend in the learning phase will increase because it takes the algorithm longer to learn (because less data available).

What levers do you have when setting up the best possible Facebook advertising structure in this new context?

- Learning Phase
  - Use account consolidation to limit the learning phase.
- Targeting
  - Custom audiences, retargeting, and lookalike audiences will be impacted because of restricted data.
  - Exclusions will be harder to accomplish (you can't collect the data on exclusions).
  - Location, demographic, detailed, interest and broad targeting will have no effect.
  - Recommendation:
    - Keep an eye on retargeting. When performance is bad, shift to lookalike, interest or broad audiences.
    - Use as few constraints as possible when targeting.
- Placement
  - Use automatic placement to reach the largest audience with ads. However, you should monitor your performance and adjust the placement strategy when needed.
- Budget
  - We've already covered the budget calculation (CPA * 50). But if the conversion rate lowers because of a lack of signals, you should increase this budget so you reach the 50 conversions. Please check the average CPA and adjust your budget accordingly.
- Bid
  - Try autobid to identify the optimal bid price.
  - When changing bids, wait for three days to account for delayed conversions.
  - Cost cap/minimum ROAS is not recommended when you run shorter campaigns, as the delay in receiving conversions skews the optimization models.

- Optimization
    - Make sure you rank the purchase event the highest (more information on this is available on [Facebook for Business](#)). With the iOS update, only one event (with a delay) will be shared for users who have opted out, so you want to make sure this is your most important event.
    - You can test changing the prioritization by selecting an event higher in the funnel to see if you gain a bigger audience. For example, switch the purchase event to an add-to-cart event. These two are highly correlated, but an add-to-cart event will probably include a larger number of people.

There are two other things that can help you get better results in this new environment of diminishing signals: a conversion API and maximizing machine learning.

Conversion API

A conversion API (or CAPI) is one way to mitigate the signal loss because of iOS 14 and limited cookie sharing in browsers. A conversion API works by setting up a direct connection between your marketing data and Facebook's ad systems. Most big website platforms, like Shopify, WordPress and BigCommerce, offer CAPI integrations.

Maximizing machine learning

Maximizing machine learning means letting go of constraints and giving Facebook's system enough flexibility to make the best decisions for your business. Liquidity can be improved by optimizing four levers: budget, audience, creative, and placement.

- Budget liquidity allows the budget to flow to the best opportunities. Use campaign budget optimization.
- Audience liquidity allows the system to find the best audience. Use target expansion and try to limit all constraints (except for age, location, etc.).
- Creative liquidity helps deliver personalized creatives at scale. Use dynamic ads when you have multiple products to sell. Use both video and image assets. Facebook will show the preferred format to the right person.
- Placement liquidity enables businesses to meet people wherever they are. Use automatic placements to help increase your ads' efficiency and extend their reach.

Learn about the latest recommendations on optimal setup from Meta's [Performance 5](#) education.

Advertise in peak season

Should you advertise in the end-of-year peak season? Yes! But you should be careful. A lot of companies choose to advertise during this period, which means the demand for ad impressions will increase, as will the price. So, it's getting more expensive? Yes, it's getting more expensive to display an ad, but you shouldn't be bothered by ad prices. Instead, you should be more focused on the cost of acquiring a new customer. If the price of an impression increases **and** the conversion rate also increases, then you need less impressions to get a customer. So the cost of getting a new customer does not go up.

So what should you do?

- Invest in brand advertising before the peak starts, so early November.
- Invest in performance advertising just before and during the peak.

Tips and tricks

- Saturday is the most expensive day to advertise. For the calculations in the algorithm, the advertising week ends on a Saturday, so most spend is pushed to that last day. There is also an average increase in CPA. Don't turn off your campaigns on a Saturday because you'll end up back in the Learning Phase again. Just be aware of this detail, and if you run a campaign, start it on a Sunday or at the beginning of the week.
- Website conversions + Advantage Campaign Budget + lifetime budgets give the lowest CPAs on average.
- > $1k ad sets → automatic placements. < $1k ad sets → no automatic placements.

Set a minimum budget of $500–$1000 for best results. This gives the system the opportunity to reach enough conversions. As previously mentioned, your budget should be calculated as CPA expectation * $50.

Creative Setup

We have covered a lot on the optimal setup of a campaign, as this is the foundation of your advertising strategy. But the real differentiator is your ad creatives. Before we dive into best practices for ad creatives, here are a few Facebook resources you can use for inspiration. Did you know that 56% of your sales increase from digital advertising can be attributed to the quality of the creative?

Where can I get creative inspiration? Check out [Facebook's Ad Library](#). The ad library provides advertising transparency by offering a comprehensive, searchable collection of all ads currently running across all of Facebook's apps and services, including Instagram. You can use this to check out what advertisers in your category are using to attract customers.

For more inspiration, [check here](#). And if you're running direct response campaigns, you can get [some creative inspiration here](#).

In this chapter, we will go over the following elements of advertising creatives:

1. The basics
2. Creative best practices
3. A guide to refreshing creatives
4. A practical guide to building, ideating and testing your ads on Facebook.

The basics

What works best:

- Static image and video assets work best together. Static images in combination with video campaigns achieved higher results than static image-only campaigns.
- Have a clear message and focal point for your static creative. Static image assets need to have a clear message and focal point, honing in on the product or service being advertised to inspire action. Product-focused creatives drive business results more efficiently, generating more content views most of the time versus creatives without a clear product focus.
- Optimize performance video ads for mobile viewing. Videos that contain strong brand association and product showcasing perform better as performance videos are correlated with a higher conversion rate.

Creative best practices

This overview was designed to help you understand how to come up with creative advertising ideas and test them on the Facebook and Instagram platforms.

We'll start with a key focus area for your creatives: mobile optimization. Over 90% of all Facebook and Instagram users are on mobile, so you should design your creatives to be mobile-first. How?

Start with mobile-first best practices:

1. Video ads should run for 15 seconds or less
2. Design for sound off (ads should have caps)
3. Frame your asset in the right aspect ratio

Now that your ad is mobile optimized, you can spice it up with creative considerations for driving sales.

1. Static + video works best together, especially for sales-driven campaigns.
2. Highlight your brand strategy early. Brand association within three seconds of a video's start is positively correlated with an increase in brand awareness.
3. Showcasing the product or service for most of the video increases conversions.
4. Get noticed. Being noticed is positively correlated with increased sales.

Okay, you've followed the steps above. Now how can you measure your creative success and test other creative variations?

1. Ad diagnostics. Use the [ad relevance diagnostics](#) tool to see how your ads are performing in the auction and troubleshoot poor performance.
2. Video creative. Use [the video performance card](#) in the Ads Manager to assess view-through rate for video ads.

3. A/B test. Create a [Facebook A/B test](#) to determine the winning creative asset. Setting up a proper A/B test and picking a winner can decrease your CPA by 26%.

How can I identify when it's time to refresh my creative after launch?
You can identify [creative fatigue](#) by using the "delivery" column in the Ads Manager.

Guide to refreshing creatives

Let's dive a little deeper into identifying creative fatigue and refreshing your creatives on Facebook.

Refresh your creative using these three steps

1) Evaluate creative fatigue
2) Review your targeting strategy and audience saturation
3) Remix your creative using Facebook's tools, and if needed, adjust the current creative.

Evaluating creative fatigue

1. Analyze your campaign's ROAS.
2. Focus on three core metrics at the ad level: Quality Ranking, Frequency, and CPM. Keep an eye out for any large drops in CTR week over week.
3. At around a six to seven campaign frequency, you may be due for a creative swap, but it varies based on audience, product, and, of course, the quality/entertainment value of the ad.
4. For retargeting, keep your audience saturation in mind, especially if you're using the same creative and targeting over a long time period.
5. When launching an entirely new creative strategy, consider whether or not you want to pause the old creative or launch a new campaign. Assets added to campaigns may not get as many impressions as the pre-existing creative.
6. If delivery does not improve and that audience has seen similar ads for a while, you can either (1) use Facebook's tools to build new ads, (2) explore a new audience, and/or (3) bid higher to reach new people in the existing audience.

Facebook tools for refreshing creatives:

- Facebook Mobile Studio

  Use Facebook's easy-to-use guides and top recommended apps to make great mobile ads.

- Facebook's Dynamic Creative Feature

  This feature automatically delivers high-performing combinations of ad formats and copy to your audience. Dynamic Creative accepts up to ten images/videos, and five of each text asset (body, title, description, CTA).

- Ads Manager Video Creation Toolkit

  The Video Creation Toolkit allows you to make a quick creative change by switching your format from single image to a video or slideshow using one of twelve templates.

- Facebook Carousel Format

  Combine single images to create a carousel format.

- Advantage+ catalogue ads

  With a website product catalog, you can automatically promote your entire inventory of products to the most relevant audience in a dynamic slideshow format.

- Collection Format

  Feature a hero video/image with four images set below. Customers who tap more will seamlessly be taken to a fast-loading fullscreen experience.

Tactics to combat creative fatigue

- Diversify ad formats in your ad sets by including different types/formats of ads. We recommend three to six ads per ad set.
- Expand audiences. Broaden your lookalike, interest-based, and custom audiences to expand the reach of your creative.
- Use asset customization for placements. Customize your ad to best match the audience behavior on each placement and aspect ratios by using different crops within the Ads Manager.

Testing strategy for your creatives

Having great creatives starts with having great ideas. But it shouldn't end with just ideas. Facebook has made it possible to test out your ideas before putting all of your budget behind them. In this part, you'll learn how to come up with ideas, how to test them, and how to iterate your ideas based on the feedback you'll get through real-time data. Probably the most important part of this book.

This testing framework is based on three core principles:

1. Ideation – how to design a creative that drives the best result.
2. Testing – once the creatives are designed, how can you test them, learn fast, and do so at scale to support a high frequency of creatives?
3. Iterations – how can you learn from what you've tested so far and decide what needs to be changed in the next batch of creatives?

Ideate - produce a creative that performs

How to design a creative that drives the best result.

What/why **Informative hook that explains the product and gets consumer buy-in.**	● Know the *what* and *why* before you begin crafting your campaign. ● Communicate the *what* in first two seconds. ● Help the customer visualize the benefit, don't just tell them what it is. ● Experiment with different combinations of *what* and *why.* ● What would you tell the customer if he/she was standing in front of you?

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Answer questions **What are the most important questions your customers have about your product or service (category)?**	● Connect your product's benefits to the customers' questions. ● Give clear answers to the questions people have about your product. ● Rank these questions and answers in order of importance.

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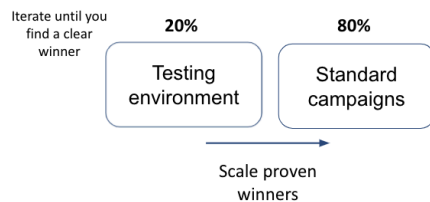|	
Trust **Use external product reviews to provide reassurance.**	● Explore your product reviews (or those of your competitor). ● Include publications or sites that have featured your product. ● Provide data on product usage or audience (if numbers are low, use percentages). ● Use 3rd party review sites or marketplaces for adding reviews. ● Showcase your brand next to a bigger or more well-known brand.

↓

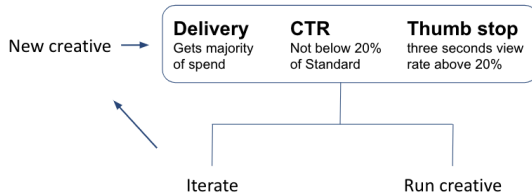|	
Call to action **Add a (final) layer of urgency to perform an immediate action.**	● Use an action verb: "buy now," "take our quiz," "subscribe today." ● Time sensitive: "sale ends tomorrow," "prices go up next week." ● Create FOMO: "last two items," "30 people are looking at this offer."

Test - Simple structure to test creatives at scale
How to pick the best creative that sells the best

Account structure

Iterate until you find a clear winner

20% Testing environment

**80%** Standard campaigns

Scale proven winners

- All creative testing is done in the testing environment.
- Only the creative that beats the main KPI is scaled to the standard campaign.
- Add the winning creative to your current standard campaigns as an additional ad.
- If it doesn't deliver, that's a sign to iterate and test again.

How to launch new creatives in the testing environment

New creative →

Delivery Gets majority of spend **CTR** Not below 20% of Standard **Thumb stop** three seconds view rate above 20%

Iterate   Run creative

- For every new creative look for early success (most common indicators suggested on the left) and the main KPI for standard campaigns (CPA or ROAS target).
- If the new creative meets all early success indicators, run the creative until it achieves a stable CPA/ROAS and compare this to your standard campaign. If it doesn't beat your standard, iterate. If it does, scale to standard.
- If the new creative doesn't meet all early indicators—iterate!

Testing environment campaign structure

1 testing campaign

1 Ad set

Ad 1   Ad 2   Ad 3
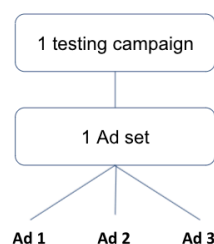
- The budget required to get early indicators is typically $200–$300.
- The budget required to run a creative (if it passes early indicators): 25*CPA.
- Number of ads: Two to three (can be a mix of different iterations).
- Targeting: preferably broad. This can also be the same as the usual targeting clients you are using for testing.
- KPI: all ads are competing to beat the main KPI (CPA or ROAS).

Iterate - testing concepts and iterating the winners
What have you learned and what will you change

Iterations decision tree

Test different concepts for opening

Concept 1 | Concept 2 | Concept 3

Early indicators achieved | Double down on this concept and start iterating | ROAS better than Standard?

New concept | Scale to Standard

- Mainly focus on changing the opening. The first one to two seconds are the most impactful.
- Test concepts that are significantly different from each other.
- Once you find a winner, start iterating on this specific concept until you reach creatives that beat the main KPI.

What and how to change your creatives:

| What we do	Main KPIs	How
Refine what/why	20%< View rate <30% - CTR < Standard - High bounce rate	- If you have a high bounce rate, emphasize the product more. - Test different variations of the same start of the ad - wording, music, colors, etc.
Change trust	- Low Conversion Rate - Lots of negative comments	- Test different trust elements—comments/quotes/ratings. - User-generated content ads. - Incorporate trust earlier in the flow.
Develop new concept	- Results are less than standard campaign - No improvements after two to three iterations - No delivery after scale to standard campaigns	Huge change to the previous concept. Come up with something new.

Testing methodology
How to setup your framework

Pre-test

What	Test type	KPI	Budget	Duration
Identify the best candidate to run against standard campaign by launching multiple new creatives to get early indicators	Let the auction selection the winner by -->	Delivery of the ad	50 * CPA	Seven days

Test

What	Test type	KPI	Budget	Duration
Run the best creative from the pre-test against standard in an A/B test environment	A/B test (learn how to setup)	Lowest CPA	Enough to get enough results to show a clear winner	Seven days
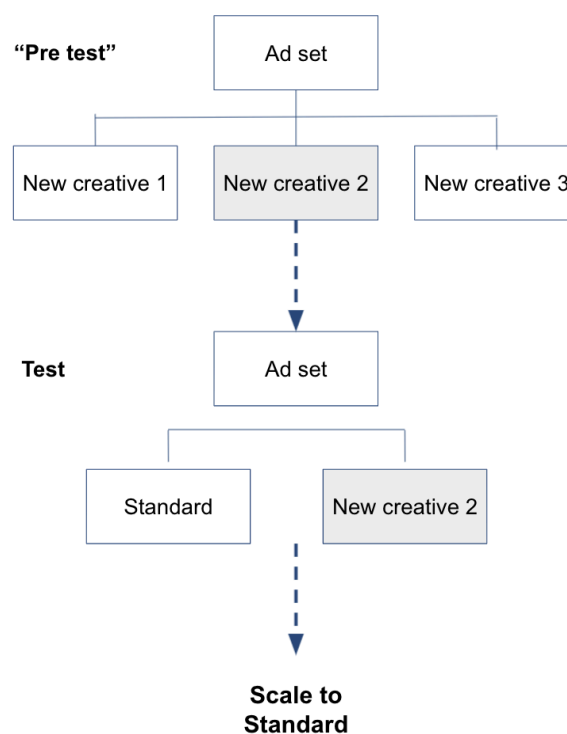
That's it!

I hope you got value out of this guide and found the guidance to set up winning ads. If I would summarize it in a few words:

- Provide as many data as possible for the algorithms to optimize for your objective
- Use as little constraints as possible when targeting
- Keep the faith and get enough conversions in to leave the learning phase
- Think about what you're solving for your client and use that in your communication
- Be creative and test your ideas

Good luck!!