# Acquire new online customers

MARKETING CAMPAIGN GUIDE FOR ECOMMERCE

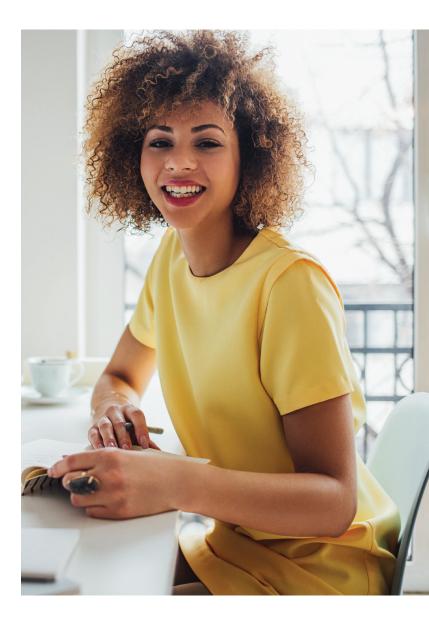


# Shopping has changed

Shopping is no longer something people need to schedule, but something they can do throughout the day. Consumers are spoiled for choice in today's world of mobile shopping. And with new commerce models emerging, shoppers now have nearly instant access to the products that matter most to them. This new era of commerce we're experiencing is deeply rooted in three ideas: relevance, convenience and community.

In this new landscape, you no longer need to wait for people to actively shop and search for you. Because shopping has become an always-on activity, there are now more opportunities to reach your customers wherever they are. At the same time, we know efficiency and effectiveness in your customer acquisition is more important than ever.

With Facebook's platforms and products, you can reach your shoppers across the entire customer journey.



63%

of shoppers who use Facebook use it for shopping-related activities<sup>1</sup>

23%

increase in the probability that someone will buy from a website when advertisers add Facebook to their media mix<sup>2</sup>

**Source:** 1. Facebook Internal Data, April 2019.

 <sup>&</sup>quot;Do Facebook Ads drive new customers? Insights from Conversion Lift" by Facebook Marketing Science, January 2015 – September 2019

# Recommended campaign setup for customer acquisition

Facebook offers a robust product suite. But it doesn't have to be complicated. To simplify, we analyzed global ecommerce campaigns and can recommend ideal campaign setup suggestions based off common trends for success.

By optimizing for the campaign recommendations in this booklet, our suite of products could better help you acquire new online customers.

#### **HOW TO USE THIS GUIDE**

Recommendations in this guide align with the various life stages of online businesses of today. Identify your specific business model to get started.

#### **Business** model

#### Marketplaces

Businesses with typically large product catalogs

#### Direct-to-consumer

Businesses that typically specialize in a specific product category and don't have large product catalogs

#### Subscription services

Businesses that typically sell month-to-month services

#### Life stage

#### Start

Recommendations for businesses who are starting to build their customer base. Can be used for new businesses or businesses starting a new category.

#### Grow

Recommendations for businesses who have exhausted high-intent customers and are starting to engage in mid-funnel objectives

#### Sustain

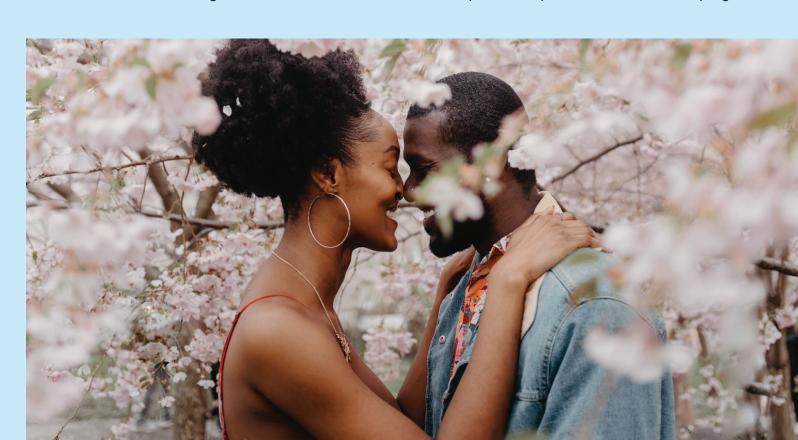
Recommendations for mature businesses who have exhausted high/mid-intent customers and are expanding to new customer targets

## Understanding the 8 levers for success

Facebook offers 8 levers to unlock the most value out of your spend. Let's go over each of these at a high level before mapping specific recommendations to each lever:

- 1 CAMPAIGN OBJECTIVE
  Your main business goal
  for advertising
- 2 TARGETING
  Which audiences you
  want to reach
- 3 AD FORMAT
  What type of assets you will
  use to get your message across
- 4 OPTIMIZATION
  How you will automate
  desired marketing outcomes

- 5 BIDDING
  How much you are willing to pay per impression or action
- 6 MEASUREMENT
  Analyzing what is
  working and what isn't
- 7 PLACEMENT
  What apps and services
  your ad will appear on
- 8 CREATIVE
  Engaging and relevant creative heavily impacts the performance of a campaign





#### THE FOUNDATIONS

### Start

Recommendations for businesses who are starting to build their customer base. These best practices can also be used for new businesses or businesses starting a new category:

Lever	Marketplace	Direct-to-consumer	
Campaign objective	Conversion/catalog sales	Conversion/catalog sales	
Targeting	Primary: Dynamic Ads for Retargeting <sup>3</sup> Secondary: Core targeting and Lookalike Audiences	Primary: Dynamic Ads for Retargeting <sup>3</sup> Secondary: Core targeting and Lookalike Audiences	
Optimization	Start with lower-funnel events, e.g., purchase to capture highest-intent audiences	Start with lower-funnel events, e.g., purchase to capture highest-intent audiences	
Bidding	Start with automatic bidding (lowest cost)	Start with automatic bidding (lowest cost)	
Placement	Use 4+ placements	Use 4+ placements	
Ad format	Carousel, collection, video (<6 seconds)	Carousel, collection, video (<6 seconds)	
Creative	Automate creative using your product catalog, <sup>4</sup> plus use short-form video with immediate call-to-action	Automate creative using your product catalog, <sup>4</sup> plus use short-form video with immediate call-to-action	
Measurement	Incrementality, performance by category	Ads Manager metrics (cost per acquisition, return on ad spend), split testing	

Notes:

<sup>3.</sup> Target specifically highest-intent audiences, e.g., cart abandoners and site visitors; use detailed targeting if lacking enough website visitors for retargeting.

<sup>4.</sup> If applicable, i.e., large enough catalog.



#### THE FOUNDATIONS

## Grow

Recommendations for businesses who have exhausted high-intent customers and are starting to engage in mid-funnel objectives:

Lever	Marketplace	Direct-to-consumer	
Campaign objective	Conversion/catalog sales	Conversion/catalog sales	
Targeting	Primary: Expand into Dynamic Ads for Broad Audiences Secondary: Begin testing Value-Based likes	Primary: Dynamic Ads for Broad Audiences <sup>5</sup> Secondary: Core targeting and Lookalike Audiences	
Optimization	Continue with lower-funnel events, e.g., purchase⁵	Continue with lower-funnel events, e.g., purchase⁵	
Bidding	Automatic bidding (lowest cost), then add cost caps when value of new customer is known	Test lowest cost with bid cap	
Placement	Use 4+ placements	Expand into new placements	
Ad format	Carousel, collection, video (<10 seconds)	Carousel, collection, video (<10 seconds)	
Creative	Automated creative using your product catalog, <sup>6</sup> plus video highlighting key customer benefits	Automated creative using your product catalog, <sup>6</sup> plus video highlighting unique point of differentiation	
Measurement	Incrementality	Incrementality	

5. Test against Lookalike audiences if catalog size is small (low SKUs)

6. If applicable, i.e., large enough catalog.

#### THE FOUNDATIONS

### Sustain

Recommendations for mature businesses who have exhausted high/mid-intent customers and are expanding to new customer targets:

Lever	Marketplace	Direct-to-consumer	Subscription
Campaign objective	Conversion/catalog sales <sup>7</sup>		
Targeting	Primary: Dynamic Ads for Broad Audiences Secondary: Core targeting with Value- Based Lookalikes	Primary: Dynamic Ads for Broad Audiences <sup>8</sup> Secondary: Core targeting and Lookalike Audiences	Primary: Retargeting to capture highest- intent audiences Secondary: Core targeting and Value- Based lookalikes
Optimization	Conversions and mid- funnel optimization, plus app installs	Purchase, return on ad spend and mid-funnel events	Conversion with lower-funnel optimization <sup>10</sup>
Bidding	Lowest cost or target cost with bid cap	Lowest cost or target cost with bid cap	Lowest cost or target cost with bid cap
Placement	Automatic Placements	Automatic Placements	4+ placements <sup>11</sup>
Ad format	Carousel, collection, video (up to 15 seconds)	Carousel, collection, video (up to 15 seconds)	Video, image and collection
Creative	Automated creative using your product catalog, plus brand creative to showcase your value and build trust with mid- and upper-funnel audiences	Automated creative using your product catalog,9 plus video highlighting unique point of differentiation	Build relevant, persuasive creative and showcase your platform's unique value proposition/ offering
Measurement	Incrementality plus tiered bidding tied to LTV	Incrementality	Incrementality and LTV by placement

Notes:

- 7. Begin testing traffic, brand awareness and video views objectives when audience saturation occurs; for app installs, expect higher CPAs since installs are a higher consideration action than website visits.
- 8. Test against Lookalike audiences if catalog size is small (low SKUs)  $\,$
- 9. If applicable, i.e., large enough catalog size
- 10. If using video, test against video views optimization
- 11. Experiment with Stories placement if not yet considered

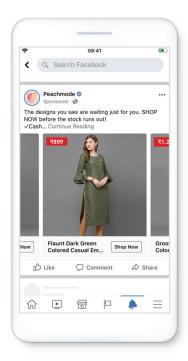
## Take a look at how top brands use Facebook at every stage





34%

lower cost per purchase<sup>12</sup>



Grow

30%

lower cost per acquisition for new customers compared to previous campaign<sup>13</sup>



Sustain

29%

increase in new customers compared to previous year<sup>14</sup>

#### Ready to get started?

Connect directly with your Facebook account team or explanations of the recommendations listed here, or to learn more about how we can partner with you on your next campaign.

Source: 12. Facebook Success Story, February 2019.

13. Facebook Success Story, March 2020.

14. Facebook Success Story, July 2019.