



What is social media advertising? As simple as it sounds, it's really just doing advertising on social media sites. The advantage of social media advertising over other forms of digital advertising is that social media sites have a lot of demographic information on their users, and therefore you can use that data to target your ads very effectively.

### **Why Social Media Advertising?**

Social media advertising is big, and it's getting bigger. There are literally billions of people who are engaged with social media today, with over a billion users on Facebook and a billion users on YouTube. There are also hundreds of millions of people on LinkedIn, Twitter, and Google Plus. When I first started talking about social media advertising and social media marketing with my clients a few years ago, they often said, "I wonder if my customers are using Facebook?" or "I wonder if they're on Twitter or LinkedIn?" Well, today, that's not even a question. If you are still wondering if your customers or your prospects are using social media, you don't have to wonder anymore. They are using it!

### **The Growth of Facebook**

Facebook gets one out of every five pageviews on the Internet.

– Facebook

Facebook has seen tremendous growth over the past few years and today gets one out of every five page views on the Internet. Facebook is now a part of the fabric of our daily lives, and because of this, Facebook is taking a huge share of total Internet traffic.

Social media sites such as Facebook, LinkedIn, and Twitter should be a part of your marketing mix so you can reach your target audience and build an overall strategy for success. By using a mix of different digital advertising tools, you can easily shift your budget into what's most effective and working best for your campaigns. Social media advertising should be part of every significant advertising program.

### **Growth in Social Media Advertising**

Because of this new way of reaching specific groups of people and interacting with people through engagement and likes, social media is growing very rapidly. In 2012, about \$7 billion was spent on social media advertising. That grew to almost \$12 billion by 2014. We're going to continue to see a strong increase over the

next few years as advertisers realize more of the benefits of social media advertising.

Taking advantage of Social Media Advertising allows companies to take advantage of the user's demographic information and target their ads appropriately.  
-Wikipedia

Although social media advertising is growing, 70% of advertisers are allocating 10% or less of their budget to social media advertising, and only 13% have 20% or more of their budget allocated in this area. Roughly 50% of advertisers today are North American companies with another 20-25% coming from Western Europe. Asia Pacific, Eastern Europe, Latin America, the Middle East, and Africa are also growing regions for using social media advertising.

In terms of market share, social media has been growing rapidly. Google's market share has been very steady over the past few years with about 61% of digital worldwide ad revenue. Facebook has gone from 4% to almost 8% over the past two years. That's amazing growth in a very short time, and it's because of its wide reach, advanced targeting, and multiple engagement techniques.

Smaller players like Twitter have tripled their market share from 0.26% to 0.79%. LinkedIn market share has almost doubled over that last three years.

Among the social media sites, Facebook has the most users and is also getting the most advertising market share. Facebook gets about 57% of the average social media ad budget compared to smaller budgets for some of the others, since it has the most people, great targeting options, and a lot of traffic – an average of 655 million daily users.

### **Paid Advertising vs. Organic Social Media Marketing**

How does this advertising strategy fit in with what you're doing in social media? In a typical organic social media program, you are probably doing three basic things. First, you create a solid presence on LinkedIn, Twitter, Google Plus, Facebook, Pinterest, etc., making these platforms look great, making them look powerful, and making them look professional. Then you fill them with content, which might include Tweets, posts, and video. To make it work well you need to create and send a lot of content about your company and products, as well as industry content, so your presence looks interesting and effective.

While you are sending out content, you also need to build your follower base. In an organic social media program, having great platforms and pushing out content is meaningless if nobody's

listening to you, so it's important to build your follower base so you can generate business results. As you build followers and send out posts, you can integrate offers with a call to action, and the outcome should be that you get more likes, more traffic, more leads, and more sales.

Followers X Posts = Impressions

Here's an example of how this works in a typical organic social media program. If you have a few hundred followers and you're doing 20 posts a month, that could result in 10,000 potential brand impressions per month. If you had 10,000 followers with 200 posts a month, there could be 2 million brand impressions each month, and that all can lead to likes, traffic, leads, and sales for your business.

How does advertising fit into this? Instead of doing all the work to build your followers and push out a lot of content, you can just pay to promote your posts. Paid ads can take all the work out of building followers and creating content, yet you can still get the same results.

Paid social media advertising is a way to complement what you're doing through organic social media. By leveraging the posts and content that you're already pushing out with your organic program, you can get traffic and engagement when you might not have enough followers or the volume of content you need in your organic program. These two parts of your social media program can work well together.

One of the interesting things about social media is that you can use it for more than just direct response or brand building. Social media enables you to build and measure engagement by getting people to like you, follow you, comment, or even share your content. With engagement metrics you can measure the number of views that you get on social media, how many times people comment on something you're talking about, and how many times they share what you're saying.

You can also use social media to get more likes and followers for your organic social media program. Getting likes and followers is almost like getting someone to sign up for your email list. They're volunteering to get more information from you. Unlike an email channel where you might send them an email a month or an email a week, in social media you can push out content to them one to five times per day. Your followers are giving you permission to send a lot of content.



## Facebook Targeting

Facebook is a powerful advertising platform because of its reach and its ability to direct your ads to a very specific target audience. While there are hundreds of targeting options, according to eMarketing, three targeting options – age, country, and interest – are used by 55% of Facebook advertisers.

93% of adults in the US are on  
Facebook  
-BlogHer

Facebook gives you a lot of other targeting options because it knows so much about us. You can advertise and target by types of interests, and you can be very specific about the kinds of interest categories that you want.

For example, if you are promoting a Chinese restaurant, you could choose the restaurant category and then you can target people who are specifically interested in Chinese restaurants. As you select different demographic or interest categories, you can see your audience numbers change, so you can make sure that your audience is not too small or too big, but really fits your ad budget and your business objectives.

Facebook also provides conversion tracking in their ad platform to track the results of your advertising. By placing conversion-tracking code on your website thank-you pages, you can measure and track your conversions. Some of the options you can choose are sales checkouts, registrations, leads, key page views, adds to shopping cart, or other website conversions. This tool lets you measure results for exactly the kind of conversions that you're trying to get for your campaign.

## Comparing Facebook to Google AdWords

If you have been using Google AdWords, you're probably wondering how it compares with Facebook advertising. In Google AdWords, people are searching and your ads are a response to those queries. In Facebook advertising, you're creating demand, which is a little bit like interrupt marketing, since your ad is showing up in the users' content stream even when they are not searching for your product.

In AdWords, you filter users by keyword, and it allows you to design campaigns with positive and negative keywords along with many other targeting options. In Facebook, you're targeting based on user demographics and interests. In Google AdWords, your options are to get people to click on an ad and then send them down a conversion pathway. In Facebook, you get the

option of starting a long-term relationship with people by getting them to like you, to engage with you, or to comment on your content.

The top three segmenting categories used by Facebook marketers include age, country and interest.

-eMarketer

In Google, you can use several ad types such as text ads, product listing ads, or banner ads. You can use geo-targeting, language targeting, and other demographic targeting variables. As I mentioned earlier, you have a lot more targeting options within Facebook. In AdWords, Google assigns a Quality Score to your ads based on historical data, which determines your cost per click and ultimately your cost per conversion or cost per sale. Facebook determines quality based on user feedback, and Facebook tracks the user's response rate, which will ultimately determine how your ads are displayed.

Google AdWords is a cost-per-click (CPC) media, while in Facebook, you can use either CPC or cost per thousand, which gives you more flexibility. Campaigns in Google AdWords and Facebook can both be effective, but there are some significant differences in how Facebook and Google advertising work.

### **Campaign examples**

Let me just give you a few examples of social media advertising campaigns to help you understand how this works. In the first example, you can see a "Mobile Threats to Watch" white paper ad. The goal is to get people to click on the ad, and then ask them to complete a form to download the paper.

The second example is a "quote request" for a commercial cleaning company. It says, "Hire us for your facility's cleaning needs and win two Red Sox box-seat tickets." The call to action is request a quote, so in this case, there's a learn-more button. The ad will send them to a website where they can fill out a form, and we're measuring the success based on the cost per click and the cost per conversion.

Another type of Facebook ad can promote likes instead of conversions. Here is an example of an ad for Western Nurseries that generated a lot of likes and also a lot of traffic. If people like your page, they're giving you permission to continue to send messages to them with good content. It's a great way to remarket to them and to continue to engage with those people.

Another way to use Facebook is to promote posts. You can take a simple post that you've posted in your organic Facebook

campaign, and just get it to be viewed more often. This could be any kind of post such as a post for an offer or an event or even just a message.

Here is case study of a post we promoted for one of our clients. This was a fun post for a large company that promoted a campaign to an Asia-Pacific audience, and the goal was to boost awareness and interest. We were able to get thousands of page likes to the campaign based on this kind of content.

## **LinkedIn**

With LinkedIn advertising, companies can specify which types of companies to target and which level of employees along with job function.

If you've got a B-to-B product or service, LinkedIn can also be very effective for you. LinkedIn has about 300 million members today with over 12 million small business, and LinkedIn knows a lot about us, such as our name, position, company, and location. They know the groups we're part of and the things we post and share as well as our interests. LinkedIn offers advertisers a lot of different targeting variables that are unique to their network.

With LinkedIn advertising, you can do geographic targeting and you can target by company. You can even target your ads to a specific company. Perhaps you just want to advertise to people who work for General Electric, IBM, or Microsoft. You can target people by type of company, industry, or size of company. You can also target people by job function or seniority. Seniority targeting here is very powerful if you want to reach only CXOs.

LinkedIn also offers other targeting options because we use it to store our resumes and other personal information. You can target people by school or by job skill. You can also target by group so that you can get a very focused audience for your ads.

One of the most effective types of LinkedIn ads is promoting LinkedIn posts. The ads have evolved over the years, and now they give you more color, more photos, more real estate, a little more room. You can post these in your organic program and then sponsor them to get more traffic. They can be just informational, or they can lead you to a call to action in a link, as we saw with Facebook ads.

## **Twitter Advertising**

Twitter, as you saw from the stats I shared earlier, is a smaller player in digital advertising, but it's coming on strong and their market share has tripled in the past few years.

In Twitter advertising you are promoting Tweets, and these are the same Tweets you post in your organic campaign. You can target by location, by category, and by users with the same interests, and you can get very specific within your campaign.

With Twitter advertising, companies can promote their account to gain specific followers or promote specific Tweets with offers.

In this example, we see Tweets targeted at users in the United States. We can target by interests, and we can also target users with the same interests as some of our followers, which is a great way to find people who have the same interests as people who are already following you. You can target by type of device as well. As you build your target audience, you can see how large your audience is.

You can promote all kinds of Tweets. You can promote Tweets with a call to action. You can promote Tweets that go back to your website. You can build your budget around the number of impressions or the number of clicks that you want from your campaign. You can also control all the different bidding options and your budget per day. You can also control your budget per engagement.

## Summary

Why advertise on social media? First, there is a huge audience, literally billions of people, so if you're selling any kind of product or service, you will find an audience on Facebook, Twitter, and LinkedIn. There's also very strong momentum, and your fellow marketers are using these tools in greater and greater numbers. Experts project that social media ad spending will more than double from \$4 billion in 2012 to \$9 billion in 2016.

Social Media advertising also gives you advanced targeting options that allow you to use many targeting tools to match your ad to your target audience. Facebook gives you multiple engagement and conversion options to make it easier to match your advertising program to your business goals. You can generate engagement. You can generate views. You can generate comments. You can generate likes and followers, as well as traffic leads and sales, and you can measure all of it.

You can also focus on mobile. More and more of us are using our mobile devices to access content on the Internet, and today about 70% of Facebook users are mobile – it's a great way to engage with the mobile user.



Perhaps the most important business reason to use social media advertising is that you may experience a lower cost per click and lower cost for conversion compared with other types of digital advertising campaigns.

For all these reasons it makes sense to leverage social media as part of an integrated, optimized advertising campaign because it can be very effective.

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