

# **Facebook Ad Secrets for the Local Business**

By Gregory Beaty

© 2017 Gregory Beaty. ALL RIGHTS RESERVED. No part of this book may be reproduced or transmitted in any form whatsoever, electronic, or mechanical, including photocopying, recording, or by any informational storage or retrieval system without the expressed written, dated and signed permission from the author.

LIMITS OF LIABILITY / DISCLAIMER OF WARRANTY:

The author and publisher of this book have used their best efforts in preparing this material. The author and publisher make no representation or warranties with respect to the accuracy, applicability, fitness, or completeness of the contents of this program. They disclaim any warranties (expressed or implied), merchantability, or fitness for any purpose. The author and publisher shall in no event be held liable for any loss or other damages, including but not limited to special, incidental, consequential, or other damages. As always, the advice of a competent legal, tax, accounting or other professional should be sought.

# Table of Contents

About the Author.....	4
Introduction .....	5
What are Facebook Ads?.....	6
Are Facebook Ads Good for My Business? .....	7
The Fundamentals of Facebook Ads.....	9
How Much do Facebook Ads Cost?.....	11
How to Set Up an Effective Facebook Ad .....	13
Next Steps.....	19

# About the Author

Gregory Beaty is a business promoter that helps small companies get more customers using the internet. For over 50 year Greg has own a business or help other to be successful in small business marketing. If you need more customers then Greg is the one to call.

# Introduction

For small local businesses, there are numerous ways to advertise online. A business owner may choose Google AdWords to promote their website or business, they may set up different email marketing campaigns, or they may simply use subtler forms of advertising within their online copy to market their business.

Over the past several years, marketing on different social media platforms has become one of the biggest ways for businesses to market themselves and it's not difficult to understand why. Millions and millions of people take to social media every day to connect with their friends and family and let people know how and what they're doing.

However, while browsing Twitter or Instagram, those same people are also checking out different companies and businesses and searching for the products they need. This is why marketing on social media can be so effective for businesses. And when it comes to social media marketing, Facebook ads may be the most effective of all, especially for small local businesses.

Facebook ads hold a world of benefit for small business owners when compared to not only other forms of social media marketing, but other forms of online marketing in general. This report will let you in on all of those benefits, as well as the secrets to making a truly dynamic Facebook ad campaign that will bring more customers through your door, and that will help boost your bottom line.

# What are Facebook Ads?

The chances are very good that you've already seen Facebook ads. When users are on a desktop computer or laptop, these ads will most often appear on the right-hand side of the page. They can also appear on your profile page, or on a friend's profile page. They can be easily identified as they'll appear under the heading of "Sponsored". When Facebook ads are viewed on mobile devices, they typically fall under the heading of "Suggested Post" within a user's news feed.

Facebook may also use data from your profile page, such as your Friends list, and include that within an ad. For instance, if there is an ad for a Facebook game, it may show that one of your friends is already playing that game. Other social interactions, such as when a friend likes a page or post, may also appear within Facebook ads.

Facebook ads can be presented either vertically or horizontally. Vertical ads will have an image or video at the top followed by a few lines of text while horizontal ads will have an image or video at the side, with a few lines of text beside it. There really is no difference between the two formats. Each will have the three main components of a Facebook ad: a title, image (or video), and the ad body copy. Business owners can simply choose which format they think will work best with their ad.

Facebook ads are a great tool for all business owners, but they can be especially effective for businesses that are trying to market to local customers that might be just outside their door. Learn more about the many benefits Facebook ads can bring to business owners in the next section, as well as how business owners can determine whether or not Facebook ads are right for their business.

# Are Facebook Ads Good for My Business?

As with any form of marketing, the first thing business owners will ask themselves is whether or not Facebook ads are going to be good for their business. While they're not the most expensive form of marketing a business could use, running an ad campaign on Facebook isn't free either. And no business owner wants to spend money on something that's not going to get them something in return. Preferably, that will be more customers and more revenue.

Also just like with any other form of marketing, Facebook ads have pros and cons. While these will be the determining factor of whether or not Facebook ads are good for any one business, generally speaking Facebook ads are great for small local businesses. Below are just a few of the benefits that Facebook ads can bring to a small business.

- Target demographics. This is by far the biggest benefit Facebook ads bring to small businesses. Unlike other types of marketing, even other types of social media marketing, Facebook ads are extremely targeted. Because Facebook draws on the information on users' personal profile pages, ads can easily be displayed to the target demographic business owners are trying to reach.
- Campaigns are very easy to track
- An increase of traffic will be noticed immediately
- Complete control over budget
- Can be very inexpensive
- Ease of set up
- Capture the interest of customers that aren't very far along in their buying process, as well as those that are

Just like nearly everything else, and especially other forms of marketing, while Facebook ads may have a lot going for them, they're certainly not perfect and they do have some drawbacks.

The biggest drawback is that, when Facebook ads are not set up and/or managed correctly, they can actually be quite expensive. The other side of this is that Facebook ad campaigns are likely still not going to be as expensive as other types of online marketing, particularly Google AdWords, but they do need to be managed properly if small business owners are going to reap all the cost benefits this type of advertising can bring.

The other main drawback that Facebook ads have is that they're not very suitable for business to business (B2B) industries. So for example, if a construction company is

trying to market to real estate developers, Facebook ads may not be the place for them to do so. This is because Facebook ads appear on personal pages and in personal news feeds, so Facebook ads may miss the mark for businesses that are marketing to other businesses.

Still unsure as to whether or not Facebook ads are right for you and your business? Try answering these questions. If you answer yes to any of them, Facebook ads are something you should seriously be considering.

- Does your business cater to a specific interest?
- Does your business cater to a specific demographic?
- Are you a local business trying to sell your product or service within your own area?

These questions all point to something *specific*, whether it's a certain interest, demographic or location. And this is exactly where Facebook ads shine the most. Facebook ads allow business owners to hone in on a very specific demographic and place their business, product or service directly in front of that demographic. And because that's something most business owners want, they're a form of marketing that is beneficial to most businesses.

# The Fundamentals of Facebook Ads

So now we know that one of the biggest drawbacks of Facebook ads is that, when they are not used properly, they can actually be a waste of money for business owners. In order to ensure that you do not fall into that trap, and that you use and manage Facebook ads properly, there are some fundamentals you should become familiar with first. While these are really just terms some business owners may not be familiar with, they are actually the fundamentals of Facebook ads. Or rather, the foundation upon which all Facebook ads are created.

These terms will be used regularly throughout this report, and they will definitely be used on Facebook when creating and tracking a campaign. Because of this, it's crucial that business owners know what they mean before they even begin creating their first Facebook ad.

- **Impressions.** Of course, business owners want to know how often their ad will be seen by Facebook users, as this will be one of the biggest contributors to how well their ad does. Every time an ad is displayed, it's called an impression. So if an ad is displayed a total of 1,000 times, it will have 1,000 impressions. However, it's important for business owners to understand that this does not necessarily mean that the ad has been seen by 1,000 users. One user could see the ad 10 times, and this would still count as 10 impressions.
- **Click-through rates.** Simply knowing how many times the ad has been displayed isn't really a very good measurement of how effective an ad is. However, the click-through rate is. That rate is how many impressions an ad requires, on average, before a user will click on that ad. To determine the click-through rate of any one ad, the number of clicks must be divided by the number of impressions. Using the example above, if an ad has 1,000 impressions and users have clicked on the ad 10 times, the click-through rate on that ad will be 1 percent.
- **Cost-per-click.** Of course, the only reason Facebook offers business owners the chance to advertise on their platform is because it's also another revenue source for them as well. Facebook does charge a fee for ads business owners run, and the website asks for a credit card number before an ad can even be created. However, there is no set fee for a Facebook ad. Instead, Facebook will charge 'per click' or 'per impression.' If you wish to bid for clicks, you will be charged only when a user clicks on the ad. You can choose how much you want to spend per click, starting at one penny, although the less you pay, the less likely you are to win that bid and get people to see and click on your ad.

- **CPMs.** As stated above, instead of paying for each time a user clicks a business owner can opt instead to pay for the number of impressions an ad has, or the number of times an ad is seen. CPM stands for ‘cost per mille’ with mille referring to the Latin translation of 1,000. When business owners choose this option, they will simply be charged for the number of times their ad is displayed, regardless of whether or not anyone clicks on it.
- **Reach vs. Frequency.** There are two terms business owners often get confused when thinking about Facebook ads. Those are ‘reach’ and ‘frequency’. The reach of an ad refers to the number of people that have seen the ad within a specific timeframe. So if 10 people have seen your ad within the past hour, that ad will have a reach of 10 people. The frequency however, is the number of times each of those people has seen the ad within that same time period. When the frequency of any one ad becomes too high, it can actually turn customers off, and they’ll stop clicking on it so it’s an important stat for business owners to pay attention to when it comes to their Facebook ads.
- **Landing pages.** Every single Facebook ad will send users to another page, and that page is known as the landing page (because that’s where users ‘land’ after clicking on the ad.) The landing page can be the business’ website, or even another page on Facebook such as the business’ public page.

# How Much do Facebook Ads Cost?

All business owners want to know how much Facebook ads cost before they create one. It's for this reason that they can become so frustrated when they find out there is no real set answer.

One of the reasons for this is because Facebook ads are based on an auction system. Business owners will bid on an ad or, in other words, state how much they're willing to spend on an ad. This can be done in the pricing and bidding section when creating an ad, but business owners can also choose not to bid. When business owners go with this latter option, Facebook will automatically calculate a bid based on the stated budget and how long the ad is to run.

Those bids are just that. They're bids, they're not guarantees. And when one business owner bids a certain amount, there are other business owners bidding that same amount and there's no guarantee that one business owner will win over another. It's for this reason that Facebook ads can be very unpredictable when it comes to how much they will cost.

However, that's not to say there's no way at all for business owners to predict how much they're going to pay for one ad. There are several things that influence how much an ad will cost and business owners can use these to determine approximately how much their ad will cost.

## The target audience

The larger a target audience is, the more a Facebook ad will cost; and this can also get tricky. For example, if you are targeting teenagers aged 14 – 18, that will include thousands, if not millions, of Facebook users. And if another business owner is also targeting that demographic (which in all likelihood, many other business owners are), you will have to pay more for that one ad.

However, it can get even more complicated than just that. Those teenagers will also have their own interests, hobbies, and preferences such as music that will be targeted by other business owners. So even if you as a business owner are not concerned about those other interests, you will still be competing against other business owners that are. So not only are you competing against other businesses in your own industry, you're also competing with anyone else that's trying to get the attention of that same demographic; even if they're doing so for other reasons.

## The relevancy of the ad

This can also translate into the 'quality' of the ad, because if an ad isn't relevant, even spending a small amount of money on it is a waste. Facebook will rank every single ad that is created on a relevancy scale of 1 to 10. The higher the ranking on this scale, the more relevant Facebook considers your ad to be.

So how do you get a high relevancy ranking? Create a great ad! If users click on it or take action after seeing it, Facebook will give that ad a higher relevancy ranking. And if users complain to Facebook about the ad or react negatively to it, the relevancy ranking assigned by Facebook will go down. The bottom line? The more relevant an ad is, or the higher the relevancy ranking, the less it will cost you.

### The time of year

Many business owners know that it will cost more to advertise at certain times of the year. For instance, business owners who want to advertise during the Super Bowl will pay a lot more for a television commercial than they will in the middle of summer. The same is true in the online world of advertising.

Simply put, there are certain times of the year when more businesses will advertise, such as Black Friday or Cyber Monday. Because there will be more businesses advertising during these times and more bids being placed, it will be more expensive for those that do advertise during these times.

# How to Set Up an Effective Facebook Ad

So now you understand the basics of what Facebook ads are, and how they can help your business. You're armed with the fundamentals and you're ready to dive in and start creating your ad. So, what's the first step?

Stop.

That's right, stop and take a minute to define some goals that you want your Facebook ad to achieve. This is the first step in creating a Facebook ad because it will provide some direction for the rest of your ad and help point you in the way you want to go. So what are some goals business owners might have for their Facebook ads?

- Increase traffic to their Facebook page
- Increase attendance to an event, such as a sales event
- Generate new leads and attract new customers
- Gain more exposure for content on Facebook
- Boost engagement on a business' Facebook page
- Engage people on an email list

Once the goal has been set, you can then start actually creating your ad on Facebook. Start by going to the Ads Manager on Facebook. There will be many calls to action on your page that you can simply click on and they will take you there, or you can visit your personal News Feed on a desktop computer. On the left-hand side there will be a full menu and the Ads Manager will be somewhere within it (usually at the very bottom).

## Choosing a campaign objective

There are three parts of a Facebook advertising campaign: the campaign, an ad set, and an ad. Out of these, the campaign is the whole basis for your ad and it's where you'll begin when creating your ad. It all starts with your objective.

Facebook offers three different objectives for ad campaigns: '**Awareness**', '**Consideration**', and '**Conversion**'. The one you choose will depend on the goal you've set for your ad. If you want to boost the content on your business' Facebook page, you may choose Awareness or Consideration. If you want people to navigate away from Facebook to another landing page, such as your e-commerce website, your objective may be Conversions.

## Target your ideal audience

Once you've identified your campaign objectives, you will move on to the advert set. Of this there are three parts and they all deal with how the ad will actually run. Within the advert set there are three components: building your audience, placement of the ad and the budget and schedule.

First, you'll need to build your audience. Facebook ads can be extremely targeted, which is the main benefit they have over other forms of marketing. To take full advantage of this, it's important to be as specific as possible and customize it as much as possible.

Facebook will start by giving you general categories such as location, age, gender and language to target your audience. From there you can whittle down the audience when using the '**Detailed targeting**' section. Here you can narrow down the audience even more by choosing different interests, behaviors, demographics, income level, purchase behavior, and more.

The more you choose, the more targeted your audience, and the more effective your ad will be.

Facebook will also provide the option of choosing '**Custom audiences**'. These are people that have already visited your business, purchased something from your business, or have engaged on your Facebook page. If there are customers that have already interacted with the business in some form, they should be included in the custom audience. These could be considered as warm leads because they're already familiar with, like, and trust your business.

When choosing a custom audience, you'll need to place them in one of four categories: '**Customer file**', '**Website traffic**', '**App Activity**', and '**Engagement on Facebook**'.

- The '**Customer file**' option will let you upload or import a data list such as an email database. Facebook will then use that database to cross-reference it with Facebook users and will specifically target any matches it finds as part of your target audience.
- The '**Website traffic**' will track Facebook users that have engaged on your website, or that have used a call to action to navigate to your website from Facebook. This option can be further customized and targeted based on the website pages people visited, how long they remained on the site, and what actions they took while there.
- The '**App Activity**' option works similarly to website traffic, but Facebook will track the actions that were taken in an app or game rather than on a website.

- The **‘Engagement on Facebook’** option is fairly self-explanatory and will do just that – track any time a user has engaged with your content on Facebook and then target those audiences. This option also gets further customized as you can choose from four types of engagement within the targeted audience: **‘Video’**, **‘Lead Ad’**, **‘Canvas’**, and **‘Page’**. Each of these options refers to the type of engagement Facebook tracked. For instance, if a user watched a video on your Facebook page, Facebook would place those users in the **‘Video’** target audience.

It’s important to remember that Facebook ads always go back to Facebook. This is the only way Facebook has to cross-reference and find users, so that’s what all Facebook ads will rely on. Because of this, some custom audiences will return better matches than others. For instance, a customer list may only return a 75 percent match rate because some users will use a different email address for Facebook than they use on your email list.

However, target audiences that have watched a video on your Facebook page will have a 100 percent match rate because all of the activity has taken place on Facebook.

The best and most effective way to create a target audience is to **‘Create a Lookalike Audience’**, another option that Facebook offers.

A lookalike audience is really just an audience that is very similar to an audience you already have. So if you already have an audience that has viewed a video on your Facebook page, you can select that audience as the **‘Source’** for your lookalike audience. Facebook will use that data and find new users that are similar to those in your ‘Source’ audience. The reason this is so effective is because it will give you a brand new audience that is almost identical to one you already have.

## Building the ad

Now is the time to create your ad and your ad format. And this is the part most business owners have been waiting for! This is the actual ad that people will see and it includes the ad format, any images or videos that are used, text, URLs, display link text and any call to action (CTA) buttons.

How the ad looks in the end will depend largely on what objective has been chosen from the ad. For instance, if a video view objective has been chosen, only videos can be chosen and not still images. Along the same lines, the Local Awareness objective will not allow canvas ads to be used.

Any other advertising objectives allow business owners to choose from five different ad formats including carousel, single image, single video, slideshow, and canvas. Facebook allows business owners to test up to six pictures. This is important for business owners

as it will allow them to see what images work best, and which ones work better than others.

Images can be chosen from one's computer, or they can be taken from Shutterstock. Most recently, Facebook has teamed up with Shutterstock to allow their ad users to access any photo they'd like from the site, opening up thousands of images to those creating ads on Facebook.

It's also important to note that images used for Facebook ads need to adhere to the sizing requirements of 1200 x 628 pixels.

Once a picture has been chosen, text is the next element business owners need to think about; and it can be more difficult than it seems. Not only does the text need to be catchy and something other users will remember, but there are also two or three places that will require text for the ad: the headline, the actual text of the ad, and any link descriptions in the News Feed (known as News Feed ads). And for these as well, there are restrictions placed on them by Facebook.

Headlines only have up to 25 characters (that's *characters*, not *words*); ad text allows up to 90 characters, and News Feed link descriptions will also allow up to 90 characters.

News Feed and mobile ads have more options than the typical right-hand column hands, namely the call to action button that's offered by Facebook. These buttons have proven to be highly effective for increasing click-through rates and getting people to a third-party website, particularly.

As for the actual copy of the ad, it's advised that business owners have a couple ideas ready to go so that they're not making them up on the spot when they're simply trying to create their actual ad. Due to the character restrictions placed on these ads as well, it's important to keep the copy clear and concise. Not only will this allow business owners to adhere to the restrictions, but shorter ads will always be more memorable to the audience, and will always do a better job at getting the message across.

It's important for business owners to remember that while they may be creating an ad in order to increase business and get more customers, the ad is actually not about selling. It's about getting users to click on the ad and find out more, which will ultimately sell more of the product and/or service.

## Ad placement

Where an ad is placed might be just as important as what it says. Business owners will have three choices for ad placement: the News Feed, on mobile, and in the right-hand column.

News Feed ads have been shown to perform better than those that appear in the right-hand column of Facebook, but those on the right-hand side are also cheaper to purchase than those in the News Feed. Also, different ads will perform differently for different businesses, which is why it's so crucial for business owners to test all of their ads using different formats and placement.

When it comes to mobile ads, business owners also need to be careful. Just because something says 'mobile' these days doesn't necessarily mean that it's better, and this is true with Facebook ads. Having a mobile ad only makes sense in some cases. For instance, business owners that are trying to get more people to their website shouldn't choose a mobile ad if their website isn't mobile-friendly, as this can be a large waste of money.

## Bidding

Bidding is how much a business owner will spend on any particular ad campaign. And as a business owner, you get to choose exactly how much that is. Budgets can be set either daily, meaning that the ad will run until the amount for the day has run out; or it can be set up as a total budget, meaning that the ad will run for several days or several weeks until the money in that total budget has run out.

The only real difference between the two is that when a total budget is chosen, an end date for the campaign can also be chosen. However, when a daily budget is chosen, there is no end date. When using a total budget, Facebook will also try to evenly divide that budget across the campaign's total duration.

The budget will be based on the bids you choose and as stated earlier, one can bid on impressions or they can bid on clicks. For those just starting out with Facebook ads, bidding can be another complication to the entire process but Facebook will offer to automatically handle the bidding process. For your first few ad campaigns, this is a recommended option.

When choosing to manually bid per click or impression, Facebook will still offer a suggested maximum and minimum for the targeting options that have been selected. The maximum however, does not mean that that's the amount business owners will pay. In fact, the lowest price will always be the one charged to display an ad at any given time.

## Analyzing a campaign's performance

Analyzing a campaign's performance is really just tracking it and trying to see where it's excelling and where it's falling short. The best way business owners can do this is by split testing. Split testing is simply taking one ad and changing one variable of it,

whether it's the headline, the text, the image, or the placement. When one variable is changed, the campaign can be looked at across the board and it's easy to see what elements are performing the best.

Other than split testing, there are other ways a business owner can check the performance of any given campaign. This is most easily done through the Facebook Ads Manager, which will list all of the campaigns currently running as well as a summary of each of their performances.

Viewing all of the campaigns currently running can quickly make things confusing. Instead, it's best to choose statistics for campaigns, ad sets or ads, which can be done through the menu on the left-hand side. This will prioritize only those elements and will streamline it so the business owner can easily see the statistics that are most important to them.

In addition to choosing the elements of any one campaign to analyze, time frames can also be selected. This can help business owners understand how any given ad has performed over the last seven days, or for a longer period. It can also give business owners insight as to how an ad is performing right now.

It's also in the Ads Manager that any campaign can be clicked on to be viewed. This can tell you relevant information to the campaign including how much of the budget has been spent on it, how many actions such as clicks, conversions, Likes, etc. have been generated from that campaign, and the frequency.

This is the table that can also tell you what ads are performing best when you're split testing them. If any of them are underperforming, simply click on the status switch that's shown at the beginning of each row and the ads will stop running.

# Next Steps

Thank you reading this book. We hope that you found it useful and that it has given you the information you need to help you better understand the importance of managing your online reputation and the strategies to employ to help you do just that.

If you would like additional assistance, please contact us at:

<http://GregBeaty.com>