

Generating business results on Facebook

How has marketing on Facebook evolved?

Since we introduced the Like button in 2010, fans have been key to marketing on Facebook. At first, brands needed fans in order to share their messages in News Feed, where people spend more than 50% of their time on the platform. In 2012, to increase the effectiveness of marketing on Facebook, we enabled marketers to reach all of their existing and potential customers—not just fans—in News Feed on desktop and mobile.

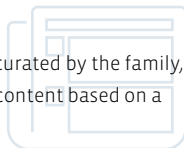
How can your brand's messages appear in News Feed?

Brands have always been able to reach some of their fans in News Feed without using paid media and can continue to do so. But content that is eligible to be shown in News Feed is increasing at a faster rate than people's ability to consume it. People are connecting to more Pages and individuals every day. And each day, more brands and organizations are posting on Facebook. As a result, we expect organic distribution of an individual Page's posts to gradually decline over time as we continually work to make sure people have a meaningful experience on the site. Your post has a better chance of appearing organically to your fans and their friends if it's relevant to them and if their friends interact with it (see "Creating a personalized newspaper" below). But to maximize delivery of your message in News Feed, your brand should consider using paid distribution, as it enables you to reach people beyond your fan base and move beyond the organic competition.

Creating a personalized newspaper

To make peoples' News Feeds read like personalized newspapers curated by the family, friends and businesses they care about, we continually prioritize content based on a variety of factors, including (but not limited to):

- The number of times they engage with that friend or brand Page posting a piece of content
- The number of likes, shares and comments a post has received



Reaching all of the people who matter to you

Your ability on Facebook to reach everyone who matters to your brand—not just your fans—can add significant value to your business.

70% higher return on investment on campaigns that maximize reach

Maximize impressions, not just clicks

99% of ad-exposed consumers who purchase in stores don't click on ads



[Source: A Datalogix study of over 50 digital campaigns on Facebook, Oct. 2012, looking at campaigns in the top half of reach efficiency versus the bottom half of reach efficiency.]

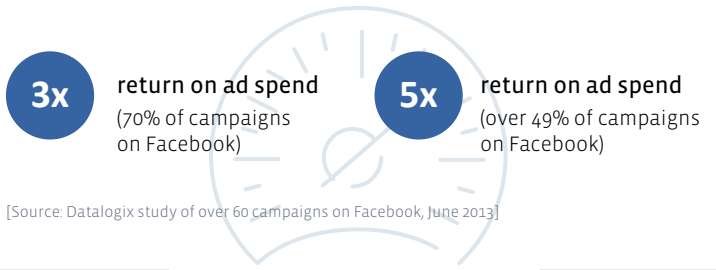
How can Facebook work for your brand?

As the world's largest social network, Facebook offers your brand the opportunity to engage in conversation with a network of 1.19 billion people. As a global marketing platform, Facebook offers the predictability, targeting and scale that enables you to reach all of the people who matter to your brand. While your fans are likely your most loyal customers, you shouldn't rely solely on fans to grow your business. When you reach both fans and non-fans on Facebook, you can achieve your marketing goals with remarkable efficiency when compared to other media platforms.



How can you use Facebook to move the needle for your business?

Your brand can generate significant results by capitalizing on the ability to reach all of your existing and potential customers in high-impact placements on Facebook.



Broad reach

The fact that 1.19 billion people globally are on Facebook, and that we understand who they are and what they like, enables your business to reach the exact people you're looking for—at tremendous scale:

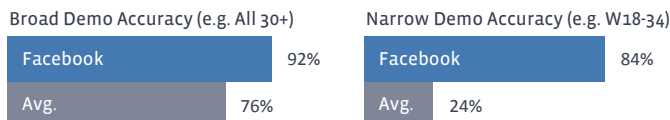
- More people every day in the US than the 2013 Super Bowl
- Daily reach in the UK equals the 2012 Olympics closing ceremony on BBC One
- 1.4X greater monthly reach in Brazil than pay TV

	Brazil	India	Indonesia	UK	US
Monthly Active Users	76MM	82MM	65MM	33MM	179MM
Monthly Active Mobile Users	44MM	62MM	55MM	26MM	142MM
Daily Active Users	47MM	34MM	33MM	24MM	128MM
Daily Active Mobile Users	20MM	24MM	28MM	20MM	101MM

[Source: Facebook internal data based on inferred and stated data, June 2013]

Highly accurate targeting

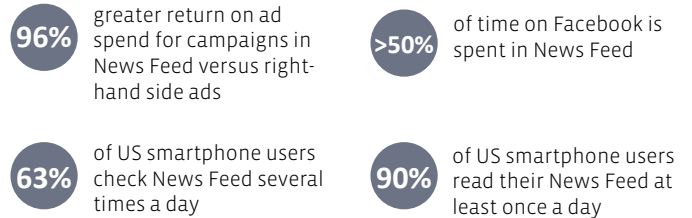
People are their true selves on Facebook—they don't use avatars or aliases—which means we can deliver more accurate targeting, based on self-reported information.



[Source: Nielsen Online Campaign Ratings, August 2013. Study examined at Facebook vs. average online campaigns.]

High-impact placements

People are more likely to discover and engage with your brand in News Feed than on your Page or Facebook app because News Feed is where they spend the majority of their time on the platform. Your message in News Feed can reach people across a wide variety of devices, including desktop, mobile and tablets.



[Source: ROAS stat from Datalogix multi-advertiser meta analysis (US), 2013, IDC Always Connected Report, US, March 2013]

Publishing "thumb-worthy" content in News Feed

The formula for great, effective creative on Facebook is the same as it is on any other platform. To develop ads that will help your brand achieve your desired results, make sure your messaging is grounded in your campaign objectives, driven by consumer insight, and expressed through compelling creative ideas.

To create News Feed-friendly content:

- Be relevant by offering something that provides value in exchange for the time people spend looking at your ad
- Be compelling so that your ad gets the attention of your desired audience, even when it appears next to vacation photos and birth announcements. Bold imagery and video grab attention
- Be authentic by remaining consistent with brand positioning and tone
- Use simple, short copy to ensure message salience





How can your brand benefit from fans in your marketing efforts?

We think of Facebook not just as social marketing, but as marketing that works best because it is social. Your brand can fully benefit from having fans when most of your ads show **social context**, which increases advertising effectiveness and efficiency.

There are several ways that your brand can leverage the benefits of having fans to help meet your business objectives:

1. **Improve advertising effectiveness.** **Social context** in ads can increase ad recall and impact on brand and sales.
 - Ads with **social context** have 50% higher recall. [Nielsen study of 79 advertising campaigns on Facebook]
 - Ads with **social context** drove >15% sales lift compared to <5% sales lift for Facebook Ads with no **social context**. [A Datalogix study for a large global CPG brand, Sep. 2013]
2. **Lower cost for paid distribution:** For any person using Facebook, brands will pay less to deliver an ad with **social context** to that person than an ad without **social context** because our algorithm favors ads with **social context**.
3. **Benefit from organic distribution:** Although organic distribution is not guaranteed, you will likely generate earned media by posting quality content on Facebook to reach a portion of your fan base.
4. **Gain audience insights:** Fan insights (e.g., geographic, demographic, likes/interests) can enhance your decision making on and off Facebook by informing targeting for ad campaigns and providing insights into the affinities of your customers that can influence creative or product innovation.
5. **Optimize creative:** Your brand can conduct creative testing with fans to generate real-time feedback on content before investing in paid media.

How should my brand think about having the right number of the right fans?

To maximize the power of fans, your brand should find and acquire actual customers and true brand advocates.

- Prioritize fan quality, not quantity, by gaining fans in an authentic way (i.e., find people who truly want to be connected to your brand).
- Find high-value fans by using tools such as custom audiences and lookalike audiences, which enable your brand to find and reach your existing and potential customers on Facebook.
- Recognize that adding fans can provide value to your business up to the point when you're reaching nearly 100% of your target audience with ads featuring **social context**. To check what percent of your ads feature **social context**, visit the Reports tab (facebook.com/ads/manage/reporting.php) in your Ads Manager.

Key takeaways

- Reach people in News Feed where they spend the majority of their time.
- Ensure your message reaches all of your existing and potential customers—not just your fans.
- Leverage your fans for the advertising advantage they offer through social context and organic reach.
- Focus on crafting great creative, just as you would for any other platform.

Making social context work for your brand

Someone associating their friends or family with your brand's message (e.g., "Jessica Watson shared Jasper's Market's photo") makes your ads more powerful and more meaningful because a fan's engagement with your brand's messages on Facebook creates **social context**.

Social context

