

# METRICS THAT MATTER

Introducing Exposure Rate, a New Facebook Advertising KPI

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# OVERVIEW

Social media has quickly become one of the preferred channels for brand and consumer interaction. The levels of relevancy and engagement inherent within social media are unprecedented. When done right, social media can foster meaningful relationships between brands and consumers in ways that were never before possible.

However, since social media and, particularly, social network advertising, are relatively new phenomena, there are no hard-and-fast methods to guarantee success. Facebook, for example, continues to create innovative new ad formats. With new ad formats come new data points. With new data points come new insights. And with new insights come new key performance indicators (KPIs).

This report is the first in a series from digital marketing leaders Resolution Media, an Omnicom Media Group Company, and Kenshoo Social, looking at global trends in social media and identifying actionable insights and metrics for brand advertisers.

The research covered in this paper focuses on interaction with Facebook Marketplace Ads (not to be confused with the Facebook Premium Ads offering) across various ad types and targeting criteria.

Through a statistical analysis of multiple data points across a wide range of Resolution Media clients that are advertising on Facebook using Kenshoo Social technology, we examine the relationships between paid, earned and owned media.

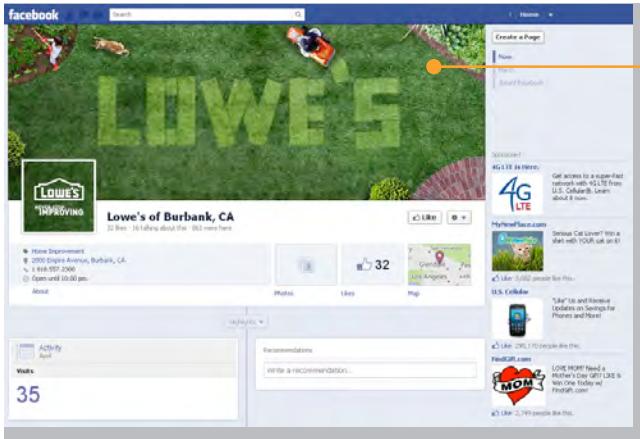
**In this report, we will examine:**

- 1. Each of the paid ad types available on Facebook**
- 2. How each ad type performs, with benchmarks and insights**
- 3. Defining a new metric to measure engagement on Facebook**
- 4. The point of diminishing returns for ad views**

In future reports, we'll dive into more granular data points to analyze performance and surface insights by gender, country, and other targeting criteria.

# Understanding Facebook Media:

## Owned, Paid, and Earned



### OWNED MEDIA

Owned Media refers to brand assets or objects created within social networks by your organization such as a Facebook page or an application.



### PAID MEDIA

Paid Media refers to advertisements that can be purchased on a social network such as Facebook Marketplace Ads, which represent the scope of this research paper.



### EARNED MEDIA

Earned media refers to the incremental exposure that your brand “earns” through viral engagement and interactions with your brand. Examples include Facebook likes, shares, or check-ins.

# Relationship between Facebook Paid and Earned Media



## FACEBOOK MARKETPLACE AD TYPES

### POST AD

A Post Ad is content generated through Owned Media that gets turned into Paid Media. In this case, a post made on a Facebook Page becomes an ad unit and placed within the newsfeed or on the Facebook homepage of targeted users.



### SPONSORED STORY

A Sponsored Story is content generated by Earned Media that gets turned into Paid Media. In other words, the ad itself is generated by Facebook users through their social interactions with a brand on Facebook.

There are a number of actions on Facebook that can be amplified through Sponsored Stories. Based on our data, here are the four most popular types of Sponsored Stories:

- **App Usage** – A person on Facebook who used a brand application for more than 10 minutes in the last month
- **Like** – A person who liked a brand's Facebook Page
- **Post Like** – A person who liked a brand's Facebook Page post
- **App Share** – A person who shared content from a brand app on Facebook within the last seven days

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## WEB AD

A Web Ad is an ad that encourages people on Facebook to engage with your Owned Media outside of the Facebook network. As opposed to a Social Ad, which drives engagement to a Facebook Object such as a Page, Event, App or Place, a Web Ad drives people to a corporate website or other “off-Facebook” web property. This is referred to by Facebook as an “External URL Ad.”

**Kenshoo Social Live Event**



How to Think About  
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## SOCIAL AD

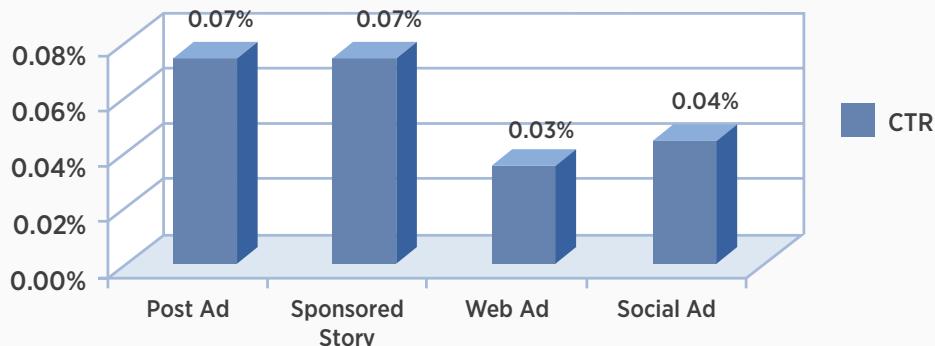
A Social Ad is an ad that encourages people on Facebook to engage with your Owned Media existing within the Facebook network. Social Ads can drive traffic to fan pages, encourage app installations, promote events created on Facebook, or connect with Facebook linked places. These are referred to as “Facebook Ads” on Facebook.

## INSIGHTS AND RECOMMENDATIONS

### Sponsored Stories and Post Ads drive higher response rates

Sponsored Stories and Post Ads boast roughly double the response rate of Social Ads and Web Ads, as measured by click-through rate (CTR) in Figure 1. It's apparent that an ad with social context resonates better based on the personal connection made with the individual on Facebook viewing the ad. Post Ads had the highest CTR of any ad type, most likely because they often feature special offers and are larger than the other ad units.

**FIGURE 1: Post Ads and Sponsored Stories Drive High Click-Through Rates on Facebook Ads**

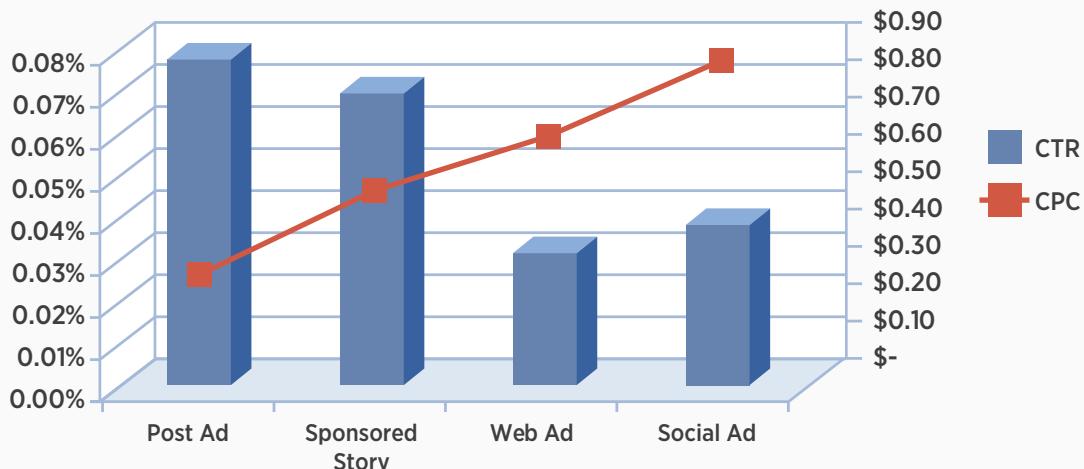


Source: Social Media Insights Part 1 - Metrics That Matter | © 2012, Kenshoo, Inc. and Resolution Media

### High click-through rates translate to low cost-per-click rates

Generally speaking, with Facebook Marketplace Ads, higher CTR leads to lower average cost-per-click (CPC) rates. This was also the case with the data we examined (Figure 2).

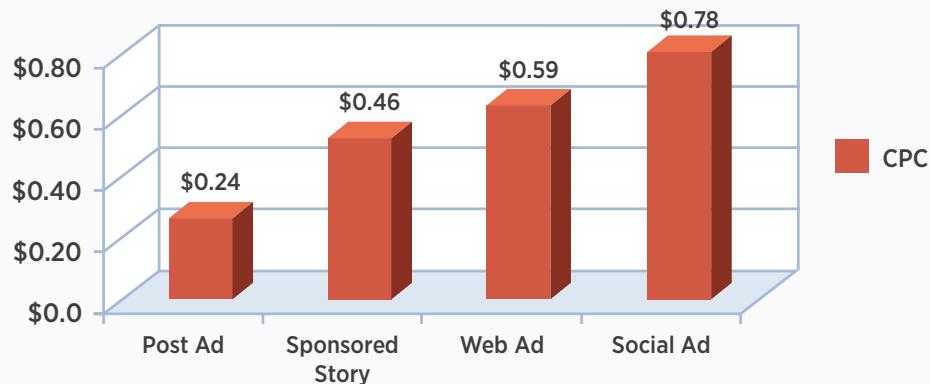
**FIGURE 2: High Click-Through Rate Correlates to Low Cost-per-Click on Facebook Ads**



Source: Social Media Insights Part 1 - Metrics That Matter | © 2012, Kenshoo, Inc. and Resolution Media

Among the different ad types, Social Ads and Web Ads had the highest average CPC, whereas Post Ads and Sponsored Stories had the lowest. Post Ads had a significantly lower average CPC than any other unit, representing a relative bargain at \$0.24 CPC vs. \$0.46 for Sponsored Stories. See Figure 3. The best explanation for this is the fact that Social Ads and Web Ads are the easiest to show direct ROI as they can drive people to specific Facebook objects or to websites outside of the Facebook network where actions like application downloads and online sales can take place. With it being easier to associate value to Social Ads and Web Ads, it's easier to justify increased bid rates. It's important to note that CPCs on Facebook are also affected by the selected targeting. Some targets have more competitive auctions than others and, as a result, data generated by these ad types may vary depending on their defined targeting.

**FIGURE 3: Post Ads and Sponsored Stories Carry the Lowest Cost-per-Click (CPC) Rates on Facebook**

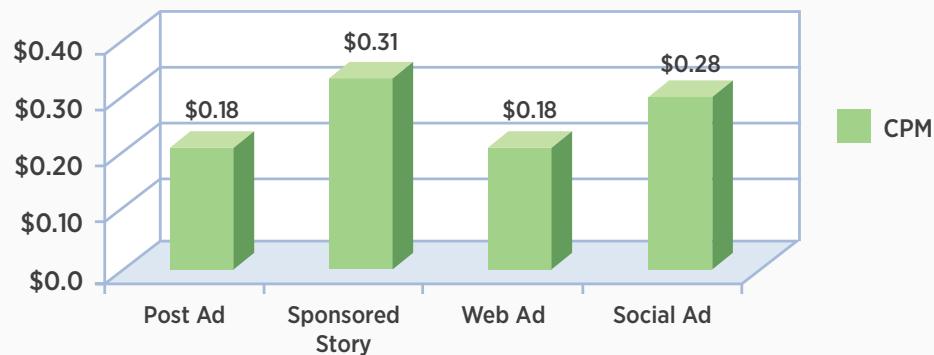


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## Sponsored Stories carry the highest cost-per-thousand impressions rates

Facebook gives advertisers the ability to choose between a CPC and cost-per-thousand impressions (CPM) model. When purchasing ads on a CPM basis, we can see that Sponsored Stories are the most expensive ad type (see Figure 4). As a rule of thumb, when creating and managing campaigns with Facebook Marketplace Ads, we recommend testing pricing models to determine which best fits the ad types you are running.

**FIGURE 4: Post Ads and Web Ads Carry the Lowest Cost-per-Thousand (CPM) Rates on Facebook**

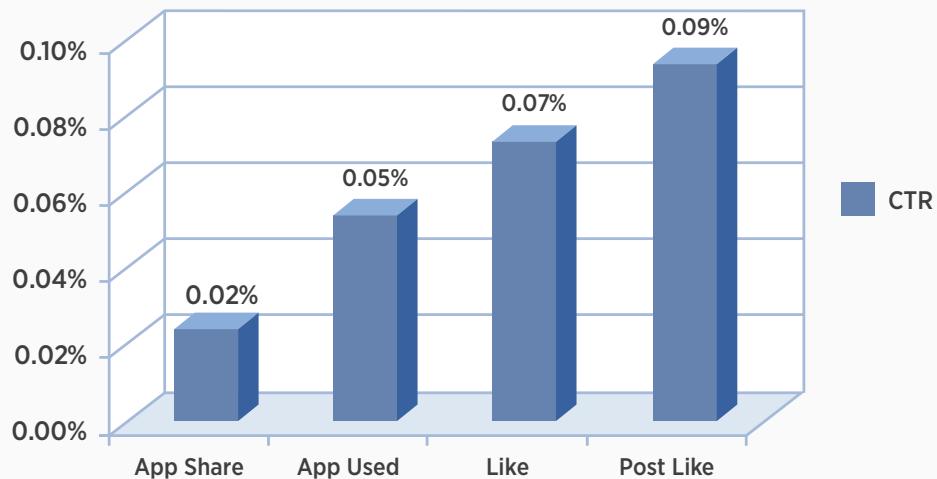


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## With Sponsored Stories, Likes are abundant but deeper engagement carries a premium price

Sponsored Stories promoting Page or Post Likes generate higher CTR than stories promoting App activity (see Figure 5). Presumably, this is because it's relatively easy to like something and doesn't come with many strings attached as opposed to the process of installing an application. Facebook users are wary of revealing personal information to third parties to get apps, so that step in the process is a deterrent.

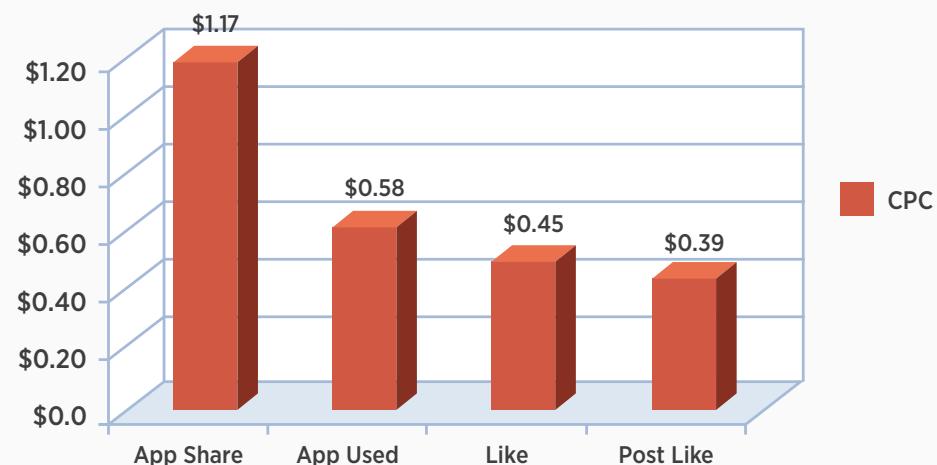
**FIGURE 5: Get More Love with Likes: High CTR from Like and Post Like Facebook Sponsored Story Ads**



Source: Social Media Insights Part 1 - Metrics That Matter | © 2012, Kenshoo, Inc. and Resolution Media

As seen in Figure 2 (earlier) higher CTR drives down average CPC, and the same correlation is seen in Figure 6 with Like stories carrying lower CPC than App stories. However, as we'll discuss in the next section, Apps are great tools for driving deep ongoing brand engagement and, despite CPC breaking the \$1 barrier, App stories can be well worth the investment.

**FIGURE 6: Sponsored Stories Featuring App Shares Carry Highest Cost-per-Click (CPC)**



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# Relationship between Facebook Paid and Owned Media



## FACEBOOK OBJECTS

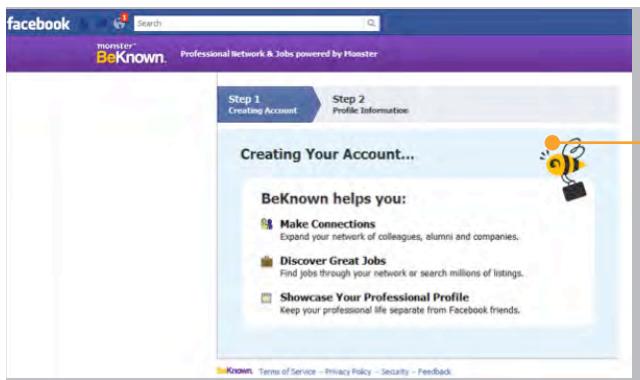
### PAGE

The main page in Facebook for your brand.



### PLACE

The main page in Facebook for a physical location related to your brand.



### APP

An interactive application embedded within Facebook that requires user installation.

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**Christopher J. Scherer**  
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A Vive Advanced Training course can be added to your HP Discover conference registration. The cost per training course is \$495 USD. Questions? Contact Christopher Scherer, Education Chair, Vive Board of Directors.

Like · Comment · Share · April 4 at 7:43pm

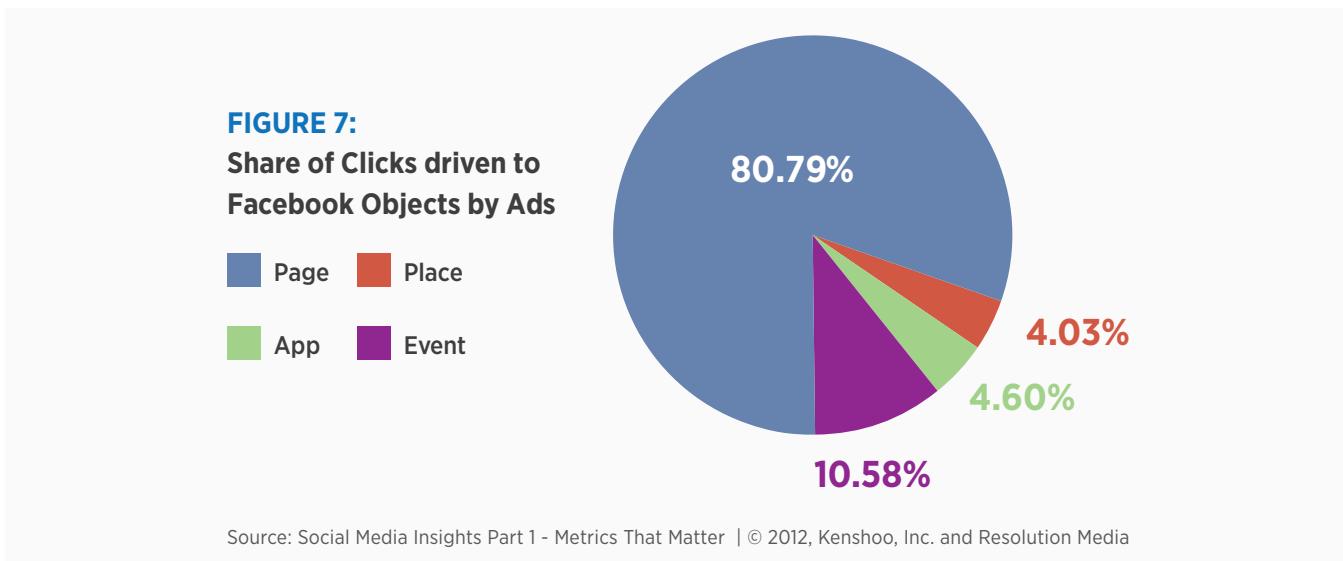
## EVENT

A Facebook page for a real-world or virtual event or occasion.

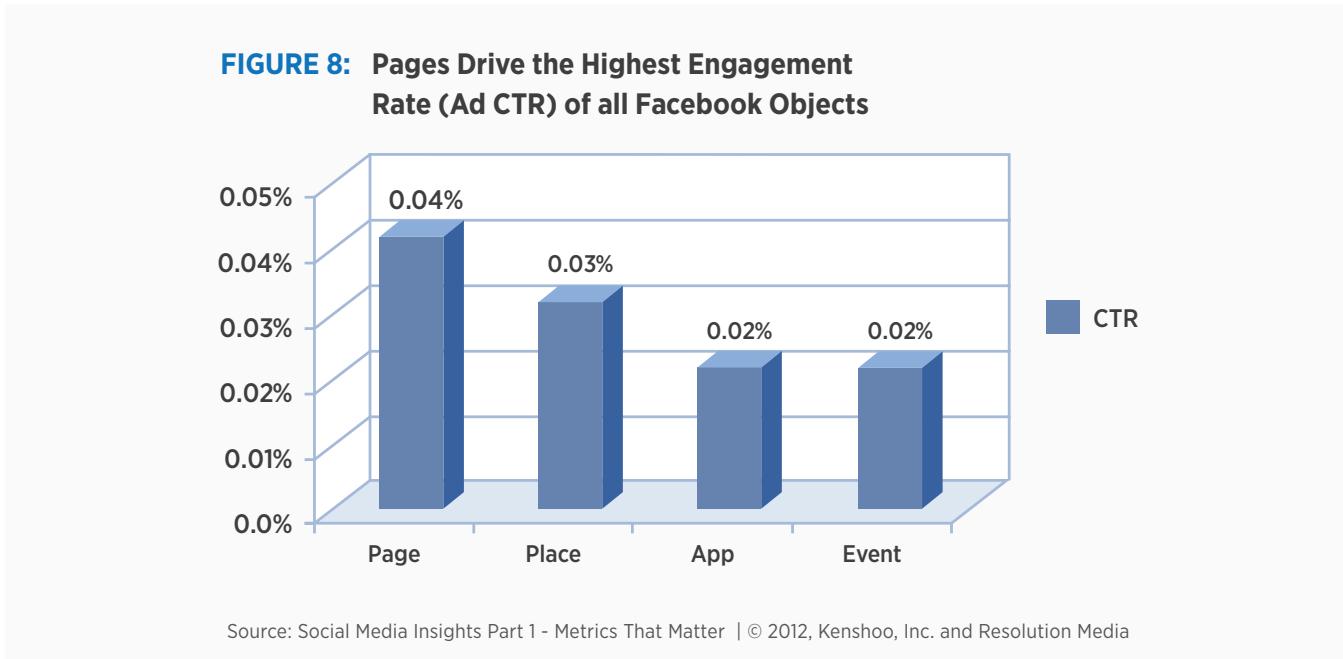
## INSIGHTS AND RECOMMENDATIONS

### Pages are the hub where brands engage fans

Pages are the most common Facebook Object promoted by brands using Social Ads, see Figure 7. This is likely due to the fact that many organizations have not created assets on Facebook beyond their brand Page and/or have decided that the brand Page is the desired location for fan interaction. The migration to the timeline page format has also increased the value of a Facebook Pages over other assets like apps, because the new Timeline layout makes it difficult to find links to apps and events.



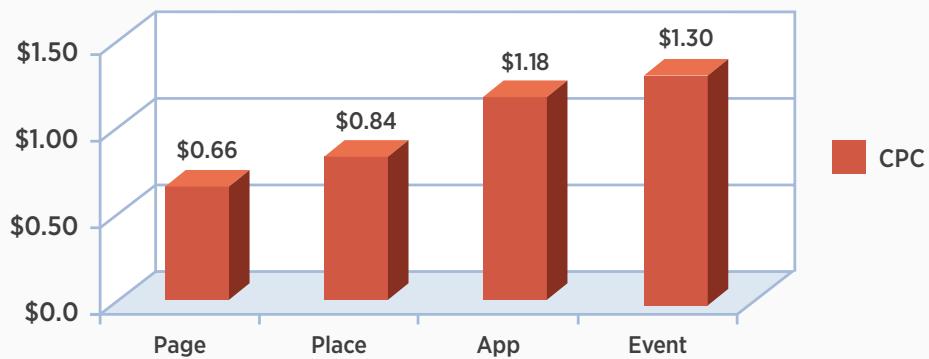
People on Facebook engage with Social Ads promoting Pages at a higher rate than any other Facebook Object per Figure 8. This may be due simply to the ubiquity of Pages and the familiarity that people have with brand Pages and what to expect when visiting them.



## Getting customers to branded events proves difficult and costly

Of all the ad types that we analyzed in this research, those driving traffic to Facebook Events were the most expensive, with an average CPC of \$1.30 (see Figure 9). Social Ads promoting events also had the lowest CTR (refer back to Figure 8). Our best explanation for this trend is that events are typically targeted to smaller audiences than Pages which are intended for more mass appeal. This is especially true when it comes to offline events where geography plays a role. That said, for B2B marketers, branded events can be high-touch, high-value interactions and well worth the extra effort and price premium.

**FIGURE 9: Driving People to Events on Facebook is Costly at \$1.30 Average Cost Per Click**



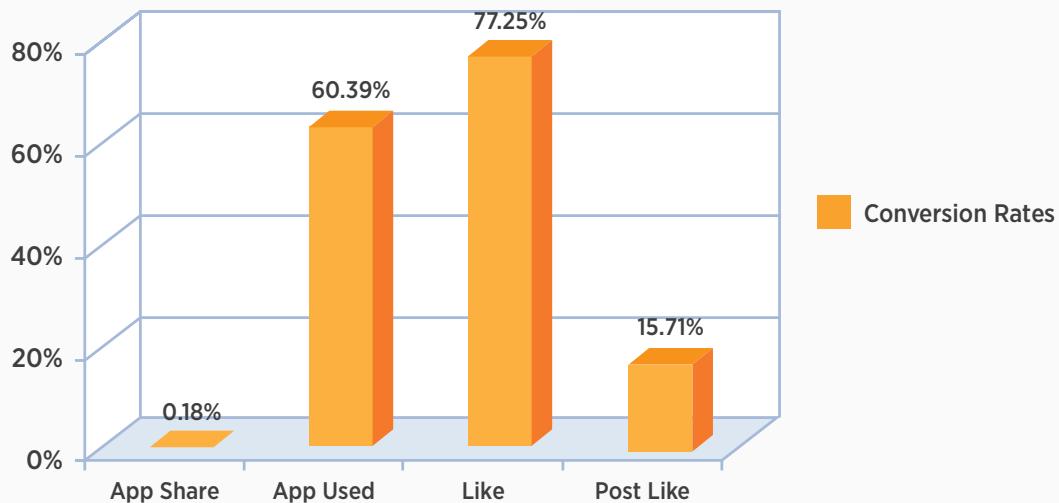
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## Likes and Applications are truly social phenomena

Facebook has changed our definition of the word, “like.” In the context of Facebook, a Like is not simply a personal preference, it’s an announcement to your entire social network of that preference. The odds are that you share many preferences with the people that you are connected with on Facebook so that, if you like something, they are more inclined to like it as well. Figure 10 shows the value of social endorsements as measured by conversion rate on Sponsored Story ads. Here we can see that nearly 80% of all people clicking on Sponsored Story ads promoting Page Likes convert to fans. Meanwhile, Post Like Sponsored Story ads carry a 16% conversion rate.

For a brand, application installation and usage can be highly lucrative when it comes to gathering user data. When someone installs an application and clicks “accept” on the permissions interstitial, the brand can capture much more personal (and social) information than you can get with Page Insights. Ads that promote App Usage also act as a type of social endorsement because the ads show other users who are actively using the app. The act of using an app gives the app more validation among the social network as evidenced by a 60% conversion rate. This means that 6 out of every 10 people who click Sponsored Story ads promoting App Usage actually install the application themselves. This contrasts with App Share Sponsored Story ads which drive a mere 0.18% conversion rate. The difference here seems to be that people trust that an app has value when they see people using it as opposed to when they see people overtly promoting it.

**FIGURE 10: Social Endorsements for Likes and App Usage Drive Highest Sponsored Story Conversion Rates**



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# Metrics That Matter:

## Pre-Engagement and Post-Engagement

### PRE-ENGAGEMENT

Metrics that measure consumer exposure to ads and brands prior to click/interaction

### POST-ENGAGEMENT

Metrics that measure consumer exposure to ads and brands following exposure

### INTRODUCING EXPOSURE RATE, A NEWLY DEFINED METRIC, AND THE IMPORTANCE OF FREQUENCY

Unlike search marketing, social media — and Facebook advertising in particular — provides myriad targeting options and the ability to serve customized graphical ads based on individual interests. Accordingly, the mere act of showing an ad and exposing a person to your brand has significant value in terms of driving brand awareness. However, simply measuring impressions does not give you a good understanding of the impact delivered by pre-engagement exposure. It's important to look at what percent of your target audience has been exposed to your brand and how many times exposure has occurred. Based on our data, these metrics are highly correlated to campaign success. Additionally, when it comes to measuring likelihood to purchase, we must look at post-engagement metrics beyond the click to include KPIs such as likes, shares, sales, and other conversion events as well as CTR and conversion rate.

	Pre-Engagement	Post-Engagement
Purpose/Use Case	Measuring audience exposure to brands as a proxy for awareness	Measuring audience interaction with brands a proxy for purchase intent
Key Performance Indicators (KPIs)	<ul style="list-style-type: none"> <li>• Exposure Rate</li> <li>• Frequency</li> <li>• Reach (Unique Visitors)</li> <li>• Impressions</li> <li>• Available Target Audience</li> </ul>	<ul style="list-style-type: none"> <li>• Click</li> <li>• Conversions (likes, shares, sales)</li> <li>• CTR</li> <li>• Conversion Rate</li> </ul>

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To best measure the potential impact of pre-engagement, we've defined a new metric, Exposure Rate, and also identified Frequency as a critical KPI.

## EXPOSURE RATE

Unique impressions divided by the target audience

With Exposure Rate, we can determine what percentage of the entire desired target audience a brand is actually reaching and exposing to its message. Target audience is based on data Facebook provides for average monthly users because not all Facebook users log in every day. Thus, the length of time that an ad runs live will affect its Exposure Rate. In other words, ads running for only a few days will not be able to reach 100% exposure.

## FREQUENCY

Total impressions divided by unique impressions

Frequency tells us how many times the average Facebook user has been exposed to your ad. While the optimal Frequency will vary for each ad and each campaign, it's important that this number not be so high that it oversaturates the target audience or so low that it doesn't get noticed.

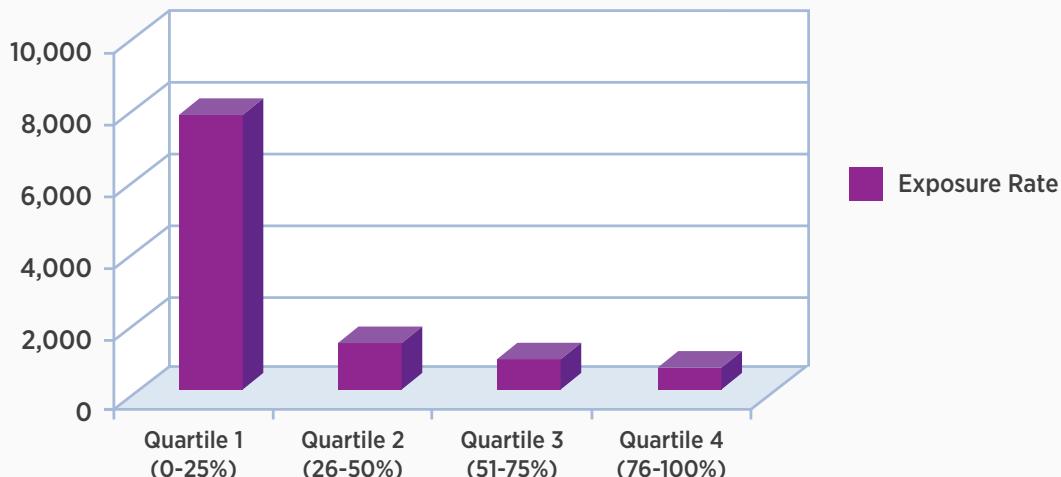
To identify the impact of pre-engagement and post-engagement metrics on campaign success, we looked at how Exposure Rate and Frequency affect CTR and Conversion Rate.

We grouped all ads by their Exposure Rate into four quartiles.

Quartile 1: Exposure Rate 0-25% Quartile 2: Exposure Rate 26-50% Quartile 3: Exposure Rate 51-75% Quartile 4: Exposure Rate 76-100%

For example, an ad that fell in Quartile 4 would have reached 76-100% of its intended audience whereas in Quartile 1, only 0-25% of the targeted audience would have been exposed to that ad. As you can see in Figure 11, most ads fell into Quartile 1.

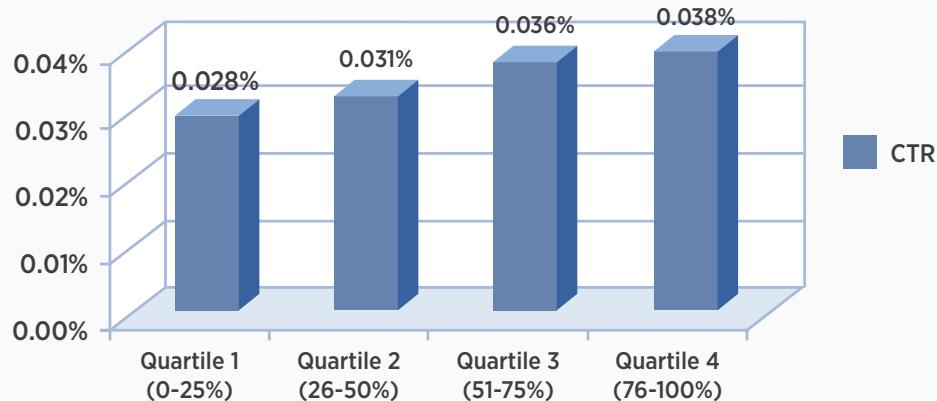
**FIGURE 11: Distribution of Facebook Ads by Exposure Rate**



Source: Social Media Insights Part 1 - Metrics That Matter | © 2012, Kenshoo, Inc. and Resolution Media

Looking at Figure 12, we see that CTR for Quartile 4 has the highest CTR, suggesting that higher Exposure Rate translates into higher Post-Engagement metrics.

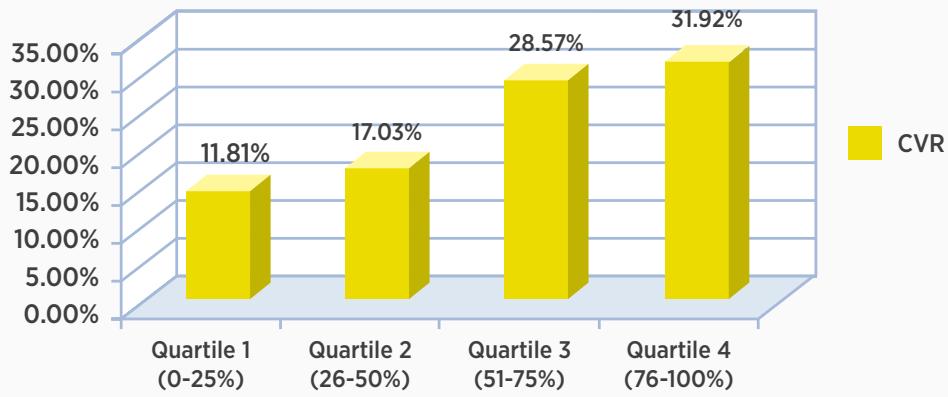
**FIGURE 12: High Facebook Ad Exposure Rates Correlate to High Click-Through Rates**



Source: Social Media Insights Part 1 - Metrics That Matter | © 2012, Kenshoo, Inc. and Resolution Media

Furthermore, Quartile 4 delivered the strongest conversion rates as seen in Figure 13. Again, ads with higher Exposure Rates generate stronger Post-Engagement response. Note: most of the campaign conversions tracked in this research were social engagements (likes, shares, etc.) as opposed to off-Facebook sales, which is why overall conversion rates are higher than typical display or search ad campaigns.

**FIGURE 13: High Facebook Ad Exposure Rates Correlate to High Conversion Rates**

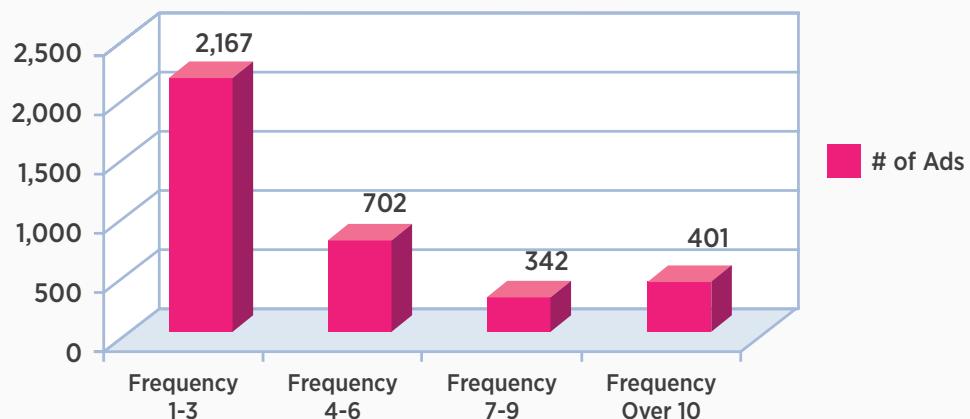


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It's important to remember that high Exposure Rate alone will not deliver success. We must balance Exposure Rate with Frequency to determine the optimal levels of exposure.

We grouped all ads by Frequency and Figure 14 shows the overall distribution. To clarify, a Frequency of 1-3 means the ad was displayed to targeted Facebook users who saw the ad an average of 1 to 3 times.

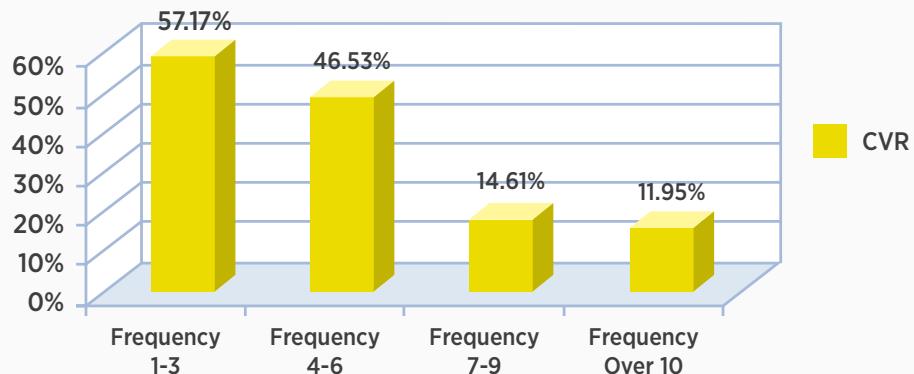
**FIGURE 14: Distribution of Facebook Ads by Frequency**



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Per Figure 15, there is a big drop-off in conversion rate between a Frequency of 4-6 and 7-9. Our data shows a drop-off of 32% when ads are shown more than six times which is likely the impact of ad exhaustion or decay. In other words, each individual is being exposed to the ad too frequently and, thus, is more likely to tune it out. Therefore, pausing ads after they hit a frequency of seven would help maximize campaign results. Of course, the optimal Frequency will vary per ad, per brand, and per campaign so we encourage all marketers to test and learn.

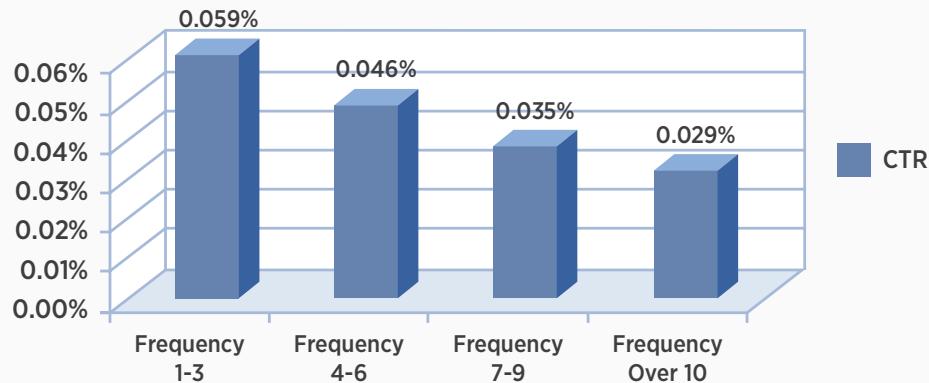
**FIGURE 15: Facebook Ads Average Conversion Rate is 75% Lower After the 6th Impression**



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In Figure 16, we see a similar pattern with CTR for Frequency 1-3 performing strongest and click-through rates steadily eroding as ads are delivered to individuals more frequently.

**FIGURE 16: Facebook Ads Average CTR is 39% Lower After the 6th Impression**



Source: Social Media Insights Part 1 - Metrics That Matter | © 2012, Kenshoo, Inc. and Resolution Media

## INSIGHTS AND RECOMMENDATIONS

### Maintain CPC above the maximum recommended bid to optimize Exposure Rate and Frequency

Now that we know Exposure Rate and Frequency are highly correlated to campaign outcomes, how can we determine the best practices for optimizing these KPIs?

We looked at various data points and metrics that can be controlled by a Facebook marketer. One metric was consistent in being definitively correlated with result: the Facebook Maximum Recommended Bid (Max. Rec. Bid) for each ad.

We broke all ads out into two groups:

- CPC less than Maximum Recommended Bid
- CPC greater than Maximum Recommended Bid

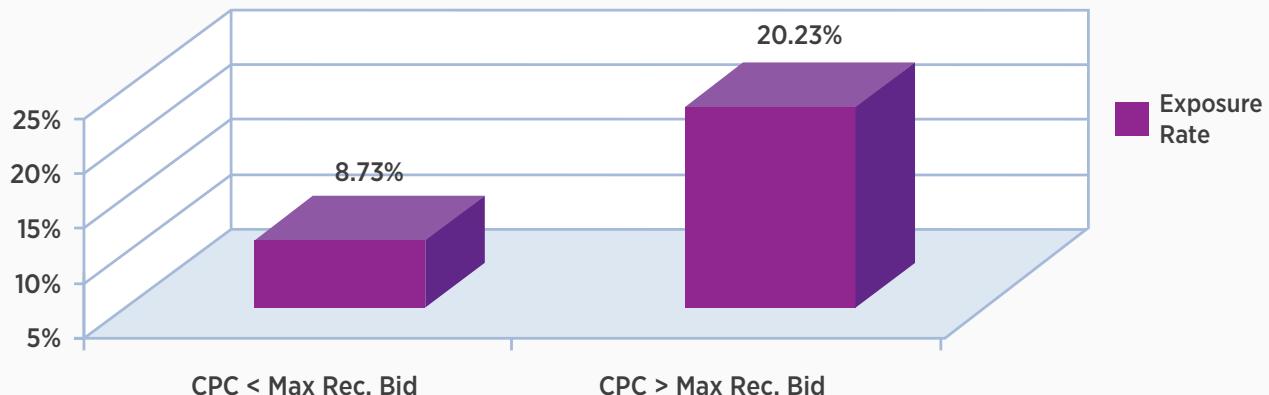
Our data consistently showed that Exposure Rates were higher for ads with CPCs greater than Max. Rec. Bid (see Figure 17).

Conversely, Frequency dropped when the CPC rose above the Max. Rec. Bid (see Figure 18).

Here's a simple example to illustrate why this happens:

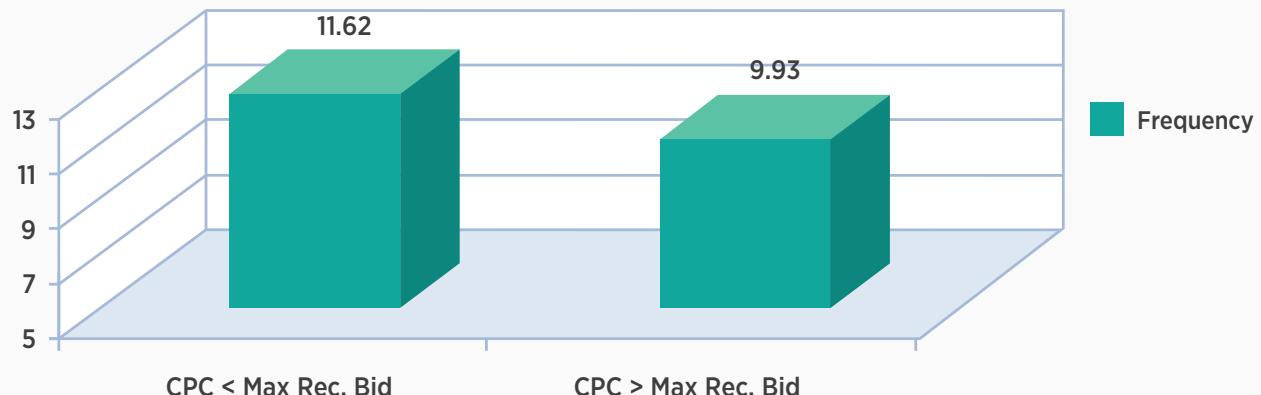
Let's say that you have a budget of \$100 and each click costs \$1. The Facebook ad delivery algorithm would show your ad enough times to earn 100 clicks and use up the budget. If you are bidding above the Max. Rec. Bid., you will win a lot of the bid auctions and thus your ad will show more often across your target audience, leading to a higher Exposure Rate. Conversely, you will use up your budget more quickly so your ad won't be shown as often to each unique user, leading to a lower Frequency.

**FIGURE 17: Bids Above the Facebook Recommended Maximum Bid Drive Up Average Exposure Rate by 11.5%**



Source: Social Media Insights Part 1 - Metrics That Matter | © 2012, Kenshoo, Inc. and Resolution Media

**FIGURE 18: Bids Above the Recommended Facebook Maximum Bid Decrease Average Frequency by 1.7 Exposures**



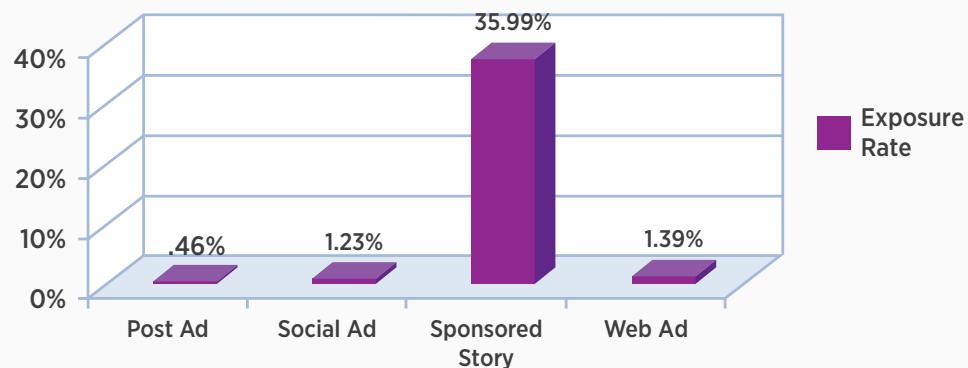
Source: Social Media Insights Part 1 - Metrics That Matter | © 2012, Kenshoo, Inc. and Resolution Media

## Sponsored Stories deliver high Exposure Rate and low Frequency

We were keen to understand what types of ads are most likely to deliver high Exposure Rate and low Frequency. Figure 19 shows that Sponsored Story ads have a significantly higher Exposure Rate than any other ad type. And Figure 20 shows that Sponsored Stories had the lowest Frequency among our sample.

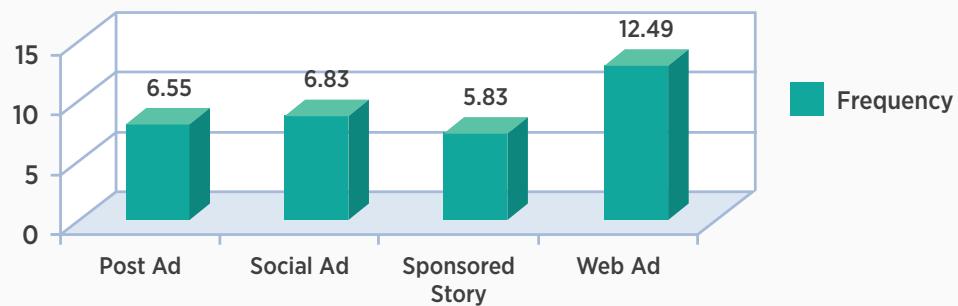
These findings are best explained by the fact that Sponsored Stories can only be shown to friends of fans by definition; for example, a Facebook user that you are friends with needs to have liked a Page in order for you to see a Sponsored Page Like story from that brand. As a result, despite the strong performance of Sponsored Stories, we still recommend using other ad formats for volume and exposure. For most brands, it is unlikely that Sponsored Stories alone will deliver the scale needed to meet campaign goals.

**FIGURE 19: Sponsored Stories Most Effective Ad Type for Unique Brand Reach with 36% Exposure Rate**



Source: Social Media Insights Part 1 - Metrics That Matter | © 2012, Kenshoo, Inc. and Resolution Media

**FIGURE 20: Sponsored Stories Were Delivered with the Lowest Frequency, Driving Up Unique Users Reached**

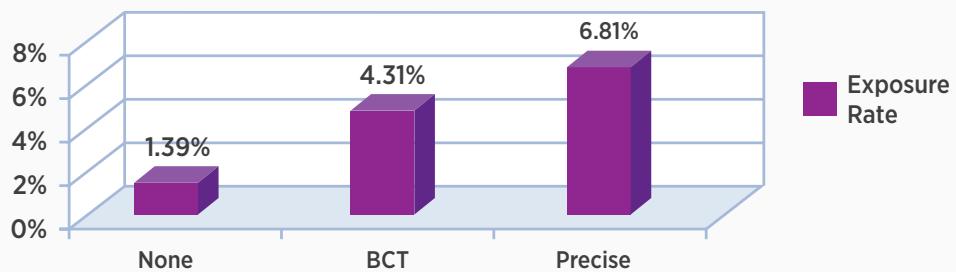


Source: Social Media Insights Part 1 - Metrics That Matter | © 2012, Kenshoo, Inc. and Resolution Media

## Use Interest Targeting to maximize Exposure Rate and Frequency

Finally, we sought to understand impact of various levels of targeting on Exposure Rate and Frequency. Per Figure 21, when no interest targets are set, Exposure Rate is lower because you have most likely increased the available audience size. By adding a Broad Category Target (BCT) you are able to more tightly target your audience and Exposure Rate goes up. Exposure Rate climbs even higher when you move from BCT to precise targeting (a type of interest targeting on Facebook that narrowly defines the target audience based on specific interests).

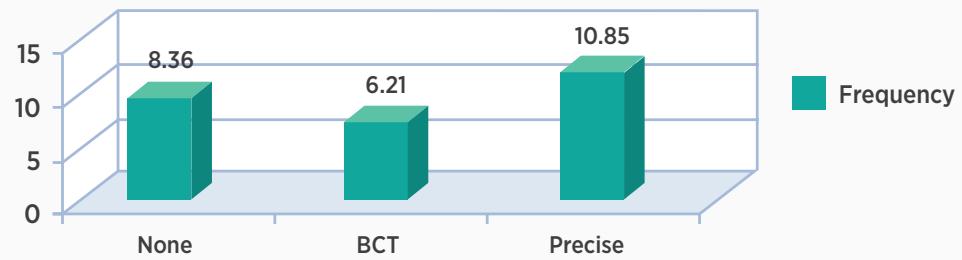
**FIGURE 21: Precise Interest Targeting on Facebook Leads to High Exposure Rates**



Source: Social Media Insights Part 1 - Metrics That Matter | © 2012, Kenshoo, Inc. and Resolution Media

As seen in Figure 22, frequency for ads with precise interest targeting is highest. This is most likely because selecting precise interest targets shrinks the available targeted audience so that users are exposed to the ad more often. Interestingly, though, Frequency for BCT was lower than no interest targeting at all. There are no clear explanations for this trend as we don't know how Facebook serves ads that are not targeted. In these cases, the estimated reach will be so large that Facebook may try to serve ads to heavy users as opposed to serving them out evenly while trying to reach a more narrowly targeted audience.

**FIGURE 22: Ads Targeting Precise Interests are shown to Facebook Users an Average of 10.9 Times**



Source: Social Media Insights Part 1 - Metrics That Matter | © 2012, Kenshoo, Inc. and Resolution Media

# CONCLUSION

The blessing and the curse of social media is that there are plenty of ways to measure engagement with your brand. In this research, we sought to isolate the signal from the noise and found that Engagement Rate and Frequency are the KPIs most heavily correlated to campaign success.

With this in mind, here are some key take-aways to improve your Facebook advertising performance:

1. Develop a strong portfolio of owned assets upon which you can build your campaigns and drive interaction within Facebook. Pages have the highest share of clicks for Facebook ads and Like ads have the highest CTR. In order to capitalize in Social Ads and Sponsored Stories, you must have a scalable fan base.
2. Consider the role that each ad type can play within your campaign. Post Ads and Sponsored Stories have the highest response rates and lowest CPCs but Web Ads and Social Ads are helpful for driving volume and off-Facebook activity. Meanwhile, App Usage thrives with social context and offers deep user data and lifetime value.
3. Leverage our newly defined metric of Exposure Rate to benchmark the performance of your own programs. Our data shows that higher Exposure Rate leads to more efficient ad engagement. Overall, Sponsored Stories generate the highest Exposure Rate of any Facebook ad type.
4. Balance Exposure Rate with Frequency so as not to wear out your audience. Optimal ad frequency is under 7. After that point, performance on all key metrics begin to decline and brand value erodes.
5. Bid higher than Facebook's recommended max bid amount to reach your target audience (high exposure rate) who, in turn, will engage with your ads at a faster pace (low frequency).
6. Use interest targeting to find your most effective target audience and maximize Exposure Rate within it. Continue to test and iterate with interests — as well as all variables outlined in this report and available to you within Facebook's ad ecosystem — to ensure your campaign is always finely tuned to meet your goals.

We hope you found this report valuable and look forward to bringing you the next installment of Social Media Insights in the near future.

# GLOSSARY

TERM	DESCRIPTION
<b>Application (App)</b>	A software application that runs on Facebook's Open Graph platform.
<b>Broad Category Targeting (BCT)</b>	Broad interest categories which you can use to target ads to groups of Facebook users.
<b>Click-Through Rate (CTR)</b>	Total Clicks/Total Impressions
<b>Conversion</b>	The metric that marketers use to measure their end goal. Common conversion types include sales, revenue, application installations and likes.
<b>Conversion Rate</b>	The rate at which users will perform a conversion action (as defined by the marketer) after clicking on an ad, calculated as Total Conversions/Total Clicks
<b>Cost-per-Click (CPC)</b>	The average cost per click, calculated as Total Cost/Total Clicks
<b>Cost-per-Thousand Impressions (CPM)</b>	The average cost per thousand impressions, calculated as the total cost divided by the thousands of impressions received.
<b>Earned Media</b>	The incremental exposure that your brand "earns" through viral engagement and interactions with your brand. Examples include Facebook likes, shares, and check-ins.
<b>Event</b>	A Facebook page for a real-world or virtual event/occasion.
<b>Exposure Rate</b>	How much, of the entire desired target audience, a brand is actually reaching and exposing to its message, calculated as Unique Impressions/Targeted Audience
<b>Facebook Marketplace Ads</b>	Paid ad units that can appear anywhere on Facebook and are available for purchase on a CPC or CPM basis through self-serve auction bidding.
<b>Facebook Premium Ads</b>	Paid ad units displayed on the Facebook homepage at a fixed price based on an Insertion Order.
<b>Frequency</b>	The average number of time a targeted Facebook user has been served an ad, calculated as Total Impressions/Unique Impressions.
<b>Impression</b>	The total number of times an ad has been served.
<b>Maximum Recommended Bid</b>	The maximum bid recommended by Facebook for an ad. This is only a recommendation and bids can exceed the maximum. Actual click costs will vary.
<b>Owned Media</b>	Media assets or objects created within social networks by your organization. Examples include a Facebook page or an application.
<b>Page</b>	The primary owned asset of a brand on Facebook.
<b>Paid Media</b>	Paid advertisements that can be purchased on a social network, such as Facebook Marketplace Ads or Facebook Premium Ads.
<b>Place</b>	A Facebook object that directly relates to a real world physical location. Examples can include stores, corporate headquarters, or local branches.
<b>Pre-Engagement</b>	Metrics that measure consumer exposure to ads and brands prior to click/interaction.
<b>Post-Engagement</b>	Metrics that measure consumer engagement with ads and brands following ad exposure.

# GLOSSARY

TERM	DESCRIPTION
Precise Interest Targeting	A type of targeting on Facebook that narrowly defines the target audience based on what they are interested in, using terms people have shared in their Facebook profiles (timelines).
Reach	The number of individual people who were served an ad during a select period. This is different than Impressions, which includes people being served an ad multiple times. Also known as Unique Impressions.
Social Ad	A Facebook ad that drives Facebook users to brand assets within the Facebook network.
Sponsored Story	A sponsored story is a paid ad in Facebook that uses user generated content to re-broadcast the user's engagement with a brand across their social network.
Target Audience	The estimated audience size available provided by Facebook based on targeting settings of an ad. This is calculated from the monthly average user rate as many Facebook users do not log in every day.
Unique Impressions	See Reach.
Web Ad	A Facebook ad that directs to websites and pages outside of the Facebook network.

# METHODOLOGY

This report reflects aggregated global data across a wide range of brands whose Facebook ad campaigns are managed by Resolution Media using Kenshoo Social. Industry verticals represented include entertainment, finance, retail, and insurance, among others. Brands represented include HBO, Hewlett-Packard, Monster, ING, Visa and Activision among others. The dataset examined for this report spans nearly 65 billion Facebook ad impressions and 20 million Facebook ad clicks during the 12-month period beginning March 1st, 2011 and ending February 29th, 2012.

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# ABOUT RESOLUTION MEDIA

Headquartered in Chicago, [Resolution Media](#), an Omnicom Media Group company, is a leading digital agency with operations in 40 countries. Resolution provides client services in the areas of paid search, search engine optimization, digital behavior analysis, conversion path optimization, behavioral targeting, social media, mobile, local and other complimentary services.

Resolution is a division of Annalect Group, Omnicom Media Group's digital analytics company. Annalect specializes in Media Analytics, Business Intelligence, Tools and Dashboard Systems, Econometric Modeling, Search Strategy and Digital Investment Platforms.

# ABOUT KENSHOO SOCIAL

[Kenshoo Social](#) is a global social marketing technology solution for brands and agencies to achieve tangible business goals as effectively and efficiently as possible. The Kenshoo Social Ad Manager enables the creation and optimization of sophisticated social ad campaigns in a simple and scalable manner. Built on the [Kenshoo Universal Platform](#), Kenshoo Social delivers nearly 700 million Facebook ads per day while empowering marketers with cross-channel reporting, tracking, integration, and attribution. Visit [Kenshoo.com/Social](#) or [Facebook.com/Kenshoo](#) for more information.

# CONTACT

Viji Davis, Vice President of Marketing, Resolution Media  
VDavis@ResolutionMedia.com

Ariel Rosenstein, Director of Marketing Research, Kenshoo  
Ariel.Rosenstein@Kenshoo.com