



Facebook Targeting

Learn how to grow your eCommerce business using Facebook Advertising

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Introduction

When considering running an online marketing campaign these days it is impossible to overlook Facebook.

Facebook has become one of the most powerful advertising platforms online. The social network has unrivalled numbers of users, data and reach when compared with others. It is also a powerful and effective platform to connect customers with brands, delivering impressive results with regards to conversion rates and return on investment.

We here at eCommerceLift specialise in Facebook advertising and aim to help eCommerce stores connect with their customers through Facebook and grow their online business by making the process more simplistic and streamlined. We believe in the value of Facebook advertising and in this eBook we are going to be explaining how to effectively advertise your eCommerce store and yield results that impact your bottom line.



In an analysis of over 60 campaigns on Facebook, 49% had a 5x return on investment, 70% had a 3x or greater return.

I.

Why Facebook?

With the large selection of advertising channels online, it can be difficult to decide which avenue to take. However, Facebook has some impressive stats that prove why it is an excellent option for your eCommerce store to advertise on.

Here are some reasons why you should consider using Facebook advertising to grow your online store:

01

FACEBOOK REACHES MOST OF YOUR CUSTOMERS.

It's no surprise to hear that Facebook has a massive number of users. In fact it is the biggest social media website in the world. It now has over 1.31 billion active monthly users; these are users who have logged in over the last 30 days. Even more impressive is the number of daily active users which adds up to over 757 million on average per day with 680 million mobile users.

To put this into perspective Twitter has 250 million active monthly users while Instagram has 200 million active monthly users, placing them well behind Facebook in terms of size

02

FACEBOOK IS USED BY ALL DEMOGRAPHICS

Facebook is a platform that everybody is on despite of age. The social media site has a young audience with 83% of 18-29 year old internet users having an account making it the most used social

media by this highly web savvy and sought after age group.

Although the majority are below 30, the site has a growing number of users that are older. In fact it's fastest growing age bracket is 45-54 year olds, with this group increasing by 46% within the last year. With this vast array of users, it's clear that Facebook advertising can reach whatever age bracket you want for your eCommerce store.

03

FACEBOOK IS USED BY BOTH MEN & WOMEN

Compared to other social media sites, Facebook is one of the most gender neutral platforms online. Both men and women in large numbers flock to Facebook every day. Females do surpass males in usage as numbers show 76% of females in the U.S. use the site. Males do use the site slightly less with 66% of men in the U.S. having a Facebook account but it is a relatively even amount of users within the world of social media. When likened to sites like Instagram and Pinterest that skew heavily towards women, using Facebook means that both men and women can be effectively targeted as both genders have substantial usage.

04

FACEBOOK USERS ARE EVERYWHERE

Facebook has grown across the world within the last 10 years and the vast array of users from every corner of the globe shows this. Stats show that over 67% of internet users in the U.S. are currently on Facebook which is a massive percentage of the country's population.

These figures are even larger in Europe with over 80% of people possessing an account in countries like the U.K., Germany, Denmark and Ireland. Although Asia and Africa have smaller numbers with regards to users, this number is growing rapidly and many countries are now showing over 44% of their internet using population owning a Facebook account.

05

USERS CHECK THEIR ACCOUNTS REALLY OFTEN

Facebook users are very loyal to the site and return on a very regular basis. On any given day the site has 48% of its users log in to check up on their account driving this massive number of daily users.

Astonishingly, 46% of 18-34 year olds, Facebook's biggest age bracket, check their accounts first thing when they wake up and 28% of the same group check before going to bed. This is a huge amount of time for customer engagement as no other social media site has this amount of customer loyalty and devotion.

06

USERS SPEND A LONG TIME ON FACEBOOK

Facebook users spend a large amount of time on Facebook. It is a rarity that a user will simply log in and immediately leave. It's claimed that the average time a user spends on Facebook is 20 minutes which is a relatively long time, giving you plenty of opportunities to reach them.

Adding this time up, the average Facebook user spends up to seven hours a month on the site. This means that Facebook is the site social media user's visit and stay on the longest compared to its counterparts, offering you valuable time & opportunity to try and connect with them.

07

FACEBOOK HAS MORE USER DATA

Not only does Facebook have a huge number of users, it also has an in-depth knowledge of their behaviours, demographics and interests. No other advertising platform can offer merchants as much data which allows them to target customers so precisely.

With this huge data resource, merchants can find an audience that suits them best meaning that your advertising is more targeted ensuring the opportunity for better results.

2.

Targeting on Facebook

Before you start to build your Facebook campaign, merchants must learn how to target the right audience and build a successful campaign. There is a delicate balance between budget, audience size, interests, demographics and numerous other factors that contribute to the success of a Facebook ad.

You should consider the following when attempting to zone in on an audience:

CAMPAIGN OBJECTIVES

The first thing you must do is to decide what results you want from your campaign. Setting up campaign objectives that clearly identify what the goals of your advertising are, will give you clearer focus. These will give you an indication of how your ads are performing and a measurement of what you are achieving. You will be able to alter, improve and measure success much more easily if your objectives are clearly defined before you start advertising.

WHAT SIZE AUDIENCE?

When advertising on Facebook, one of the most common questions is “how big should my audience be?”. With a billion users on Facebook, it can be difficult to gauge what size your target audience should actually be. Advertisers often believe that having an audience as large as possible will only increase their reach but this is not always the case. Large audience sizes can drain your advertising budget quickly meaning that not all of your audience will see your ad and the ones who do may have no interest in clicking. Conversely, an audience that is too small will not reach enough people to actually make an impact and lead to your ads having no effect.

So what size should your audience actually be? To get it right is all about a balance between size and budget. At eCommerceLift, we suggest that your initial audience size should range between 50,000 and 200,000 people when creating lead gen ads. This size works well, as it is large enough to allow your ads to be seen by enough people to have a palpable impact, while small enough that you can learn from the results & iterate without blowing a massive budget. Get this balance right and you will start your campaign off on the right foot.

WHO IS YOUR CUSTOMER ?

When creating audiences, it is vital to spend some time thinking about your brands customers. Your store will probably have a customer that fits into a certain demographic. Their gender, age, location, and so forth is probably quite repetitive and you see the same demographics repeatedly come to your store. So when building your Facebook ads, use this as a template for what demographics you pick for your

Consider who the main consumers of your products are and build from here. Ask yourself: Are they male or female? Are they in their 20's or their 40's? Are they situated in the U.S. or the UK? Are they married or single? By asking yourself these questions you will narrow down your demographics and carve out a relevant audience base that is much more likely to click your ads & engage with your brand.

Let's look at an example of a shoe store: *Cocobelle* sells high-end, high heel shoes. Their audience is centred around women who have enough disposable income to buy these shoes and have a keen interest in fashion. They know their shoes are also predominately purchased in urban areas. Therefore, they narrow things down by selecting demographics of women, between the ages of 25-35 in the New York area who are single. This is an audience they believe will have an interest in the brand and people who want to actually buy shoes, making it the perfect demographic audience for this store.

Now the key thing to do is to test this premise. Duplicate the audience and change one key variable to experiment. Maybe, in our example, married older women might be a better fit than single younger women. To learn which works best, simply create two adverts - one targeting each variant of the audience and see which performs better. A classic 'A/B' test to find out whether single women or married women are better customers.

INTEREST & BEHAVIOURAL LAYERS

After determining your audience's ideal demographic information, their interests and behaviours come into play. Think about other Facebook pages, keywords, companies or activities that your customers might also be interested in.

Thought should be placed as to what interests and behaviours your audience potentially likes as it is an effective way to narrow down your audience and discover customers who will buy from your brand. When considering interests and behaviours, wide terms aren't advised. Instead, think niche and less obvious choices that will weed out users with a casual interest and find you an audience who have a deep interest in your brand.

Continuing on with the example of the shoe store, we have already established that we are targeting women between the ages of 25-35 in New York. However, this is still too wide of an audience as the size will be too broad. To narrow it down for a shoe store, the interest of "shoes" could be chosen to reach them, although it will likely be also too

broad and could lead you to an audience who, although interested in shoes, may not be interested in high heels.

Instead, consider a more niche interest that involves shoes. This could involve targeting a brands Facebook page that sells similar shoes such as Manolo Blahnik or Bergdorf Goodman. These interests will probably lead you to a smaller audience that is much more precise.

Targeting your audience like this will be much more effective as you are assured that they have an interest in your product and will therefore be much more likely to buy.

ADVERTISING OPTIONS

All of these targeting layers can be used with the different types of advertising that is available through Facebook. Currently there are four main targeting choices that can be used on Facebook:

1. Facebook Core Audiences: This audience type allows you to design and build your own audience from scratch using demographic, geographic, interest and behavioural layers to narrow the audience down.

2. Custom Audiences: These allow you to draw from your existing leads and your own data to build adverts that are targeting customers you already have a prior relationship with.

3. Facebook Web Custom Audiences: This option gives you the opportunity to build ads that target an audience that have visited your website.

4. Lookalikes: Finally, Lookalikes are created from an existing audience and consists of people that have similar characteristics.

Each one of these advertising options has its merits and can lead to conversions for your eCommerce store. In the upcoming chapters we will explain how to capitalise on each option and how they can be used to grow your store.

Facebook Core Audiences

There are over a Billion users of Facebook you can target. This chapter helps you narrow that number down and find the people on Facebook most likely to be interested in your brand.

This chapter consists of four sections: location, demographics, interests and behaviours. Each section defines your target audience and helps you narrow down the initial 1.3B Facebook users into a manageable audience. Advertisers have total control over who sees their ads and who they want to specifically target, so use this to your advantage.

BENEFITS OF USING A CORE AUDIENCE

Facebook Core Audiences are perfect for stores looking to reach out to new customers. It is great for building brand awareness and getting your store seen by a new audience. Advertisers can target audiences that have different traits that may be interested in their brand. With the number of characteristics that can be changed ads can be very specifically tailored to a particular group.

Additionally the possibility for variations of audiences are almost endless as locations, ages, interests and so much more can be tweaked and changed & enable advertisers to target numerous groups and test which ones are reacting best and of course, discover which ones may not be working.

LOCATION

With location targeting, advertisers can choose to target whoever they wish in any specific area around the world. Location can be as wide as targeting a whole country or it can be made more precise by targeting a region, state, city or even down to specific zip codes.

DEMOGRAPHICS

Demographic targeting is an area that can be used in numerous ways as there are lots of options that can be chosen by merchants to fine tune their audience. In demographics, age and gender can be chosen as a targeting option but you can also go much deeper.

Merchants can shape their audiences with more precise and specific factors which include relationship status, employment, education, political leanings and many other useful life events.

This can be used cleverly by marketers as you can create very niche audiences. A good example of this could be a men's clothing store that makes custom suits. They can target people who are engaged and are most likely looking to buy a suit for their wedding. Targeting an audience like this will likely yield great results for advertisers as they are using Facebook data to build a highly targeted advert catering towards an audience with a high likelihood of engaging with their ads.

INTERESTS

Interest targeting is one of the best ways to refine your audience and build it in a way that will reach your perfect customer. Interests can be whatever you choose but should be thoughtfully considered and consist of pastimes and activities, events, brands and any other potential category that a Facebook user might 'like'.

To get an audience that is more likely to want to click on your ads, these interests should be less obvious and more niche. Try things like: Facebook pages they might like, competitors brand names, market leaders in your industry or, complementary well known products.

BEHAVIOURS

Behavioural targeting reflect what Facebook users are doing offsite. These can include what devices they use, whether they are frequent travellers, sports fans, tablet users and any other significant behaviour that Facebook can determine from their users.

These can work perfectly for stores that want to target users who display specific behaviours. Brands making iPhone cases can target iPhone users or travel niche sites can target frequent travellers. Behaviour filtering, add an extra dimension to your audiences and it can be an excellent way to build a niche audience.

When you are adding 'interests' to an audience they are cumulative. ie. you want to target everyone interested in 'shoes' OR 'fashion', the more interests you include, the bigger your audience will be. However, when you add on a behaviour, they are exclusionary. So if added on iPhone users to the above audience it would then consist of everyone who is interested in 'shoes' OR 'fashion' AND use an 'iphone' as their device.

Behavioural targeting is a great way to narrow down a large audience.

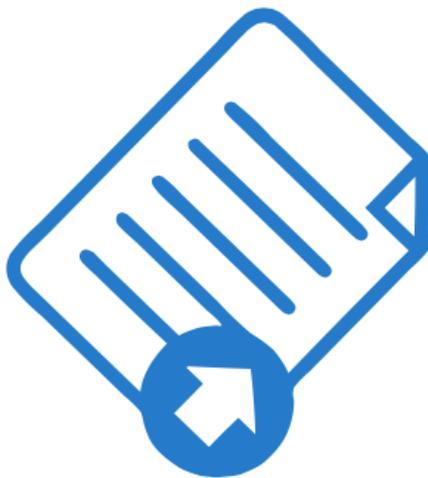
4.

Custom Audiences

Facebook Custom Audiences are a powerful tool available to you. They enable you to use your own data like customer email addresses and phone numbers in order to find past customers on Facebook.

This lets you target customers with the assurance that they already have an interest in your eCommerce store.

By uploading customer emails, phone numbers, Facebook IDs' or targeting existing Facebook fans, your customer information will be matched up with Facebook data, creating an audience for you to target.



The way it works is, you feed data into Facebook, and Facebook try and match it to Facebook users. If there is a match, that user is anonymously added to your audience. You don't know which customers on your initial list are a match, the rate is usually around 50% for email addresses, higher for phone numbers.

Using Custom Audiences advertisers can effectively target an audience that they have had a previous relationship with, resulting in customers and Facebook fans purchasing more often.

BENEFITS OF CUSTOMS AUDIENCES

Custom Audiences are a popular Facebook targeting unit with merchants. It makes sense to target customers who have shown a prior interest in your eCommerce store. By subscribing to an email list, liking your Facebook page or previously purchasing from you, this audience has been proven to like your brand and are therefore, likely to make a purchase. It is targeted and precise making it an effective advertising technique.

HOW TO USE CUSTOM AUDIENCES

There are different ways to use Facebook Custom Audiences such as:

Target Past Customers

Using a customer email list can be an effective way to create an audience. All stores have a list of past customers that have bought from them, and advertisers can design ads to attract these customers to return and buy more.

Consider tailoring and segmenting according to past buying behaviours as ads can be designed with the intention of cross selling and up-selling. Showing this audience adverts promoting similar products to what they have previously bought or products that are add-ons to their purchase can get them clicking through and increase sales for your store.

This group of people are also ideal candidates for a lookalike audience (described later).

Target Email Subscribers

Uploading a CSV file of people who have subscribed to your newsletter, people you've had communication with and any other source of email correspondence. This ad is perfect for brands looking to convert people who are just casually involved with your brand into actual paying customers.

Target existing Facebook Fans

The last option available is to target your own Facebook fans. This is especially relevant for a couple of reasons. Once upon a time, most of your fans saw your Facebook organic posts. Not anymore. Now as Facebook try and show people content they are interested in, less than 1% see your posts. However if someone interacts with your brand, then Facebook deem them 'interested' and your organic posts will show up in their feed again. Of course if they never interact with you again, in a few weeks Facebook will stop showing them your content again.

This means it is a good idea to promote a really compelling offer or piece of content to your existing fans, simply to get them interacting with your brand again so that your organic efforts are much more effective. Depending on the amount of fans you have, I would advise doing this at least once a month.

Web Custom Audiences

Build adverts that retarget visitors to your website and adapt depending on their past behaviour and how they interacted with your brand.

Web custom audiences are a recent option available to advertisers, that have quickly proven their worth and enable smart data driven retargeting campaigns. Hit people with ads specific to their behaviour when they were onsite. Set up abandon cart campaigns or product retargeting ads to those who didn't purchase or up-sell, nurture and win back existing customers.

BENEFITS OF FACEBOOK WEB CUSTOM AUDIENCES

The major advantage of using Facebook Web Custom Audiences is that you are targeting customers who have had a previous interaction with your brand. They have visited your site and have proven to have an interest in your products and are therefore more likely to make a purchase once retargeted on Facebook. You can use their behaviour to determine which products they are most likely interested in.

These ads can be highly tailored to audiences - showing the exact products to customers they were admiring and lure them back to your store to make a purchase. These ads have been proven to have a high click-through rate and return on investment.

HOW TO USE WEBSITE CUSTOM AUDIENCES

There are a few different ways to use Facebook Web Custom Audiences:

Retargeting people who visited but didn't convert

Retargeting is becoming one of the most popular options on Facebook. Retargeting means advertising to your store visitors who for whatever reason failed to buy, once they are on Facebook. The ads serve as an enticer to come back and complete the transaction.

Retargeting is highly effective when paired with lead generation ads and other forms of custom audiences. It is proven that customers do not always buy the first time they visit a store. Instead, they often look at products, think about what they could potentially purchase and leave due to indecision, lack of time or distraction.

Advertisers can then create an ad that is shown to this customer who has visited but failed to convert.

It can be done on three levels which are product, collection and store level retargeting. You could automatically set your ads to retarget customers who show a level of intent while on your website.

Abandoned Cart Retargeting

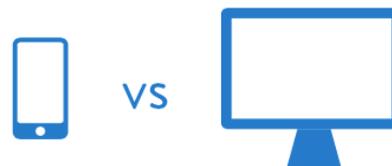
A further extension of retargeting is the precise targeting of abandoned carts. Abandoned carts are a huge problem within the eCommerce world with up to 70% of carts being abandoned by a customer. Using retargeting on customers who have left your store at this point is a perfect way to get them back. Think about abandoned carts as an opportunity rather than a set back. They are just part of your funnel, that needs to be optimised and set up to win back the largest possible % to maximise sales.

These ads work by building an campaign that solely focuses on people who started the checkout process but for whatever reason failed to convert. It's highly targeted advertising that focuses on a very relevant audience who are likely to come back and finally check out and buy.

Ideally you have them set up to dynamically update and exclude people who make a purchase. You don't want to try and offer people who just checked out a discount - you need to exclude these people.

MOBILE VS DESKTOP

Facebook is one of the few platforms where you are able to advertise across devices. Using this technique can be a powerful way to get customers buying. Mobile has been growing substantially over the past few years and has a strong click-through rate for Facebook ads as customers love to browse on their mobiles, while commuting, shopping, watching tv etc.



Unfortunately while they love to browse on mobile, they tend not to buy and this is where retargeting comes in as you should be using this opportunity to show them the same ad on desktop that will entice them to click through and finally purchase.

Consider sourcing new leads on mobile as it is cheaper to get an initial click there. Just don't expect them to purchase on that first visit. Use web custom audiences to retarget them later when they are on their desktop & move them further down your funnel.

6.

Lookalike Audiences

Find the people on Facebook most similar to your best customers, then apply other forms of demographic, interest & behavioural targeting in order to scale your efforts and grow your business.

This is an ad that targets Facebook users that have similar characteristics to their current customers or audience. They expand your reach on Facebook and introduce a new audience to your brand that may not have been targeted by your ads before.

The way it works is - you feed an audience into Facebook; they analyse the profiles and come up with the top 1-5% of people in the country of your choice who are the most similar to your initial audience. It is important to then layer on demographic, geographic and interest targeting on top of this audience to make sure it is still relevant & profitable.

BENEFITS OF LOOKALIKES

Lookalikes let you extend your reach beyond people who are already familiar with your brand. Targeting your email subscribers list or current Facebook fans eventually could lead to your audience to fatigue. Lookalikes are a great way to expand your brands reach and target new customers who are likely to have an interest in your eCommerce store.

Additionally if you have a modest amount of Facebook fans or a small email list, it can also be a method of growing your audience beyond these limiting audience sizes.

HOW TO USE WEBSITE CUSTOM AUDIENCES

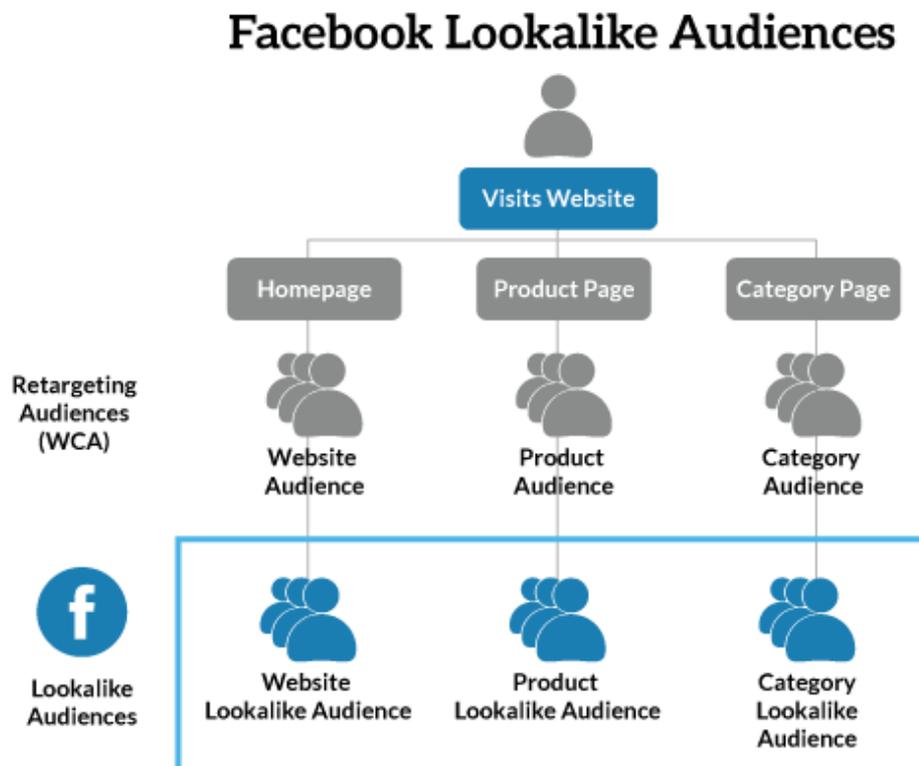
Advertisers can use lookalikes in two different ways:

Lookalikes for Custom Audiences

Use your existing custom audiences to create lookalike audiences. Upload email lists, phone numbers, or use your existing Facebook fans as the starting point. Facebook will analyse these audiences and come back to you with the top 1% of Facebook users in the country of your choice that are most similar to your existing audience.

Lookalikes for website visitors

You can also use people who have visited your website to build a lookalike. Either use all your web traffic to create an audience, or just use people who saw specific pages on your website. This also allows you to use people who check out successfully to build out a lookalike, or people who have looked at specific products. A very useful option indeed.



Conclusion

So how does eCommerceLift fit into all this?

Here at eCommerceLift, we specialise in helping eCommerce businesses scale. We have a number of options available to businesses, plans that will suit all budget sizes. We can analyse your current site and set up, put social media plans into place, set up advertising lead gen campaigns to help you figure out your cost of acquisition, and set up complex abandon cart campaigns and remarketing campaigns. Our marketing experts are here to help you increase profits and set up sustainable, automated processes that will drive your business forwards. We work with profitable businesses that have a proven suite of products that sell. Our singular goal is to help you sell more.

Want more information? Check out our blog at www.eCommerceLift.com and also contact us either by emailing john@ecommercelift.com or filling in our contact us page [here](#).

