

2017

AUTOMATED PROSPECTING PLAYBOOK

*Gain new customers and increase ROAS with dynamic ads to
broad audiences for Facebook and Instagram*

Your new customers are there.

They just haven't found you yet.

New customer acquisition is a challenge for most businesses, requiring a much-too-large percentage of overall marketing spend to combat an increasingly competitive market. What's worse—finding and converting these new customers is a drain on a company's most valuable resource: **time**.

ROAS is easy to measure, but what gets more difficult to quantify are the opportunities lost to the manpower required to fuel these acquisition campaigns.

Imagine if you could automate this process. Gain the new customers, the added revenue, the expanded brand reach... *but without the effort*. The holy grail of customer acquisition.

Introducing dynamic ads with broad audience targeting. You can now better automate your prospecting on Facebook, Instagram, and the Audience Network. *And we'll show you how.*

In this playbook, you'll learn:

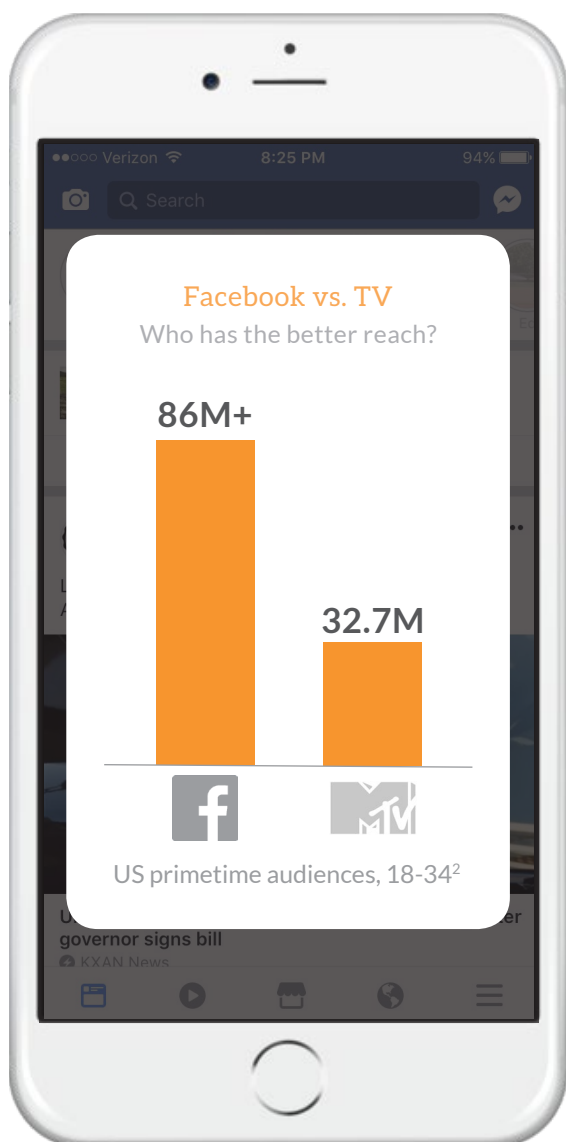
- ✓ The value of automated prospecting, and how it works
- ✓ Our 5-step guide to optimizing ROAS with broad audiences
- ✓ How to scale your dynamic ad campaigns with StitcherAds
- ✓ How Finish Line got 45x more sales with automated prospecting

The value of automated prospecting

Dynamic ads allow advertisers to automatically serve relevant products ads to Facebook users, based on the actions they've taken online. StitcherAds has been a long leader in the dynamic ads innovation game, being the first to offer feed-based retargeting capabilities. With clients such as eBags and Marriott, we've helped a variety of businesses automate and scale prospecting, retargeting, and cross-selling/upselling across multiple social platforms.

Facebook's first version of dynamic ads released in 2015 focused on retargeting users that had taken valuable action (e.g. adding a product to cart) in an advertiser's online store or app, by showing them the products they had already shown interest in. These products are dynamically pulled into an ad template from the advertiser's product feed, removing the need for advertisers to manually build ad sets.

In early 2017, Facebook released broad targeting for dynamic ads, allowing advertisers to access Facebook's user data to target audiences that haven't engaged previously with their brand, but would be most likely to buy. This means advertisers can automate prospecting with similar relevancy that retargeting ads provide, but with wider reach.



Why Facebook?

Reach. Facebook recently hit the 'token' 1.94 billion¹ user mark, with the average user spending approximately fifty minutes a day on the platform. Five-Zero. Meaning, we're collectively spending 97 billion minutes of world population time a day scrolling our news feed. You want reach? *They'll give you reach.*

Relevancy. Made possible with big-brother-style data. Facebook's insanely expansive data goes far beyond our profile. Facebook tracks our Facebook activity, but can also track our actions on the other websites or apps we visit if they have an active Facebook pixel or SDK. Facebook also tracks our location, device type, connection, and even offline behaviors through third party data partners.

Not only does Facebook have all our demographic information, Facebook also knows our salary range, our online and offline purchases, where we shop, what gifts we are discussing with friends, what brands we like...

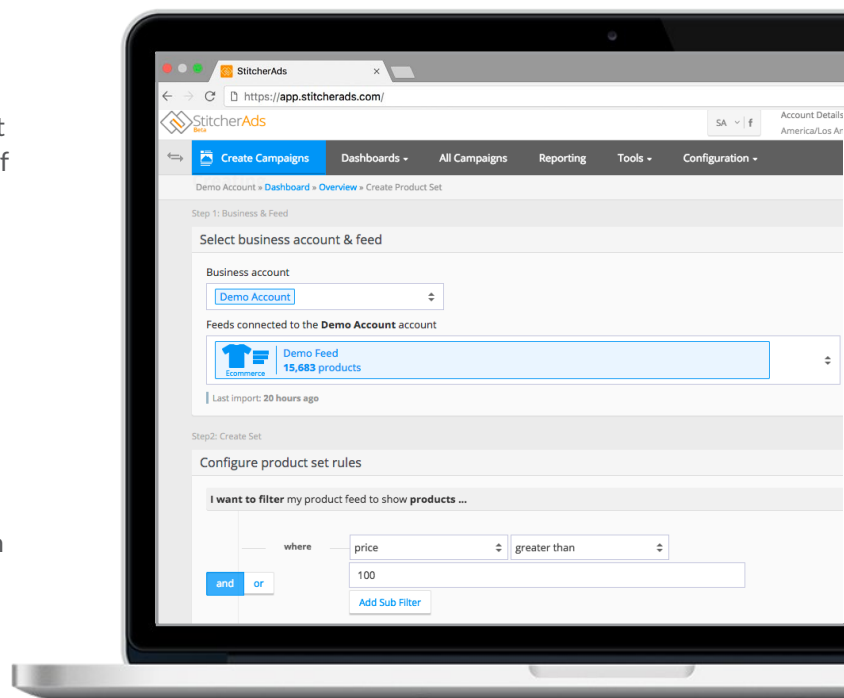
If your goal is to increase ad performance through relevancy, you'll need the data to do it.

5 STEPS TO OPTIMIZE ROAS FOR DYNAMIC ADS TO BROAD AUDIENCES

1 Segment your catalog to ensure products are served with targeted relevancy

Dynamic ads are created by pulling information direct from your Facebook-compatible product feed. To control the type of products served in your dynamic ads, you can create filters on your product catalog called product sets. For example, if you were Williams Sonoma, you could set up advertising for specific subcategories of cookware or bakeware, instead of your entire product catalog.

Start by grouping related items based on your categories and subcategories. After that, create product sets based on profit margins or price, which can help you set appropriate budget and bids for your campaigns. While we've seen success with product sets as small as 100 products, Facebook recommends building product sets of at least 1,000 products to create a broad distribution, which helps their recommendation engine learn. So if you're unsure, create larger product sets to start.



2 Craft your audience with top-level targeting options

Most businesses feel they know their best customer. So when building audiences, advertisers have a tendency to narrow in with advanced targeting options to try and get the best ad results. While targeting is important, Facebook's recommendation engine needs a larger user base to test against to find the perfect audience mix.

Craft with top-level demographics and location targeting—we've seen success with campaigns targeting up to 240 million users. Try to avoid user exclusions or narrowing audience by behavioral or interest-based targeting. Both can limit your ad's distribution, which inhibits the model Facebook uses to determine who to show your dynamic ads to.

Run campaigns without exclusions or behavioral/interest-based targeting until you've either spent 5% of your ad budget or have a relatively solid baseline of conversions. In some cases if purchase frequency is low, it may not make sense to include recent purchasers, so always do what makes the most sense for your business.

3 Test and customize your creative for newcomers

Dynamic ads are auto-built with relevant products and corresponding product information from your feed, but there are elements you can customize within the ad template, including messaging and a static image or video.

When building your ad template, consider your newcomer audience. Dynamic ads with broad audience targeting present a unique opportunity to blend branding strategy with direct response. While some users served might be familiar with your brand, a large number of users may be seeing you for the first time. Consider this when selecting messaging to make sure your ad clearly describes the value you can offer the user.

 **The Children's Place**
Sponsored ·  Like Page


We dig your style. Find something new - our entire site is up to 80% off (NO EXCLUSIONS) + free shipping!



The Children's Place Toddler Boys Basic Utility Jeans - Antique Ston...
He'll be just like dad in these utility j... [Shop Now](#)



The Children's Place Toddler Boys Striped Oxford Button-Down Shirt
A crisp, clean cut for a class-act loo... [Shop Now](#)



See more at
CHILDRENSPLACE.COM

The Children's Place achieved **8.8x ROAS** with dynamic ads to broad audiences, with **275x greater reach** and a **9% increase in conversion rate** compared to their retargeting campaigns.

If you want to use a static card or video in your product carousel, keep your demographic targeting in mind when choosing your assets. The 19-year-old female Californian on an iPhone is going to be drawn by different imagery than the 49-year-old female in Georgia on her desktop. If you haven't previously tested creative or don't know what might work best, create permutations with different creative to gain key insights and optimize for best results.

It's also important to make sure your static card or video is relevant to the product set selected. A category-level video or image can work well with the corresponding category's product set. If you're using a broader product set, we'd skip the static card altogether.

4 Optimize your bid for conversions

Now that you have an automated, specific-to-user ad, it's time to enter it into auction. When you bid with your ad, you're actually competing against other advertisers for real estate within Facebook, Instagram, and the Audience Network. Facebook will prioritize ads with higher bid amounts, relevant ad content, and the likelihood that someone would take action against your ad. So place a bid at the max amount you're willing to spend—typically a cost per acquisition (CPA) that will still ensure profitability based on your average customer lifetime value (LTV) and the margin on that product line.

CALCULATE YOUR MAX BID

for conversions

$$\text{Average LTV} - \text{Average Cost of Product in Set} - \text{Overhead}$$

for clicks

$$\left(\text{Average LTV} - \text{Average Cost of Product in Set} - \text{Overhead} \right) \times \text{Average Conversion Rate}$$

You can also choose to optimize your bid for the result you want. For dynamic ads to broad audiences, optimize for conversions so your ad will be served to people most likely to convert. You can then choose an action you'd like to convert against, like a Purchase, Add-To-Cart, or View Content. We'd recommend optimizing for purchases within the conversion window that matches your current attribution reporting.

TIP!

If your ads are slow-moving to start, try our **rules engine** to keep a close watch.

Switch settings to optimize for clicks until your campaign gains traction. Our system will alert you when it's time to make a switch.

5 Better attribute your results by setting up tracking directly in each campaign

In order to continue to scale and grow your customer base, you'll need to be able to glean insights from your initial campaigns and tests. Typically, advertisers might add hardcoded URL tracking into their product feed to automatically track and attribute traffic and conversions. However, if you're using your product feed for multiple campaigns simultaneously, this can make accurate attribution difficult.

By adding tracking directly into each campaign, you'll be able to get clear attribution in your internal and third-party analytics platforms.



Key takeaway

Facebook and Instagram's vast and diverse user base makes automated prospecting a valuable, time-saving option for expanding your business. Facebook has access to a staggering amount of information that you can leverage to convert new customers. By providing the right ads curated for a newcomer audience, dynamic ads with broad targeting can provide high-level relevancy with expanded reach.

StitcherAd's cross-channel advertising software can help you better customize and scale your automated prospecting, or any other direct response campaign, to provide optimum, full-funnel results.

GETTING HIGHER ROAS FOR DYNAMIC ADS WITH STITCHERADS



Remove the hassle of setup with our feed stitcher

Your current product feed might not be Facebook-compatible. StitcherAds can easily map fields within your current feed to ensure compatibility with Facebook, Instagram, & the Audience Network. Plus, we support custom fields like profit margin or additional creative.



Customize creative with dynamic image templates

For new customers, design is the most important factor in establishing credibility. Using dynamic image templates, you can automatically add custom design elements (like a logo or sale price) direct to the images in your feed. DIT is supported across various verticals.



Scale with our campaign builder

With StitcherAds campaign creator, you can easily create multiple ad sets and permutations with just a few clicks, which provides greater insights, allowing you to optimize and scale.

8x average ROAS for dynamic ads to broad audiences with StitcherAds



Take full control with our rules engine

We know your marketing budget is precious, so we put in the barriers needed to maintain control of your ad spend. Set rules to get an alert or pause an ad set if you're not getting the results you want.



Optimize with our multi-source, real-time reporting

Analyze your campaigns and gain deeper insights with real-time reporting. Compare tracking from multiple third-party sources in our unified dashboard for more accurate results.



Exceed expectations with a dedicated success team

Our success team does a lot more than onboarding. Whether it be guided pixel setup or proactive campaign check-ins, they'll offer the best support to make sure you're succeeding against your KPIs.

FINISH LINE™ Case Study

THE COMPANY

Finish Line is an American athletic retailer, specializing in branded footwear, apparel, and accessories. Operating over 660 stores in 47 states, the Finish Line brand commits itself to “deliver the EPIC finish” for their customers in product, experience, and service.

THE STORY

Through StitcherAds solution, Finish Line had driven a higher return on ad spend for a variety of campaign types. And while dynamic ads had helped them successfully retarget and cross-sell, they wanted to automate their ad campaigns full-funnel.

Prospecting through Facebook had previously been a challenge, as static ad formats to lookalike audiences hadn't provided the ad relevancy they needed to convert. And while interest-based targeting provided adequate reach, it required manual effort, lacking the data-driven technology desired.

To provide both expanded reach and data-fueled relevancy, StitcherAds set Finish Line up with a campaign test of Facebook's new broad audience targeting.

THE GOAL

Automate prospecting for full product line, providing expanded reach and low cost per sale.

THE RESULTS

(last click)

9.5x
ROAS

49x
more sales

3x
greater reach

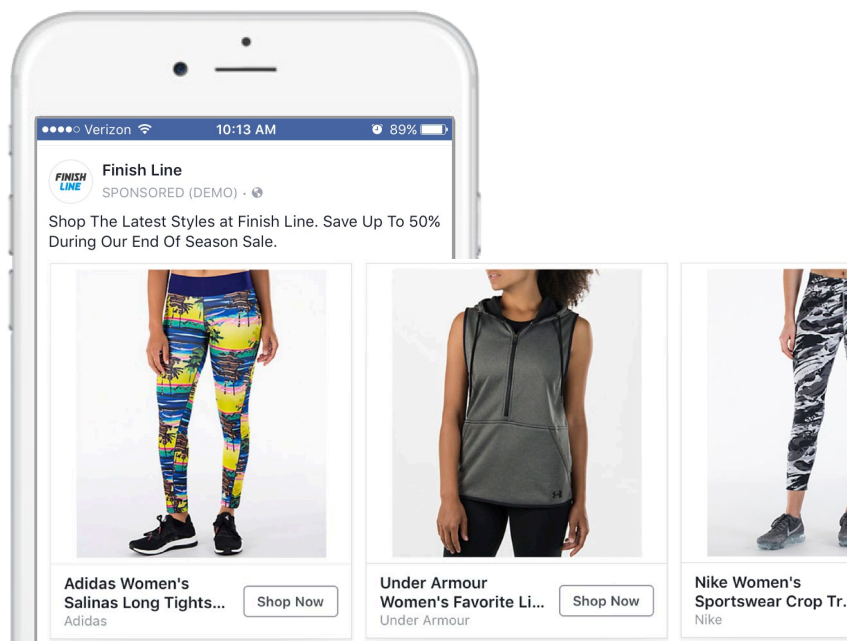
83%
decrease in
cost of sale

—standalone—

—compared to other static prospecting campaigns—

“We've experimented with various prospecting methods, but StitcherAds helped us run a dynamic ads campaign with broad audience targeting. Since they're automated, it was less work for our team. And the results both performed better than other targeting methods and exceeded our goals for the campaign.”

- **Evan Whipkey**, Integrated Marketing Strategist at The Finish Line, Inc.





StitcherAds is a cross-channel advertising technology and managed service company that works with advertisers and agencies to scale full-funnel performance marketing campaigns on social platforms.

We work on a hybrid service model, onboarding our clients with fully managed service to ensure long-term success with our software. We've helped eCommerce, retail, travel, and real estate businesses worldwide increase the impact of their advertising dollars and get their highest return on ad spend.

Ready to get started?

Get in touch with the StitcherAds team and we'll discuss how we can help you best meet your business goals.

Contact us at info@stitcherads.com or visit our website at www.stitcherads.com.

¹ <https://investor.fb.com/investor-news/press-release-details/2017/Facebook-Reports-First-Quarter-2017-Results/default.aspx>

² Facebook Power Editor 2014; Nielsen NPower 2014