

**(NOT FOR BEGINNERS)**

# **THE ULTIMATE FACEBOOK ADS MASTERY**

**High Frequency Analysis Loop  
Build-Measure-Learn-Repeat**



# INTRODUCTION

This book is designed for those who want to master the advanced techniques that professional Facebook advertisers use today. As the title suggests, it is meant for readers who already understand the basics of Facebook advertising and are familiar with terms like ROAS.

If you're unfamiliar with these concepts, I recommend pausing here, as this book does not cover the fundamentals. However, beginners aren't left without guidance—I've curated a list of fundamental topics to help you build or refresh your knowledge before diving into the advanced strategies.

## THE PLAYLIST INCLUDES:

1. Difference between Facebook Profile, Facebook Page and groups
2. How to set up a business manager account?
3. How to get access to your client's ad account?
4. How to set up your first Facebook campaign?
5. How to choose an audience?
6. What are demographics?
7. How to set up dynamic UTM?
8. Why should we have funnels?
9. Types of ads, their sizes and respective placements
10. CBO Vs ABO

This book provides practical, actionable strategies that go beyond what's freely available online. It covers exclusive techniques, such as managing underperforming ads, overcoming audience and ad fatigue, key performance metrics to track, and identifying trends early using Facebook graphs—and much more.

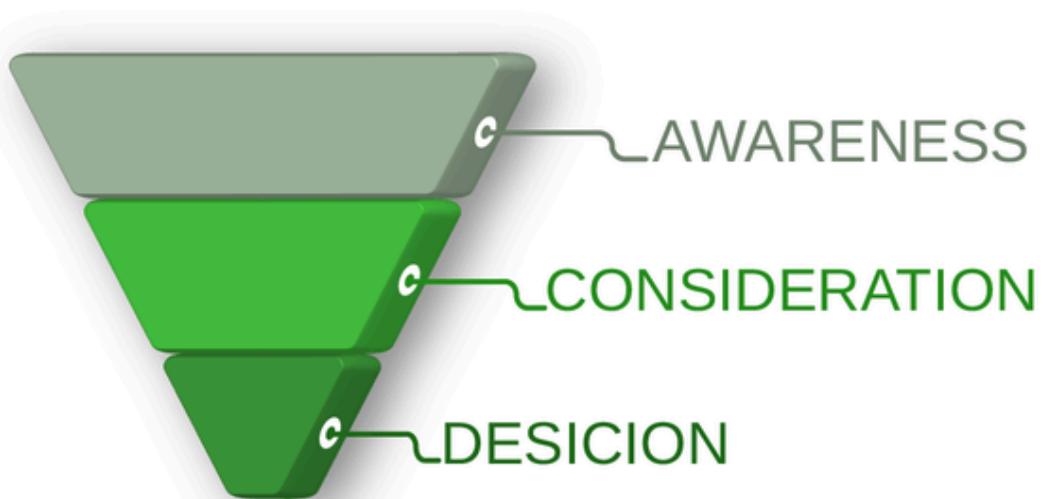
Additionally, I delve into the psychological factors behind why these strategies work. You might be tempted to skip those sections, but I highly recommend reading them. They'll help you effectively communicate insights and set clear expectations with clients or your boss.

## **1. MARKETING FUNNEL V/S FACEBOOK FUNNEL**

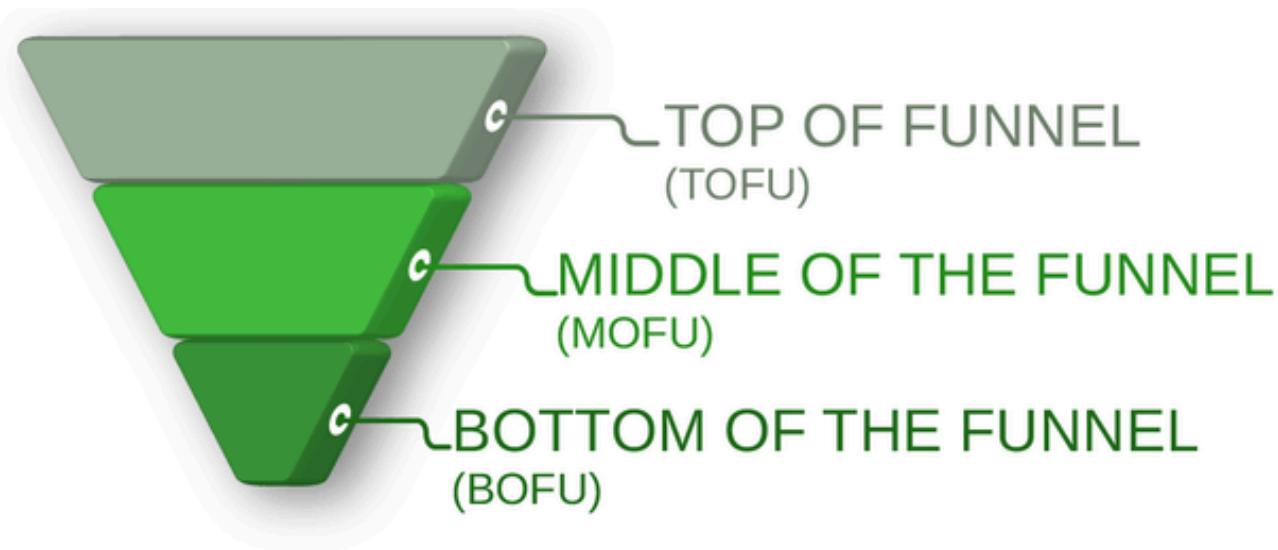
Let's start with the basics. In short, funnels are a visual representation of the journey your customers travel from knowing about the problem or brand to finally purchasing your product. If you want to read up more about funnels - Google.

Although it would seem like a pointless topic to begin the advanced level book with, it is crucial to do so in light of this book. According to what I understand, the marketing funnel and the Facebook funnel are entirely different

A typical marketing funnel (Fig. 1.1) starts at the top and gradually moves toward or revolves around the brand when you get to the deliberation and decision-making stage.



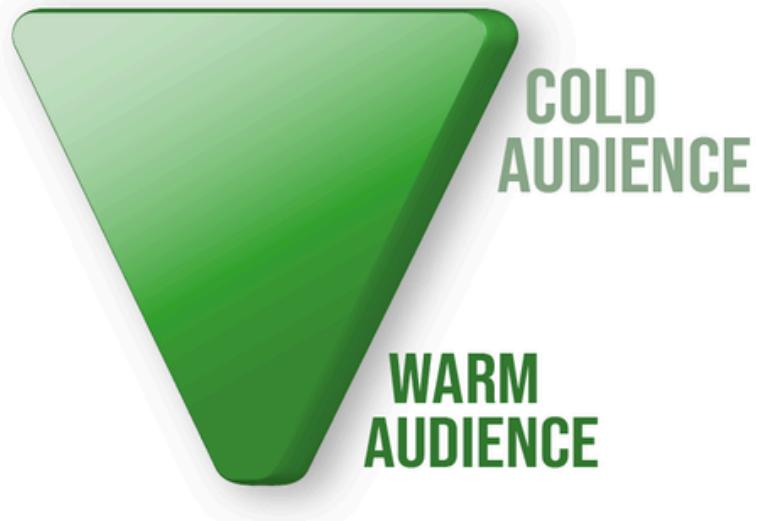
On the other hand, the Facebook funnel (Fig. 1.2) is typically brand-focused from the beginning. This is due to the fact that the majority of people already know about the product and the problem statement. Therefore, we select the audience that is either interested in the product or that our conversion events teach the ad account to only find the audience that is aware of it. As a result, the goal of raising awareness of the issue or the product is rendered useless. Additionally, I assume you are familiar with the meanings of TOFU, MOFU, and BOFU; if not, please continue reading. And continue reading if you're curious about what they include.)



## Let me explain.

Since most people are unaware of the product or occasionally the problem, the task at the top of the marketing funnel is to raise awareness of it. Let's take a product like the keto diet, for instance. Ten years ago, hardly many people were aware of this diet. As a result, the marketing teams needed to raise awareness of the issue before using it to promote the keto diet as a solution. Lastly, explain the brand and the reasons it outperforms all of the competitors in the market.

Similar to this, there are many developments all around us, such as Starlink, electric cars, customized dining, new forms of health insurance, this book, and many more. For these products, you must first raise awareness of the issue before discussing the product. After they've gone through the funnel, discuss the brand and the reasons they should pick you. To keep this book simple, I will refer to the people at the top of the marketing funnel as cold audiences and the ones at the bottom as warm audiences. (Figure 1.3)



However, when I discuss the Facebook funnel, all of these factors alter since, in most cases, you won't be promoting a product this unusual and distinctive. Furthermore, the lookalike audience will make it very easy to locate people who are aware of the issue after a month or two, even if that occurs and you need to promote an unusual product. Furthermore, if you play your cards well, your conversion event and pixels will teach your ad account to identify the audience that is aware of the issue even in your ads that are aimed at the cold audience.

On Facebook, you'll often encounter people who are already aware of the problem and the product—they don't need enlightenment. What they do need to know is why you. What sets you apart from the competition?

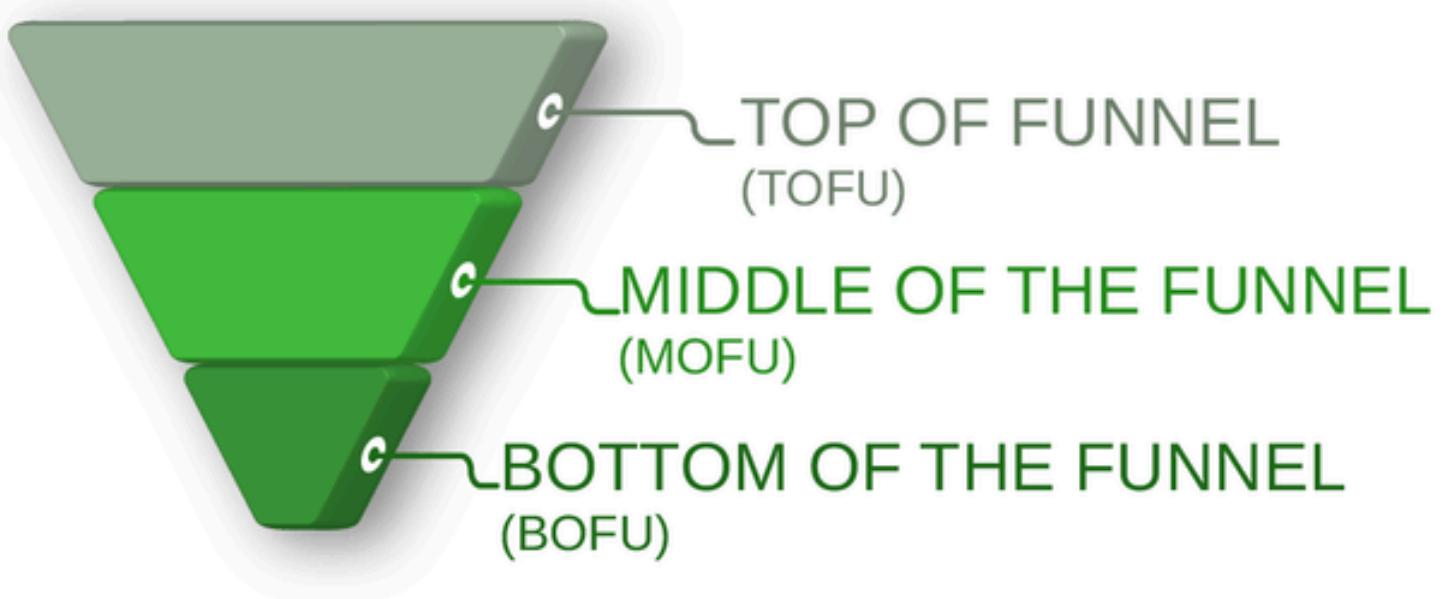
These individuals typically belong to a warm audience—they may have never heard of you or considered buying from you, but they are well aware of the problem. Your job isn't to educate them on the issue but to build rapport and trust. Do that effectively, and they'll naturally choose to buy from you

But

That doesn't mean you won't encounter people who are unaware of the problem or product. With a larger budget, you'll inevitably reach some individuals who either don't know about your offering or don't need it at the moment. However, they could become your future customers.

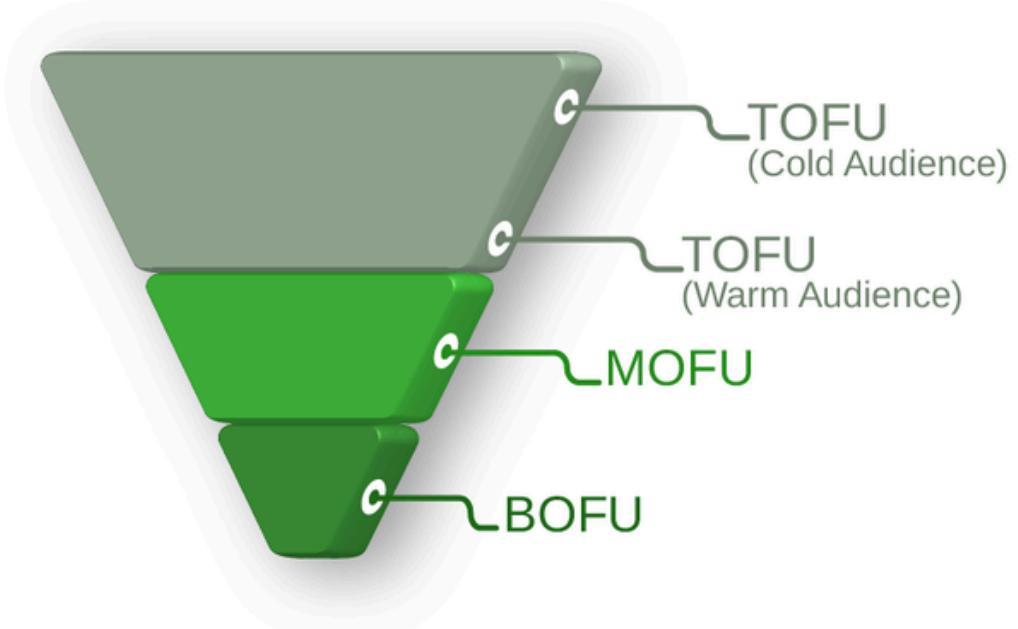
For instance, I may not want to travel right now, but that doesn't mean I never will! That's why it's crucial to provide value before your competition does. By doing so, when the time comes for them to make a purchase, you'll be the first brand that comes to mind.

Now, take a look at the Facebook funnel (Fig 1.4), which is divided into three key sections. The Top of the Funnel (TOFU) consists of people who have never heard of your brand and are primarily interest-based audiences. Next is the Middle of the Funnel (MOFU), which includes lookalike audiences and individuals who have previously shown strong intent to purchase from you. Finally, the Bottom of the Funnel (BOFU) is made up of the retargeting audience—people who have already engaged with your brand and are closest to making a purchase. Understanding these stages allows you to tailor your marketing efforts to effectively guide potential customers through the funnel.



However, this doesn't account for the people I just mentioned—those who could be your future customers but are currently either unaware of your product or don't even recognize the problem it solves. These individuals are colder than the audience that at least knows about the product, even if it's your competitor's.

Now that you understand there are both warm and cold audiences within TOFU, it makes sense to refine the Facebook funnel further. Instead of treating TOFU as one broad category, we can break it down into TOFU Cold and TOFU Warm to better target these different audience segments. This updated structure gives a clearer picture of how to approach potential customers at different awareness levels (Fig 1.5).



There might also be this sort of bifurcation in MOFU but read on to find out why this isn't the case. (section 2.2)

And with that, we move on to our next section, where I will walk you through the strategies I use to find the right audience.

## 2. FINDING THE RIGHT AUDIENCE

You have a product, and you're ready to set up an ad campaign to sell it. But before diving in, you need absolute clarity on who you're targeting. Finding the right audience on Facebook has always been a challenge—and if you thought it wasn't hard enough already, Apple's iOS 14 update made sure it got even trickier. (Yes, that's sarcasm.)

In this section, I'll guide you through the entire funnel, from top to bottom, helping you identify the ideal audiences for each stage. By the end, you'll have a clear strategy to target the right people effectively and maximize your campaign's success.

### 2.1 TOFU (Top Of The Funnel) Audience

If you're starting an ad account from scratch with no existing data, this is exactly where you should begin. But even if that's not the case—whether you already have a well-established account, have been running ads for a while, or are taking over a fully set-up account—going through this will give you a fresh perspective. It will help you the next time you need to start from a clean slate or restructure an old ad account for better performance.

I rely on two key strategies to identify the Top of the Funnel (TOFU) audience—and they've never let me down. These methods will not only help you think in the right direction but also sharpen your ability to understand your audience on a deeper level.

. By mastering this approach, you'll be able to infuse a strong storytelling element into your ads, making them more engaging and impactful.

Note: I haven't separated TOFU Warm and TOFU Cold right away because, in the beginning, you won't know which interest-based audience will yield high returns and which one won't. Additionally, even a well-performing interest-based audience can eventually saturate, requiring a shift in strategy and new ad variations. The best way to differentiate them is by performance—if a TOFU audience isn't delivering results, consider it TOFU Cold; if it is, treat it as TOFU Warm.

### **2.1.1 First Strategy To Find TOFU**

For the first strategy, you need to know the basic details about your target audience, such as

**1. Age, gender, and income**

**2. Education background**

**3. Part of the town they live in. (Helps you go super aggressive in those specific areas)**

**4. Purchasing power**

**5. Consumption habits**

**6. Political views**

**7. Hobbies**

These details will help you set your broad targeting options like location, age, gender, etc (Fig 2.1). In addition, they will help you in building a basic foundation and understanding of what kind of interests you can target.

The screenshot shows the Facebook Ads Manager interface for creating a new ad set. The left sidebar has options for 'New campaign', 'New ad set' (selected), and 'New ad'. The main area is titled 'Edit' and shows the 'Audience' tab. Under 'Create new audience', there's a 'Custom Audiences' section with a search bar and an 'Exclude' button. Below it are sections for 'Locations' (India selected), 'Age' (18 - 65+), 'Gender' (All genders), 'Detailed targeting' (Detailed targeting expansion: On), and 'Languages' (All languages). To the right, the 'Audience definition' panel indicates the audience is 'fairly broad' with a green progress bar. It also shows potential reach: 430,000,000 people, estimated daily results (Reach: 8.2K-24K, Conversions: < 10), and a note about estimate accuracy based on past data. At the bottom, there are 'Close' and 'Next' buttons, with a message 'All edits saved'.

To identify better interests for targeting your ideal audience, use the following details to answer the questions below. This process will help you refine your targeting and find highly relevant interests to focus on

As we go through these questions, I've included a variety of examples to show how the tone and content of ads shift based on context. You'll also see how different aspects of your target audience can help you uncover multiple relevant interests—and much more.

So get a pen and paper and begin answering these questions to figure out the ideal audience

For the interests of the audience, you will have to dive a little deeper and think of the following:

**1. What sort of music do they listen to, as well as the names of any music artists they may be interested in?**

For example, the target audience of a snooty jewellery brand would love to listen to the songs of Dua Lipa, Bad Bunny, Billie Eilish, BTS etc. On the other hand, the audience of a sports gear brand might listen to Eminem, Nipsey Hussle, and a general rap genre.

So filling up the basic details will give you a fair idea of who your customers are and that in return will help you empathise better with them and finally all of this will help you figure out their interests which you can use to target people for your products on Facebook.

Now, let's not stop and hop on to the next questions

**2. Would they be interested in any particular sport?**

For example, if you are a high ticket real estate brand, your target audience will most likely be interested in sports like golf, tennis, boxing, horse racing etc. On the contrary, if you are a low ticket rent broker, your target audience will be much interested in sports like football, cricket, hockey etc

### **3. Identify the types of books or authors they enjoy reading.**

For instance, it's unlikely that your target audience would be equally interested in both Shakespeare and Chetan Bhagat. (Of course, there may be exceptions, but in general, the products you'd sell to each group—and the ad copy you'd use—would be completely different.)

### **4. What food brands would they trust?**

For example, if your target audience makes informed decisions, they're more likely to choose niche or non-mainstream brands over popular ones. On the other hand, if they are impulsive buyers, adding the first product they see to their cart in a supermarket, you can target interests related to mainstream brands like Nestlé, PepsiCo, ITC, and similar companies.

### **5. What kind of relaxing activities would they be interested in?**

Depending on where your audience lives, their economic status and social awareness, their preferred relaxation activities can vary widely—from a mud bath to a steam bath, from visiting a spa to joining a book club, or from meditating to fishing. The list goes on, but understanding these differences will give you a clearer idea of whom to target and how to tailor your ads accordingly.

## **6. What kind of publication/news outlet would they consume?**

Depending on their political leanings, your audience may prefer one media outlet over another—for example, some might watch FOX, while others tune into CNN, just as some might follow NDTV, while others prefer a different news channel. Understanding these preferences can help refine your targeting strategy.

## **7. What is their profession?**

Is your product designed for self-employed individuals working from home, or is it meant for those who commute to an office daily? For instance, an ergonomic chair is ideal for freelancers and content creators, while pencil skirts cater to office-going professionals. Identifying this distinction helps in crafting the right messaging and targeting the right audience.

## **8. Which lifestyle brands do they use the most?**

I don't think I need to explain anything here. The spectrum is quite visible here.

## **9. Which similar Facebook pages would they trust?**

Observing (not in a creepy way!) the behaviors of your different customer personas will help you answer this question more effectively. And if you're unsure about the difference between a target audience and a customer persona, be sure to check Section 2.1.2 for clarity.

## **10. Which motivational speaker do they follow?**

You can target both Jay Shetty and Gary Vaynerchuk when setting up your ads, but chances are, one will perform better than the other because most of your audience will resonate with just one of them. However, if your audience happens to follow both, it means you're dealing with two distinct customer personas. In that case, you'll need to adjust your messaging and creatives to cater to each group effectively.

## **11. What kind of entertainment activities would they indulge in?**

Extroverts often enjoy activities like theater or ballet, while introverts are more likely to watch Netflix or read a book to unwind. Understanding these preferences can help tailor your targeting and messaging more effectively.

## **12. What are their hobbies?**

This list can go on and on. The point is not to overwhelm you but to give you some perspective and let your brain come up with new ideas.

Answering these questions will help you identify relevant interests to create multiple ad sets within the same campaign theme. For example, if you're running a campaign around jobs, your ad sets can target different audiences that align with your customer persona—as shown in the figures below, where a job-themed campaign includes four ad sets, each focusing on a different category within that theme. Similarly, another campaign could revolve around music interests, targeting audiences who follow the artists you previously listed.

**Ad sets** Sannidhya Baweja (222808767859570) ! In draft

Search and filter

**Campaign 1 - Jobs**

**Ad set 2 - Self Employment**

**Audience**  
Define who you want to see your ads. [Learn more](#)

**Create new audience** Use saved audience

**Custom Audiences** Create new

**Locations**  
Location: India

**Age**  
18 - 65+

**Gender**  
All genders

**Detailed targeting**  
Include people who match

**Interests > Additional interests**  
Self-employment

**Detailed targeting expansion**  
 Reach people beyond your detailed targeting selections when it's likely to improve performance.

By clicking the "Publish" button, you agree to Facebook's [Terms and Advertising Guidelines](#).

**Estimated daily results**  
Based on 7-day click conversion window

**Reach** 13K-37K

**Conversions** <10

The accuracy of estimates is based on factors such as past campaign data, the budget you've selected, targeting criteria and ad placements. Numbers are provided to give you an idea of performance for your budget, but are only estimates and don't guarantee results.

Estimates may change as people update to iOS 14. [Learn more](#)

**Audience definition**  
Your audience selection is fairly broad.

**Specific** **Broad**

Potential reach: 426,500,000 people. Your criteria is currently set to allow detailed targeting expansion.

**Discard Draft** **Publish**

## Fig 2.2

**Ad sets** Sannidhya Baweja (222808767859570) ! 10 items with errors Updated just now ! Discard Drafts Review and publish (55) ...

Search and filter

**Resource centre** ! **Campaigns** 1 selected **Ad sets** 1 selected **Ads for 1 Ad set**

**Rules**

Off/On	Ad set name	Delivery	Bid strategy	Budget	Amount spent	Results	Cost per result	Impressions	CPM (cost per 1,000 impressions)	CPI link
<input checked="" type="checkbox"/>	Adset 1-Freelancer	<input type="radio"/> In draft	Lowest cost conversions	Using campaign budget	—	—	—	—	—	—
<input checked="" type="checkbox"/>	Adset 4 - Full Time Job	<input type="radio"/> In draft	Lowest cost conversions	Using campaign budget	—	—	—	—	—	—
<input checked="" type="checkbox"/>	Adset 3 - Part Time Jobs	<input type="radio"/> In draft	Lowest cost conversions	Using campaign budget	—	—	—	—	—	—
<input checked="" type="checkbox"/>	Adset 2 - Self Employment	<input type="radio"/> In draft	Lowest cost conversions	Using campaign budget	—	—	—	—	—	—

**Results from 4 ad sets**

Total Spent: ₹0.00

Total: Per 1,000 Impressions

## Fig 2.3

The screenshot shows the Facebook Ads Manager interface. On the left, there's a sidebar for 'Ad sets' with a search bar and a list of ad sets including 'Adset 4 - Lata Mangeshkar', 'Adset 3 - A.R Rehman', 'Adset 2 - Rihaana', and 'Adset 1 - Eminem'. The 'Adset 1 - Eminem' row is selected and highlighted in green. The main panel shows the targeting configuration for this ad set. It includes sections for 'Audience', 'Locations' (India), 'Age' (18-65+), 'Gender' (All genders), and 'Detailed targeting' (Interests: Eminem). There's also a note about detailed targeting expansion. At the bottom right, there are 'Discard Draft' and 'Publish' buttons.

Fig 2.4

The screenshot shows the Facebook Ads Manager interface with a focus on the 'Ad sets' section. The 'Adset 1 - Eminem' row is selected and highlighted in green. The main panel displays a summary of the ad set's performance, including delivery status ('In draft'), bid strategy ('Lowest cost Conversions'), budget ('Using campaign budget'), amount spent ('₹0.00 Total Spent'), results ('—'), cost per result ('—'), impressions ('—'), CPM ('cost per 1,000 impressions' listed as '—'), and CPT link ('—').

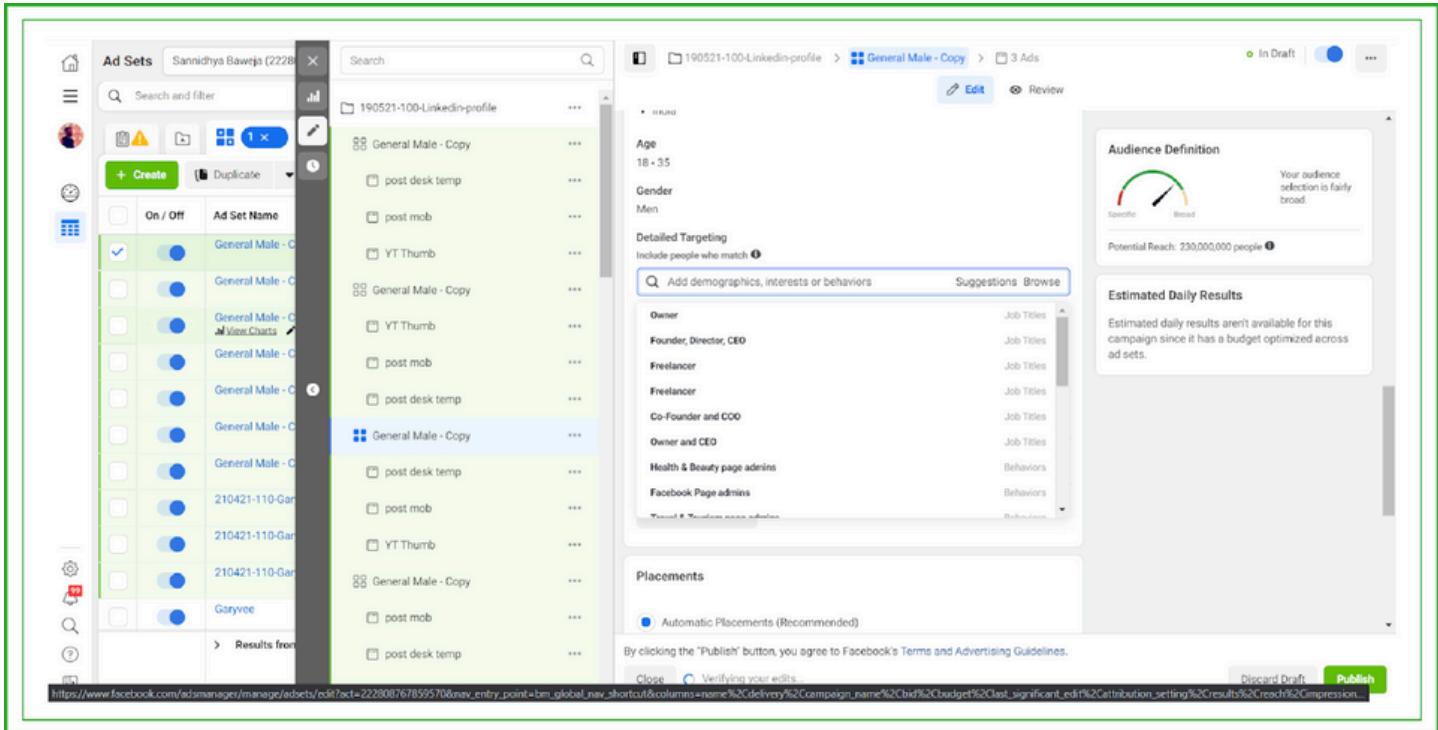
Fig 2.5

To begin, keep only one interest per ad set to accurately determine which audience performs best (as shown in Fig 2.2 to Fig 2.5). If you group all interests together from the start, you'd essentially be throwing everything at the wall and hoping something sticks. While you might see the campaign working, you wouldn't know why—or more importantly, which audience is driving the success.

Once you identify the best-performing audience, you can create personalized ad designs tailored to them. I know I've emphasized the importance of customized messaging and creatives based on the audience's interests, but let's make it even clearer with an example. Consider an audience that follows Gary Vaynerchuk—we know most people follow him for his motivational rants, so your ad's tone should be optimistic and high-energy. Your creatives should reflect this, similar to Fig 1.11, with bold fonts and an upbeat color theme. By replicating this style in your design, you can achieve stronger engagement and better results.



Furthermore, as you start adding these interests, Facebook will suggest related ones, as shown in Fig 2.6. This is a useful feature, but given how frequently Facebook updates its platform, there's no guarantee it will be available forever (just like Audience Insights, which was removed). So, if you still have access to it, make sure to take full advantage of it while you can.



## 2.1.2 Second Strategy To Find TOFU

Continuing with my second strategy, which I call Contained Procrastination—I know, it sounds a bit confusing, but let me explain

First, it's essential to understand the difference between a target audience and a customer persona. To make this clearer, let's go through an example that will help you grasp the distinction. Once you fully understand these terms, you can even come up with your own definition based on your perspective.

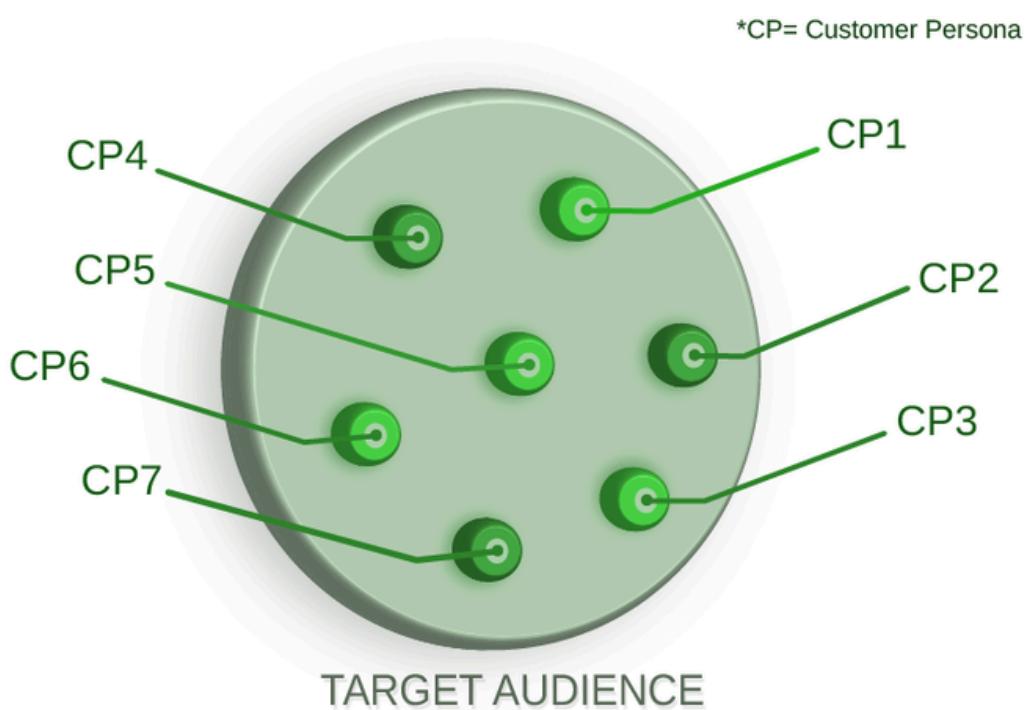
A male, aged 30 to 45, with a bachelor's degree, living in London, and earning an annual income of £40,433—this is an example of a target audience. It defines the demographics and general characteristics of the people you want to reach.

The customer personas would be structured like this.

Matt is a computer science engineer working as a software developer at a well-known software firm. He is married with two kids, enjoys football, and regularly hits the gym to stay fit. He also has a passion for wrestling and collects vintage WWE action figures.

Sam is a mechanical engineer working at an automobile workshop. He loves traveling with his girlfriend and regularly vlogs his experiences. A dedicated yoga practitioner, he has recently embraced yogi practices. Additionally, he is deeply involved in local pet shelters, dedicating two hours a week to supporting their welfare.

In summary, the target audience consists of multiple customer personas (Fig 2.8)



Now, let's dive into the reasoning behind the term "Contained Procrastination."

Contained Procrastination stems from the fact that my best ideas often come to me while I'm procrastinating or engaged in mundane tasks. Most of the time, I find myself doing routine activities simply as a way to procrastinate. This happens because my basal ganglia take over these repetitive tasks, allowing my prefrontal cortex to quietly work in the background, generating solutions or creative ideas. Additionally, this process is driven by my deep obsession with the problem at hand—only when I'm fully invested does my prefrontal cortex actively work to provide meaningful solutions.

Now, how does this process actually work?

The reason I've added "contained" is that it's time-bound. The key to keeping it within limits is to focus on one of the customer personas you've identified. Spend the next 10 minutes—no more—imagining their typical day in detail.

Consider every detail of their day: How do they wake up? What's their morning routine like? Which gadgets do they use first thing in the morning? What takes up most of their time early in the day? Do they meditate? If so, what kind? Do they work out? If yes, which gym chain or fitness program do they follow? What do they eat for breakfast? Do they prefer a specific type of milk? Are they on a particular diet? How do they commute to work? Is there a car brand they trust the most? What kind of clothes do they wear—formal or casual? If casual, which brands do they prefer?

Moving to the afternoon—what does their workday look like? How do they prepare their lunch? Who do they interact with at the office? Which social media platform do they use most frequently, and why? In the evening, where do they go? Do they relax at a local bar?

And finally, what does their night routine include? Do they read a book before bed? Do they watch a series? Do they have a side hustle they work on? How do they spend time with their family? Understanding these details helps create a well-rounded customer persona, shaping how you approach your marketing strategies.

Engage your creativity and ask numerous questions. Allow your mind to explore freely. For the next 10 minutes, perform the same exercise, but this time, envision their non-typical or vacation day.

And stop!

By doing this, you have guided your brain to follow them through their daily lives. This exercise alone will help you identify 30% of your interest-based audiences.

The remaining 70% will emerge the following day. As you engage in routine tasks, your prefrontal cortex will continuously revisit the scenario, generating more interests for each customer persona. This is how ideas develop—allowing time for incubation is essential.

With the first strategy, you'll obtain well-structured interests. In the second strategy,

while you'll need to organize the interests to conduct experiments systematically, you'll gain a broader range of options and heightened creativity.

By immersing yourself in someone's life, you uncover aspects you might never have considered. Think like a mentalist—watch the series if you haven't already, and you'll understand what I mean.

If the second strategy feels overwhelming due to the abundance of interests and you struggle to organize your ad account within the same campaign theme, don't worry—I've covered this in detail in Section 3 of this book.

Always keep in mind that 90% of your TOFU audience won't perform well, as they belong to the TOFU cold segment. The key is to stay practical and avoid becoming attached to an idea. There's a fine line between optimism and delusion. As soon as you identify a non-performing audience (which we'll discuss in Section 8.5), turn it off or treat it as a TOFU cold audience and start displaying ads that focus on building awareness, interest, and consideration.

Now that you have a solid starting point and a substantial TOFU audience, let's proceed to the next audience segment.

## **2.2 BOFU (Bottom Of The Funnel) Audience**

I am addressing the Bottom of the Funnel (BOFU) audience first because the Middle of the Funnel (MOFU) audience is largely a lookalike of the best-performing BOFU segment.

The BOFU consists of individuals who have engaged with your company in some way—whether by watching a video on social media, adding a product to their cart, or even making a purchase. Essentially, they are already aware of your brand. This audience is referred to as the retargeting audience. Initially, marketers allocate 10% of their budget to this segment, with 35% assigned to MOFU and 55% to TOFU. These proportions may shift over time as your account matures.

You may recall from the end of Section 1 that MOFU does not have a distinction between cold and warm audiences—it consists solely of a warm audience. This is because MOFU is made up of lookalike audiences derived from the best-performing BOFU segment. As a result, these individuals are already familiar with the product, even if they have engaged with a competitor rather than your brand.

If you're familiar with Audience Manager, you already know the vast range of possibilities it offers for creating custom audiences. However, here, I will outline the ones that have consistently delivered double-figure ROAS and are genuinely at the decision stage—just one step away from conversion.

Before jumping into the audience, I have categorized them into two groups. One consists of very warm audiences who have visited the website and taken actions indicating their interest in purchasing. The other includes those who haven't visited the website yet but have engaged positively with the brand on Facebook and Instagram

## 2.2.1 Website Visitors

### 2.2.1.1 Add To Cart

This is a no-brainer for every e-commerce store. However, I'm highlighting it here due to its significance. Start by creating one campaign with four ad sets targeting cart abandoners—those who added items to their cart but didn't complete the purchase.

#### a. 2-day cart abandoners

The screenshot shows the Facebook Ads Manager interface for creating a new ad set. The left sidebar lists the ad set name '2-day cart abandoners'. The main area is divided into several sections:

- Audience:** Define who you want to see your ads. Options include 'Create new audience' and 'Use saved audience'. A note indicates 'Performance may be affected' due to changes in how Facebook processes data.
- Custom Audiences:** INCLUDE people who are in at least ONE of the following. A dropdown menu shows '2-day cart abandoners' selected. An alert message notes that some people using iOS 14.5 or later devices may not be excluded from the audience.
- Website:** EXCLUDE people who are in at least ONE of the following. A dropdown menu shows 'Purchasers- 60 days' selected.
- Locations:** Location: India
- Age:** 18 - 65+
- Gender:** All genders
- Detailed targeting:** Detailed targeting expansion: (empty)
- Performance may be affected:** A note about iOS 14 changes affecting ad delivery.
- iOS 14:** A note about Apple's changes to iOS 14.5 and later devices.
- Audience definition:** Audience definition is not available.
- Estimated daily results:** Based on 7-day click and 1-day view conversion window. Reach < 10.

Fig 2.9 a

## b. 3-7 day cart abandoners

The screenshot shows the Facebook Ads Manager interface for creating an ad set. The left sidebar lists campaign objectives: B2FU, 3-7 day cart abandoners (selected), New ad, 2-day cart abandoners, and New ad. The main area is titled 'Audience' and includes sections for 'Custom Audiences' (7 day cart abandoners) and 'Exclude' (2-day cart abandoners, Purchasers- 60 days). Targeting options include Location (India), Age (18 - 65+), Gender (All genders), and Detailed targeting. A 'Performance may be affected' section notes changes for iOS 14 devices. The right side shows audience definition (not available), estimated audience size (Unavailable), and estimated daily results (Reach < 10).

Fig 2.9 b

## c. 8-15 day cart abandoners

The screenshot shows the Facebook Ads Manager interface for creating an ad set. The left sidebar lists campaign objectives: B2FU, 8-15 day cart abandoners (selected), New ad, 3-7 day cart abandoners, New ad, 2-day cart abandoners, and New ad. The main area is titled 'Audience' and includes sections for 'Custom Audiences' (15 day cart abandoners) and 'Exclude' (7 day cart abandoners, Purchasers- 60 days). Targeting options include Location (India), Age (18 - 65+), Gender (All genders), and Detailed targeting. A 'Performance may be affected' section notes changes for iOS 14 devices. The right side shows audience definition (not available), estimated audience size (Unavailable), and estimated daily results (Reach < 10).

Fig 2.9 c

## d. 16-30 day cart abandoners

The screenshot shows the Facebook Ads Manager interface for creating an audience. On the left, under 'Ad set' '3-7 day cart abandoners', there's a sidebar with 'B0FU' and other ad sets. The main area is titled 'Audience' with tabs for 'Create new audience' and 'Use saved audience'. Under 'Custom Audiences', it says 'INCLUDE people who are in at least ONE of the following' and lists 'Website' with '7 day cart abandoners'. Below that is 'EXCLUDE people who are in at least ONE of the following' with 'Website' containing '2-day cart abandoners' and 'Purchasers- 60 days'. To the right, a 'Performance may be affected' section discusses iOS 14 changes, noting that some users might not be excluded. It also shows 'Audience definition' as 'Not available', 'Estimated audience size' as 'Unavailable', and 'Estimated daily results' based on a 7-day click and 1-day view conversion window.

Fig 2.9 d

Extending beyond this time range wouldn't be effective. The highest ROAS will come from 2-day cart abandoners, followed by 3 to 7 days, then 16 to 30 days, and finally 8 to 15 days.

The 16-30 day cart abandoners perform better than the 8-15 day group because the larger audience pool reduces CPC and CPM while maintaining a similar conversion rate. However, you should test and validate this hypothesis, as one of these four audiences may not yield results.

Once you've identified the underperforming audience, you can either pause it or merge it with the adjacent audience. For instance, if the 8 to 15-day audience isn't working, combine it with the 16 to 30-day group, creating an 8 to 30-day audience. This expands the audience pool, further reducing CPC and CPM.

## 2.2.1.2 Add To Wishlist

Replicate everything from the previous section exactly—same structure, same breakdown, same messaging flow. But this time, dial up the urgency and make the offer more aggressive. Since interest is low, we need a stronger push to grab attention and drive action.

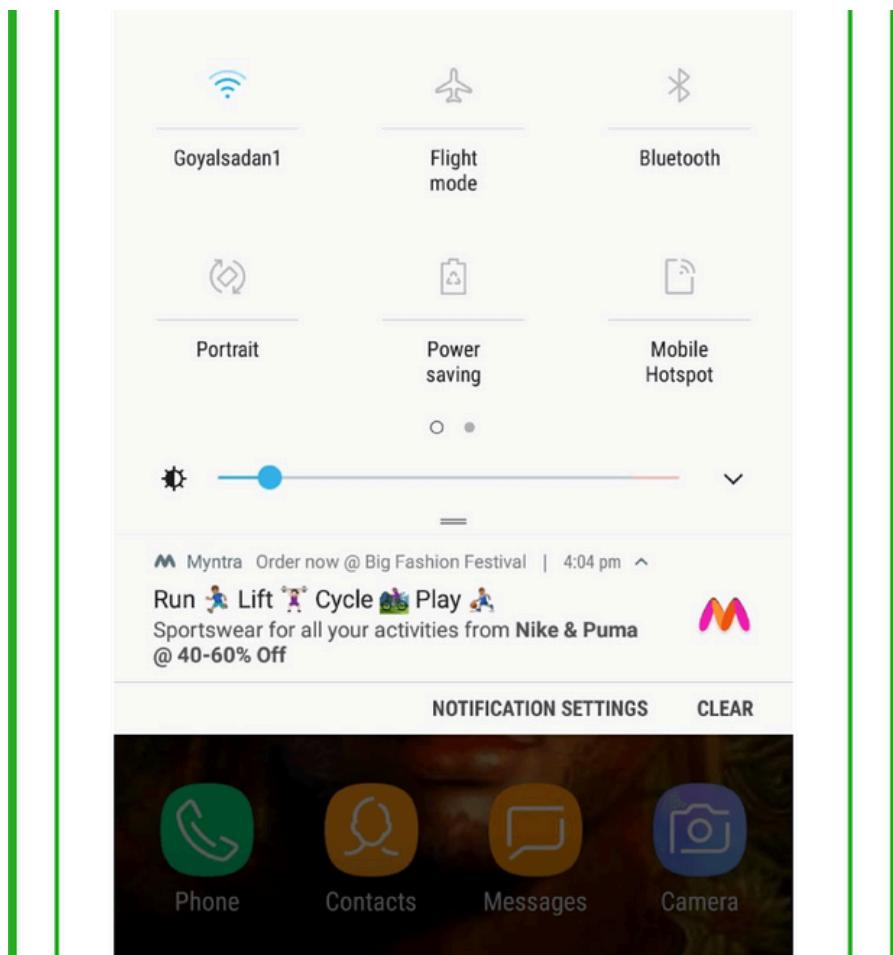


Fig 2.11

Additionally, target this audience segment through push or in-app notifications, offering a 5–10% discount to boost ROAS. Push notifications are clickable messages sent directly to the user's device, guiding them to a specific landing page—like the example shown in Fig 2.11. This tactic can significantly increase engagement and drive conversions.

### **2.2.1.3 Visitors By Time**

This retargeting strategy can also be applied to e-commerce. However, it tends to perform best for businesses focused on generating leads rather than direct online purchases—or for products with a high average order value (AOV).

In such cases, customers typically prefer interacting with a salesperson to clarify doubts before committing. Since higher-value purchases involve more research and consideration, these users naturally spend more time browsing, comparing options, and exploring details like pricing, forms, or contact information. This extended session duration is a strong signal of buyer intent and can be effectively used for time-based retargeting.

Facebook currently offers three retargeting tiers based on time spent on your website: Top 5%, Top 10%, and Top 25%.

- For businesses with lower daily traffic (e.g., local targeting or smaller budgets), the Top 25% option is ideal. It expands your custom audience size, which helps reduce CPC and CPM without significantly impacting conversion rates.
- For businesses with larger audiences (e.g., national reach or high-traffic websites), targeting the Top 5%—your most engaged visitors—delivers better efficiency and higher-quality leads.

This approach leverages behavioral intent to optimize ad spend and improve retargeting performance

#### **2.2.1.4 Upselling/Cross-selling**

If you already have a list of existing customers, don't let it sit idle—encourage them to purchase from you again.

Depending on the nature of your business, your approach should focus on either upselling or cross-selling.

Let's break it down:

- Upselling involves offering customers a higher-value product or service after an initial purchase. For example, if someone buys your book, you might follow up with a pitch for your high-ticket course—that's exactly why your ads are showing up everywhere they go.
- Cross-selling is when you sell a related product from a different category. For instance, if you run a jewelry brand and a customer buys a necklace, you could retarget them with an offer on matching earrings.

It's crucial to align your strategy with your product lifecycle. For example, if you sell water purifiers, it wouldn't make sense to retarget customers with more purifiers—they're not collecting them like trading cards. Instead, promote relevant add-ons such as extended warranties or filter replacement plans.

Timing also matters. As you experiment, you'll need to determine the optimal window to start retargeting—how many days after the first purchase should you introduce upsell or cross-sell offers? Finding the right cadence will improve engagement and conversion rates without overwhelming your audience

With every niche, it is different so you will have to find the sweet spot on your own. Generally, for any e-commerce industry, on an average, the amount of days after which you can upsell or cross-sell is approximately 7 to 15 days and sometimes even 40 to 60 days post their purchase. (explained further in FAQs).

In order to make this list, you will need to upload the data physically. After the iOS update, you can't simply rely on the Pixel to do the magic for you. The data from the Pixel is highly inaccurate and leads to lower ROAS than what you can achieve by physically updating the audience regularly.

### **2.2.1.5 Email List**

If you are one of those companies that use double opt-in and have the patience to build your email list from scratch properly, then you already have my respect. Also, now is the time to target those people with ads too. But understand this—bringing the audience from another channel is a double-edged sword because if you're not careful, you can do more harm than good.

For example, you might cannibalize orders from your email marketing channel. You need to be very careful to prevent this from happening. Try running ads for a month and observe the effect on revenue from the email channel, and if the overall ROI and revenue figures don't look viable, then you can pause the campaign. But if that doesn't happen, then this is a really good list to target.

## **2.2.2 Non-Website Visitors**

Let's move on to the audience that has not visited the website till now

### **2.2.2.1 Organic Post/Ads Engagers**

When you run ads or post on Facebook or Instagram, many people see you for the first time. You get a lot of exposure—both organic and paid. Some people dislike you. Some report to you. And a few genuinely enjoy your content and engage with it. They immediately follow you on Facebook or Instagram. They may or may not have visited your website, but they definitely like your free content.

These people are your warmest audience because they trust you and appreciate your content. Targeting them can bring both sales and followers, as it's not necessary that they followed you the first time they saw your ad. The more frequently you show up in front of them, the more likely they are to buy your product. On average, it takes around 7 touchpoints for someone to make a purchase from you.

It would be best to target them within 30 days of them interacting with the Ads. Reducing the period/window increases (because of limited audience available) the CPM and CPC; thus the CPL or CPA and going above 30 days decreases the conversion rate. So, 30 days is the sweet spot here.

Note: If your budget is huge, then you can try the 0 to 15 days window and 15 to 30 days window separately

### **2.2.2.2 Video Viewers**

Let's say you're a travel company selling packages to the Maldives. You'll likely have several videos educating your audience about the Maldives (such as walking them through the itinerary).

So, while promoting your Maldives package, you can run a TOFU ad around general interest in the Maldives, and then retarget people who watched 75% of those videos with a limited-time offer (e.g., book before midnight to get 10% off).

Most people who watch 75% of an educational or itinerary-based video are genuinely interested in traveling to that destination. This is how you establish authority and eventually convert prospects into high-paying customers.

Just remember—the sweet spot is usually 75% of the video watched in most cases, and 50% in the rest.

Depending on your business, you can keep testing new BOFU audiences, but these are the ones that have consistently delivered the highest ROAS for me.

## 2.3 MOFU (Middle Of The Funnel) Audience

MOFU (Middle of the Funnel) audience is the one that is more qualified than your TOFU audience. They are already down the funnel and have a higher tendency of purchasing from you.

In order to create these kinds of audiences, you need to have some data in your Ad account. So basically, if you are setting up an Ad account from scratch, you wouldn't be able to create most of these audiences. You will need to run ads for two weeks with a fresh account to create this audience. Here is the list of audiences that will give the best ROAS (starting from best)

### 2.3.1 Super Lookalike Of Purchasers

This was a huge finding that made my life easy. I will thank the Social Media Examiner for the same. You can create this audience by

a. Uploading the list of your customers (the more details, the merrier).

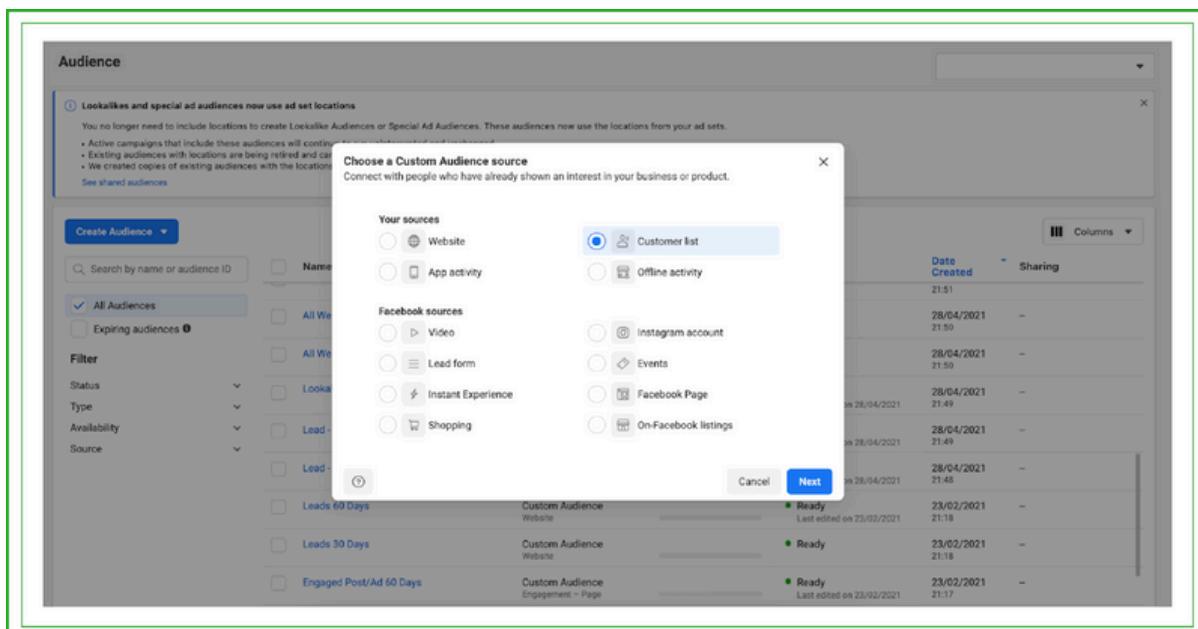


Fig 2.12

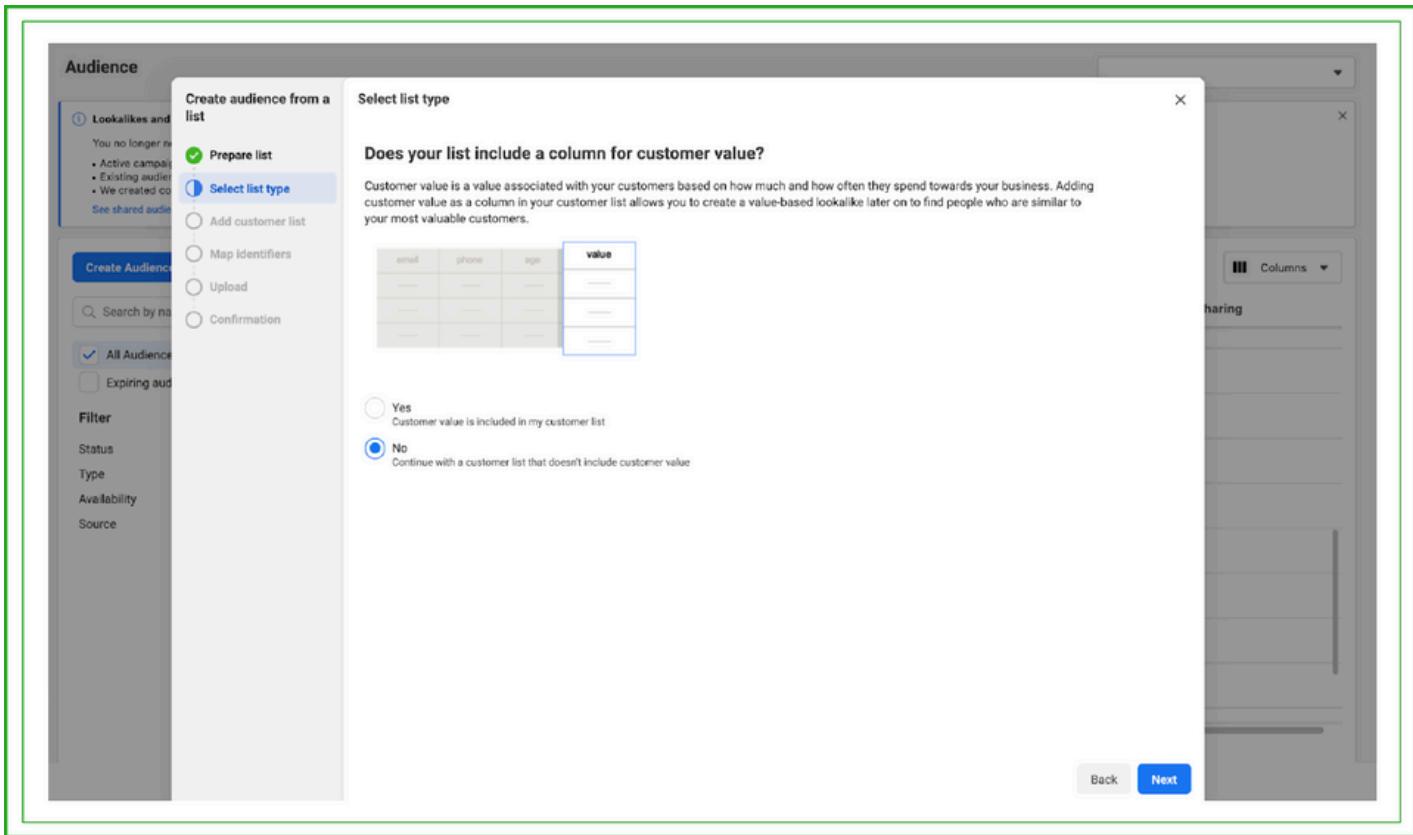


Fig 2.13

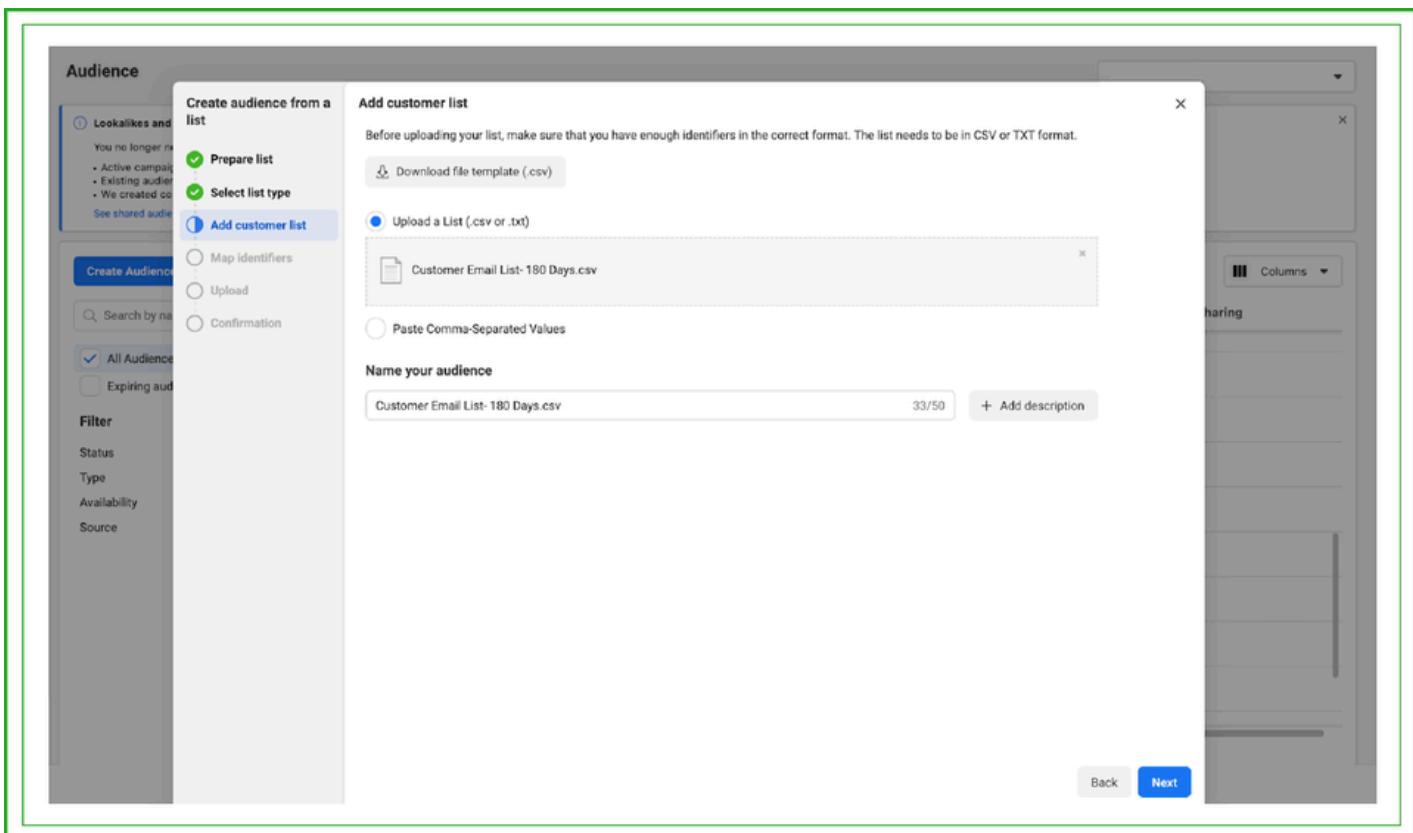


Fig 2.14

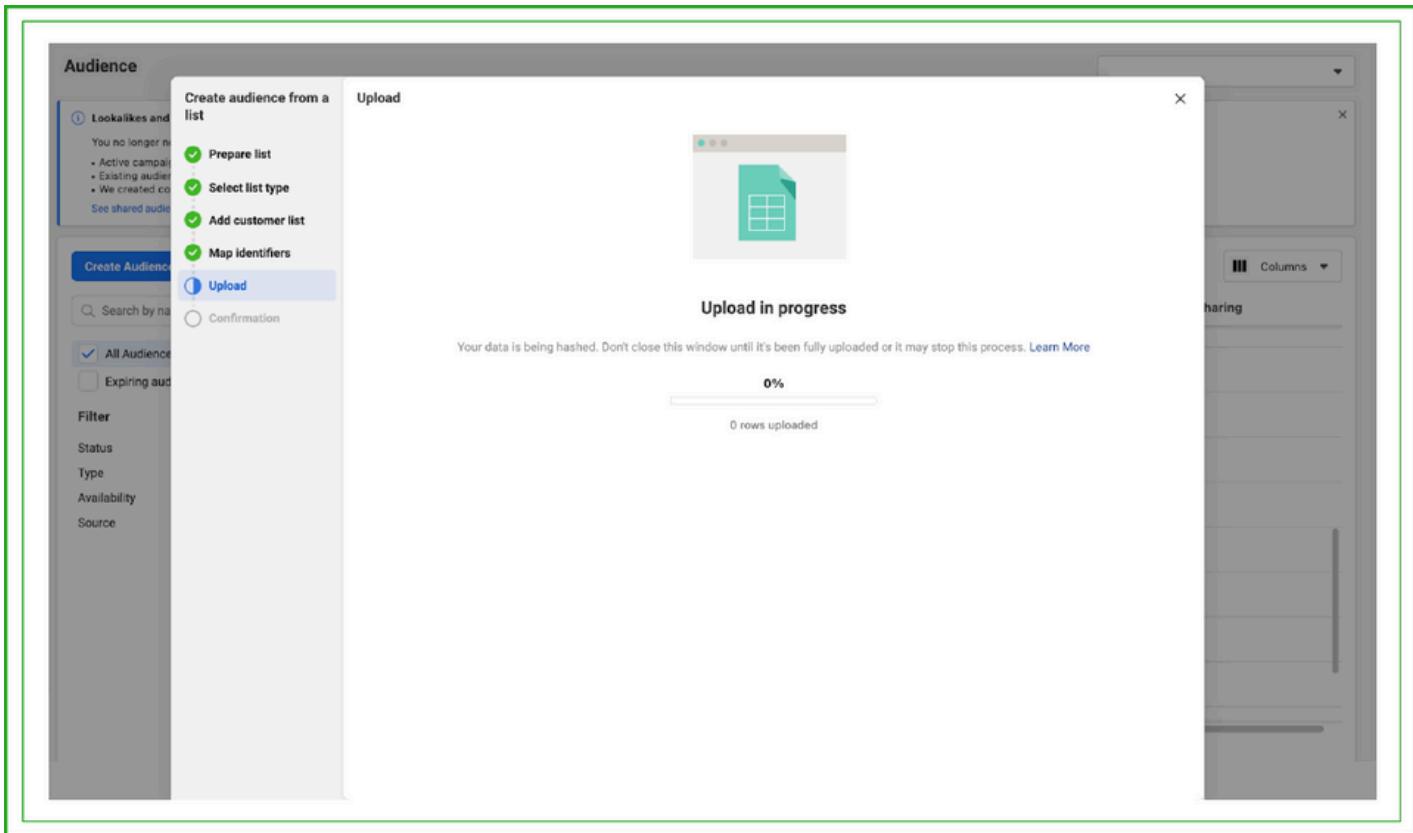


Fig 2.15

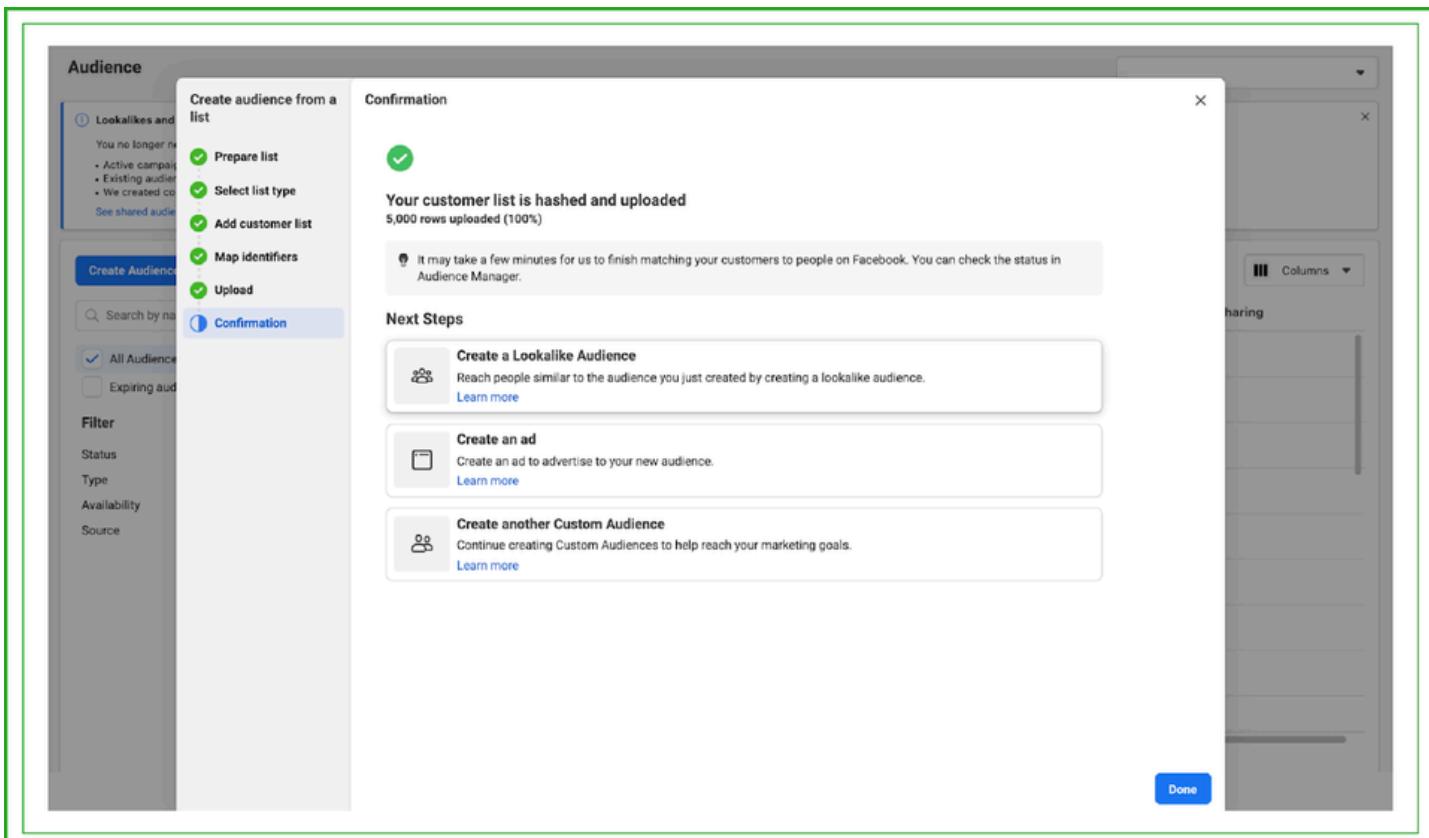
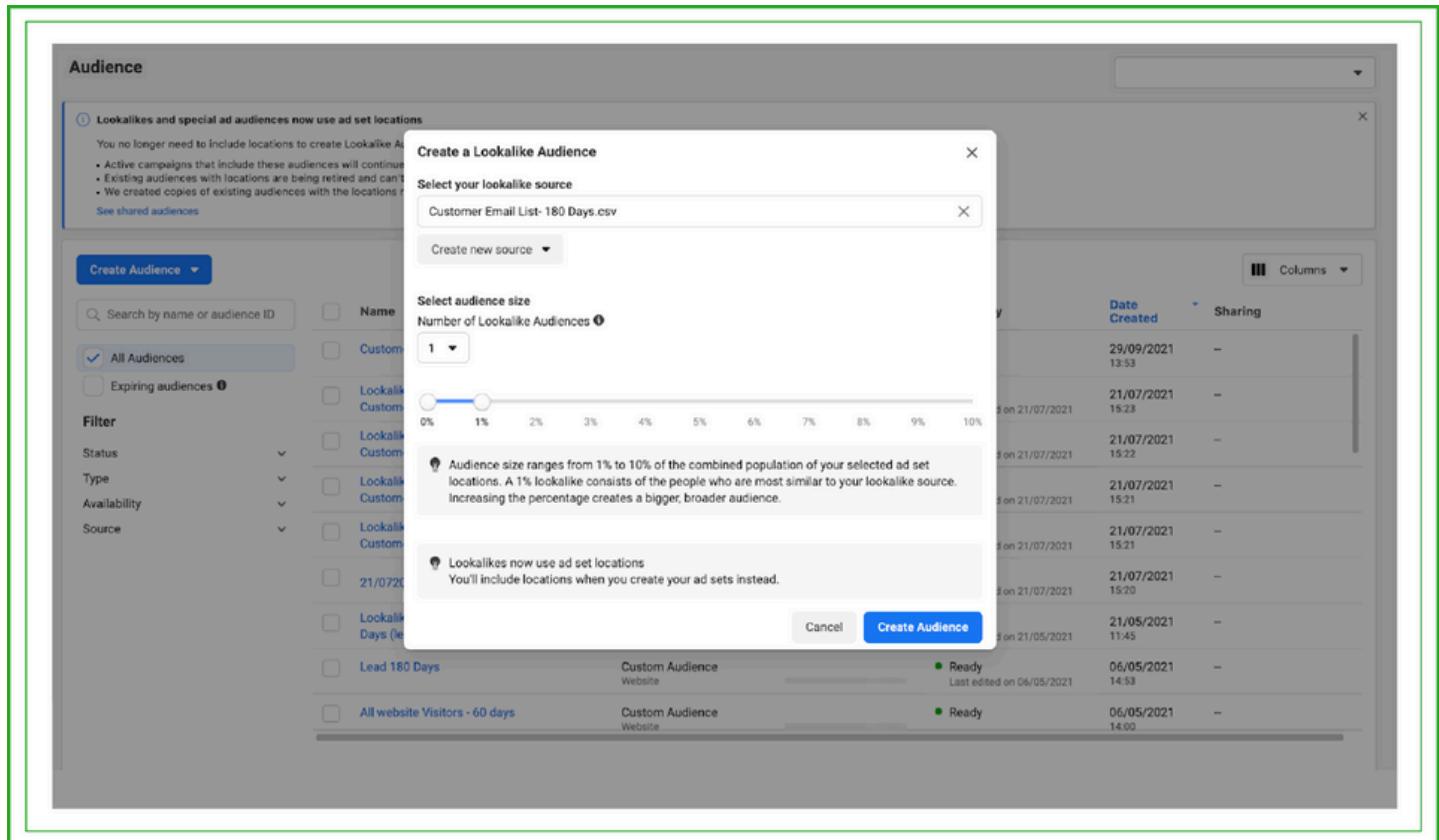
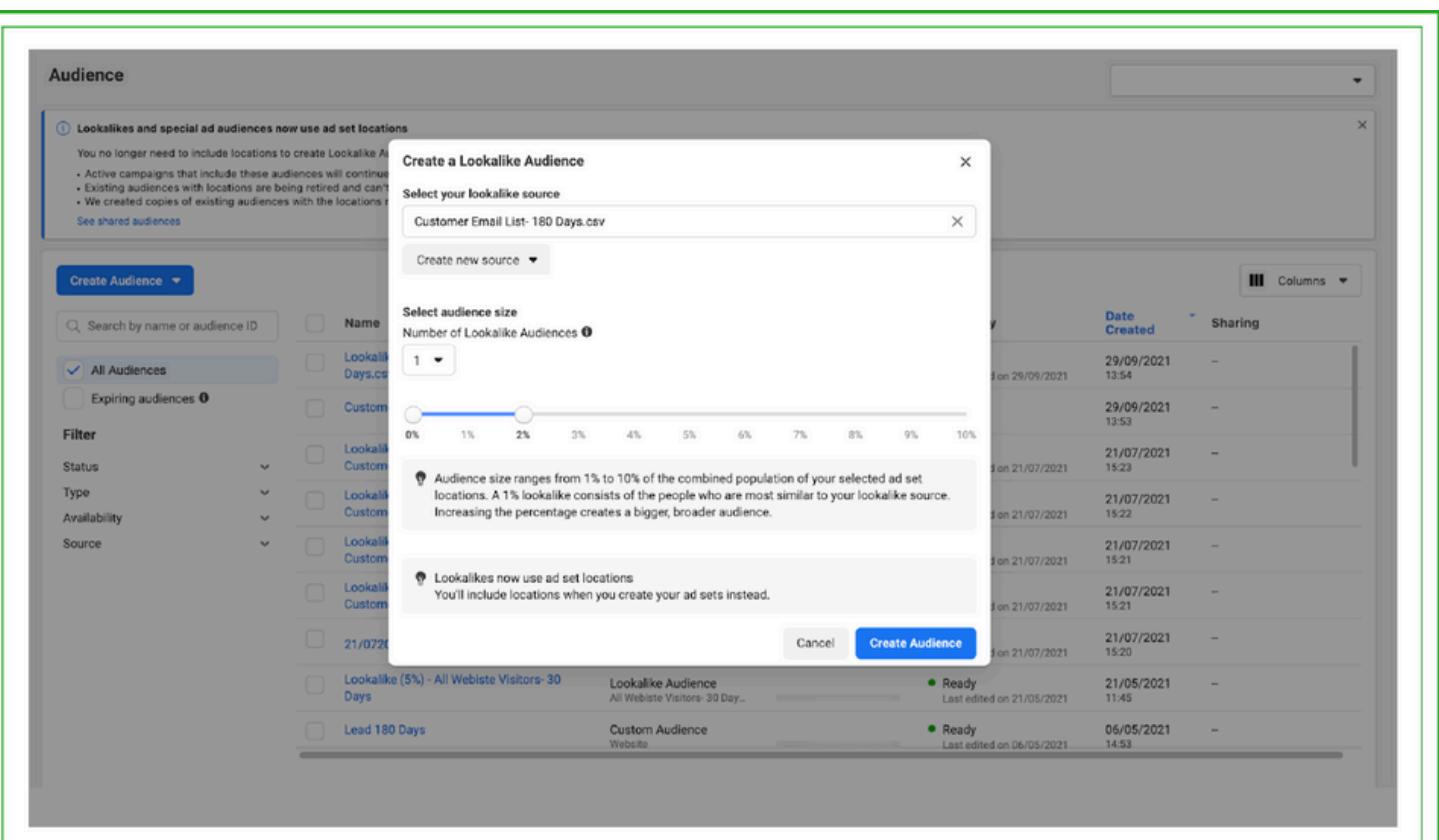


Fig 2.16



### Fig 2.17

b. Creating 4 sets of lookalike audiences, namely 0-1% lookalike, 0-2% lookalike, 0-3% lookalike and 0-4% lookalike of the list of customers you have uploaded.



### Fig 2.18

**Create Audience**

Create Audience						
Search by name or audience ID		Name	Type	Size	Availability	Date Created
<input checked="" type="checkbox"/>	All Audiences	Lookalike (4%) - Customer Email List- 180 Days.csv	Lookalike Audience Custom Audience: Custom...	...	● Ready Last edited on 29/09/2021 13:55	29/09/2021 13:55
<input type="checkbox"/>	Expiring audiences	Lookalike (3%) - Customer Email List- 180 Days.csv	Lookalike Audience Custom Audience: Custom...	...	● Ready Last edited on 29/09/2021 13:55	29/09/2021 13:55
<b>Filter</b>		Lookalike (2%) - Customer Email List- 180 Days.csv	Lookalike Audience Custom Audience: Custom...	...	● Ready Last edited on 29/09/2021 13:54	29/09/2021 13:54
		Lookalike (1%) - Customer Email List- 180 Days.csv	Lookalike Audience Custom Audience: Custom...	...	● Ready Last edited on 29/09/2021 13:54	29/09/2021 13:54
		Customer Email List- 180 Days.csv	Custom Audience Customer List	...	● Ready	29/09/2021 13:53

Fig 2.19

c. Creating a saved audience where you include/club/choose all the audiences that were just mentioned.

**Audience**

**Create Audience**

Create Audience						
Audience ID		Name	Type	Size	Availability	Date Created
<input type="checkbox"/>	Custom Audience	Lookalike (4%) - Customer Email List- 180 Days.csv	Lookalike Audience Custom Audience: Custom...	...	● Ready Last edited on 29/09/2021 13:55	29/09/2021 13:55
<input type="checkbox"/>	Lookalike Audience	Lookalike (3%) - Customer Email List- 180 Days.csv	Lookalike Audience Custom Audience: Custom...	...	● Ready Last edited on 29/09/2021 13:55	29/09/2021 13:55
<input type="checkbox"/>	Special ad audience	Lookalike (2%) - Customer Email List- 180 Days.csv	Lookalike Audience Custom Audience: Custom...	...	● Ready Last edited on 29/09/2021 13:54	29/09/2021 13:54
<input type="checkbox"/>	Saved Audience	Lookalike (1%) - Customer Email List- 180 Days.csv	Lookalike Audience Custom Audience: Custom...	...	● Ready Last edited on 29/09/2021 13:54	29/09/2021 13:54
<b>Status</b>		Customer Email List- 180 Days.csv	Custom Audience Customer List	...	● Ready	29/09/2021 13:53
		Lookalike (4%) - 90 days Approved Customer email 21/07/2021	Lookalike Audience Custom Audience: Leadly   ...	...	● Ready Last edited on 21/07/2021 15:23	21/07/2021 15:23
		Lookalike (3%) - 90 days Approved Customer email 21/07/2021	Lookalike Audience Custom Audience: Leadly   ...	...	● Ready Last edited on 21/07/2021 15:22	21/07/2021 15:22
		Lookalike (2%) - 90 days Approved Customer email 21/07/2021	Lookalike Audience Custom Audience: Leadly   ...	...	● Ready Last edited on 21/07/2021 15:21	21/07/2021 15:21
		Lookalike (1%) - 90 days Approved Customer email 21/07/2021	Lookalike Audience Custom Audience: Leadly   ...	...	● Ready Last edited on 21/07/2021 15:21	21/07/2021 15:21

Fig 2.20

Fig 2.21

Fig 2.22

The screenshot shows the Facebook Ads Manager interface. On the left, there's a sidebar with 'Ad sets' and a search bar. The main area shows 'Campaign 1' with an '18+ Superlookalike' ad set selected. The 'Edit' button is highlighted. The 'Audience' section defines the target as 'Superlookalike' with 'Location: United Kingdom' and 'Age: 18-65+'. A note says 'The size of your saved audience may decrease because it does not include people who have opted out of tracking on iOS 14. Edit your saved audience to see recommended changes.' To the right, there's a 'Performance may be affected' box and an 'Estimated daily results' box.

Fig 2.23

d. Excluding the people who have already bought from you to avoid waste.

This audience gives the highest ROAS in this category.

### **2.3.2 Lookalike Of Cart Abandoners Or Website Visitors**

As the title suggests, for B2C, make a lookalike of the cart abandoners and as the same functionality is not available in B2B so go ahead with the Top 5% website visitors. The best results are received with 1% lookalike but if the size of the lookalike audience is really small then you can either follow the super lookalike method or extend the bar to 4% and use an audience of 0 to 4% likeliness. I have received similar results from both the super lookalike and 0 to 4% lookalike. Note: You can use the lookalike of website visitors for B2C as well and check which one works better

### **2.3.3 Lookalike Of Email List**

This is supposed to perform better than the last audience, and I am aware of the same. But for me, it never did. Every time I have run Ads on this audience, thinking it will perform better than the lookalike of website visitors, it hasn't. However, it has undoubtedly given me good ROI but it was never able to beat the lookalike of website visitors. It can be totally different for you. Feel free to experiment and get a completely opposite result.

### **2.3.4 Lookalike Of Video Viewers**

The highest ROAS will be given by the lookalike of people who have watched 95% of your videos. But you need to have at least 5000 people in the base audience for its lookalike to give you a significant result.

But initially, this happens rarely! So go ahead and choose people who have watched 75% of the video as your source and create a lookalike of the same. Also, after the iOS 14 update having a broad source audience for a lookalike delivers better results.

Pro Tip: Consider going for 180 days while creating the main source audience.

### **2.3.5 Lookalike Of Instant Experience Ad Engagers**

Have you ever been in a situation where 100 unique users clicked on your link, but Google Analytics only recorded 30 visits from that ad?

Sometimes, Facebook strips away the UTM parameters, causing the traffic to go unregistered. Other times, due to poor internet connectivity, users aren't able to load the website at all. This can negatively impact your warm audience pool.

Now imagine the same scenario, but with an Instant Experience ad. In this case, the user affinity increases significantly.

Creating a lookalike audience here wouldn't just include people from the source audience who successfully visited your site—but also those who attempted to reach it but failed due to connectivity issues. You can try many different audience types while scaling, but if you use these wisely, you may not even need to explore additional audiences. And even if you do, the performance will likely be inferior.

## **What's the ideal source audience size for a lookalike?**

Before the iOS 14 update, even a small source audience (fewer than 1,000) wouldn't have been a problem—especially if the action taken (like a purchase) was of high intent.

However, since the iOS 14 changes, this dynamic has shifted. Today, it's more effective to prioritize the quantity of your source audience rather than just the quality of their action.

If your purchase audience has fewer than 5,000 users, consider building lookalikes from add-to-cart or wishlist actions instead. This approach gives Facebook more data to work with, resulting in better-performing lookalikes.

This is exactly why I emphasized using larger source audiences in the earlier points.

Also, now you must be thinking about:

## **What should be the ideal audience size?**

This is a common question with a complex answer. It depends on the funnel stage and the geographical region you're targeting.

For BOFU audiences, there's no fixed ideal size. If your CPL/CPA is strong, then whatever audience size you're using is working well for you. But if you want a ballpark estimate, it would typically fall between 1.5K to 50K.

This range varies based on niche, budget, and location. For instance, a B2B niche targeting a specific region will naturally have fewer people, while a B2C company running national campaigns will see a much broader BOFU audience.

In the end, finding the right size requires testing and iteration.

When it comes to TOFU and MOFU, I usually keep my audience size between 250K to 7 million. If you're targeting a region with a smaller population, you can go as low as 100K, but preferably not below that (with rare exceptions).

If you ever need to target below 100K, make sure you're refreshing your ad creatives every week to avoid ad fatigue as much as possible.

Note: Always exclude your BOFU audience from TOFU and MOFU campaigns, or you'll face auction overlap. This will prevent you from accurately assessing campaign performance—you won't know if MOFU is delivering new users or just hitting people who have already engaged with your ads or visited the site.

Additionally, when running BOFU campaigns, try to exclude overlapping BOFU segments from one another (e.g., remove Add to Cart (30 days) and Purchasers from your Add to Wishlist campaign).

# **3. HOW TO STRUCTURE YOUR AD ACCOUNT?**

This section is divided into two parts:

The first covers scenarios where the account is completely new, you've just taken it over from someone else, you have no idea what works and what doesn't in the industry, or you simply want to experiment with the old account to discover new, effective audiences.

The second covers scenarios where you've worked on the account for a few days, you know what's working, and now you want to double down on those strategies while aiming for stability.

## **3.1 The First Structure**

We've already discussed how to identify the ideal audiences across the funnel. The next step is to structure them properly within the ad account. But before diving in, it's important to remember that this phase is all about identifying your top-performing audiences and eliminating the underperformers.

So initially, make sure of two things:

1. You are targeting each audience separately and individually.
2. Every audience is allocated enough budget to let the experiment run its course.

The second point is critical because Facebook often pushes the entire budget toward a single campaign if it can't find a suitable audience within the first few hours of an ad set or campaign launch.

You can achieve the objectives mentioned above using three methods:

1. Have a separate campaign with one ad set in each campaign and one audience in each ad set. As demonstrated in Fig 3.1 - Fig 3.5

The screenshot shows the Facebook Ads Manager interface under the 'Campaigns' tab. There are two campaigns listed: 'Campaign 2' and 'Campaign 1'. Both campaigns are in draft mode and have a daily budget of ₹1,000.00. The table also includes a summary row for 'Results from 2 campaigns' which shows a total spent of ₹0.00.

Off/On	Campaign name	Delivery	Bid strategy	Budget	Amount spent	Results	Cost per result	Impressions	CPM (cost per 1,000 impressions)	CPC (cost per link click)	CTR (link click-through rate)	Post reactions
	Campaign 2	In draft	Lowest cost	₹1,000.00 Daily	—	—	—	—	—	—	—	—
	Campaign 1	In draft	Lowest cost	₹1,000.00 daily	—	—	—	—	—	—	—	—
	Results from 2 campaigns				₹0.00 Total Spent	—	—	— Total	Per 1,000 Impressio... Total	— Per Action	— Per Impressions	—

fig 3.1

The screenshot shows the Facebook Ads Manager interface for Campaign 1. On the left, the campaign structure is outlined: Campaign 1 contains Adset 1 - Audience 1, Adset 2 - Audience 2, and Adset 3 - Audience 3, which in turn contain various ads. The right side of the screen displays configuration options for the campaign.

- Conversions:** A section for setting up conversions, with a note that ads will be shown to people likely to take valuable actions like purchases or adding payment info.
- A/B test:** A section for testing different ad variations against each other to find the best results.
- Campaign budget optimisation:** A feature that distributes the budget across ad sets to get more results based on delivery optimization choices and bid strategy. It is currently turned **On**.
- Campaign budget:** Set to a daily budget of ₹1,000.00 INR.
- Campaign bid strategy:** Set to "Lowest cost".

At the bottom, there are buttons for "Discard Draft" and "Publish".

fig 3.2

This screenshot shows the Facebook Ads Manager interface for Campaign 2. The campaign structure is similar to Campaign 1, with Campaign 2 containing Adset 1 - Audience 4, Adset 2 - Audience 5, and Adset 3 - Audience 6, which contain ads.

The configuration options on the right are identical to those in fig 3.2, including:

- Conversions:** Setting up ads for valuable actions.
- A/B test:** Preparing to complete the A/B test setup after publication.
- Campaign budget optimisation:** Turned **On**, distributing the budget across ad sets.
- Campaign budget:** Daily budget set to ₹1,000.00 INR.
- Campaign bid strategy:** Lowest cost.

At the bottom, there are buttons for "Discard Draft" and "Publish".

fig 3.3

Ad sets Sannidhya Bawaja (222808767859570) 10 items with errors Updated just now Discard Drafts Review and publish (59) ...

Campaign Delivery is Pending and 1 more Search and filter Save Clear Last 7 days: 23 Sep 2021-29 Sep 2021 Note: Does not include today's data

Resource centre Campaigns Ad sets Ads for 1 Ad set

+ Create Duplicate Edit A/B test Rules View Setup Columns: Sanni Breakdown Reports

Off/On	Ad set name	Delivery	Bid strategy	Budget	Amount spent	Results	Cost per result	Impressions	CPM (cost per 1,000 Impressions)	CPC (cost per link click)	CTR (link click-through rate)	Post rea
<input type="checkbox"/>	Adset 3 - Audience 3	In draft	Lowest cost Conversions	Using campaig...	--	--	--	--	--	--	--	
<input type="checkbox"/>	Adset 3 - Audience 6	In draft	Lowest cost Conversions	Using campaig...	--	--	--	--	--	--	--	
<input type="checkbox"/>	Adset 2 - Audience 2	In draft	Lowest cost Conversions	Using campaig...	--	--	--	--	--	--	--	
<input type="checkbox"/>	Adset 2 - Audience 5	In draft	Lowest cost Conversions	Using campaig...	--	--	--	--	--	--	--	
<input type="checkbox"/>	Adset 1 - Audience 4	In draft	Lowest cost Conversions	Using campaig...	--	--	--	--	--	--	--	
<input checked="" type="checkbox"/>	Adset 1 - Audience 1	In draft	Lowest cost Conversions	Using campaig...	--	--	--	--	--	--	--	
> Results from 6 ad sets				₹0.00 Total Spent	--	--	--	Total	Per 1,000 Impressio...	Per Action	Per Impressions	

fig 3.4

Ad sets Sannidhya Bawaja (222808767859570) X

Campaign Delivery is Pending and 1 more Search

+ Create Duplicate Edit

Off/On	Ad set name
<input type="checkbox"/>	Adset 3 - Audience 3
<input type="checkbox"/>	Adset 3 - Audience 6
<input type="checkbox"/>	Adset 2 - Audience 2
<input type="checkbox"/>	Adset 2 - Audience 5
<input type="checkbox"/>	Adset 1 - Audience 4
<input checked="" type="checkbox"/>	Adset 1 - Audience 1
> Results from 6 ad sets	

Campaign 1 > Adset 1 - Audience 1 > 1 Ad

Ad set name: Adset 1 - Audience 1

Conversion event location: Website

Audience definition: Specific

Estimated daily results: Potential reach: 432,200,000 people

Offer: Off

Dynamic creative: Off

By clicking the "Publish" button, you agree to Facebook's Terms and Advertising Guidelines.

Close Discard Draft Publish

fig 3.5

2. Have one campaign on ad set budget optimisation and distributing budget across all the audiences with the help of ad set budget. As demonstrated in Fig 3.6 - Fig 3.7

Off/On	Campaign name	Delivery	Bid strategy	Budget	Amount spent	Results	Cost per result	Impressions	CPM (cost per 1,000 impressions)	CPC (cost per link click)	CTR (link click-through rate)
<input checked="" type="checkbox"/>	Campaign 1	In draft	Using ad set bid...	Using ad set budget	₹0.00	Total Spent	—	—	—	—	—
> Results from 1 campaign 0								Total	Per 1,000 Impressio...	Per Action	Per Impressi...

fig 3.6

Off/On	Ad set name	Delivery	Bid strategy	Budget	Amount spent	Results	Cost per result	Impressions	CPM (cost per 1,000 impressions)	CPC (cost per link click)	CTR (link click-through rate)
<input type="checkbox"/>	Adset 3 - Audience 3	In draft	Lowest cost Conversions	₹500.00 Daily	—	—	—	—	—	—	—
<input type="checkbox"/>	Adset 2 - Audience 2	In draft	Lowest cost Conversions	₹500.00 Daily	—	—	—	—	—	—	—
<input checked="" type="checkbox"/>	Adset 1 - Audience 1	In draft	Lowest cost Conversions	₹500.00 Daily	—	—	—	—	—	—	—
> Results from 3 ad sets 0					₹0.00 Total Spent			Total	Per 1,000 Impressio...	Per Action	Per Impressio...

fig 3.7

Off/On	Campaign name	Delivery	Bid strategy	Budget	Amount spent	Results	Cost per result	Impressions	CPM (cost per 1,000 impressions)	CPC (cost per link click)	CTR (link click-through rate)
<input checked="" type="checkbox"/>	Campaign 1	In draft	Lowest cost	₹3,000.00 Daily	—	—	—	—	—	—	—
> Results from 1 campaign					₹0.00 Total Spent			Total	Per 1,000 Impressio...	Per Action	Per Impressio...

fig 3.8

The screenshot shows the Facebook Ads Manager interface for creating a new campaign. On the left, a sidebar lists campaign metrics and a '+ Create' button. The main area displays 'Campaign 1' with six ad sets: Adset 1 - Audience 1, Adset 2 - Audience 2, Adset 3 - Audience 3, Adset 4 - Audience 4, Adset 5 - Audience 5, and Adset 6 - Audience 6. Each ad set has an 'Edit' button. A modal window is open on the right, titled 'Edit Campaign 1'. It includes sections for 'A/B test' (disabled), 'Campaign budget optimisation' (on), 'Campaign budget' (set to Daily budget of ₹3,000.00), and 'Campaign bid strategy' (set to Lowest cost). At the bottom of the modal are 'Discard Draft' and 'Publish' buttons.

fig 3.9

The screenshot shows the Facebook Ads Manager interface for creating a new ad set under 'Campaign 1'. The left sidebar shows a list of ad sets, with 'Adset 1 - Audience 1' selected. The main area displays 'Adset 1 - Audience 1' with various configuration options: 'Budget & schedule' (Budget: ₹0, Start date: 30/9/2021, End: Optional), 'Ad set spend limits' (Daily minimum: ₹500.00, Daily maximum: ₹10,000.00 INR), 'Audience' (Define who you want to see your ads), and 'Estimated daily results' (Potential reach: 431,300,000 people). A modal window is open on the right, titled 'Edit Adset 1 - Audience 1'. It includes sections for 'Performance may be affected' (warning about processing changes), 'Performance and reporting impact' (dropdown menu), 'Audience definition' (specific/broad audience selection), and 'Estimated daily results' (estimated reach information). At the bottom of the modal are 'Discard Draft' and 'Publish' buttons.

fig 3.10

The screenshot shows the Facebook Ads Manager interface. On the left, a sidebar lists 'Ad sets' under 'Campaign 1'. The 'Ad set name' column includes entries like 'Adset 6 - Audience 5', 'Adset 5 - Audience 5', etc., with a 'Off/On' switch next to each. A green checkmark is visible next to 'Adset 2 - Audience 2'. Below the sidebar, a message says 'Results from 6 ad sets'.

The main panel shows the configuration for 'Adset 2 - Audience 2'. It includes:

- Offer:** 'Off' (radio button selected)
- Budget & schedule:**
  - Budget:** \$0.00
  - Schedule:** Start date: 30/9/2021, End: Optional, Set an end date: Off
- Ad set spend limits - Optional:** Daily minimum: ₹500.00 INR, Daily maximum: ₹10,000 INR. A note states: 'We can't guarantee that this amount will be spent.'
- Changes to spend limits take effect up to 15 minutes after you've published your ad set.'**
- Audience:** Define who you want to see your ads. Learn more

On the right, there are several sections:

- Performance may be affected:** 'Evolving changes related to how Facebook can process data may affect your ad set's delivery and performance.'
- Performance and reporting impact:** A dropdown menu.
- Audience definition:** A gauge showing 'Your audience selection is fairly broad.' It has 'Specific' and 'Broad' ends.
- Potential reach:** 491,300,000 people. Note: 'Your criteria is currently set to allow detailed targeting expansion.'
- Estimated daily results:** 'Estimated daily results aren't available for this campaign because it has a budget that is optimized across ad sets.'

At the bottom, there are 'Close' and 'Publish' buttons. A message above the buttons says: 'By clicking the "Publish" button, you agree to Facebook's Terms and Advertising Guidelines.'

fig 3.11

To gain a better understanding of what works and what doesn't, it is extremely important to avoid clubbing the audiences here initially.

Note: When you are doing CBO, keep in mind that the audience size of all the audiences in each ad set should be comparable. For example, don't put audience 1 (with 200k Facebook users) with audience 2 (with 4 Mn Facebook users.) Obviously, Facebook will try to spend everything on the larger audience and even if you enable minimum spend, it is not logical to do so. Because you would also want to spend more on the larger audience, so, if you want to run experiments on an audience with such a big difference, then obviously go for the 1st and 2nd structures. Also, here's a pro tip. My favourite one is the 3rd one because of the problem named auction overlap. There is a very new feature that turns off ad sets if they have auction overlap with other audiences but the best way to reduce the auction overlap is simply putting all the budget in one campaign and enabling the CBO. That's the only reliable method that helps control the damage auction overlap causes.

After choosing your structure, it is time to implement it. Let's dive in further. In order to have a better and organised structure to compare relevant campaigns with each other, this is something you should do

Categorize your campaigns based on the three stages of the customer journey—TOFU, MOFU, and BOFU—with in your ad account.

Let me walk you through all three methods to help simplify and visualize this better.

In the first method, let's say you've identified 15 audiences: 5 for TOFU, 5 for MOFU, and 5 for BOFU.

You would create 5 separate campaigns, each with 1 ad set containing 1 audience, for the TOFU segment (see Fig 3.12).

Similarly, you would set up 5 individual campaigns, each with 1 ad set and 1 audience, for the MOFU and BOFU segments as well (see Fig 3.13 and Fig 3.14), and label them accordingly as MOFU and BOFU campaigns.

Now, when reviewing performance, you'll compare metrics like CPC, CTR, CPM, etc., within the same funnel stage only. That means comparing one TOFU campaign's metrics only with the other four TOFU campaigns—not with the MOFU or BOFU ones.

Likewise, you'll evaluate BOFU campaigns only against other BOFU campaigns, and not with those in TOFU or MOFU stages.

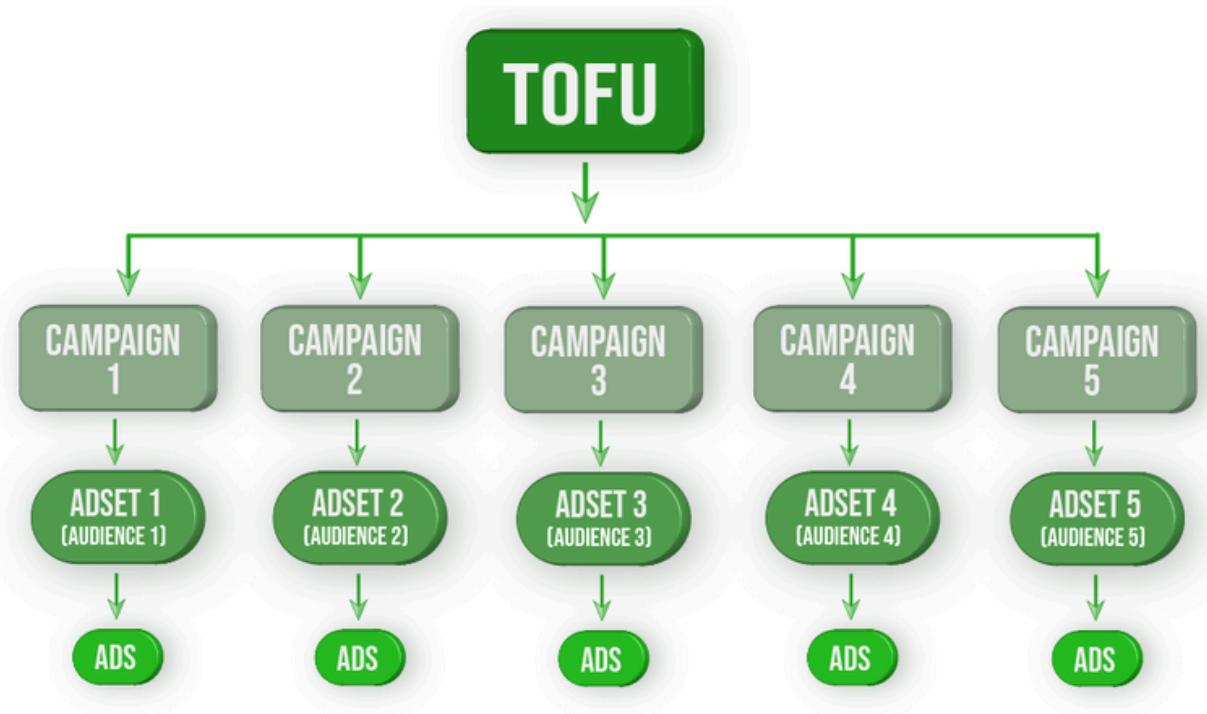


fig 3.12

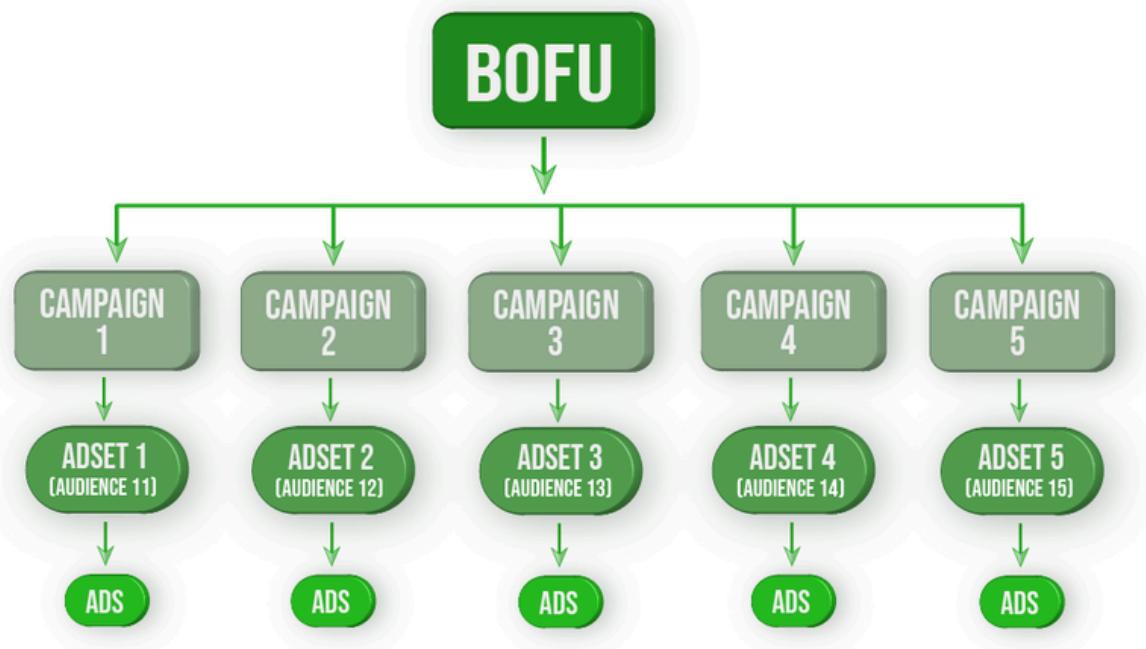


fig 3.13

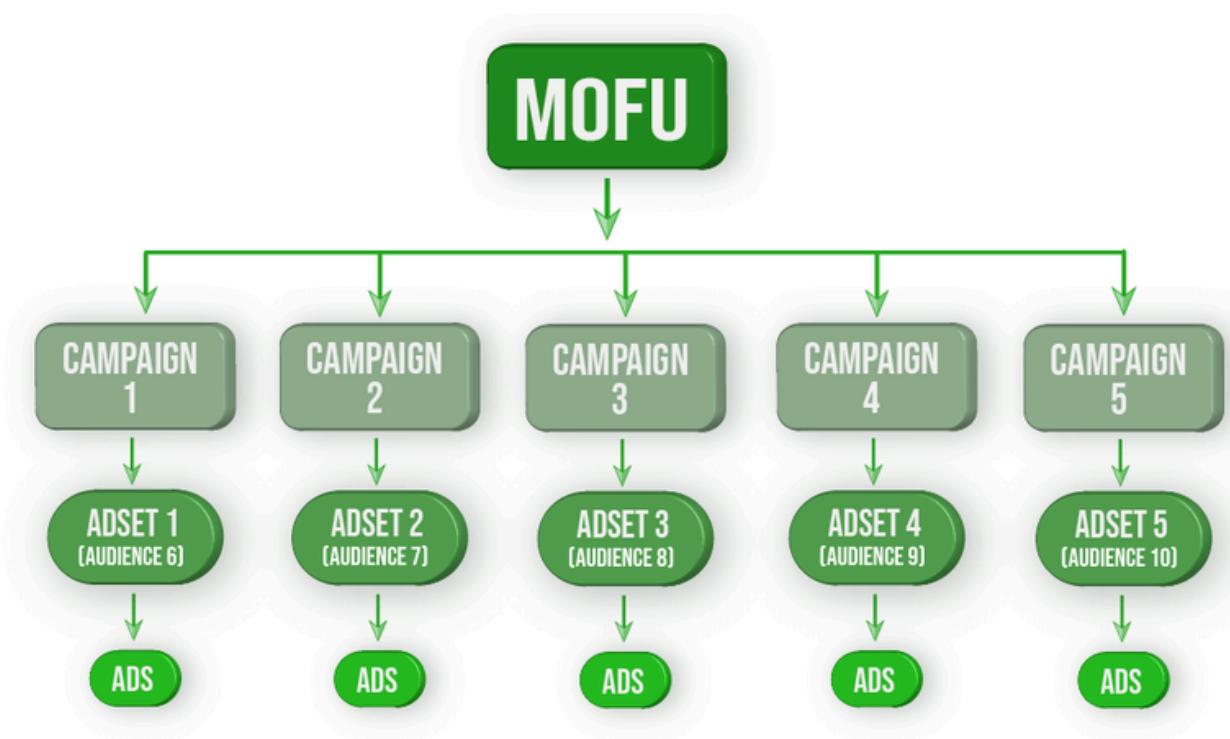


fig 3.14

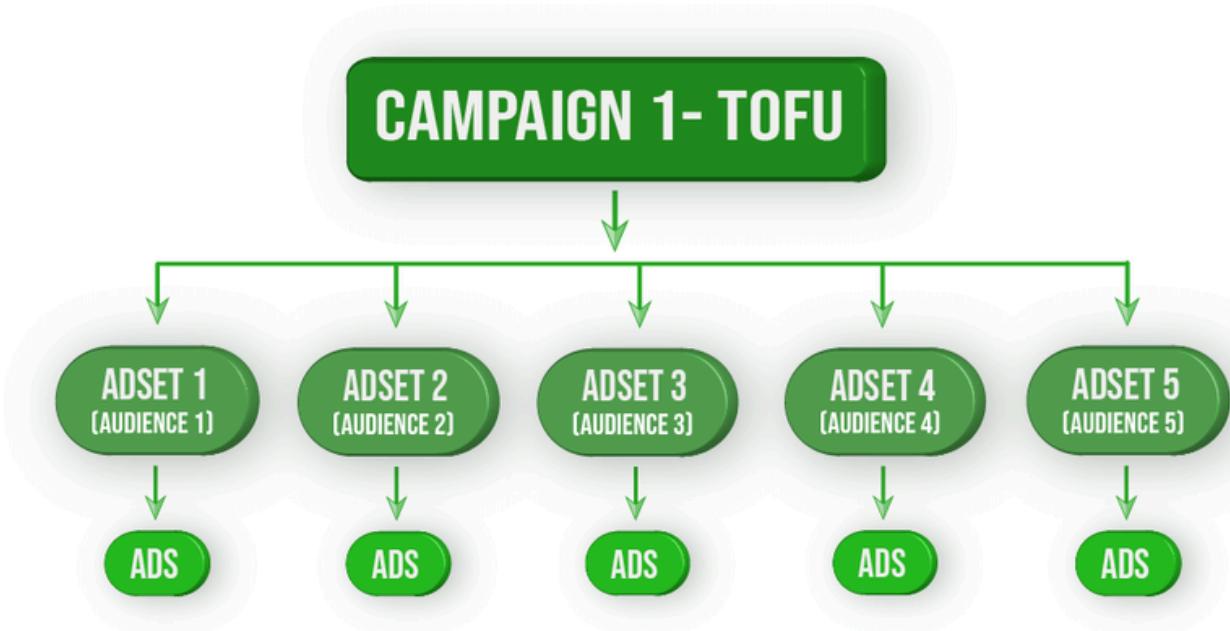


fig 3.15

## CAMPAIGN 2- MOFU

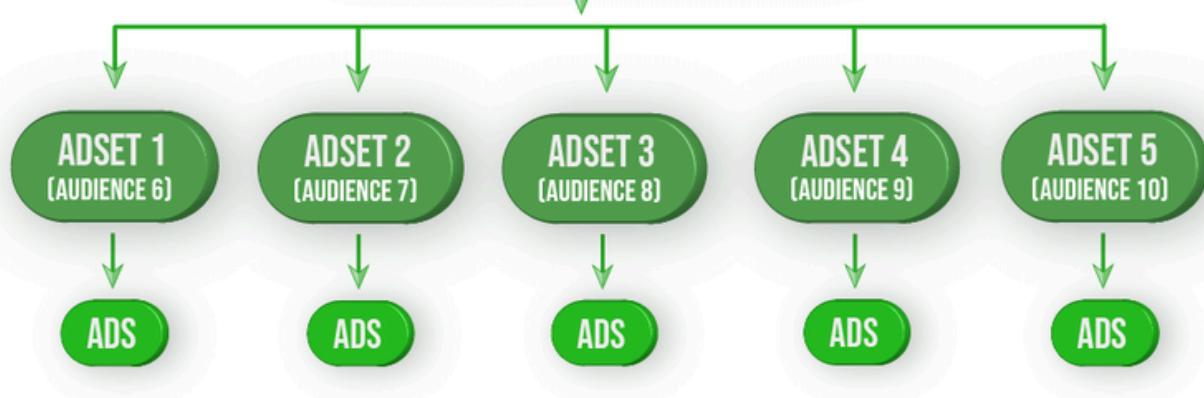


fig 3.16

## CAMPAIGN 3- BOFU

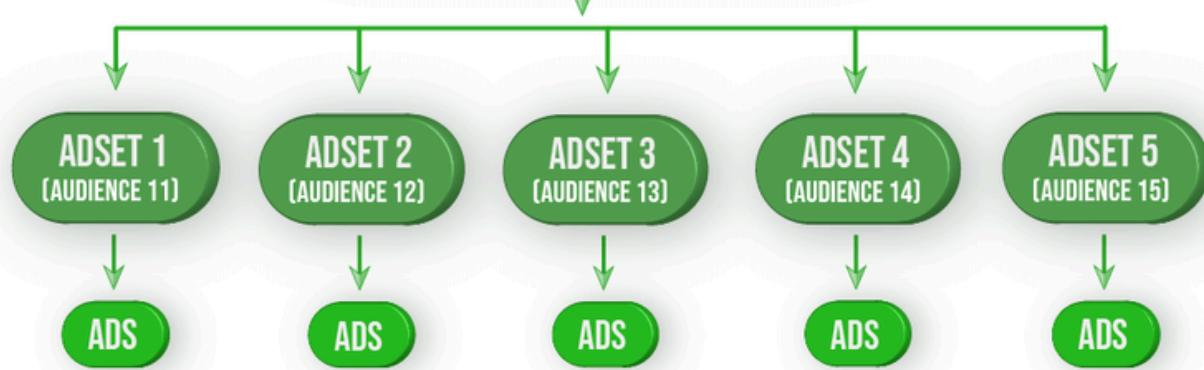


fig 3.17

Similarly, in this method, you should compare the ad set metrics within TOFU only against other ad sets in the same TOFU campaign.

This approach to categorization will later help you easily compare metrics like CPM from one TOFU campaign or ad set with another TOFU campaign or ad set.

## Apples to apples!

For example, the CPC for a TOFU audience is usually much lower than for a BOFU audience, but the CPA or CPL for BOFU is typically much lower than TOFU.

Bringing MOFU into the comparison with TOFU will only lead to confusion.

Budget distribution

TOFU 55%

Mofu 35%

Bofu 10%

Simply because we don't have enough retargeting audience to target and make powerful lookalikes. Therefore the major budget goes to TOFU and the upper side of MOFU.

Once the account has matured, I go ahead with the following distribution

Budget distribution

TOFU 30%

Mofu 50%

Bofu 20%

The distribution varies quite a bit depending on the industry, so I recommend experimenting. Many companies spend up to 40% of their budgets on remarketing only due to the strong brandvalue/equity or great SEO.

Let these experiments run for two weeks, and post that, you can move to the second kind of structure we will discuss now

## 3.2 The Second Structure

In the second kind of structure as well, there are 2 kinds of structures. Let's call them- Type 1 and Type 2.

### 3.2.1 Type 1

Using the first structure, you've already identified which audiences perform well for you. Now, take all of those successful audiences and create a single campaign with one ad set that includes all of them grouped together.

By doing this, you'll end up with one campaign for each stage of the funnel.

Note: Combine TOFU audiences only with other TOFU audiences, and not with BOFU audiences that also performed well (and by now, I'm sure you understand why). In some cases, even combining BOFU audiences isn't ideal—so it's better to only club audiences at TOFU and MOFU stages, and avoid doing so at BOFU.

In the long run, continue discovering high-performing audiences using the first structure, and then group them using the second structure – type 1.

### 3.2.2 Type 2

For type 2, go granular into analytics.

Once you've identified which audience performs well, dig deeper to figure out which specific attributes are driving the performance:

1. Age
2. Gender
3. Location
4. Time of day
5. Placement

Create a new campaign and allocate the budget specifically to that segment of the audience.

Bonus tip: After the iOS 14 update, conversions often don't appear correctly across these segments in the Facebook Ads Manager. To work around this, use dynamic UTM parameters to capture placement data. Also, ensure your website is set up to store UTM parameters in cookies.

This level of targeting enables you to build highly personalized creatives. Once you know you're selling a beauty cream to a 22-year-old, the entire pitch will differ from one meant for a broader age group. Use the language they use, and focus on the specific problems a 22-year-old girl faces—very different from those of a 27-year-old.

Visit influencer pages that resonate with your audience and design content that mirrors their visual style. Doing this can drastically lower CPC and CPL. It may take time and patience, but the results are worth the effort.

You may not succeed with both of these substructures at once, but chances are one of them will deliver strong results.

Please note: Since the iOS 14 update, we can no longer view data in the breakdown in many ad accounts,

so use the data in your backend. Ask for in-depth details like age, gender, location, etc.

This information will help you drill down and focus only upon those highly converting people.

## 4. ADS

In the past 5 years, I have spent millions on Ad creatives and therefore, it is bound to happen that I ran a lot of experiments. It is inevitable as well when you work with 13 clients at once. Based on all the experiments I've carried out, I have only one thing to say: the more amateur it looks, the better it will perform. Tai Lopez's garage advertisement became so popular because of this. It is raw, it looks real and more relatable to people (because of the video quality and not the content). Nobody has a library in their garage). Therefore, the majority of viral videos are amateur videos with low production quality and no fancy camera settings.

That said, it's understandable why brands may hesitate to use amateur images. They need to maintain a certain level of professionalism, and such visuals can potentially harm their brand image and equity. However, whenever appropriate, try to incorporate amateur or informal creatives and videos.

This section explores different creative formats, elements, and best practices that can help improve your CTR and engagement—which in turn helps lower your CPC and CPM.

It's crucial to remember that the majority of traffic comes from smartphones. So whatever content you create must be optimized for mobile, or it simply won't deliver results.

Now, let's dive into the key pointers to keep in mind while working with images:

**1. Include Prices:** People don't appreciate brands that beat around the bush. They want to save as much time as possible while browsing online. So it's a good idea to display the price clearly—show the old price with a strikethrough and highlight the new price in bold, just like in Fig 4.1.

Make sure there's no price discrepancy—for instance, if the ad displays one price and the website shows another. If the price is higher on the website, you'll lose customer trust. In most cases, they'll choose a more expensive but trustworthy brand over one that feels inconsistent.

However, if it's the other way around (the ad price is higher than what's shown on the website), it's worth testing. Customers may assume there's just a disconnect between the marketing and pricing teams, and might even feel pleasantly surprised—leading them to purchase immediately. I've used this tactic many times. While CTR may drop, the conversion rate often improves.



fig 4.1

2. **Highlight the offer:** When running a particular sale, highlight the word sale or the offer you are running. It increases the CTR and decreases the CPC as well as your CPA or CPL. Make sure to refresh the offers periodically because running the end of season sale allyear is frankly not an effective strategy.

fig 4.2

The image shows a Microsoft Store post from about 11 months ago. The post features a Microsoft advertisement for their Black Friday sale. The ad has a red background with a Microsoft logo at the top left. The text "Black Friday Sale thru 11/30" is prominently displayed in the center. Below the text, there are images of a tablet with a child's face on the screen, a black Xbox console with a white ribbon, and a black Xbox controller. A small blue and white ring device is also visible. The overall theme is holiday shopping.

Microsoft Store

about 11 months ago

Our Black Friday sale is here.

Microsoft

Black Friday Sale thru 11/30

Don't wait, save big now.

Shop Microsoft's best Black Friday deals – and save on the laptops, tablets, phones, game systems, ...

MICROSOFTSTORE.COM

Shop Now

**3. Highlight the benefits:** Most people are dopamine-driven and believe in getting rich quickschemes. I know that it is a sad reality but the market operates as it does. There is no changing that. And a debate on human behaviour won't be exactly productive. Instead, use this as an opportunity to ethically present the benefits of the product. Communicate what they will get after using the product for a month. Chances are that a lot of people,because of that visualisation, might end up purchasing your product.



**Lotus Organics +**  
 Sponsored

Make sure your clients are CLEAN. Especially the hair ones. 

Lotus Organics+ Hair Fall Control Range prevents breakage and boosts hair growth. ♀

Flat 20% OFF+ Extra 5% OFF\*  
 Free Shipping + COD Available...

### Key Benefits



- Reduces hair fall
- Promotes hair growth
- Thoroughly cleans the scalp

#### 4. Sell the problem, not the solution:

If the previous method doesn't deliver results, shift your focus to making your audience feel the pain—the everyday struggle they face because they're not using your product. For instance, fitness isn't optional, yet many people treat it that way. If you're a fitness brand, talk about the consequences of skipping workouts.

Lack of exercise leads to reduced production of endorphins and serotonin, which in turn causes fatigue and low energy levels.

This approach gives you the opportunity to strike an emotional chord, and customers are more likely to trust a brand that shows empathy for their problems. Never underestimate the power of empathy in marketing.

And remember—the hero is only as compelling as the villain. So make the “villain” (the problem) feel real, strong, and worth defeating.

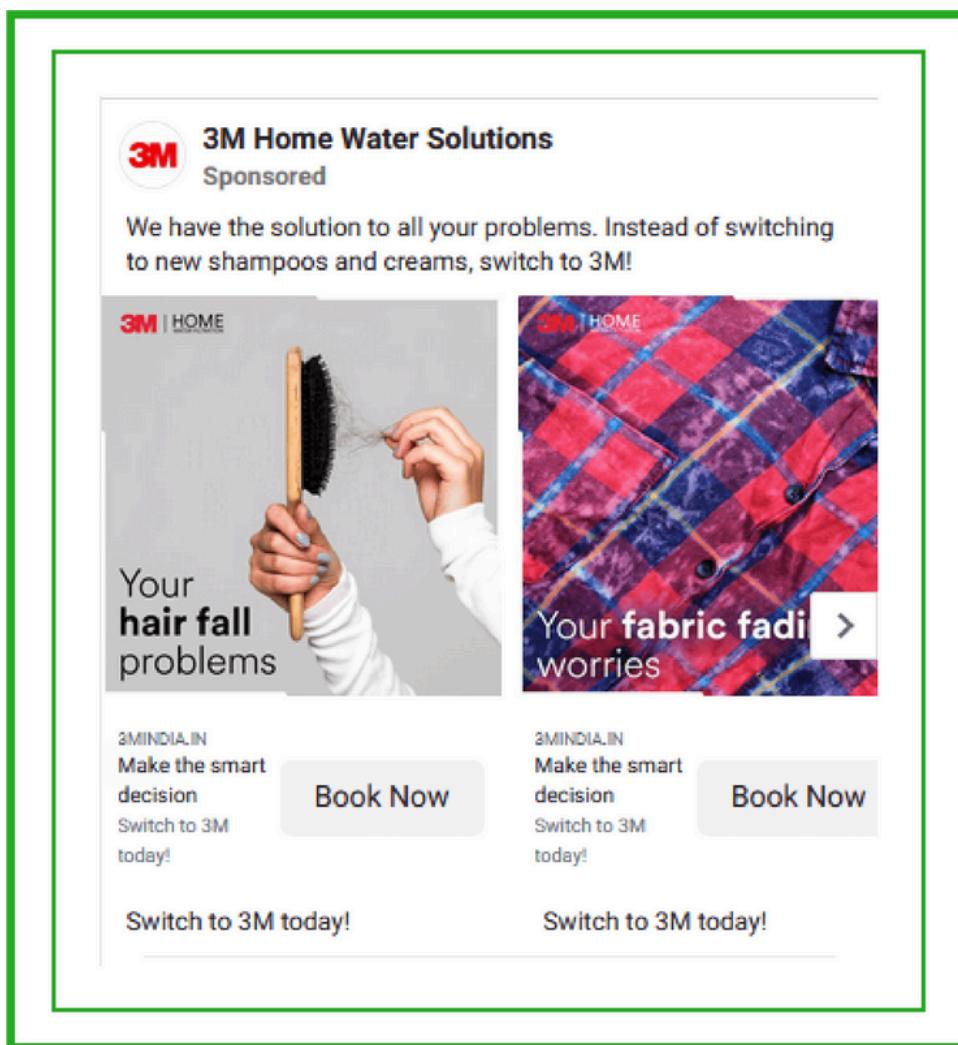


fig 4.4 A

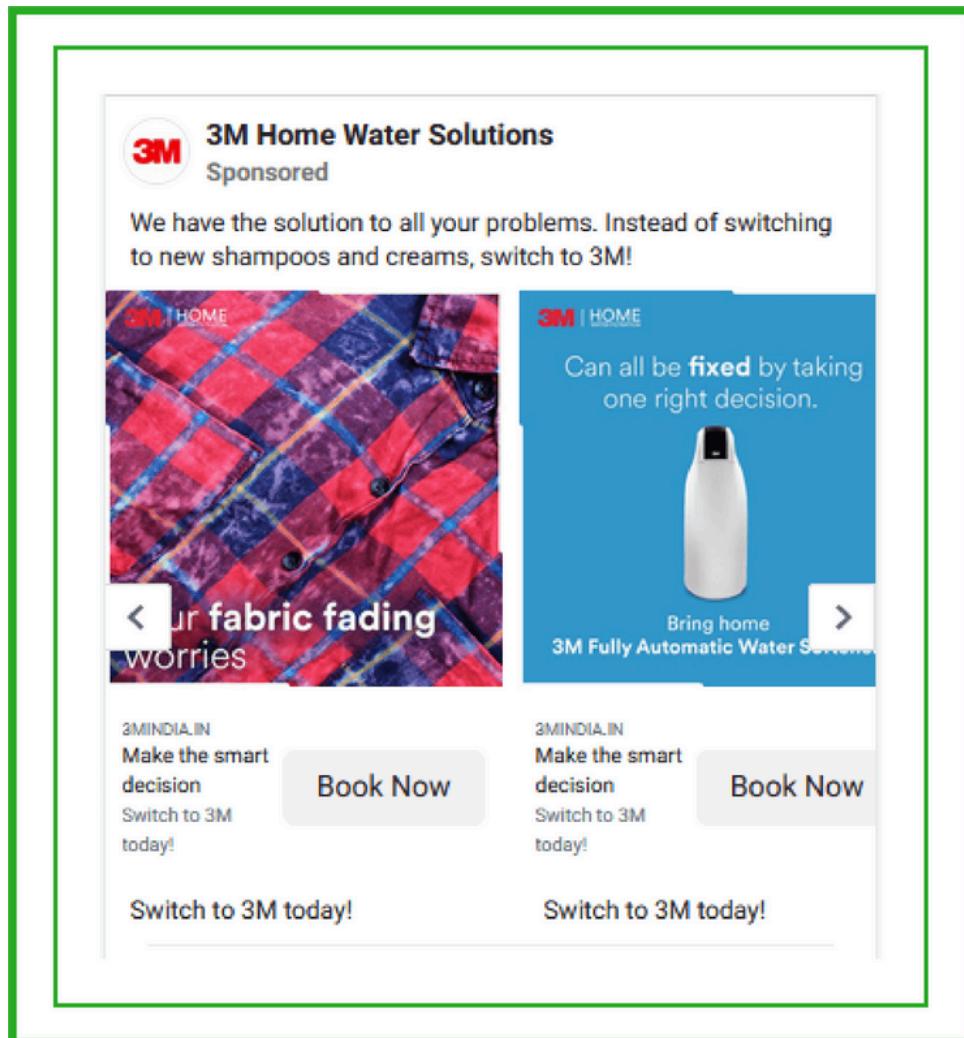


fig 4.4 B

**5. Create FOMO:** FOMO is the by-product of the lack of self-esteem. Now, I'm not asking you to take advantage of a person's insecurity and force them to do something they will regret. Not at all! FOMO works, and I'm just explaining why.

For example: Creating this visage that there is limited stock available or the sale ends at midnight is a good idea. Scarcity always grabs attention.

**6. Use green ticks:** Green ticks greatly improve the CTR, especially when targeting women. Since it instigates positive vibes, it works better than a bullet point when used to emphasise the benefit or function of the product

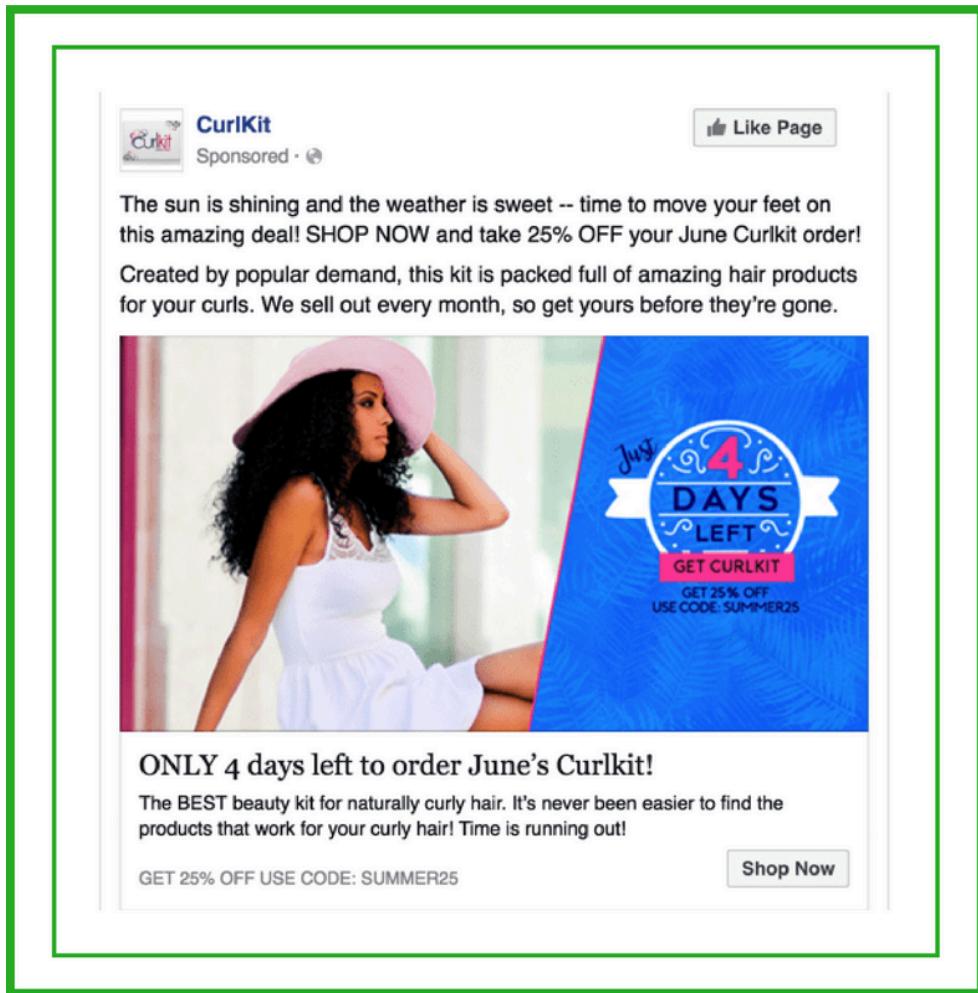


fig 4.5

For example: Creating this visage that there is limited stock available or the sale ends at midnight is a good idea. Scarcity always grabs attention.



fig 4.6

**7. Avoid using arrows:** Facebook allows using green ticks but penalises for putting mousecursor, play button, and arrows inside the creative. Consequently, the ads are usually disapproved. However, even if they get approved, Facebook eventually catches these Ads and disapproves them later on or gives you a very high CPC which is not beneficial for the business.



fig 4.7

8. Use eyes: If you are using the face of the person inside the creative, try zooming-in as much as you can. We all must have heard “eyes are the windows to the soul”, and probably because of that people are attracted towards the creatives where eyes are clearly visible. They tend to consume the information written on the creative better and if the Ad copy and other elements are relevant then they tend to click on it as well.

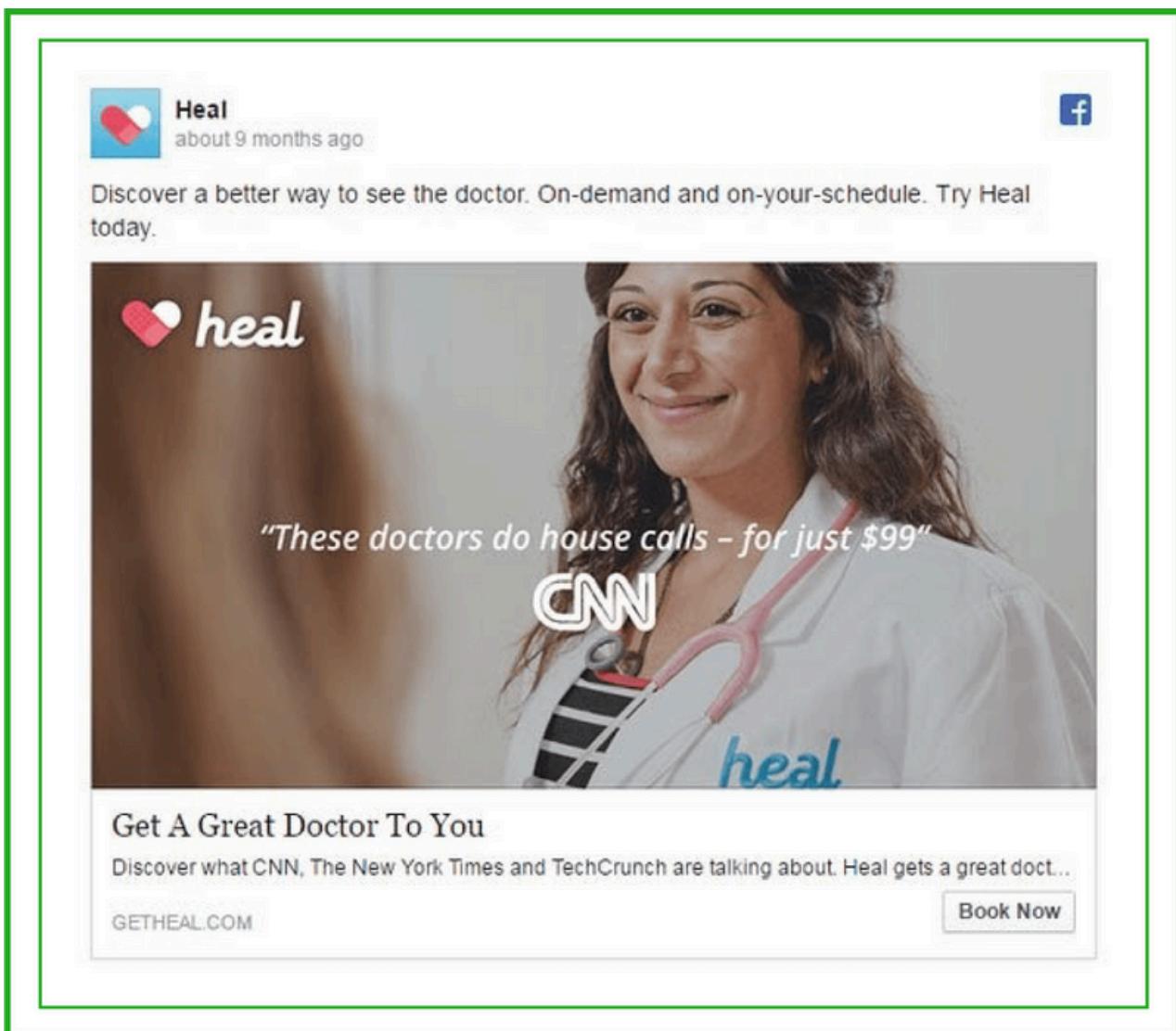


fig 4.8

**9. Use Contrasting Colours:** Avoid using Facebook's brand colours like blue, white, and black, especially since many users have enabled dark mode. These colours can easily blend in and reduce visibility.

Instead, experiment with more attention-grabbing shades like bright yellow, neon green, crimson red, orange, and magenta. Depending on your brand's colour scheme and tone, you can adapt and apply different shades from these palettes.

Tools like Colors, Canva, or Adobe Color can help you discover the right colour combinations for your creatives

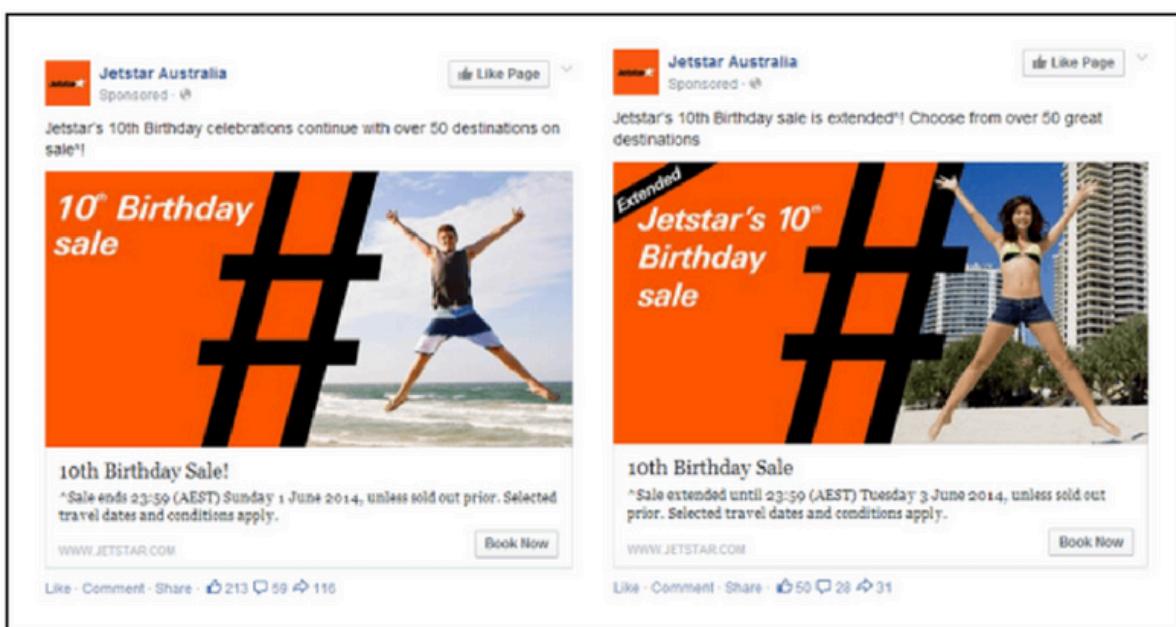


fig 4.9

**10. Sequential Carousels:** These are perfect for sharing educational content—trust me, they’re one of the best formats out there. They work especially well with images that flow smoothly from one slide to the next, incorporating elements of the AIDA framework (If you’re unfamiliar with AIDA, search “AIDA by Chris Do” on YouTube).

Sequential carousels are great for building awareness and gradually warming up your TOFU cold audience.

Additionally, if you’re an e-commerce brand, catalogue ads can be a game-changer. People love having multiple options presented to them—especially when they don’t have to leave the Facebook platform to explore them.

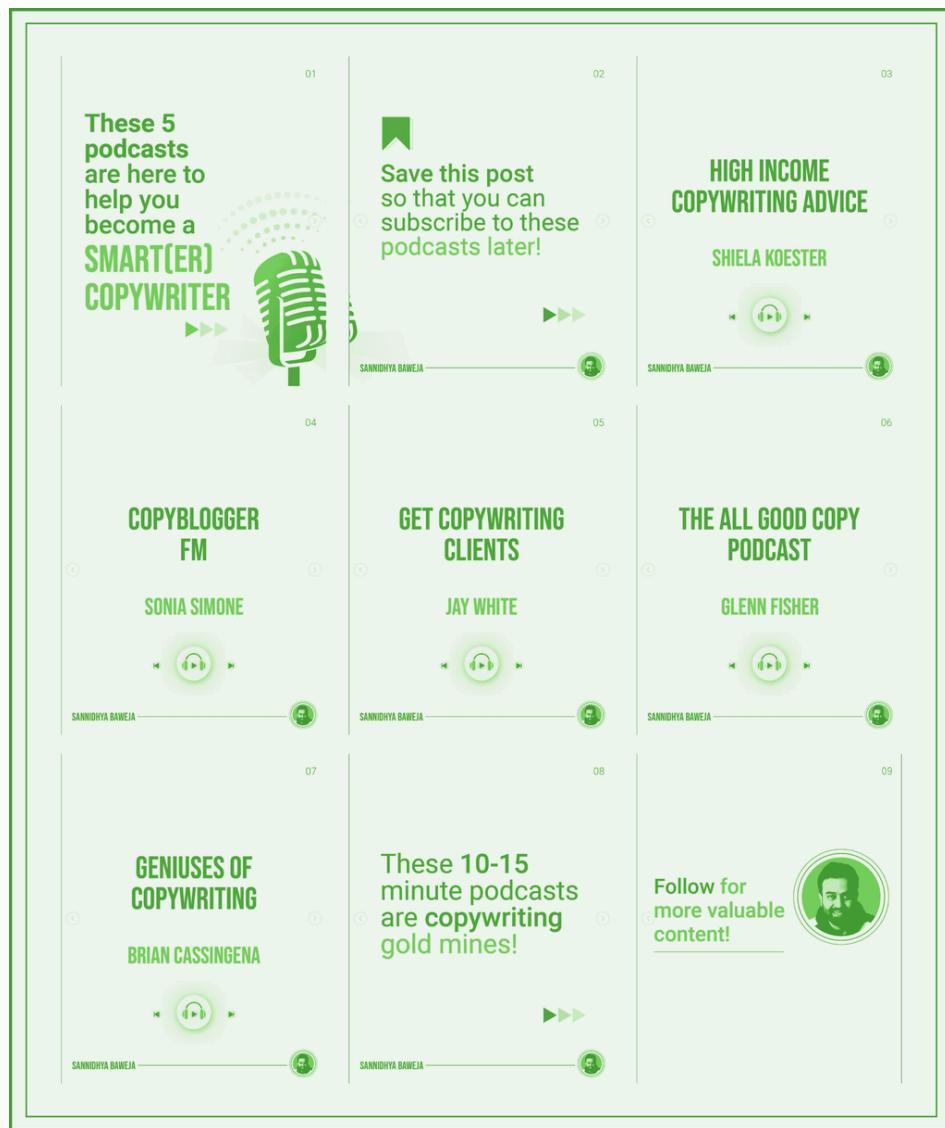


fig 4.10

**11. Instant Experience Ads:** The logic is simple—these ads are cheaper because users stay within the platform and don't navigate away. Every social media platform aims to maximize user time on-site, and Instant Experience ads support that goal.

They also help bring down the overall acquisition cost by serving as a low-cost touchpoint, which in turn reduces the CPA across your entire ad account.

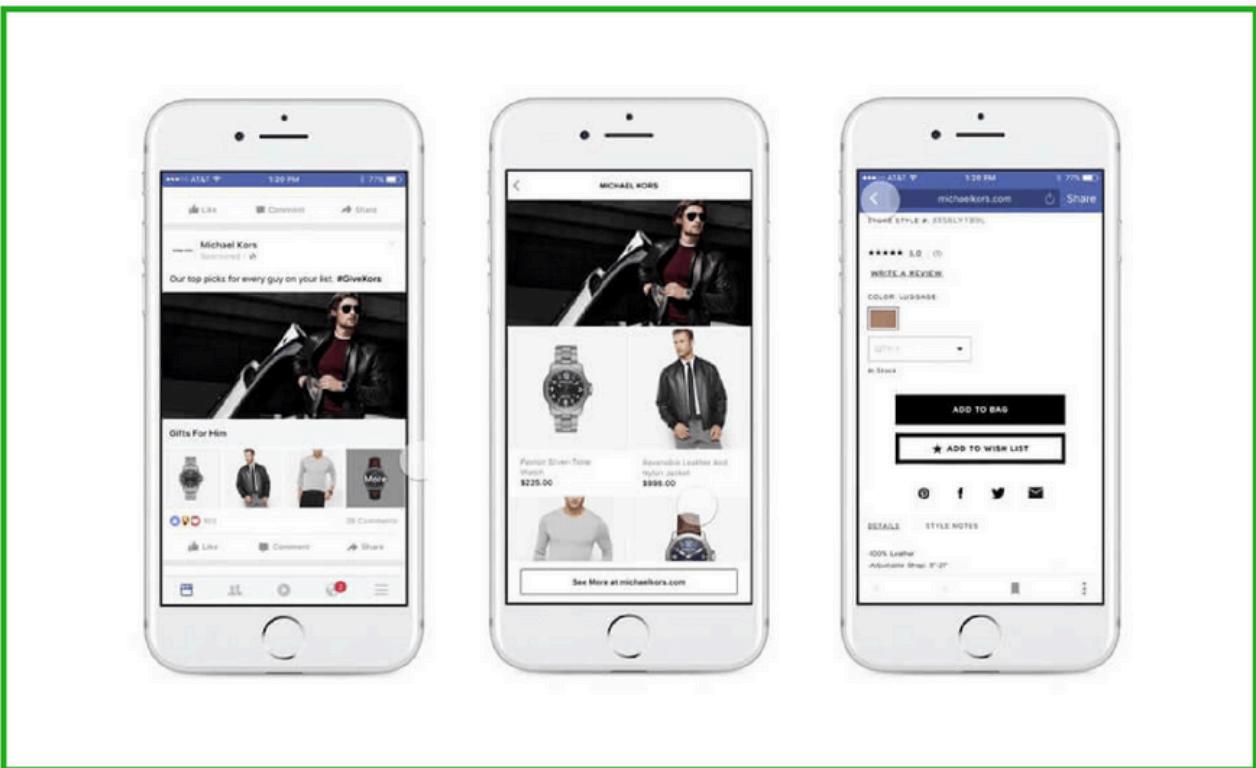


fig 4.11

**12. Collage:** It's a bit hard to explain why, but collages work—likely because they serve as a pattern interrupt. Nowadays, most people post images as slideshows, so a collage stands out in the feed.

It doesn't need to be fancy—just a simple collage made in Canva with all your products is enough to grab attention.

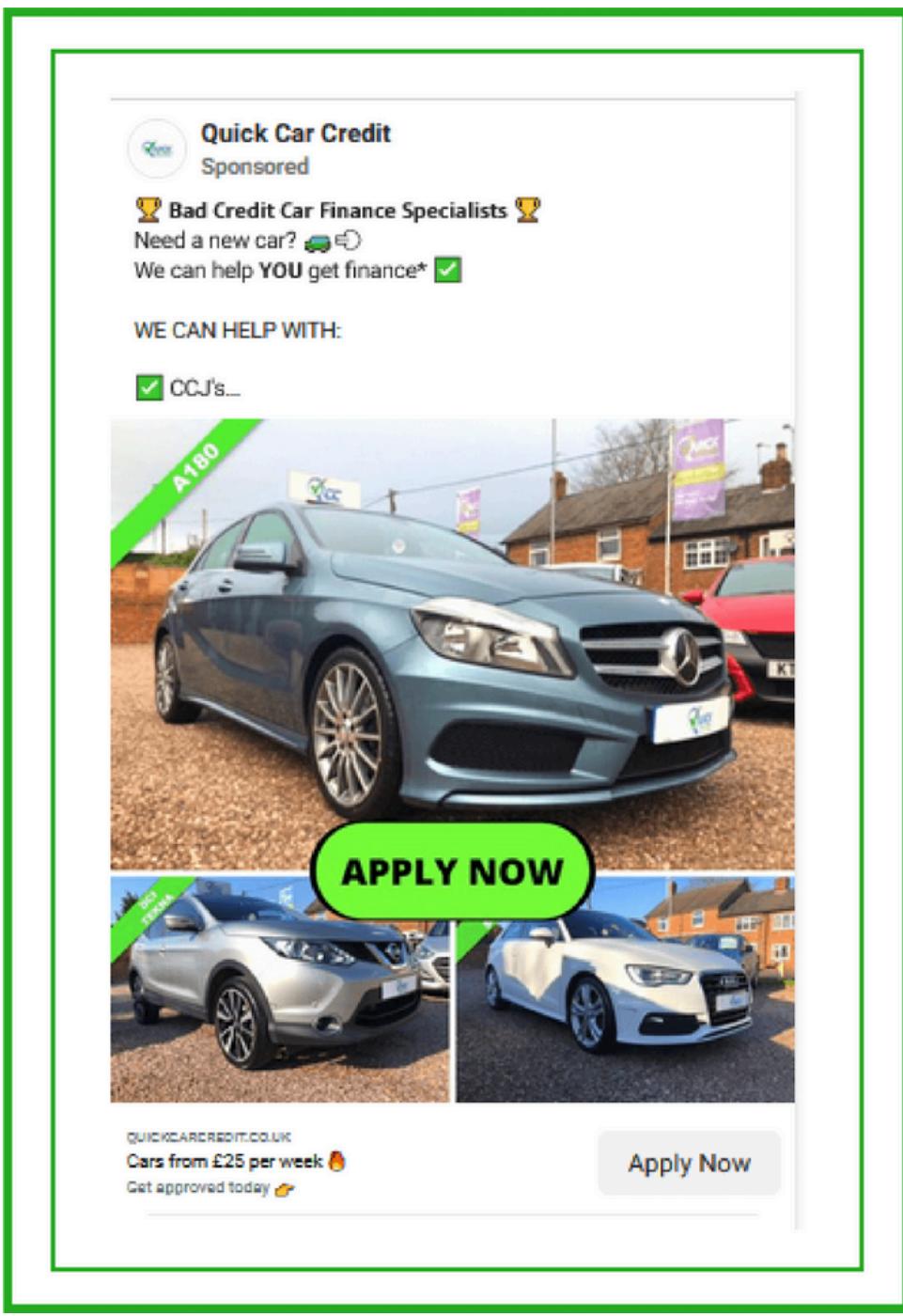


fig 4.12

**13. Testimonials:** Social proof is one of the most powerful tools for building trust and acquiring new customers. Before making a purchase, a potential buyer typically needs around 7 touchpoints with your brand. Including a testimonial can reduce that number to 4 or 5

Word of mouth has always been effective—and it still is.

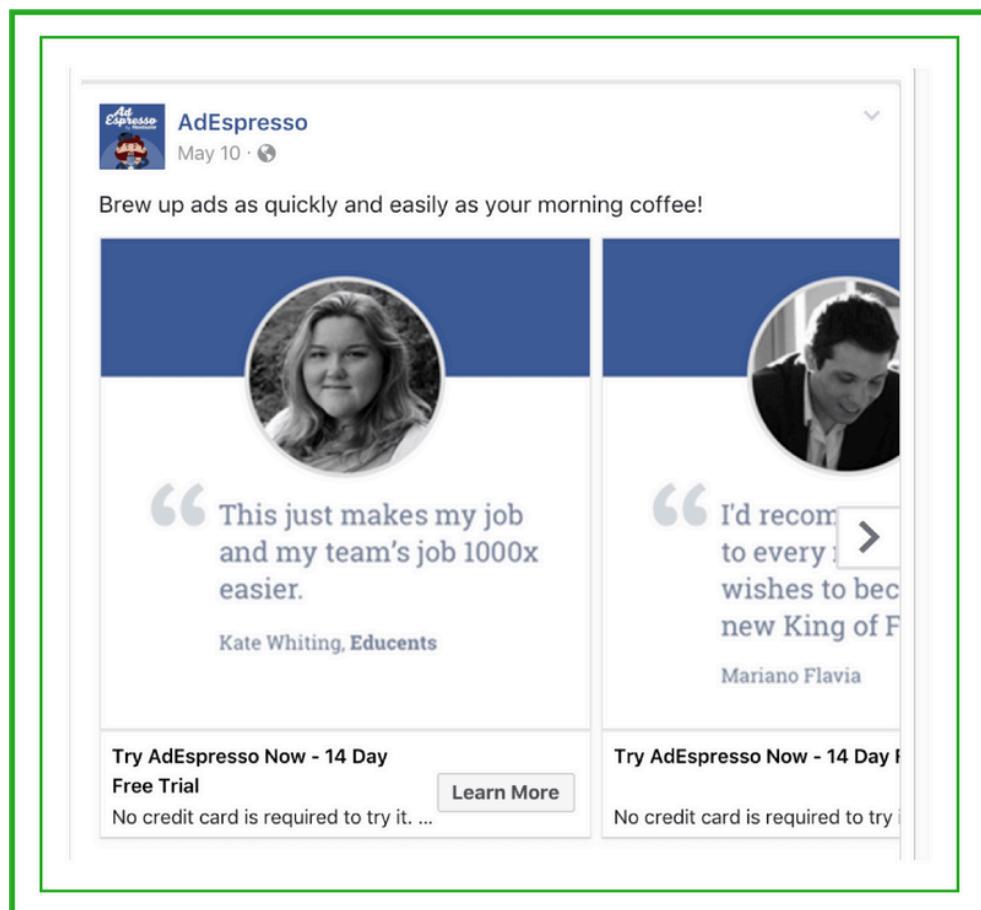


fig 4.13 A



fig 4.13 B

**14. Influencer Pics:** This works similarly to word of mouth, but instead of everyday users, it's recognizable figures within your niche endorsing the product. Try targeting nano-influencers (1K–10K followers) and micro-influencers (10K–25K followers) in your space.

Influencers with under 100K followers usually have a more loyal and engaged audience compared to those with larger followings (with exceptions like MrBeast)

Offer them something valuable in exchange for a barter collaboration. Explain how featuring their face in your ads can boost their personal brand visibility. With the right pitch, most will agree.

This strategy can drastically increase CTR and lower CPC.

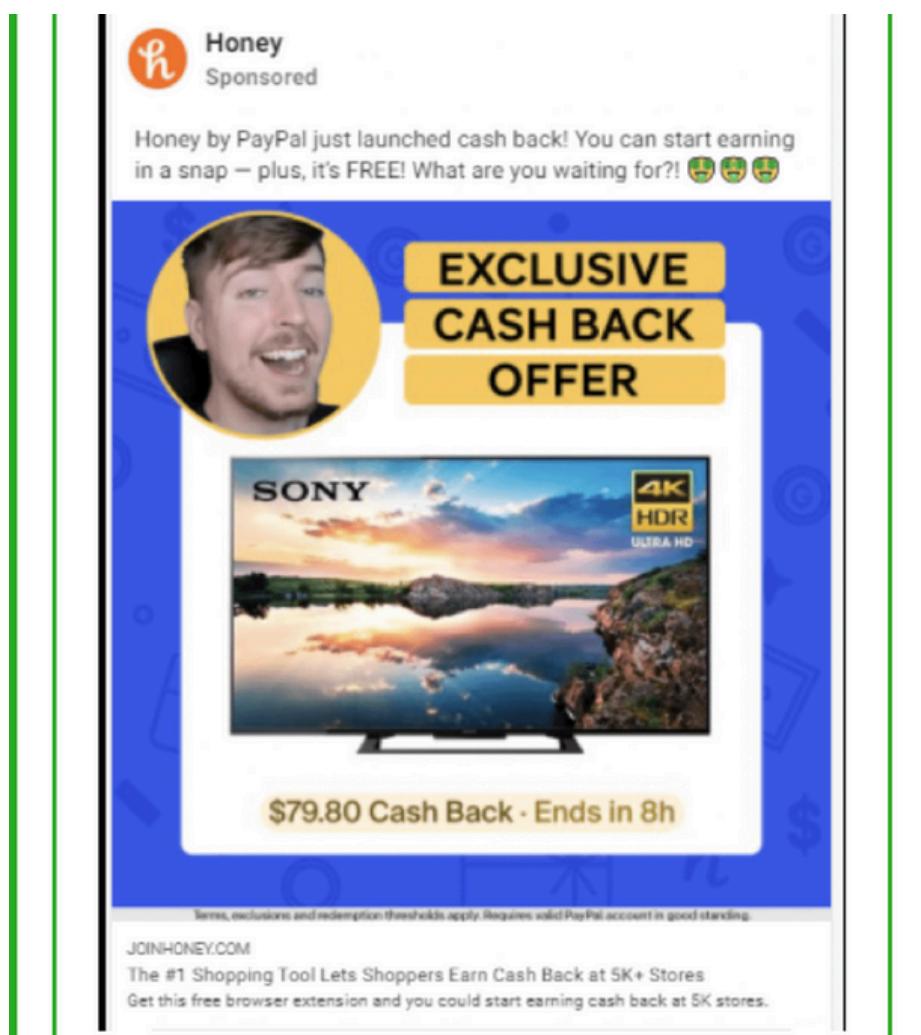


fig 4.14

**15. Memes:** Social media is a meme playground—people come here to relax and have fun. If your ads are entertaining, they'll naturally attract more interaction and engagement.

If someone genuinely enjoys your meme ad, there's a good chance they'll share it with their peers. We've seen meme-based ads where the CPM was unbelievably low, and the reason was simple: people started sharing them.

All you need to do is pick a trending meme and adapt it to your brand. You may not see instant success, but over time, people will start associating your brand with a creative, out-of-the-box personality.

This not only boosts brand recall but also helps bring down your CPC and CPM across the ad account.

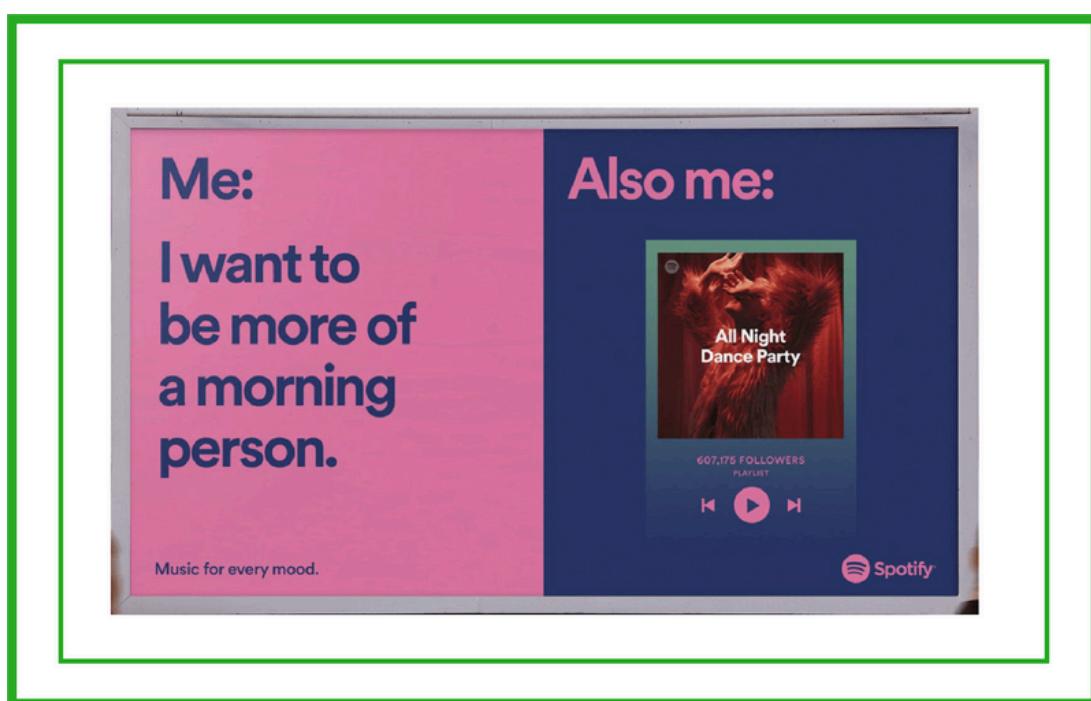


fig 4.15

## **16. Address FAQs:**

It's always best to acknowledge the elephant in the room early on. When people have doubts or concerns about your product, treat it as an opportunity. Resolve their objections upfront.

While doing so, run ads built around those specific concerns for your BOFU audience—because these are the messages that will nudge them over the edge and drive conversions.

## **17. Multiple Dimensions for Multiple Placements:**

If you recognize the ratios 1.91:1, 9:16, and 1:1, you already understand the importance of creative sizing—feel free to skip to the next point.

Including Reels, there are now 18 different placements available on the Facebook Ads platform. Each placement corresponds to a specific dimension:

- Instagram Stories use 9:16
- Facebook Feed posts use 1:1
- Facebook Right Column uses 1.91:1

Likewise, all other placements fall under one of these three formats.

The best practice is to create three separate versions of your creatives for these three aspect ratios. When you upload a single image, Facebook attempts to auto-adjust it across all placements, which often leads to layout issues and poor formatting.

To ensure maximum impact and clean delivery, always design your creatives in all three standard dimensions, and assign them appropriately based on the placement.

## **18. Use Native Platform Settings to Add Animation:**

There are plenty of built-in options available to animate your creatives, and recently, Facebook has made these features more accessible and user-friendly.

Motion grabs attention quickly, so incorporating movement through these native tools can significantly help boost your CTR.

## **19. Keep It Simple:**

I know, I know—I've shared a lot of tips, and now I'm telling you to keep it simple. But the idea is not to overdo it. Choose one tactic and focus on incorporating it effectively.

Don't try to cram everything into a single creative. Instead, think about the main reason you want someone to click on your ad, and emphasize that.

Now, let's talk about the important pointers you can keep in mind while doing the videos:

1. Instagram Reel like videos: Now that you can choose Reels as your ad placement, having native Ads that exactly look like reels will drive your results like anything.
2. Video with a lot of movements in the beginning: In premiere pro, there are a lot of animations available for text, frame, images etc. To grab the viewer's attention, you can use a few of them in your video's intro. Example:

<https://www.instagram.com/p/CRVVIHphyLn/>

3. Pattern interrupt videos: I really really like Ecomworld Conference ads. They are themasters of pattern interrupt. Here is an example of the same. Ecomworld used the nostalgic VCR rewind effect to showcase what one is going to get watching these videos, and also they were able to grab attention.

<https://www.instagram.com/p/CRVVIHphyLn/>

#### **4. Videos with Jump Cuts or B-Roll:**

A jump cut is an editing technique where a continuous shot is split into two parts by removing a section of footage—creating the effect of jumping forward in time (as explained on Wikipedia).B-roll, on the other hand, refers to supplementary video footage that supports or complements your main visuals.

I run a YouTube channel and an Instagram account where I've uploaded over 200 videos to date. And whenever I use jump cuts or B-roll, the videos tend to perform exceptionally well—as long as the content is worth watching.

While jump cuts can be tricky to execute, adding B-roll to your ads is relatively easy. You can find high-quality stock footage on platforms like Pexels, Canva, Videvo, and Videezy.

**Example:** [https://www.instagram.com/p/Bl\\_wqJnDiod/](https://www.instagram.com/p/Bl_wqJnDiod/)

## **5. Big Heading and Caption:**

Remember the Gary Vaynerchuk IGTV format I showed you? Here's a different example: [Video 1](#) and [Video 2](#).

This format includes a big headline at the top, subtitles at the bottom, and a progress bar indicating the video's length. It became a trend after Gary popularized it.

- The headline grabs attention instantly.
- Subtitles make it easy to follow along on mute.
- The progress bar sets viewer expectations and encourages completion.

This combination makes the content highly effective. You can pair this with any of the other creative strategies, and you'll likely notice a distinct spike in performance inside your Facebook Ad account.

## **6. Video with Storytelling:**

Since the beginning of time, humans have been drawn to stories—they're one of the most powerful ways to retain attention. Storytelling is essential for brand building and conveying your brand's purpose and values.

Brands like Mindvalley are experts in this format: [Example](#)

It's easy to build a story using proven structures. One I recommend is the AIDA framework:

- **Attention:** Present a compelling problem or benefit
- **Interest:** Show how that issue impacts daily life
- **Desire:** Ask how they would feel if that problem were solved.
- **Action:** Provide a call-to-action tied with a sense of FOMO.

And just like that—voilà—you have a compelling, conversion-focused narrative.

## 7. Stop Motion:

Stop motion works especially well in e-commerce to upsell products. The concept is simple: Start with an empty box, and in each frame, gradually fill it with daily essentials. Give this curated box a catchy name and show it to users who have already purchased one of the items included.

Once someone has purchased from you once, it's much easier to upsell related products.

Example 1: [YouTube – Stop Motion Ad](#)

Example 2: [YouTube – Product Ad](#)

## 8. Customer Testimonial Interview

A video testimonial always works better than a picture testimonial. Try mixing this tip with tips 1 and 5.

## 9. Mute ads

As the name says, there is no sound in these Ads. Despite their relative newness in the market, they are very, very creative. The convincing facial expressions of the actor persuade the user to read whatever comes on the screen. It increases the watch time, thus increasing the brand awareness and one can use that video to make more quality-lookalike after the iOS update as the source audience here is pretty huge because of high retention on the ad.

<https://www.instagram.com/p/CSWOUUnTAEYb>

Also, here is a list of all the ads that I like:

These links may not always remain active in case they get deleted. So it's a good idea to take screenshots or save them in your preferred format for future reference

Above, I've shared examples of what works well creatively. Now, let's take a step further into contextual creativity. As buyers, we've all experienced different stages of the customer journey, and we know that the kind of content that captures our attention depends on where we are in that journey.

The type of content you show to someone who's about to convert should be entirely different from what you show to a cold audience. You can't hit a cold audience with hard-selling offer ads right away, just as you shouldn't serve educational content to someone who already knows your brand well.

Why? Because a cold audience knows nothing about you, while a warm audience knows enough—and if they’re interested in learning more, they’ll likely visit your site on their own.

For the sake of this book and to keep things simple, I’ll categorize audiences into two types: Cold and Warm. If you recall Figure 4.16 below, you’ll know exactly where this framework comes from.



Figure 4.16

As mentioned in earlier sections, this strategy heavily depends on factors like budget, niche, market size, location, average order value, and more.

For instance, if you're operating in a mass-market industry like apparel, where there's already high awareness and you have a limited budget, you can often get away with showing ads only to the warm segments—TOFU warm, MOFU, BOFU—and run offer ads.

However, if you're a Facebook marketing agency, where nurturing prospects is critical at every stage, you can't expect conversions by simply running ads with copy like "39% off, sale ends at midnight," regardless of how warm your audience is. In such cases, you need to build a proper funnel—one that introduces your brand, establishes credibility, and earns the prospect's trust before they hand over their business.

Let's now focus on the cold audience, and I'll outline what kind of content works best for them.

Cold audiences are completely unaware of both your product and the problem it solves. That's why educational content in any form is ideal—it helps build awareness. If you can blend education with entertainment (like memes or satire), your ads won't even feel like ads. Instead, they'll be something people enjoy.

Another effective tactic is sharing news or updates from your industry, especially when you can explain how it impacts the end consumer. This approach not only builds awareness but also instills trust.

And if you want to boost engagement further, consider running a contest or quiz. This can help generate user-generated content, while also encouraging word-of-mouth promotion from your audience.

The primary objective is to provide free value or information about your company or product—something your audience wasn't already aware of. Once they receive this insight, they begin to associate your brand with authority in the field, making them far more receptive to future pitches.

### **For warm audiences, you can use:**

- Before-and-after ads
- Customer testimonials (in both image and video formats)
- Incentive-based ads
- Product demo videos
- Case studies
- Webinar clips with FAQs

FOMO-driven ads featuring limited-time offers

Remember, the goal is to answer the question: "Why you?" Every format listed above helps position your brand—either directly or indirectly—as a trusted expert in your space.

Delivering an exceptional experience even before someone becomes a customer builds trust, which ultimately reflects in your revenue and retention.

## **A/B Testing is Non-Negotiable**

Always test everything. Results will vary depending on your niche, location, budget, and other factors. Just because one approach worked for Client A doesn't mean it will work for Client B.

### **Test, iterate, and validate your own findings.**

#### **Note:**

Never advertise a product that is out of stock. If it's unavailable, users won't wait—they'll simply buy it from a competitor. Don't assume they'll explore alternatives on your site.

### **Let's Now Talk About Ad Copies:**

While not as impactful as visuals, ad copy still matters. Users do read captions and headlines, especially when the content feels relevant to them. If written well, it can increase engagement and make people look forward to seeing your ads.

### **Here are a few key pointers to keep in mind when writing ad copy:**

#### **Keep it about them**

Nobody cares about your brand—they care about what's in it for them. The more your copy focuses on their needs, the higher the chance of conversion.

## **Include a Call to Action (CTA)**

You've built interest—don't drop the ball by forgetting a CTA. If they've read your caption, they're your warmest prospect. Tell them exactly what to do next.

→ Check out this [Instagram carousel](#) to learn how to write compelling CTAs.

## **Use Storytelling**

We've covered this earlier, and if it's coming up again, that's because it's that powerful. Story-driven copy builds connection, trust, and retention.

## **Use surveys and numbers:**

How many times did you stop to read a paragraph as it started with “According to a study”. I hope I made my point. People trust numbers and solid figures. Their trust is directly proportional to the amount of solid evidence and data you provide.

## **Asking about their opinion:**

Always ask what they are going to do about the information they just consumed. Putting a little sentence like “What are your thoughts” shoots the engagement off the roof.

Recently I interviewed Ms Pragati Gupta. She has over 100k followers on LinkedIn, and here is

the link to the interview:

[https://www.youtube.com/watch?v=RSS\\_oFrsuiM](https://www.youtube.com/watch?v=RSS_oFrsuiM)

In this interview, she mentioned that she used the following resources to upskill herself, and I use these similar resources to train my team.

## **Tools Used**

1. Copyscape: <https://www.copyscape.com/>
2. Hemmingway: <https://hemingwayapp.com/>
3. Grammarly: <https://app.grammarly.com/>
4. Quetext: <https://www.quetext.com/>
5. Rhymezone: <https://www.rhymezone.com/>
6. Coschedule: <https://coschedule.com/headline-analyzer>
7. Hubspot: <https://www.hubspot.com/blog-topic-generator>
8. Advanced Marketing Institute:  
<https://aminstitute.com/headline/>

## **Newsletters**

1. <https://www.alexcattoni.com/>
2. <https://www.verygoodcopy.com/>

## **Podcasts**

1. Good copy bad copy: <https://spoti.fi/3weaJuN>
2. Hot copy: <https://spoti.fi/3vfEA4H>

This interview and the resources mentioned will help you craft a powerful and persuasive ad copy for your next ad.

## 5. CAMPAIGN OBJECTIVE

While setting up these campaigns, you're probably wondering: What campaign objective should I choose based on the funnel stage?

My core objective is always to maximize revenue for my clients.

In most cases, I run campaigns with the conversion objective. However, for e-commerce, the objective often shifts to a mix that includes the catalogue sales objective.

When the budget is substantial, I sometimes switch to traffic or reach & frequency objectives. I use these strategically to test whether they can help lower the overall CPL or CPA.

If you'd like a deeper understanding of how to pick the right objective based on real-life scenarios, I recommend watching this video from the Facebook Ads course.

In it, I've explained which campaign objective to choose and why, depending on the situation and funnel stage.

## 6. BIDDING STRATEGY

I almost always stick to the default bidding strategy and let Facebook optimize the delivery.

### Why?

Because when you move away from the default (like lowest cost, or the preset bidding method based on your campaign objective) and apply controls like bid caps or cost caps, it usually doesn't help.

If your creatives, messaging, and offer are solid, people will naturally engage with your ad, and you'll get a low cost per result. If they're not, people won't respond—and your cost per result will spike, cap or no cap.

Using a cap might give you a false sense of success for a couple of days, but that's short-lived.

So, it's better to let the algorithm run freely and use the resulting data to improve your ads

## **7. COMBATTING THE DEVIL NAMED “LEARNING LIMITED”**

So your ads are set up and running—but the challenges don’t end there. One of the first hurdles you’ll encounter post-launch is the dreaded “Learning Limited” status.

The learning phase is a period where Facebook’s delivery system is still optimizing and figuring out the best way to serve your ad set. During this time, performance is unstable, and the cost per result is usually higher—as explained by Facebook itself.

If you’re working with a large budget, this might not be much of a concern. But if you’re on a limited budget, seeing half your ad account stuck in the learning phase can be frustrating. And since performance is highly volatile during this period, it becomes difficult to make informed decisions.

**This leads to two common questions:**

- 1. How do I exit the learning phase faster?**
- 2. How do I avoid entering the learning phase again?**

But before answering those, it’s crucial to understand what qualifies as a significant edit, as these changes will push your ads back into the learning phase

According to Facebook’s official guidelines, the following are considered significant edits:

- Any change to targeting
- Any change to ad creative
- Any change to the optimization event
- Adding a new ad to your ad set
- Pausing your ad set for 7 days or more (it re-enters the learning phase once resumed)

Note: When using campaign budget optimisation, switching your campaign bid strategy might cause multiple ad sets within the campaign to re-enter the learning phase.

A change to any of the following areas may or may not be significant, depending on the magnitude of the change:

- Ad set spending limit amount
- Bid control, cost control or ROAS control amount
- Budget amount

## Methods to escalate the learning phase

### 1. Controlled Experiment:

I've emphasized the importance of running multiple experiments—but there's no point in launching too many low-budget ad sets that never exit the learning phase.

For example, if your optimization event costs \$10, and you need 50 optimization events to complete learning, you'll need to spend \$500 per ad set

If you want that to happen within 7 days, you'll need a daily budget of approximately \$71 ( $\$500 \div 7$ ). That's why you need to run a controlled experiment—one where your ads have enough room (and budget) to breathe and perform.

## **2. Increase the Budget:**

Depending on your circumstances and available funds, consider increasing your ad set budget to help push it through the learning phase faster.

You can always scale down once performance stabilizes. But in the beginning, it's critical to feed Facebook enough data and spend to exit learning and achieve consistent results.

## **3. Create All Ads in Advance:**

Refreshing creatives is essential to avoid ad fatigue, but doing so usually triggers the learning phase again. If you're in a business where prices or trends don't fluctuate often, consider creating multiple ads inside a single ad set from the start, then pause a few of them. Later, when performance drops, simply disable the active ones and activate the paused creatives—helping you avoid re-entering the learning phase.

## **4. Avoid Significant Edits:**

Refer back to the list of significant edits mentioned earlier. Before launching a campaign, double-check everything—from targeting to creatives. Confirm all key details, even with your client if necessary.

If you must make changes, avoid editing the existing campaign. Instead, duplicate it, make the necessary adjustments in the new version, and run it in parallel. This helps maintain performance without disrupting what's already working. If the new campaign doesn't start performing, you can always switch back to the previous one, and it won't negatively impact your results too much.

Also, keep in mind: if an ad fails to perform even once during the learning phase, there's usually no point in continuing it. You can safely conclude that those creatives aren't resonating with that particular audience. In 9 out of 10 cases, such campaigns don't deliver—so it's better to move on rather than waste money being overly optimistic.

However, there's one exception to this rule: if the CPC is really good, and even though the campaign hasn't performed for a single day, you might consider letting it run a little longer. Sometimes, Facebook eventually identifies a high-converting audience, and the cost per result starts to drop.

That said, such cases are rare, and in most scenarios, Facebook doesn't magically discover an audience where CPC keeps falling over time.

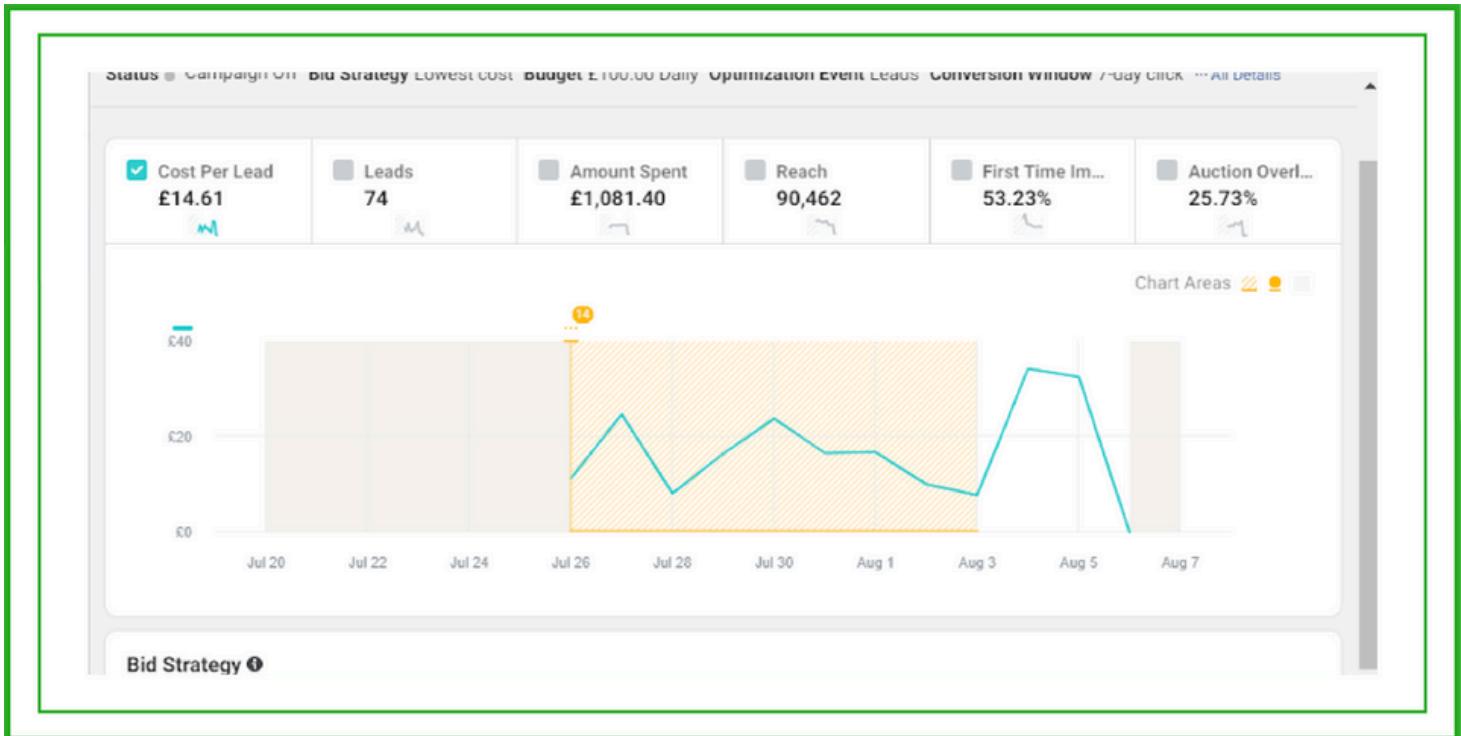


Fig 7.1

In Fig 7.1, the ad set did perform for a day, and that's why I allowed it to run even after coming out of the learning phase. But it tanked and started giving a very high CPL after coming out of the learning phase.

Also, don't worry if you didn't understand what I just mentioned. I will explain the same at great length in the next section.

## **Recap**

Now let's take a pause, and let me tell you everything we have covered till now.

We talked about finding new audiences.

Then we discussed the ideal audience size.

Then we talked about how to structure your ad account in great detail.

Then we discussed various kinds of ad creatives that work.

And finally, we discussed the devil named limited by learning.

Now that you have launched your campaign and run it for a few days, you will need to know how

to optimise them, when to optimise them and how to scale things up

So let's discuss this in our next section.

# 8. OPTIMIZATION & TIMELINE

Disclaimer: This is the most important section in the entire book—read it with undivided attention.

## This section covers how to:

- Set up your dashboard to get a full-funnel overview
- Identify weak metrics

Know what action to take based on those metrics

## When Should You Make Changes?

The first thing to understand is that daily tweaking is not an option. Making constant changes will:

- Disrupt the learning phase
- Destabilize performance within your ad account

Stick to the timeline shared below to avoid unnecessary issues.

That said, if your account targets a local audience or a small segment, you'll need to repeat this process more frequently

## Why More Frequent Tweaks for Smaller Audiences?

Simple—because with fewer people to target, you'll experience ad fatigue and audience fatigue more often.

So, the smaller the audience, the more frequently you'll need to refresh and tweak your ads.

## **When to Tweak: Based on Budget & Campaign Stage**

If you're launching a new ad set/campaign or making a significant edit to an existing one:

### **When to Tweak: Based on Budget & Campaign Stage**

**If you're launching a new ad set/campaign or making a significant edit to an existing one**

- **Low Budget: Start optimizing 3 days after launch or edit**
- **High Budget: Begin optimizing after 5–6 days**

## **How Budget Affects Optimization**

- For small budgets, you'll often see a lower CPL even during the learning phase. That's a rule of thumb. Why? Because there are plenty of low-hanging fruits (easy-to-convert users) that Facebook can find quickly, even without full optimization.

If your cost per optimization event is still high despite this, it's time to rethink your creative, offer, messaging, or strategy.

- For large budgets, expect higher instability during the learning phase. Facebook needs to spend more to gather enough data and identify converting audiences. That's why performance fluctuates more in high-budget campaigns—it's part of the exploration process.

**Note:** Whether your campaign is national or local doesn't directly affect your optimization timeline. It simply helps determine whether your budget is large or limited—and that's what really matters here.

For example, \$200 per day for a local account with only a 50k audience to target can be huge, but targeting a national campaign with the same budget and the audience size of 7Mn can be very small depending upon the industry. Let's assume 5 to 6 days (or 3 days in small budget cases) have passed, and it's time to analyse the campaign

First things first, always remember your north star metric. It could be CPA, CPL, ROAS, CPC, CPM, etc. If your north star metric looks good, there's no need to worry about anything else.

However, if it's not performing well or is fluctuating significantly, you'll need to investigate further to understand the reason.

But before doing that, you should know how to properly structure the metrics in the dashboard

There's a specific way the dashboard should be arranged so you can immediately identify why your ads aren't performing. In the next section, I'll guide you through how to organize the dashboard.

- **8.1 Dashboard Organisation**

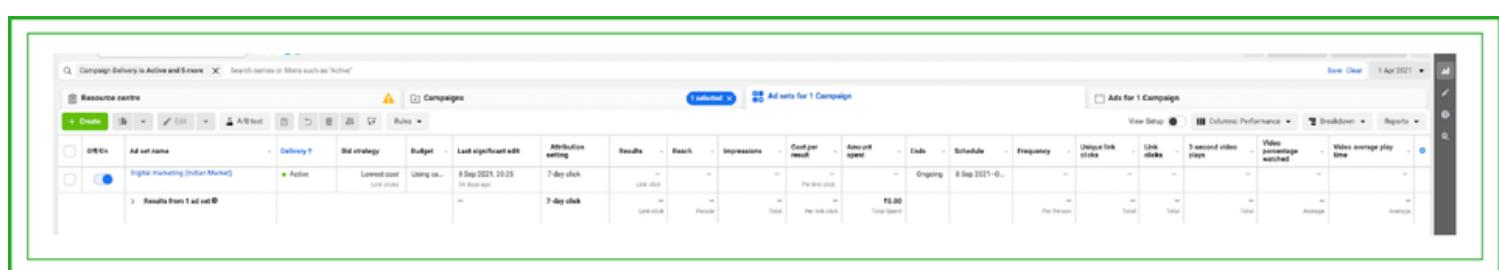
At the campaign or ad set level, the setup will vary depending on the business type. For businesses where users can directly make a purchase on the website (typically B2C), the structure will differ from businesses where users need to submit a lead and are later contacted by a sales executive (typically B2B). However, at the ad level, the structure will be the same across all types of businesses.

I know that may sound confusing—but just stay with me, and it will make sense.

I'd like to credit Amanda Bond for introducing me to this style of reporting. I was already following a similar approach, but her video on Social Media Examiner helped me refine it further.

For a B2C business where the user can complete the purchase directly on the website, we'll organize the metrics to mirror the customer journey. This helps in understanding how users move through each step and in identifying where drop-offs are happening.

Start with Amount Spent to track how much each ad set or campaign is using. Then, include Results and Cost per Result. As mentioned earlier, always prioritize your north star metric—if that doesn't look good, only then should you begin reviewing the other metrics.



The screenshot shows a digital marketing platform's interface for managing campaigns. At the top, there are tabs for 'Resource centre' and 'Campaigns'. A search bar is present at the top left. On the left side, there's a sidebar with a 'Create' button and a list of existing campaigns: 'Digital marketing (Indian Market)' and 'Results from 1 ad set'. The main area displays a table with the following columns:

Ad set name	Delivery	Bid strategy	Budget	Last significant edit	Attribution setting	Results	Reach	Impressions	Cost per result	Amount spent	Ends	Schedule	Frequency	Unique link clicks	Link clicks	3-second video plays	Video percentage watched	Video average play time
Digital marketing (Indian Market)	Active	Lowest cost	Using re...	8 Sep 2021, 20:25	7-day click	Link click	—	—	Per first click	—	Ongoing	8 Sep 2021 - Q...	—	—	—	—	—	—
					7-day click	Link click	People	Total	Per first click	Total spent			Per impression	Total	Total	Total	Average	Average

FIG 8.1

Our next step is to drill all the way down—from showing the ad to the customer, to the final purchase of the product. With this kind of reporting, you'll be able to identify leakages in the customer journey with ease. You won't need to rely on Google Analytics to figure out what's going wrong on your website.

Next, select Impressions and CPM. These metrics will show how much you're spending to display your ads to your audience. If the CPM is unusually high compared to other campaigns or ad sets at the same stage, it likely means you need to work on your creatives and identify what's not working. It could also mean that the audience doesn't connect with your current creatives.

After that, choose Link Clicks and CPC (Cost Per Link Click). These help you determine how much it costs to get one person to visit your website.

Then add CTR (Link Click-Through Rate). Together with CPC, this tells you whether people are actually clicking on your ads

**Now, let's break down a few scenarios:**

- **High CPC + Low CTR: Your creative isn't engaging or click-worthy—it's failing to capture attention.**
- **Low CPC + Low CTR: Users are engaging with the content (likes, shares, comments) but don't want to leave Facebook and visit your site.**

- **High CPC + High CTR:** The ad is compelling, but it's not strong enough to interrupt the scroll—you may need a better pattern-interrupt creative.
- **Low CPC + High CTR:** This is the ideal scenario—your creative grabs attention and drives traffic efficiently.

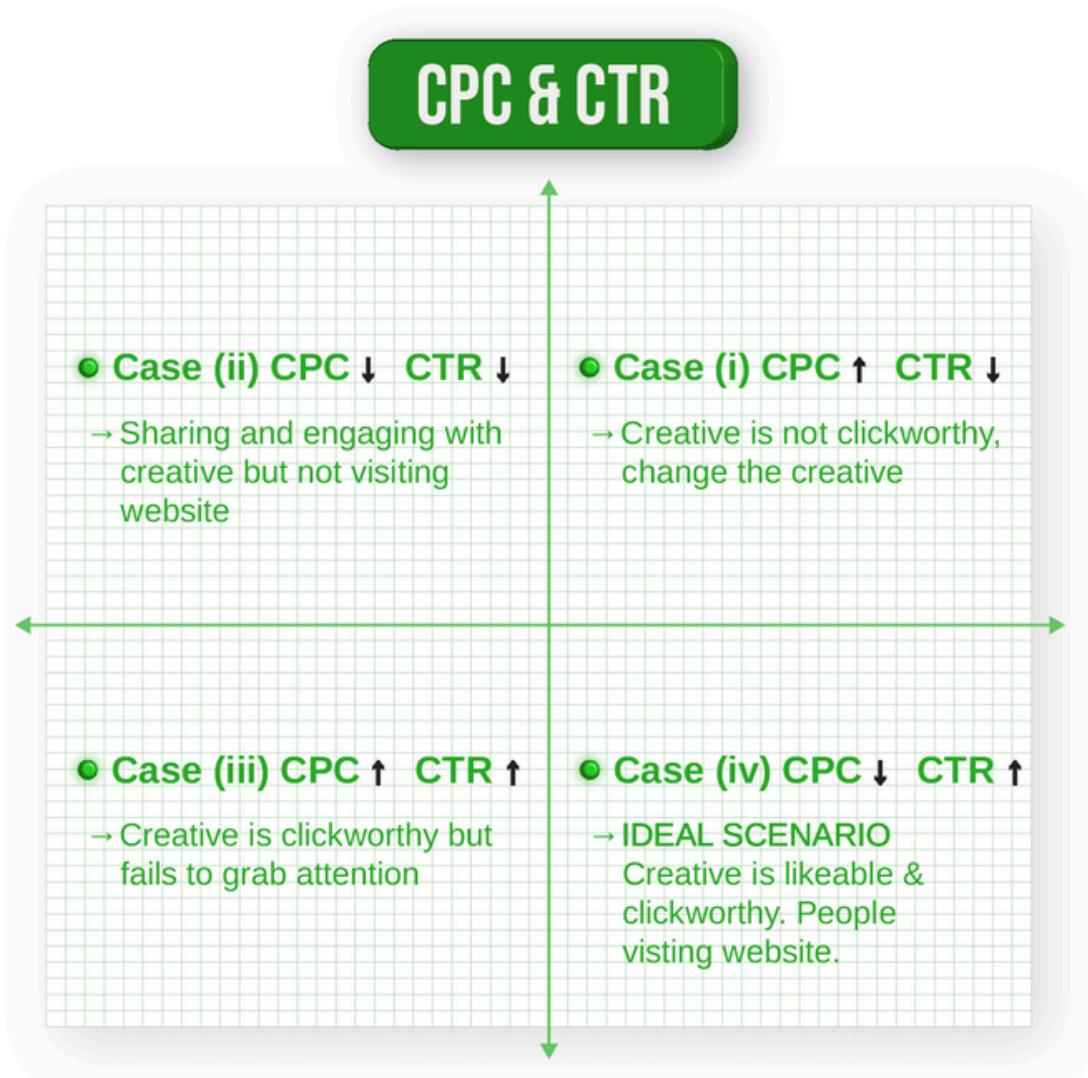


FIG 8.2

Now that the customer has clicked on the ad, the journey brings them to the website. Let's discuss the metrics you should track at this stage.

Start by selecting the first significant event on the website. In most cases, for me, that's 'Add to Cart', followed by 'Cost per Add to Cart'.

But it's also important to understand how many visitors actually add a product to the cart after landing on your site. For that, create a custom metric using this formula: (Unique Add to Carts / Unique Link Clicks) × 100 (see Fig 8.5).

**This gives you the percentage of users who perform Add to Cart after visiting the website.**

This is a crucial metric to evaluate whether your targeting is on point. With these three data points, you can determine whether

- You need to introduce a promo code on the product page
- Your products aren't converting, and it's time to conduct market research to understand what needs to change

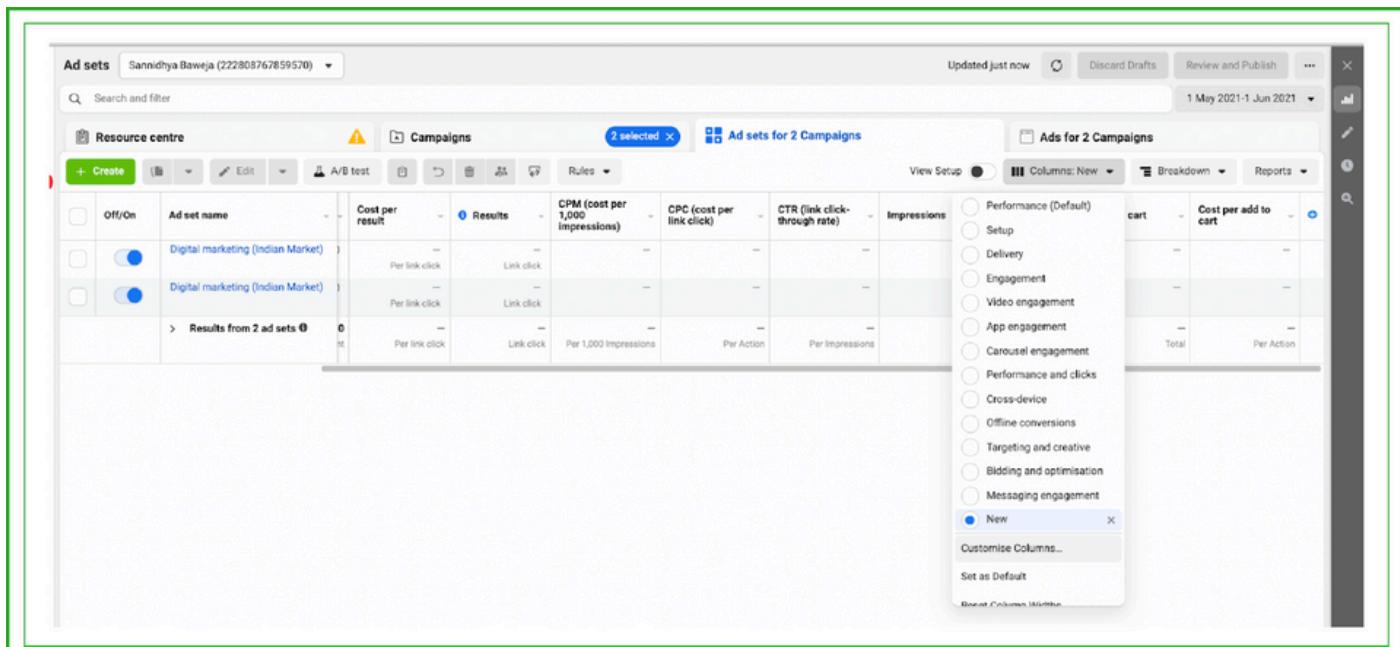


FIG 8.3

The screenshot shows the Facebook Ads Manager interface. In the top left, it says "Ad sets" and "Sannidhya Baweja (222808767859570)". At the top right, there are buttons for "Updated just now", "Discard Drafts", "Review and Publish", and a date range "1 May 2021-1 Jun 2021". A search bar "Search and filter" is at the top center. On the left, there's a "Resource centre" sidebar with sections like "Create", "Off/On", "Ad set name", "Engagement", "Conversions", "Settings", "A/B test", and "Optimisation". The main area shows "Results from 2 ad sets 0". A modal window titled "Customise Columns" is open. It has a "Performance" tab selected, showing various metrics like "Results", "Impressions", "Delivery", "Amount spent", etc. To the right, a list of "15 COLUMNS SELECTED" is shown, including "Ad set name", "Delivery", "Ad set name", "Bid strategy", "Budget", "Amount spent", "Cost per result", "Results", "CPM (cost per 1,000 impressions)", "CPC (cost per link click)", "CTR (link click-through rate)", "Impressions", "Link clicks", and "Adds to cart". Below the list are "Cancel" and "Apply" buttons. At the bottom of the modal, it says "Save as preset". The URL "www.facebook.com/ads-manager/manage/adsets?act=222808767859570&nav\_entry\_point=le\_233&columns=name%2Cdelivery%2Ccampaign\_name%2Cbid%2Cbudget%2Clast\_significant\_edit%2Ccontribution\_setting%2Cresults%2Cre..." is visible at the bottom.

FIG 8.4

The screenshot shows the Facebook Ads Manager interface. The top left says "Ad sets" and "Sannidhya Baweja (222808767859570)". The top right shows "Updated 42 minutes ago", "Discard Drafts", "Review and Publish", and the date range "1 May 2021-1 Jun 2021". A search bar "Search and filter" is at the top center. The left sidebar includes "Create", "Off/On", "Ad set name", "Engagement", "Conversions", "Settings", "A/B test", and "Optimisation". The main area shows "Results from 2 ad sets 0". A modal window titled "Create custom metric" is open. It has a "Performance" tab selected. Under "Name", it says "Add to Cart To Visitor Ratio" with a "Percentage (%)" format. In the "Description - Optional" field, it says "Describe this metric". Below that is a "Formula" section with a text input "Unique adds to cart + Unique link clicks |". On the right, there's a list of "Popular metrics" including "Performance", "Engagement", "Conversions", and "Custom conversions". At the bottom of the modal, it says "Who can access this? Only you". A note states: "When you build a custom metric, Facebook only performs basic mathematical calculations based on your formula to deliver your result, and does not otherwise add to or modify the metric." Below the note are "Cancel" and "Create Metric" buttons. At the very bottom of the modal, it says "Save as preset". The URL "www.facebook.com/ads-manager/manage/adsets?act=222808767859570&nav\_entry\_point=le\_233&columns=name%2Cdelivery%2Ccampaign\_name%2Cbid%2Cbudget%2Clast\_significant\_edit%2Ccontribution\_setting%2Cresults%2Cre..." is visible at the bottom.

FIG 8.5

FIG 8.6

After that, select the number of purchases, followed by Cost per Purchase, and then Conversion Rate (see Fig 8.7).

Next, calculate the percentage of purchases to add to cart. This step is essential to identify where the leakage is happening in the journey from Add to Cart to Purchase.

These metrics will help you understand if there's a break in the funnel at that stage—and once identified, you can take the necessary steps to fix it efficiently.

FIG 8.7

FIG 8.8

Purchases to add to cart is not available currently so you will have to make custom metrics with the following formula purchases / add to cart \* 100 (Fig 8.9)

FIG 8.9

FIG 8.10

If you think that your conversion rate is low, then these metrics will tell you where the problem is on the product page or the checkout completion journey.

Finally, you want to know how much revenue did you generate from this ad and how much ROAS did that campaign generate for your ads

And this is how it should look when you are done creating this preset.

FIG 8.11

Save this view and name it: User Conversion Journey.

Now, let's set up the metrics for B2B campaigns focused on lead generation. We'll follow the same order as before.

Start by selecting Amount Spent, then add Results and Cost per Result—your north star metrics.

Next, include Impressions and CPM to evaluate whether the creatives are engaging and resonating with the audience.

Then, move on to Clicks, followed by CPC and CTR. These will help you assess how persuasive your creatives actually are.

Finally, include the Conversion Rate, which will indicate how effective your landing page is at turning visitors into leads.

Now, let's talk about the dashboard setup you'll need for analyzing these ads. While the layout will remain unchanged up to CTR, we'll be adding a few more metrics after that.

To ensure we're aligned, this is how your dashboard should currently look (see Fig 8.12).

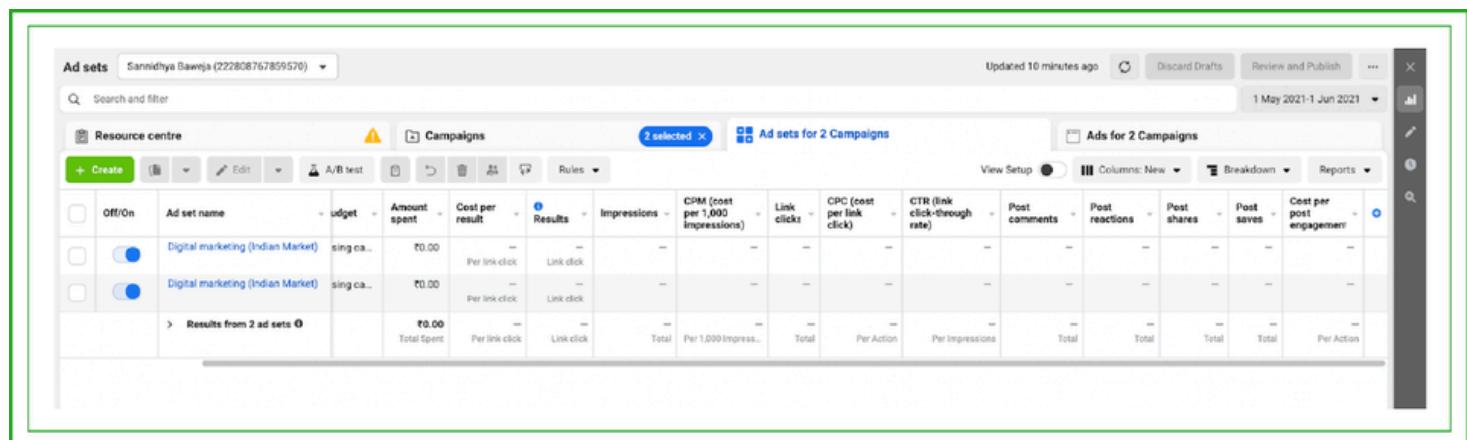


FIG 8.12

With Ads, we need to understand the reason the ad is performing. Is it because of engagement? If yes, then what kind of engagement? How much are we paying for that engagement? To answer all of these, we will choose post likes, post comments, post shares, post saves and cost per engagement. You will gain a better understanding of how your ads should perform. Here are a few metrics that you should append to evaluate the performance of your video ads

Select 2-second continuous video views, 10-second video views, video watches 25%, video watches 50%, video watches 75%, and finally, video watches 100% This will give you enough idea on whether the video is good for retention or not

In the end, the dashboard should look like this. (Fig 8.13)

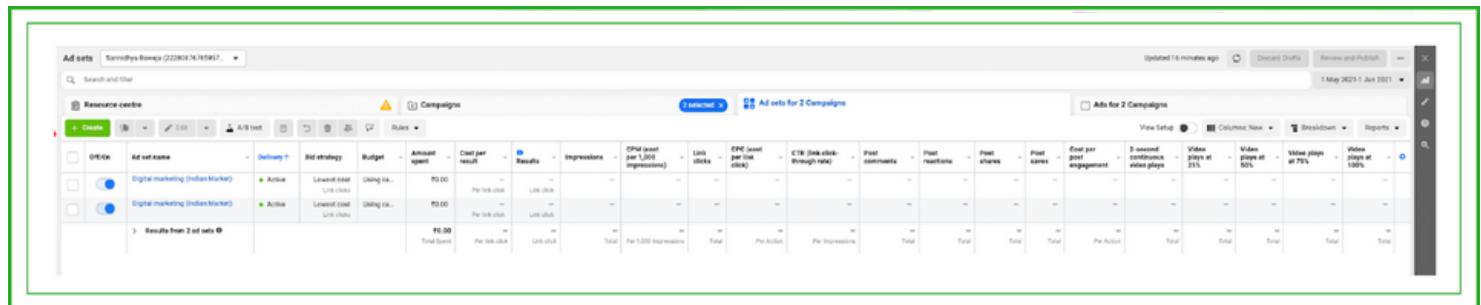


FIG 8.13

## 8.2 Analysis

Coming back to the timeline, let's assume 5 to 6 days have passed. At this point, you'll be faced with one of two scenarios:

- A. Your campaign has achieved a satisfactory Cost per Result
- B. Your campaign has not achieved a satisfactory Cost per Result

In the first scenario, there's nothing more to be done. Simply note down all the other metrics we've discussed so far. This will help you establish a benchmark—so the next time a campaign underperforms, you can immediately identify which metric is causing the issue.

In the second scenario, dive into the individual ad set and begin your analysis. There could be multiple reasons for underperformance. I'll walk you through a few of these using real data for better understanding.

For this book, I'm using a case study from one of my previous clients in the travel industry, based in the UK. Their north star metric is CPL.

In this industry, the ideal CPL is under £8.5. After letting the campaign run for 5–6 days, I inspected the ad set to evaluate the CPL trend.

On July 23rd, the CPL was £77.70—an outlier that I've excluded from Fig 8.14, as it would have skewed the Y-axis and compressed the rest of the data.

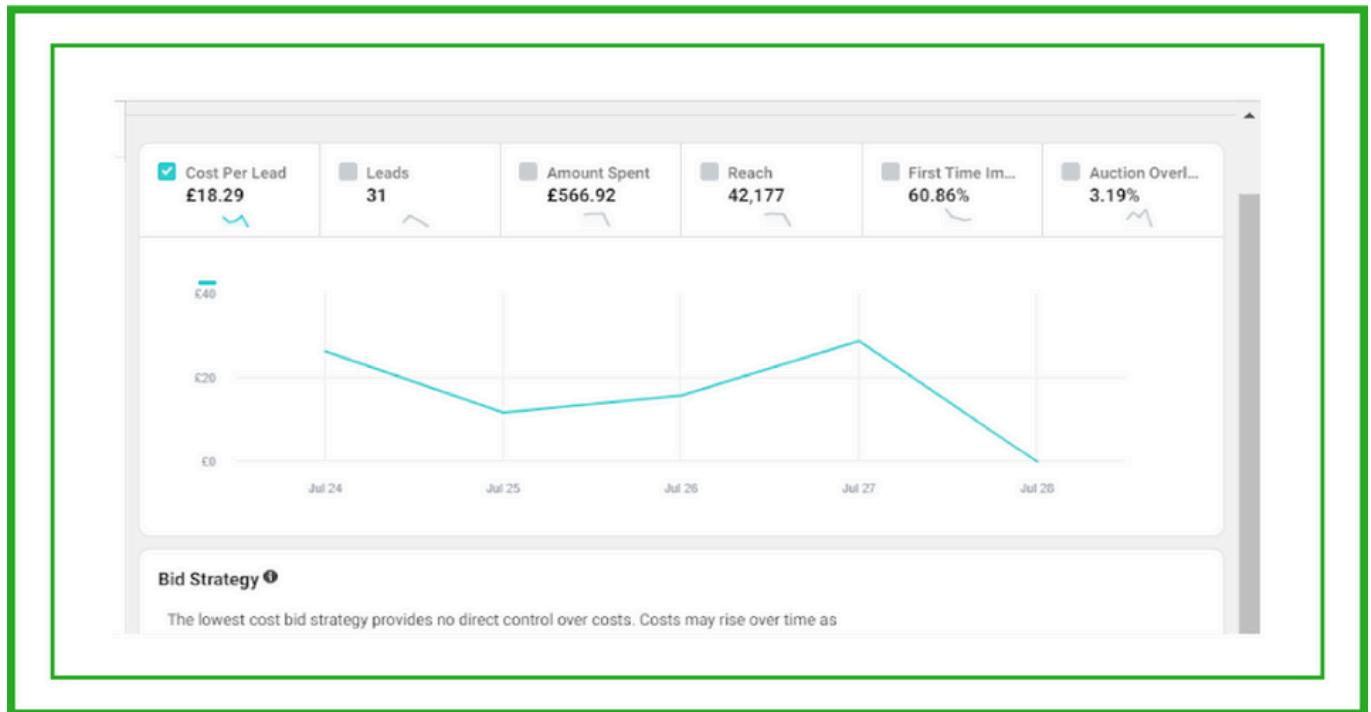


FIG 8.13

This is a typical scenario where I wouldn't hesitate to pause the ad, since the CPL on all days remains above the ideal threshold of £8.5 (but do keep in mind the CPC exception I mentioned earlier).

Here's a key takeaway: if your ad fails to deliver the desired result even once, it's unlikely to perform well in the future (again, remember the CPC-based exception).

The lowest CPL this ad set gave me was £11.75, which is still far from the target of £8.5. So, I decided to pause it.

Since Facebook doesn't show the Learning Phase on this graph (due to bugs within the ad account), I've included another graph (Fig 8.15) from a different ad set with similar characteristics to help you clearly understand the concept.

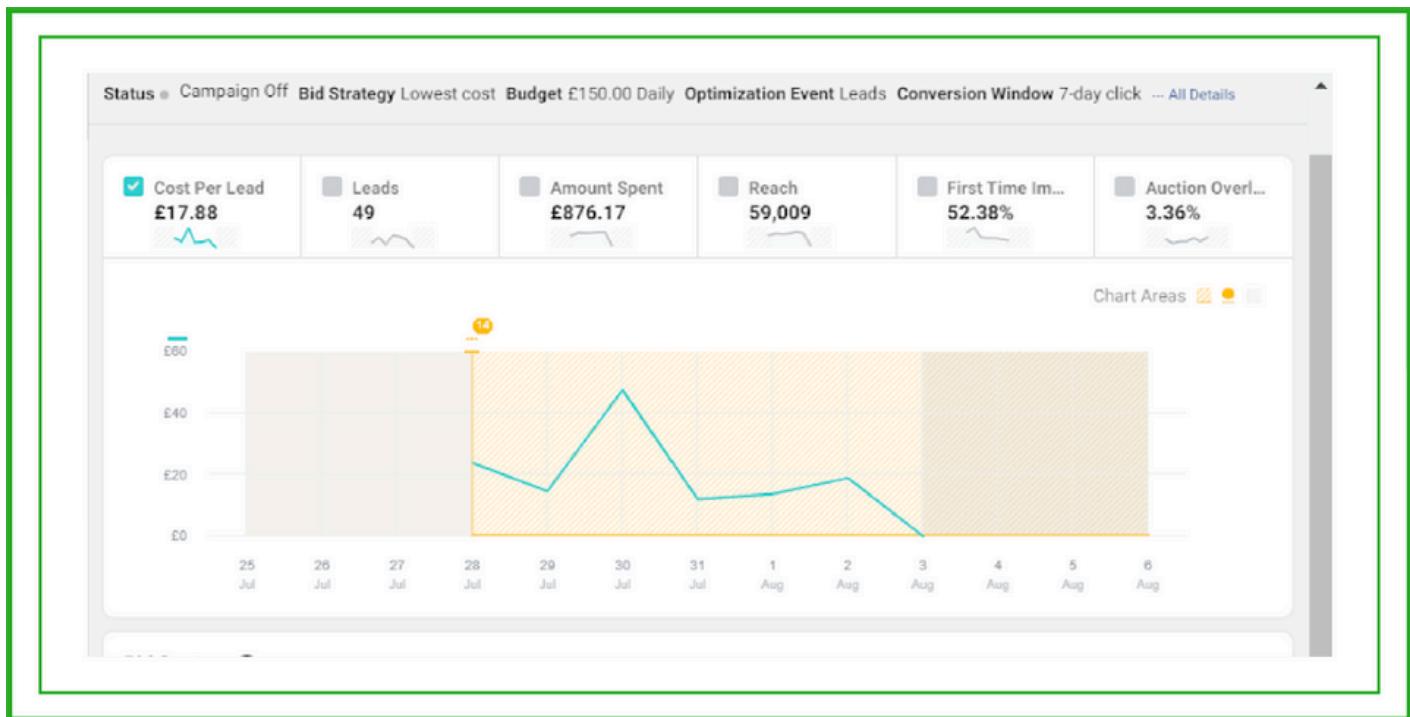


FIG 8.15

If you are wondering about the last day inside this graph, then don't wonder there were no results and that's the day I paused the campaign. Before pausing the campaign, I had spent a bit and that's why you can see the line extending to that day. I am telling you this because you will see the same in a few more graphs moving forward. So don't assume the CPL has come down miraculously.

**Also, in case you don't know how to access these graphs, then simply:**

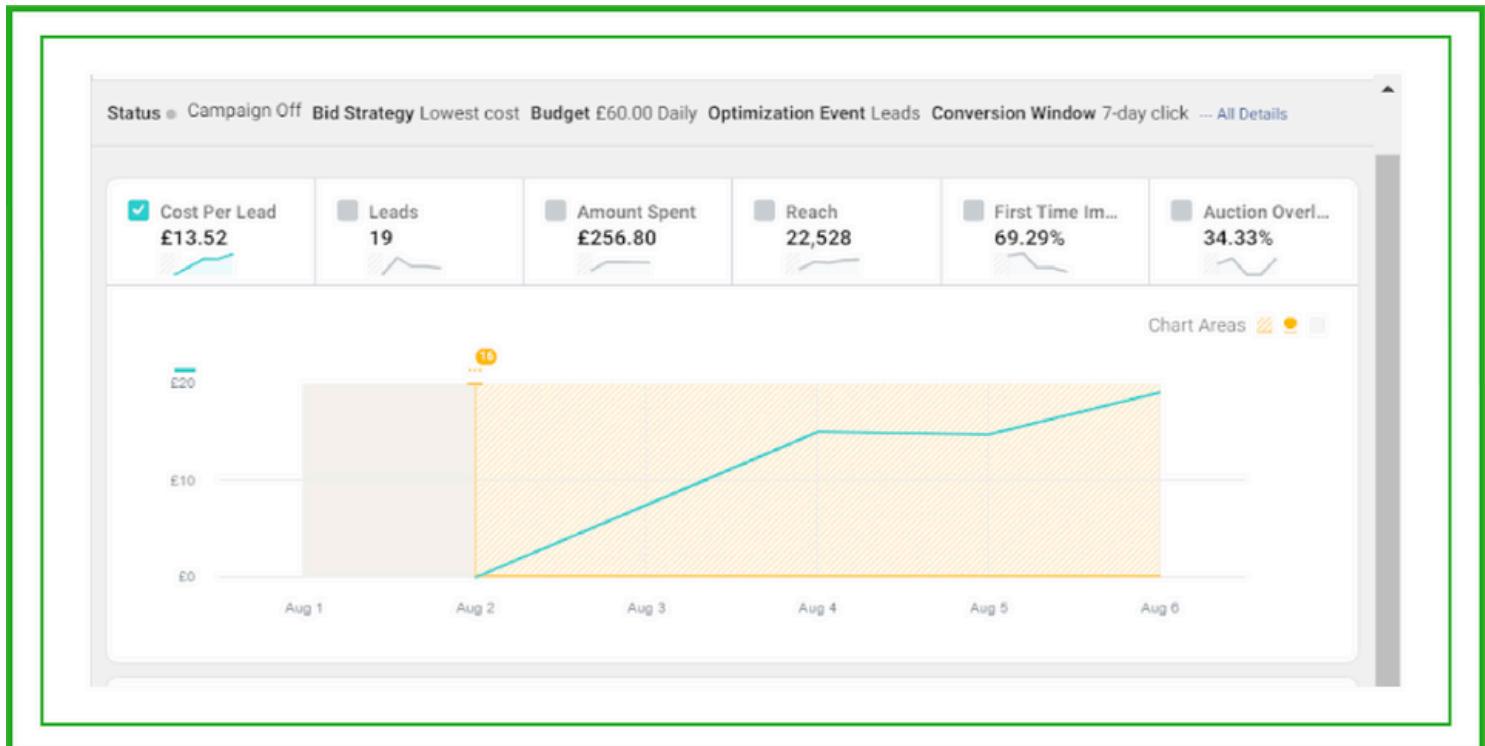
- 1. Go to the Ad set tab.**
- 2. Under the Ad set name, you will find the Inspect option.**
- 3. Click on the inspect.**

You will be able to access these graphs.

The screenshot shows the Facebook Ads Manager interface. At the top, it displays "Ad sets" and the user's name "Sannidhya Baweja (222808767859570)". The status bar indicates "Updated 21 minutes ago" and the date range "1 May 2021-1 Jun 2021". Below the header, there are tabs for "Resource centre", "Campaigns", "Ad sets for 2 Campaigns" (which is selected), and "Ads for 2 Campaigns". The main area shows a table of two ad sets. The columns include: Off/On, Ad set name, Delivery, Bid strategy, Budget, Amount spent, Cost per result, Results, Impressions, and CPM (cost per 1,000 impressions). The first ad set is named "Digital marketing (Indian Mar..." and the second is "Digital marketing (Indian Market)". Both are active and using the "Lowest cost Link clicks" bid strategy. The budget is set to ₹0.00 for both. The results show zero for all metrics except "Link click" which is also zero. A summary at the bottom indicates "Results from 2 ad sets" with a total spent of ₹0.00 and a total link click count of 0.

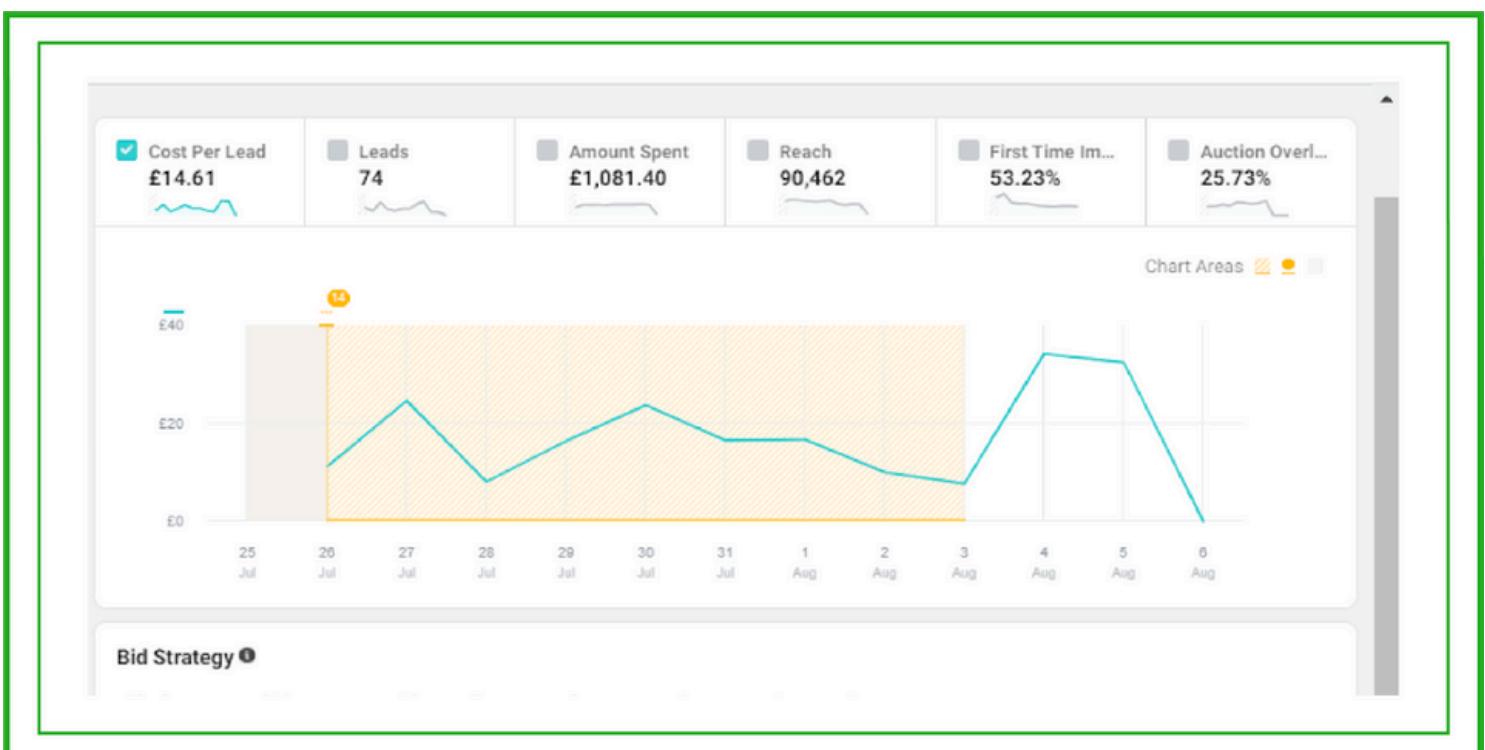
**FIG 8.16**

Another very straightforward example (Fig 8.17) of an increasing trend in the learning phase



### FIG 8.17

The second scenario can look like Fig 8.18 (Does the graph look familiar?)



### FIG 8.18

In Fig 8.18, there's a noticeable dip on 28th July, where the CPL dropped to £7.6—almost in line with the target. Because of that, I allowed the campaign to run for more than 5 to 6 days.

It showed another positive day on 3rd August, so I decided to let it run a bit longer.

However, once it exited the learning phase, performance deteriorated completely—CPL shot up higher than on any learning day. That's when I made the decision to shut it off.

It's perfectly acceptable for CPL to be high during the learning phase for a couple of days. But once the ad exits the learning phase, it's expected to show stable performance.

If it continues to behave erratically after the learning phase, that ad is unlikely to perform, even if the CPC looks fine. This usually means the conversion rate (CR) has dropped, and Facebook is essentially indicating that it can't find a high-converting audience based on the data it gathered during the learning phase.

The best approach in this case is to rerun the same ad set with the same ads or create better creatives, messaging, or offers.

Now let's look at the third scenario below.

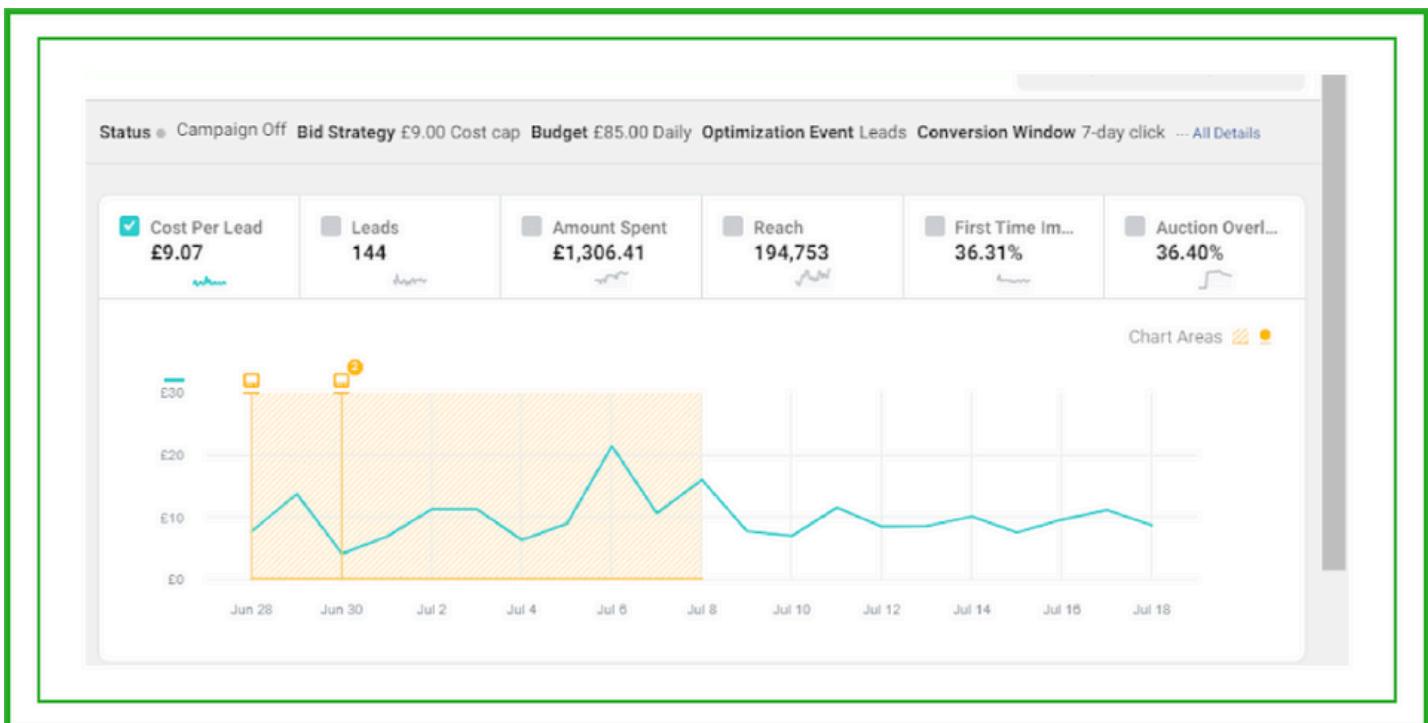


FIG 8.19

I call this the "Rise of the Phoenix" scenario. Toward the end of the learning phase, the graph shows significant volatility. You might feel tempted to pause the ad set, but take a look at the beginning—it was able to achieve a low CPL on several early days along with the desired CPC.

I chose not to pause it, and as you can see, it eventually stabilized.

This is how you identify which audience works for you and which doesn't

As I've said before—and I'll say it again—regardless of your campaign objective, always focus on bringing in cheaper traffic, which means reducing your CPC. If your CPC is low, everything else tends to align.

Facebook will be able to find better audiences with higher conversion rates, or you can optimize your landing page to improve CR—but the only consistent lever that can bring your cost per result down significantly is CPC.

That said, during this journey, you'll still come across alternate scenarios like the ones mentioned above—and in those cases, you'll have to make the tough call and cut the cord.

**Now comes the next part, where you scale the campaign**

### **8.3 How to Scale?**

There are two ways to scale a campaign: horizontal scaling and vertical scaling.

In horizontal scaling, you focus on finding new audiences by running experiments on the unexplored segments you identified in Section 2 of this book.

#### **How do you do that?**

By now, you've likely made a list of audiences to experiment with. You've also discovered which ads perform the best. Now, take those winning ads and run them across the new audiences you want to test.

- If an audience delivers the desired results, it becomes one of your ideal audiences.
- If it doesn't, simply pause the ad set or switch to cold audience ads for awareness and interest building.

This method allows you to consistently discover new high-performing audiences, and that's what defines horizontal scaling.

## **From there, you can:**

- Group the best-performing audiences as discussed in Section 3.2.1
- Drill down by focusing on specific attributes that work, as in Section 3.2.2 Or leave the ad sets untouched, as explained in Section 3.1

In vertical scaling, you gradually increase the campaign budget and observe how much your audience can handle.

By threshold, I mean there will always be a point where the campaign stops being profitable. Once you reach that stage, stop scaling and revert to the last profitable budget level.

## **Let me clarify with an example:**

You launch a campaign with one ad set, targeting one audience, at a daily budget of \$50. This campaign gives you a cost per result of \$3, and to stay profitable, your cost per result needs to stay below \$5.

Now, let's say you increase the spend by \$30. As we know, scaling typically increases the cost per result. Suppose the cost per result rises to \$4—this still keeps the campaign profitable, so there's room to scale further.

Next, you increase the budget by another \$30, and this time, the cost per result jumps to \$5.5. Since the campaign is no longer profitable, roll back the budget to \$80, which was the last point with favorable performance.

As your Pixel matures, you can repeat this process regularly. In most cases, the cost per result tends to drop over time, even at higher budgets.

**Note:** Some businesses focus not on profitability but on achieving a specific ROI. In that case, repeat the same process, but evaluate based on ROI instead of CPL or profitability.

This brings up an important question:

**How much should you increase the budget by?**

The answer is: it depends.

Facebook recommends increasing the budget by 20% at a time, but that isn't always practical—especially if your current budget is \$10 and your goal is to scale to \$500/day. That would take too long.

When your budget is small, and you believe the audience has a lot of potential, you can increase the budget more aggressively.

**For example**, I might scale directly from \$10 to \$100 per day on a national campaign, because I know I haven't reached the audience's threshold.

But if I'm already spending \$1,000/day, I'll be much more cautious. Even a 20% increase to \$1,200/day could saturate the audience, so I might choose to raise the budget only to \$1,050/day

In short, budget jumps are contextual, and only you can decide how aggressive or cautious to be.

## **8.4 How to Revive an Ad?**

Everything is going good but one day, you wake up and realise that everything has fallen apart because your campaign has stopped performing

Now, what should you do? Generally, this is the next hurdle you will face inside a campaign. Before pausing a campaign and giving up all your hopes, try to revive a poorly performing campaign, and if none of these tactics works, give up and pause the campaign.

## **And what are those things?**

First, wait for three days to see if the trend stabilizes. In most cases, performance returns to normal. But if it doesn't improve, the next step is to refresh the creatives. This is usually due to ad fatigue.

## **How to check for ad fatigue?**

### **Look at the frequency of the creatives:**

- If it's more than 2.5 for TOFU and MOFU audiences, or
- Above 4 for BOFU, then it's likely due to fatigue.

To further validate, check if the CTR is consistently declining and the CPM is steadily increasing—both are clear signs of ad fatigue.

In most cases, refreshing the ads helps. Ideally, instead of creating entirely new creatives, try reusing existing high-performing creatives that are already running successfully in other campaigns, but not yet used in this one. If you don't have any, then you'll need to create new ones.

That's why it's important to always run a dedicated campaign on your best-performing audience—but only with new creatives. This lets you test which creatives work and build a reservoir of proven ads. If they perform, you'll have backup options ready for these situations. If not, continue testing until you find one that does.

**(Yes, this casually mentioned point is extremely important! )**

**Second,** if ad fatigue isn't the issue, then refresh the offer.

If you're running a "mid-season sale," try changing it to a "monsoon sale" and introduce a new set of offers. But make sure to coordinate with the pricing team before making such changes

Additionally, even small visual tweaks can help:

- Add a button to the existing creative
- Use stripes
- Make minor layout adjustments
- These can be added within the same ad set, and they often reset the creative's learning phase. This prompts Facebook to search for new converting audience segments.

If none of the above works, try adding transitions or effects to static images using tools like Canva. This generally helps boost CTR and reduce CPC, making the campaign viable again.

And remember the dashboard setup I walked you through in Section 8.1?

Yes, that dashboard is your diagnostic toolkit:

- If CPM increases, refresh your creatives.
- If CPM remains the same, but CPC rises and CTR drops, the offer is weak.
- If CPM, CTR, and CPC are steady, but Spend per Add to Cart rises, the audience is fine, but your landing page may need a redesign or a strong trigger/FOMO element.

Use the dashboard to pinpoint the problem and apply logical reasoning to figure out why it's happening in the first place.

If none of the above methods work, then go ahead and apply a cost cap. While I'm generally not a fan of using cost caps, this is the one scenario where I would recommend it.

By this point, your ads should ideally have started performing.

But if they still don't, try duplicating the campaign using the old creatives that previously delivered good results—and you might just witness a miracle.

## **8.5 When to Finally Shut the Campaign?**

If none of the strategies mentioned earlier help, and the graph continues to trend upward while your CPL keeps increasing, then it's time to pause the ad set and create a new one with fresh creatives.

At this stage, you're essentially starting over—trying new things because the current approach isn't working.

Although it's rare to reach this point if you've followed all the previous steps, it's important to know how to proceed—because Facebook can be unpredictable, and anything can happen.

## **Why Does This Happen?**

There's a theory behind why campaigns behave this way—and why the reset strategy works.

Here's how it goes:

When you start targeting an audience—let's call it Audience X—Facebook doesn't show your ads to everyone in that group. Instead, it starts with a sample segment.

Over a few days, Facebook identifies a subset of users who respond well—let's call them Pocket 1. These users give you the best CPL, so the algorithm focuses entirely on that pocket.

But Pocket 1 is a tiny fraction of the full Audience X

Now, here's the problem: over time, as the ad keeps running, Facebook's machine learning narrows its focus too much—locking in only on Pocket 1 and ignoring the rest of the audience.

This is why performance drops and why your ads stop working—because the algorithm no longer explores outside the original converting group.

The solution?

Restart the process with a new ad set and fresh creatives—so the algorithm resets and starts exploring new pockets within the same audience.

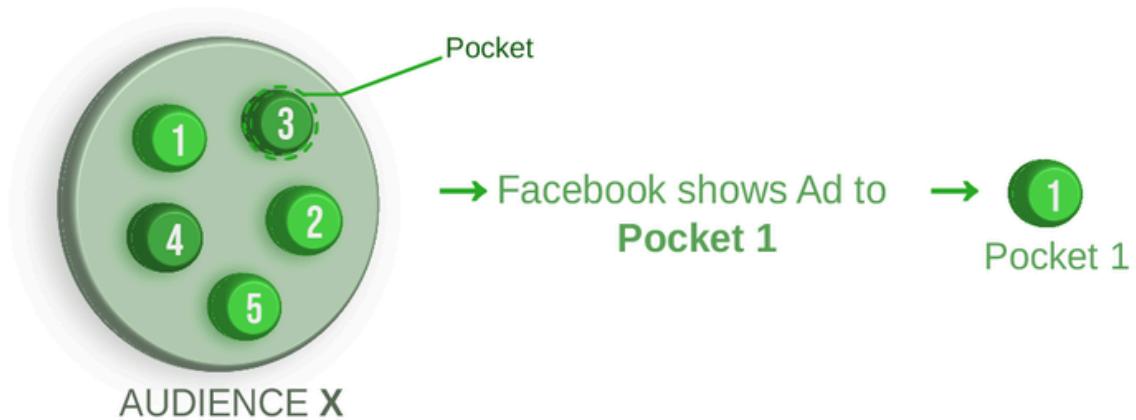


FIG 8.19

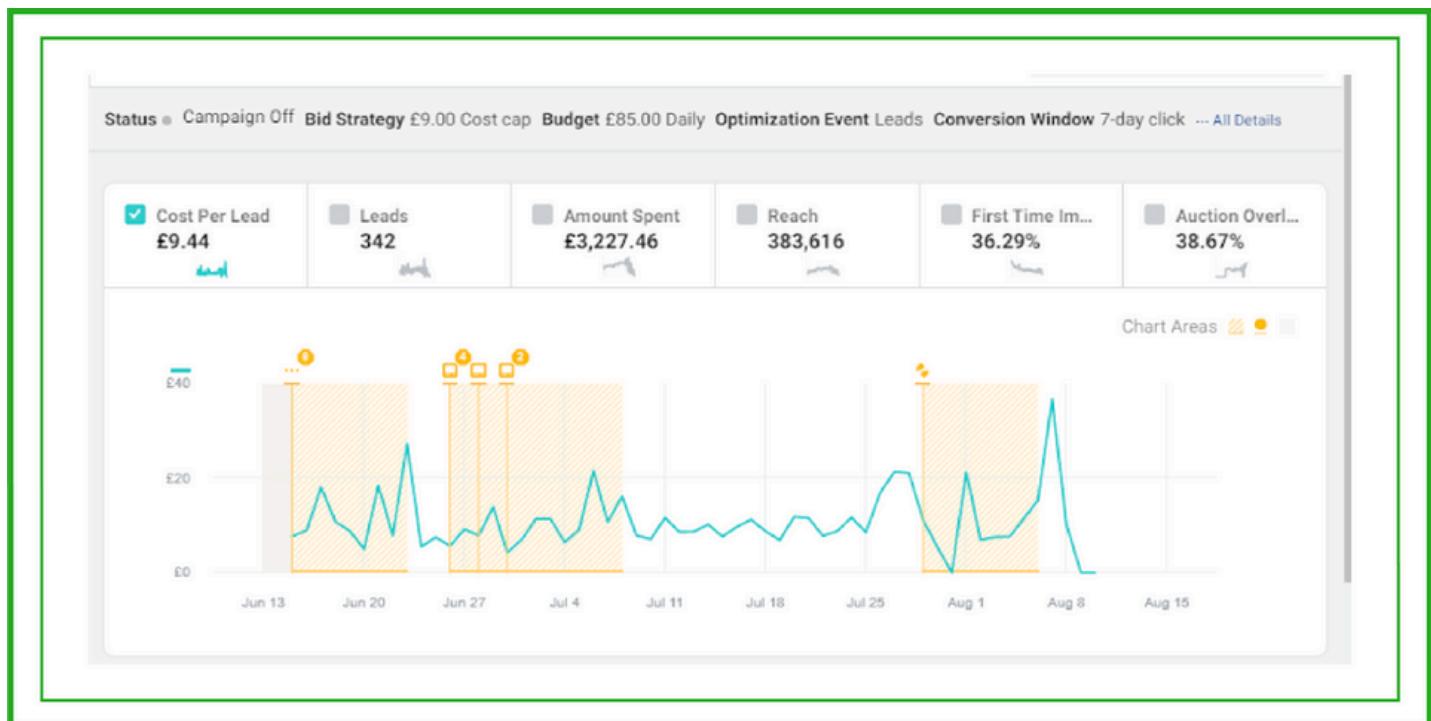


FIG 8.20

## **8.6 What To Do When Nothing Works?**

Well, after trying all of these things, sometimes the account goes downhill, and you cannot revive it by doing anything whatsoever. This happens with everyone. Even with the best who are out there. So the most important thing is to accept that your account has gone downhill and it is not your fault and it happens.

The next step should be to turn off the highly unstable ads immediately. Figure out all the audiences that once showed stable results. Duplicate those campaigns with those audiences with the same set of ads but with significantly lower budgets. Also, don't experiment with new creatives; try to use the old evergreen creatives that haven't been active for a while or if they are active, are giving you good results.

Low-budget traffic is quality traffic, as we all know.

Trying to pinpoint a single culprit metric isn't always possible—because on the surface, everything might look fine. But on a day-to-day basis, one metric or another will disrupt the system.

One day it might be CTR, the next day CPM, and another day it could be CPC.

So in this scenario, the conventional dashboard setup we discussed earlier becomes irrelevant.

Let the campaign run for a few days—things will usually stabilize on their own, and then you can scale it up again.

## 9. CPC and CPM

You can skip this section if you'd like—I'm reiterating a key point. But because it's a critical part of my strategy, I wanted to highlight it explicitly.

**The two metrics I focus on the most are CPC and CPM.**

Facebook is generally capable of finding an audience with an average conversion rate. Plus, we have the ability to optimize landing pages to improve conversion rate, and that process usually involves multiple teams.

But with CPC and CPM, the only approval you typically need is from the marketing manager—and once your branding guidelines are set, you might not even need that.

So my primary focus is always on controlling CPC and CPM.

There's another reason I emphasize this.

Let me explain with an example:

It's much easier to reduce CPC from \$1 to \$0.65 than it is to increase the conversion rate from 10% to 13.5%.

If you're skeptical about this, just follow everything I've shared in this book, give it a month, and you'll likely agree.

Back to the main point:

In both cases, you're improving performance by 35%, but one of those is much easier and faster to achieve. Lowering CPC or CPM gives you a quick and effective reduction in Cost per Result.

That's exactly why I introduced the exception rule during the learning phase.

If you're not getting results in the learning phase because of a low conversion rate, but your CPC is exceptionally low, let the campaign continue. Facebook will eventually identify a high-converting audience.

But Facebook won't suddenly find people who begin interacting with your creatives more just to reduce your CPC or CPM. That part is your job.

And that's all you need to set up and get going.

## **10. FAQs**

### **How much is reasonable to spend on a test budget?**

It depends upon your circumstances. For example, if you are just setting up a new account or launching a new offer, obviously 100% would be on the experiment. But if that's not the case and you want to identify a new audience and new creatives, then somewhere around 10%. For me, if the account is national and the budget is high, then 10% would be to try new things and identify more audiences for myself as well as creatives.

For a local account with a very small budget, there is hardly any room for any experiment.

### **Why would you make a super lookalike when you already have everyone included in the 0 to 4% lookalike?**

I saw the video by the Social Media Examiner where they gave this idea of making a super lookalike. I thought of giving it a try. I ran many experiments where I ran ads dedicatedly on a 0 to 4% lookalike and a super lookalike. I got drastically better results with super lookalike 90 per cent of the time, and that's why I included it. It is a fairly new strategy, and not many professionals are trying.

### **How many days' audience (BOFU) should you exclude from (TOFU)?**

For the purchasers, it depends upon the repeat days rate/frequency of your customers

Using the loyal audience, you will have to figure out the cool-off period. For example, if it is a food and beverage company, people might need a refill every week, and if it is an apparel company, it will take 40 to 50 days before you can start selling them again. And in the case of car finance, it may take 4 to 5 years before advertising to them again.

**Do you recommend using detailed targeting on local businesses? Or it's better to use just the basic demographics (age/gender) and run it in the whole city/area?**

Don't be afraid of doing an a/b experiment because you never know what will perform as soon as you restrict Facebook to a local level. For me, the result has been 50/50 till now. But if the Pixel is mature and has a lot of data, I have generally seen that the latter works the best.

**What if I don't have a customer list initially? Can I run super lookalike?**

Since the iOS 14 update, I wouldn't recommend anyone to start running on any kind of lookalike till the time the base/source audience is not large enough (at least 1000 people). iOS14 has made it difficult to collect the data. If the base of your lookalike is not much, then Facebook won't be able to use its AI and mathematical modelling to extrapolate a good lookalike audience. Therefore, I wouldn't recommend using it at the start of your account. But there is an alternative as you can make a super lookalike of people who have interacted with your instant experience ads or spent a lot of time on your website. Those people will be comparatively quicker to populate in the audience list. T

hey will give you a better ROI or CPL because the base audience will be comparatively bigger.

## **How can I test the interests after the Facebook team disables audience insights?**

You might be interested in going through this article by Facebook; depending on when you read this book, you may or may not have access to the business suite. If you have it, then Mazal Tov and if not, then try doing the things I mentioned while telling you about how to find audiences in section 2

## **When first running adverts, should I warm up the pixel with traffic or engagement ads or go straight into conversion ads for purchases?**

The pixel will be immature only in two cases

- A. It's a new account.
- B. You have just made a new conversion event that wasn't getting tracked earlier.

In the first scenario, you have to run experiments on both the objectives with 80% on traffic and 20% on conversion for the initial few days and as soon as you start seeing better results on the conversion campaign, shift everything on the conversion objective (given that it is your end goal).

In the second scenario, 90 per cent of the time, you can run all the campaigns with the objective of conversion. But if you aren't getting the desired results, then you can replicate what I just mentioned above.

## **They reject all of my ads. What could I possibly be doing wrong?**

If you think you are following all the things mentioned in the Facebook Ad policy then you need to talk to their support to get the problem resolved. At times the automated system that reviews your ad rejects it because of a glitch. Also, if you want to understand how does the reviewing process work, then click on this link I would like to add here- Never use Facebook and Instagram logos in your ad if you don't want your ad account to get suspended. Although you will get the account back after raising the support ticket anyway, you will have to pause such ads. So it is better not to use them in your creatives and save yourself from this cumbersome process

## **How many ad creatives would you recommend per ad set?**

It depends on the account and the budget. But I want every ad to receive at least 8000 impressions within the span of 2 to 3 days. So divide your average CPM with the budget that you are allocating, and you will have the number in front of you. Generally, the maximum I ever go for is 6 enabled ads in an ad set, not more than that.

## **If you have a CBO campaign running, can you make changes like adding a new ad set, creating a new ad set, increasing the budget eventually?**

If your account is going through a stable phase, you can do all the changes mentioned above once every fortnight. But if you are unsure or your account has been behaving weirdly lately then, it would be a better idea to make a new

campaign instead of disturbing the old one and pushing them into a learning phase unnecessarily.

**I have more creatives that I'd like to test but I am wondering if I add them to the ad sets, why would FB even show it if it's been collecting data on the ad creatives that have been running?**

If old ads and new ads are running simultaneously inside an ad set then Facebook will always spend money on old ads. **ALWAYS!!** The best way to test new ads is by completely replacing old ads with new ones or running a new campaign or ad set with those new ads. But as I mentioned in section 3 you need to allocate budget to a campaign that is there only for the experimental purpose. So, put all those new creatives in that campaign and see which one works and when the creatives in the main campaign stop giving you results, copy the best performing ads from the experimental campaign into the old one.

**Can I use CBO to test different creatives (video or single photo, or carousel, or dynamic products etc.) while keeping the same audience for each ad set? So I'll have three ad sets (same audience) and for each ad set different creativity.**

I think this is the best way to identify which kind of creatives will work for that particular kind of audience. It is the best-case scenario to run an experiment as this also reduces the chances of audience overlap and gives you a fair picture of what works and what doesn't.

**How to structure the Campaigns when running an E-Commerce? We have many different product segments that the same group of people purchases.**

For TOFU and MOFU, stage one campaign on CBO for one kind of product group with all the audiences in different ad sets inside that campaign. Similarly, a second campaign dedicated to a different product group.

And for BOFU, all the product groups inside one campaign but different campaigns based on the events. For example, one campaign with all the products but only add to cart action, and different ad sets one ad set targeting 0 to 2 days another 2 to 7 days, another 7 to 14 days and so on. Then another campaign only for add to wishlist people and another campaign with an email list and so on.

**How many interest-based audiences do you typically choose for an Ad-set?**

If the budget is low, then two to three, and if the budget is good enough to get me 8000 impressions for all the ads within three days, then six to eight.

**Every Ad-set of mine now stays in the "learning limited" phase, and I'm using the same ads and audiences previously very successful. Any idea why this is happening?**

I think I have covered everything in section 7. There is nothing more to it. If you still feel that the account has gone for a toss, refer to section 8.6, where I discussed how to deal with an account where nothing is working.

**I am running a local business. The audience size is small. The frequency will get high quite quickly. What would be your recommendation on combating that?**

Sometimes in a local business, the CPL remains under control even after reaching the frequency of 4.

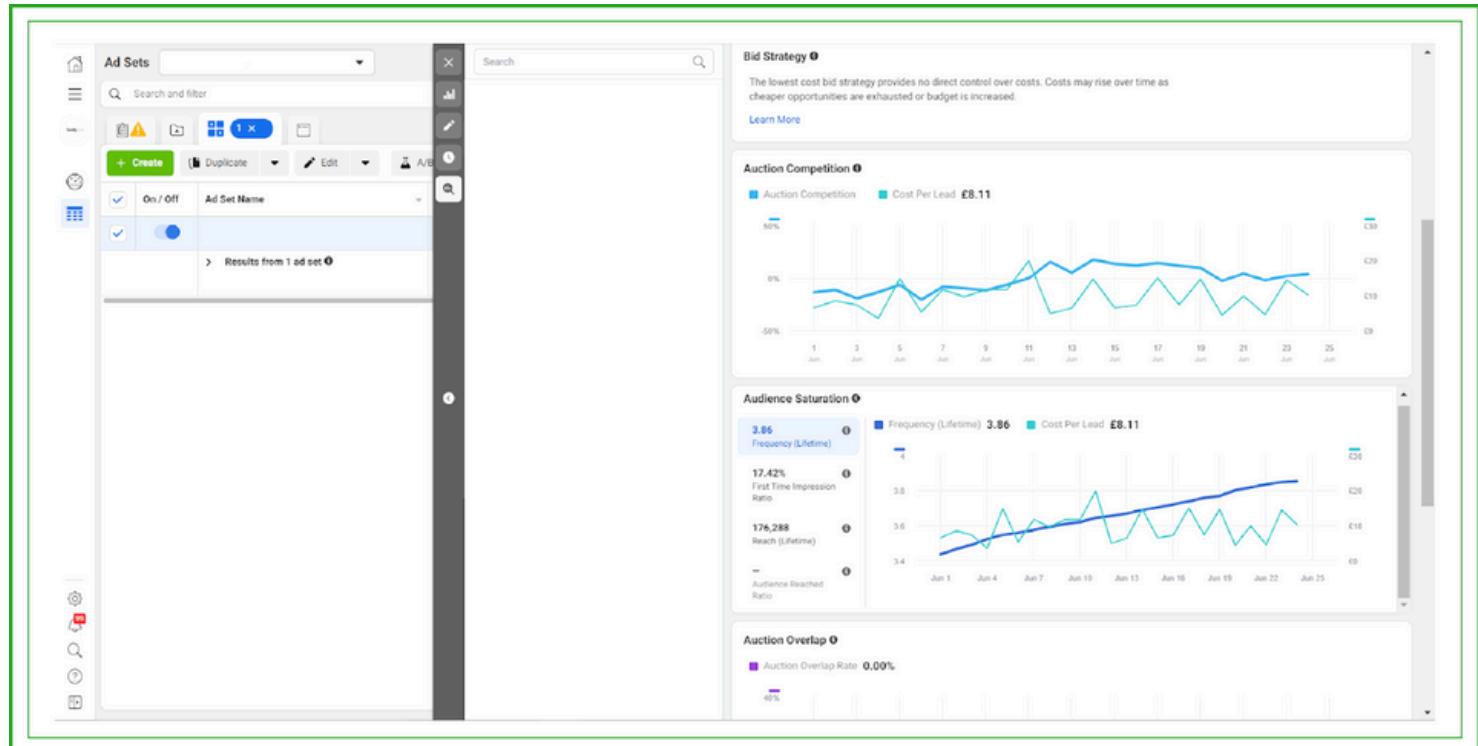


FIG 10.1

But if that's not the case, try to replace the ad creatives after every week

**Do you suggest one interest per Ad-set or grouping similar interests per Ad-set? Or should I group similar interests only when I see my pool of audiences is less or close to 1 mil?**

Initially, you need to run the audiences individually to determine which one works. Then, when you have figured out the audience that works, you can go on and shut the audiences that don't work and amalgamate all the audiences that work in a single ad set. But in the scenario where you are not able to reach the number of audiences of 250k, then you can club them from the beginning as well.

**Say you are targeting specific towns in an area, does it charge you more if you add like 20 individual towns? Would it be cheaper to just target the town in the centre and then create a radius?**

The CPL or CPA of both of them is almost the same. I would recommend going with the latter options to reduce your work and focus on other things which will bring you better results.

**What if I have five stores in one (large) city? Should I add all of those locations in the same ad? Or should I run separate ads for each location?**

It depends upon the purpose of your experimentation. If you want to check which location is the most profitable for you, target them separately. If you want to reduce overall CPL or CPA, then use that particular location. Because when you give Facebook more control, the campaigns become cost-effective.

**Which one is more effective, bid cap or cost cap? Which one to use when?**

Cost cap is more beneficial. I like to have all my campaigns

mostly on the lowest cost (refer to section 6 for detail). There are a few ad accounts that work the best on cost cap. That could happen because of past learning, the audience being targeted or a lot of other reasons. You will be able to identify if you have that kind of ad account by conducting a few A/B tests. But in the long run, I would suggest having an ad account on lowest cost and letting Facebook optimise the same for you.

## **What KPI do you think is the most important when running a Facebook ad?**

The most important metric on a campaign level is the cost per objective of that campaign, and on the account level, it is always revenue or ROAS. Refer to section 8.1 to understand how to diagnose if these metrics go downhill.

## **Audience Test or Ad Creative Test, which one should go first?**

Always go for Ad creatives test first. Because firstly, there is always a very basic audience for all the kinds of industries that is supposed to work. For example, engaged shoppers for apparel e-commerce, travel enthusiasts for travel, vehicle leasing for car finance etc. Secondly, you never know when the current creatives that you think work will go south. Once you have an arsenal of creatives that work, go ahead and put in money to find new audiences.

## **Is the Automatic placement option better than manual placement, in case I have to run my Ads on every possible placement?**

Automatic placement is great when you are new to an account, but once you have identified which placement gives you the best result and which one's worst, start exploiting and avoiding them, respectively. 90% of the time, you will see an improvement but don't overdo it as Facebook doesn't like being told what to do at a very granular level. Therefore, if a placement is giving you good results, then go ahead and make a campaign on just that placement.

## **Which one is better- Ad scheduling or using Facebook rules?**

Ad scheduling using the lifetime budget is far better than using rules. If there is an option to use rules, take that. Use the rule only if that's the last option; otherwise, you will have to do things manually.

## **What to do if my campaign works poorly even after completing the learning phase?**

Refer to section 8.2

## **What if I'm spending \$10-\$30 a day on a small audience (local biz) around 80,000 - 100,000 people. Will turning on Detail targeting expansion be good for me?**

It is one of the biggest dilemmas whether to enable detailed targeting or not. But if the budget is this small and the audience size near 100k, you don't need to. This becomes a heated discussion when the audience size is in the thousands or the budget is in the thousands. If that is the case with you, always do an A/B test to come to a conclusion. (Anyway they have now removed the choice and enabled it for all the ad sets)

**For my campaign, I have diagnosed a high CPC issue. And thus, the plan now is to edit the ad creative/offer. However, should I pause the previous ads and make new ones, or edit the old ad and make these changes instead? What would you suggest?**

Both the scenarios work. But I try to create new ads because sometimes new creatives increase the CPC even more and then you have nothing to fall back upon if you replace the creatives in the old ads. So a wiser choice will be to make new ads.

**What does it indicate if CPM is excessively high from the very start when audience response is untested?**

It is very hard to deduce anything before 8000 impressions and post that if the CPM is still very high, it means the audience is not resonating with the ads. You need to try that creative with some other audience and try new creatives for this audience. But you also need to figure out why CPM is so high. Refer to this section 8.1 of the book to identify that.

**By what amount/percentage can I tweak the budgets so that the active campaign does not go into the learning phase or the learning of that campaign doesn't get reset?**

20% is the answer, but if your budget is really low, then it doesn't matter!

But you have to be smart here. You can increase the budget in whatever way you like. What I mean is if the budget is \$10 then you can increase it to \$200. The campaign will enter the learning phase, but it doesn't matter as it should. On the contrary

if your budget is \$1000 and you increase it by 20% (\$200) then it will be way too much even if the ad set doesn't go into learning. For more detail refer to section 8.3

**At first, I was running my ad at the lowest cost. When it started giving me high CPL/CPA, I switched to cost cap bidding. After that, my ads stopped spending entirely. What should I do next?**

It's time to duplicate the campaign with the same creatives and be prepared with a new set of creatives if the old creatives in the duplicated campaigns still don't work. We are giving a benefit of the doubt that the algorithm screwed up everything, given that the frequency is below 2.5 (if it is already above 2.5 then you shouldn't replicate old ads and install new ads anyway). But if your frequency is below 2.5 and still the new duplicated campaign doesn't perform, you will have to use new creatives.

**If the CPA or cost per conversion increases after you scale, how can you decrease it if the absolute best audiences already have been reached?**

If you have tried everything that I have mentioned in this book then only changing the creative and experimenting with various offers is your only way out from this. Look at your best creatives that have performed in the past and replicate similar ads. This is a sure-shot way to get back on track.

**Many people recommend duplicating instead of increasing the budget or tweaking the existing campaign in order to keep the old results intact. What do you think about this?**

I think creating new ones instead of making changes to the old ones is a better option. There are very high chances that an ad might go south without any reason at all. Real money is involved here! Salary of a lot of people is dependent on the same. You can't throw a hail mary when you have so much to lose. It is always a good idea to keep the old ads in the arsenal and make new ads because if the new ones don't work, you can go back to the old ones for the time being. But it is always contextual at the end of the day.

# 10. CONCLUSION

For the past five years, I have witnessed people create enormous wealth out of nothing because they have the guts of adopting new things. These are called early adopters. Look at most of the YouTubers or Instagrammers. Most of them were early adopters of the platform. This gave them an unfair advantage over the others. But that's not just it. They also had the patience and resilience of running a lot of experiments. You would be foolish if you think the only reason they made it is because they just were the first one's. Everything becomes easier if you have the patience and courage of running experiments. In this book, I have given you an organised way of running experiments and identifying the winners early in the process.

The methods discussed, if appropriately implemented, will help you grow the business even if you were not an early adopter. But next time Facebook rolls out a new advertising feature like Instagram reels, you should be the first one to exploit it. The primary role of this book is to give you a peek into the brain of a person who has been running ads for five years now. Even after running for so many years, I do come across new scenarios that I never even thought of but using the strategies that I mentioned, I have been able to combat all of them successfully till now. I have a strong feeling that after reading this book, you won't get stressed when your account starts dipping or you get a mammoth account with huge spend. You will exactly know what to do and how to

do it. With the pace at which Facebook is currently releasing updates, I am sure there will be a lot of new features coming up. It doesn't matter when you read this book; the last sentence holds.

Therefore, I would leave you with this. Change brings in new opportunities if you have the right perspective and correct tools to deal with it.