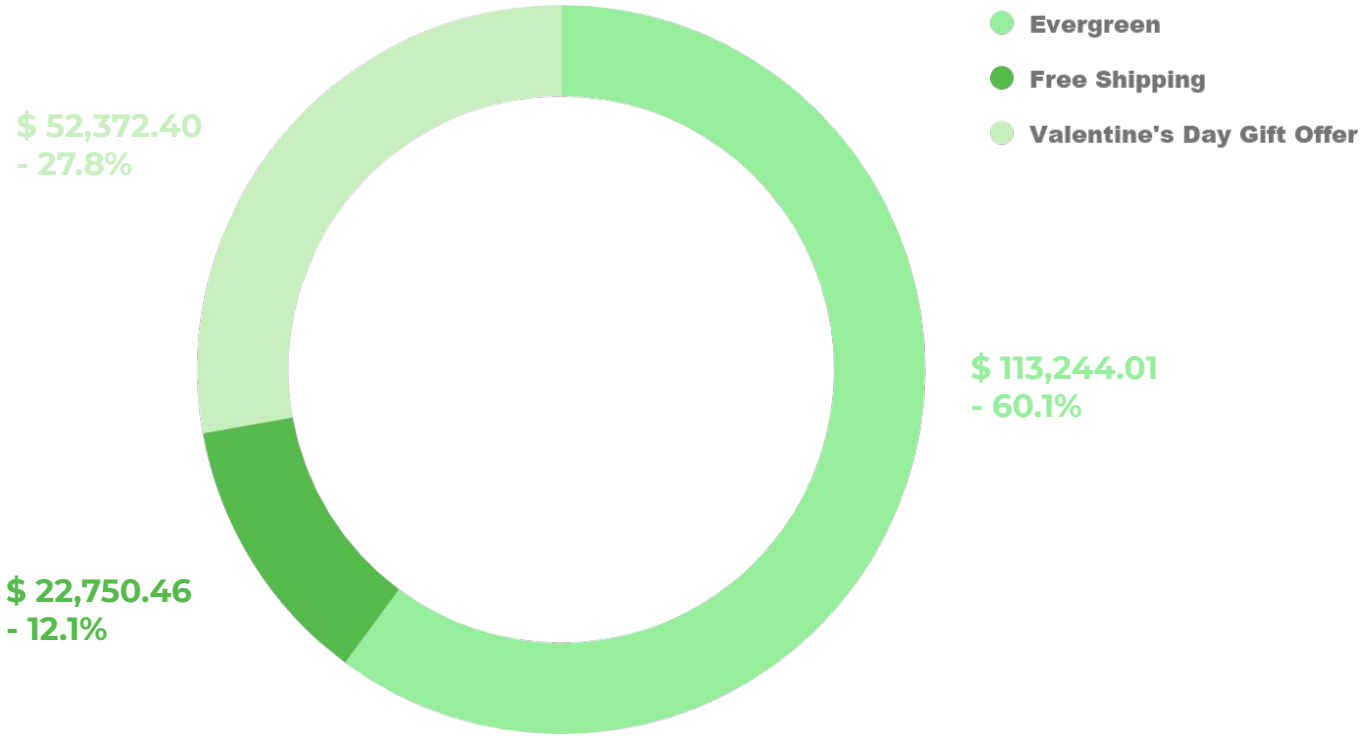
VAYNERMEDIA

Advertising Operations

Adrien Coucaud

Q1. What is the total spend for each campaign?

Total spend for each campaign



Q2. Which was the Cost Per Video View and Cost Per Completion for each creative?

Cost per video view - Cost per completion

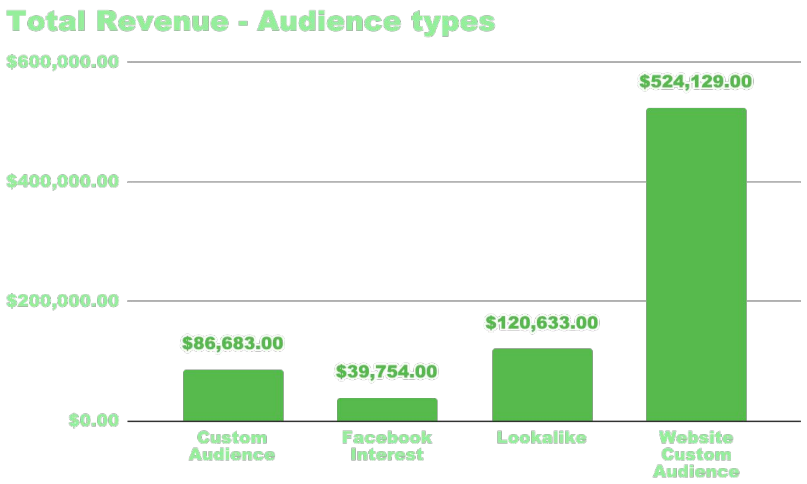
Q3. Create a table that shows Spend, CPM, CTR and CPC for each creative.

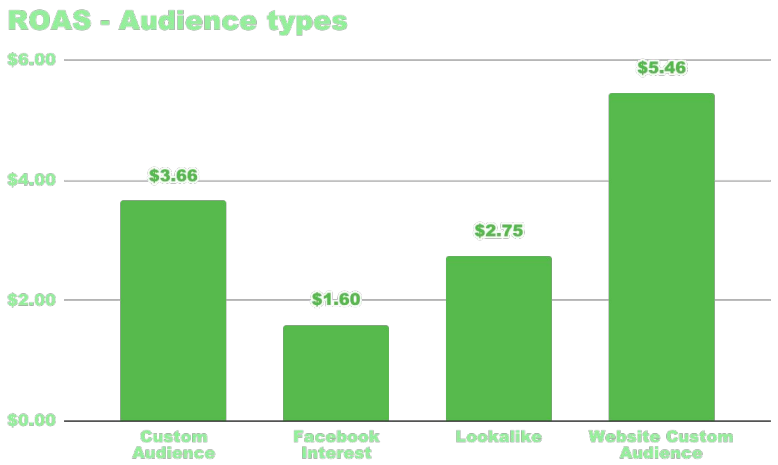
Creatives performances

Creative	Media Spendings	CPM	CTR	CPC
Brand Logo + Free Shipping CTA	$ 9 349.39	$13.14	1.31%	$1.02
Brand Logo + Generic CTA	$ 54 924.38	$8.85	0.91%	$1.03
Brand Logo + Save Now CTA	$ 58 319.63	$8.89	1.00%	$0.95
Brand Logo + Valentine's Day Messaging CTA	$ 23 331.03	$9.30	1.24%	$0.82
Free Shipping + Free Shipping CTA	$ 13 401.07	$13.14	1.32%	$1.01
Valentine's Day + Generic CTA	$ 27 204.47	$9.45	1.15%	$0.89
Valentine's Day + Valentine's Day CTA	$ 1 836.90	$16.12	1.98%	$0.87
Total / Avg	**$ 188 366.87**	**$9.06**	**1.00%**	**$0.97**

Q4. Please join the DCM data to the Facebook Data. What is the ROAS of each Audience Type?

ROAS - Audience types





Every dollar earned for one dollar spent

$4.09 on average

Q5. Research the following:
Custom Audiences, Website Custom Audiences, & Lookalikes.
Explain how each audience is created and how it performed relative to other audiences.

Audience types

- **Custom Audience:** Import your own database on Facebook Ads Manager and let Facebook match your data (emails) with existing accounts.

- **Facebook Interest:** Classic Facebook advertising allowing you to create a very complexe persona. Interests on Facebook allow you to target users who like things that you do, similar products, similar brands and so much more.

- **Lookalike:** Find similar Facebook accounts to a Custom audience/Website custom audience (similar interests, age, location,...).

- **Website Custom Audience:** After installing a tracker on your website (a “pixel” ⇒ Facebook cookies) Facebook is able to track who visits your website and matches them with existing accounts on Facebook.

Audience types - Interactions

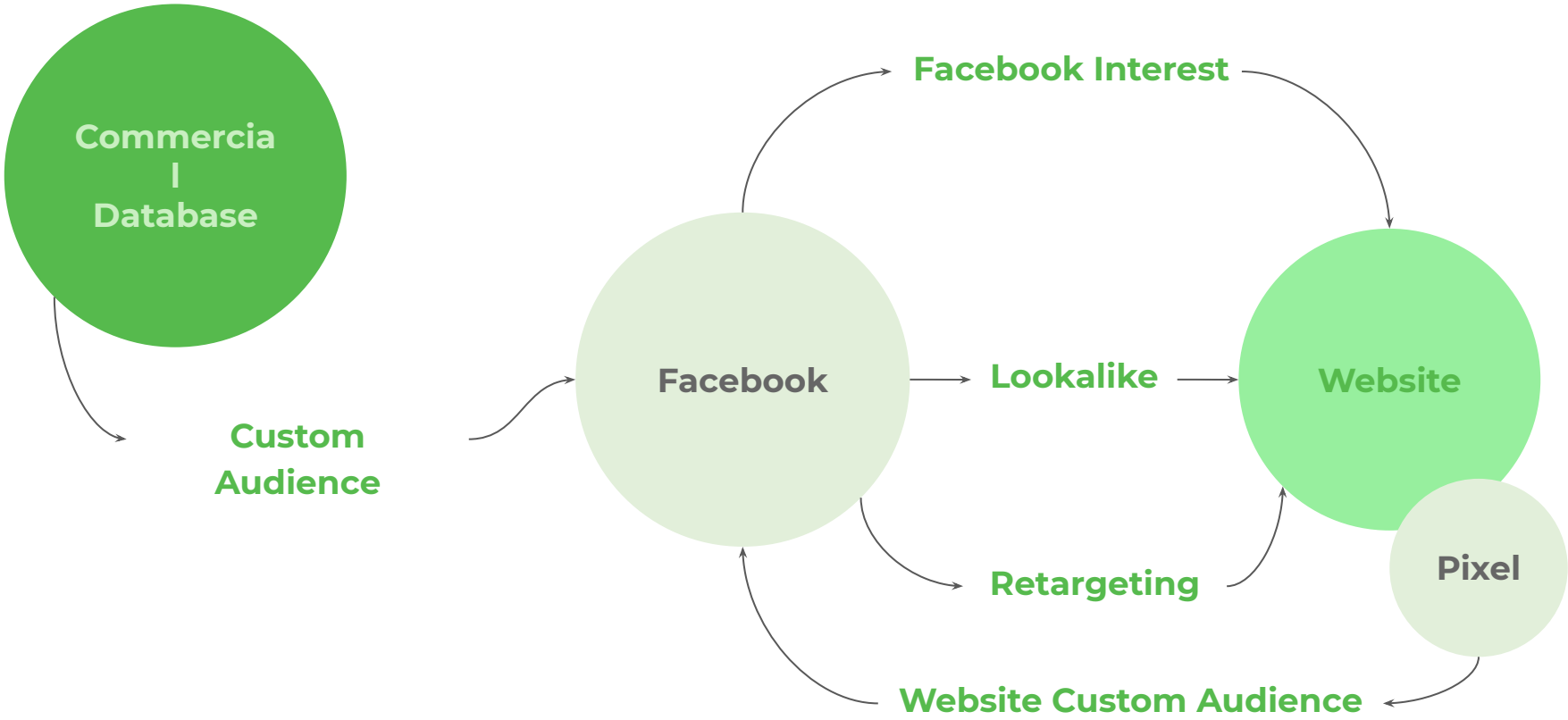
To my opinion those audiences answer to each other and form a marketing cycle.
Showing you this marketing cycle is how i will try to answer your question.

If a brand launches or tries to find new customers she'll try to find a persona and optimize the **Facebook interest audience** until it reaches a satisfying CPC/CPA.
Simultaneously, a brand can input its own database on Facebook and design a **Custom audience** with their already existing customers/prospects.

Advertising those two audiences generates traffic on the website. The users are tracked by the pixel you installed inside your code and enables Facebook to identify Facebook accounts. Those accounts build your **Website custom audience** and allow you to launch a smart retargeting campaign.

Then, it is smart to target accounts similar to your customers, or even most loyal customers. Using the **Lookalike audience**, which finds similar users to the database you choose to input, have the advantage of growing your audience by reaching users that were not in your database yet with the potential conversion rate of your most loyal customers.

Audience types - Interactions

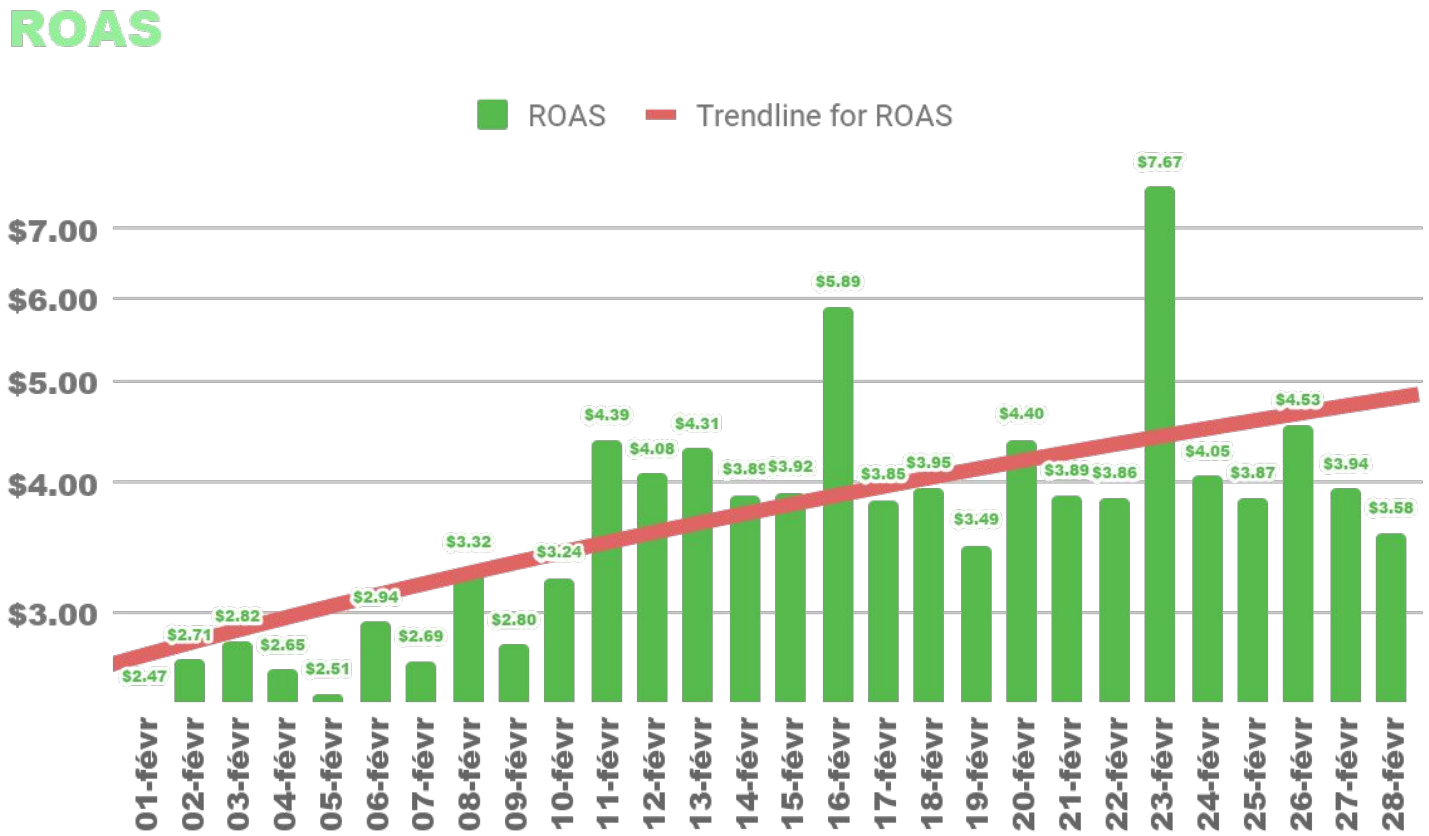


Audience performances

Audiences	Total Revenue	CTR	CPC	Clicks	Purchases	Conv. Rate
Custom Audience	$86,683.00	1.005%	$0.94	28,220	858	3.04%
Facebook Interest	$39,754.00	0.716%	$0.88	36,195	379	1.05%
Lookalike	$120,633.00	0.916%	$1.07	45,478	1229	2.70%
Website Custom Audience	$524,129.00	1.381%	$1.04	104,455	4804	4.60%
Total/Avg	**$771,199.00**	**0.995%**	**$0.97**	**214,348**	**7270**	3.39%

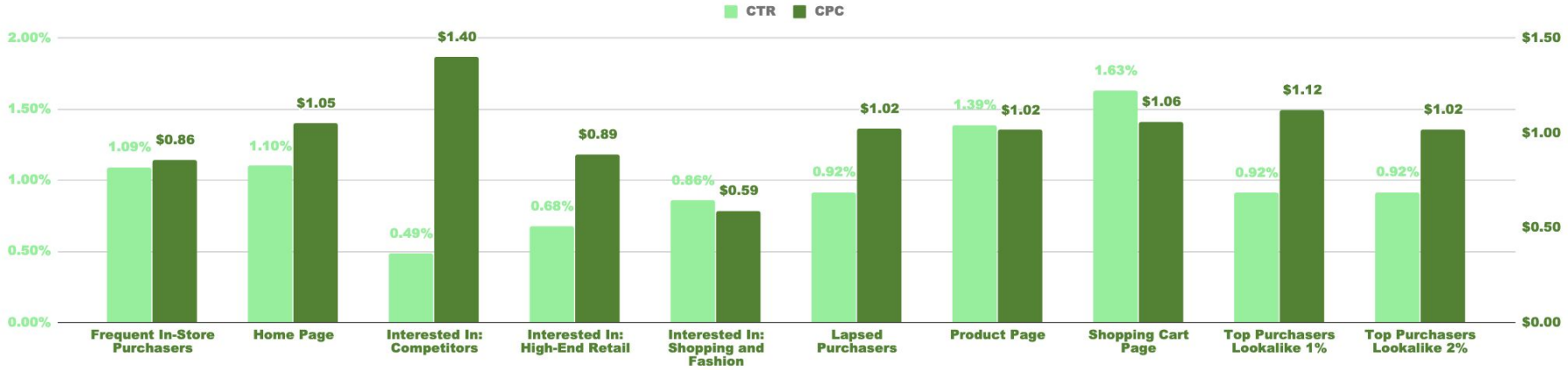
Q6. Create a chart that shows daily ROAS performance.

Daily ROAS performances



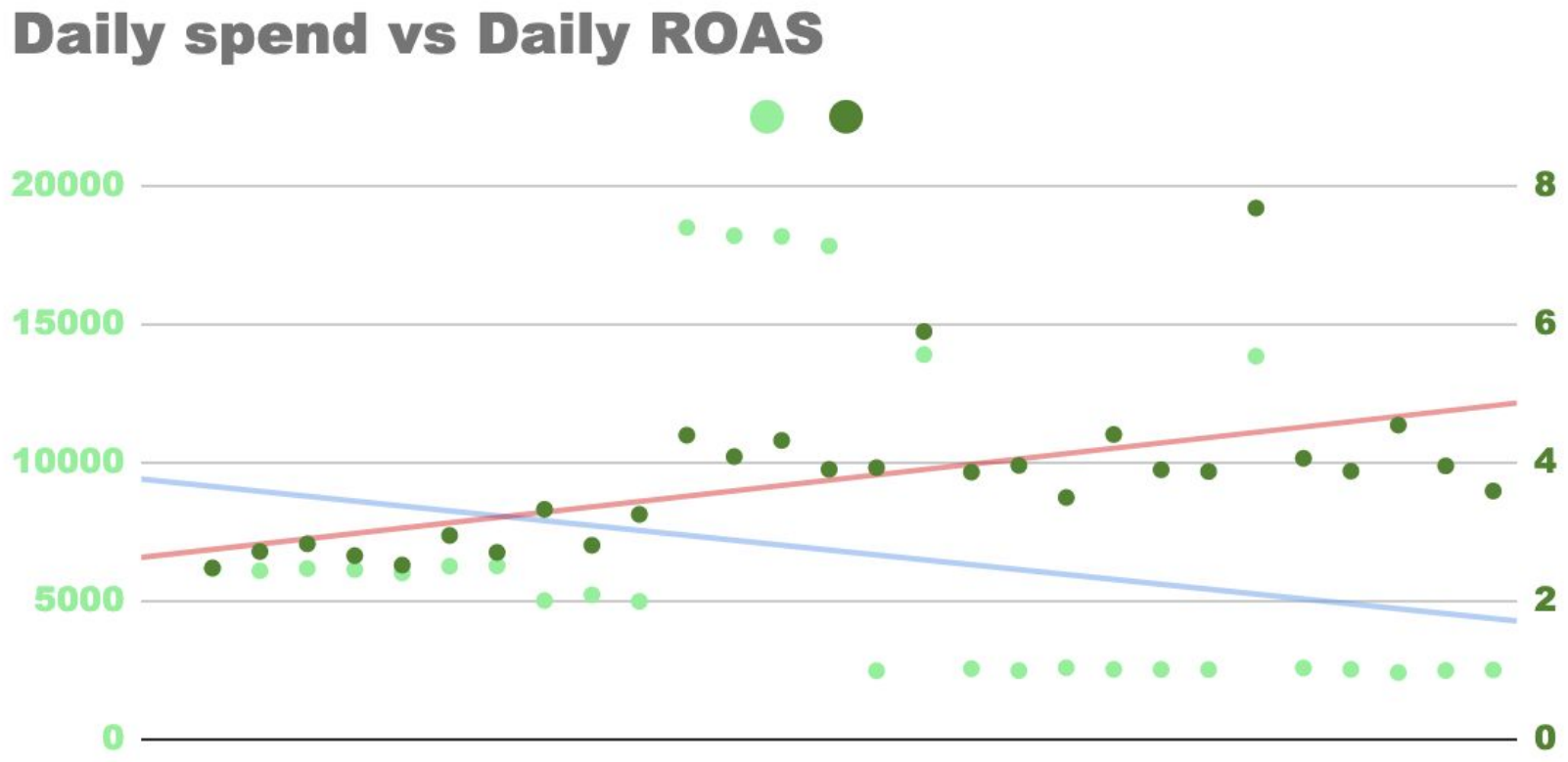
Q7. Create a chart that shows CPC and CTR performance by audience.

Audience KPIs



Q8. Does amount of Daily Spend correlate to ROAS generated? Using a scatter plot and trendline, show the correlation between the two - is there a strong correlation?

Daily spendings & ROAS correlation



Daily spendings & ROAS correlation

If we only take in account the two trending lines, we see **a negative correlation** meaning that when the daily spendings go down the daily ROAS go up.
But we also see **two peaks** at $5.89 on the 16th of Feb and $7.67 on the 23rd of Feb were obtained by boosting the Media spend on those days going from $6K to $13K and $2.5K to $13K.

This campaign rolled out **on three phases:**
- a Launch with $6K daily spend on average
- a Push made before the Valentine's day period with at least $17K spent each days
- a Post-Push with a great decrease on media spend ($2.5K on average)

On phase 1, the ROAS was comprised between **$2.47 and $3.32.**
On phase 2, the ROAS was comprised between **$3.89 and $4.39.**
On phase 3, the ROAS remained in this tendency **($3.49 - $4.40).**

Daily spendings & ROAS correlation

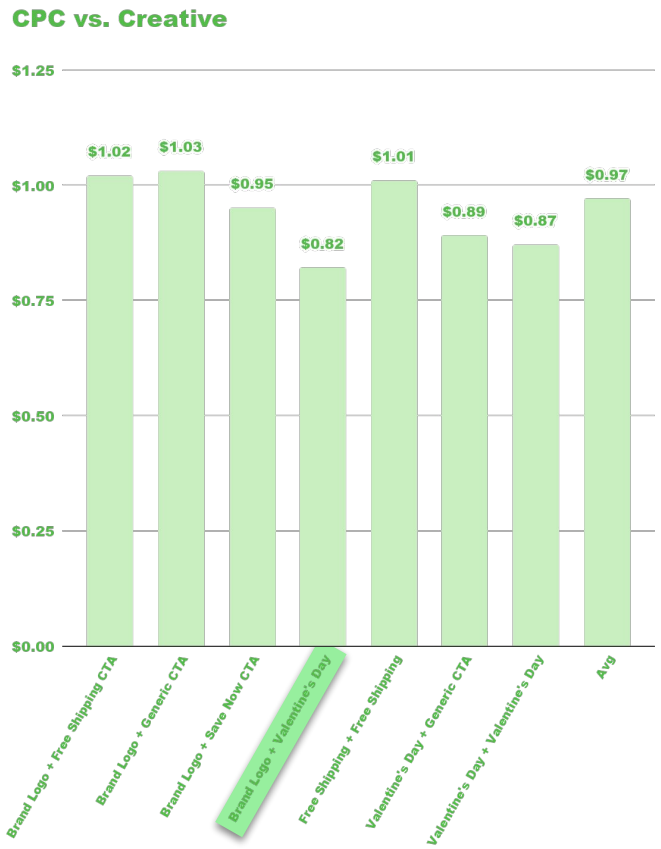
On phase 1, the ROAS was comprised between **$2.47 and $3.32.**
On phase 2, the ROAS was comprised between **$3.89 and $4.39.**
On phase 3, the ROAS remained in this tendency **($3.49 - $4.40).**

The push on phase 2 made the ROAS reach a new level, **moving $1 up**, which can mean that **paying more is rewarded** but it also correlates with **an intense shopping period** which can explain the media spend/revenue proportion.
The interesting insight is that the ROAS tend to **remain on the same level** on phase 3 even though the daily budget was **divided by seven.**
My assumption is that Facebook tends to **align campaign performances**, so the advertiser remains satisfied and keep spending money on the platform. We can also believe that the **campaign creatives and targeting strategies got optimized throughout the time** which would explain why the ROAS is lower at the beginning than at the end of the campaign.

Q9. Which metric in the chart from question 3 would you use to determine which creative performed best and why? Which creative performed best by this metric?

Best performing creative

Creative	CPC
Brand Logo + Free Shipping CTA	$1.02
Brand Logo + Generic CTA	$1.03
Brand Logo + Save Now CTA	$0.95
Brand Logo + Valentine's Day Messaging CTA	$0.82
Free Shipping + Free Shipping CTA	$1.01
Valentine's Day + Generic CTA	$0.89
Valentine's Day + Valentine's Day CTA	$0.87
Avg	**$0.97**



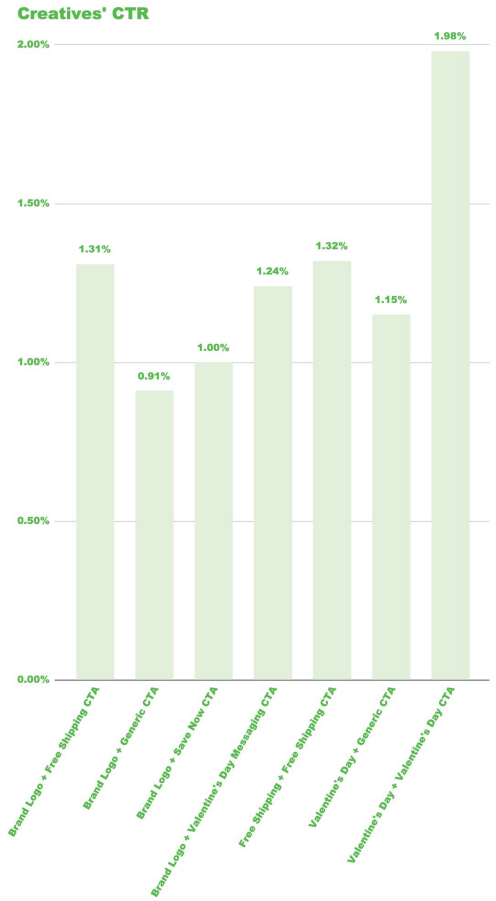
Best performing creative

At first, my conviction lied in the **CPC**, as I thought this would translate the performance of the creative. Indeed, I believed that cheaper the CPC was, the better the creative performed.

But to make sure my assumption was correct **I double checked with the ROAS**. Comparing the three metrics from question 3 with the ROAS performances, it appeared that the **top 3 performing creatives were the top 3 CTR.**

Creative	Total Revenue	Media Spend	ROAS	CTR
Brand Logo + Free Shipping CTA	$59,226.00	$9,349.39	$6.33	1.31%
Brand Logo + Generic CTA	$165,212.00	$54,924.38	$3.01	0.91%
Brand Logo + Save Now CTA	$200,867.00	$58,319.63	$3.44	1.00%
Brand Logo + Valentine's Day Messaging CTA	$103,386.00	$23,331.03	$4.43	1.24%
Free Shipping + Free Shipping CTA	$106,979.00	$13,401.07	$7.98	1.32%
Valentine's Day + Generic CTA	$121,235.00	$27,204.47	$4.46	1.15%
Valentine's Day + Valentine's Day CTA	$14,294.00	$1,836.90	$7.78	1.98%
Total	**$771,199.00**	**$188,366.87**	**$4.09**	**1.00%**

Best performing creative



Creative	ROAS	CTR
Brand Logo + Free Shipping CTA	$6.33	1.31%
Brand Logo + Generic CTA	$3.01	0.91%
Brand Logo + Save Now CTA	$3.44	1.00%
Brand Logo + Valentine's Day Messaging CTA	$4.43	1.24%
Free Shipping + Free Shipping CTA	$7.98	1.32%
Valentine's Day + Generic CTA	$4.46	1.15%
Valentine's Day + Valentine's Day CTA	$7.78	1.98%
Total	**$4.09**	**1.00%**

Q10. What other factors would you consider (outside of question 9's metric) in analyzing the most effective creative tactic? How could you control for this moving forward?

Measuring Creatives' performance

Creatives	Number of Purchases	Media Spend	Revenue	ROAS	CPA	AVG Selling price
Brand Logo + Free Shipping CTA	602	$9,349.39	$59,226.00	$6.33	$15.53	$98.38
Brand Logo + Generic CTA	1561	$54,924.38	$165,212.00	$3.01	$35.19	$105.84
Brand Logo + Save Now CTA	1854	$58,319.63	$200,867.00	$3.44	$31.46	$108.34
Brand Logo + Valentine's Day Messaging CTA	941	$23,331.03	$103,386.00	$4.43	$24.79	$109.87
Free Shipping + Free Shipping CTA	1022	$13,401.07	$106,979.00	$7.98	$13.11	$104.68
Valentine's Day + Generic CTA	1152	$27,204.47	$121,235.00	$4.46	$23.61	$105.24
Valentine's Day + Valentine's Day CTA	138	$1,836.90	$14,294.00	$7.78	$13.31	$103.58
Total / Avg	**7270**	**$188,366.87**	**$771,199.00**	**$4.09**	**$25.91**	**$106.08**

Having **Revenue related KPIs** would be a better to measure performance as the website seems to be an e-commerce platform doing sales for Valentine's day.
Having the "**CPA**" (Cost Per Acquisition) for each of our purchase that we consider as an acquisition, we measure how much money it costs to generate one purchase. This KPI highlights very quickly if a creative is expensive before performing. Having the **Avg selling price** enables us to check if the **CPA is lower than our Revenue.** We want to make sure that the **cost to generate a sale is lower than the revenue generated by the sale.**

Q11. What would you have done to optimize this campaign?

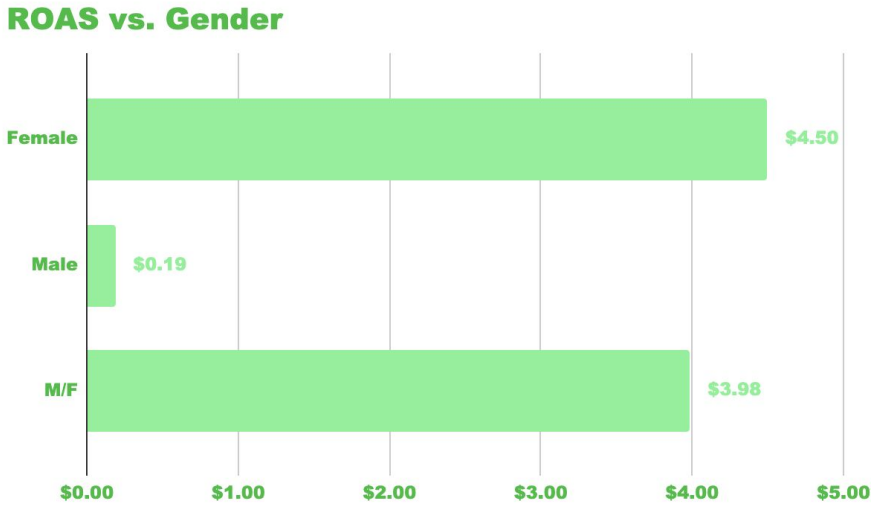
Optimizing the Campaign

- **Time management** ⇒ Cut the ad during low conversion times and prioritize when our target is mostly connected/active.
- **A/B test** creative variations.
- **Use existing posts** with a high engagement rate ⇒ Boost the quality score/ranking ⇒ Facebook generates more impressions.
- **Gender targeting** ⇒ exclude male (See the bar chart below).
  Cutting the $7K spent on male and putting them in targeting women would have potentially bring $35K more in revenue.

Demonstration:

Total spend for male/Total spend for women
= 0.08

Total Revenue for women * 0.08 **= $35,495.13**



Q12. What variables were not tested in these campaigns that would have interested you? Why?

Additional data, measurements & KPIs

Bounce rate (Is the website/landing page optimized)

Ad Frequency for the **Evergreen** Campaign

Age range

Location/country/state/city

Schedule effectiveness (When is the ad performing during the week/day)