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How to Maximize Advantage+ Campaigns for E-Commerce Success on Facebook

Learn how an e-commerce clothing brand generated over \$3.4M in net revenue with Meta's Advantage+ Shopping campaigns and a horizontal scaling approach. Achieve exponential growth for your ad campaigns and optimize your ROI.

Kyle Wright, Growth Team Lead 7 min read 1/10/2024

Meta's release of Advantage+ Shopping campaigns has been revolutionary for e-commerce businesses throughout 2023, yet it's crucial to identify and address potential pitfalls.

One common issue with Advantage+ is the tendency to latch onto a singular creative. There is typically no even distribution among ad spend across various testing scenarios making it difficult to gauge learnings about the bath.

High spenders dominate, generating the cheapest traffic lending itself to the algorithm, but at the expense of key business KPI's like CPA, ROAS, LTV/CAC or really any primary Purchase conversion metrics.

The testing process itself can become cumbersome with Advantage+. I recommend creating a control campaign or opt for offer-specific campaigns, utilizing 4-6 ad creatives with a run time of 3-4 days for budgets of \$500+/day and 5-7 days for budgets of \$250/day or less. More budget = faster learnings. Quickly turn off poorer performers, rinsing and repeating the process until a winner is identified. Despite the benefits of quick learnings, this can limit the agility of campaign adjustments.

Campaign Structure and Scaling

We moved away from traditional prospecting campaigns with exclusions and instead focused on a more full-funnel-inclusive structure. This involves grouping purchasers within a 180-day window and a Klaviyo customer list into a top-of-funnel (ToF)/bottom-of-funnel (BoF) funnel, all housed within a single campaign. In our accounts, we generally see an 80/20 split between new & returning customers (which can be viewed in Meta's reports), with DPA-specific campaigns gravitating towards a 50/50 or 40/60 split favoring returning customers.

Scaling becomes relatively easy given that Advantage+ campaigns can handle a significant increase in budget with a marginal degradation in performance. If you do not have access to the budget scheduling tool, utilizing ROAS rules or increasing by a flat 20% day-over-day (depending on performance) works almost as well.

Horizontal scaling emerges as a potent strategy involving the creation of offer-specific campaigns, duplicating top-performing post IDs, and incorporating flash sales. This not only broadens the reach but also enhances the efficiency of ad spend.

The key is to consolidate multiple top performers into a singular campaign, enabling it to sustain a higher ad spend threshold while maintaining performance. With multiple top performers from duplicated post IDs, we saw a more even distribution of spend, allocating anywhere from 60-70% to the top performer, 15-20% to the "second winner," and the remaining percentage spread across other winners.

Takeaways

Drawing insights from these strategies, the importance of moving away from traditional prospecting campaigns is evident. Retargeting campaigns should be retained, with a specific focus on duplicating top-performing post IDs into these campaigns.

The horizontal scaling approach showcased here can quickly transition into vertical scaling, demonstrating the potential for exponential growth. The bottom line here is the traditional model of the ToF/MoF/BoF funnel system is outdated with the leveraging of Advantage+ campaigns.

Crucially, establishing a baseline for budget testing is recommended. It provides a foundation for understanding campaign performance and aids in making informed decisions.

Additionally, contacting Meta reps for insights into budget scheduling tools is highlighted as a game-changer. Such tools can revolutionize advertising strategies, especially for businesses with distinct buying pattern trends, such as higher performance on weekends and lower performance on certain weekdays.

This worked for an e-commerce clothing brand we work with. Over 3-4 months, we used these strategies to figure out the cadence of testing, optimizations of campaigns, launching multiple creative tests, and dialing in BFCM/holiday season promotions.

The Results

\$3.4million in net revenue
1.75 in platform ROAS, 2.89 blended
30,000+ first-time orders above a 1 ROAS
\$1.2million in profitable ad spend
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