12 Facebook Ad Targeting Tips to Increase Your ROAS

Facebook ads is a game where those who know how to target their audience win.

The reason is simple —better Facebook Ads targeting leads to higher conversion rates. And higher conversion rates lead to better ROAS (return on ad spend).But how can you improve your Facebook ad targeting without losing a lot of money with testing?

This can be tricky. Because while targeting the right people can net you great return on investment, you can also lose all of your investment if you target the wrong people. You either hit or miss. So you need to be very accurate when it comes to determining who's your target audience and who's not.

Continue reading for 12 actionable tips that will help you **accurately determine your ideal target audience** and **increase your return on ad spend** with the help of hyper-targeted ads.

1. Use Facebook Audience Insights wisely

Facebook Audience Insights offers a ton of valuable data on your Facebook audience including demographics, interests and location. This information can help you create heavily targeted Facebook ad campaigns.

Here's how to use it:

1. Go to the Facebook Audience Insights dashboard and select an audience. You can choose between everyone on Facebook or your current followers.

2. Choose a demographic that fits your target customers. You will be able to learn about their interests, location, job titles, language and so on.

3. Find out what your target audience is consuming on Facebook. What Pages do they follow? What content categories are they most interested in?

4. Using the control panel on the left side of the screen, play with the options and narrow down your audience until you've found a profitable niche you can sell to. Then, save your audience.
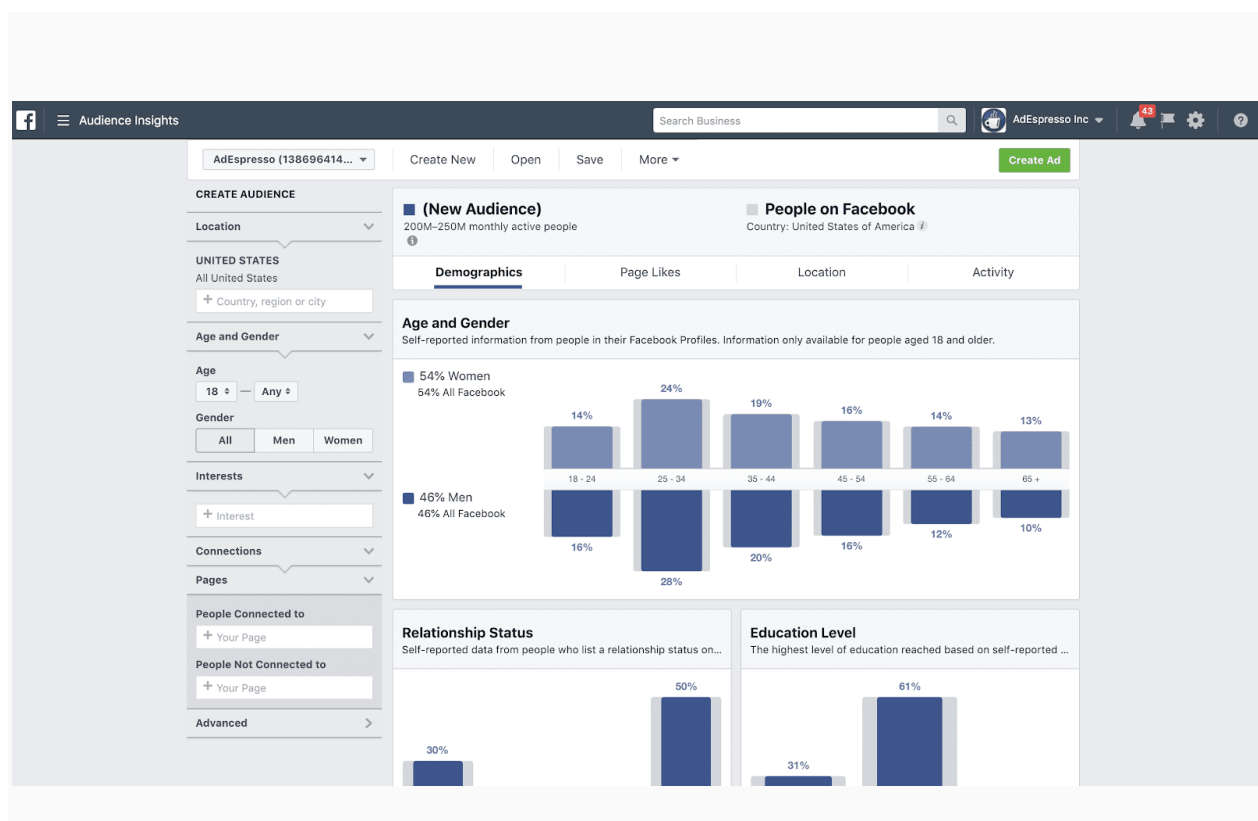
After you've saved your audience, click on the **Create Ad** button in the top right corner of the screen. This will take you to an ad creator, and all of the targeting details will already be filled in for you.

Learn more about this process in our Facebook Audience Insights guide.2.

Leverage Facebook Custom Audience strategies

Facebook Ads Manager allows you to submit your own audience in the form of email lists, phone numbers, landing page visitors and so on. This feature is called Facebook Custom Audiences.

Here, you can further personalize your targeting with custom audiences to put your ads in front of the right people. Leveraging Facebook Custom Audiences offers many conversion opportunities like:

- Sending upselling ads to your existing customers.
- Excluding existing customers from receiving ads targeted to new prospects.
- Targeting people who have already visited your website and giving them a second chance to engage with you (you need a Facebook pixel for this).
- Segmenting your target audience and testing different hyper-targeted ads.

Creating a custom audience is as simple as heading to the **Audience** section in Ads Manager, and clicking on **Create a Custom Audience**.

Available Custom Audience sources include:

- **Customer list.** This should include emails or phone numbers and names.
- **Website.** Use this option to retarget people who visited your website or a specific page within a period of time.
- **App activity.** You can create an audience consisting of users who perform specific activities in your app.
- **Offline activity.** This option allows you to target people who have interacted with your business in person.
- **Facebook sources.** Here, you can target users who interact with your business on Facebook and Instagram, e.g. watch your videos, or browse your product catalog or follow your Page.

With Facebook Custom Audiences alone, you can play around with different ad campaigns until you hit a sweet spot.

3. Create a lookalike audience to expand your reach

Once you create a Custom Audience, Facebook gives you the option to also target people who share a similar profile to your audience, a.k.a. lookalike audiences. This is called interest-based targeting.

This process is key to attracting new prospects to your business. Because if you target people who have the same interests, desires and problems as your best customers, there's a high chance that they'll eventually become customers too!

To create a lookalike audience, go to your Ads Manager menu and hit **Audience**.
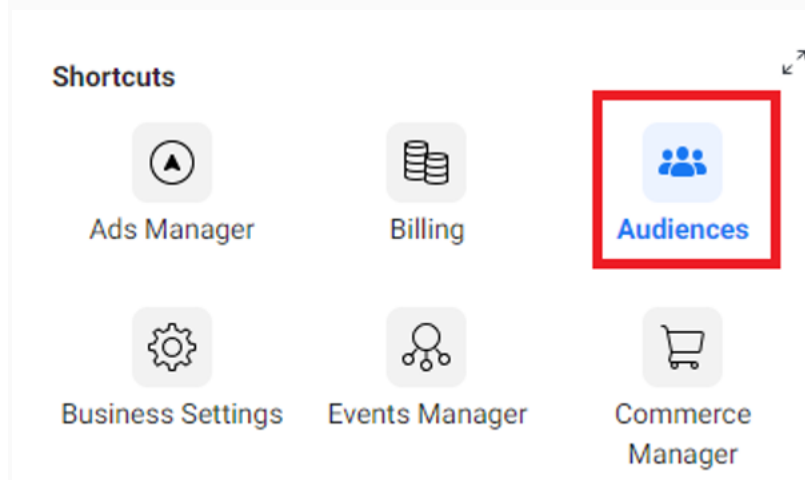
You'll find the option to create custom audiences, lookalike audiences, saved audiences and more. When you hit the lookalike audience button, this window will pop up.

Create a Lookalike Audience   ✕

Select Your Lookalike Source

Select an existing audience or data source

Create New Source ▾

Select Audience Location

🔍 Search for regions or countries   Browse

Select Audience Size

Number of lookalike audiences ⓘ

1 ▾

0%   1%   2%   3%   4%   5%   6%   7%   8%   9%   10%

💡 A 1% lookalike consists of the people most similar to your lookalike audience source. Increasing the percentage creates a bigger, broader audience.

Cancel   Create Audience

Here, add your lookalike audience source — the existing audience or list you want your lookalike audience to resemble. This can be an email list, data from your website pixel, or even a Facebook or Instagram audience. You can also add a list of valuable customers, based on how many times they've bought from you. You can add multiple sources.

After this, select the desired location of your lookalike audience. Then, choose what percentage of the most similar people you want to target (the more the percentage, the broader the audience).

Finally, click **Create Audience**, and start targeting it with ads!

4. Leverage Facebook saved audiences

Facebook Ads Manager allows you to create as many audiences as you want, with the specifications you want.

Creating saved audiences lets you test your ads on many possible audiences to see what works best. With this information, you can optimize for maximum conversion rates.

The best way to leverage saved audiences is by getting granular with layered targeting.

On a surface level, Facebook allows you to segment your target audience by three main categories: demographics, interests and behaviors. But within each of these categories, you can narrow your audience down to the most granular levels.

For example, under demographics alone, Facebook would allow you to target pug owners with less than $40,000 income per year who're about to get married and want to make the transition easier for their little dog.

As said before, Facebook ad targeting is a game that rewards those who can successfully hyper-personalize the user's experience.

So if you're selling affordable flea prevention products for golden retrievers, Facebook allows you to target just the right audience for it.

The process is to create many hyper-granular audiences to test with, understand your customers and optimize your future campaigns.

5. Check Facebook relevance metrics

Facebook considers how relevant an ad is to a person before delivering it, making relevancy a significant factor for your ads' success.

But how can you measure the relevancy of your ads?

Facebook provides advertisers with a guide to diagnosing underperforming ads. It takes a look at the three metrics that are key for relevancy:

- **Quality:** The quality of your images and videos.
- **Engagement:** How your audience interacts with your ads.
- **Conversion:** How many people perform the action your ad calls for.

If your ads are not performing well, Facebook's materials will understand how to improve them:

In short, if you want your ads to perform well, make sure that:

1. Your ads include high-quality media (videos, images and audio) so they create a quality experience for your target audience.
2. Your ads are properly targeted to the right niche who are more likely to engage with it.
3. Your ad copy is actionable and includes a clear call to action, encouraging users to click through to your website.

6. Tap into recent purchasing behaviors

The best way to hyper-target an audience to maximize conversion rate is to segment that audience based on purchasing behaviors.

While creating an audience in your Facebook Ads Manager, go to the behavior category and narrow down your audience based on their last purchase. Then, identify users who have recently purchased a product or service similar to what you're currently advertising.

For example, if you rent or sell furniture for events (like weddings), you could target people who recently bought an engagement ring.

Conversely, if you sell makeup, target people who buy makeup frequently and try to expand your market. And so on.

When you do this, you're doing people a favor for putting the right products in front of them — it's a win-win situation.

Ad Relevance Diagnostics			Causes	Recommendations
Quality Ranking	Engagement Rate Ranking	Conversion Rate Ranking		
Average or above	Average or above	Average or above	You're all good!	Optimize for your advertising objective.
Below Average	Not eligible		The ad is perceived as low quality.	Improve the quality of your creative assets or target an audience more likely to perceive the ad as high quality. Avoid low-quality attributes from your creative.
Average or above	Average or above	Below Average	The ad isn't producing conversions.	Improve the call-to-action of your ad or post-click experience, or target a higher-intent audience. Some products and services naturally exhibit lower conversion rates than others. If your conversions meet your expectations you may not need to adjust your ad.
Average or above	Below Average	Average or above	This ad isn't spurring interest.	Improve your ad's relevance to your audience (For example, by making it more engaging, interesting or eye-catching) or target an audience more likely to interact with this ad.
Below Average	Average or above	Average or above	The ad is perceived as low quality.	Improve the quality of your creative assets or target an audience more likely to perceive the ad as high quality. Avoid low-quality attributes from your creative.
Average or above	Below Average	Below Average	The ad isn't spurring interest or producing conversions.	Improve both the ad's relevance to your audience (For example, by making it more eye-engaging, interesting or eye-catching) and the call-to-action of your ad or post-click experience. Alternatively, target an audience more likely to interact with and convert from your ad.
Below Average	Below Average	Average or above	This ad is perceived as low quality and isn't spurring interest.	Improve the quality of your creative assets while also making it more relevant to your audience (For example, by making it more engaging, interesting or eye-catching). Alternatively, target an audience more likely to perceive the ad as high quality and relevant. Avoid low-quality attributes from your creative.
Below Average	Average or above	Below Average	This ad is click-baity or controversial.	Adjust your ad to more clearly represent the product or service you are advertising. Some products and services naturally exhibit lower conversion rates than others. Avoid low-quality attributes from your creative.
Below Average	Below Average	Below Average	There's room for improvement across the board.	Try testing different targeting strategies, creative, optimization goals, post-click experiences, and so on.