Facebook Conversions API: Everything Marketers Need to Know

The world of digital advertising is changing quickly. While internet users have always cared about their online privacy, data collection has become more of a concern over the years. Apple's new iOS 14 update includes new measures designed to give iPhone users more control over the data they share with apps and advertisers.

Naturally, these changes will have a significant impact on social media advertising. Marketers use user data for targeting and measuring the success of their ads, and Apple's data collection changes will restrict what they can collect.

This extends to social media platforms like Facebook, but don't stress.

In response to Apple's iOS 14 update, Facebook has launched Facebook Conversions API to give advertisers a new, more private way to track advertising data.

This article will explore what Facebook Conversions API is, what you can do with it, how it's different from Facebook pixel and how to set it up.

Facebook advertising data collection basics

To learn what Facebook Conversions API is, you first need to understand some Facebook advertising data collection basics.

When a Facebook user clicks on one of your ads and goes to your website, Facebook Conversions API collects that data and shares it with you.

Now, let's cover some key terms used in this article:

Event. An event is an action taken by a user that generates data, like clicking on a Facebook ad or making a purchase.

API. An Application Programming Interface (API) is a tool that allows two programs to share data. In the context of the Facebook Conversions API, this allows your website conversions to be reported through Facebook.

Browser-side tracking. Browser-side tracking is a data collection method that tracks data from a user's web browser. This data includes demographic information like the user's country. Sometimes, browser-side tracking is called client-side tracking.

Server-side tracking. Server-side tracking collects user data from the server's end. This includes data like the amount of time a user spent on a web page or which items they've added to their shopping cart.

With these terms in mind, let's revisit Facebook Conversions API.

What is Facebook Conversions API?

Facebook Conversions API is a tool that allows advertisers to collect data using server-side tracking rather than browser-side tracking.

If you are familiar with Facebook's Server-Side Events, this concept will sound familiar. Facebook Conversions API is simply a new version of Server-Side Events.

At this point, you may be wondering what role Apple IOS 14 plays in this. The update does two key things:

1. It gives iOS 14 users the ability to turn off browser-side tracking.
2. It limits the data advertisers can collect from iOS 14 users.

These changes will take effect in the next few months. When this happens, advertisers will need to rely on Facebook Conversions API to collect data about their users' interactions with their Facebook ads.

It's important to note that Facebook's Conversions API and Apple's iOS 14 update did not happen in a vacuum. Both result from a shift in the way platforms and governments think about data (the same change has also brought us Europe's General Data Protection Regulation (GDPR) laws).

How does Facebook's Conversions API work?

Facebook Conversions API connects your website to your Facebook ads. When a user clicks on one of your ads, Facebook generates a unique ID number for that user. As the user moves around your website, Facebook tracks their movements and sends that data to you.

This means that you can still collect data about your Facebook ads while your customer's identity and privacy are protected with a unique ID.

Now that we've covered the basics of Facebook Conversions API, let's dive into more detail.

What can you track with Facebook Conversions API?

This article has already discussed the data you *can't* collect with Facebook's Conversions API – but what data *can* you collect?

Conversions API allows advertisers to track data on the following conversion events:

- **Leads**
- **Affiliate payments**
- **Phone calls**
- **Form submissions**
- **Email subscription**
- **Subscription changes**
- **Purchases**
- **Find locations**

That means that, as an advertiser, you can collect detailed data on:

- **Purchasing**. Including what your customers purchase, how much they spend per transaction and how they checkout.
- **Shopping carts**. Including what your customers add into their shopping carts, which items they remove, where they add items from and how long they leave their shopping cart for.
- **Website browsing**. Including what web pages customers visit, which internal links they use and whether they click on cross-sell or up-sell promotions.
- **Email sign-ups.** Including when people sign up, which webpage they sign up through and which email sign-up settings they choose (if that's an option on your website).
- **Checking out**. Including the rate of cart abandonment and how successful the checkout process is.
- **Customers**. Including how long they spend on your website and whether they revisit your website.
- **Advertising**. Including your ad's click-through rate (CTR) and metrics like your Cost Per Thousand Views (CPM).

Collecting this data will give you an accurate picture of your customer's journey. Long term, this will help you improve your Facebook ad conversion rates (which average 9 – 10% for most advertisers).

Now, let's see how Conversions API compares to the Facebook pixel.

Facebook pixel vs. Facebook Conversions API

If you have ever run a Facebook ad, you're familiar with the Facebook pixel.

The Facebook pixel is an analytics tool that allows advertisers to track user activity on the platform and beyond. Using the Facebook pixel, you can measure the performance of your ads and the behaviors of users who clicked through to your website.

The pixel works through a simple three-step process.

1. You add the pixel code to your website.
2. A Facebook user visits your website and takes an action (for example, adding an item into their cart).
3. Facebook pixel reports that information to you in Facebook Events Manager.

Pixel might sound the same as Conversions API, but there are two critical distinctions between the two tools:

1. Facebook collects data through the pixel while *you* collect data with Conversions API.
2. The pixel uses browser-side tracking, while Conversions API uses server-side tracking.

Let's look at some pros and cons of the Facebook Conversions API and the Facebook pixel.

Facebook Conversions API pros and cons

Pros

- It marks users with a unique ID to protect their privacy
- It gives advertisers a clear picture of their sales funnel
- It does not rely on cookies
- It tracks the success of your advertising
- It's very accurate (as it doesn't rely on third-party data from Facebook)
- It works offline and online

Cons

- It won't allow you to identify Facebook users
- You must verify your domain for it to work

Facebook pixel pros and cons

Pros

- It identifies Facebook users by their profile
- It gives you detailed demographic information about your website visitors
- It tracks the success of your advertising

Cons

- The iOS 14 update prevents the Facebook pixel from tracking some data
- Many ad blockers block the Facebook pixel from collecting data
- It sometimes provides inaccurate data (due to VPN's, ad blockers and privacy software)

Naturally, advertisers should use Facebook pixel and Facebook Conversions API *together* – as both have their unique benefits.

Here's how to set them up.

How to set up the Facebook Conversions API

If you advertise on Facebook, you'll want to set up the Facebook Conversions API as soon as possible.

This section will walk you through the whole setup process, from setting up your account to collecting user data.
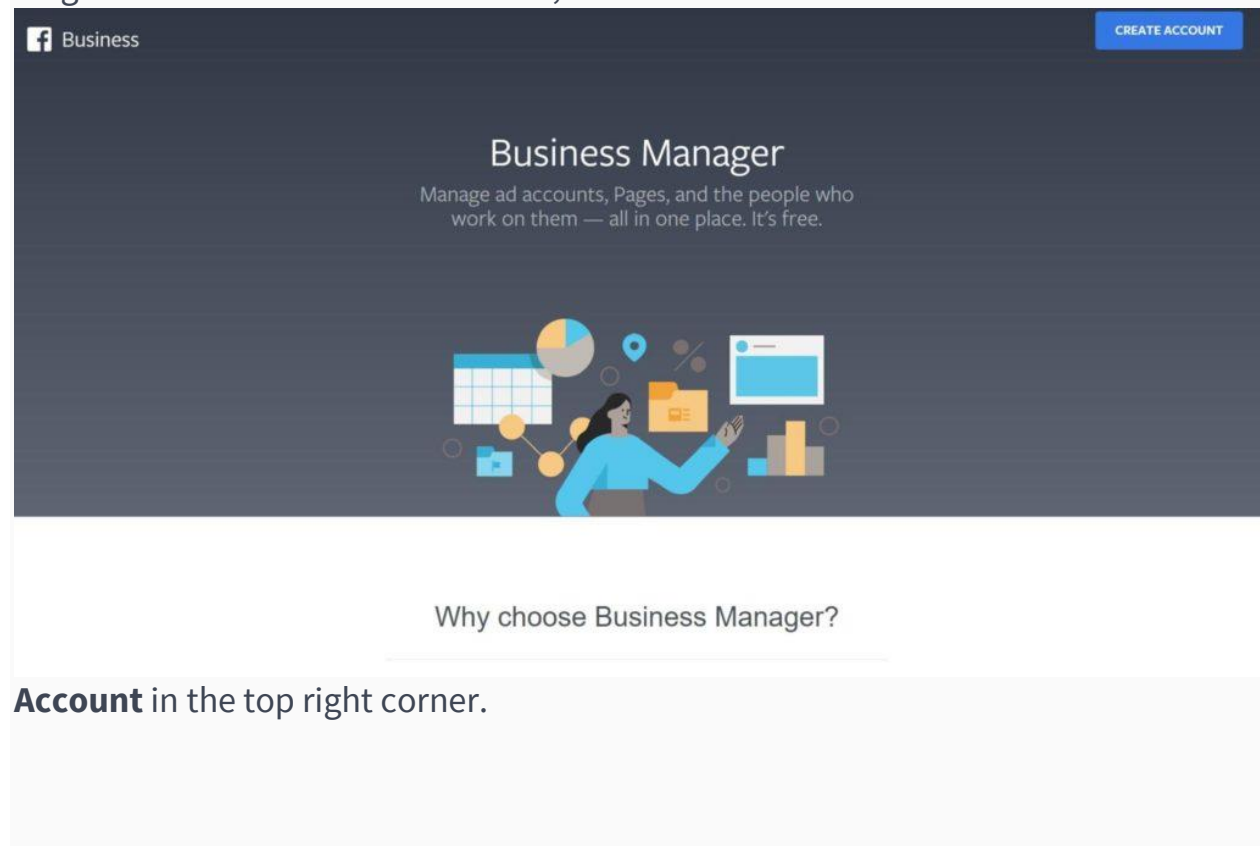
Let's get started.

Step 1: Set up Facebook Business Manager and Facebook pixel

To use Facebook Conversions API, you will need to use Facebook Business Manager and Facebook Pixel. If you have already set both of these up, jump to Step 2.

Setting up Facebook Business Manager is very easy. You simply need to:

To go business.facebook.com. Then, click **Create**

Account in the top right corner.