



The Science of Social Media Advertising

**A Research Study on Sequenced for
Call to Action vs. Sustained Call to
Action**

Presented by:

Adaptly



REFINERY29

Introduction

Advances in digital marketing offer unprecedented opportunities to target consumers in increasingly personalized ways. This type of targeting enables advertisers to leverage their existing customer relationship management (CRM) databases to find potentially high-value consumers. On Facebook, for example, where people express their unique identities, brands can target their audiences precisely and tailor their interactions with people in a way that can build lasting and powerful impressions.

This paper sets out to determine the differences in impact between presenting two types of marketing messages across an advertising campaign. It seeks to answer whether delivering marketing messages by leading a consumer down the marketing funnel is more effective than simply delivering a single strategy call to action (controlling for frequency).

Hypothesis

Little has been published about effective delivery strategies that can feed back into broader media decisions. We believe that sequencing ads together to tell a brand story before encouraging people to take an action will achieve better outcomes than a sustained call-to-action message. Beyond traditional media, digital mediums offer a unique opportunity to bring individual consumers down the marketing funnel by serving ads in sequence. They also enable marketers to have more control over the frequency and pacing of their messages on a person-by-person basis.

The Insights

This white paper features the results of a U.S.-based advertising research study conducted jointly by Adaptly, Facebook and Refinery29, a fashion and style website. Conducted in May 2014, the research was designed to help inform advertisers about how to improve their creative diagnostics, optimal frequency and sequencing within Facebook. The study experimentally demonstrates the value of sequencing creatives culminating in a call to action (CTA) over sustained creatives focusing exclusively on CTA. It also provides best practices for driving core business objectives through strategically changing the creative employed in digital advertising.

To Whom Does This Research Apply?

In addition to being relevant for pure direct-response marketers, this study should offer key insights to marketers interested in measuring and optimizing on a conversion path. Even brand advertisers seeking to change brand perceptions and shape brand affinities, can leverage digital to drive email subscriptions, mobile app downloads, coupon downloads, and even online sales. While this study focused on a brand in the fashion/retail space, we believe the findings apply more broadly to other industries.

To be most effective in their advertising efforts, advertisers should determine the level of brand equity they enjoy. If, for example, an advertiser has a high level of brand awareness, then advertising messages should more quickly focus on mid-funnel goals, such as driving purchase consideration. Or, if the brand enjoys a high-level of favorability, then marketing efforts can focus more on lower-funnel goals such as driving purchase intent or conversion.

Executive Summary

The results from this study show that sequencing ads together in a way that tells a brand story leads to better outcomes than a sustained message focused solely on driving an action. Digital media offers unprecedented opportunities to both target consumers and control the pacing and sequencing of creatives on a personalized level. This paper sets out to determine the impact between presenting two types of marketing messages across an advertising campaign. It seeks to answer whether delivering marketing messages by leading a consumer down the marketing funnel is more effective than simply delivering a single strategy call-to-action.

Adaptly deployed a campaign for Refinery29 in May 2014 on Facebook to target people in News Feed:

- Refinery29 and Adaptly created a Facebook Custom Audience using Refinery29's best email subscribers (achieved a 69% audience match rate on Facebook).
- From the Custom Audience, Adaptly built a Facebook lookalike audience of over 2 million people who were also likely to become high-value customers. The entire audience was randomly assigned into 3 test cohorts for the experiment.
- Refinery29 designed 3 creatives for each treatment group and Adaptly tailored the campaigns. The Sequenced for call-to-action (CTA) group was delivered across 12 days split evenly across each stage to "walk" people down the brand funnel: 1) top of the funnel ad for brand message 2) middle of the funnel ad for consideration 3) bottom of the funnel ad for call to action. Sustained CTA was targeted with 3 CTA focused ads each delivered for 4 days and with similar bidding strategies to the Sequenced for CTA campaign. The control group was not targeted with any Refinery29 campaigns on Facebook.

Digital marketing platforms such as Facebook provide unique opportunities for testing and optimizing creative messages, audience targeting, frequency and pacing. The research finds that a classic brand-building approach of delivering marketing messages in a purposefully sequenced manner has significant value.

To summarize the conclusions of the study:

1. **Sequencing advertising is powerful.** The practice of sequencing ads on a personalized level increases overall view-throughs by 87% and subscriptions by 56%.
2. **Advertisers should build their story.** If consumers see the entire ad sequence, an advertiser's ability to lead a consumer down the brand funnel is significantly stronger.

Why Does This Matter?

For any brand whose media is designed to bring its audience all the way through the marketing funnel, such as leveraging existing knowledge around the sequencing of creative within a campaign is important. To make campaigns more effective, there is great value in developing a creative strategy that first builds awareness and consideration before driving to conversion.

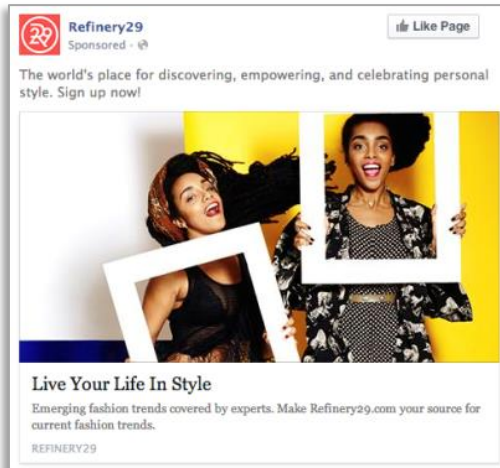
Research Study Overview

- 12-day campaign in May 2014
- Same bidding strategy of ads across treatment groups (bid types, amounts, etc.)
- Served in Facebook News Feed (desktop)
- ~600,000 reach, 1.6 average frequency per treatment group; Sequenced for CTA campaign achieved 4% better reach than Sustained CTA

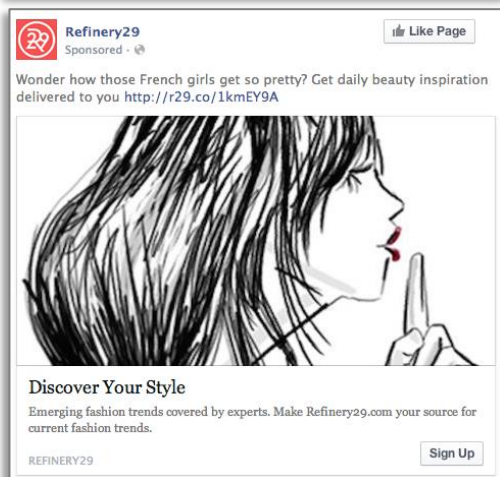
The Experiment

As a way to evaluate the effective difference in advertising performance between sequencing creative messages vs. sustained CTA, Adaptly employed a treatment-and-control methodology with 3 groups:

Group 1: Sequenced for CTA creative to bring users through the marketing funnel



Sequenced for CTA Creative A: top of the funnel for general branding messaging / awareness - 4 days



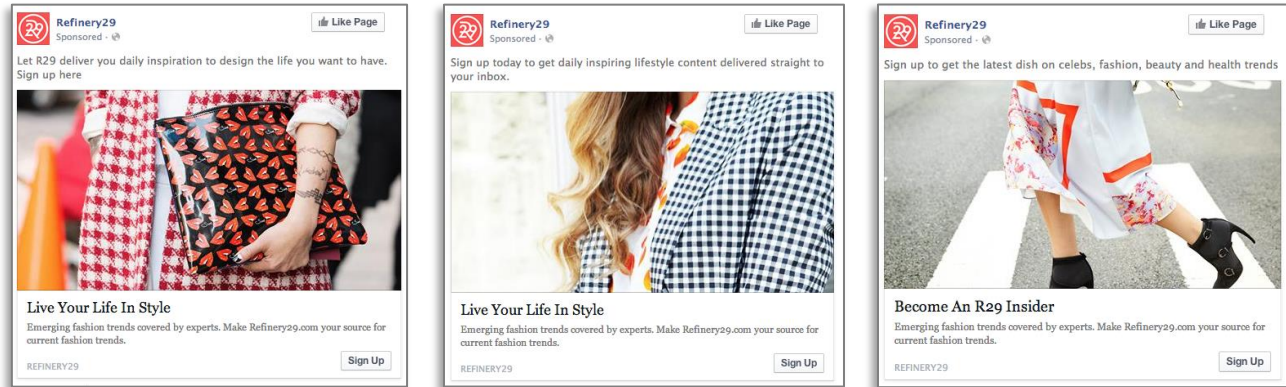
Sequenced for CTA Creative B: middle of the funnel for product information / consideration - 4 days



Sequenced for CTA Creative C: bottom of the funnel for call-to-action for email sign-up / conversion - 4 days

Group 2: Sustained CTA

Adaptly structured delivery to mirror the sequenced for CTA group and ran Creative A for 4 days, B for 4 days, C for 4 days.



Group 3: Control – not targeted with Facebook Ads for any Refinery29 campaign

Audience Creation

Creating the right audience for this experiment was important. Refinery29 started with the most active 5%¹ of its existing email subscribers. Then, Adaptly created a Custom Audience– a privacy-safe matching technique that employs matching hashed Facebook email addresses to hashed email addresses provided by a third party.

After achieving a 69.4% match rate, Adaptly employed Facebook’s lookalike audience tool to expand the campaign audience to include other people who resembled those in the original Custom Audience segment. This grew the total campaign audience to about 2 million people.

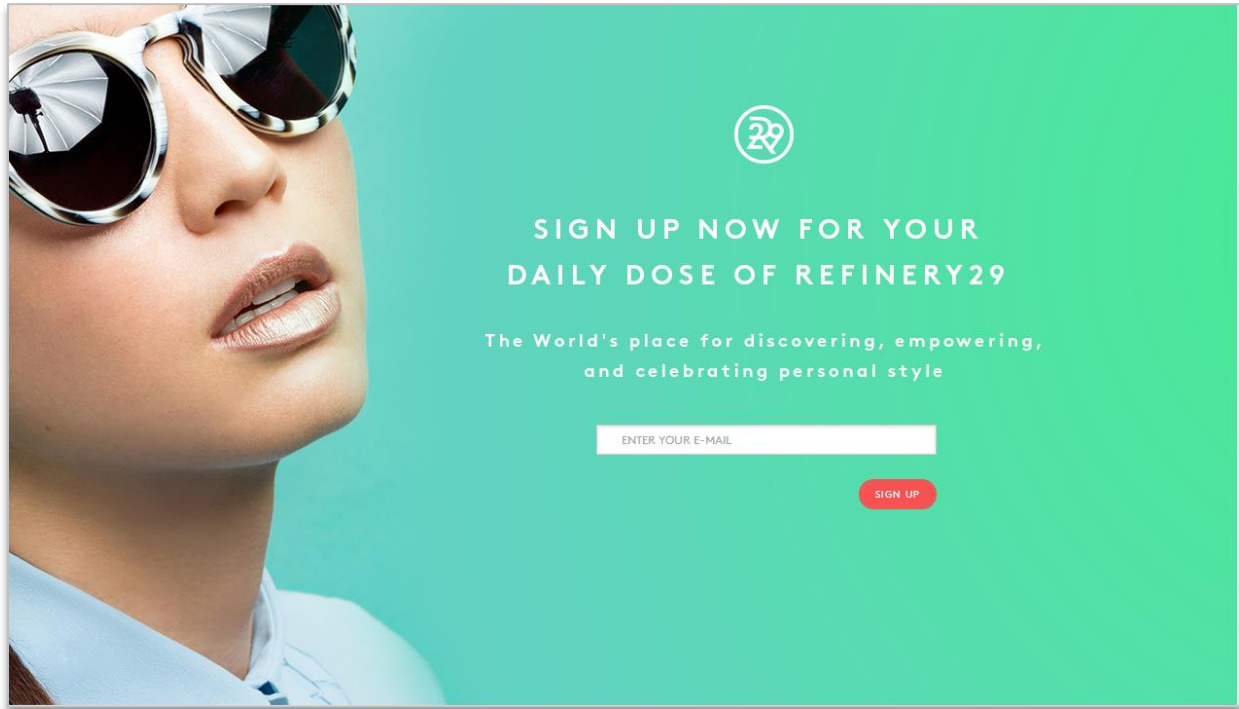
Finally, before running any media, we randomly assigned these 2 million people into 3 groups (sequenced for CTA, sustained CTA, and control).



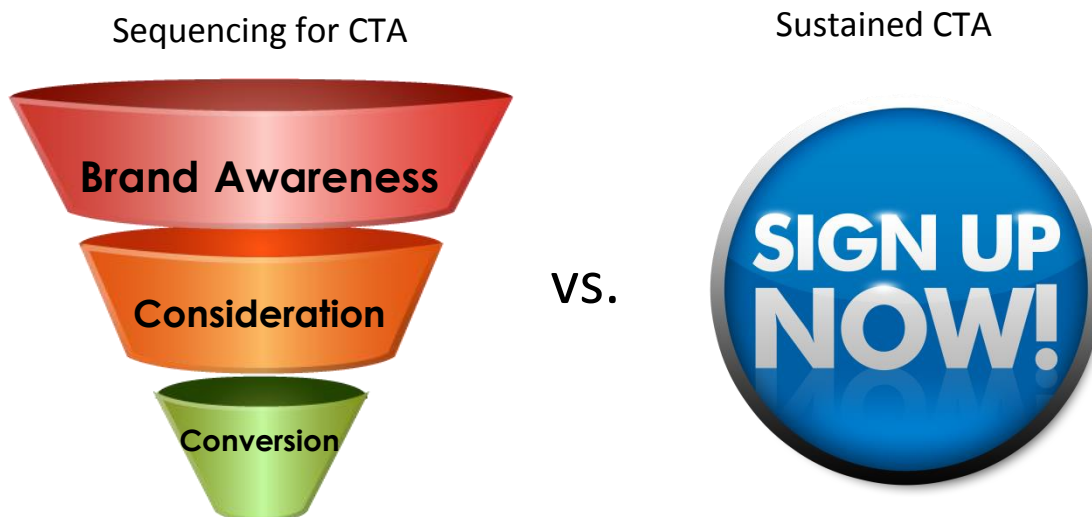
¹ This is a standard term in email marketing to describe how frequently a subscriber opens/clicks on emails. An “active” subscriber opens and clicks frequently.

Success Metrics

The primary metrics that Adaptly observed were the (1) the percentage of people who visited the landing page; and (2) the percentage of people who subscribed to Refinery29 emails.



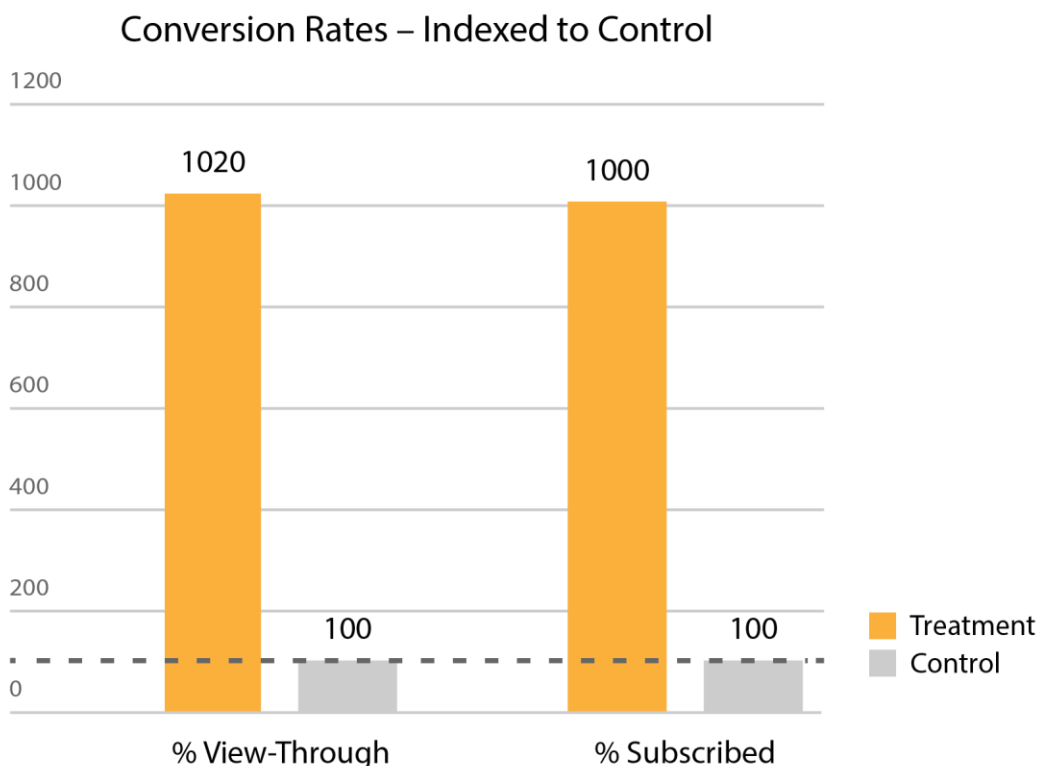
** Data is based on Facebook conversion pixels placed on the landing and completion pages*



The Results

Treatment vs. Control: Facebook Ads increased view-through and subscription rates by 9X

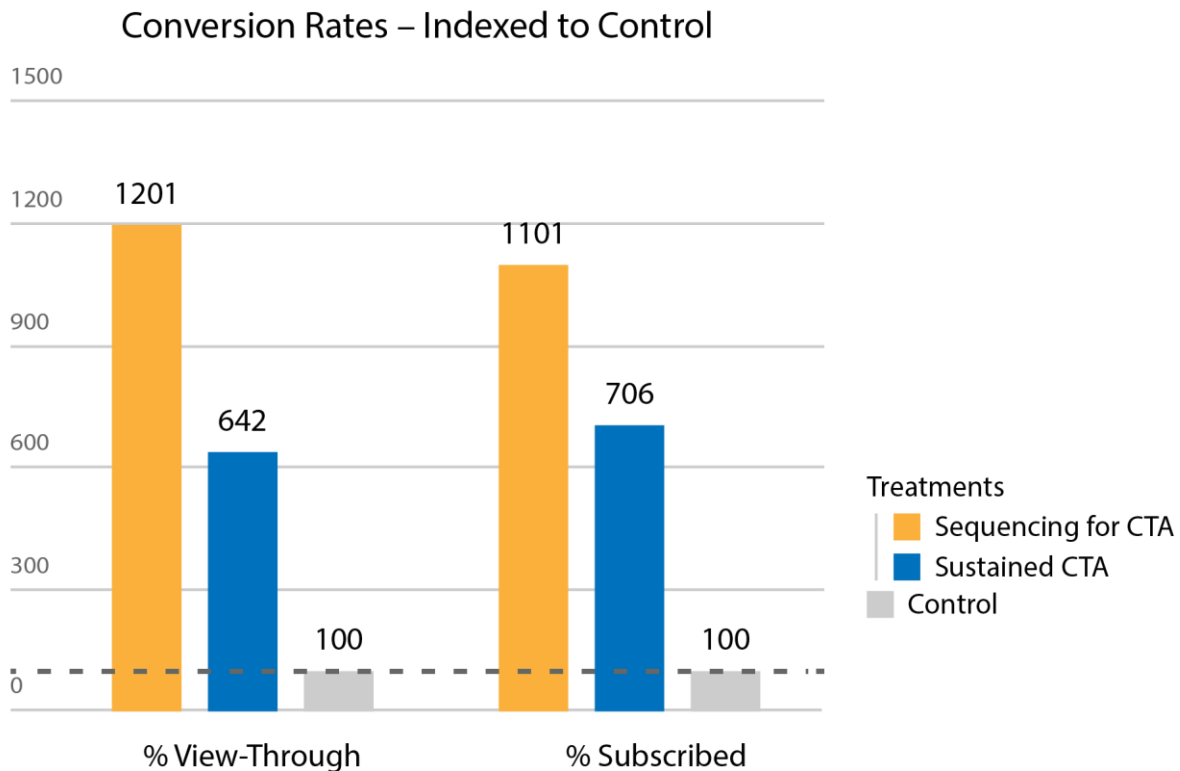
We compared the view-through rates and subscription rates of those in the treatment groups (people exposed to either the sequenced for CTA creative or the sustained call-to-action creative) to those in the control group (people not exposed to any Facebook Ads for any Refinery29 campaign). Adaptly observed a dramatic lift in the performance metrics of the treatment group. Given an effective targeting strategy on Facebook, Facebook Ads increase view-through and subscriptions.



* Rates are calculated based upon all people who had the “opportunity to see” at least 1 ad

Sustained CTA vs sequenced for CTA: Sequencing increased view-through by 87% and subscription by 56%

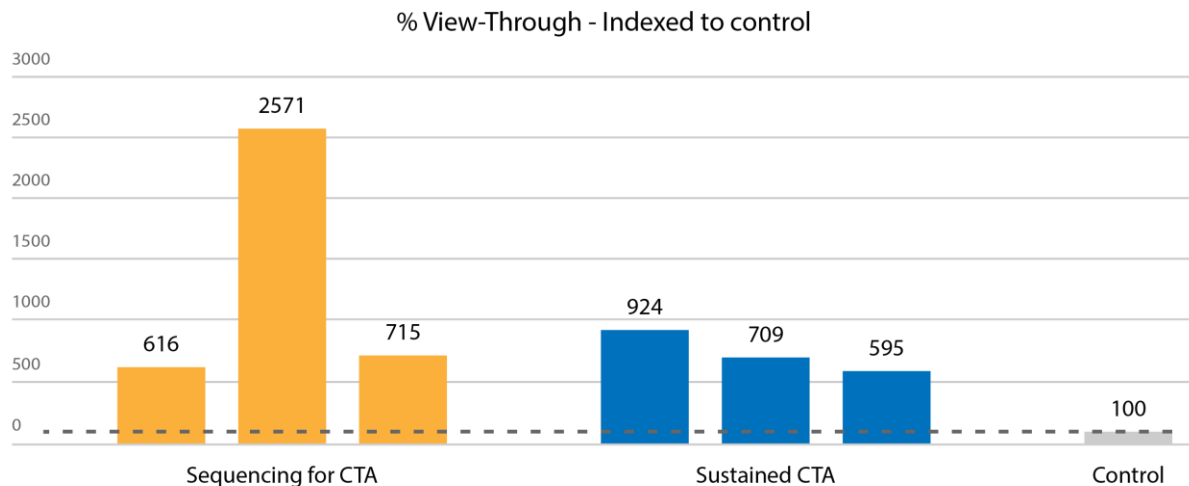
When comparing the two treatment groups (people exposed to either the sequenced for CTA creative or the sustained call-to-action creative) it is clear that the sequenced for CTA creative test group delivered better results. The practice of sequencing creative was better at generating interest in the landing page and email subscriptions.



* Rates are calculated based upon all people who had the “opportunity to see” at least 1 ad

By Creative: Consideration creative drove the most view-through

When Adaptly compared all 6 creative executions individually, the “consideration” creative, which provided a piece of sample content a person would expect from Refinery29, generated the most view-through and engagement with the landing page. The first call-to-action ad in the sustained CTA group was the runner-up and the call-to-action ad in the sequenced for CTA group tied with the second call-to-action ad in the sustained CTA group.



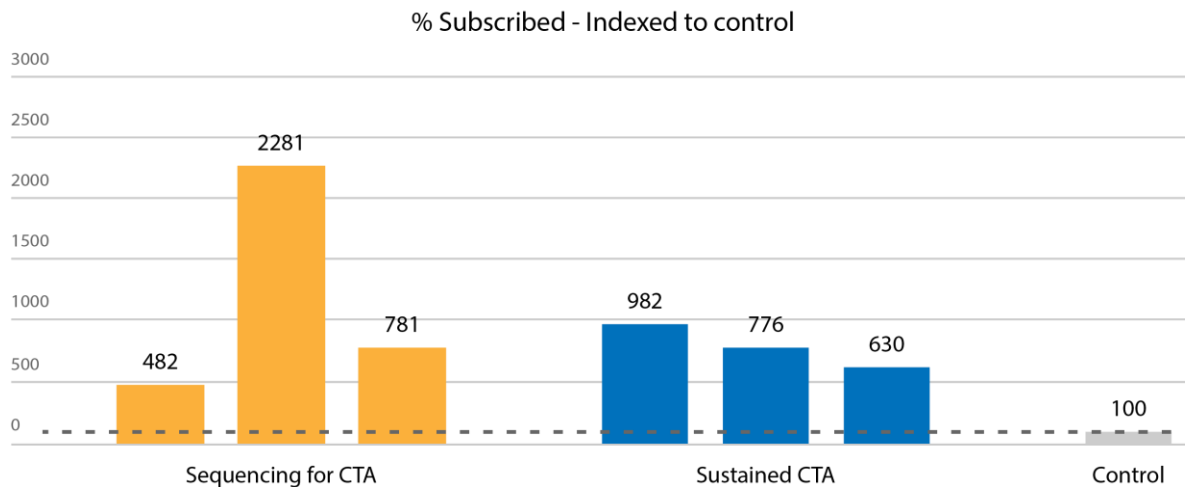
* Rates are calculated based upon all people who had the “opportunity to see” at least 1 ad during the 4-day period

** View-through attributed to the creative running during that timeframe

*** Control is averaged across the 3 periods

By Creative: Consideration creative also drove the most subscriptions

When Adaptly compared all 6 creative executions individually, the “consideration” creative also generated the highest conversion rates for email subscriptions. As seen in the view-through conversions, the first call-to-action ad in the sustained CTA group was the runner-up here. And, again, the call-to-action ad in the sequenced for CTA group tied with the second call-to-action ad in the sustained CTA group.



* Rates are calculated based upon all people who had the “opportunity to see” at least 1 ad during the 4-day period

** View-through attributed to the creative running during that timeframe

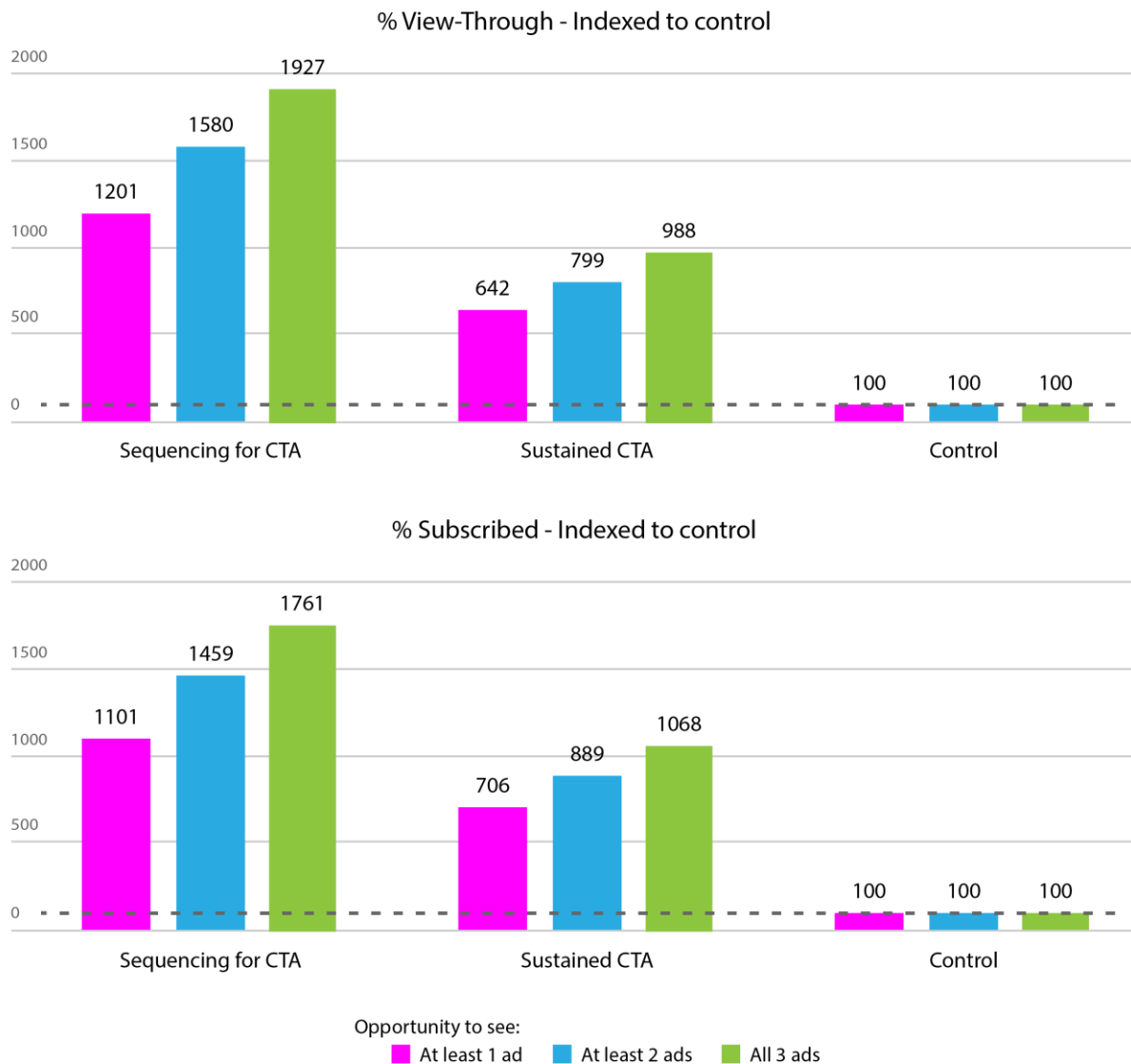
*** Control is averaged across the 3 periods

To tease out the effects of the “consideration” ad on conversion rates for the sequenced for CTA group, an additional analysis revealed that, after two models for predicting user-level conversions (with and without interaction effects between ads) were compared, there is an additive effect of being exposed to the sequence.²

² The base model predicted user-level conversion with dummy variables for exposure to the first two ads. The second model included those two variables and an interaction effect between the ads. A chi-square test verified that

Full-funnel exposure: People who saw more ads generated higher interest and subscription rates

Not surprisingly, people who were exposed to all three creative in the sequenced for CTA converted at the highest rates. Having been “walked down” the conversion funnel, a step-by-step journey from awareness to consideration to conversion, consumers are more receptive to converting.



* Rates are calculated based upon all people who had the “opportunity to see” 1, 2, or 3 ads as appropriate.

the interaction between the two ads provided a statistically significant amount of information to a model predicting the likelihood of conversion.

Best Practices

Before embarking on a new marketing endeavor, an advertiser should consider its brand equity with consumers. Depending on a consumer's knowledge about a brand, advertisers should change their messaging strategies to better resonate with those consumers.

- *Assess brand equity.* If an advertiser enjoys a high level of brand awareness, then advertising messages should more quickly focus on mid-funnel goals such as driving purchase consideration. Alternatively, if the brand enjoys a high-level of favorability, then marketing efforts should focus more on lower-funnel goals such as driving purchase intent or conversion.
- *Find the right audience.* An advertiser should leverage its existing customer base to identify similar people.
- *Creative matters.* An advertiser should deliver a sequenced marketing message across a campaign to build a brand story for consumers.

Conclusion

Digital marketing has become a standard element in every marketer's strategy. But there remain unique strategies to efficiently deliver a series of creative messages to audiences with the right mix of targeting, frequency, and pacing. Digital marketing platforms such as Facebook provide unique opportunities for testing and optimizing creative messages, audience targeting, frequency, and pacing. The research finds that a classic brand-building approach of delivering marketing messages in a purposefully sequenced manner is a potent strategy to drive higher conversion rates. By strategically changing the creative employed in a digital advertising campaign, advertisers have the ability to achieve their core business objectives in an accurate and measured way.

For more social media advertising best practices visit www.adaptly.com, check out www.adaptlytalks.com, and follow www.facebook.com/adaptly

About The Research Participants³

Adaptly (www.adaptly.com) is a social media advertising technology company that provides marketers with an operating system for planning, managing, and analyzing cross-network social media advertising. Fortune 100 brands leverage Adaptly's software and strategic services to optimize some of the most recognized social advertising campaigns on the web. For more information contact sales@adaptly.com

³ The three participants jointly agreed on the importance of the hypothesis and developed the test methodology. Refinery29 produced the creative assets. Adaptly implemented the targeting and ran the campaign. Facebook assisted with setting up the test groups and ran the analysis. Adaptly created this report with assistance from Facebook and Refinery29.

Refinery29 (www.refinery29.com) is the largest independent style website in the United States and the fastest growing media company on the 2013 Inc. 500 list. Through its 24/7 original editorial content, global and local newsletter editions, and engaged social community, Refinery29 inspires millennial-minded women to live a more mindful, artful and enlightened life. For more information and to browse content, visit www.Refinery29.com.

Facebook (www.facebook.com) was founded in 2004, and its mission is to give people the power to share and make the world more open and connected. People use Facebook to stay connected with friends and family, to discover what's going on in the world, and to share and express what matters to them.