# Advertisement Budget

## Target user:

Our product is targeted to people who regularly uses internet and social media. The age segments targeted are young people and middle-age people.

Our goal is to advertise ourselves on the internet. For that reason, we will be using google ads. Because we offer integration with Facebook and Twitter, reaching out to the users of these platforms.

## Google ads budget

Google ads charge business for each time their advertising is clicked. Each business can set how much they can be charged, and depending the price set, their ad will be more visible.

We have made the following adjustments to the audience that will see our ads in google:

* The ad will be directed to people living in Spain
* Our business category will be “Cloud storage”
* The ad will appear to people who search the following terms: “Capsulas del tiempo online”, “Capsula del tiempo” and “Testamento digital”

This give us a potential audience size of 37611 people each month.

When selecting how much do we want to be charged for our ads monthly, Google ads tells us that the usual budget of other similar products is between 128€ and 638€.

Because we are a small company, we will be settling for a small budget within that interval, around 220€ per month.

After setting up these parameters, we are informed that the estimated performance of our ad is 1746 – 2935 views and 137‑229 clicks per month. This means that each visit to our page we gain through google ads costs us 1,2 euros.

## Facebook ads budget

Facebook also allows us to customize how much would be willing to spend on a weekly basis.

We have selected the following target demographic:

* People between 30 and 50 years
* Parents and married people
* Interested in family
* People who has recently had a baby
* People with interested in friendship
* People who travel frequently

We have decided to spend about 140€ monthly for a Facebook advertisement. With the demographic we have established, we expect that our ad will receive 6900 views each month, and 200 clicks monthly, which means that each visit to our site through Facebook will cost us about 1.4 euros.

### Twitter ads budget

Same as before, allows us to set a daily price.

We want to create a campaign focused on increasing the number of visits in our website. The target userbase will be men and women with an age of 25 to 49 year with the following interests: Travels with kids, luxury travels, mothers, fathers, parents of kids, upbringing of teenagers and holidays. The audience size of this campaign is about 600K people.

The recommended interval for the bidding is between 1.55 and 6.90 daily.We will be using a similar budget to the one for Facebook, 5€ daily, which means ~150€

## Total:

We will be spending approximately 510€ monthly in advertisement. If in our project costs we are going to include the cost for the first 6 months, we will have a total cost of 3060€.

After these first 6 months, we will evaluate how this approach is performing, and depending on that we will decide whether increase or decrease our budget.

In order to know whether or not our marketing campaign is effective, we need to know how many sales we need to make in order to obtain profit from this investment. If we are to gain 9.5 euros per sale, we will need at least 53 sales each month thanks to this campaign. Assuming a conversion rate of 10%, that means that we would need 530 visits to our site gained through these adds. Less than that would mean that our campaign is not profitable.