
THE FULL- FUNNEL META REPORT

Your Guide to Profitable
Growth With Social
Media Advertising



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 Meta





Executive Summary

When advertising online, you need to ask yourself a simple question: Are your brand's growth goals aligned with your omnichannel marketing approach?

If you have even the slightest hesitation answering, it's time to consider realigning your priorities and key performance indicators (KPIs). Far too often, businesses focus solely on increasing conversions and optimizing the bottom-of-funnel tactics that lead to a sale. While sales are obviously the ultimate end goal, **if you aren't focused on the entire customer journey, you've already lost.**

In this report, you'll **explore the full buyer's journey as it relates to the 4 Meta platforms:** Facebook, Instagram, Messenger, and Audience Network. You'll uncover:

- Insider expertise and knowledge based on **over \$12 million in annual ad spend** managed for ROI's social media clients
- Profitable strategies to **build your brand and nurture consumers** to a sale throughout the path to purchase
- Proven best practices to **realign your goals around full-funnel profitability**, not just last-click performance metrics

You're probably wondering, *What does this have to do with social media?* The simple answer is... **everything.**

Many retailers look at social media channels as simply a play for brand awareness or engagement, with the **false assumption that ads are underperforming** based on outdated attribution models.

The truth is, **a last-touch attribution model is no longer viable in today's digital landscape.** There are often many touchpoints along a buyer's journey, and a last-touch attribution model alone doesn't provide a comprehensive understanding. You must look at the full journey to be successful.

Understanding the Funnel

Why do you use Facebook and Instagram?

Is it to engage with friends? To share photos from your vacation? To catch up on local events? Or do you use it with the **intent to make a purchase**?

With the birth of Facebook Shops and Instagram Shopping, social commerce is here to stay. In fact, 98% of consumers say they planned to make a purchase on social media in 2022¹.

By 2025, social shopping is expected to become a \$1.2 trillion channel².

Before you even consider pitching a product to a user on social, you need to focus on the top of the funnel: **awareness**. Shoppers should know your brand, its values, and what you offer before they make a purchase. They also need to trust your brand. Most of this trust is created with top-of-funnel campaigns that aren't looking to sell a product, but to introduce users to your brand and build credibility.

It's only after a consumer knows and trusts your brand that they can feel confident moving further down the funnel toward a purchase. This is the essence of social media marketing: **transforming cold prospects into warm leads, and then into hot customers**.



¹ <https://www.globenewswire.com/news-release/2022/02/15/2385456/0/en/98-of-consumers-plan-to-make-a-purchase-on-social-media-in-2022.html>
² <https://www.bloomberg.com/news/articles/2022-01-04/shopping-on-social-media-seen-hitting-1-2-trillion-by-2025#xj4y7vzkg>

Just the stats:

- 46% of consumers say they'll pay more for brands they trust³
- Consistent brand presentation can increase your revenue by 33%
- 5 to 7 interactions usually take place before a customer remembers your brand⁴

This is precisely why you need to **develop a sales funnel specifically for Meta platforms**, while also ensuring it aligns with touchpoints on all other marketing channels. Choosing the right attribution model is integral to profitable cross-channel scaling.



ROI Opportunity

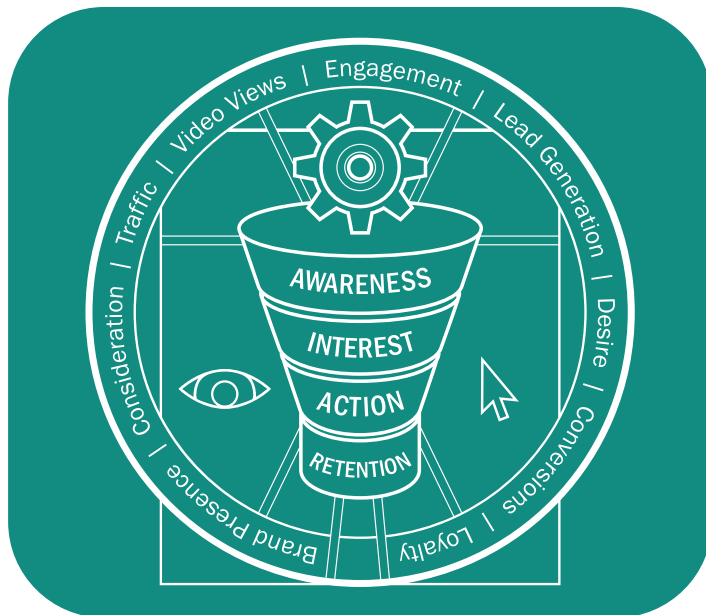
As a marketer, it's essential that you don't just *showcase your brand* but also *offer consumers relevant content that eases their concerns*. Your social media content should remove the friction and pain points that stand in the way of users moving down the path toward a sale.

³ <https://www.oberlo.com/blog/branding-statistics>

⁴ <https://venngage.com/blog/branding-statistics/>



The “Vitruvian Funnel”



You want to promote a healthy, comprehensive strategy.

Not unlike DaVinci’s *Man*, the complex anatomy of your paid social media marketing plan should be thoughtfully proportioned and **utilize inter-connected campaigns that - despite their unique purposes - all work together for a common growth goal.**

What Is Your Goal?

To see the future success of your brand, you first need a (strategic) vision.

Before tackling the latest trends and opportunities with social media advertising, it’s essential to identify what your goal is. Now, we’re not talking about “I want a 500% return on ad spend!” That is a key performance indicator (KPI), not a goal.

A goal requires you to think big picture about what you want to get out of your advertising, and what your focus area is. **Focusing too granularly is a recipe for failure.**



Here are some of the common goals we set with our clients:

- Drive brand awareness and reach
- Generate more website traffic
- Increase amount of website visitors who make a purchase
- Grow new customer acquisition

As you can see, these goals are broad, centering on distinct areas of the funnel as opposed to a specific ad spend metrics that can often be very misleading.

Here's an example: You hit a 1,000% return on ad spend, but have to cut your ad budget by 95% to reach it. As a result, you end up selling only a fraction of what you normally sell. What did you truly accomplish? The answer is most likely a negative cash flow.

Understanding Seasonality

Customers are primed to buy at certain times of the year. Your brand's strategy needs to align with this peaked opportunity.

When taking a full-funnel approach to social media advertising, it is important to understand the impact that seasonality has on metrics such as conversion rate, CTR (click-through rate), and CPM (cost per thousand impressions).

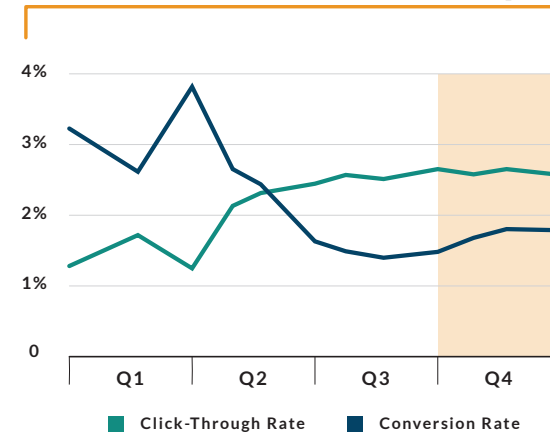
CPM is especially important because your top-of-funnel campaigns are all about building brand awareness and nurturing shoppers. As you can see in this chart, most ecommerce brands see CPMs rise as Q4 gets closer. This makes sense as competition gets more fierce as the holiday season approaches.



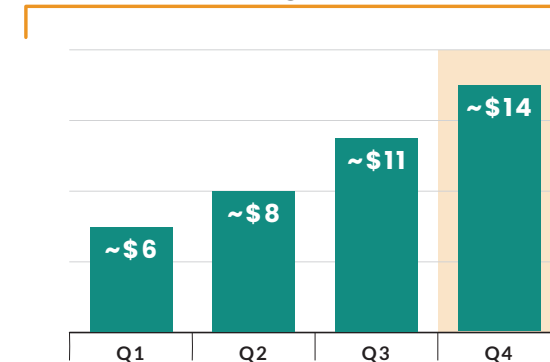
ROI Opportunity

Lay the groundwork for Q4 earlier in the year. Focus on brand awareness and prospecting campaigns in Q3, when costs are lower. This gives you time to build familiarity and credibility so that you can ramp up your mid- and lower-funnel efforts as the holidays approach. Conversion volume, conversion rate, CTR, and CPM all spike in November at the peak of holiday shopping. This means that brand awareness takes a back seat to conversion-focused ads, as advertisers look to close sales.

CTR and CVR Seasonality



Average CPM



CPM & Conversion Rate by Campaign Objective

For every campaign, there is a reason and a time for every touchpoint in the buyer journey.

As you just read about, there are a number of different objectives that you can set for your ads. As shown in the chart on page 8, CPMs vary widely based on the objective you are looking for. Different campaign objectives make sense for different goals.

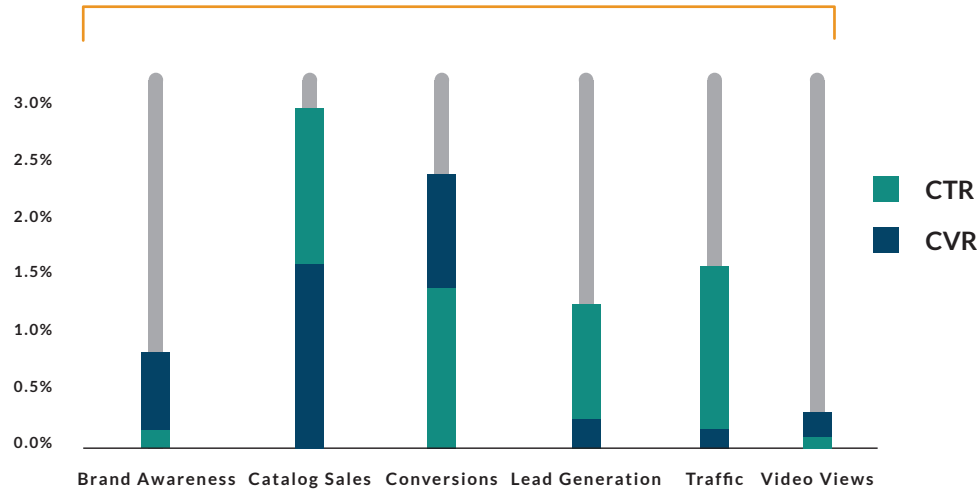
For example, if you want to reach more users and grow awareness of your brand, it may not make sense to invest in conversion-focused objectives right away. As the chart shows, **CPMs in those campaigns are 4x more expensive.** To maximize budget and reach, leverage upper-funnel objectives like traffic and brand awareness to start.

If you're looking to increase sales, balance upper-funnel investment with conversion-focused objectives. These objectives have over 2x higher conversion rates than brand awareness, which leads to a 6x higher ROAS as well.

You're probably wondering, *Why even bother with other types of campaigns then? Why not just focus on the most profitable?*



CTR & CVR by Campaign Objective



Well, if you aren't focused on getting more traffic to recognize your brand, how are you going to find people who are ready to convert?

It's important to recognize that Facebook's default attribution model only gives credit to the last Facebook click from an ad. It's highly unlikely for that click to be the only touchpoint the consumer made. They probably interacted with ads from multiple campaign objectives across multiple channels, but only that last click is attributed for the sale.

This once again points to the fallacy of only looking at last-touch when determining the effectiveness of various marketing campaigns.

A balanced approach to top-of-funnel awareness is essential to get the traffic that will convert through bottom-of-funnel campaigns.



ROI Opportunity

Learn from last year's data! Looking at the above chart, it would appear lead generation is a very poorly performing objective with high CPMs and super-low conversion rates. The reality is, conversion rate is isolated to a purchase, not a submitted form. Don't undervalue the importance of getting more people to subscribe to your emails! These are still high-quality leads. These consumers have an increased intent - they signed up, didn't they? They can later be retargeted for a much higher conversion rate through catalog sales and conversion campaign objectives.

The 4 Meta Platforms

The whole is greater than the sum of its parts.

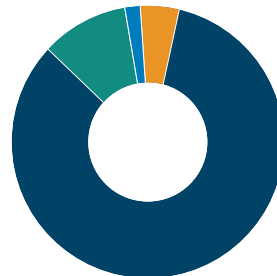
When people think of Meta, they often neglect the fact that the internet giant is actually composed of **four distinct platforms** that you can advertise on through your Meta Ad account:

1. Facebook
2. Instagram
3. Messenger
4. Audience Network

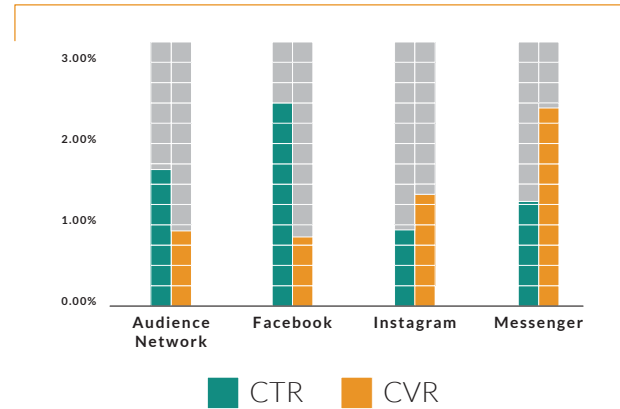
Typically, advertisers see the best returns by running ads across **all four networks**. Meta optimizes ad spend for the platform and placement with the best result, which ensures more efficient ad spend. Additionally, with consumer attention spans shorter than ever, having your ads appear across multiple platforms will help you cast a wider net.

Amount Spent per Platform

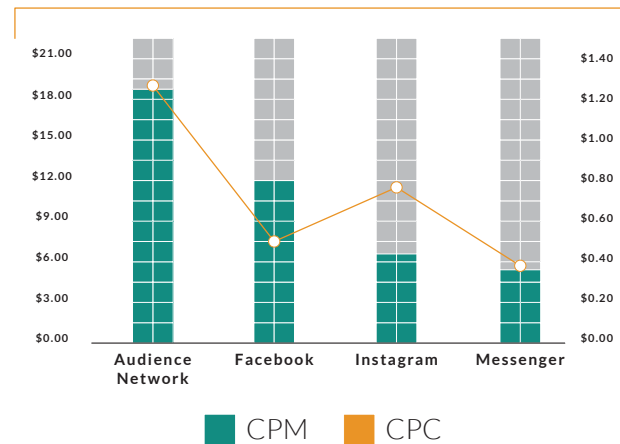
Facebook: 84%
Instagram: 12%
Audience Network: 3%
Messenger: 1%



CTR and CVR by Platform



CPM and CPC by Platform



Facebook

Facebook has evolved a lot over the years, adding placements and changing algorithms that keep advertisers on their toes. It's still a major pillar to social media advertising - of all social media platforms, users spend the most time per day on Facebook⁵.

Facebook placements include:

- Feed
- Marketplaces
- Video feeds
- Right column
- Groups feeds
- Business Explore
- Stories
- Reels
- In-stream videos
- Search results
- Instant Articles

Instagram

Aside from Facebook, Instagram has become a tremendously successful platform for advertisers. In 2023, Instagram's ad revenue is projected to reach \$39.7 billion – over 3x what it was in 2019⁶. Nearly 1 in every 8 digital dollars goes toward Instagram advertising⁷, with Stories making up more than a quarter of the platform's ad revenue⁸.

Instagram placements include:

- Feed
- Explore
- Shop
- Stories
- Reels

5 <https://www.insiderintelligence.com/chart/244117/average-time-spent-per-day-by-us-users-on-social-media-platforms-2017-2022-minutes>
6 <https://www.insiderintelligence.com/insights/facebook-advertising-statistics/>
7 <https://www.marketingcharts.com/digital-119025>



ROI Opportunity

Vertical creative is the way of the future. With the rise of Stories, TikTok, and Reels, 1:1 ratios for images and videos alone don't cut it anymore. Design your creative in a way that conveys your message regardless of aspect ratio.

Facebook Messenger

Facebook Messenger offers unique advertising opportunities through Stories and Messenger Sponsored Messages. **More than 2.9 billion people use Messenger every month⁹**, and it's by far the most popular messaging app in the US¹⁰. Messenger Sponsored Messages are a great way to engage with a large audience. They offer a unique use case - when clicked, they trigger a Facebook Messenger conversation where you can curate a **unique, one-on-one customer experience in-app**. This is especially valuable in a post-iOS 14.5 world where third-party data is hard to come by.

8 <https://www.insiderintelligence.com/content/instagram-stories-generate-quarter-of-platforms-ad-revenues>
9 <https://www.statista.com/statistics/264810/number-of-monthly-active-facebook-users-worldwide/>
10 <https://www.statista.com/statistics/350461/mobile-messenger-app-usage-usa/>

Facebook Audience Network

Last but not least is the Facebook Audience Network. Similar to the Google Display Network or Amazon DSP, the Audience Network allows brands to **serve ads to millions of global websites** while still leveraging Facebook's **laser-focused audience targeting tools**. **Audience Network placements include:**

- Native, banner, and interstitial
- Rewarded videos
- In-Stream videos

4X your opportunities. Blending different strategies is always the best method to optimize exposure, boost diverse interactions with shoppers, and balance spend versus return.

This is why **using all four platforms together should be your true goal**. By hitting all four at once, your brand gains the ability to:

- Cover a much wider audience
- Reinforce your brand's presence to stay top-of-mind
- Reach consumers on the platform where they are most likely to engage



ROI Opportunity

Every potential customer is unique, and has a unique path to purchase. It's your job to be there every step of the way and to gently guide them along that path. Having a **multichannel, multi-platform advertising experience** is the way to achieve this. You want to be the brand that they see whenever they're online - because if you aren't, one of your competitors most likely is!



Connecting the Marketing Funnel With Paid Social

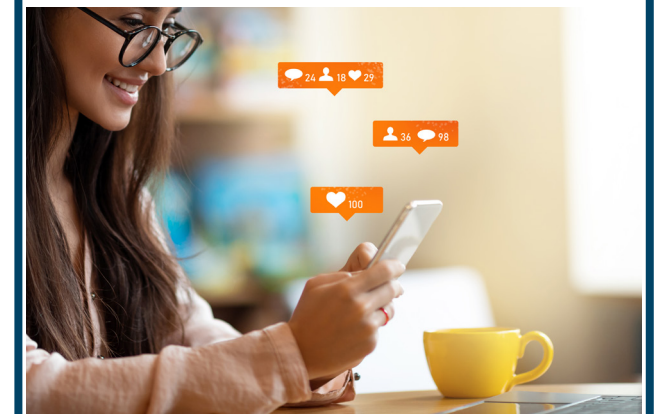
This just in: Digital advertising isn't easy!

There are so many channels now that it can be challenging to determine where to spend your marketing budget. What channels do you leverage? What types of ads do you run? How do you reach your target audience?

It's overwhelming!

But the truth is, if you want to be successful and grow your brand, you need to do it all. And while this report is specific to Meta channels, there's one piece of advice that all brands need to do across platforms:

Think full-funnel.



Stop treating your campaigns as these separate entities with separate goals. Your entire advertising mindset needs to shift, and it needs to shift *now*. No longer can you rely on a simple last-click attribution model and dump all of your budget into what you see at the bottom of the funnel.

You are losing out on a massive amount of potential customers if you do that, and it will be impossible to scale.

For Meta platforms specifically, you also need to think full-funnel. Leverage different advertising formats at every stage of your specific buyer's journey, from **awareness** to **consideration** to **conversion**. Use top-of-funnel ad campaigns with a brand awareness objective through Facebook to cast a wide net. Use informative ads to reach buyers in research and discovery mode. Use Lookalike Audiences to enhance your reach to high-consideration consumers who don't fall into the remarketing bucket. Use remarketing campaigns to help reengage with shoppers you've lost along the way.



Tying It All Together

The point is: Do it all!

Don't compartmentalize your funnel. Let it flow freely from top to bottom, with advertising investment at every stage. Investment levels at each stage should differ based on the length of your buying cycle, the maturity of your business or product, and seasonality. Follow through with this philosophy and you will see a dramatic growth in customers, sales, and profitable revenue.



At ROI Revolution, our proven digital marketing experts with over 20 years of online advertising experience are ready to accelerate your brand's growth in 2022 and beyond. Whether you're looking for attribution solutions, strategies for growth on emerging social platforms, or any other type of expertise to drive more revenue for your business, we're here to act as an extension of your team to surpass your goals.

Get in touch with one of our experts today at ROIRevolution.com/MetaContactUs to get an insightful analysis of how we can help your brand grow beyond your expectations.

Additional Resources

The State of Social Media Report *White Paper*



Dive into the current state of social media as a whole with insights from a survey of 170+ digital marketing professionals backed by outside research and data so that you have a clear picture of today's social media landscape.

Get Your Report at:

roirevolution.com/MetaSocialReport

The State of Social Media *Infographic*



77% of internet users use social media to get more information about brands. Explore more of the latest stats around the latest social media trends for data-backed insights that will help you thrive in your social media campaigns.

Get the Stats at:

roirevolution.com/MetaSocialInfographic

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No matter the obstacles and opportunities your brand faces, we're here to act as a trusted extension of your team. We don't have a "set it and forget it" approach to account management. We drive profitable revenue and new customer acquisition at scale through consistent communication and ongoing campaign optimization.

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- ROI's RevolutionSuite, combining the hybrid intelligence of smart technology & human logic to accelerate your return on investment.
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- Strategic partnerships with Google, Microsoft, Facebook, Instagram, Pinterest, Amazon, Snapchat, Feedonomics, & more.

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