Dashiell's
Look Inside
Facebook Advertising

First Edition (October 2010)
I. Overview of Facebook Advertising

People join Facebook to network with friends and family, and to share news, photos and videos with other Facebook members with whom they’ve connected as “Friends.”

How Does Facebook Advertising Work?

When users sign into Facebook, they view their "Profile" pages. Facebook displays ads in the Profile pages’ right hand margin. Facebook allows advertisers to target Facebook members by location and age range. In advanced targeting options, Facebook will allow you to target Facebook members by “interests.”

Advertisers owe Facebook a small amount of money (say, for example, $1.54) when someone clicks on the advertiser's ad (there is also a “pay per impression” model which is beyond the scope of this article). When the Facebook member clicks on the advertiser's ad, he or she is brought to a certain page on the advertiser's website. If the ad displays on the member’s Profile page and the member doesn’t click on it, it doesn’t cost the advertiser anything.

How much the advertiser owes Facebook for the click, and whether Facebook chooses to display the ad at all, depends on the advertiser’s “bid.” The bid is the amount of money the advertiser has told Facebook they are willing to pay for a click.
Demographic Targeting

Rather than tying your ads to keywords, Facebook displays your ads based on demographic criteria, called “demographic targeting,” that you specify when you’re setting up the ad. Demographic targeting is primarily by age and location (country, state or city). For some practice areas, there may be advanced targeting possibilities. For example, if your lawyer referral program is mainly interested in advertising for juvenile law cases, you can target Facebook users who list their interests as "parents" and "parenting."

CPC or CPM?

Facebook gives you two options when deciding how you want to pay for your advertising. "CPC" stands for "cost per click," which means that you only owe Facebook money when someone actually clicks on your ad. "CPM" stands for "cost per one thousand," which means that you pay Facebook a small sum of money every time the ad displays 1,000 times regardless of whether people click on the ad.

We've found as of this writing that so many people see the ads but so few people actually click on them that the CPC pricing model costs less than half of what the CPM pricing model does. We'll see if this remains the case in the next edition of this guide, but for now it's recommended that you choose CPC over CPM when given the choice.

Inexpensive Clicks and Cheap Branding

As of this time, Facebook advertising is not as competitive as many other types of online advertising and clicks continue to be comparatively cheap. For example, a click in Facebook costs the Bar Association of San Francisco an average of $1.52 and a click in their Google account costs an average of $2.49.¹

And since you pay for clicks, not the number of times your ad displays, it's an opportunity to get your message repeatedly, and free of charge (unless they click), in front of a lot of local Facebook users who may remember you when they need legal help.

¹ It should be noted that a click in a search engine is more targeted, and therefore, worth more than a click from a directory or a social media site. When someone types "Chicago divorce lawyer" into a Google search box, there is a very strong likelihood that they are trying to fill an immediate legal need. But if someone signs into Facebook to interact with friends and relatives, it is not always so clear why that person may be clicking on an ad they see there.
II. Getting Started with Facebook Advertising

To advertise in Facebook, you first need a Facebook account. This does not have to be a bar association or lawyer referral service Facebook Profile because you’ll be bringing people who click on your ads to your lawyer referral website, not to your Facebook Profile – even a personal or fictitious Facebook Profile will suffice for purposes of running ads.

If you already have a Facebook Profile, skip ahead to Step 2 (page 8 and following).

Step 1. Setting Up a Facebook Profile

If you have not joined Facebook yet, you need a profile page set up so you can put in billing information for your advertising. You'll find that setting up a profile is quick and easy since most of the steps have a "skip this step" option.

Put in your name (or a fake name if you prefer), a valid email address (you'll need to retrieve an email from Facebook later in the process to “verify” the account) and a password. Then select a gender and put in a birthday that approximates your actual age.²

Click the big green "Sign Up" button.

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² It’s recommended that your Profile, even if fake, resemble your real demographic profile (location and age) so that you can see which other advertisers are targeting our group and what they’re doing to reach people like us. Dashiell always loves an opportunity to learn from his competitors.
In the next step in the process, Facebook offers to scour your email address book to see if any of your email contacts are on Facebook.

Dashiell thinks this is creepy and recommends you skip this part by clicking on the link at the bottom that says “Skip this step.”

In the next step, Facebook wants you to provide education and employment information.

This isn’t required for advertising, so you can skip this step too by clicking on the “Skip” link (indicated by the green arrow).

Next, Facebook wants you to upload a photo. Again, not required for advertising, so you can skip this step by clicking on the “Skip” link, as above.
Congratulations. Now you have a Facebook profile, but you're not done yet. Now you need to go to your email account and "verify" the new profile.

This is why you have to give a real email address when first starting this set up process (page 4, above).

Click on the link in the email that Facebook sent you.
Login with your email address and password and you're done.

Login to “Verify” Your Account

Your Facebook Welcome Page
Step 2: Writing Your First Ad

While signed into your Facebook profile, find the link at the bottom of the page that says "Advertising" and click on it.

Click on the green button that says "Create an Ad."
When composing your ad, Facebook editorial guidelines limit you to 25 characters (including spacing and punctuation) for your Title and 135 characters for your ad text.

For inspiration, below is the ad that the Bar Association of San Francisco is currently running.

Need a Lawyer?

Experienced, Qualified Attorneys from the Bar Association of San Francisco. A Non-Profit Public Service. Trusted Since 1872.

The "Destination URL" text box is where you put the URL of the page that you want people to go to when they click on your ad. This would probably be your main LRS page or maybe your LRS contact form, depending on your personal preferences on that point.

When you enter your display URL into that box, it is recommended that you append "?facebook" (without the quotes or something like that) to the end of your destination URL so it will be easier to monitor traffic through this ad in Analytics (more on in the "Measuring Your Results" section this below).
Facebook also allows you to upload an image (I think the maximum dimensions are 110X80 pixels) which is strongly recommended. Find something colorful to draw the Facebook users' eyes to that part of the Profile page.

Next we choose who we want to see the ads. In this example, we choose all Facebook users who are 25 years old or older who live within 10 miles of San Francisco.

As you see in the screenshot to the right, Facebook estimates that this will reach approximately 698,000 Facebook users.

If you find your demographic target to be very small (say, under 10,000 Facebook users), I would suggest that you expand your geo-target to maybe 25 miles or 50 miles from your location in order to get your exposure up to a satisfactory number of Facebook users.

Next we set
(1) Ad Scheduling,
(2) Budget
(3) Pricing, and
(3) "Set a Different Bid."

(1) Ad Scheduling:
Ad Scheduling allows you to set what times of day you want your ads to run. While for search engine advertising, ad scheduling is often during business hours (when Google is busiest), I would assume that people sign into Facebook at all hours and probably particularly after hours.
(2) Budget:
Budget refers to how much you tell Facebook you are willing to spend in a single day. This can be set at any amount but choose an amount that will allow your ads to keep showing even if you get a few clicks early in the day. In this example, I set the daily budget to $25 (but if you don’t want to spend very much and you’re not inclined to monitor it too closely, you should consider a lower daily budget of maybe $7.50/day or $10/day)

(3) Pricing:
Pricing is where you decide whether you want to pay Facebook for clicks or for how often your ad displays. For the reasons stated on page 3, above, it is recommended that for now, you choose "Pay for Clicks (CPC)" among these two pricing models.

(4) Set a Different Bid:
Facebook by default assigns you a bid and it’s recommended that you click on the "Set a Different Bid" link and set your own bid. Facebook will suggest a range of bids for your market and I recommend choosing the lowest of their suggestions. For example, if they suggest a range of $1.31 to $1.86 per click, set your bid initially to $1.31 per click.

When all of this is done, click the blue "Review Ad" button at the bottom of the page.

Your options here are "Place Order" or "Edit Ad."

If you’re satisfied with your ad and settings, click "Place Order." Otherwise "Edit Ad" takes you to the previous page where you can edit any of your ad copy or settings.
Now you enter billing info. Your choices are credit card or PayPal.

Make your selection and click "Okay."

Enter your credit card or PayPal info and you're good to go.

It will be pending editorial review for a little while and within an hour or two your ads should be running.
Part 3. Monitoring Your Account

To make sure you're not spending too much or too little on your Facebook campaign, you need to monitor your click and impression activity fairly regularly at first, maybe every day, but after a few weeks when you have your bids where you want them, you can probably get away with checking it a few times per week (and then mainly just to make sure that people are still seeing your ads and that you're not spending too much).

Login and click on the "Advertising" link at the bottom.

By clicking on the Title of your ad you can see more specific daily click traffic for any specific week for your ad.

If you find that you have some impression activity but no clicks, you may have to raise your bid from Facebook's recommended minimum to maybe $0.50 more. For the first few weeks, experiment with different bidding levels until you find a spot where you're getting a lot of impressions and a few clicks.

In the example to the right, notice

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3 Impression activity meaning the number of times your ad displays, whether or not it is clicked upon.
the sudden increase in click activity. This spike in click activity occurred when the Bar Association of San Francisco's bid was increased from $1.00 to $2.00 per click.

And you can toggle the spreadsheet to "Impressions" to show how many times your ad was displayed.

In this case, the ad has been displayed over 645,516 times and 99 people have clicked on it for a total spend of about $150. Considering that this boils down to about 4,300 ad views per penny spent, Dashiell thinks this may be a really good, dirt cheap branding opportunity.

If you want to experiment with different messages, click on "Create a Similar Ad" button.

This will take you to your current ad and it allows you to tweak your message and/or settings without over-writing your existing ad.

If you plan to run more than one ad, be sure to make the destination URL unique for each ad so you can compare the performance of the various ads. For example, in your second ad, append to the URL "?facebook2" (without the quotes.)
Facebook Reports: As of this writing, a lot of the reports, most of which were introduced very recently, don't work very well. Future editions of this guide will keep you apprised of Facebook report development and as soon as they offer some type of conversion tracking, I'll let everybody know.

But the reports, to the extent that they work, still show some interesting information.

As the report above shows, for the Bar Association of San Francisco, which set its demographic targeting to Facebook users 25 and older, the impression activity for the ad is not surprisingly skewed towards younger adults:
Over 41% of the impressions went to users ages 25-34,
21% to ages 35-44, and
about 15% ages 45-54.

It's unknown whether the click activity followed along these age lines. As of this writing, the reports were not showing the percentage of clickers but hopefully they'll have that resolved soon and I'll keep you posted.
Part 4. Measuring Your Results

It's been stated a few times already in the guide that Facebook seems mainly to be a branding opportunity and less so about generating leads for your referral program, but the only way to know whether this is a good use of limited LRS marketing money is to see if anything ever comes out of it.

On the telephone:

Since most people will still be calling your program rather than making contact with the LRS by email, it's very important to get your staff to ask how callers found out about your program. And if the caller says "Internet" or "website," follow up with the question "How did you find our website?"

Conversion tracking:

As of this writing, there's nothing comparable in Facebook to Google's conversion tracking so there's no easy way to measure how many visitors to your website who use your contact form originally clicked on your Facebook ad. It is anticipated that this functionality will be coming someday and I'll keep you posted on that.

Google Analytics:

Remember when I suggested that you append "?facebook" to the destination URL of your ad when you were setting it up? The chart below shows why:

In Google Analytics\(^4\), you can view how may times a page was called from your server and user statistics related to those visits. By giving it a unique URL, you know for certain that this page-call was from the Facebook ad (as opposed to some other click into your site from Facebook, like from a User's Profile page who has a link to your site).

\(^4\) If you're unfamiliar with Google Analytics, coming soon is "Dashiell's Guide to Google Analytics."

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The data in this particular report from the Bar Association of San Francisco's Analytics account is not very encouraging. Of the visits to the Bar's website, the visitors from the Facebook ad had among the shortest time spent per page (45 seconds) and by far the highest bounce rate (93.9%).

Only 3 times out of 82 visits, so far, did someone from the Facebook ad go to a second page on the site, with one of them going to the contact form but not using it.

**Conclusion:**

While the exposure that Facebook gives your program in your community seems like an excellent branding opportunity, at this point it's hard to tell whether Facebook advertising is an effective lead generation tool. Since there's no conversion tracking built into Facebook, it's hard to measure how many people who click on the ads are making contact with the advertisers. The Facebook Reports Center is a work in progress - as of this writing, some of the reports work partially and others not at all.

Anecdotally, one New England law firm we've been advertising in Facebook reported that no one has mentioned Facebook as a referral source after over 1,000 clicks. Likewise, no one through the Bar Association of San Francisco's Facebook campaign has used the LRIS contact form nor mentioned Facebook as a referral source on the phone.

Some advertisers in other industries have reported that their ROI is better with other online sources but others report that their Facebook ROI is good.

Our recommendation is that if you're unsure, give it a try because, if nothing else, it's a really cheap branding opportunity and easy to set up.

And while you're doing all of this Facebook stuff, Dashiell wants to remind you to "Have fun!"

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