

# The Definitive Guide to Digital Advertising



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It doesn't matter who you're marketing to—businesses or consumers—today's buyers are interacting with your brand across multiple channels and devices. Plus, they have more expectations than any other buyer generation in history. Modern buyers want personalized, one-on-one conversations with brands at the right place and at the right time.

Your buyer expects a conversation to take place seamlessly from your website, to their mobile phone, on social media, and on all of the other websites that they visit in any given day, week, or month. Your buyer expects a continuous experience.

While this is certainly a challenge for marketers and advertisers, new ad technology and innovations continue to advance at breakneck speeds. New ad technology platforms, types of ads, methods of tracking, dynamic ad content, and advances, such as the Internet of Things, now provide endless opportunities for marketers and advertisers to engage in a cross-channel way. But all of these new engagement opportunities can be confusing. And executed poorly, they can lead to low engagement and irritated buyers.

The goal of our *Definitive Guide to Digital Advertising* is to provide a thorough overview of the digital advertising landscape and help you create a framework for engaging your audience within these channels as part of a seamless conversation. There is a lot of noise generated about digital channels, and we want to help you navigate.

This guide was created for all marketers who use, or are considering using, advertising in their campaigns (which should be all of you).

# This guide provides answers to these critical questions:

- 1. What is digital advertising?
- 2. How should you create your digital ad strategy?
- 3. Which different types of ads do you have at your disposal?
- 4. Which pricing structure can you expect?

- 5. How do you target your digital ads?
- 6. How do you design your digital ads?
- 7. Which type of ad technology is available?
- 8. How do you test and measure your digital ads?

# What is digital advertising, and why is it important?

Digital advertising is the tactic of leveraging the internet and its properties to deliver promotional ads to consumers on various channels.

Like its predecessor—traditional advertising—a digital ad can help tell the story of your brand. Unlike traditional advertising, digital advertising is more universal and flexible, enabling you to tell your brand story on the channels that your buyers frequent—through text, images, video, and more.

Digital advertising has evolved considerably since the first clickable ad hit the internet in 1994. Today, instead of advertising creating noise that distracts from the content your buyers want to read, digital advertising can be part of an ongoing conversation that your brand has with its customers.

Digital ads are everywhere. They can be seen on the websites your buyer visits, on their mobile phone, on social media channels, and on their smart watch. Because advertising proliferates across so many channels, including very personal channels, you need to be more cognizant than ever before about providing useful, engaging content. Luckily, due to behavioral targeting technologies and platforms like marketing automation, these continuous conversations are possible. And by leveraging these technologies at scale, you can nurture your buyers in a very personalized way until they are ready to become customers.

As marketers, we may feel like we have come a long way with digital advertising, but we are still in the early stages. With digital advertising continuing to gain momentum, it is more vital than ever to make it an integral part of your holistic marketing mix.



# Why digital advertising is important

Digital advertising creates powerful opportunities to tell brand stories at scale and in context. Through ads on various devices and channels, marketers can reach larger audiences in a way that is in real time and increasingly personal.

# Three reasons for a digital focus

#### 1. Your buyers are constantly on digital channels

Your buyers spend a lot of time online. Gone are the days when newspapers and magazines dominated your buyer's attention. We are firmly entrenched in the digital era. In fact, a recent study by Media Dynamics states that since 1985 a typical adult's digital media consumption has grown 40 percent to 9.8 hours per day in 2014. A similar 2014 study by Nielsen found that the average American spends an astonishing 11 hours per day with electronic media—which was defined as TV, radio, internet, smartphone, gaming, and other multimedia devices.

With your buyers constantly switching channels and devices, how can you reach them? Digital advertising is a fantastic way for your brand to live across channels.

#### 2. Marketers have greater targeting capabilities

When you put an ad in a magazine, you have very little control over who sees and interacts with it. With today's advancements in digital advertising, marketers can now target the exact audience that's mostly likely to make a purchase. By combining the power of marketing automation and an advertising network or platform, you can avoid sending messages to people who aren't a great fit for your product or service. Targeting your ads on digital media isn't only limited to the demographic or firmographic characteristics of your audience. You can also deliver messages that are uniquely personalized to resonate with your audience as individuals based on who they are and what they do.

#### 3. Customer intent data enables personalization and seamless conversation

With today's powerful marketing and advertising tools, there is so much data available about your customers. By leveraging the latest and greatest tools, like Adobe Marketo Engage's Ad Bridge, you can leverage customer profile and intent data from many different channels to have one seamless view of the customer. You can personalize your ads based on who the individual is from their behavior, their demographics, where they are in the buying cycle, their level of engagement with your brand, and the content or offers they've viewed. With this advanced personalization, you can have more relevant conversations with buyers across all channels.

# Today's noisy buyer landscape

Marketers are always looking for more ways to advertise and insert their brand messaging into as many digital channels as possible. This leads to an onslaught of ads targeting consumers on digital media.

In fact, according to the Media Dynamics Study, the average adult is exposed to 5,000+ brands and their advertisements throughout the day. How many of these are ads? 362. And how many of these ads actually make an impression? 12. Clearly it is challenging to grab a buyer's attention.

In today's noisy, hyperactive world, your audience can't give a ton of attention to any one brand in particular. In fact, the abundance of information that's out there equals attention scarcity and a greater demand for relevance—so how can your brand break through all of that noise and be one of the 12 ads that actually makes an impression on your audience?

The more relevant, interesting, creative, and non-intrusive your ads are, the more likely they will be seen and engaged with by your coveted audience. Through effective digital advertising, you can listen to your audience's behavior and respond with relevant content.

As you consider the journey that your customer takes, digital advertising is an integral part of that journey, so it's important to include a variety of digital advertising tactics in your overall marketing strategy. Relevant digital ads help nurture your buyers until they become customers—enabling you to continue a one-on-one conversation on all channels.

But digital advertising evolves quickly, and as a marketer you have to keep up. The ubiquity of online interactions in today's modern culture demonstrates why digital advertising has become, and will continue to be, indispensable to marketers. Marketing through these ad channels is key to unlocking the potential of an expansive and captive audience.

# The new digital buyer

Meet today's buyer. They have the upper hand when it comes to making purchase decisions. Tech-savvy and brand sophisticated, they are wise to the ways of marketing and expect a lot.

There are two major trends that have emerged out of the recent—and rapid—evolution of digital buyer behaviors across all channels. These trends have shaped how marketers need to interact with buyers through digital ads.

#### **Buyers are more informed**

Thanks to the abundance of information combined with better search and sharing technology, product research is now easily accessible to consumers. Today, anyone can quickly access information about products and pricing and do their own research when it comes to making purchase decisions. In fact, today's buyers often form an opinion about a brand before they ever interact with that brand directly. By the time buyers come to you, they've already made the decision to purchase. So your consumers' online perception of you is important, and your advertising must be relevant to your buyers' journey.

#### Consumers have high expectations

Today's buyers have come to expect that companies will keep seamless track of their purchase history, communications preferences, and desires—so if your system isn't a well-oiled data machine, you're set up to lose brand loyalty fast.

Your buyers look for a unified and personalized experience across all of your various touchpoints. They want to find the information they need in the medium that's most convenient for them in that moment. Whether they are surfing the web on their computer at work, or waiting in line to purchase a pair of pants at their favorite clothing store—they expect the experience to be flawless and consistent.

It's an exciting and challenging time to be a marketer. It's no longer enough to simply push static information to buyers in a mass advertising model. As a marketer, you must fundamentally shift the way you engage with customers across online channels throughout the customer lifecycle. And to do this, you must learn to engage each and every customer personally with your digital advertising.

# How has digital advertising evolved?

Digital advertising has evolved considerably since we saw the first banner ad in 1994. Now we see advertising everywhere—on websites across the internet, on mobile devices, and on smart watches. We see them on social media, and we can now even see connected billboards that change based on traffic conditions.

# A brief history of digital ads

In 1994, the banner ad took over the web. According to Wired magazine, the company HotWired launched banner ads from 14 companies. Each banner ad was 468 pixels wide by 60 pixels deep. And legend has it that the very first one of these ads was from AT&T. The ad asked, "Have you ever clicked your mouse right HERE? You will." And they were right. From there we saw the first ad server NetGravity in 1996, the first Google AdWord in 2002, the first YouTube ad in 2005, and the first Facebook ad in 2007.

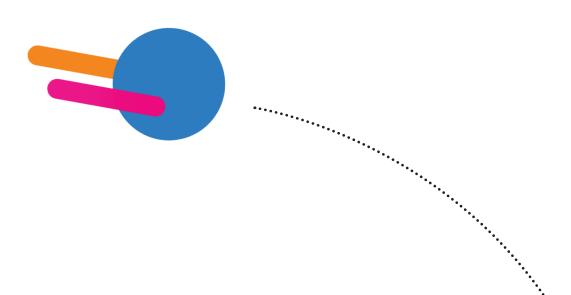


First banner ad: AT&T

# The rapid evolution of digital ads

We may joke and reminisce about the early days of Netscape and banner ads, but digital advertising has experienced a rapid transformation in the past two decades. Why? Well, people love content—and they love to consume it at a rapid pace.

Consider how you consume content. TV is no longer the primary screen that you or your audience use to consume media—now you spend almost six hours online versus four and a half hours in front of the TV. You are constantly moving from screen to screen, media to media.



# **Data and targeting**

The inclusion of data and targeting has been a huge advancement in the world of digital advertising. Through advanced data, behavioral tracking, targeting capabilities of digital ad platforms, marketing automation tools, and social media sites, marketers can now get even more personalized with their digital ad creation.

While in the past digital ad targeting was based heavily on traditional demographic information, marketers can now get very specific. Today you can target based on location, behavior, content viewed, industry, segment or persona, browser, device, and more. This enables more personalized advertising than ever before.

This data can be used across all of your channels, allowing you to determine accurately that the person who views a product on your website is the same person who liked a post on your Facebook page.

#### Rich media

While in the past ads were simply text, today you can create ads with multiple images, videos, and even interactive experiences. You can use video and images, and you can even create ads that are interactive for your users. By creating ad content that is more dynamic, your audience is more likely to engage.

# **Programmatic**

According to Business2Community, programmatic refers to a wide range of technologies that seek to automate the buying, placement, and optimization of advertising. Programmatic advertising combines rich advertisements with the ability to resonate with the right audience, using the right ads, in the right places.

Programmatic ad buying is less expensive and simply more efficient, allowing marketers to focus on building great campaigns and scaling what matters.

Digital ad targeting enables more personalized advertising than ever before.

# **Native advertising**

In the past, digital ads have been thought of as intrusive and noisy. They appeared in the middle of your screen while reading an article, with no relation to the content you were engaging with. And what do you do? You feel irritated and quickly click out of the ad to get the intrusive content off your screen.

In contrast, native advertising is contextual—this type of advertising is designed to look and feel like the content that exists on the page. Native ads are much less intrusive, offering that seamless experience that buyers are looking for. Native ads are seen often on social media or news sites. In fact, a recent survey by IPG Media Labs cited that native ads give a 52 percent lift in purchase intent and a 32 percent lift in brand favorability.

# **Cross-channel interactivity**

By harnessing data from multiple channels, your marketing campaigns can actually work across channels, using data on one channel to inform another. It's this interactivity between channels that's improving how marketers interact with customers across the customer journey for a more seamless, integrated experience.

Back when digital advertising began, there were no cross-channel efforts. In fact, it was rare that an advertiser and a marketer would even be in the same room to discuss a cohesive campaign. Your ads must be part of your overall brand story. Your online and offline tactics must speak to and support each other in order to provide a cohesive experience for your audience.



# How do digital ads work?

Before we dive into the details of digital ads, let's first discuss how they work.

Ellen is a potential customer who comes to your website. She looks around, clicks through a few pages, but ultimately doesn't purchase. However, you do know—based on her behavior—that she likes your social media product. She is cookied before she leaves.

After Ellen leaves your website, she goes to another website to read some current event content from her local news site. Ellen starts to see your ads on each page that she visits.

Ellen then goes to her Facebook page to post a new status update. She sees another one of your ads—this time, the ad is personalized to her preferences. The ad shows her an offer to download your latest social media eBook. Ellen is interested and clicks on the ad.

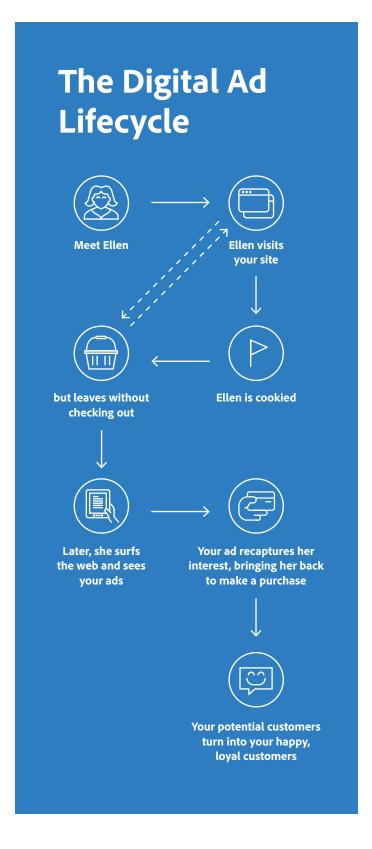
She fills out your form, you get her information, and Ellen is then sent back to your website where she makes a purchase. Ellen receives a welcome email and gets started using her new purchase. Ellen is a happy customer.

After a couple of days, Ellen comes back to your website to explore more of your store. On your site you ask her to complete a survey about her experience with your product.

Once she leaves your website, you target her with ads related to a complimentary product to the one she already purchased.

#### What is a cookie?

A cookie is a small message given to a web browser by a web server. The cookie is used to identify a user and create customized web experiences (like a customized ad on other websites once a person has left your page.)



# Digital ad strategy

# Developing your advertising foundation

Whether you're working in a B2B or B2C company, before you start developing and placing digital ads, you must first come up with a viable ad strategy.

According to Demand Media, an ad strategy is the blueprint of how you sell your product or service to consumers. But since your company likely has multiple products and audiences, you might have multiple ad strategies.

#### Determine the state of the market

Before you set out on your advertising journey, take a close look at your current market:

- · Who is most likely to purchase your product?
- How much of that market is interested in your product?
- Are there other companies selling similar products?
- What do your competitors' advertising strategies look like?

In this step it's also important to consider the current economic climate and understand its impact on your business—not all businesses or products are recession-proof. Make sure to investigate the history and the major trends in the market that surround your product or service, as well as the correlating risks and opportunities. Finally, do a full review of what the future predictions are for your product or service in the marketplace. Depending on the state of the market, you could choose to go in a completely different direction with your ad strategy—or even nix advertising of the product or service altogether until conditions improve. By having an overview of your marketing state—buyer profiles, economic climate, trends, and risks—you are in a much better place to create an ad strategy that reflects these elements and is positioned to succeed.

# Ask the right questions

Once you've determined that the market conditions are right, it's time to start creating your advertising strategy. And the key to designing an effective digital ad strategy is to look at what you are doing currently and decide where you want to go. Ask yourself and your team some important questions to map out your plan. Be sure to invite key stakeholders into the room for this initial discovery process.

#### What are you currently doing for digital advertising?

Defining this question helps you define your baseline. Some companies may already be running large-scale campaigns on various online channels, while others may not have many ad activities (yet).

#### Who's running your digital advertising strategy?

Is your digital ad strategy aligned? Are you running your advertising out of many functions independently—such as social, demand gen, and web? Are they talking to one another? It's critical to understand your own organizational structure.

#### If you're doing digital ads today, how are they performing?

Now is the time to set your initial baseline so you can measure the performance of different campaigns over time. Decide on your key performance indicators (KPIs). How are you measuring success? Which channels need improvement?



# Define your advertising goals

To define your advertising goals, you need to settle on a specific set of objectives, whether it's increasing sales by a certain amount, establishing greater brand awareness, gaining a new demographic in your customer base, or any combination of these. Having goals clearly defined on paper establishes measurements for success.

Once you have your success metrics, you can determine what's working and what's not. If an ad is failing, the ad strategy can be reexamined for flaws, and certain aspects can be avoided or adjusted for future campaigns. Or if an ad is doing well, you'll be able to pinpoint which aspects of the strategy are correlated with this success and then mirror them in other campaigns down the road.

# In digital advertising, your goals can be summed up generally by four unique categories:

- Customer acquisition
- Nurturing
- Customer loyalty
- Branding

# **Goal 1: Customer acquisition**

Regardless of the type of organization—B2B or B2C—a great measurement of success is customer acquisition, or an increase in potential customers. You can track conversion success easily with your ads through various types of measurements. Let's look at an example of customer acquisition in a B2B company, such as a SaaS software company. For that organization, an ad is deemed successful if it helps the brand acquire new leads (differing from companies that sell to consumers, that view their ads as effective only if they drive buyers to purchase or sign up for their product or service).

# **Goal 2: Customer nurturing**

Not everyone who sees your ad will immediately purchase your product, and that's why you need to nurture your customers throughout their buying journey. Digital advertising is a fantastic way to do this.

Nurturing, the process of building relationships with potential customers before they are ready to buy, is important for companies to master in order to drive customer acquisition and ROI with their digital advertising efforts.

By using technologies like marketing automation and retargeting (which is the process of digitally targeting customers based on their previous online behaviors), marketers can now use ads to nurture buyers across the channels and websites that your buyers visit.

Just like the practice of email nurturing has breathed new life into email, retargeting, as a form of nurturing, has breathed new life into online ads. The digital landscape is expanding and evolving, continually giving marketers new ways to engage with potential customers.

Nurturing with digital ads is an ongoing process that must continue before and after a prospective customer has interacted with your company's website.

# Goal 3: Customer loyalty, cross-sell, and upsell

Your nurturing shouldn't stop once someone becomes a customer. You can use nurturing in digital advertising to maintain relationships and create loyalty with someone who has already become a customer.

Using the same technologies mentioned previously, you can nurture current customers based on their behaviors to increase their likelihood of making a repeat purchase. You can also work to increase customer loyalty over time.

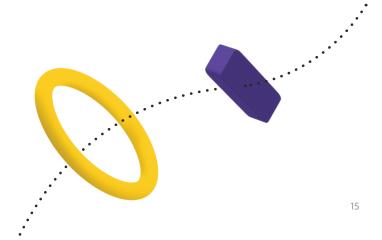
Don't forget that even with digital advertising, you must think about the entire lifecycle of a customer—from acquisition, to purchase, to advocacy.

# **Goal 4: Branding**

Your brand is what makes you unique. Your brand is often comprised of product differentiators, messaging, and a distinct look and feel. Because digital ads are ubiquitous across the web, they can make or break your brand identity.

According to Marketing Land, more and more companies are investing in digital advertising for the sake of building brand awareness with a vast audience. Large conglomerates like Unilever and Procter & Gamble are allocating a whopping one-third of their advertising budgets to digital efforts.

Digital advertising is a worthy component of your branding strategy. It garners a new desire and demand for your product or service and catapults customer engagement and loyalty to a whole new level—surpassing traditional media.



# Audience development and personas

When creating your digital ad strategy, you must consider your audience—who are you creating your ads for? Your identified audience dictates every aspect of your ads.

Most businesses have many audiences and will therefore need to develop personas in order to create effective ads that resonate with each audience. A persona is a detailed description of an audience, highlighting their behaviors, goals, skills, and attitudes. Persona creation is an important baseline for all marketing efforts, especially with today's digital buyers.

# **Creating buyer personas**

To create your buyer personas, you should conduct interviews with customers, prospects, and members of your sales team (if you have one). You can also send out surveys and do your own research with your target audience. When thinking about your digital ad strategy, there are various questions that you need answered. Focus on the following topics when creating each persona for digital advertising:

**Background:** Basic details about your ideal customer—likes, dislikes, and demographic attributes.

**Main sources of information:** Where does your customer like to go to research buying decisions? Which websites?

**Main online channel preference:** Which channels does your customer spend their time on? Do they like news sites? Are they often on social channels?

Pain points: What are your customer's major pain points?

Preferred content medium: How does your customer like to consume content?

Once you have your personas mapped—and you likely will have many—you can create various ad strategies that map to each persona. This will dramatically increase your chances of success.

Make sure you're testing your personas over time. Doing so will enable you to continue refining them.

# Where and when to reach your audiences

Once you have identified your audience, you now need to identify where to reach them. In digital advertising, "where" signifies which websites your audience segments are most likely to frequent. If your audience segment is B2B marketing practitioners, they may be on marketing blogs or sites offering marketing best practice tips. Or if your audience is made up of individual consumers, they may be on large ecommerce sites.

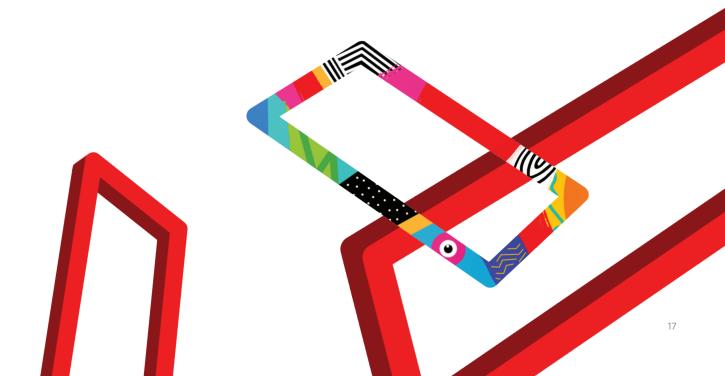
As a marketer, you need to determine, based on your audiences' online tendencies, where your money is best spent, whether that's in display, retargeted, or social ads, and on which type of sites to place these ads. For instance, if your audience is known to spend time on Facebook and Twitter, there's no question that you should be leveraging these two channels by inserting ads into these respective sites.

In some cases, timing matters for ad placement. For example, if you identified your audience as working professionals, you might assume that they use LinkedIn. From here, you can identify the best time to target them. In this case, you may have identified weekdays during the lunch break as the best time to capture more of your specified audience members' attention.

# Your digital advertising team

Forming a strong team is crucial to proper implementation of your strategy.

Your team will dictate which digital advertising areas you'll have the bandwidth and expertise to explore. Depending on your company's resources and needs, the size and composition of your digital advertising team will vary. You may even require outsourcing some responsibilities to an agency. But know that whether small or large, your digital advertising team can get the job done well.



#### Small team

With a small digital advertising team, it's important to consider how to cover as much ground as possible without stretching your team too thin. With a small team, you are forced to focus on which tasks matter the most in carrying out your digital ad strategy and meeting your goals.

#### With limited resources, you should focus on fulfilling the following roles:

#### Online campaign management

You need to have someone on staff who knows online campaign management inside and out. This person should be familiar with paid search and other forms of digital advertising. They should also be able to create some sparkling ad copy. Nowadays, in the digital-heavy job market, it is common to find all of these qualities in the same person.

#### **Creative services**

You need to have someone on staff who can run the creative side of your advertising, including designing banners and landing pages, and understanding important campaign elements like what to do with a tracking pixel or code snippet. Therefore, this person should be a blend of developer and artist.

# Wanted: digital advertisers

A 2014 study from Mondo found that because digital advertising is a growing space with a limited pool of experienced workers, advertisers are in high demand.

The top skill sets companies are hiring for include:

54% 44% 33%

Social media Content creation Data and analytics

30% 24% 22%

Mobile strategy Creative services Product and brand expertise

### Large team

With a large team, you have the ability and flexibility to test and explore more avenues, learning what works best for your company. Certain responsibilities, like the ones described above, are critical to a sound digital advertising strategy and should be part of every team—but since you have the ability to invest in additional people, it's a good idea to make sure that the following responsibilities are covered:

#### **Data analysis**

Data is always there for the taking, but there's not always someone to devote time to it. With a large team, someone can take on this role full time, assessing the effectiveness of various ads and then making recommendations for future ads accordingly. This eliminates the guesswork and injects higher ROI into your digital advertising efforts.

#### Social media advertising

If you will be creating and paying for social ads, you need someone who understands the nuances of various social media channels, such as Facebook, Twitter, and LinkedIn, and has background in social media best practices and trends.

#### **Video production**

If you will be creating video ads, you need someone who specializes in video production, editing, and formatting.

# Digital advertising dream team

According to The Candidate UK, a solid digital advertising team can be broken down into the following categories:

#### The hipsters

These roles provide design and content and add an element of cool and trend to your brand. These positions encompass content creation and editing, creative services, and ad design, and inject a higher ROI into your digital advertising efforts.

#### The hackers

These roles ensure that digital ad technology integrates smoothly with your company's other systems and is also well received by the intended audiences. These roles focus on digital and web development, data, and analytics.

#### The hustlers

These roles ensure that not only are your digital advertising goals met, but also that they happen on time and on budget. These roles oversee paid search, PPC, and display ads and assume overall project management duties.

#### In-house vs. outsourced talent

Whether small or large, some teams may need to outsource some of their responsibilities to an outside agency, either to alleviate internal personnel pressures or to explore more possibilities in their work.

For many companies, video production and creative services are outsourced since these tasks may require the collaboration of a handful of people, for which a company may not have headcount. And on small teams, even common tasks like paid search may get outsourced. In fact, a company may outsource more tasks than it does in-house.

Whichever direction it takes, it's important for a company to always have at least one person on the digital advertising staff in-house who knows the business and can serve as the liaison for the agency and for other teams and departments inside the company. This ensures that the company's brand, messaging, and goals are carried throughout all of the digital advertising campaigns, and that good communication remains intact across the board.

It's important for a company to always have at least one person on the digital advertising staff in-house who knows the business and can serve as the liaison.



# Your digital advertising team

# Sourcing an agency

If you're going to go the outsourced route, you need to first determine which responsibilities your team needs to outsource. What would your team do if there were more hours in the day? Perhaps explore the use of video ads, or expand your paid social reach? Bringing an agency onboard can breathe new life into your digital ad strategy, equipping your company with a digital plan that's more comprehensive and robust and that can become a more integral part of your entire marketing strategy. This can lead to a higher ROI overall for your digital advertising efforts.

# Qualities of a good agency

In your search, make sure that your agency not only has the skills to get the job done but also meshes well with your company and your team. A strong working relationship is a crucial foundation to ensuring that communication and collaboration will flow with ease.

# Other important traits to consider when you're interviewing potential agencies include:

#### **Industry expertise**

It goes without saying that your agency should have talented staff with background in both digital and traditional advertising. Assess the various strengths and weaknesses of each agency, and determine where your needs are met and where they're not.

#### **Shared vision**

To ensure that your team and the agency are on the same page, it's important for the agency to understand your company's brand and messaging, and how these translate into the digital atmosphere. Only after the agency truly grasps your company's brand will it be able to deliver ads that hit the mark every time without a need for revision.

#### Similar background

It's a good idea for the agency to have worked with similar companies so that they have a background in your industry already. This helps you and the agency hit the ground running much faster.

#### Proven track record

Not only should you request and check references, but also request that agencies provide you with case studies of successful work they have completed for other companies. It's a good idea to review previous work as a way to gauge how well they will perform for you.

# **Budget strategy**

As you start preparing to run ads, be clear about your budget and decide which ads and channels support your strategy.

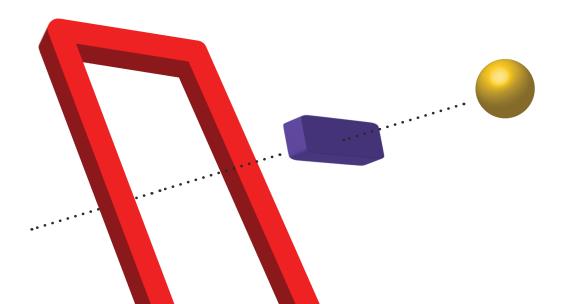
Your budget should represent the amount that you are comfortable spending each day or month (based on how the advertising platform charges you). You may choose to allocate funds differently across channels, depending on which advertising channels you select. Your budget allocation also depends on the pricing models for each channel, which we will discuss in more detail later in this guide.

You will likely have multiple levels of budgets, starting with your highest-level overall digital advertising budget, and working down into each of the different ad platforms and campaigns.

You want to arrange your budget tracking so you can quickly see how you are tracking against your total budget.

#### Budgeting tip: monthly vs. daily views

If you want to view your budget in a monthly view versus daily, calculate it by multiplying your average daily budget by 30.4—the average number of days per month.



# A digital advertising budgeting worksheet

Use this worksheet as a way to get started planning your digital advertising budget. Keep in mind that you may need to complete more than one of these worksheets based on how you split your advertising budget.

		<b>Channel 1</b> (e.g., Google)	<b>Channel 2</b> (e.g., Facebook)	<b>Channel 3</b> (e.g., Facebook)	<b>Channel 4</b> (e.g., Facebook)
Month	Total Budget	Budget	Budget	Budget	Budget
January	\$10,000	\$4,000	\$2,000	\$3,000	\$1,000
Display		\$1,000	\$1,000	\$1,000	\$500
Retargeting		\$2,000	\$1,000	\$2,000	
Search		\$1,000			\$500
February					
March					

# Advertising and your cross-channel marketing strategy

When you think about your ad strategy, it's critical to think about it in a holistic, cross-channel way that is integrated with your larger marketing plan.

Which messages are your consumers hearing from you as they navigate across channels rapidly? And is that cross-channel message continuous and relevant for the consumer?

As a marketer, you need to think across channels in your digital advertising. Through advanced digital advertising and marketing automation technology, like Adobe Marketo Engage's Ad Bridge, Real-time Personalization, and more, you can listen and react from a variety of channels easily.

# Cross-channel marketers need tools to help them:



#### Listen

Pay close attention to buyer behavior across all channels to create a single integrated view of the buyer persona.



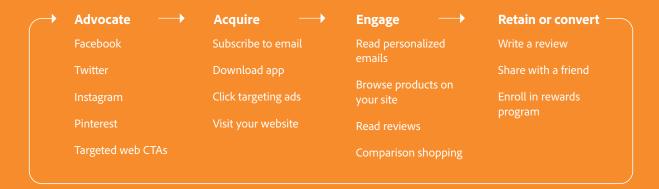
#### Lear

Process all of your buyers' digital signals for a better understanding of your customer.



#### Speak

Manage, personalize, and act on conversations with buyers across channels.



#### Learn

Once you have listened to your buyers' behavior across all of your marketing channels, you need to process these signals before you act. You likely have a lot of data—what your buyers like, dislike, interact with, and ignore. By analyzing the data you have captured, you can learn more about your audience's needs and interests, so that when you do have a conversation with them, it's more contextual.

#### Speak

Engaging conversations with buyers should be maintained seamlessly as they move from one channel to the next. A conversation you start on your website must continue when the buyer navigates to your Facebook page and shouldn't skip a beat when they jump over to LinkedIn. Instead of competing against each other with disconnected messaging, or repeating information your buyer has already absorbed, all of your marketing channels should work together to coordinate the customer's experience. Let's take a look at how to integrate a multi-channel approach into your acquisition and nurturing efforts.

#### Cross-channel ads and marketing automation

Your marketing automation platform can make it much easier for you to create a cross-channel marketing strategy—both when it comes to different ad platforms and how you think about all of your cross-channel campaigns across email, social, ads, nurturing, mobile, web, and so on.

All of your marketing channels should work together to coordinate the customer's experience.

If you're using a marketing automation platform like Adobe Marketo Engage, you can build customer profiles based on demographic and behavioral data gathered across many channels. Adobe Marketo Engage's Ad Bridge gives you the ability to leverage this data in your advertising campaigns to create highly targeted and personalized display and retargeting campaigns. And because these ads are informed by segmentations you're using to power campaigns via email, mobile, web, and more in your marketing automation platform, they become a cohesive part of your overall marketing strategy.

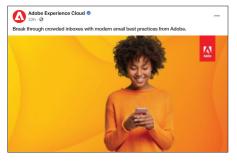
You can then include these targeted ads in the rest of your marketing campaigns, making your buyer's experience much more interesting and cohesive.

#### Cross-channel ads in action

Whichever type of programs you run as part of your marketing plan, digital advertising can and should support them. Digital advertising can often complement your program objectives, expand the reach, and ultimately contribute to the success of the program.

But remember, marketers must always consider who they are targeting, not just what they are targeting customers with—so it's important to tailor your message instead of blasting the same one across channels.

Let's take a look at a cross-channel acquisition campaign that includes advertising.



Facebook ad targeting for interests

# Advertising and your cross-channel marketing strategy

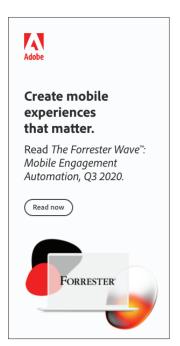
In this example, digital advertising supports a campaign to acquire new potential buyers through the launch of our *Definitive Guide to Mobile Marketing*. You can see that the art and message for the different channels varies based on the persona targeted on each channel, but that each channel is driving toward the same objective (new potential customers) while supporting each other's message.



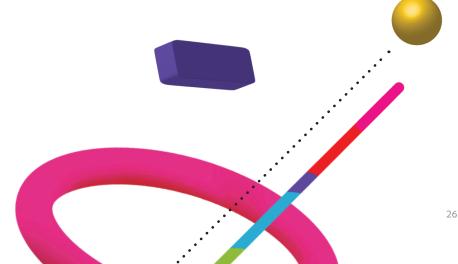
Facebook ad targeting look-alike audiences



Ad displayed on mobile devices



Website ad placed as a section divider



# Your cross-channel digital advertising worksheet

Use this worksheet to help you and your team brainstorm how to incorporate digital advertising into the activities for each of the marketing channels listed below. It's OK to not use all of the channels, or to have multiple rows for some channels. It's important that the ad type supports both your goal and your messages, and coordinates tightly with the messages on the supporting channels.

Marketing Channel	Goal	Ad Types	Messages	Supporting Channels	Budget
Television					
Event					
Print					
In-store Experience					
Blog					
Email					
Website					
Mobile					
Review Sites					
LinkedIn					
Pinterest					
Facebook					
Twitter					
Instagram					
SlideShare					
Paid Search					
Retargeting					



**Marissa Lyman**Director, Americas Growth Marketing, Adobe

#### Adobe:

How do you see the role of digital advertising changing as a part of the overall marketing mix?

#### Marissa Lyman:

Digital advertising is changing because it will be the dominant force in driving customer acquisition for marketers. Let's face it, TV, print media, and the traditional marketing methods are declining and digital advertising on the web, mobile, social and now IoT will be the main area for marketing efforts.

#### Adobe:

How do you see the Internet of Things (IoT) changing how marketers advertise today? How is that similar or different from the rise of mobile devices?

#### Marissa Lyman:

Remember back to 2007 when a little product called the iPhone hit the market? Think of the vast amount of change, disruption, and opportunity that device has brought to us by making mobile the primary channel. IoT has the potential to be just as disruptive. As Apple Watch and other wearable devices begin to gain mass market adoption, it will present many of the same huge changes, disruption, and opportunity we've seen over the past 10 years with the iPhone.

#### Adobe:

What is one mistake you see marketers often make when it comes to digital advertising?

#### Marissa Lyman:

In my opinion, the biggest area for improvement for marketers doing digital advertising is not taking all the rich data available on their customers into account to better target and personalize their marketing to prospects or customers.

Companies that are doing it well are driving hugely positive results—Nordstrom, for example, is doing it right—if I look at a pair of shoes, their digital advertising "listens" and takes that into account as I browse around the web. Other companies where I've always purchased men's clothes could do better. All their emails and ads still show me mostly female products, which I'm unlikely to purchase. Marketers need to make sure to use all that rich intent, interest, prior purchase, time and proximity information, and more to better target and personalize their marketing.

#### Adobe:

How has testing and optimization of digital advertising changed, and how do you see it changing in the future?

#### Marissa Lyman:

The beauty of digital advertising is that it is inherently measurable and trackable if a marketer is using the right tools. Anything that can be measured can be tested and optimized, and now there are increasingly better tools that can drive testing and optimization—the whole rise of programmatic media buying and the vast systems to support them—from Google, Facebook, and LinkedIn, to AppNexus, PubMatic, Turn, MediaMath, RocketFuel, and many more—there is a whole group of technology companies focused on making digital marketing more efficient and optimized for marketers.

I think the market is continuing to move into more automated optimization and testing in digital advertising (display, email, mobile, etc.), and then the next frontier really is predictive optimization. Predictive will allow for all the data collected to drive models that predict the best ads to show when and where and in what medium that is most likely to drive the desired outcome.

# Digital ad types and ad design

# Pay-per-click (PPC) search ads

With PPC search ads, your ad is placed as a "sponsored result" on the top or side of your search engine results, and you pay for each received click. You can tailor your PPC ads to appear when specific search terms are entered, creating highly targeted ads.

For many organizations, PPC ads make up the majority of their advertising spend. In fact, according to an Interactive Advertising Bureau report, in 2014, search ads accounted for \$9.1 billion, or 39 percent, of the total internet ad revenue.

PPC ads are flexible, extremely visible, and most of all, effective for many different types of organizations. They are also contextual advertisements—ads that appear when a person is searching for a particular keyword or term.



# **PPC keywords**

When creating your PPC strategy, first determine your keywords (i.e., what you want to rank highly for) and then optimize and create ads for those terms.

This means when someone searches for those terms, your ad has a better chance of coming up. Keywords should be chosen based on:

- Relevant business goals
- Traffic opportunity
- Competition

#### **Keyword research**

To help you determine which keywords you should select, try Google AdWords Keyword Planner to identify core search and related terms.

#### When researching and choosing keywords, ask yourself:

- How relevant is this keyword to my website, product, service, and content?
- If someone searches for this keyword, will she find my offerings useful?
- Do we have content to offer for this keyword, or will we have to create content?
- Will traffic to this keyword deliver new business to our company?

Consider scheduling a keyword brainstorming session with your team and key stakeholders. Make sure to include key executives from across the business. After your brainstorm, you should have a solid list of keywords—depending on your goals, you could have 10, 50, or even hundreds of words.

Additionally, think about the distinction between early and late stage keywords. You want your offers and copy to resonate with buyers at the right place in their buying journey.

#### **PPC strategy tip**

You also want to take into consideration your cross-channel campaign strategy. What other marketing messages are you sending to your customers, and where are they viewing these messages?

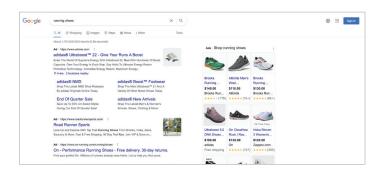
Once you've chosen your keywords, take a moment to see which ads your competitors are serving up. The more ads, the harder it is to rise above the noise—and the more money your ads will cost.

As an example, take a look at our search for "running shoes." You can see that this keyword grouping turned up ads from multiple companies, including Road Runner Sports, Zappos, and ASICS.

As you can see, there are two different types of ads that Google shows: text-based PPC ads listed in the search results and Product Listing Ads selected from Google Shopping. The Product Listing Ads show individual images and products from around the web.

#### What is RLSA?

RLSA stands for Remarketing Lists for Search Ads. This is a feature in Google AdWords that enables you to customize your ad campaign for people who have already been to your website. You can select keywords and formulate your ads with this in mind.



# PPC ad copy

A great PPC ad has compelling copy and an engaging headline. However, you only have 70 characters for your copy and 25 characters for your headline. So you have to say a lot in a very small amount of space.

According to Search Engine Watch, there are five golden rules of PPC ad writing:

- 1. Use clear, easy-to-understand language
- 2. Use vivid and emotional language
- 3. Focus on keywords and the intent behind them
- 4. Having a compelling offer and call to action (CTA)
- Don't go overboard with abbreviations and truncated phrases

#### Relevancy

To really resonate with the needs of your audience, your copy should directly address a customer pain point or need. You want your audience to immediately see the value in clicking your ad.

Using our running shoes example, take a look at the ASICS ad. The headline says, "Go Run It," and the ad itself says, "Find the running footwear for your training needs." The headline is action-oriented, and the ad itself makes the buyer want to click to find running shoes right away.

#### **PPC** headlines

PPC headlines have to pop. And they have to do it quickly. Don't be afraid to use strong language to create a sense of urgency. You also want your headline to convey authority. Your ad will likely be competing against other PPC ads, so make yours stand out by reviewing other ads that show up for your keywords.

#### **Negative keyword campaigns**

We highly recommend using negative PPC keywords—keywords that will cause your ad to not trigger. For example, if you sell high-end jewelry and are bidding on the word "watches," you might exclude any search that has the word "cheap." Remember your PPC campaigns are budgeted by cost per click, so every click counts.

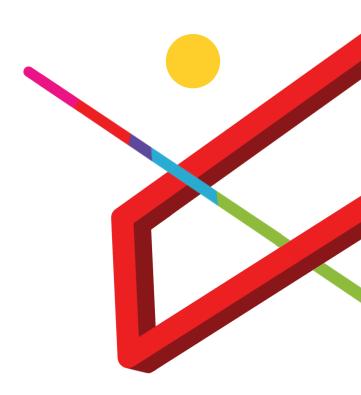
Excluding specific words and phrases that aren't relevant to your product or service can help you reach your ideal prospects.

#### ASICS - Go Run It - asicsamerica.com

M www.asicsamerica.com/running \*

Find The Running Footwear For Your Training Needs At ASICS The World Of ASICS - My ASICS - ASICS Race Info

ASICS PPC ad copy



#### Call-to-action strategy

PPC ads are a great place to showcase your content and products, but keep in mind that people who search for your keywords may be unfamiliar with your company. This means that it often doesn't make sense for your CTA to always be a sales pitch. Instead, offer them a piece of content that is applicable to their search query.

As an example, take a look at this LinkedIn ad that appears for the keyword "social selling." LinkedIn offers their audience a how-to guide on social selling. LinkedIn also offers up some stats in the ad itself that helps prove the value of social selling for your business.

Although most people are familiar with LinkedIn, the brand wants to offer a valuable piece of content to help educate its audience instead of merely talking about its own product.

#### Ad extensions

You can add additional information to your PPC ads with ad extensions, including:

- Sitelink extensions
- · Location extensions
- Call extensions
- App extensions
- Review extensions
- Callout extensions

Here is an example of a PPC ad from ShoeDazzle that includes sitelink extensions for its website—the blue text at the bottom of the ad.

#### Designer Shoes for Less - ShoeDazzle.com

www.shoedazzle.com/shoes-shoes >

Discover Discounts on Hot Footwear. Shop Stylish Shoes Online Now! GX By Gwen Stefani · Free Shipping & Exchanges · 75% Off Your First Item Shop What's Hot - 50% Off Your First Pair - Member Sign-In - Rachel Zoe

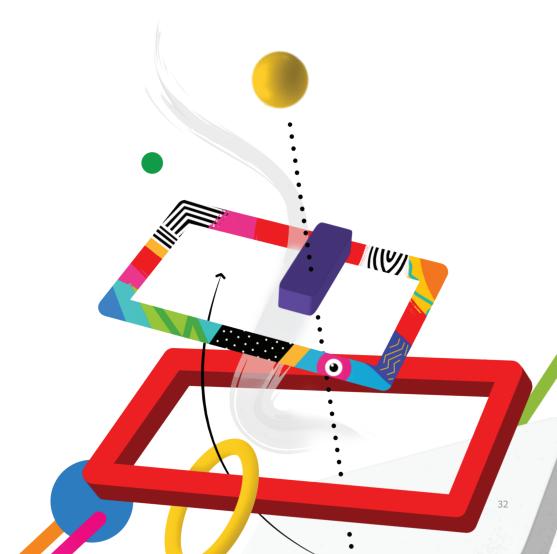
ShoeDazzle PPC ad with extensions

#### Social Selling - linkedin.com

Ad www.linkedin.com/Social\_Selling >

Download The How-To Guide to **Social Selling** with Sales Navigator Demo. +51% likely to hit quota · +45% more opportunities · 364M+ leads & prospects

ShoeDazzle PPC ad with extensions



# Google quality score

According to Google, your PPC ad's Quality Score is "the estimate of how relevant your ads, keywords, and landing pages are to the person seeing your ad." If you have a high Quality Score, Google thinks your ad and landing page are relevant to searchers—so you can rank higher for the same bid amount.

Google tabulates Quality Score based on the following criteria:

#### Your keyword's expected click-through rate (CTR)

This is calculated based on past CTRs and how the keyword has historically performed.

#### Your display URL's past CTR

This is how often your display URL receives clicks.

#### Your account history

This is your overall CTR on all ads and keywords.

#### Landing page quality

This is the relevancy of your landing page and how easy it is to view and navigate.

#### Your keyword or ad relevance

This is how relevant your keyword is to what the customer searches for.

#### Geographic performance

This is how successful you have been in the regions you are targeting.

#### Ad performance on a site

This is how your ads are performing on Google and partner sites.

#### **Targeted devices**

This is how well your ads perform on mobile and tablet devices.

Your Quality Score affects your ad position, your eligibility for ad extensions and other formats, and your actual cost per click (CPC).

#### Google's text display ads

Google's text display ads, otherwise known as magazine ads, enable traditional text-only PPC ads to be displayed as more traditional banner ads on their display network sites. This helps conversion rates and allows text-only ads to compete in a visual-heavy ad world.

# PPC ads and marketing automation

If you're reading this section and jotting everything down in earnest, a lot of your ad budget is probably allocated to PPC ads. But do you know if your investment is actually working?

When a purchase is made online, Google has made it fairly easy for marketers to tie revenue back to the ad. However, the system begins to break when a purchase is made offline, such as when a buyer works directly with a salesperson. So how do you know that your PPC ad influenced a purchase like that?

#### **Tracking ROI**

By using marketing automation, you can actually start tracking all of these interactions. Through a tool like Adobe Marketo Engage's Ad Bridge, you can associate offline purchases with the ads that initiated them. Armed with this information, marketers can create more intelligent PPC campaigns by focusing their bids on keywords that generate the most revenue.

Additionally, through Adobe Marketo Engage's Ad Bridge you can track important back-end metrics such as the amount of leads, MQLs (marketing qualified leads), SQLs (sales qualified leads), and pipeline. Particularly for a B2B company, analyzing this type of data shows true ROI for your PPC campaigns. We will go into much more detail on ROI later.

#### Personalized experiences

One of the most important elements of integrating with your marketing automation platform is personalization. By tying behavior in search with behavior on other channels, marketers can now nurture buyers seamlessly across multiple platforms and channels. This helps you as a marketer have a continuous conversation. As an example, by using a tool like Real-time Personalization, if someone comes to your website from the higher education industry, you can begin to target them with ads specifically relating to higher education, making their experience more relevant.

One of the most important elements of integrating with your platform is personalization.

# Display advertising

Display ads are visual advertisements that can be placed on a variety of online media. Display ads come in a wide array of formats such as text, images, video, and more.

Aside from PPC, for many marketers display advertising is another very large piece of the advertising pie. Display ads are valuable because of their diversity and reach—you can use nearly any type of media to reach your audience and target them across many different channels and devices.

You can choose individual websites for your banner ads to be displayed, or you can create banner ads as part of a retargeting campaign—more on that later in the guide. But for your reference, a retargeting ad campaign tracks your website visitors and serves them your ads on multiple channels using a simple JavaScript code or a cookie that is placed on the viewer's browser.

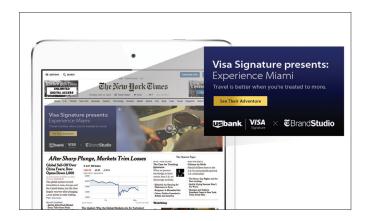
On each website, your banner ads can be displayed in a variety of positions—the most popular positions being at the top and on the right-hand side of a website.

Here you can see another example of a banner ad placement on sfist.com. The Economist has a banner ad in the upper right-hand side of the website.



Ad targeting for behavior

As an example of a header banner ad, take a look at the Visa ad at the top of The New York Times's website.



# Static display ads

Your static ads are the bread and butter of your display ad strategy. These banner ads typically use an image and have some copy, your brand logo, and a clear call to action. A static ad has no movement and works on a variety of channels and devices. This type of ad is also the least expensive to create, so it is the most scalable.

Take a look at a typical static display ad from the company Curata. This ad includes the brand logo, a clear CTA, and an image of the offer.



Facebook ad targeting for demographics

Your static ads are the bread and butter of your display ad strategy.



# Best practices for static display ads

According to SwellPath, there are 10 best practices when it comes to static display ads.

#### Have a clear CTA

This is the most important best practice when it comes to your advertising. You're paying good money for your banner ads, so you want to ensure that the people who click on your ad do exactly what you want them to do. Keep your CTA short and, if possible, action-oriented. Some great examples are "Download now," "Shop now," "Buy now," "Learn more," and so on.

#### Have a great hero image

You need an image that is essentially the hero of your ad. Websites can be extremely noisy. Your buyers might even be surrounded by a variety of other banner ads. So make sure your image stands out from the crowd. Make it eye-catching, have high-contrast imagery, and consider using lifestyle images—case studies show this tends to perform better.

#### Have great branding

Make sure that your ad branding is consistent with your website and other collateral. Your ad should have your brand colors, brand fonts, and other elements so people know that the ad is from you.

#### Company logo

This seems pretty simple, but be sure to include your brand logo. You can test placement, but according to data from SwellPath, logos work best in the top left or right corners or the bottom left or right coners.

#### Include a promotion

By including some type of promotion in your ad, you could yield a higher click-through rate. Consider offering a discount, free shipping, or other offer.

#### Include a sense of urgency

You can include a sense of urgency by saying that your promotion "ends today" or that this is a buyer's "last chance." People are much more likely to click on ads that include this sort of verbiage.

#### Include a headline

Be sure to add a text headline, in addition to your image, so your audience knows exactly how to think and feel as well as what to do.

#### Match your landing page to your ad

We have said this a few times, but it begs being repeated. Make sure that your landing page matches your ad. If your ad promotes a pair of red shoes and your landing page promotes a pair of blue shoes, you are risking drop-off.

#### Size correctly

There are definitely banner ad sizes that outperform, so make sure you are focusing time on the following sizes:

- 300x250
- 160x600
- 728x90
- 600x315 (Facebook)

#### Always be testing

You can test various elements of your banner ads, so make sure you are proactively testing.

## Video display ads

Video display ads take banner ads to the next level by adding video—making your ads much more interesting and interactive for your viewer. Your video ads are similar to your static display ads in that there is typically an engaging image, headline, and brand logo. The CTA for your video ads will typically be "Watch the video" or "Discover the video," and so on.

Video ads have extremely high engagement rates. According to Comscore, video ad impressions surpassed 20 billion in June 2013, and video ads reached nearly 54 percent of the population—an average of 121 times per month.

Marketers agree. According to a BrightRoll survey of top ad executives, 91 percent believe online video ads are equally or more effective than display advertising, 75 percent believe they are more effective than TV, and 68 percent believe they are more effective than social media.

Take a look at an example of a video ad from Dior. The ad features the musician Rihanna, which immediately catches a viewer's attention due to her pop icon status. The Dior ad uses eye-catching imagery and includes the CTA to watch the video.

Here is another example of a video ad from a CNN original content video series, *The Seventies: One Nation Under Change.* Not only does CNN have a video display ad to promote its show, but it also has special branding across the header of the website.



Dior video display ad

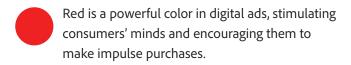


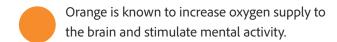
CNN The Seventies video display ad

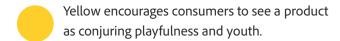
## What do certain colors mean in digital advertising?

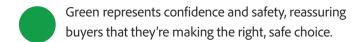
According to Stream Companies, color is a powerful element in digital advertising.

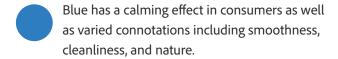
Here are some best practices to keep in mind:

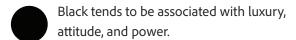












## Best practices for video display ads

Like static display ads, there are best practices that you can utilize to make your video ads a success. According to Entrepreneur Magazine, there are six best practices to keep in mind when creating your video ads:

#### Define your audience before creating your video

Instead of creating one video that spans all of your ads, make sure that you are creating videos that speak to the target audience you have in mind. A video that resonates with one audience may not resonate with another. So keep that in mind during creation and filming.

#### Get to the point

People have short attention spans, especially for advertising. According to Entrepreneur, "the first five seconds will make or break your video ads." Put your main point and even your CTA in the beginning of the video so you can ensure that people actually get the point, even if they don't watch until the end.

#### **Keep it short**

In the same vein as above, keep your video short. Your audience is easily distracted; make it simple for them to pay attention. Keep your video short—no longer than 30 seconds for optimal appeal.

#### Create an obvious storyline

Some people may view your video ad on silent as they work, so make sure that you have an obvious storyline that works even when the video is silent.

#### **Test different video components**

Make sure to create multiple versions of a video so you can test. Consider testing where you put your CTA in the video, if you use voiceover, dialogue, or text subtitles, what music you may use, and what you include in the first five seconds.

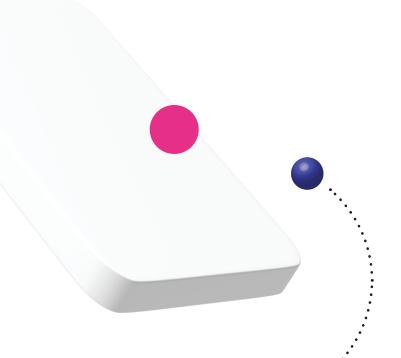
#### Capitalize on blockbuster concepts

Assess pop culture and trends to find out what's hot. What is everyone talking about? Which stories and themes do everyone recognize? Take advantage of these bits of common knowledge and incorporate them into your video so that it's relatable for your viewer.

#### Native video on social

Video ads are starting to pop up all over social. And instead of having your video hosted on an outside channel, such as YouTube or Vimeo, most social channels now allow you to host your video ads directly on that channel so your audience doesn't have to click out.

Another benefit of native video ads is that they'll automatically play once your audience scrolls over them, meaning fewer clicks for the viewer and more opportunity for you to pull them into the action immediately.



## Cinemagraphic display ads

Cinemagraphs use a mix of static imagery and video to grab the attention of an audience. These types of ads are typically seen on websites, but they are now becoming more common on social media sites like Facebook and Instagram.

A cinemagraph uses mostly photography, but with very specific added movement to catch the eye of the viewer, encouraging them to interact with your brand.

Here is a series of cinemagraphic display ads created by the shoe brand Stuart Weitzman and shown on Facebook and Instagram. While the best way to get the point of a cinemagraph is to view it yourself, we will try and describe the movement to the best of our ability.

The first ad shows movement in the shoe's fringe and in the feathers of the model's hat. By adding movement to the fringe, the eye is drawn to the shoes.

The next ad in the series shows a woman tapping her foot and listening to a record. In the ad you can see the foot moving and the record spinning. As you can see (or imagine) in both ads, the movement draws the viewers attention to the branded item—in this case, it's all about the shoes.



Stuart Weitzman cinemagraphic ad 1



Stuart Weitzman cinemagraphic ad 2



## Display advertising

### Pop-up ads

Pop-up ads are controversial. This is primarily because they can be annoying—if you do them incorrectly. Back when pop-up ads began in 2004, they typically opened in a new window. However, due to the advent of pop-up ad blockers, advertisers have found new and innovative ways to use pop-ups in their advertising.

Today, pop-up ads occur mainly on an in-window overlay. Sometimes these ads appear right away, sometimes they are delayed, and sometimes you even have to perform a certain action to get back to reading your content. When considering pop-up ads, these types are the most popular:

#### Time-based

This type of pop-up shows your ad after a visitor has spent a certain amount of time on your website.

#### Scroll

A scroll pop-up shows your ad after the visitor has scrolled to a particular place on your website. But before we go into more detail regarding best practices, take a look at an example of a pop-up ad in action.

This example is from the barefoot running shoe company Xero Shoes. This ad is an in-window overlay where the viewer can easily click out, or they can sign up for Xero's newsletter.



Xero Shoes pop-up inlay ad.

Take a look at some of these compelling pop-up ad stats from the site WebMeUp.
Clearly, pop-up ads can work for or against you, depending on how you use them.

**70**%

of Americans say they get annoyed by irrelevant pop-up ads. #1

Pop-ups are the #1 reason people block a website or never come back to your site.

**2**x

Pop-ups can double your subscription rate.

162%

Enterpreneur.com increased their sales by 162%, thanks to pop-ups.



## Best practices for pop-up ads

Pop-up ads can be considered interruption marketing, and they are known to annoy customers, so be very careful with your ad and offer. Here are some best practices to keep in mind:

#### Keep your CTA high value

This is probably one of the most important best practices for pop-up ad success. Because you are interrupting your site visitor's actions, make sure your CTA is for something that is meaningful. If you ask for an email address, consider offering an incentive like a promotion or discount.

#### Make your exit simple

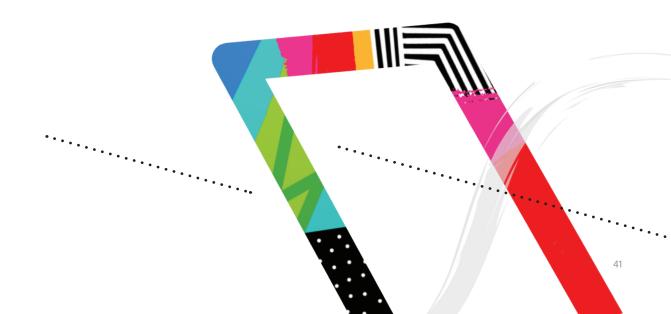
Have you ever received a pop-up ad only to have trouble closing it? Make sure your ad has a good user experience and offer a simple and easy way for your site visitors to close your ad.

#### Timing is critical

Think long and hard about when you want your pop-up ad to display. Do you want your ad to pop up right when a person enters your site? Or do you want a delay? And if you want a delay, how long should that delay be? According to the e-Strategy Blog, the best practice is a one-minute delay.

#### Always test

A pop-up ad is one of the most critical types of display ads to test. You should be testing length of time on site before your ad pops-up, CTA, copy, headline, color, exit strategy, and placement. By constantly testing you can be in a much better place to determine what works and what doesn't for your audience.



#### Mobile ads

Since the introduction of the iPhone in 2007, mobile devices have permeated all aspects of our lives. And of course, because these devices are tied to our hips, marketers have created different ways to advertise to mobile device users, both in-app and on the web. In fact, mobile advertising is growing quicker than any other ad space. Data from BI Intelligence points out that in the US, mobile ad spend will top \$42 billion in 2018.

Many of the ad types described in the prior pages can be shown on mobile. But here is a simple chart to help you break down mobile ads:

Mobile Ad Location and Types		
In-Browser	In-App	Opt-in Text Messaging
Text ads	Push notification	
Static banner ads	In-app messaging	
Video ads	Image ads	
Cinemagraphic ads	Text ads	
Pop-up ads	Video ads	
Social ads		



Ad displayed on mobile devices



Ad displayed on mobile devices

## Social advertising

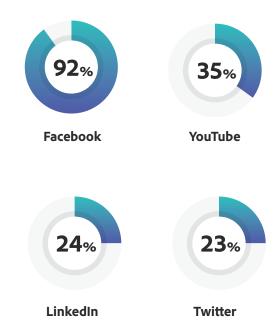
Advertising works best when you can be everywhere your buyers are. Your buyers spend time on social media, and by advertising on these channels in an engaging and relevant way, you can continue to nurture your buyers cross-channel.

Through social advertising you can target the right buyers and deliver your message on the channels that your buyers spend time on.

Social advertising is big for marketers. In fact, according to Adweek, marketers intend on increasing their social media ad spend by 70 percent in the next year.

And which platforms do your peers use? Socialbakers did a recent study and learned that marketers are looking toward Facebook as their main advertising platform—92 percent of marketers surveyed use Facebook as their primary social advertising platform.

# What platforms do marketers use to advertise?



#### Social advertising power tips

- 1. Don't take yourself too seriously.
- 2. Focus on valuable content and solid offers.
- 3. Utilize platform targeting for the biggest impact.
- 4. Always add value.
- 5. Always test your ads and content on each platform.



## Social advertising

Let's dig into each platform to get a better idea of which types of social you might be able to create.

#### **Facebook**

Facebook continues to rise as a powerful social network with a very large and active user base. It is built on the idea of connecting people and their ideas and provides a place for users to connect with each other and the brands they care about.

Facebook has officially created a space for brands on its social network and has continued to evolve the ways that marketers can engage with their audiences.

With Facebook's unique targeting abilities, advertising on the social platform can yield some of the biggest bang for your marketing buck.

#### **Contagious Facebook advertising**

So what works on Facebook for advertising? The key is to strike a balance between offering content that is valuable for brand positioning and offering content that is fun and shareable on social channels.

You want your audience to interact with your ads. If you can show value to your followers, your advertising efforts can have a true network effect.

At Adobe, we are always experimenting with different types of ads and content. Over the years, we have learned that to successfully advertise on Facebook you need the following:

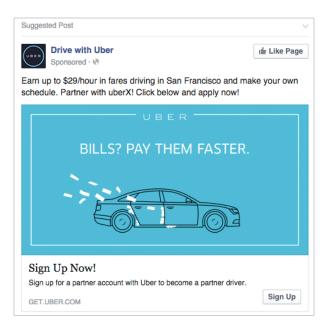
- 1. Compelling messages
- 2. Eye-catching visuals
- 3. Shareability
- 4. A clear CTA
- 5. Personality

#### **Promoted posts**

Your promoted post is the bread and butter of your Facebook ad strategy. Amplify your organic posts and engage your followers (and their networks) by putting paid efforts behind some of your top posts. Remember, when using promoted posts for advertising purposes, there should always be a strong CTA—ask your followers to do something. You want people to have something to click on. You also might consider having your promoted posts go directly to a form, if you want to collect buyer information.

How do promoted posts work? You can promote a post (including status update, video, blog posts, and offers) directly from your news feed.

Here is an example of a promoted post from Uber. This post shows up in a user's news feed and is clear and concise, and has an obvious CTA.



In-browser banner ad

#### Facebook ads

Facebook ads provide highly targeted opportunities to reach your audience. They appear on the right-hand side of a user's screen and are similar to PPC ads—you place a bid on how much you want to pay per click, or you can pay per thousand people who will see your ad.

Facebook ads can help you drive:

- Website conversions
- Page post engagements
- · Page likes
- App installs
- App engagement
- Offer claims
- Local awareness
- · Event registration
- Video reviews

Here is an example of a Facebook ad from Extended Stay America. It has a large image and a CTA to book the best rates.

Facebook ads can be further targeted and personalized through a connection with your marketing automation platform. For example, Adobe can send lists of qualified names to Facebook to be used as a custom audience or to create a look-alike audience.

#### **Consider this**

Both Facebook and LinkedIn offer you the ability to do unpublished page posts. Facebook calls these dark posts and LinkedIn calls them direct sponsored content. These are ads you can create and promote without publishing directly to your news feed.

- You can create posts for promoting a product or service to a specific audience.
- You can adjust the messaging on your ad based on the segment you are targeting.
- They are great for local event promotions.
- They are also great for A/B testing different ads.



#### Extended Stay America extendedstayamerica.com

Great daily, weekly & monthly rates. Free Wi-Fi, full kitchens. Book our best rates here!

Extended Stay America Facebook ad

#### **Twitter**

Twitter has proven to be a critical part of any marketing mix.

Because of its large global user base, Twitter is able to offer marketers advertising options that are highly customizable and targeted.

#### **Promoted tweets**

Promoted tweets are a form of paid advertising that appear in a user's news feed, targeted to followers and users who fit your criteria. Promoted tweets are the ideal form of advertising to include timely and engaging offers, like contests and links to relevant thought leadership.

A promoted tweet looks very much like a standard tweet, but it sits at the top of a user's stream. You are charged on a costper-click basis, which Twitter calls cost-per- engagement.

Your promoted tweets should include an image and a strong CTA. Here is an example of a promoted tweet from Twitter Small Biz. It has a 140-character headline, an image, and a CTA of "Visit now." You can see this ad is promoted by the appearance of "Promoted" with an arrow at the bottom.

#### **Twitter website cards**

Website cards allow you to cut through the noise by using interesting and engaging images, along with your tweet, to promote your product or message. When a user clicks on the ad, they are taken to your website, further showcasing your website content.

As an example, here is a website card from the site The Barista Bar. Notice that the tweet itself includes a CTA to visit the website, and the button CTA says "Read more."

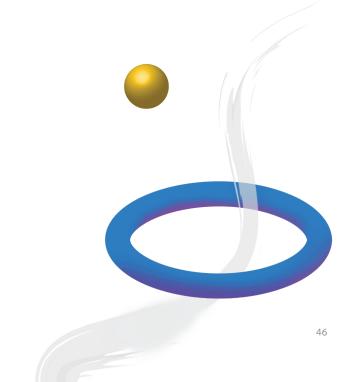
Once a user clicks on this ad, they go to the brand's website.



Twitter small biz promoted tweet



The Barista Bar website card



#### Lead gen cards

This type of ad is similar to website cards, but includes a oneclick offer feature, which provides you with the user's contact information (from a Twitter account), without requiring a form completion or navigating away from Twitter.

Brands can use "lead gen cards" to offer a free trial, ask users to enter a contest, sign up for a content asset, and so on.

On the right, you'll see an example from Adobe Marketo Engage to download our *Definitive Guide to Engaging Email Marketing*. It includes a tweet and a CTA to "Get the eBook." And then Twitter auto-populates the user's contact information—in this case, name and email address.

#### **Promoted accounts and trends**

Twitter also offers two additional promoted ad options—promoted accounts and promoted trends. With promoted account ads, businesses can make their Twitter accounts show up under the "Who to follow" list on their Twitter pages.

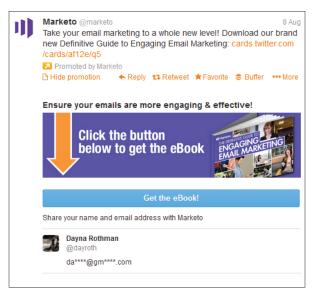
This can be targeted based on who a user typically follows—whether it's a similar advertiser or an industry thought leader.

Promoted accounts can also be placed in search results when someone searches for a particular hashtag.

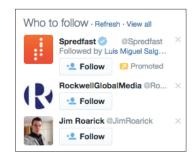
Take a look at an example of a promoted account. The company Spredfast has promoted its account as a brand that this particular user should follow.

Promoted trends enable a business to promote a particular trend or hashtag, which appears on the left-hand side of the user's screen under "Trends." By leveraging promoted trends, you can prompt more people to share your hashtag and engage with your brand.

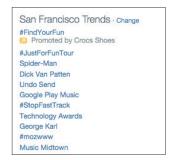
Below is an example of a promoted trend from the company Crocs: #FindYourFun. The promoted trend appears at the top of the organic trends in a person's news feed.



Adobe Marketo Engage



Spredfast's promoted account



Crocs shoes's promoted trend



#### LinkedIn

LinkedIn has experienced a lot of growth in recent years by adding capabilities to entice marketers from virtually every industry, connecting them with a multitude of audiences.

LinkedIn has expanded its solution way beyond a hiring and networking platform to include company pages, a highly targeted advertising solution, and a publishing platform. With these additions, the platform is now the way to reach an audience with a business mindset.

#### LinkedIn sponsored updates

LinkedIn sponsored updates enable companies to put paid promotions behind their status updates. These promoted updates are seen by your followers and targeted users outside of your follower network. Like all other social ads, LinkedIn updates should include a visual and then a link to a gated landing page. Because these ads appear in a user's news feed, these feel like a natural part of the user experience, leading to higher engagement.

Here is an example of a sponsored update from the company Bizible. It includes an introductory sentence, a CTA link, and an image, making it much more click-worthy.

#### LinkedIn ads

LinkedIn ads appear in various places across the platform, such as the side, bottom, and top of the home page. These ads are highly targeted and can be customized to include images, video, or only text. However, according to LinkedIn, adding an image to your ad can bring you 20 percent more clicks.

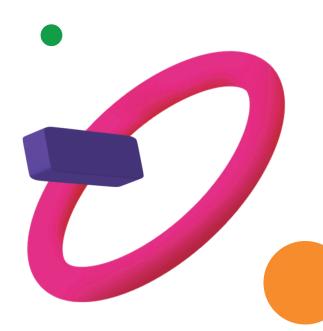
LinkedIn also has premium ads that offer more options for how the ads are served and the size of the ad. This gives marketers much more flexibility with their message and creative.

These types of ads include text links that sit on the home profile, company, group, and message pages, footer banners, and larger-sized navigation banners.



Bizible sponsored update





#### LinkedIn lead accelerator

As LinkedIn continues to expand its advertising efforts, LinkedIn Lead Accelerator fuels the effort to help companies attract and nurture the right people, with the right content, at the right time. Additionally, through LinkedIn Network Display, its ad display network, companies can target their audience both on and off the LinkedIn platform.

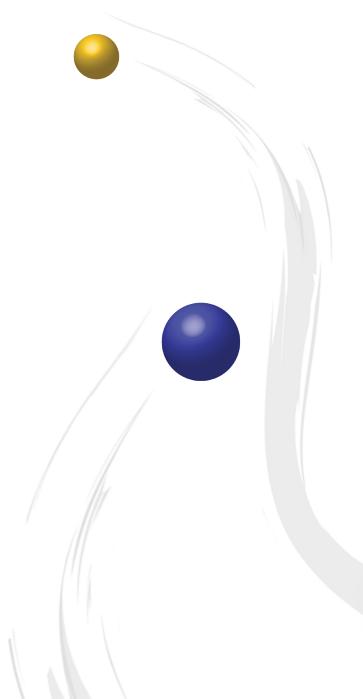
What makes this capability even better? Its integration with marketing automation platforms like Adobe Marketo Engage to further enable marketers to target and engage buyers with a plethora of information.

## According to LinkedIn, key benefits of this integration include:

- Nurturing known contacts with sequenced ads that align with your existing digital nurturing strategies
- Nurturing anonymous prospects based on their profile and online behaviors
- Optimizing ad creative and nurture stream design through platform-supported A/B testing
- Measuring program impact at every stage of the buying process through built-in reporting within LinkedIn and Adobe Marketo Engage

#### Message Ads

Message Ads give advertisers the ability to send a type of email message that appears in a user's LinkedIn inbox. This is a great way to send very specific, targeted, and detailed messages to an explicit set of users. Think of Message Ads just like emails—they need to have an eye-catching headline and make your content short and sweet.



## Instagram

Instagram focuses on capturing the attention of your audience through rich imagery and photography. This can be a fantastic social channel for brands looking to solidify brand look and feel, and create and inspire relationships. Through Instagram, brands can advertise through a wide variety of photographs and video imagery.

The key to Instagram ads is for brands to make them appear like a seamless addition to the user's news feed. They must be highly visual in an engaging way. Instagram also offers the ability to showcase video ads, in addition to traditional photography.

#### Single photo ads

Single photo ads on Instagram are Instagram's most popular ad format. These ads include a single image created by the brand, a brief description, and typically a variety of hashtags, which are an important part of the Instagram experience.

When you use hashtags in your ads they will appear when a user searches for that particular hashtag or topic.

Take a look at a single image ad from Levi's. It includes a photo that has an editorial quality, and the copy includes various hashtags.

# levis \$\infty\$ Sponsored levis Sunset on the rails with Station To Station (@StnToStn) on our way to #MakeourMark in San Francisco.

Instagram single photo ad

#### Multiple photo carousel ads

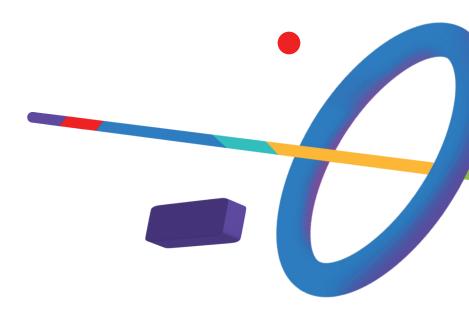
By using the carousel ad feature on Instagram, brands are now able to show even more images to their target audience. Viewers can swipe through a variety of photos—enabling brands to tell longer and more engaging visual stories.

Instagram considers these ads as "bringing the potential of multi-page print campaigns to mobile phones—with the added benefit of taking people to a website to learn more."

Here is an example of a carousel ad from Pencils of Promise. They give their viewers a selection of photos that helps to tell their brand story. As the user swipes, a new photo appears.



Pencils of Promise carousel ad



#### YouTube

Video is becoming an increasingly important content marketing tactic. Attention spans are shorter, and today's buyer loves interacting with videos. In fact, according to the marketing agency Insivia, viewers of marketing videos are proven to retain over 95 percent of the information expressed through video.

YouTube is a key channel for watching videos online. Whether your buyers are looking at funny cat videos or watching explanatory marketing videos, there are various types of ads you can show to targeted audiences based on content.

#### In-stream ad

A YouTube In-stream ad is shown to a viewer before the video begins. The In-stream ad requires the viewer to watch your ad for the first few seconds before they have the option to skip to the main video they are watching.

These ads are charged on a cost-per-view basis, and you can target your audience through behavior or content.

Here is an example of an In-stream ad from Xfinity that appears before the video "Grumpy Cat in the Sky?!?" After a few seconds, you can skip directly to the video.

The key here is to put your most important information in the beginning, and then try to make your video ad compelling enough for a person to not want to skip through it.



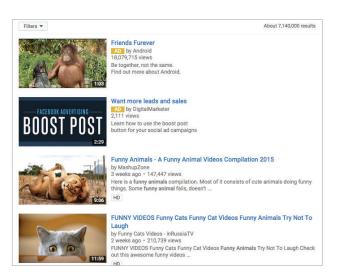
In-stream Xfinity ad

#### In-search and in-display ads

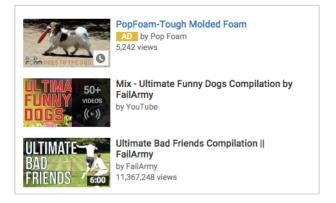
In-search ads on YouTube appear when you search. The ad is shown as "recommended" based on either the content you are watching, your YouTube search, or your browsing activity across the web.

Here's an example of an In-search ad on YouTube. There are two In-search ads here—one for a Friends Furever video based on the viewer's YouTube history, and one from Digital Marketer based on the viewer's search history on Google.

In-display ads are similar, but they show up on the righthand side of your screen as recommended while you watch content. Here's an example of an ad from PopFoam that appears during a funny dogs compilation video.



In-search ad on YouTube



In-display ad

#### In-video overlay ads

Banner ads can also show up on YouTube. This is called in-video overlay. These are part of the Google display ad network. These banner ads appear on top of the video a viewer is watching. A viewer can click on the call to action and go to your website, or they can easily click out.



# Social advertising and marketing automation

One of the unique attributes of using social networks for advertising is the ability to target based on behavioral and demographic attributes. Using your marketing automation platform, including a personalization product like Adobe Marketo Engage's Real-time Personalization, you can actually leverage this data on social channels to enhance and personalize your advertising.

By connecting your marketing automation with Facebook, LinkedIn, and Twitter, you can target the right potential customers with meaningful, relevant ads. With this connection, you can reach the right individuals through your ad channel with personalized messages based on product interests, past purchases, buying intent, overall engagement, and more. You can even target anonymous buyers who have visited your site and then visited a social network afterward.

# Cross-channel case study: 3 Day Blinds

#### Challenge

3 Day Blinds, a custom window treatment retailer and manufacturer, wanted to connect with and nurture its customers with relevant advertising on the right channels that its customers spent time on.

#### **Solution**

3 Day Blinds used Adobe Marketo Engage's Bridge solution and online advertising platform Turn to deliver targeted and personalized ads across channels, including web, mobile, and social media.

#### **Outcome**

3 Day Blinds had 28 ad campaigns running and saw an 850% increase in leads per click, a 140% increase in appointments per lead, and an 80% reduction in cost per action.

850%

increase in leads per click





## Effective ad design

Each company's needs differ when it comes to digital ads. Some companies require the creation of a lot of ads, while others might have just a few. Some companies dabble primarily in video ads, while others only find value in static ads. Whatever your company's situation, it's a good idea to follow some common best practices when it comes to ad design.

## Follow border requirements

The IAB asserts that display ads should be clearly distinguishable from normal web page content and must also have defined borders, thus not to be confused with other web content.

Ad networks also often implement this guideline, so it is important for marketers to follow it in order for their ad to get approved.

## **Avoid computer simulations**

Do not include fake computer-like sounds in your animated digital ads that people may confuse with being a computer notification. This is not only a best practice, but it also protects your brand's image from being associated with malicious advertisers and viruses.

## Find text and image balance

Ensure you have a good balance between use of text and images. Some ad networks, like Facebook, require that the ad only consist of up to 20 percent text, and for good reason. Viewers are more receptive to ads that are short and simple, versus those that take too long to consume, whether that's reading the text itself or understanding the hidden message.

When in doubt, avoid complexity and stick to simplicity. If it takes you more than one second to "get it," that's probably too long.

## Use images that are worth it

While using imagery to attract customers to your digital ads is a must, the selected images must be worth it. Google found that an image load time increase from 0.4 to 0.9 seconds decreased interest and traffic by 20 percent.. So, first and foremost you need to ensure that the images used in your ads will load immediately. Otherwise, impatience will drive customers to ignore your ads or click to a new page altogether.

#### Here are additional image guidelines to follow, courtesy of Kissmetrics:

#### **High-resolution imagery**

Use only high-resolution photos that are properly sized. Avoid low resolution and overstretched photos that will have your customers squinting or turning away.

#### People photos

It's fine to include images of people, but try to focus on just one person or two people at the most. Injecting crowds or even just a small group of people into your ad can be a turn off. Why? There can be a lack of focus, which can overwhelm the viewer, making the image (and your ad) less memorable. In addition, images of people should show them at a comfortable distance away from the camera—avoid super close-up shots that will have your viewer scrolling away.

#### Stock photography

Avoid using stock photos that are obviously stock photos. As much as they try to be, your customers don't see these as real life because they're too perfect and posed. Your customers want to see something that's relatable. As a result, they will perceive your brand as relatable. Therefore, include photos that breathe a sense of reality.

#### Relevance

Images need to be relevant to the company, brand, message, and text. To ensure relevance, make sure to use images that either:

#### · Demonstrate the messaging

This can be either implied or blatantly written in the text and should help the viewer make a connection.

#### Provide story appeal

Ignite enough curiosity in the viewer to click on the ad to obtain the rest of the story.

## Create fallback images

Some ad networks require that you create and provide fallback images, which are simplified versions of your more complex display ad, such as a static version. This is in case the original ad cannot be viewed on certain screens.

This is more than just a best practice—it's also a problem-solver for your company. You wouldn't want to put the effort into creating an awesome digital ad only to find that it's not viewable by all audiences on all devices. With fallback images, customers will at least be able to see some version of your ad and be exposed to your company's message.

## Vary the brand visuals

It's a good idea to create more than one variation of your company's logo. This enables variation in your digital ads, which supports branding efforts. The more ways that a customer can identify you, the further reach you have and the stronger your brand becomes.

For instance, Google's brand is identifiable as the typical Google logo, but it's also identifiable as just the branded "G" logo.

Having a smaller version of your logo also frees up more space for inclusion of other content. In addition, having a smaller version of your logo will enable you to fit into parameters set by some ad networks.

## **Maintain consistency**

If there's only one rule that all digital advertisers can follow in their design of digital ads, it should be to stay consistent. What does this mean? Consistency means that all of your ads have a similar look and feel and always relay your brand message to your audience. This is one of those rules that is easily forgotten, as digital advertisers unleash their creative side. So, make sure to check your work on a regular basis to be sure it doesn't stray too far.

What are the consequences of going too far? Your branding will be negatively affected since customers will not be able to easily make connections from one ad to another. Making these connections is key to developing your brand and company's story, which is something you definitely want relayed and told well.

## Design within specifications

Digital advertisers go through ad networks, such as Google, Facebook, and LinkedIn, in order to get their ads placed online. In order to be accepted by certain ad networks and placed on certain websites, digital ads must adhere to certain parameters and specifications in their design.

## Ad network specifications

What works for one ad network may not work for another; each ad network specifies its own parameters, so digital advertisers need to listen and follow through accordingly to make sure they're compliant.

It's definitely a good idea to confirm your understanding of the parameters prior to creating a digital ad that's intended for a certain network. Otherwise, you may end up having to redo it completely—a task that no one wants added to their already overflowing plate.

Save yourself the energy and money by researching ad network parameters ahead of time. In doing so, you'll also find out which specs work to carry out your vision, and which don't. For instance, if video ads are crucial to your company's digital advertising strategy but the parameters for video ads of a certain ad network do not mesh well with your company's needs, you may choose to avoid that ad network altogether. Clearly, it's smart to discover these things ahead of time before putting in the work.

## **Device optimization**

Your digital ads must be optimized for every platform, whether that's desktop, mobile, tablet, or even IoT devices. Ads can't be too large or else the image or the video inside the ad will not properly load (or take too long to load). This situation deters your audiences from the ad and, ultimately, from your brand.

The guideline is simple: Don't exceed the recommended megabytes (or kilobytes) for your ad's image or video.

# Ad network specifications for design

Whether you want to place your ad on social media or another ad network, you need to be familiar with the specs.

#### Social media ad networks:

- Twitter paid promotion banners—800x320 in size (for website cards)
- Facebook—600x315 in size. For paid ads, only up to 20% of the ad can be text.
- LinkedIn banners—W180x110
- LinkedIn Lead Accelerator—360x220 in size

Here are common sizes for PPC ads mandated by Google, a dominant ad network in the online space:

- 300x250 (medium rectangle)
- 300x600 (half page)
- 320x100 (large mobile banner)
- 336x280 (large rectangle)
- 728x90 (leaderboard)
- 160x600

## Digital ad landing pages

## Landing pages for digital advertising

Landing pages are customized pages that your buyers are directed to from one of your digital ads. No matter how much time or money you spend on a digital advertising campaign, if your landing page doesn't resonate with your audience, they will bounce (leave your page)—potentially never to return.

The goal of your landing page is to keep prospective customers interested enough to continue reading, fill out your form, and perform your desired action.

Most landing page visitors only take a few seconds to decide whether they'll read a page or bounce. Does the page make sense immediately, or is it too hard to understand? Is it relevant to the ad that your buyer clicked on, or does it seem out of place?

## Be campaign specific

Your landing page should be specific to your advertising campaign. Although creating a new landing page for every ad or campaign isn't easy, it is a critical part of conversation and optimization when it comes to advertising.

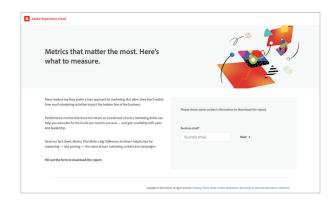
Take a look at an example for a PPC ad. For the search term "Marketing Automation" we get the following ad from Adobe Marketing automation PPC ad.

When you click on the ad, you go to a landing page. As you can see, the landing page matches up with the ad. From the headline "Marketing Automation," we get a landing page along with a clear definition of marketing automation.

What is marketing automation? | Adobe Glossary

Ad https://business.adobe.com/glossary/marketing-automation.html

Marketing automation is the technology that allows companies to centrally orchestrate and manage their interactions with customers.



Adobe Marketo Engage landing page

Landing pages are a critical part of conversation and optimization.

Let's look at an example from a banner ad. This banner ad appeared on sfgate.com for MarketingProfs' Everybody Writes University.

The link takes you to a landing page where you can sign up for the course.

Both examples provide a seamless experience for the user. Once they click on your ad, they go to a landing page that contains content that matches the ad they clicked on.



MarketingProfs' banner ad



MarketingProfs' "Everybody Writes" landing page

## Landing page design

Err on the side of simplicity with your landing page design. Use your design layout carefully—the wrong design for your audience can immediately detract from the offer and the conversion. Simply put, design can have a polarizing effect.

Consider including the following design elements in your landing pages:

#### Service and support

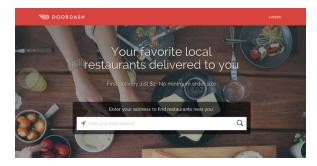
- Company name and logo
- · Banner image or heading
- A "hero shot" of the offer
- A clear CTA
- Social sharing buttons (optional)

Take a look at the landing page from the company DoorDash. This landing page appears after you click on one of its Facebook ads. The landing page is highly visual, it includes the company name and logo, it has a heading that states "Your favorite local restaurants delivered to you," and it has a very clear CTA: "Enter your address to find restaurants near you."

## **Removing navigation**

It may be tempting to include your main navigation links on your landing pages. You might think to yourself, "If they don't like this offer, they'll be able to find something else on my website." However, navigation links often add too many choices that can actually distract from your main CTA. In eye-tracking studies, it's been found that navigation panels draw attention away from your offer.

Remember that your main goal might not be to have your buyers visit your website. Instead, you want them to convert for a particular ad and campaign. After they convert, feel free to send your buyers additional information—just don't muddy the waters when it comes to your initial interaction.



DoorDash landing page design

## Landing page copy

Your landing page copy and CTAs should be clear and direct and should give your buyers a good reason to provide their information or make a purchase.

As you write your landing page copy, use these four steps as guidance:

**Step 1** Set up the problem **Step 3** Point out what's in it for them

**Step 2** Talk about the solution **Step 4** Deliver the goods

#### Scannable content

The headline, bullet points, and bio (if applicable).

People don't read full landing pages—they scan. Studies have shown that people read three pieces of your landing page at most:

Always keep the content on your landing page short and sweet with a bold headline and some light copy. Your copy length will likely vary based on what sort of company you are and who your buyer personas are.

It is a good practice to use the main keywords from your ad in your landing page headline. This helps to maintain consistency, shows your audience that your landing page correlates directly with your ad, and also helps with your Google Quality Score.

Also consider using interactive content elements like a short video or audio clips. Your landing page doesn't need to sell your company right then and there, but it does need to have a clear offer. Focus your landing page around a single CTA, which must be relevant to the ad your buyer clicked through.

Take a look at this Adobe Marketo Engage example. It includes a bold headline, an eye-catching header image, bullet points for scannability, and a clear CTA.



Adobe Marketo Engage

## Ad targeting

## What is ad targeting?

Targeting allows marketers to specifically use advertising to communicate with the right audience, at the right time, with the right message.

Targeting allows for a level of personalization and relevancy that customers have grown to expect. And for marketers, it provides a way to segment audiences, test, and optimize for improved metrics.

This section will explore the ways to target (audience-oriented targeting and content-oriented targeting). It will also explore the variety of targeting methods that support them.





## Audience-focused targeting

Audience targeting is designed to match ads to groups of people interested in the products and services of the advertiser. It includes various methods of segmentation that enable advertisers to find and target specific audiences.

Let's explore the various types of audience-focused ad segmentations that you can choose.

## **Demographic targeting**

Demographic targeting is one of the oldest kinds of targeting; it shows ads to your customers based on various sets of demographic information. This often includes age and gender but can also include location—depending upon the advertising platform and their targeting dashboard.

For example, the targeting dashboard on the Facebook advertising platform includes targeting capabilities that span different targeting strategies, so an advertiser on the platform will see age, gender, and location in the same targeting module.

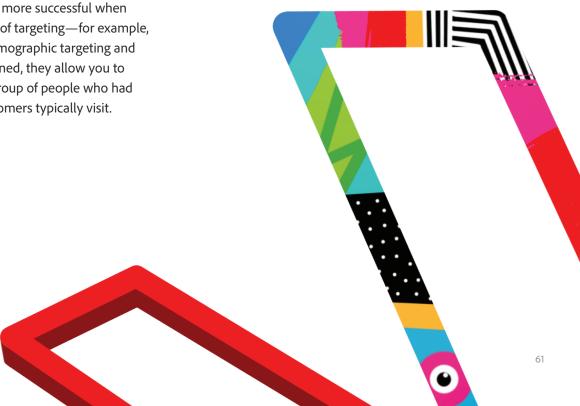
If you know that your business or product tends to appeal to a specific age group, or if your objective is to build awareness in a specific age group, demographic targeting would be a good way to target audiences to support your objective.

Demographic targeting is even more successful when used to augment another type of targeting—for example, placement targeting. When demographic targeting and placement targeting are combined, they allow you to deliver an ad to the right age group of people who had also visited sites that your customers typically visit.

In this example you can see that demographic targeting is also combined with behavioral targeting, allowing an advertiser to be extremely specific about who sees their advertisements.



Facebook demographic categories



## **Placement targeting**

Placement targeting shows your ads on specific websites that you choose. This type of targeting is particularly helpful if you know which websites your customers visit.

Websites like The New York Times offer placement targeting options since they have an active and loyal user base.

With placement targeting, you can put your ad anywhere, like on certain pages. Or you can have the ad be contextual (using the content of the page to determine if your ad is a good fit and on the same topic).

## **Behavioral targeting**

Behavioral targeting serves ads based on the interests of a visitor. The visitor's interests can be overtly declared—via a form fill or registration process—or they can be inferred based on browser history, like sites visited, searches, etc.

With behavioral targeting, a customer's previous online behavior determines the ads they are served.

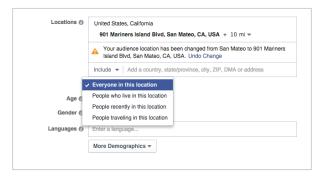
## Geographic and language targeting

Geographic and language targeting means that your ads are targeted based on the location or local dialect of a customer. This can get surprisingly granular on some advertising platforms.

For geography, advertisers can be as broad as region and country and as specific as neighborhood or zip code in a particular city.

Geotargeting is especially important for businesses that operate in many regions and want their ads to be relevant and personal for audiences in every region.

In this example you see the geotargeting capabilities of Facebook's advertising platform, which allow the marketer to drill down to a specific location and distance radius.



Facebook ad targeting geography and language

## Lookalike targeting

Lookalike targeting is based on your existing marketing list and targeted group of customers. Many advertising platforms offer this targeting method, which essentially takes a pre-existing list of customers or contacts and finds matching audiences who "look like" the users you provided.

What do we mean by "look like?" Let's say your largest customers are women under 35 who live in Connecticut and are interested in tennis. Additionally, lookalike audiences can be created based on the types of sites people visit. By creating a lookalike audience, the advertising platform will find people with the same attributes and display your ad to those people.

This gives you the benefit of displaying your ad to more customers who share similar attributes with your best customers or best-performing targeted segment.

This type of targeting can run into issues with scale if the initial targeted audience is very specific or niche because the lookalike pool may be small.

Marketing automation solutions like Adobe Marketo Engage give you the ability to send lists of qualified names, targets, segments, or the best customers directly to your ad targeting platform for lookalike modeling.



Adobe Marketo Engage users are segmented based on specific attributes and behaviors.



Users sharing common attributes and behaviors are found in Adobe Marketo Engage's database.



These profiled users are placed in custom lookalike segments.

## Retargeting

Targeting via retargeting means that your ads display to customers who have already visited your site. This differs from remarketing because the customer has not gotten as far in the consideration or purchase process as a customer with something in their shopping cart.

Instead of marketing something you know they are interested in, you might try numerous offers to drive them back to your site.

In this example, the retargeting ad directs the customer back to the site with a call to action to shop, a promotion, and an image.

Retargeting ads remind customers not only of the products they looked at, but also of your brand. The goal is to drive them back to your site to complete an action, such as a purchase. It's a very powerful way for advertisers to deliver the right message to the right person at the right time.



Retargeting on Facebook

Retargeting is a very powerful way for advertisers to deliver the right message to the right person at the right time.



## **Interest targeting**

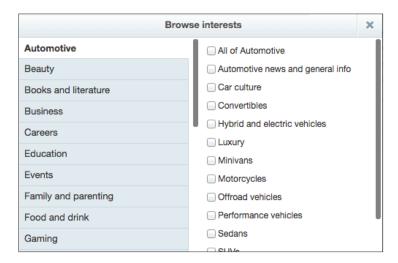
This type of targeting targets customers whose online behavior shows they are interested in a specific category. Those customers are then served relevant ads as they travel across the internet.

Interest targeting differs from behavioral targeting because the user does not select or self-identify their interest; it is inferred by the platform based on their behavior, like browsing history. Often ad platforms let customers tailor their interests so they can see ads they want, while also helping the advertiser reach audiences more effectively.

Here are two examples from different advertising platforms—Google and Twitter, respectively—that show snippets of the different interest categories that the platform uses to categorize their audiences. As you can see, the different interest categories go from very broad to more specific.



Interest targeting category examples from Google



Interest targeting categories from Twitter

## **Topic targeting**

Topic targeting is advertising based on sites that fit into a category grouping, such as marketing, entertainment, or fitness. It's a type of targeting that is done primarily on Google, and a marketer using this type of targeting wants to target audiences based on the type of website they go to, rather than specific sites.

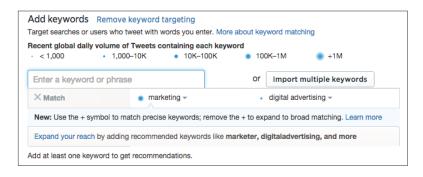
Topic targeting is a good way for advertisers to get exposure on a wide variety of sites that are relevant, which has the benefit of introducing them to new audiences and building awareness.

## **Keyword targeting**

Keyword targeting is advertising targeted around specific keywords. With this type of targeting, you select a keyword or group of keywords that you want your ad to display for.

Google is the most well known for keyword targeting-based advertising, but most platforms offer it.

In the example, you'll see Twitter's advertising platform for promoted tweets includes keyword targeting.



Twitter advertising keyword targeting dashboard

## Content-oriented ad targeting

Content-oriented ad targeting considers the content on the page as a part of the targeting method—delivering ads that are more relevant to the experience a customer has on a website. This type of targeting often does well in combination with the audience-targeting methods described previously.

## **Contextual targeting**

Contextual targeting delivers relevant messages to users based on the type of content they consume—whether that is an article or a content asset like an eBook or blog.

Contextual targeting enables advertisers to deliver their ads in the moments that the customer is engaged and interested in a similar topic. This way, the ad is relevant. For example, a gym might use contextual targeting when customers read an article on "Top Fitness Trends." The gym's advertisement for a free trial membership would match the content on the page. This type of ad has the added benefit of keeping your brand safe and preventing your ads from appearing next to content that is undesirable.

#### **About reach**

Reach for digital advertising is defined as the total number of people you are able to reach with a specific ad. There are two main types of reach that your ads can have as you target on different social platforms and websites.

As defined by Facebook, these types are:

#### Targeted reach

This is determined by your targeting parameters (e.g., age, gender, likes, etc.).

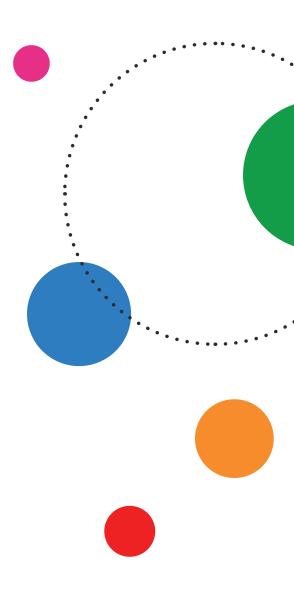
#### **Effective reach**

This is determined by the bid type's refinement of your target audience.

## **Device targeting**

Device targeting delivers ads to customers based on their device, including manufacturer, model, operating system, and form factor. Today's buyer interacts with you on multiple devices, so device targeting can be a great way to grab the attention of your buyer on the go. This type of targeting is especially important as the number of devices that advertisers can deliver a message on increases.

For example, device targeting is especially critical for advertisements that occur on extremely personal devices, or devices with limited screen space, such as the Apple Watch. It's important that marketers stay apprised of the different devices they can advertise on and understand how their advertisement changes in that medium.



## Digital ad pricing

Digital advertisements have some common pricing structures that run across the various types of ads. While ads have different objectives, the prices are often based on the same models. In this section, we are going to take a look at some of these models and what they mean.

## **Bidding**

Many ad units are sold in an auction, which to most people brings up the image of a high-stakes bidding war with a fast-talking auctioneer or the feeling you get when you win a brand new Apple Watch from eBay.

Most digital advertising ad auctions don't operate this way. They use a unique formula to determine your ad's position (where your ad places on the page).

According to Google, its ad auction "uses both quality and bid to determine an ad's position." Bidding models like Google's allow you to have a competitive bid, even if you offer a lower bid amount, because part of its formula is based on content-relevant keywords and quality images.

In an auction environment, you can pay less than your maximum bid because you only pay what is minimally required to hold your ad position and ad format. The price you pay will increase up to your maximum bid in order to hold your position and format. Because of this structure, you can sometimes come in under budget. When this happens, what you pay is called your actual "cost per X," where "X" could be actual cost per lead or actual cost per click, etc. based on your pricing model.

## Types of bidding

#### Manual

Manual bidding is performed by the member of your team who manages digital advertising. This person adjusts the maximum bids manually for campaigns and individual keywords.

#### **Automatic**

Automatic bidding is less hands-on, as it relies on a daily average maximum budget and the ad platform does the bidding for you. The goal of the automatic bidding is to bring you the most clicks possible in your budget, within your maximum. Programmatic ad buying, which we will discuss in more depth later in this guide, is an automatic type of bidding done in milliseconds by software.

## Performance advertising models

Performance advertising consists of four main pricing strategies, which share the characteristic that the advertiser only pays when there are measurable results. These pricing models help marketers new to digital advertising minimize their risk because they only pay for results. You can't argue with that.

#### Cost per click (CPC)

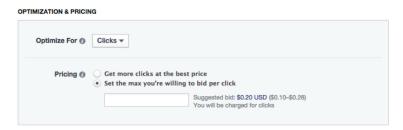
Cost per click (CPC) charges advertisers each time someone clicks on their advertisement. It is an effective pricing model for ad units that marketers are using to drive traffic toward a specific site, but is generally less effective for brands looking to run digital advertising as a brand-building, name recognition campaign. CPC is the dominant method of advertising pricing on the market today.

In this example we can see Facebook's ad platform and its CPC bidding dashboard. It suggests a competitive price for your bid.

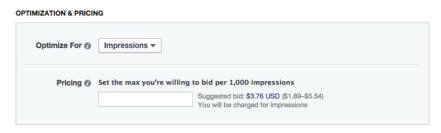
#### Cost per thousand (CPM)

Cost per mille (CPM), also known more commonly as cost per thousand, is a pricing model that charges advertisers for every thousand impressions, or every time a thousand people see the advertisement. The downside to CPM is that an advertiser is charged for a "view" and not for a "click," so it's less action-based than some of the other performance advertising pricing models.

In this example you can see the dashboard for CPM bidding on the Facebook ad platform. You can see that it describes the type of bidding and suggests a price that will make it competitive.



Facebook ad platform CPC bidding dashboard



Facebook ad platform CPM bidding dashboard

#### Dynamic cost per thousand (dCPM)

Dynamic cost per thousand or dCPM is a pricing structure that works basically the same as a traditional CPM campaign, but the key difference is that each bid is not limited to the exact bid amount. CPM uses real-time bidding to optimize the overall spend. For example, if an advertiser sets their dCPM bid at \$5, their DSP—an ad technology that enables marketers to purchase all types of ads in an automated fashion—can use Real-time Bidding (RTB) to pick up some ads for \$0.50 and others for \$6.50. The dCPM pricing model relies on the DSP's ability to analyze the value of each ad and pay exactly what it's worth. The overall price of the campaign is kept at or near the bid amount, but it delivers more value than a traditional CPM campaign.

#### Cost per lead (CPL)

Cost per lead (CPL) is more action-oriented than some of the other pricing models. With CPL, advertisers only pay for leads or contacts that are qualified. CPL is a good model for marketers looking to obtain the contact information of interested customers to then nurture them through other channels toward action.

Traditionally, CPL campaigns are higher volume campaigns that ask consumers for basic information on a landing page.

#### Cost per acquisition (CPA)

Cost per acquisition, also known as cost per order (CPO), is a model that charges advertisers every time an acquisition or order is placed. This is often determined by credit card transactions. A CPA focuses on driving a customer to buy immediately.

In contrast to CPL campaigns, CPA campaigns are typically lower volume, but require a consumer to submit more information, often personal details like a credit card on a website, landing page, or sometimes within the ad itself.

# Optimized for objective (OCPM)

This pricing structure, used on Facebook, optimizes your pricing model based on objective.

#### The options to optimize for are:

- Clicks to website
- Website conversions
- · Page post engagement
- Page likes
- Mobile app installs
- Mobile app engagement
- Desktop app installs
- Desktop app engagement
- Offer claims
- Event responses
- Video views
- Local awareness



## Two types of buying

Buying is the actual act of going into a platform and placing your bids. How you purchase your ads can affect the price you pay for them and the amount of work that you, personally, have to do. It's important to understand the different ways that you, as an advertiser, can purchase ads and then the advantages and disadvantages of each type of buying.

#### Manual buying

Manual buying relies on digital advertisers to source, bid, create, manage, and optimize their advertising. This process takes time and often involves logging into different advertising platforms to bid on and optimize ads.

For larger purchases of impressions, advertisers may have to contact the advertising platform, request a proposal (RFP), then request an insertion order (IO) to get started. Once you've started, you must regularly check in on your ads to make sure that the bids are competitive.

One advantage of manual buying via the RFP and IO process is that you are essentially reserving your ad units. The platform that you purchase the ads on sets inventory aside so that you don't have to compete in an open auction. This is compared to programmatic buying, where there are no guarantees of inventory and you bid on what's available from remnant ads—the ads that are not already reserved and are considered leftover ad inventory.

Another advantage of this method is the amount of control you can have over your ads. This becomes especially important if you have a small team or budget. With manual buying you can move and adjust budgets frequently between campaigns and ad units as needed.

the RFP and IO process is you are essentially reserving your ad units.

One advantage of manual buying via

#### **Programmatic buying**

Programmatic advertising, in its simplest definition, means automatic. It is the automatic buying, placement, and optimization of media inventory, done by software, replacing the traditional human-based methods.

With programmatic buying, the manual processes are substituted by machines and software. You define your goals, and your programmatic buying tries to optimize your campaigns for those goals.

Some marketers may raise red flags, saying that programmatic buying is technology replacing what they do on a day-to-day basis, but programmatic technology usually means those same marketers are relieved of the tedious aspects of their jobs and can spend more time planning sophisticated, customized campaigns. This is much more fun than sitting around staring at a computer and bidding on ads (in our opinion).

Even though programmatic buying is a non-manual process, make sure you are keeping a close eye on your campaigns and making adjustments as needed. A good rule of thumb, and one we practice at Adobe Marketo Engage, is to let your campaigns run for two weeks before making any major changes.

#### Real-time bidding

Real-time bidding (RTB) allows demand side platforms (DSPs) to participate in real-time auctions for remnant inventory. RTB is a big part of programmatic buying. It occurs when a DSP sees a remnant ad hit auction and it automatically analyzes the surrounding data points to decide where to bid on the ad unit and at what price.



## Digital ad technologies

## The ad technology landscape

Identifying and segmenting audiences and managing the ad publishing process is central to your digital advertising strategy. Advertising technology, aka adtech, has taken this process to a whole new level.

There is a lot to think about when it comes to digital advertising. And we know you are thinking, "How can I possibly get this all done?" Luckily, there are multiple pieces of technology built specifically around optimizing and automating your digital advertising.

Advertising technology, by definition, encompasses all the technical sofware solutions and services that are used for the delivery, display, targeting, and control of digital ads.

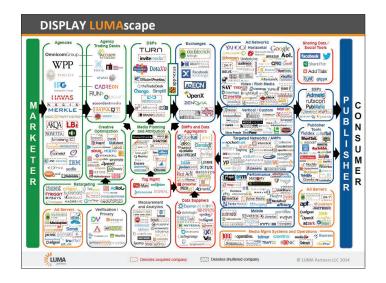
Why is adtech so important? Using this technology, marketers can get the right ad, with the right message, to the right person—driving brand awareness and sales for their company.

Because digital advertising has evolved into such a complex space, there are now several different types of ad technologies (and many different ad technology companies around the globe) that comprise the digital advertising ecosystem. These companies range from ad agencies, to media buying platforms, to ad networks, to publishers, and everything in between.

To get a clearer idea of what this landscape looks like, here is an illustration, courtesy of LUMA Partners.

In the LUMAscape, the digital ad process is shown as an ad being created by the marketer, then being sent through a maze of adtech companies where it is bought and sold. It then settles in the hands of the publisher, who publishes the ad. Finally, the magic happens as the targeted consumer interfaces with the ad online.

This may seem complex, so to help simplify we will go through some of the main types of ad technologies in this section.



The advertising LUMAscape



## Main types of ad technologies

The maze of adtech companies is where things can get complicated, but they don't have to be. Let's break it down by examining the major players.

## Data management platforms (DMPs)

A data management platform (DMP) is a centralized computing system where large amounts of data are collected, integrated, and managed.

A DMP is a huge data warehouse that brings in data, sorts it, and then releases it in a way that's useful for marketers, helping them to make better decisions about how and when they should engage with individual customers. For the goal of audience segmentation, this is crucial.

#### To simplify even further, according to Infinitive, DMPs are often described as:

- Digital data warehouses
- Customer or audience repositories
- Digital marketing hubs

#### **DMPs and audience segmentation**

DMPs are much more than just a database. They house and manage all types of information and can do lots with that information—mainly they can generate audience segmentations.

Since segmenting your audience is the starting point of forming your digital ad strategy, this capability of DMPs is highly significant. Audience segmentation enables digital advertisers to target specific customers with their digital ads, which helps to spread their message and brand.

DMPs tie together the entire digital advertising process, merging together into one centralized location the marketer's campaign, audience data, and the act of buying media. Marketers find DMPs valuable in executing their digital advertising agenda.

DMPs satisfy various marketing needs, and audience segmentation is one of them. Let's explore a few others.

Audience segmentation enables digital advertisers to target specific customers with their digital ads.

## **Data integration capabilities**

DMPs can handle all sizes and types of data from different sources. When dealing with today's multi-channel buyer this is particularly important, as marketers often have data from multiple places—both online and offline. A DMP can integrate all of your data, making it actionable.

#### Cookie pool

As we have discussed, cookies are a key element for digital advertising. The more cookied users you have on the internet, the higher the chances of matching cookies to other data sources as more information is integrated into a DMP.

A solid DMP will have access to a large pool of cookies. It will also feature a standard process for "refreshing" the cookies and cleaning out old or irrelevant cookies over time. This helps marketers ensure their information does not become outdated over time.

## Marketing ecosystem functionality

DMPs are central to the broad digital advertising ecosystem. DMPs are able to extend and integrate into marketing automation and technology tools to provide a more comprehensive and complete digital ad solution. Thus, marketers are able to support campaigns and customers, regardless of channel.

## DMPs can enable a better use of audience data in the following areas:

- Demand-side platforms (DSPs)
- Website personalization tools
- Marketing automation tools
- Enhanced customer ecommerce experiences

Data is needed in order to automate various marketing functionalities. The more robust and actionable data you can capture, the more likely your future efforts will generate positive ROI.



## Data management platforms (DMPS)

A demand-side platform (DSP) is an ad technology that enables marketers to purchase all types of ads in an automated fashion. It is revolutionizing the way digital advertising is being bought and sold.

#### **How DSPs work**

DSP technology has changed the digital advertising landscape. The ad-buying process used to be manual and more prone to error. Now, DSPs assist with the ad-buying process in an automated way, which is not only efficient, but also cheaper.

DSPs allow advertisers to buy impressions from various publisher sites, and these impressions are targeted to specific individual users based on their browsing history.

## The DSP process

Publishers make their ad impressions available through ad exchanges, which are, in a sense, like big ad marketplaces. DSPs, in an automated fashion, determine which of these impressions an advertiser should purchase.

The cool part of this equation is that people (and human error) can be removed from the ad-buying process. How? The price of the impressions is often determined by an auction in real time, where automated ad bidding takes place. In mere milliseconds, impressions are automatically auctioned off to the highest bidder, whether that's you or another marketer.

Now instead of worrying about bidding and buying ads, marketers can focus their time where it matters—creating ad strategies and creative campaigns.

## Ad networks

In a nutshell, online ad networks connect digital advertisers with websites that want to publish digital ads.

Marketers sign up with ad networks and supply them with digital ads to run across various online publishers. Once published, consumers can view the ads on a variety of websites.

According to Comscore, Google is the highest-ranking ad network, reaching over 90 percent of internet sites. Other ad networks, like Specific Media, Vibrant Media, AOL Advertising, and AT&T AdWorks each maintains over an 80 percent reach. Clearly, you can't go wrong in selecting one of the top ad networks.

## Supply-side platforms (SSPS)

A supply-side platform is ad technology that enables the selling of digital ads in an automated fashion. SSPs are often used by publishers for this purpose.

SSPs enable publishers to connect their inventory to multiple ad exchanges, DSPs, and networks all in one swoop. As a result, a large range of potential buyers can purchase ad space, and publishers can get the highest possible rates.

When an SSP offers impressions through ad exchanges, DSPs analyze and purchase them on behalf of marketers based on the specific users the ads are served to. By opening up impressions to as many buyers as possible, publishers can maximize revenue received for their ad inventory.

## Ad exchanges

Ad exchanges are digital marketplaces that enable digital advertisers and publishers to buy and sell advertising space. This occurs through real-time auctions.

An ad exchange is, in a sense, a large pool of ad impressions. Publishers insert their ad impressions into the pool in hopes that they will be purchased. Buyers then select which impressions they want using ad technologies such as DSPs. These decisions are made in real time, based on information such as the previous behavior of the user, time of day, and ad position.

Ad exchanges enable digital advertisers to purchase ads across a range of sites all at once, instead of having to negotiate ad buys with publishers. Therefore, ad exchanges present a more efficient way to buy and sell digital ads.

# Ad testing and optimization

By using various testing methodologies you can determine what is working and what isn't, making it easier to optimize your ads for greater ROI.

The two most common types of tests for digital advertising are A/B and multivariate; you can run either (or both) on your digital advertising campaigns.

## A/B testing

A/B testing compares two elements of your ad. An example would be two different images or two different CTA button colors. Many advertising platforms enable you to automatically perform your ad A/B testing.

A/B testing is created to be inherently simple—you are only testing one single variable at a time. This makes it easier to form actionable conclusions.

## **Multivariate testing**

Multivariate testing compares a much larger number of variables at the same time and produces more complex information. With multivariate testing, you can compare a combination of multiple designs, headers, CTAs, imagery, and copy.

To run a conclusive multivariate test, you need to show a statistically significant number of conversions for your different combinations.

## How long should you run an A/B test?

At Adobe, we run our digital ad tests for about 3-4 weeks to reach statistical significance. For us, this equals out to about 1,000 clicks. But remember that different company sizes will have different benchmarks, so be sure to keep this in mind.

## How to test your digital ads

Just like the scientific method, A/B testing begins with a hypothesis. All marketers should develop a strong hypothesis as to what they think might happen when they administer the test. Here are 7 steps that we recommend when beginning a test:

## Write a hypothesis

What do you think will happen? Which version do you think customers will prefer, and why?

#### Choose one variable to test

Pick one variable you feel will have an impact on the customer's behavior. This could be your image, your CTA, your headline, and so on.

## Decide on a sample group number and type

Which demographic or industry will you focus on for this A/B test?

#### Define what success looks like

Success can include opens, clicks, conversions, and more.

## Set up automated A/B testing

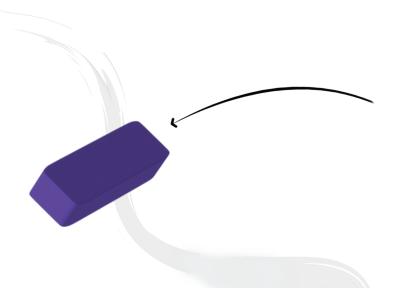
Schedule when you'll administer the test and how long it will run.

#### Look at test results from all channels

After the chosen amount of time, analyze the data sets and examine the results based on the success factors you decided on earlier. Make sure you look at all of the different channels you are administering the test on to ensure completeness.

## Determine the winning combination

Which version performed better? Did it perform significantly better or just marginally?



# Checklist: What to test in your digital ads

There are a ton of fantastic A/B and multivariate tests you can do for your digital ads. Here is a list of what you should consider testing for each digital ad type and for your ad landing pages.

## Landing pages

<b>Headline:</b> How eye-catching is your headline?
<b>Call to action:</b> The copy of your CTA says it all. Also consider testing CTA location and button color.
<b>Copy:</b> Test different copy. What works better—bullet points, a numbered list, or paragraphs?
<b>Images:</b> Test different images and image location.
<b>Offer:</b> Test different offers—what works best? A content asset? A contest? A discount or promotion?
<b>Forms:</b> Test different form lengths and locations.
<b>Site navigation:</b> Test adding or deleting site navigation from your landing page.
<b>Colors and design:</b> Determine which colors and design works best to attract your audience.
<b>Page length:</b> Should your landing page be long or short? Should it scroll?
<b>Responsive design:</b> Mobile is important. Test how different responsive design templates look on different devices.

## Pay-per-click ads

- ☐ **Landing pages:** Which landing page works best for which ad? This way you can work to increase your Google Quality Score. ☐ **Ad headline:** Your headline is extremely important for conversion in PPC. Test multiple headlines. ☐ **Ad copy:** You don't have much room to convert your buyer. Test different ad copy to see what engages your audience the most. ☐ **Ad extensions:** Do ad extensions work for you? Play around with different URLs or CTAs. ☐ Ad CTA: Make sure to test your ad CTA. What works better, a CTA for a contest? Promotion? Content asset? Video? Display ads ☐ **Ad design:** Make sure to test different ad designs. What colors work best? What images work best? ☐ **Ad types:** Test your message using various forms of rich media. Try out video, flash, and cinemagraphic ads. ☐ **Ad delivery:** What sort of delivery works best for your display ads? Try different overlays and pop-ups. ☐ **Copy:** Test different copy to see what resonates the best.
- □ **Ad CTA:** Try out different CTAs, CTA copy, and locations to see what combination works best for your ads.
- ☐ Websites and ad networks: Test out different websites and ad networks to see where your audience engages with your ads the most.
- ☐ **Ad targeting:** Try out different ways to target your banner ads. Test out behavioral versus demographic versus location, and so on.

## Social ads

- □ **Ad design:** See which designs work best for each social network. You may find that different images and design styles work best for one social network and not another.
- □ **Ad type:** Many social networks today have the option for native video ads. Test those out to see if your audience resonates.
- □ **Ad headline and copy:** Most social networks enable you to add headlines and copy to your ad. Test out different tones and even hashtags to see what engages your audience.
- □ **Ad CTA:** Make sure to have a CTA for your social ads. Test different CTAs and offers for each social network to see if you find a pattern.
- ☐ **Ad targeting:** Ad targeting is a critical part of advertising on social channels. Test out different audiences and targeting options to see what works best.

Dark posts: Want to test an ad but don't want your audience to see it? Test your ads using □ posts that are only shown to those outside of your network based on targeting.



## Ad measurement

## Metrics

Measuring your digital advertising efforts is critical to your success. If you don't know what has worked in the past, how can you move forward? Since digital advertising's success and optimization are based on reoccurring metrics, we want to start by reviewing some of the most common metrics digital advertisers track.

## **Front-end metrics**

Front-end metrics are most commonly associated with tracking the performance of digital advertising. These metrics are frequently provided by advertising platforms, so they don't require any additional software or work to understand.

In some cases, these metrics might be considered vanity metrics—metrics without actionable meaning—unless you tie the metric to some type of performance tracking or goal.

Look at these metrics for both trends and the big picture. Additionally, you should combine them with back-end metrics, which we will review later, so that you have a holistic view of ad performance across channels.

The following sections outline what you should be measuring when it comes to front-end metrics.

### **Impressions**

Impressions are the number of times your ad is displayed, whether it is clicked on or not. Based on your targeting, customers may see multiple impressions of the same ad.

#### Reach

Reach is the number of people who received impressions of an ad. In many cases, your reach number might be fewer than your number of impressions, because one person may see your ad multiple times.

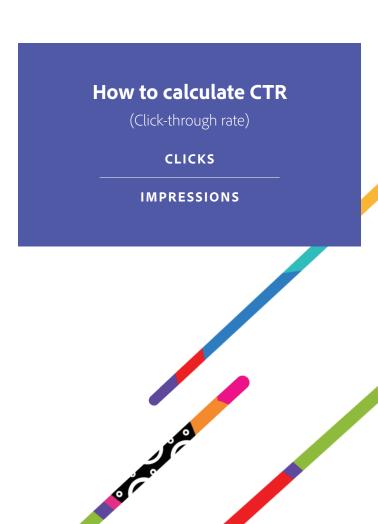
#### **Clicks**

This is simply the number of times your ad gets clicked. It is a very standard goal for many advertising campaigns.

## Click-through-rate (CTR)

Click-through rate is a measure of the efficiency of an ad. It is the percentage of clicks to impressions. It is one metric that advertisers can use to compare ad performance on different sites, even if they are not the same size. For example, if a marketer advertises on Platform 1 to a pool of 5,000 people and on Platform 2 to a pool of 200,000 people, the CTR of each of these campaigns is a metric that the marketer can compare to identify which platform performed better.

So if your ad was seen 100,000 times (impressions), and 100 users clicked on it, your CTR is 100/100,000 = 0.01, or 1%.



#### **Engagement rate**

The engagement rate is a measure of the level of engagement an ad received. It is the percentage of people who engaged with an ad. On Facebook this would be likes, clicks, shares, and comments. While click-through rate measures the efficiency of an ad, it doesn't measure the engagement if that engagement is not a direct click.

#### **Conversions**

Conversions is the metric that tracks how many actions or acquisitions were completed based on an ad. This metric is specifically important in campaigns that are based on a cost per action or cost per download. With those types of ads, each action or download is considered an acquisition.

#### Cost per lead (CPL)

The cost per lead for B2B companies, also known as the cost per target and cost per MQL (marketing qualified lead), depends on how your organization's path to purchase is mapped. This metric measures how cost-effective your advertising campaigns are when it comes to generating new leads for your sales team.

This metric is closely tied to other key business metrics, such as the cost to acquire new customers (which spans all marketing and sales programs). It is used to give you a base to understand how much money is appropriate to spend on acquiring new leads.

## Effective cost per thousand (eCPM)

The effective cost per thousand is calculated by dividing the total earnings from the ad by the total number of impressions in thousands. It was developed as a measurement tool because CPM can sometimes be misleading—there are often exceptions that make the actual cost per thousand different than the set price.

Let's look at an example where eCPM would be an important metric to track. An organization that's advertising to an extremely targeted, niche segment may get fewer than 1,000 impressions but will pay for the full unit of 1,000. A larger brand may only pay for 1,000 impressions when they actually get 1,500.

The eCPM is a measurement developed to help advertisers account for these types of discrepancies as a way for them to see the true return on investment (ROI). Basically, did they get what they paid for? Did they get more, or less? This is an important measurement because it helps advertisers determine the success of their ad programs so they can make decisions about future ad buys.

To reiterate, CPM is what an advertiser pays, while eCPM is a metric that helps marketers make decisions.

## How to calculate eCPM

(Effective cost per thousand)

**TOTAL EARNINGS** 

X ,1000

**TOTAL IMPRESSIONS** 



#### **Back-end metrics**

Back-end metrics are generally more complex than frontend metrics because they track your advertisement's impact on revenue. Back-end metrics are often tracked with the help of a marketing automation platform, which enables marketers to take the front-end metrics and track that activity all the way through the customer lifecycle to determine ROI.

Marketing automation allows marketers to directly connect their advertising activity and data to their marketing automation platform. This connection enables marketers to effectively track customers from awareness to engagement with your advertisement all the way through the sales funnel—from MQL and SQL to pipeline and, ultimately, revenue.

These metrics are important to understand at both a digital advertising program level and for the individual advertising platforms.

This section goes into more detail on what back-end metrics you should be tracking.

#### ROI and return on ad spend (ROAS)

ROI and ROAS are essentially the same metric despite the difference in terminology (this is based on whether you are a B2B [ROI] or B2C [ROAS] organization). These metrics measure how much your advertising campaign generates compared to the cost of running the campaign. Essentially it's the go-to metric to measure effectiveness.

It's usually shown as a percentage. This simple measurement helps advertisers calculate and adjust their advertising in real time, and in the case of programmatic advertising, this metric is used to help optimize bids.

# Pipeline created with first-touch and multi-touch attribution

To become more strategic about measuring financial metrics from digital advertising, start by recognizing that your buyer rarely makes a purchase as a result of a single campaign.

Conventional marketing wisdom proposes that at least seven successful cross-channel touches (forms of engagement) are needed in order to convert a cold prospect into a buyer.

Sometimes companies attempt to tie revenue to either a customer's first touch or his last. It's important to determine which strategy works best for your organization. We'll cover the different attribution strategies in the next section.

### Lifetime value of a customer (LCV)

The lifetime value of a customer is a prediction of the new profit attributed to the entire future relationship with the customer. In businesses where the customer lifecycle is cyclical, with repeat purchases, advocacy, and referrals as a large part of revenue, the LCV of customers coming in from different advertising programs is an important part of proving your digital advertising's value.



## Attribution

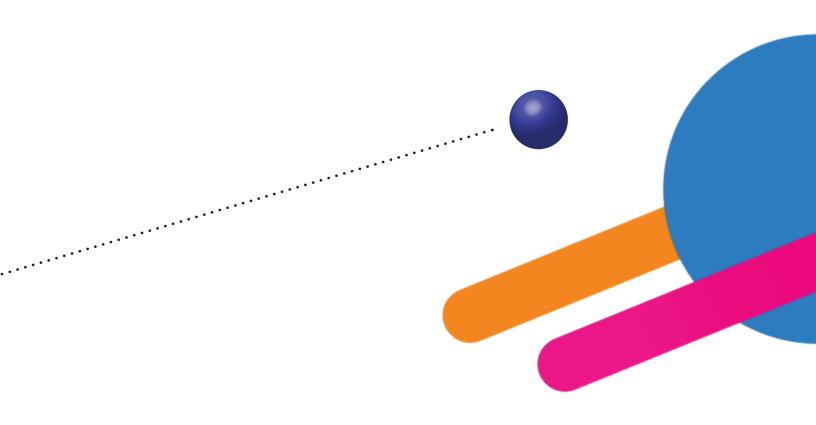
With the right combination of metrics and an attribution model that makes sense for your business and stakeholders, you can share insights easily.

Marketers often feel that it's hard to demonstrate the impact that their marketing program has on revenue—particularly with digital ads. Attribution models offer marketers a set of guidelines that help determine which activities get credit for sales and conversions. Different models will impact the valuation of your marketing activities and channels.

Google offers marketers a convenient Model Comparison Tool that allows you to input an example and view the various results, illustrating the impact that different models have on attribution. Let's explore the various methods of program attribution with this example from Google:

A customer finds your site by clicking on one of your Facebook display ads. He returns a few days later by clicking over from a Google display ad. Later, he arrives via an email from a campaign you sent. And then later that same day he comes back and makes a purchase from your website.

Now let's take a look at how we can think about measuring these touches.



## First-touch attribution

In this model the first touchpoint—in this case the Facebook display ad—would receive 100 percent of the credit for the sale. This model works best if your top goal for running ads is to create initial awareness.

## **Last-touch attribution**

In this model the last touchpoint—in this case, the direct channel (your website)—would receive 100 percent of the credit for the sale. This model works best if your ads are designed to attract people at the moment of action (often purchase), or if your business has a mostly transactional sales cycle.

## **Multi-touch attribution**

In this model, every touchpoint in the conversion path—in this case, Facebook, Google, email marketing, and your website—share equal credit for the sale (25 percent each). This model works best if your ad campaigns are designed to maintain interest, awareness, and contact throughout the sales cycle.

## Time decay attribution

In this model the touchpoints that are closest in time (most recent) to the sale get more of the credit. For this example, the direct and email channels would get the most credit because the customer interacted with them within hours of purchase, and Facebook and Google would receive less credit since the interaction occurred almost a week prior. This model works best if your sales cycle has a very short consideration phase, or if you are running short promotion type campaigns.

## Last non-direct click attribution

In this attribution model, direct traffic is disregarded—and 100 percent of the credit goes to the channel that the customer engaged with before the sale. In this case the email channel would get 100 percent of the attribution. This model is helpful to marketers looking to see where traffic is coming from before conversion.

## Last AdWords click attribution

This is a model that is specific to Google AdWords, but you could adapt it for other advertising platforms. The last AdWords click—in this case, the only click from Google—would receive 100 percent of the credit for the sale. This model helps marketers identify and credit their AdWords ads that closed the most conversions.

At Adobe, we allocate the value of every engagement across all of the marketing efforts that a customer touched. Here's how:

#### Count all the successful touches

In a multi-channel scenario, successful touches can happen across numerous channels. Perhaps the customer's last touchpoint was a digital ad, but prior to purchasing, they spent time in an email, on your Facebook page, and on your Twitter feed. When collecting all of your touches, be sure to only count those that occurred before the action was taken—those that led to the action.

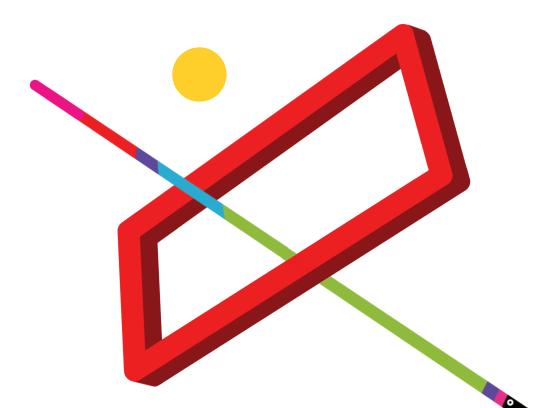
## Assign value to the final action

You might use a transactional system or marketing automation as the system of record for how much the action is worth. A marketing automation tool can make this easy for you by allowing you to predefine the values for each type of activity.

## Distribute that value across your successful touches

In a multi-touch attribution scenario (multiple marketing activities with a buyer over time), you assign a value to each successful touch. Often, this is best done with simple distribution—if a buyer touched five marketing programs, each touchpoint gets one-fifth of the credit for the ultimate value.

As simple as that seems, it's often easier said than done because most platforms don't support such sophisticated analysis of digital advertisements. But modern marketing automation solutions can do this right out of the box. With Adobe Marketo Engage's Opportunity Influence Analyzer, you can track how all of your programs affected a closed deal throughout a customer's entire lifecycle.



# **Conclusion**

Today's buyers interact with your brand on multiple channels and devices. Advances in digital advertising have provided marketers with a way to create personalized experiences that engage customers everywhere they are.

Digital advertising is much more than a customer acquisition channel. By using new ad technology, methods of tracking, dynamic ad content, and innovative ways to target your audience, digital advertising has become a way to nurture your buyers before and after they become customers. By including digital advertising as a holistic part of your advertising strategy, you can create a cohesive experience for your marketing across platforms, channels, and devices.

As you consider the journey that your customer takes, digital advertising should be an integral part of that journey—it's vital to include a variety of digital advertising tactics in your overall marketing strategy. Relevant digital ads help to nurture your buyers so that you can have that one-to-one conversation on all channels.

Digital advertising evolves quickly, and as a marketer, you have to keep up. The ubiquity of online interactions in today's modern culture demonstrates why digital advertising has become, and will continue to be, indispensable to marketers. Marketing through these ad channels is key to unlocking the potential of a huge, expanding, and captive audience.

It's vital to include a variety of digital advertising tactics in your overall marketing strategy.



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