

7 TECHNIQUES TO MINIMIZE YOUR FACEBOOK AD COSTS



Exclusive Report

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Facebook Ad
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Promoting your business, product, service or brand on Facebook can be expensive. You'll see reports of many advertisers spending hundreds or thousands of dollars every single day on Facebook Ads!

These advertisers are literally giving Facebook their entire advertising budget for two reasons:

- (1) Facebook Ads work
- (2) It is relatively cheaper compared to other advertising platforms.

Facebook Ads work so well that many companies have stopped advertising on other platforms and instead focus all their attention on Facebook. Now, these advertisers have got ad optimization down to a T.

They spend fewer dollars per conversion than other platforms. And because of the amount they get to 'save' on Facebook, they're putting more of those advertising dollars to further expand their reach on Facebook and get more people in their sales funnel.

If you want to know how these successful Facebook advertisers are able to minimize their ad costs, then read on because today I'm going to be sharing with you seven tried-and-tested methods for lowering your Facebook Ad costs.

Let's begin!

Technique #1: Set a bid cap

Setting a bid cap is important if you want to control how much you want to pay for each bid or per action that your target audience does. If you have a specific budget in mind, and you already have an ideal cost per acquisition or per action, then you can set that as your bid cap.

Here's an example:

You have a daily budget of \$10, and your campaign objective is to get people to click on your ad and go to your website. The landing page on your website is selling a \$50 item where you make a \$25 profit per item.

You know that based on past customer behavior on your website, you get on average a 10 percent conversion rate which is pretty good because it means 1 out of 10 people who go on your site buys that product.

With such a profit margin, you're willing to pay \$0.50 per click. So you set that as your bid cap. Facebook will then charge your account a *maximum* of \$0.50 every time someone clicks on your ad.

With a \$10 budget, you can have *at least* 20 clickthroughs to your website. This means that with your product's 10% conversion rate, you're probably going to make 1-2 sales (\$25 to \$50 profit) per \$10 ad spend.

Knowing the math behind your ad campaigns will help you optimize your ad budget be it on the campaign level, ad set level, or ad level.

Technique #2: Get more people to engage with your advert

Getting people to engage with your ad is probably one of the best ways to minimize your ad costs. However, this is easier said than done. We all would want to get the highest possible conversion rates and have everyone we target to look at our ad. But obviously, this doesn't happen in real life.

People go on Facebook to socialize with their family and friends. They don't go on Facebook to look at adverts! To get people to pay attention to your ad, you have to get creative and think outside the box.

Ask yourself if you were your target audience, would you stop scrolling your news feed to look at your advert? Be objective and don't let your bias come into play.

If you answered, yes, then your ad may be good enough. If you answered no, then you'd have to go back to the drawing board and start again.

Alternatively, if you work alone, you can ask somebody else's opinion on what might work. If you work in a team environment, then that's better because two or more heads are better than one, so to speak.

Brainstorm on ways you can possibly catch your audience's attention. Write everything down and plan how your ideas are going to translate to Facebook ads.

It's important you do this because when more people engage with your ads, it sends a message to Facebook that people are finding your ad to be valuable, and will thus reward you with lower ad costs.

Technique #3: Give away valuable free stuff

In connection with technique #2, when you think outside the box, think about giving away valuable freebies to your target audience. People love free stuff, plain and simple. When they think they're getting something valuable for free, they're going to love you for it!

But what kind of free stuff can you give away to get people to engage and click on your ads?

There are actually many kinds of free stuff you can give away to your audience. Depending on your industry, your audience may be encouraged to engage with your advert if you give them a very valuable eBook that addresses their pain points, a short but comprehensive email course, a free sample of your product, a free trial, a discount code, and so much more.

To know what will work best with your audience, you have to know who your audience is first. For instance, if you know the majority of your past customers are mothers of 1-2-year-old boys, then you have to think of something that will get the attention of these mothers.

If you're selling baby stuff or mommy stuff, then maybe consider giving away a free course on how to potty train toddlers or maybe how to lose postpartum weight. This will depend on your product of course. Your free stuff has to relate to the product you're selling.

Whatever item or service you choose to give away for free, make it as irresistible as possible. You can also try putting in some scarcity in your ad. Don't be afraid to tell your audience your freebie is only going to be up for a limited time or to a limited number of people. Try this technique and watch your engagement go up and your ad costs come plummeting down!

Technique #4: Target custom and lookalike audiences

With Facebook's hyper-targeting options and advanced remarketing tools, there's just simply no better audience to target with your adverts than custom audiences and lookalike audiences (from your winning audiences).

Custom audiences are so important and so essential to minimizing Facebook ad costs because these are people who already know your brand or your business. You're not targeting cold audiences who probably know absolutely nothing about you which means they don't trust you and may not be willing to do any business with you.

Custom audiences, on the other hand, have interacted with your business either online or offline. There's a level of familiarity that exists between you and this audience, so it's much easier to sell to them and get them to convert.

This is important because when people know your brand, they would be more likely to engage with your ad. This, in turn, results in lower ad costs for your business.

If you have a website, install the Facebook pixel on it right away. If your business is offline, you can still collect your customers' data and upload it to Facebook to create a custom audience.

The important thing to think about with custom audiences is you have to figure out how to get them to engage with your business again. Maybe an ad re-introducing your brand to them would help to put them at ease so try that tactic as well.

Once you've found a custom audience that reacts positively with your ad (high conversion rates), you can then create a lookalike audience so you can reach more of the same people!

Technique #5: Split test your way to success

Don't settle for making one or two ads only. If you're serious about succeeding on Facebook Ads, then you need to spend some money on it first. One of the best investments you can make on the platform is by split testing your adverts frequently.

Test which headlines, which images, which products, etc. your audience is going to respond favorably to.

Just make sure that when you're split testing, you only test one element at a time so you can say with certainty that an element is or isn't working for your audience. If you test 2 or more elements, you'd only mess up your split test, and you'd have no tangible proof that it was indeed element 1 that caused your ad to flop, and not element 2.

Split testing is like educating yourself on what ad creatives are going to work best for your audience. You're essentially paying for your failures, but once you find the winning combination of ad copy, ad graphics, placement and audience, then you'll be thankful for your split tests.

Once you find a winner, you can easily scale your ads and reach more people. Since you've already done your homework on what's working and what's not, then in your future ad campaigns you'll be able to use your well-optimized and high converting advert and pay for it with fewer dollars per conversion!

Technique #6: Use video ads

Video ads are one of the best-kept secrets of successful marketers who pay a fraction of a penny for each video view. Of course, not all ad campaigns are going to benefit from video ads, but for those who do, you're going to benefit big time!

People on social media are all about self-gratification. They don't want to do a lot of hard work while on social media. Instead, they want to relax and not think about work or school. This is where video ads shine – all they have to do is just hit the play button (if they haven't set it to auto-play), sit back and watch your video!

There's no walls of text to read, no tiny fonts to squint at. And they get your message just by watching a few seconds of video!

Some marketers may say that while video ads are terrific for engagement rates, it doesn't translate directly into sales. Well, that *may* be true, but it really depends on the kind of products and services you're offering – not to mention, your audience, your video ad presentation, and so many other factors.

The point is that with video ads, it is possible to get 1,000 views for \$1 or \$2! There's probably no easier way to achieve this kind of ad spend either on Facebook or on any other advertising platform!

Technique #7: Refresh ad creatives

Sometimes advertisers become complacent with their high-converting ads. They go on holiday for a few weeks and forget to pause their ads. When they

log on to their Facebook Ads Manager or Business Manager account, lo and behold, their ad costs have gone up by 100% or 200% or even more!

At this point, they'd be scratching their heads because before they left, they were getting really low ad costs per conversion. But after a few weeks, they're spending so much for the same advert (*they probably also forgot Tip #1 – set a bid cap*).

When you think about it, it's really not that surprising. They're targeting the same group of people using the same ad creatives. Who's not going to get bored with that ad?

Once you've seen an ad a few times – no matter how creative or engaging it was the first time you saw that ad – you're eventually going to get tired of seeing it on your feed!

The important lesson to take note here is that you must always remember to keep your ads looking fresh.

Even if you go on vacation for a few weeks, you can always set an ad schedule.

For example, you can run advert 1 for the first 5 days, then advert 2 for the next 5 to 10 days, and so on. With fresh ads to keep your audience engaged, you can expect your ad costs to remain as low as ever.

Apply all the seven techniques you've read in this report, and watch your conversion rates go up and your ad costs come crashing down on your next ad campaigns!