

SA marketers pay among the highest rates for Facebook ads



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South African marketers pay among the highest rates for Facebook advertising in the Europe, Middle East and Africa region (EMEA), with cost per click, cost per page like, cost per thousand impressions and average cost per app install numbers that are all significantly above the global average.

That's one of the key findings of the Facebook Ads Benchmark Report from Salesforce.com, the provider of the cloud-based Social.com social media advertising platform. The report also shows that South African marketers experience relatively average performance for these costs, with an average clickthrough rate of 0.332%.

The Benchmark Report

These facts are just some examples of the rich insights in the free-to-download Benchmark Report, which seeks to provide marketers around the world with data they can use as a baseline for their own Facebook campaigns.

Using Social.com data, Salesforce Marketing Cloud decided to benchmark performance and cost metrics for social advertising, focusing on Facebook advertising, to provide a baseline for key metrics by creative type, industry, and geography. The data is drawn from the top 25 countries globally, based on Facebook advertising impressions. Performance was measured from Social.com across more than one million ad units and over 114 billion impressions.

Spending advertising budget without using such benchmarks amounts to wasting money, particularly when digital marketing is so rich with data to guide you. With the right data at your fingertips, you can measure your own performance and costs against relevant countries and industries so that you can optimise spend and performance.

Acceleration Media is a local reseller and implementation partner for social.com as well as for Radian6. Salesforce Social.com is the world's first social advertising application that connects social ads with real-time customer and social listening data. It is part of Salesforce Marketing Cloud, and takes targeting of social ads to the next level by enabling companies to be more relevant and effective in their social campaigns.

Drilling deeper into the South African data, the report shows:

- South Africa is the most expensive country on the average cost per install metric at US\$2.46 the next most expensive is Canada at \$1.71.
- With an average CPC of \$0.40. South African Facebook advertisers pay the third highest rate behind Denmark and

Sweden.

Australia, Sweden, Taiwan, the Netherlands and Australia pay significantly more than South Africa's \$0.86 when it comes
to average cost per impression.

The report reveals that on a global scale, Facebook ads with a true social context such as Sponsored Place Check-In Stories and Sponsored Page Post Like Stories have higher clickthrough rates than average.

The Check-In Stories have a clickthrough rate of 3.2% compared to other ad units with clickthrough rates as low as 0.2%. Application, Click ads, Event RSVPs and Inline Likes receive very small click-through rates, but are all very cheap in terms of cost per impressions.

The report also offers some interesting industry benchmarks. The telecommunications (2.8 x above average), publishing (2.5 x above average) and general retail (58% above average) industries show click-through rates and cost per impressions well above average.

This sort of data is just a sample of what marketers can get from the Salesforce.com marketing cloud. With social media forming a growing part of most organisations ad spending, reputation strategies and marketing campaigns, it is crucial for marketers to use all the information available to them to drive the best return on investment from their social engagements.

Definitions

Click-Through Rate (CTR): Number of clicks divided by number of impressions per ad.

Cost per Click (CPC): Total cost divided by number of clicks per ad.

Cost per Impression (CPM): Total cost divided by number of impressions per ad, multiplied by 1000.

Cost per App Install: Total cost divided by number of App Installs per ad.

Cost per Page Like: Total cost divided by number of Page Likes per ad.

App Install Rate: Number of App Installs divided by number of impressions per ad. Page Like Rate: Number of Page Likes divided by number of impressions per ad.

Report Methodology

- Data for this report was collected from January 1st to March 31st, 2013.
- Performance was measured from Social.com across more than one million ad units and over 114 billion impressions.
- This report analysed the top 25 countries globally and top five countries per region (Americas, EMEA and APAC) based on impressions.
- All rates were converted to U.S. dollars using the average daily conversion rates during the reporting period.

ABOUT GORDON GELDENHUYS

Gordon Geldenhuys heads up the Social Media & Insights division of 25AM, a strategic digital consultancy and Salesforce Marketing Cloud Authorised Reseller. He is responsible for developing social media strategies and facilitating the licensing of Salesforce Marketing Cloud to companies in South Africa.

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