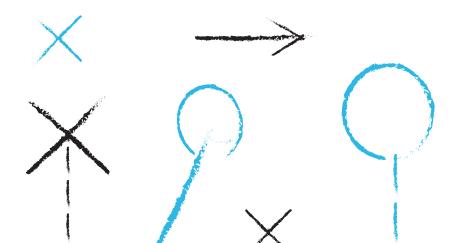
## LISTRAK EXCHANGE

LEAD ADS PLAYBOOK

HOW TO USE *Listrak exchange* to *supercharge performance* 





## LISTRAK SOLUTIONS













Listrak's digital marketing automation platform lets you cultivate deeper relationships with shoppers through personalized, multichannel marketing strategies that drive revenue, engagement and growth.

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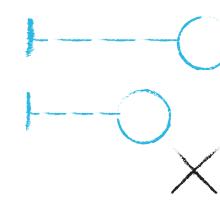
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## What are Lead Ads?



Lead Ads are an email acquisition tactic deployed through Facebook and Instagram to targeted audiences defined within a Facebook Ads Manager. These ad types provide a simple, frictionless solution to capture new email leads. Lead Ads allow consumers to more easily connect with retailers and brands in their preferred channel. Some consumers are spending as much as 50 minutes a day on Facebook, Instagram and Messenger\* – so the opportunity to capture their eye and build the value for your email channel is substantial.

Lead Ads also provide a unique opportunity to capture an email address from a consumer without having to interrupt their current activity - browsing their Facebook news feed or Instagram feed. With just two clicks, a consumer can easily verify their information is correct and hit submit. **Listrak Exchange** then automates the transmission of that email address to the Listrak platform and sends the new subscriber your welcome series.

\*FB Q1 Earnings Report.



## Customer Success Stories

Retailers and brands running Lead Ads and automating data and leads through Listrak Exchange have not only driven list growth, but also revenue growth. Costs of acquisition have averaged around or under \$1.00 and those new to the list have driven 6x ROAS within the first 30 days of signing up.



#### **SUCCESS STORIES**



#### Gardener's Supply Company

has consistently achieved a cost per acquisition of less

than \$.70 per email address. Facebook users who view Gardener's Lead Ads are highly engaged and frequently post questions and comments on the ads. Gardener's does an excellent job of replying and adding value to the experience. Strategically, Gardener's has chosen to exclude offers from their Lead Ads to acquire higher quality subscribers who have an interest in their brand, not just an offer. Gardener's Supply Company has successfully maintained Relevance Scores of 8/9 throughout the lifetime of the campaign.

This score, paired with high conversion rates indicate that ad creative and audience targeting are in tuneresulting in very cost effective acquisition costs.



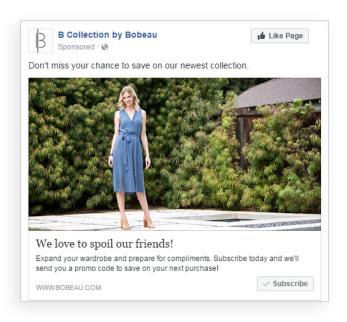


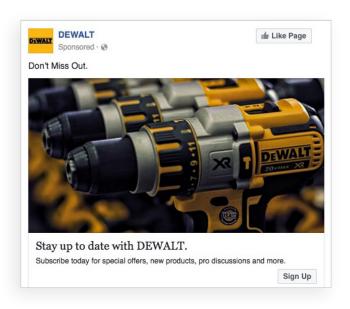
B O B E A U

Growing brand **Bobeau** prospected
an audience of
users based on their

brand interests and excluded Bobeau's current subscriber list from seeing the ads. This prospecting audience converted at a rate of \$1.50/email address. Bobeau has

seen a 3x ROAS from Lead Ad subscribers within the first thirty days of acquisition.







By retargeting website visitors and excluding subscribers,

**Dewalt** was able to capture leads at a cost of \$0.58/email address. Because Dewalt retargeted past website visitors who were engaged, they were able to achieve a **9/10 Relevance Score** for all Lead Ads.



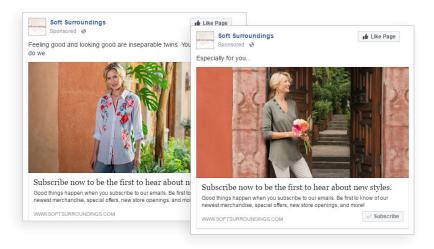


Le Creuset, who was

already retargeting website visitors with other Facebook ads, chose to use first-party data to target a lookalike audience of multi-time buyers, excluding existing subscribers. The result was a cost per acquisition of approximately \$1.30/ email address and 4x ROAS within the first thirty days of acquisition. Over the four month lifespan of the campaign, Le Creuset spent a test budget of \$2,000 and saw a 5X ROAS.

Given this performance, we suggest targeting lookalike audiences that are defined by your best customer's profile data.





#### Soft Surroundings

In just 6 months, **Soft Surroundings** 

has acquired 8,700 subscribers at an average of \$0.87/email address.

#### Targeted audiences include:

- » Website visitors, excluding subscribers
- » Cart Abandoners/Purchasers not on master list
- » Demographics/Interest-based targeting, excluding subscribers
- » Lookalike audience of fan page, excluding subscribers

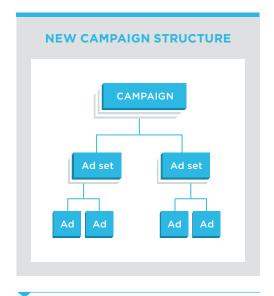
Multiple audiences have consistently produced acquisitions as low as \$0.29/email address. Of all Lead Ad subscribers acquired in the first six months, 20.8% have already converted and made a purchase. Soft Surroundings sees a 6x average return on ad spend within the first thirty days of subscriber acquisition.

The lifetime value (6 months) of all Lead Ad subscribers, since initial acquisition on Facebook, is more than \$210,000. This is on a \$7,000 ad spend.

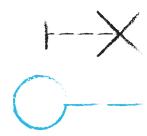
# Creating Facebook & Instagram Lead Ads

When building a Lead Ad campaign for the first time, select the "Lead Generation" objective from Facebook's Ads Manager.

You only need to create one campaign that will contain all of your Lead Ad sets. Each audience that you choose to target should be maintained within each individual ad set. By tailoring each ad set to a specific audience, you avoid duplication across multiple Lead Ad campaigns and prevent the same consumer from being targeted multiple times.



**Above:** This is an illustration of the ideal set-up for campaigns, ad sets and creatives.



# Who to Target with Lead Ads

You can target audiences defined by your first-party data, Facebook's third-party data and the data captured via the Facebook tracking pixel placed on your website. You can create powerful combinations using these three data sets. Don't forget to exclude your current subscribers from all of your ad sets—this can easily be automated using Listrak Exchange so that you don't waste ad dollars on subscribers whose email addresses you already have.

# \* 1st Party \* 1st Party FB 3rd Party FB Pixel AUDIENCE TARGETING \* 1st Party Page → F

#### AUDIENCE IDEAS to DRIVE RESULTS

#### 1 | Website Visitors that don't Subscribe

This audience has spent time on your website but they may not have subscribed yet. Consider refining this audience to only include people who have visited two or more pages of your website or people who browsed specific pages.

Listrak Exchange Game Plan: Sync your current subscribers to exclude them from this group

#### 2 | Lookalike Audience of Repeat Customers

Your most valuable firstparty audience is your repeat
customers. Take this audience
of repeat customers and create
a Facebook lookalike audience
of Facebook users who share
similar traits and tendencies.
Use this audience as a prospecting
audience and acquire email
addresses of new brand followers.

\* Listrak Exchange Game Plan: Automate this audience to Facebook so you are always targeting using your most recent data

#### 3 | Cart Abandoners/Purchasers not on Marketing List

Cart abandoners and purchasers are people who have shown the highest level of engagement with your brand. Build a first-party audience of cart abandoners and purchasers who have not opted-in to receive your marketing emails. You can target this audience with Lead Ads to not only re-acquire their email address, but also their consent to receive marketing emails.

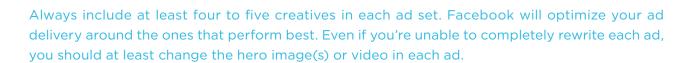
\* Listrak Exchange Game Plan: Exclude current subscribers for maximum ad efficiency

#### 4 | Facebook Page Followers

Don't forget to target people who like or follow your brand's Facebook Page. This is an easy audience to target and could result in a nice boost in subscribers.

Listrak Exchange Game Plan: Automate all new subscribers to Listrak so they receive your welcome series in real-time

## Creative Strategies





#### 1 | Video Creative

Facebook gives news feed priority to video content. This means more impressions at a lower cost. Whenever possible, test video creative against carousel ads or static image ads.

Keep videos short and concise. Don't forget that you want the user to engage with the video and subscribe.

Lastly, optimize your video design for mobile. A significant majority of Facebook users watch your videos on small screens.

#### 2 | Carousel vs Static Images

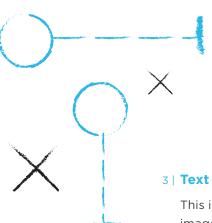
Consider leveraging a carousel ad that features multiple gateway products\* often purchased by new customers. Try a mix of lifestyle and product photography for each carousel image. Remember, people like to see other people in ads so don't be afraid to use friendly photography or even approved user-generated content.

Single static images are a staple in most Facebook ads. Use this image to create some visual contrast that captures the user's attention as they swipe through their news feed. Also, less is more when it comes to text in images. Facebook will limit delivery of ads that contain too much text in their image. Lean on your ad's headline and news feed description to relay your message or incentive.

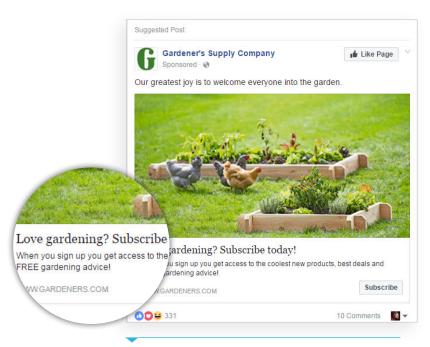
\*Gateway Products are products that are most commonly purchased during the first purchase a consumer makes with your brand.



Carousel Ad Example: Showcase up to 10 images.

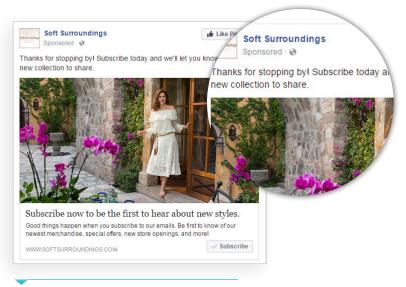


This is the content that appears above the ad image. We recommend including a brief and friendly brand message here. Remember, if you're running Lead Ads on Instagram, this is the only text that will accompany your hero image. Make sure this text can stand on its own.



#### Lead Ad Headline Example:

Demonstrate value and test repeatedly.



#### Lead Ad Text Example:

Get straight to the point of your messaging.

#### 4 | Headline

This appears in larger text size beneath the ad image. This should be concise and lead with a call-to-action and brief value proposition.

We suggest testing offer versus no-offer.

Ads without an offer could mean that you're capturing more loyal subscribers and, in many cases, these ads perform as well or better than ads with an offer.

#### **5 | News Feed Link Description**

Expand upon the Headline above. Remember, this will be truncated on mobile devices.

### Liferance specifical s

#### 6 | Call-to-Action

Your call-to-action button should support your headline above and reinforce the action you want the user to take. In most traditional B2C Lead Ads, this call-to-action will be *Subscribe* or *Sign Up*.



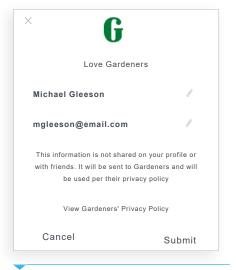
**Lead Ad Call-to-action Example:**Be clear and keep it simple.

#### 7 | Lead Ad Form

This is one of the most important parts of your Facebook or Instagram Lead Ad. Lead Ad forms are displayed to users who click the Lead Ad call-to-action in their news feed. This form captures the consumers' email address which is pre-populated by Facebook or Instagram with the address tied to their account. Upon submission, this email address can be automatically passed back to Listrak via Listrak Exchange and dropped into a Welcome Series email campaign.



- » Allow your targeted audience to share your ad. This means that if someone is shown an ad and they tag a friend, the friend can submit the Lead Ad form even though they were not originally targeted. This option is enabled by default.
- » When possible, disable the Welcome Screen. This is an optional first step in the Lead Ad form that the user must click through before they can submit their information.
- » Collect the least amount of information possible. Email and Full Name are the default fields added to a Lead Ad form. We suggest sticking to these fields or even collecting email alone. Remember, all fields added to a Lead Ad form will be required for submission.



Lead Ad Form Example:

Only collect the most important information.

- » Customer disclaimers can be used to provide information that encourages the user to participate in your email channel. Some ideas might be to let them know what you will be doing with the email address and what's in it for them to submit their information.
- » Consider adding UTM parameters to the Website Link. When a user submits their email address, they can choose to click through to your website from the Lead Ad. You want to be able to track this traffic in the future.

# Monitoring & Optimizing Lead Ad Campaigns

**5** 

Well executed Lead Ad Campaigns can significantly improve your ongoing acquisition strategy. Lead Ads can result in very cost-effective acquisition rates, but more importantly, help you acquire subscribers who will result in high lifetime values.

#### STRATEGIES for SUCCESS

After setting up a new Ad Set, allow it to run for a few weeks without any changes to the Campaign, Ad Set or Creative. Facebook's algorithm needs time to optimize delivery and this takes time. If any changes do need to be made to budget, targeting or creative, make incremental changes every 24-36 hours. For example, increase budget approximately 10-15% per 24 hours.

If you see success, don't immediately double or triple your budget in a single update. This throws off Facebook's optimization and it takes time to re-establish that optimization.

Do not frequently enable/disable the Campaign or Ad Sets. This also negatively affects optimization.

Determine your brand's estimated Cost per Acquisition (*CPA*). Once you know what it should cost to acquire a new subscriber, you can optimize your budget and delivery to meet that goal. Retargeting website visitors who expressed higher intent will result in a higher conversion rate and lower CPA. Prospecting Lookalike audiences could result in slightly higher CPAs. You may see CPAs as low as \$0.30 for retargeting website visitors and \$1.00+ for prospecting audiences.

Relevance Score, on the creative level, is a very important measure that you should use to define the effectiveness of an ad. Aim for at least a 7 (out of 10) Relevance Score. Low Relevance Score indicates a negative response from the targeted or creative audience. This means your audience targeting or creative may need to be adjusted or updated.

Aim for a conversion rate of at least 1%. It is possible to have a low conversion rate and low CPA; however, a conversion rate of 1%-3% is often attainable with Lead Ads.

#### **BENCHMARKS**

CPAs \$.30 retargeting website visitors \$1.00+ for prospecting audiences

7-10 Relevance Score

1-3% Conversion Rate



Whether you are just considering adding Lead Ads to your acquisition efforts or you are looking to optimize the Lead Ads you are currently running—**Listrak Exchange** can help your team **save time** and **increase the performance** of your campaigns.

To learn more contact



**&** 877.362.4556



