

Black Friday/Cyber Monday eCommerce advertising report

The eCommerce report to inform your ad strategy for BFCM 2022.



Introduction pg. 3

Who are Fospha pg. 4

What's the best channel mix for BFCM? pg. 5 - 6

Should you spend on top of funnel ads during BFCM? pg. 7 - 8

When is the right time to increase spend? pg. 9 - 10

Summary and key findings pg. 11

Appendix: Data overview pg. 12



The Black Friday Cyber Monday (BFCM) holiday is the event of the year for most eCommerce brands, and the time where many net a significant percentage of their annual revenue. There are lots of different strategies for how to play this period, whether increasing spend drastically, targeted increases in some channels or over a limited time window, or eschewing the holiday altogether and going dark.

One thing is for sure – there is very little consensus over the best approach to take to maximize your returns. As with all things eCommerce marketing, a big part of this is a measurement problem. Especially post-iOS 14, very few eCommerce brands have good quality cross-channel and cross-funnel performance data, and a lot of decisions are made using guesswork and assumptions.

Given these industry-wide challenges, Fospha are in a unique position to look into the impact of spend strategies across the Black Friday period. With a world-leading attribution model that offers deep insight, particularly into hard-to-measure impressions-led channels, and a wealth of cross-client data, we are delighted to share with you the best channel strategies for the BFCM period based on our own measurement.

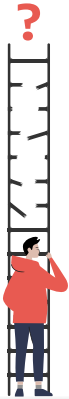
What's more, this year Fospha are able to offer a free trial of this product to any eCommerce businesses interested in planning their Black Friday campaign based on accurate ad measurement. This is a first-to-market opportunity to try Enterprise-grade measurement with minimal setup, no cost and no commitment required.

Participants will receive attribution results featuring 12 months of historic data, including the runup and aftermath of BFCM 2021, remodelled to correctly account for the role of previously hard-to-measure channels like Paid Social. Capacity limited: click [here](#) to apply for a free trial of Fospha.



Who are Fospha?

Fospha is the marketing measurement platform for eCommerce.



- ① Increased competition is pushing up costs, squeezing margins and threatening growth targets.
- ② Headwinds like iOS14, cookie deprecation and the privacy-first movement make it harder than ever to reliably see what's going on.
- ③ Cross channel reporting with a single source of truth becoming more difficult as the number of channels increases, each with their own attribution methodology.

Fospha Marketing is a new type of marketing measurement.

Using machine learning to combine multi-touch attribution and marketing mix modelling in one view, our platform gives clear, actionable insights on where to spend to maximize your growth.

Our cutting-edge approach shows you the impact of all clicks and impressions, restoring visibility you lost with iOS 14 and future-proofing you against further privacy changes.

Fospha clients achieve on average:

+75%
Spend growth

+33%
Return on advertising
spend

-9%
Customer acquisition
cost

Getting started with Fospha:

- ① Fast, with a live platform in **24 hours**
- ② Easy, requiring just **10 minutes** to set up
- ③ Affordable, with pricing from just **\$950/month**

To get started, click [here](#) to apply for a free trial.



Huel®

“If you're trying to scale a D2C brand – invest in Fospha!

Ben Bokaie, Head of Performance

SPOKE

“The most sophisticated attribution model I've ever worked with

Jake Higgins, VP Growth

CUUP

“The reporting I've been looking for my whole career

Kathrin Paramasivam, VP Growth

What's the perfect channel mix for BFCM?



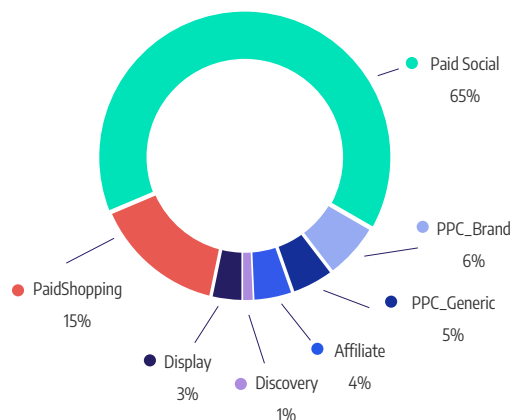
01.

How does spend change during BFCM?

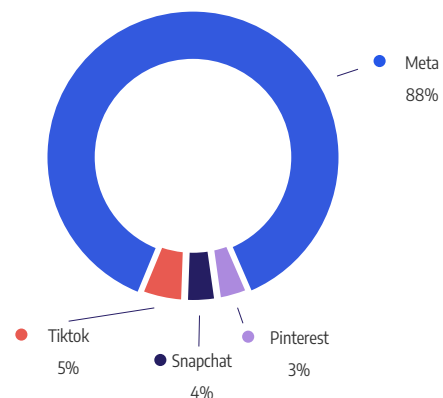
Brands in our study increased spend in all of their biggest channels during the month of November. Display, Paid Shopping, TikTok, Meta and Generic PPC saw the biggest uplifts. Generic PPC spend doubled on average, while Meta – which comprised over 50% of spend in the study – grew by 140%.

Influencer activity on the whole was a very small % of the overall spend and not universally adopted by brands in the study, but for brands who did it, we saw spend grow significantly over the BFCM period.

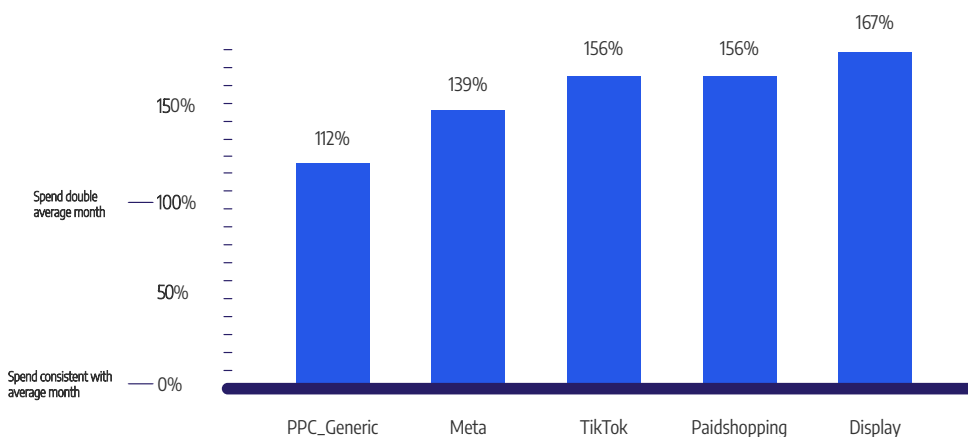
Spend distribution across channels



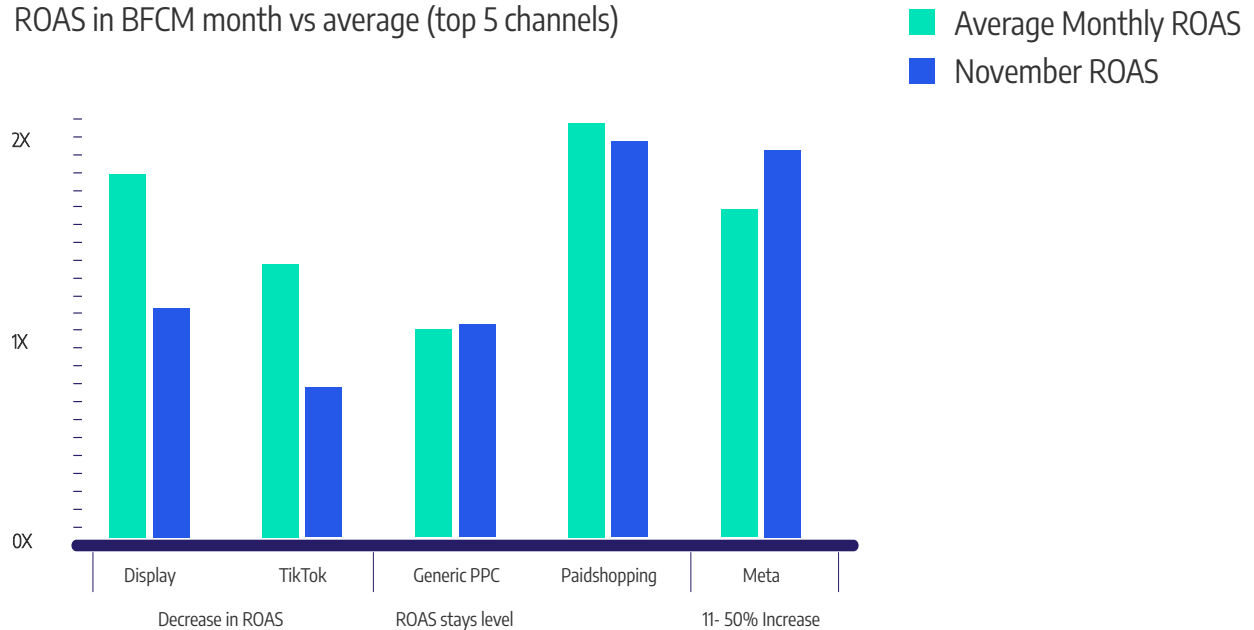
Spend distribution across Paid Social



Spend growth in top 5 channels in BFCM month



ROAS in BFCM month vs average (top 5 channels)



What are the hero channels for BFCM?

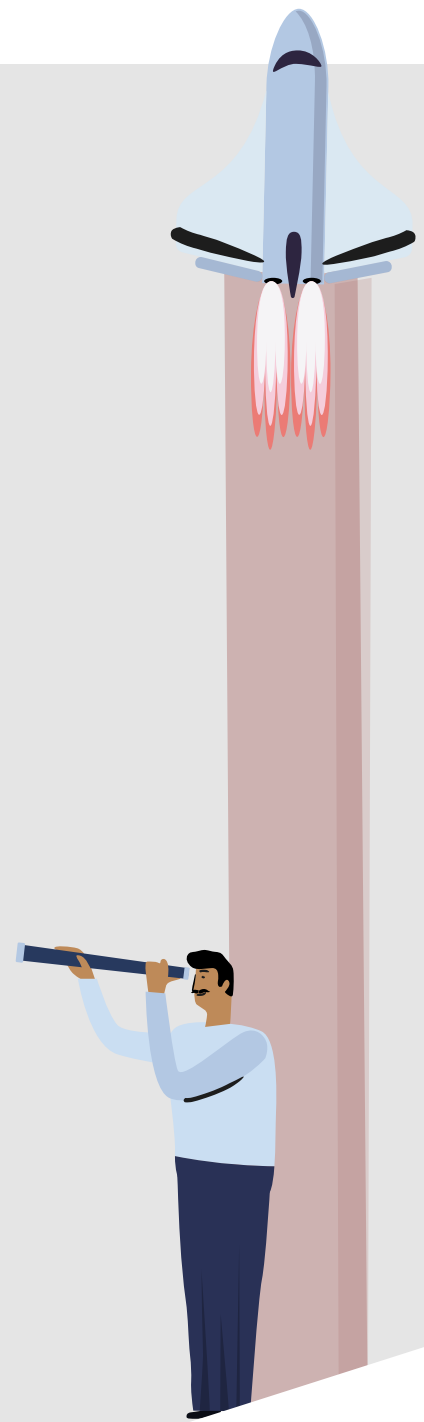
Of the top 5 channels that scaled, Meta and Paid Shopping performed the best, reinforcing their place as the two mainstays of most eCommerce acquisition strategies. For Meta in particular this is impressive, as with an already-high spend level there is a risk that increasing further could cause saturation. These brands, however, saw a marginal increase in ROAS throughout the holiday period even as they scaled spend.

Generic PPC also held its ROAS level steady despite a doubling in spend.

Interestingly, two other impressions-led channels in this study – Display and TikTok – saw a decline in performance over the BFCM period. In TikTok’s case at least this is likely due to the experimental nature of investment in the platform at this time. In November 2021 many of these advertisers were just beginning with TikTok, so scaling spend hard was always going to be a risk.

We mentioned influencer above too - although spend volumes were low, where we did track spend we saw a very strong uplift in ROAS. Take this insight with caution until we have more data, but it appears a shift to more direct response Influencer activity had a positive impact.

To measure your channel mix through this model, [click here](#) to apply for a free trial of Fospha.

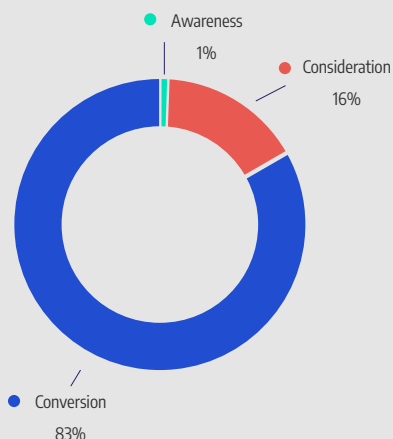


Investment throughout the funnel



02.

Black Friday month cross-funnel investment

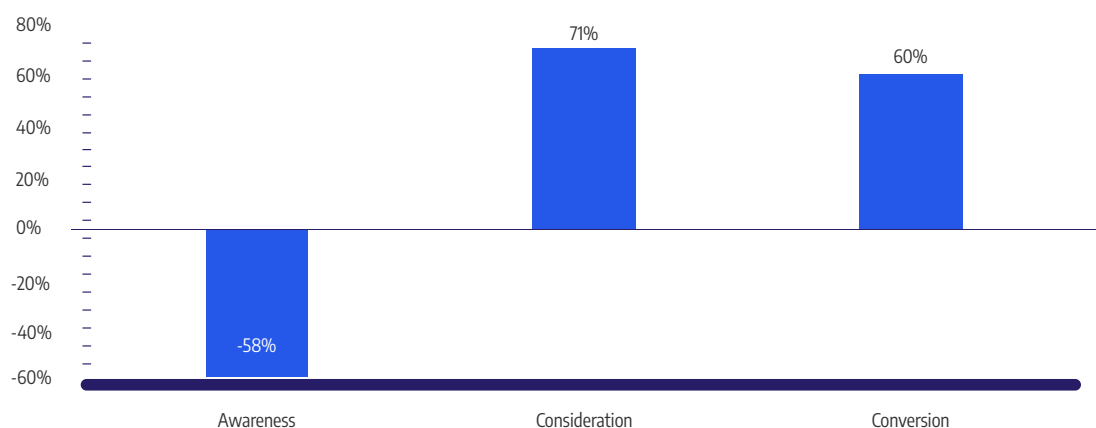


Consideration and Conversion spend grew, but Awareness spend fell significantly

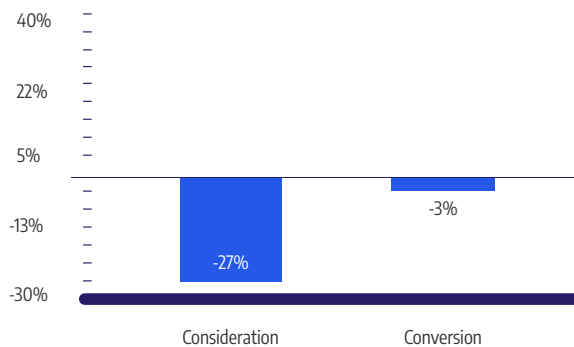
Our clients' funnel mixes changed dramatically in the period approaching Black Friday.

A large reduction in brand-focused ads is unsurprising given the nature of the holiday. Black Friday spend is driving people to make quick decisions, they're already in 'buying mode', so it makes sense to focus on ads that are designed to get them to convert straight away over brand building. We saw investment in Consideration lift at a higher rate than Conversion, but both saw strong rises.

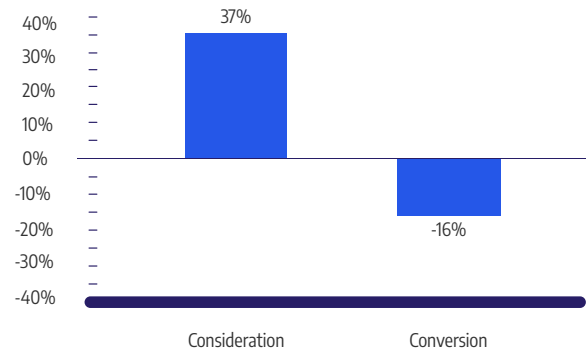
Cross-funnel spend change (November vs average month)



ROAS – Average month vs November



ROAS Average month vs November (Meta only)



Consideration ROAS grew the most, but Conversion remains top

We have discounted awareness ROAS from this study as it comprises only 1% of spend so offers unreliable numbers.

Generally we saw performance in Conversion media perform strongest, returning a ROAS of 1.4 in November across all channels and remaining fairly flat despite a big lift in investment. Consideration media, however, suffered a drop in ROAS when considering an average across all channels. Interestingly, however, when focusing on Meta alone we saw a bigger drop in Conversion ROAS, but a big lift in Consideration ROAS.

Consideration appears to be a key part of the play for Black Friday on Meta.



Increasing spend across the full month is the right way to go



03.

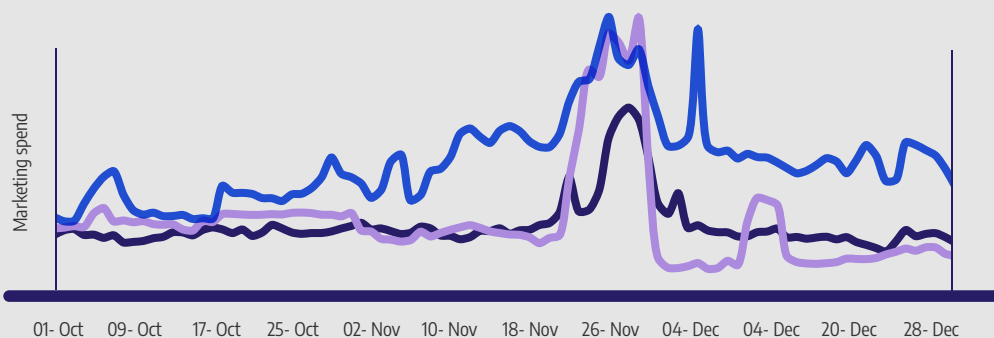
Our cohort executed three main strategies.

We saw three main strategies in play for those participating in the Black Friday holiday. Some brands increased spend throughout November, ramping gradually to a peak over the holiday weekend. Others only increased their spend during the week of Black Friday, and others restricted the ramp to just the Black Friday weekend.

- 1 November Ramp – some brands increased spend throughout November, ramping gradually to a peak over the holiday weekend.
- 2 In-Week Push – Others only increased their spend during the week of Black Friday.
- 3 Weekend Blitz – the final segment restricted their spend increase to just the Black Friday weekend.

Increasing marketing spend - 3 different strategies

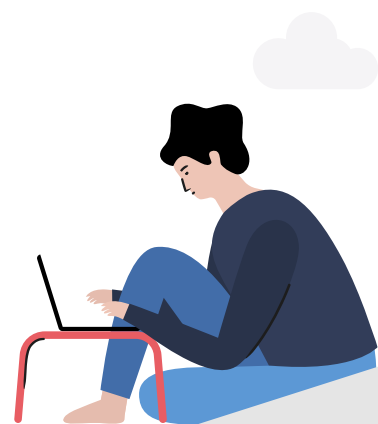
— November Ramp — In-Week Push — Weekend Blitz



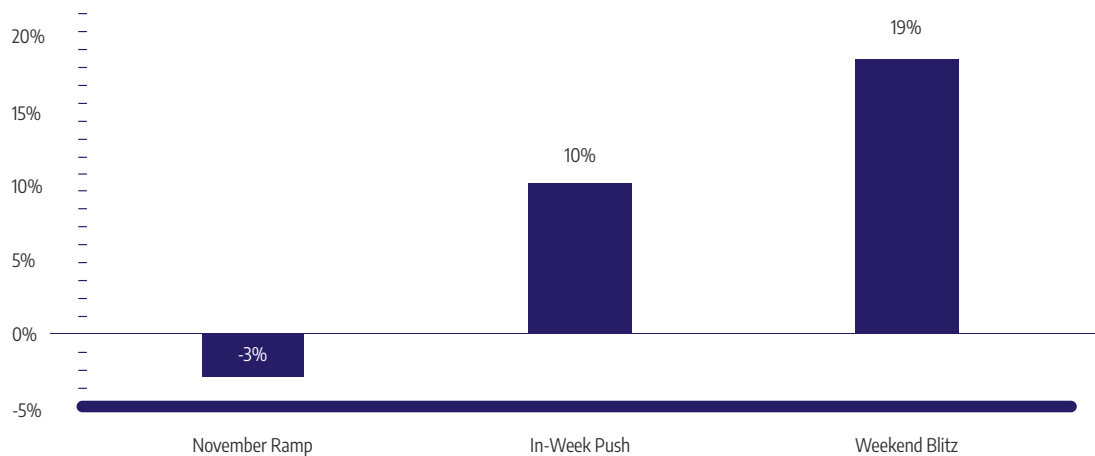
The Weekend Blitz is the right move for most brands.

All three categories saw benefits from participating in Black Friday. The right strategy depends on your goals from the period.

The November Ramp cohort performed the best from a revenue perspective in November and December, however overall saw a marginal drop in ROAS and profitability during this period. By contrast, those who executed the In-Week Push saw a lift in ROAS – and this lift was even more pronounced for the Weekend Blitzers. The shorter the window of spend boost, the more positive the impact on ROAS.



How did ROAS change in November and December compared to an average month?



One important thing to note – these ROAS numbers are based on sale value, so while they do incorporate the role of holiday discounting, they don't have visibility of returns. It is well established that returns spike during this period, and it is likely that those who raised spend earliest (and so sold most units) were most affected by this.

In context of this point about returns, this data shows that only brands with a pure focus on revenue and acquisition over profitability should ramp spend for the full month. For brands with goals across revenue and profitability, or just profitability, increasing spend for a more limited window is the best strategy.



Summary

04.



Black Friday is a contentious time of year for marketers. With many different strategies for approaching the holiday, from a full-month ramp in spend to going dark altogether, it's not always clear what the best route is. For marketers looking to participate in the holiday – i.e. ramping spend over at least the Black Friday/Cyber Monday weekend – this report is designed to shine a light on the best possible strategies and channel mix to maximize returns from the holiday.

Our key findings are as follows:



If you're going to participate, the best performance is had over the Black Friday weekend itself.

- ↳ While brands who ramped spend across the full month saw the most revenue, on balance the most successful strategy was to ramp spend during just the Black Friday/Cyber Monday weekend.



Meta and Paid Shopping are the hero channels for this holiday.

- ↳ From the data in this study, Meta and Paid Shopping made the most sense to invest in from a ROAS perspective, while also offering the most scale of any channel



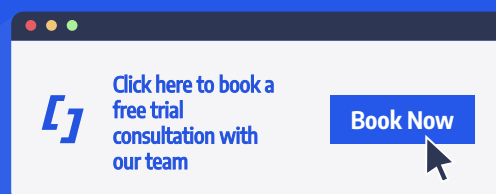
A mix of Consideration and Conversion media is the right strategy, particularly in Meta where Consideration ROAS rose significantly.

- ↳ We did not have enough data on Awareness media to draw conclusions

Of course, while these insights held true for the brands in this study, they are only a guide. Every brand's context is a little different, and the brands that truly win across the period will be those with the right measurement in place to allow them to react fast and pivot towards their best-performing media.

Fospha is the leading measurement platform for eCommerce brands spending on Paid Social and other hard to measure channels. Providing a world-beating attribution model in a powerful marketing intelligence platform, Fospha is the platform of choice for data-conscious eCommerce brands like Huel, CUUP, Tails.com and Living Proof.

To register for a free trial of Fospha, follow this link to book in a chat with our team:



Appendix: Data overview

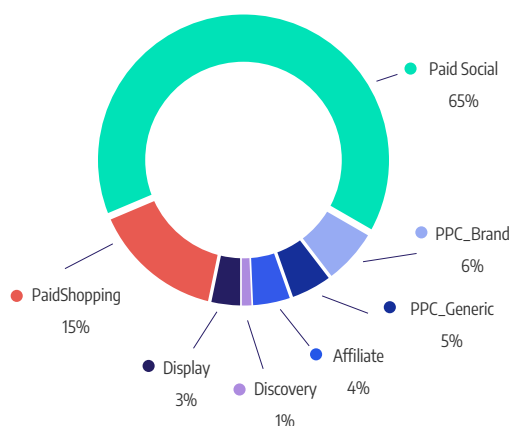


05.

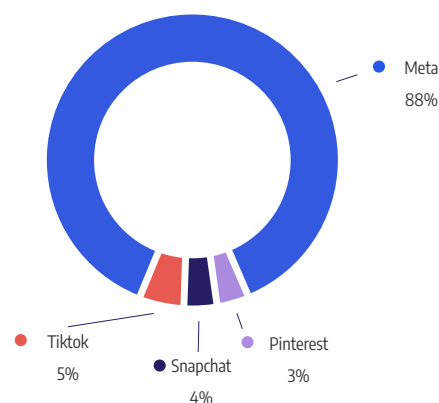
This report is taken from a subset of Fospha clients, with data from throughout 2021. They are UK, EU and North American Direct to Consumer (D2C) eCommerce brands. Combined, they spent a total of \$27m on ads in November 2021.

Paid Social is their biggest advertising channel, with the majority of that being spent on Meta channels (Facebook and Instagram). They are also active spenders in Paid Search (11%), predominantly through Google, and spend on other Google media like Paid Shopping (15%).

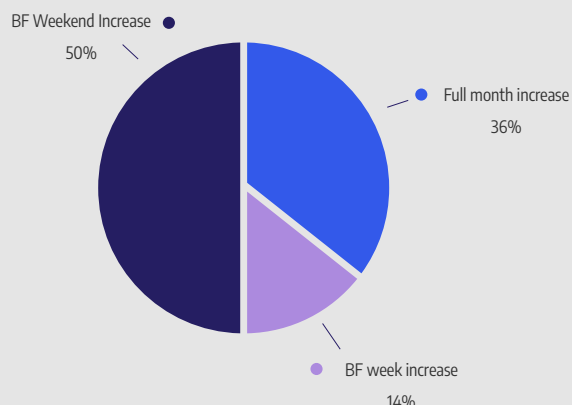
Spend distribution across channels



Spend distribution across Paid Social



November Ramp/In-Week Push/Weekend Blitz



All of these brands chose to increase spend across the Black Friday period, however they executed three different strategies in terms of timing. The most popular (exactly 50% of brands) was to raise spend just in the key weekend of Black Friday and Cyber Monday.

