



THE CUSTOMER SUCCESS PLATFORM

essence. + social.com

Evaluate the effectiveness of oCPM versus CPC



Essence

Essence is the world's largest independent buyer of digital media, with \$650M in media purchased.

Founded in 2005, it has 480 people in offices worldwide, and has seen 2x yearly growth every year since 2010.

Clients include Amazon, eBay, Google, Pret, and Walgreens

essence.

Measure the effectiveness of oCPM for app installs

Essence and social.com wanted to determine if **oCPM bidding**, optimized towards app install, would produce better results than **CPC bidding**.

On behalf of a major gaming client, Essence compared the performance of two otherwise identical campaigns with different bidding methods.



oCPM



CPC



What Is oCPM?

Stands for **Optimized CPM** (cost per thousand impressions)

Facebook's preferred system for buying ads. Allows you to specify your campaign objective over four campaign goals: actions, clicks, reach, and impressions.

By telling Facebook your objectives, Facebook helps you reach them!

As of Q4 2014, Facebook refers to oCPM as “optimize for” in Power Editor

A \$10 goal (not bid!) could be allocated \$5 to clicks, \$3 to likes, and \$2 to reach or \$8 to clicks and \$2 to likes, or \$10 to likes.

Many metrics, including Mobile App Installs, can also be purchased with oCPM.



Goals

NOT



Bids

Reasons To Use Facebook oCPM

Facebook automatically bids on your behalf, constrained by your goal price and campaign budget.

By giving Facebook more flexibility in choosing who to target, and how much to bid, Facebook uses its proprietary data to optimize your bids and reduce your total costs.

Facebook alone has access to real-time impression-level data and can make bidding decisions on level in a manner similar to real time bidding (RTB) for display ads. They use this data to serve impressions to users most likely to take your desired action.

No advertiser has access to that information or can use it to optimize ads, because it's not in the Ads API or available in either Power Editor or any partner's tool.

Essence and social.com predicted that the ROI would exceed a CPC campaign, and set out to test the effectiveness.



Study Design

Essence promoted two games:

A Facebook Canvas game with Right Hand Side Ads and desktop newsfeed

A mobile game using the mobile newsfeed

Creative and demographic targeting and segmentation were kept constant in both campaigns; only the bidding method varied.

Results were measured using cost per install (CPI) and click to install percent

oCPM was bid with a \$12 App Install

CPC was bid with a \$1.91 target (average)



Results - Desktop

For the same spend:

oCPM has 59% cheaper CPI (\$14.13 versus \$22.53) and generated 58% more installs (172 versus 109)

CPC bidding has more clicks and more impressions, but far less installs, the actual goal!

Cost Per Install (CPI), Desktop



Results – Mobile

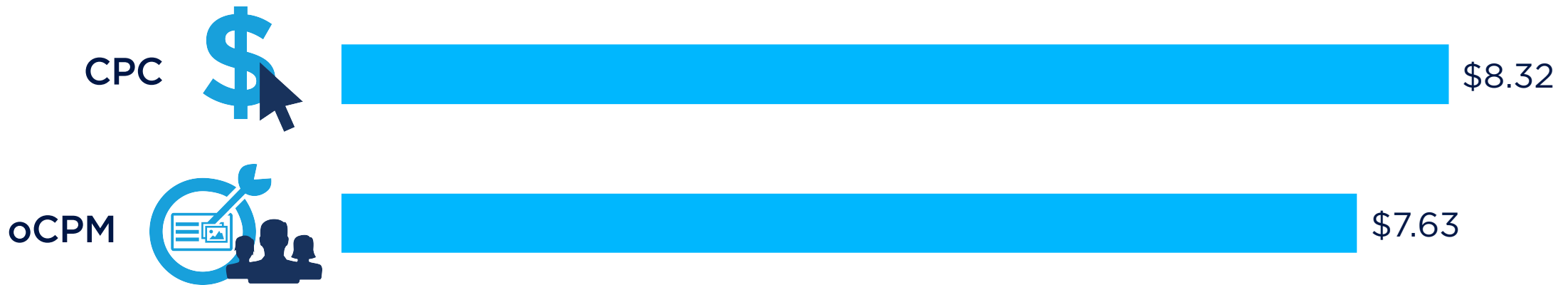
For the same spend:

oCPM had a 9% cheaper CPI than CPC (\$7.63 versus \$8.32).

Users were almost 3x more likely to install the app after clicking with oCPM than with CPC (27% versus 11% click to install percent)

Again, oCPM had fewer impressions and far fewer clicks (8,926 versus 22,177), but the clicks were much higher quality.

Cost Per Install (CPI), Mobile



Recommendations

Use oCPM to optimize your campaigns.

This study shows how the total ROI will usually exceed bidding with other methods such as CPC or a traditional CPM campaign, despite providing fewer impressions or clicks.

Social.com and Essence have seen similar results across a number of verticals and geographies.

What is Social.com?

A true self-service platform, that's powerful but easy-to-use and helps run efficient and effective social ad campaigns at scale. It powers the largest agencies and advertisers globally including the biggest social media advertisers in gaming, retail, CPG, finance and entertainment. We also provide premium, migration and support service options to help customers optimize, manage and scale their advertising teams and spend.

Who uses the platform?

Customer	Campaigns	Performance
Agencies	Manage thousands of clients at scale	Direct Response, Reach, Collaboration
Mobile Publishers	Drive mobile app installs & engagement	App Installs
Gaming	Drive app installs & revenue	Direct Response, LTV
Brand In-House Teams	Magnify brand message & conversions	Reach, Direct Response

What is Active Audiences?

Active Audiences helps marketers harness data from email, mobile, and social engagement along with the powerful automation and segmentation capabilities of the Salesforce Marketing Cloud to create targeted audiences for paid media campaigns that drive results.

Why use it?

Agencies and advertisers can build highly targeted campaigns quickly and easily, with sophisticated tools to optimize and automate every dollar invested. Teams can share and collaborate around campaign assets, to allow scalability across social ad buying and strategy.

Credits

This case study was a collaboration between Essence and social.com.

It is intended to educate and inform readers of the best practices of a Facebook advertiser while using a best in class advertising platform. All results reported are not indicative of future results but reflect the learnings of Essence and Salesforce running their campaigns over a pre-defined period.

Our thanks to Jason Miller and Annie Kang for their openness and continued partnership with social.com and the Salesforce Marketing Cloud.

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The case study was co-authored by Zachary Reiss-Davis, Product Marketing Manager at social.com and Essence.

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