



Advertisers focus social media spend on brand awareness

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Yesterday, Facebook reported blow-out earnings that handily beat Wall Street analyst expectations. The world's largest social network generated \$6.24 billion in ad revenue last quarter, and has seen ad revenue from mobile grow 81% in the past year alone.

While some social platforms, like Twitter, have struggled recently as fast-growing upstarts like Snapchat command more ad dollars, Facebook's success isn't surprising in light of the fact that, as detailed by Social Media & Marketing Daily's Joe Mandese, a new [Social Media Advertising Report](#) published by [Advertiser Perceptions](#) finds that nearly a quarter of digital ad spend is now directed at social.

But while social is proving to be a formidable, lucrative channel, advertisers might not be using it to its full potential. The Advertiser Perceptions' study, which polled several hundred ad agency and marketing executives, found that the majority of advertisers are using social to drive brand awareness, not performance.

In fact, **just 38% of those surveyed indicated that they're using social in an attempt to drive offline sales.**

What's more, under half said their organizations have sophisticated infrastructure and strategy for social, and just 10% said their organizations have "expert" knowledge of social media marketing. This begs the question: are advertisers using social to drive brand awareness because it's the best use of the medium, or are they doing so because they don't have the knowledge, skills and tools to deliver performance?

Surprisingly, despite the fact that Facebook gives advertisers a plethora of ways to segment and target users, 20% of advertisers in the Advertiser Perceptions survey indicated that they are prioritizing reach and engagement. For comparison, only 4% are prioritizing geographic targeting.

Facebook's geotargeting capabilities are very powerful and are a real boon to performance marketing when employed in the right fashion. Facebook's other targeting options, which include Interests, Demographics and Behaviors, can be equally powerful.

Then there's Custom and Lookalike Audiences, it's possible to retarget customers and individuals who resemble customers. These too can be used to drive action, not just build brand awareness.

The good news is that Facebook is confident that its ads drive actions, such as sales, and has been working on the attribution challenge for some time.

As advertisers become more sophisticated and gain a better understanding of how their campaigns are influencing customers, it's likely many will become more aggressive in using Facebook with a performance marketing mindset.