Ad Planning Guide

2019

Strategize your 2019 ad budget with this free resource that covers budgeting, evaluating ad placements, trends we're watching, and more.

Special Edition

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Social media and search are the two most effective digital marketing channels, according to a survey of CMOs.

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Steps to Build an Ad Plan

93% Customer Acquisition

81% Brand Awareness

76% Customer Loyalty

68% Customer Advocacy

60% Reducing Customer Turnover
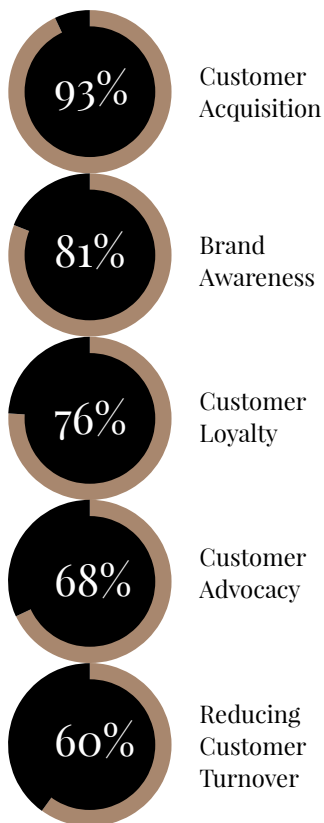
01. Set objectives

Establish the goal of advertising your business. What do you need to accomplish? Determine your ad approach up front to stay within your budget and advertise effectively.

—

02. Choose your audience

Who do you want your ad to reach? Determine your target markets and who you need to reach to meet your objectives.

—

03. Determine placement mix and frequency

Do market research to determine the best way to reach your target audiences. What media do they consume? What are their lifestyles? Have you explored cross-channel solutions?

—

04. Set a budget

Evaluate placement cost and estimated views that will help meet your objectives and reach your audience.

—

05. Plan creative

Consider your competitive distinctions and shape a creative ad campaign around them. Also, what will appeal to your target audience? Learn more in Why You Need a Marketing Campaign Brief.

—

06. Establish metrics for success

Before you begin, establish necessary metrics so you can effectively measure your ad success. If you're running digital ads, don't forget to define a conversion before you begin, and include trackable links.
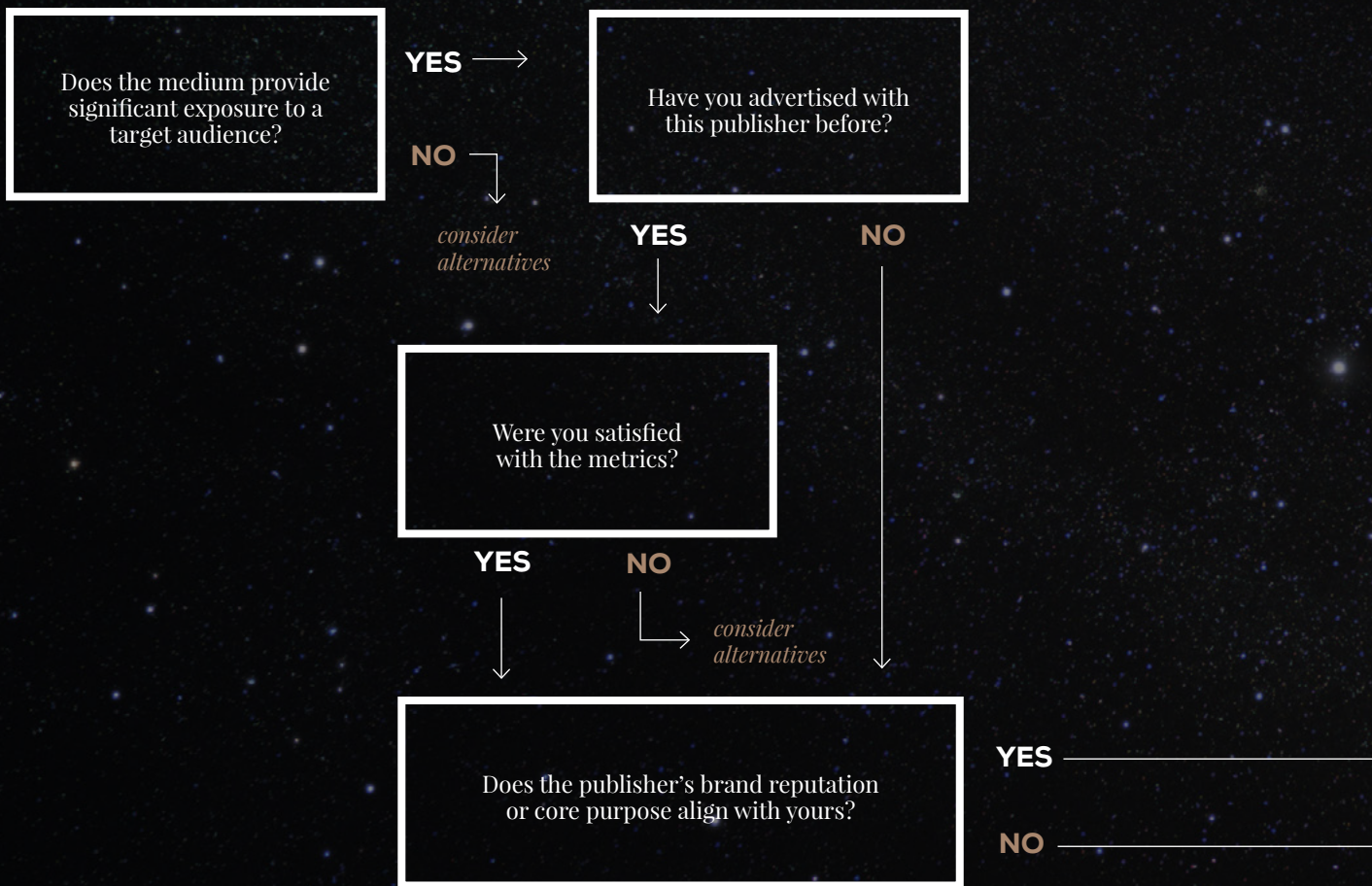
Map out
your ad budget!

Download the Ad Budget Worksheet
to gather and analyze the info you
need to make smart decisions.

**Download now at
Grossbauer.com/budget**

Ad
Placement
Decision Tree

Does the medium provide significant exposure to a target audience?

YES →

Have you advertised with this publisher before?

NO

consider alternatives

YES

NO

Were you satisfied with the metrics?

YES

NO

consider alternatives

Does the publisher's brand reputation or core purpose align with yours?

YES

NO

PROCEED, and be sure
to measure results.
Good luck!

*consider
alternatives*

YES   **NO**

Is there a valid rationale to make the placement anyway?
(e.g., exceptional targeting or re-targeting, gains in reputation
or relationship, breaking into a competitive market,
exposure to an exclusive audience)

YES   **NO**

Is cost per impression economical,
compared with options you're considering?

*consider
alternatives*

YES   **NO**

Is evidence of engagement strong?
(e.g., readership, # of impressions, website visits and
visit length, social media interactions, email open rate & CTR)

NO

Would association with
this publisher cheapen or
damage your brand?

YES → *consider
alternatives*

Trends

We're Watching

Where are marketers spending their advertising dollars?
Here are the top 10 channels, ranked:

1 Mobile	2 Search	3 National TV	4 Desktop	5 Social
6 Local TV	7 Print	8 Radio	9 Video	10 Out of Home

DIGITAL — 51.5%

OFFLINE — 46.7%

The rise of digital

Digital advertising grew 16% from 2017 to 2018.
For the first time, digital ad revenues surpassed
50% of total ad spending in the U.S. And, digital
advertising is predicted to grow again—
up 12% in 2019.

Social media and search are the two most
effective digital marketing channels,
according to a survey of CMOs.

CMOS RANK THESE DIGITAL CHANNELS AS MOST IMPORTANT:

- Social Media—79%
- Search—73%
- Online Video—63%
- Email—59%
- Mobile Video—56%
- Online Display—55%
- Mobile Display—44%
- Connected TV—26%

Facebook fighting video lawsuit

Facebook was recently sued for over-reporting average video views by as much as 150-900%. The social media giant admitted to inflating the "average duration of video viewed" metric by only counting views that lasted longer than three seconds. But, no matter who's counting, video is still the most effective medium for marketing to digital consumers (even without inflated views).

Source: Hubspot

- •87% of online marketers use video content.
- •85% of the U.S. internet audience watches videos online.
- •Video marketers get 66% more qualified leads per year.
- •80% of users recall a video ad they viewed in the past 30 days.

For more, watch Video: The King of Content.

Behavioral targeting

Advertisers are targeting consumers based on their Web browsing activity and sometimes purchase activity, tracked through cookies and other technologies. Based on behavior, a campaign may use retargeting to display selected advertising content that follows the user around the Web. The Network Advertising Initiative reports that behavioral targeting is more than twice as effective as non-targeted digital ads in achieving conversions (sales).

Geofencing

This is the same idea, but hyper-local. It can target a consumer who is at (or driving by) a particular retailer and serve mobile ads to entice them to shop. Or it can serve ads enticing them to visit a competitor.

Geotargeting

Advertisers are also targeting ads to audiences in a particular geographic area. Advertisers can access extensive data from multiple sources, including data points such as zip code, IP address, device ID, and GPS signal that help them target. Ever listened to streaming music and heard ads with deals specific to your town or location? Or noticed the ads you see on your phone are for local businesses? These are examples of advertisers employing geo-targeting to reach customized audiences. The increased relevance of these ads often equals high engagement for your business.

Artificial Intelligence (AI)

We're not talking about robots (just yet) but AI is gaining popularity in advertising. One of AI's most effective uses is data personalization—personalized ad targeting based on user's data and preferences. 39% of consumers said they buy more from retailers who personalize Web recommendations, reports Spendsetter. Chatbots and Google Assistant are two other examples of the way AI is shaping advertising.

Micromoments on mobile

77% of Americans own a smartphone, reports the Pew Research Center, and 26% of American adults are online "almost constantly." Designing your content to fit into your customers' lives creates micro-moments, the brief windows of time in which you can make an impression.

3 Categories of Mobile Web Access:

- •**Microtasking:** Mobile users jot down a reminder, send an email, or make a purchase
- •**Local:** Using mobile to find recommendations or directions based on what's nearby.
- •**Bored:** Mobile users fill time while waiting or commuting

Billboards are back

Billboards may be one of the oldest advertising types around, but they're still thriving. Out of home advertising is expected to grow by 3.4% in the next year. In keeping with the switch to predominantly digital advertising, billboards have gotten an overhaul, too. Digital out of home advertising, including LCD screens in airports or malls, is expected to grow by 16%.

By utilizing data from smartphone users, advertisers are able to effectively geotarget consumers walking past certain billboards or LCD screens. How are metrics measured and ROI calculated? Data firms alert advertisers when people walk past ads at a particular time of day and allow advertisers to estimate how many people who viewed the ad purchased the product.

The Economist reports that tech companies are among the top digital out of home advertisers, ranking Apple and Google among the top 100 out of home ad purchasers in the U.S.

How to Evaluate a Website for Advertising

Wondering whether a particular website is a cost-effective place to advertise? Here are a few techniques for fleshing out answers.

Talk with the ad source

Some key metrics you can ask for are: number of visits and broad demographics (location, gender, age). Find out what a typical high and low click-through rate (CTR) is on this platform. When evaluating advertising, be sure to ask for these stats on the page(s) where you plan to advertise, not just for the home page or the website overall.

Also find out whether your ad will rotate with others (how many?) and calculate your cost per impression accordingly.

Examine content & engagement

Look at the quality of content relative to the interests of your target audience. How well do they align? Metrics that point towards content engagement are: high visit length, high number of pages per visit, and high % of visits from repeat visitors, which demonstrate content loyalty. There is no standard rule of thumb for what is "high," and benchmarks will vary by the type of website and characteristics of the audience. Often, visit lengths beyond 2 minutes per visit or beyond 2.5 pages per visit are above-average metrics. Given the similarities in audiences, you might compare the website's metrics with those of your own.

Examine social media channels

Followers and engagement with posts are positive signs that a publisher's content strategy is relevant to its audience.

Assess the user experience (UX)

Go to the website and consider your experience. Can you still enjoy the website content? Are ads too intrusive (page take-overs, multiple ads on a page, a distracting level of multimedia activity)? Are there too many ads? A comfortable UX is essential for success of your ad.

Use the Web

Go to similarweb.com: If the website has a large enough base, you can type in the domain name here and see number of visits, number of pages per visit, and average visit duration. Click on the "content" section to see what pages are most visited. You can also see whether this site is gaining or losing ground in its category.

Go to alexa.com/siteinfo: Type in the domain and look at global rank and how it's trending. Ranking compares the popularity of this website to others; #1 is the best possible rank. Because there are so many websites, don't expect to see a low number (unless you're looking at amazon.com, which is a 10). You can use ranking, though, to compare one website with another and gauge trends in popularity.

Be aware that tools such as these operate with incomplete data; they provide relative estimations. The most accurate data comes from a website's Google Analytics or other analytics tool, which is not public.

How many impressions?

When analyzing how many impressions you need, consider your goals for new leads and revenue and CTR and conversion rates. For example, if you aim to generate 20 new leads per month, anticipated CTR is 3%, and conversion rates on your website are 10%, you can work backwards. For 20 leads, you need website traffic of 200. Paying per click? You need 200 clicks.

Paying per impression? For 200 website visits from this campaign, you need 6,667 impressions. Now you can analyze a cost per lead from this website. Is it cost-effective? Compared to your other digital marketing options?

Digital advertising metrics

Once you choose to advertise on a website, be sure to use trackable links and monitor performance. Click-throughs alone don't tell all. You can measure behaviors of website visitors delivered through a campaign. Are they engaged? What are common paths through the site, and where do visitors exit? You can set up campaign goals in Google Analytics and analyze conversions. More or fewer website visitors than from other traffic sources? If you promoted a download, set up an "event" in Analytics to determine success. All of this information will help you make your next website advertising decisions.

GLOSSARY

Advertising

*Stumped by advertising lingo?
Cut the confusion with this
quick glossary of digital
advertising terms.*

A/B testing, or multivariate testing:
the process of testing two versions of a digital asset to learn which performs best. Any variable can be tested, e.g., display ads, email subject lines, landing pages.

Accidental clicks:
estimated as half of clicks on mobile banner ads, accidental clicks are simply errors that can skew your metrics.

Conversion:
when a visitor to your website completes a designated action, such as making a purchase, subscribing, registering, or downloading.

CPA:
cost per acquisition. Advertisers only pay per lead that is generated.

CPM:
paid ads billed at a rate of cost per thousand impressions. The acronym stands for "cost per mille."

Cross-channel advertising:
advertising across multiple channels, e.g., mobile, social media, email, video, and search. This approach is often personalized and dynamic, following defined logic.

CTA:
call to action, essential to effective advertising.

CTR:
click-through rate. Note that a high CTR can reduce your cost per click (CPC) in keyword auctions.

Display ads:
image-based advertising that tends to have high exposure and low CTR (0.05% on average); can be especially useful for building visibility early in the sales funnel.

Interstitial ad:
a full-screen ad that takes over Web page content before it displays.

Landing page:
a Web page designed as a destination from a digital campaign, with integrated content and a compelling call to action.

Native content:
paid editorial content that follows the form of a publication.

PPC:
pay per click (rather than per impression).

ROI:
return on investment.

Sales funnel:
the buying process from initial awareness through action. Some forms of advertising (e.g., search ads, retargeting) may target users near the end of the funnel and therefore deliver higher value.

Best For This
Worst For That

Explore the pros and cons of the most popular ad options.

Social media

FACEBOOK
Best for: audience targeting

Worst for: organic reach

Caution: B2C traffic is down due to Facebook's newsfeed restructuring

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LINKEDIN
Best for: B2B leads

Worst for: audience targeting

Caution: in a notoriously competitive environment, your ad may not reach far

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INSTAGRAM
Best for: engagement—Instagram's user engagement rate for brands is four times Facebook's, reports Socialbakers

Worst for: audience targeting

Caution: must be highly visual content or sophisticated audiences will disregard

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PINTEREST
Best for: reaching new audiences with a native experience

Worst for: copyrights; your content may be shared but not attributed back to you

Caution: the market is flooded with spam

TWITTER
Best for: reaching audiences outside the U.S.

Worst for: B2B leads

Caution: Unless you're a news outlet, Twitter is failing to retain consumer popularity

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SNAPCHAT
Best for: reaching teens and tweens

Worst for: content that's not interactive or immediate

Caution: Snaps can't be saved, so there are no repeat impressions

Multimedia

YOUTUBE
Best for: high engagement

Worst for: conversion rates—banner ads are easily disregarded

Caution: ensuring relevant ad placement is difficult

VIMEO
Best for: reaching niche creatives

Worst for: reaching a large audience

Caution: paid account holders can choose to disable in-video advertising

CABLE TV
Best for: reaching a large audience

Worst for: cost effective ad production and placement

Caution: Cable is rapidly losing its customer base in favor of streaming TV

VIDEO STREAMING
Best for: brand exposure

Worst for: controlling relevant ad placement

Caution: establishing relevant metrics is key to understanding ad impact

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RADIO
Best for: geotargeting

Worst for: conversions—immediacy of radio doesn't help conversions

Caution: cost during prime time can skyrocket

SATELLITE RADIO
Best for: reaching a national audience on a budget

Worst for: reaching large audience

Caution: limited satellite radio audience compared to broadcast radio

MUSIC STREAMING

Best for: geotargeting

Worst for: correctly attributing ROI

Caution: upgraded services often include no advertising content

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GAMES OR APPS

Best for: location-based digital ads

Worst for: generating conversions—ads are easily skipped

Caution: be aware of the questionable ethics of advertising to children, a large demographic

Print

NEWSPAPER

Best for: regional advertising

Worst for: shelf life of ad (daily or weekly)

Caution: readership numbers will not directly convert into eyes on your ad

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MAGAZINE

Best for: long ad lifespan

Worst for: reaching broad audiences—readership is declining

Caution: deadlines requires planning far in advance

——

DIRECT MAIL

Best for: tracking highly targeted audiences

Worst for: cost-efficiency

Caution: ensure targeting is effective before sending

Digital

SEARCH ADS

Best for: behavioral targeting

Worst for: highly competitive terms or industries

Caution: keyword strategy, meta descriptions, and the quality of your landing page affect success

——

DISPLAY ADS

Best for: brand awareness

Worst for: click-through rate—only 0.05% according to Google

Caution: tend to be expensive; use dynamic intelligence to ensure accurate targeting

——

EMAIL

Best for: high ROI

Worst for: visibility—may go to SPAM folder or just get lost in inbox

Caution: the quality of your email lists is just as important as email content

——

NATIVE CONTENT

Best for: authentic content

Worst for: control of messaging

Caution: disclose paid content to ensure audience doesn't feel exploited

Environmental

BILLBOARD

Best for: geotargeting; reaching large audiences

Worst for: content that will change frequently

Caution: even when the weather is perfect, you have seconds to make an impression

——

DIGITAL OUT OF HOME ADVERTISING
(like LCD screens in airports or malls)

Best for: ads that can't be skipped or blocked

Worst for: visibility—audiences experience advertising fatigue

Caution: ads need to be strong to succeed in highly competitive ad environments

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CINEMA OR SPORTING EVENT SCREENS

Best for: an uncluttered ad experience

Worst for: small budgets

Caution: unless you're targeting movie-goers or sports fans, difficulty in targeting audiences

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PUBLIC SPONSORSHIPS
(such as an event, sports team, or community activity)

Best for: increasing brand loyalty or visibility

Worst for: direct conversions

Caution: be aware if doing only for relationship-building, not ROI

5 Easy Scripts:
How to Handle Ad Sales Calls

Are advertising sales calls draining your time and forcing one-off decisions? If you have a process in place for making advertising decisions, you can stay in control. For help in making systematic advertising decisions, check out our Ad Placement Decision Tree. Protect your productivity with one of these easy scripts:

01.

If you think you may be interested:

"Would you email me a media kit so I can analyze the opportunity against our criteria?"

02.

If you're being pushed to answer right now:

"We follow a systematic process for placement decisions. Sorry, I can't help you meet your sales quota."

03.

If you know you're not interested:

"Our ad plan is set for the year. Will you take me off your call list, please?"

04.

If you think you might be interested in the future:

"Our ad plan is set for the year. I am collecting media kits for evaluation in my next budget. Will you email me a media kit in [name the month you'll be planning for next year]?"

05.

If you have outsourced ad planning to your advertising agency:

"Our agency handles all placement decisions. Would you like to email your media kit to [agency contact email address]? Please take me off your call list."

Hey, You! Discover and Do

Craft successful ads and generate leads with this simple tool. This ad paradigm translates well to any ad campaign: from a large billboard to a print newspaper ad to a social media post.
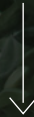
Hey

Grab your audience's attention! Use an interesting image, a funny headline, a startling fact or stat, or a provoking question.

You

Instead of talking generally about "people," make it personal by using the word "you." Craft your message around the points of pain or aspirations.

Discover

What can your business do for your audience? Here's where you introduce the solution to their problems, an improvement to their lives, or a promise of better business performance.

Do

Offer a specific call to action. Don't leave your audience hanging! Use strong verbs that compel action like "contact," "reply," "download," or "connect."

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