How to select your Facebook Ads targeting

Updated: October 1st*, 2021*
Execution Time: *~ 5 - 30 min*

Goal: To select the right audience to use on your Facebook Ads' Ad Sets.

Ideal Outcome: You've selected a solid targeting option for your Ad based on data that is available to you and that takes into account the other audiences you are targeting across your account.

Prerequisites or requirements: You need to have a Facebook Ads account, if you don't have one yet, you can follow SOP 010. Depending on the audience you use you might need to have the Facebook Pixel running on your website and your conversions set up, if you don't have the Facebook Pixel it yet, you can follow SOP 005 (or SOP 068 if you're using Shopify), and SOP 017 to start tracking your conversions.

Why this is important: Your Ad Set's audience can make or break your campaign.

Where this is done: On Facebook Ads Manager.

When this is done: Every time you are creating a new Ad Set.

Who does this: The person responsible for paid advertising.

⚠ Important Notice

1. This SOP will give you a solid foundation for you to start launching new ads, but it does not replace or should not override decisions that were made based on the data and learnings you acquire by managing your accounts on a daily basis.

2. You should be constantly looking at your results in order to understand the audiences that perform the best for your business.

3. This SOP is most useful when starting the account from scratch, or scaling/diversifying an ad account.

⚠ Before you start

1. Understand the 3 major targeting options:

    - **Core audiences:** If you want to target a group of people that most likely haven't heard of your business yet.

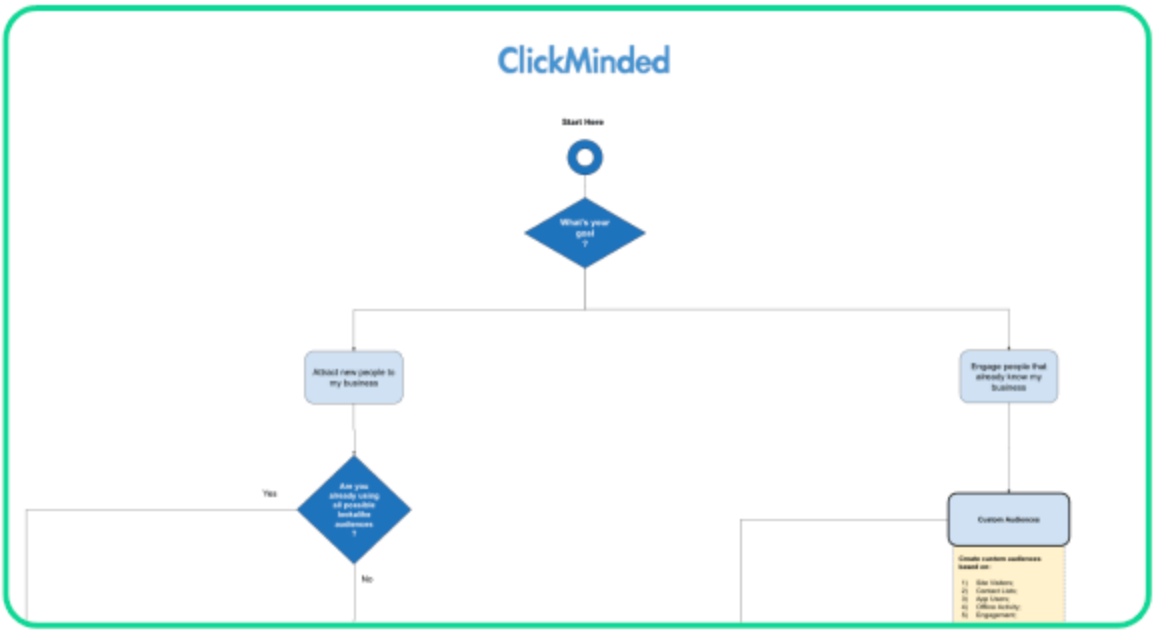
        - **Location** - Target people based on locations;
        - **Demographics** - Target people based on their demographics;
        - **Interests** - Target people based on what they're more likely interested in;
        - **Behavior** - People based on their overall online behaviors (not related to the behavior on your site);
        - **Connection** - Target people with certain relationships with your pages;

    - **Custom audiences:** If you want to target a group of people that already know you.

        - **Contact Lists** - Target people that match your customer contact list. (Phone numbers or email addresses)
        - **App Users** - Target people who use your App.
        - **Site Visitors** - Target people that have already visited your website.
        - **Engagement on Facebook** - Target people that engaged with your content on Facebook.

- **Lookalike audiences:** If you want to target a group of people that most likely haven't been to your business yet, but share very similar characteristics with your customer audience or a segment of your audience (e.g. customers).

Follow the ClickMinded Facebook Ads Audience selection decision tree



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1. Start from the top and keep answering the questions that you're asked. Once you land in of the 3 major targeting options outlined in the previous chapter, move on to the next chapter.

Defining your audience

General Rules of thumb

- When in doubt, don't get too granular when selecting your targeting. Facebook Ads work well with loose targeting options. This is especially true if you already have been running Facebook Ad campaigns for a while in that account and sending data to your Facebook pixel.

  Example: If you have a hunch that your PPC customers are mostly male, but have no real data to support that or are not really sure about it, do not limit your campaign's reach to males only.

- On the other hand, do not get too loose with your targeting.

  Example: If you're promoting a lipstick brand, there's a very high chance your customer base will be pretty much women. If that is the case, do limit your campaign to women only.

- Avoid mixing different types of Interests, Behaviors, Custom Audiences, or Lookalike Audiences in the same Ad Set. When you do that, if your Ad Set performs/underperforms you won't be able to know which of the audiences are working and which ones are not.

  Good example: Lookalike 1% Purchasers - US
  Bad example: "Lookalike 1% Purchasers - US + Interest: Display Advertising + Interest: Business +Custom Audience: Visited the Checkout"

⚠ **Important** ⚠
Before moving forward, make sure you have already selected the right targeting group by following the decision tree. If you haven't already, go back to that chapter.

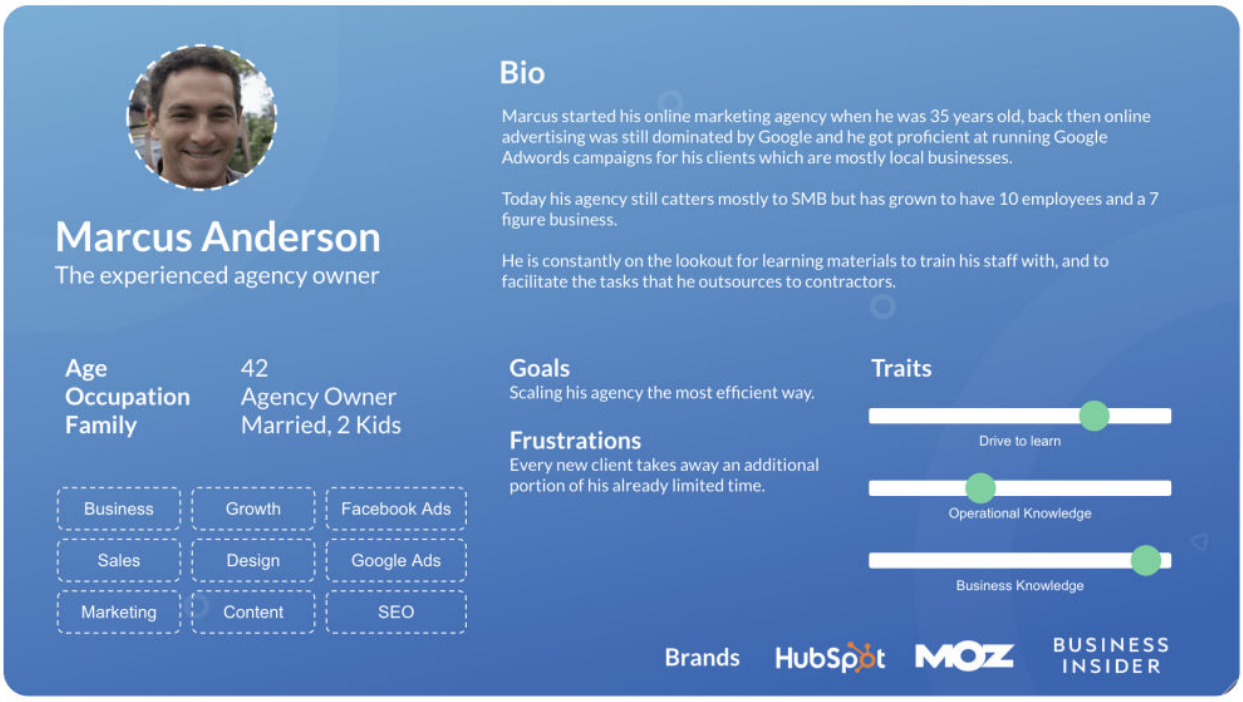
Defining your Core Audiences

Pick one of the following options depending on what is available to you, it's also possible to use a combination of these.

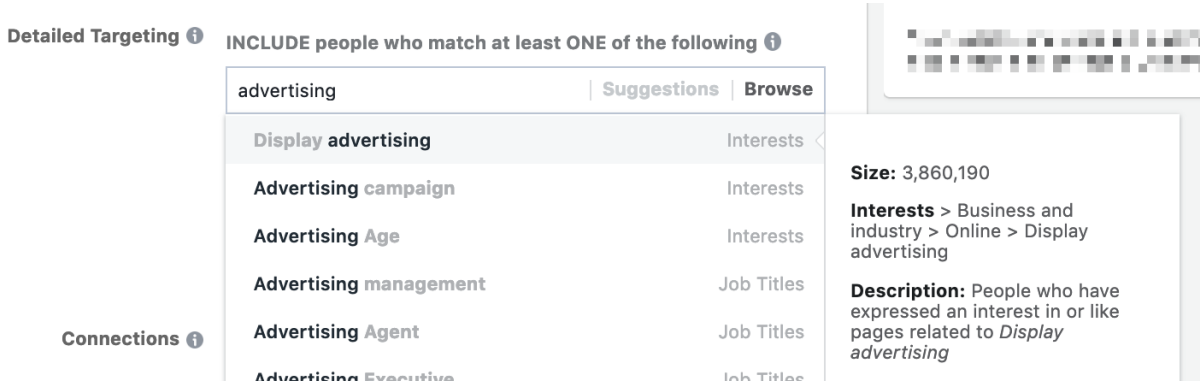
- **Option 1:** Use existing customer avatars; (best)
- **Option 2:** Use industry reports or competitive data; (good)
- **Option 3:** Target competitors or pages with complementary services/products; (not ideal, specially in the long run)

Option 1) Use customer avatars (personas), to define the interests and demographics that you will use in your targeting. These personas should have been created specifically for your business and match the product, service, or offer you will be promoting on your Ads.

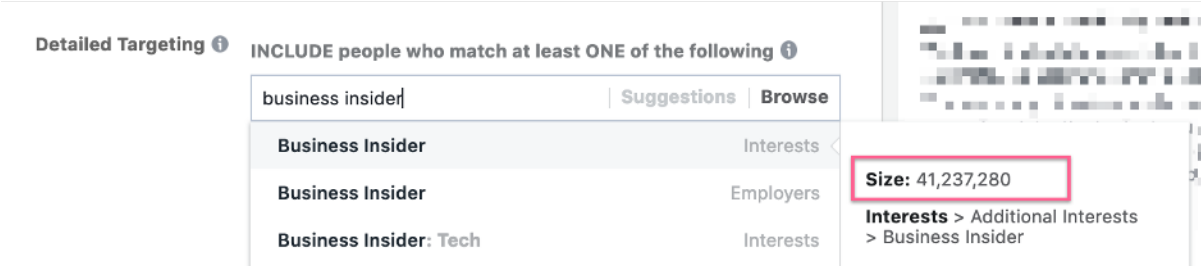
Example:



On Ads Manager, under detailed targeting, explore interests, behaviors, or demographics that would match the ones of your customer avatar:



Remember: Make sure the audience size isn't both too broad, or too narrow:



> **Example**: 41M people will likely be too broad and you should narrow it down further by demographics, or layering other audiences.

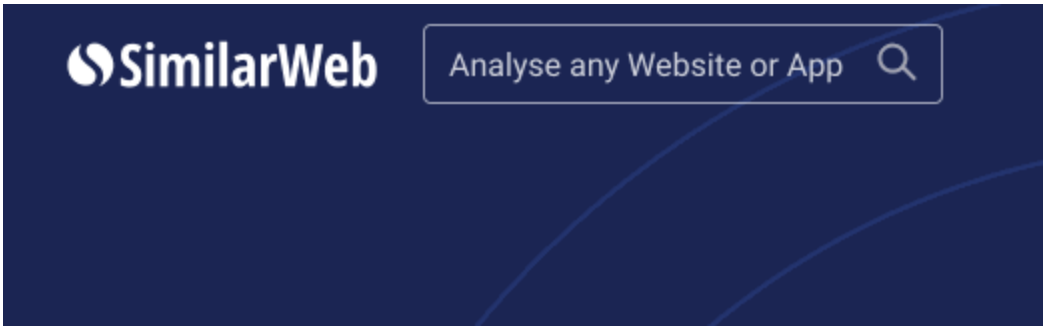
Option 2) Use industry reports or competitive data. There are a few different options you can use to gather this data:

a) Using Similar Web; (Free)
b) Using Alexa; (Free 14-day trial, $149/m afterward)
c) Using Industry Reports and Market Research; (Free or Paid)

a) Using SimilarWeb (Free, no email required)**:**

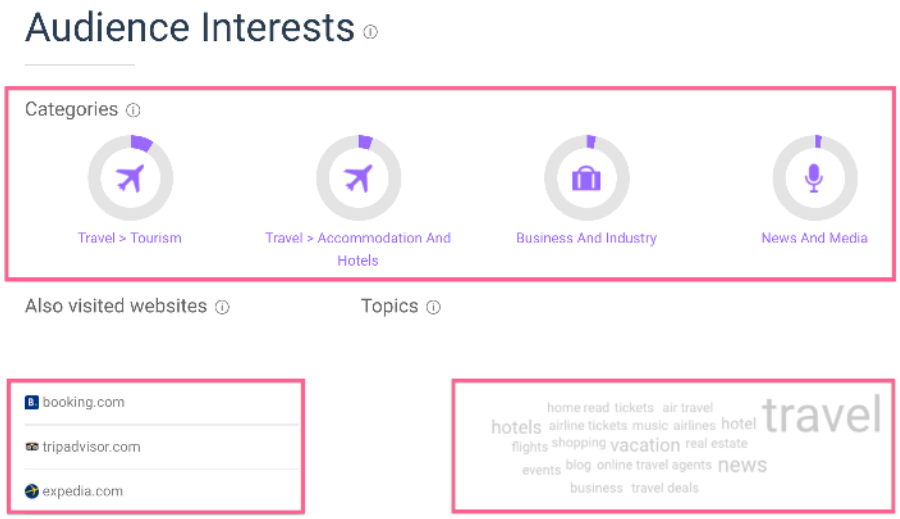
1) Head over to https://www.similarweb.com/
2) Insert the URL of the website you want to analyze:

> **Note**: Usually that would be your brand. But if you do not have enough traffic yet, you can use a very close competitor instead as a proxy.

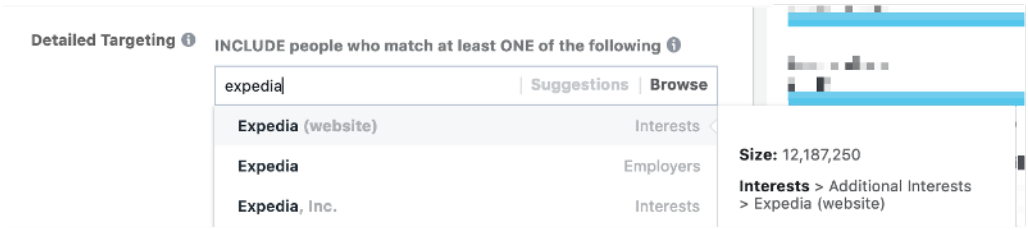


3) You will get a report that will give you further insights into the audience that visits that specific website. Depending on how popular the website is some data might or might not be available to you.

   Use these insights to help you select relevant interests, behaviors, or demographics:



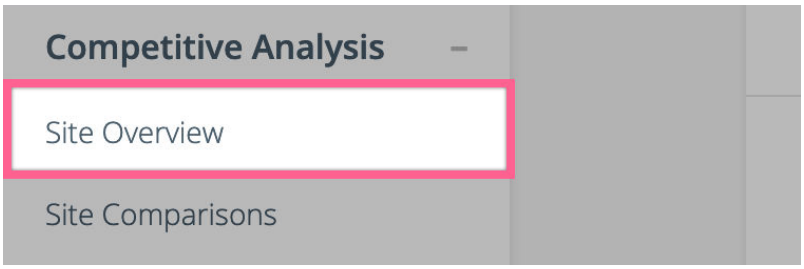
Example:



b) Using Alexa (Free 14-day trial, paid plans start at $149/m)**:**

1) Log in (or register) to your Alexa account (https://www.alexa.com/);

2) On the sidebar click “Site Overview”;



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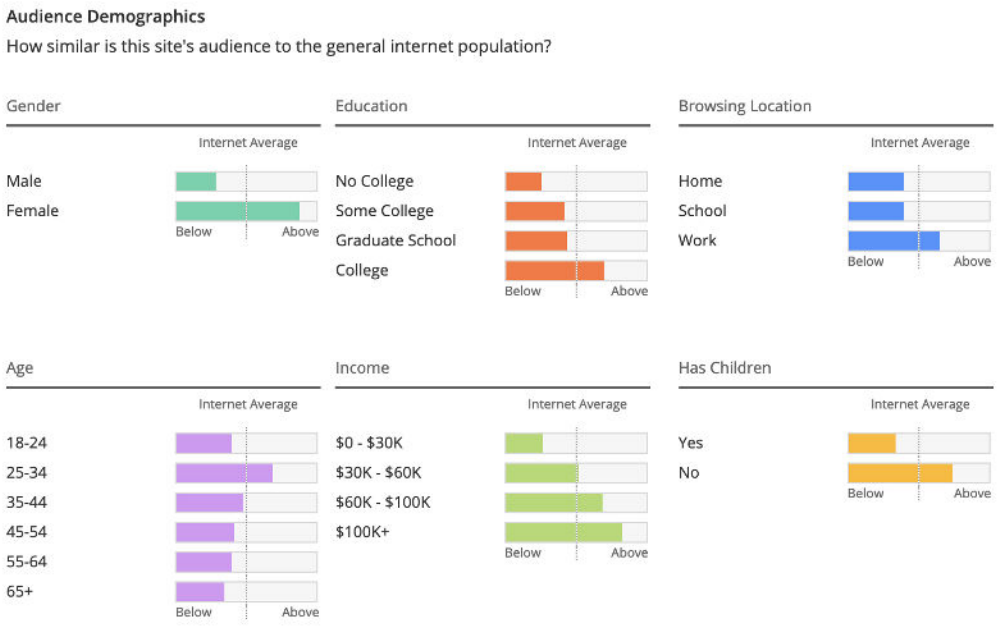
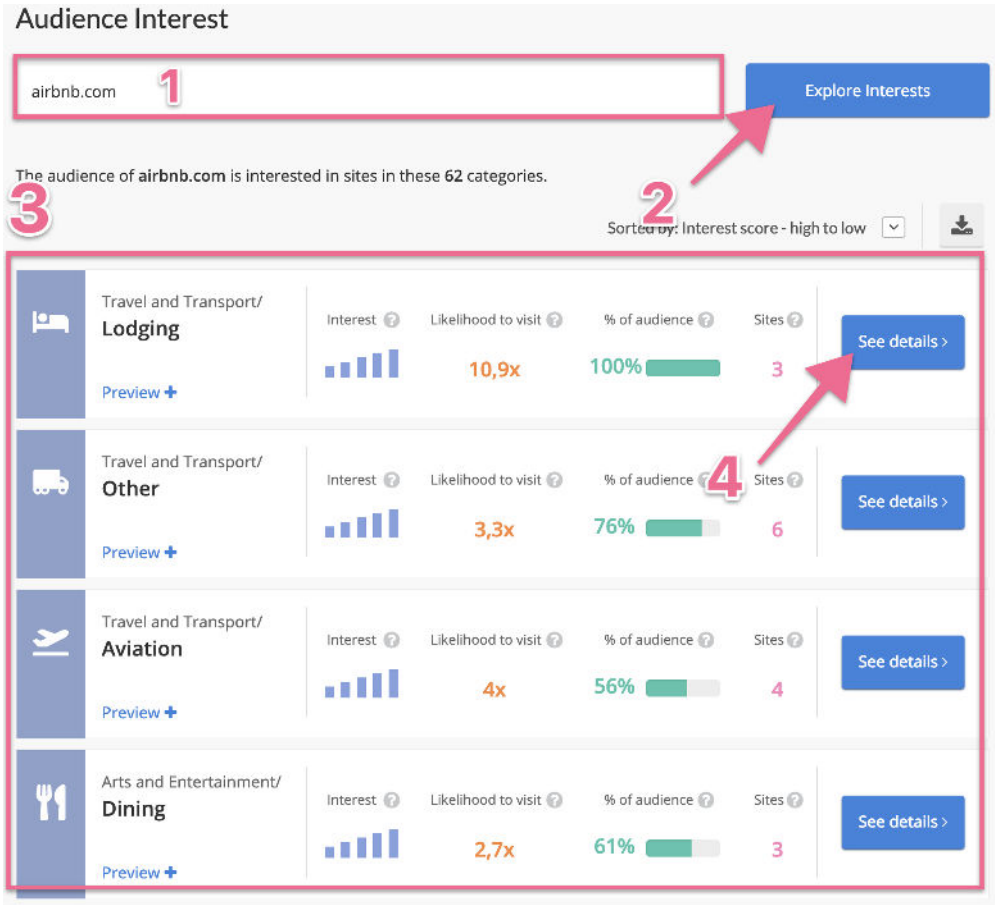
Example:

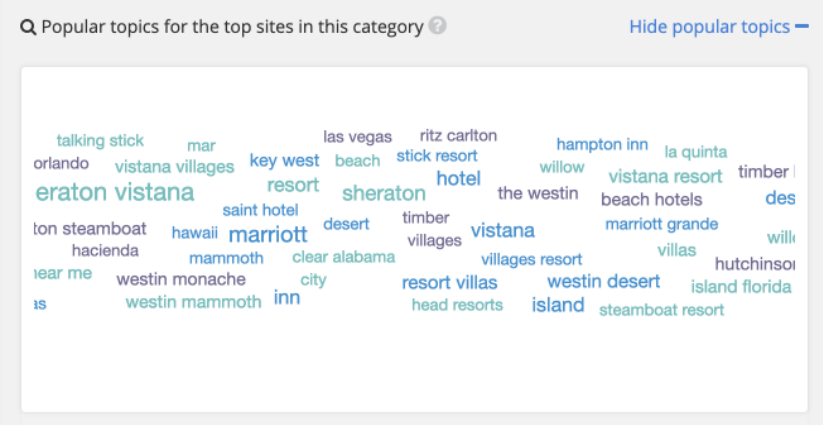


4) Now on the sidebar click “Audience Interest Tool”;

5) On the text box, type the website once again and click “Explore Interests”. You will find a set of interests sorted by relevance that you can use to help you select relevant interests, behaviors, or demographics. If you click “See Details” for one of those interests, you’ll find additional topics that might help you further.



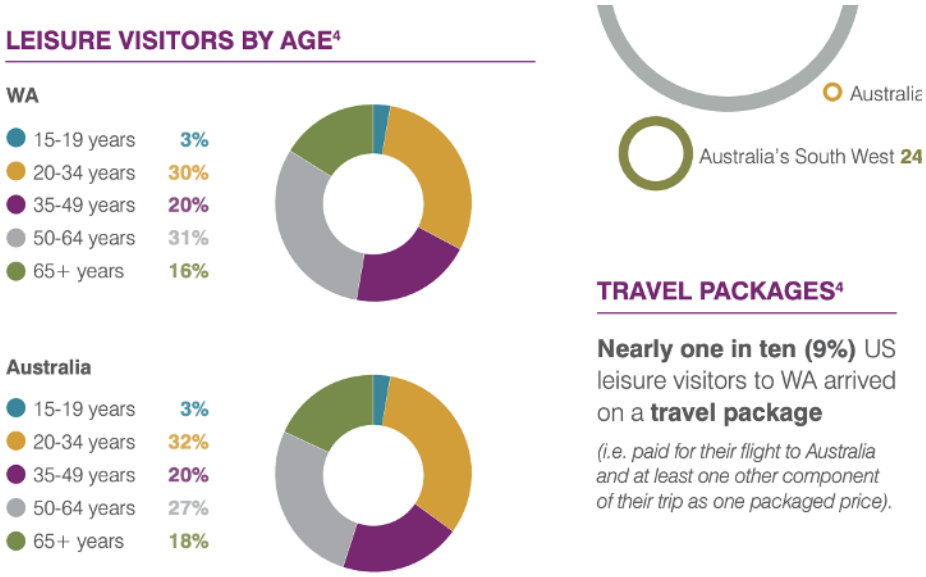
Example:



c) **Using industry reports or market research** (free or paid depending on the source)

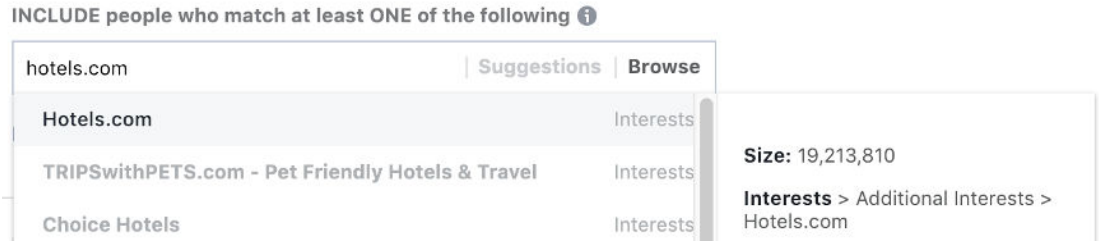
1) If you have access to industry reports, papers, case studies, market research, or other documents that allow you to gather insights into the type of audience your brand might be targeting, you can use those to help you select relevant interests, behaviors, or demographics.

Example:



2) Use these insights to help you select relevant interests, behaviors, or demographics.

Option 3 - If you do not have any of the options above, or want to diversify your traffic or test new audiences, you can target your competitors or brands that offer supplementary products/services to yours, or that are used by your target audience to gather information (as long as they are large enough).



Note: After you've defined your initial core audience, do not forget to always follow the next steps:

1) Use targeting layers;
2) Check for audience overlap;

Defining your custom audiences

The custom audience you will want to target depends largely on what it is that your ad will be promoting. This SOP contains a list of possible audiences to target, go through each until you find one that makes sense for the offer/product/service that you will be promoting to your visitor.

As a rule of thumb, you'll generally want to start by targeting people that are as close to your ad's conversion goal as possible.

Example:
If your ad is going to push users to purchase a product from your store, you might want to target people that have been to the checkout but have not completed the transaction.

Ideally, you should make sure that your custom audience has at least 1000 people, so if your site does not get a lot of traffic, there are times where you might need to be a little broader with your custom audiences.

Example:
If only 100 people have visited your checkout page but didn't purchase, you might want to also add users that have viewed the sales page but didn't purchase. Or any other relevant audiences until you reach at least 1000 people.

Note: Your ability to target certain audiences will depend on how granular your tracking setup is, for example, if you want to deliver an ad to people that have submitted a form on your website, but have not purchased from you, you will need to already be tracking both that form submission, and the purchase event.

If you are not tracking your main goals yet, you will want to follow "SOP017 - Setting up FB Conversion Tracking".

- **Site Visitors**
  Visitor engagement by:
  - Any;
  - Duration;
  - Number of pages viewed;
  - Time on website;

  Page Views such as:
  - Any;
  - Blog views;
  - Product/Sales Pages;
  - Checkout;
  - Payment Page;
  - Signup Page;
  - Pricing Page;

  Leads by:
  - Any;
  - Different funnel stages;

- Page;

Specific Category Page Views;

Searches on your website;

Add-to-carts by:
- Any;
- High value;
- Category-specific;

Purchasers by:
- Any;
- High-Value Purchasers;

- **Contact Lists**

Current customers / leads;

Email activity:
- Opened any email / a specific email;
- Clicked any email / a specific email;

Customers/leads within the last X days:
Example:
- 0-15 days after becoming a lead;
- 16-30 days after becoming a lead;

- **Engagement**

Watched a specific percentage of a specific video;
- Note: Only for videos uploaded to Facebook or Instagram;

Opened but didn't submit a specific form;
- Note: Only for Lead Ads;

Opened and submitted a specific form;

- Note: Only for Lead Ads;

Opened / Clicked on a specific Instant Experience;

People who engaged with your Facebook page / Instagram Business Profile;

People who visited your page / Instagram Business Profile;

People who sent a message to your page / Instagram Business Profile;

People who engaged in a specific way with any specific event of yours;
- Note: Facebook Events only;

- **App Users** (out of the scope of this SOP)
- **Offline Activity** (out of the scope of this SOP)

Note: Use different remarketing windows depending on what makes sense for your brand, audience, and funnel stage:

Example: An audience for existing customers:
- 0-5 days post purchase: Thank you video Ad asking for a review;
- 6-30 days post purchase: Cross-sell / Upsell Ad;
- 31-60 days post purchase: Repeat purchase Ad (depending on your product/service's buying cycle)

Note: After you've defined your initial custom audience, do not forget to always follow the next steps:

1) Use targeting layers;
2) Check for audience overlap;

Defining your lookalike audiences

You can create lookalikes from any of the audiences of the list above (custom audiences). Generally, you will want to start with the most valuable audiences (those

would most often be your best customers) and move on to the others as you scale or when you want to diversify or test new audiences.

A good starting point would be to go from the top to bottom of this list:

- Best customers;
- All customers;
- Add to Carts;
- Best Leads;
- All Leads;
- Checkout / Pricing page views;
- > 2 Pages viewed;
- Page views;

Start by selecting the smallest lookalike percentage possible (1%) and only increase it if you have already found that audience to be successful and you want to try and scale it without moving to a different one.

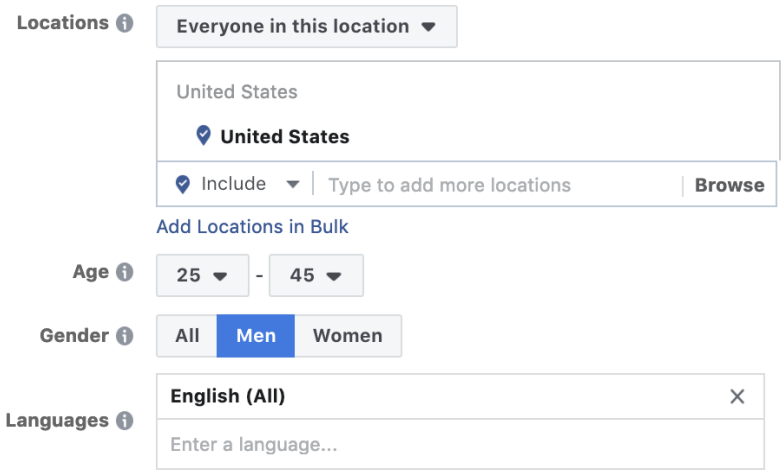
To create lookalike audiences you can follow SOP 031: How to create a Lookalike audience on Facebook.

Note: After you've defined your initial lookalike audience, do not forget to always follow the next steps:

1) Use targeting layers;
2) Check for audience overlap;

Use targeting layers

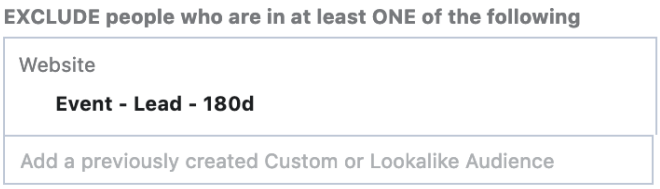
1) Make sure you have also selected the correct location and demographics:



Remember: While location and language should be selected for most businesses, some demographics such as age and gender should only be selected if you have data that indicates that you should exclude that segment. When not sure, it is usually better to leave those wide enough.

2) If you don't want to show your ad to an Audience that already took your desired action, make sure you exclude that segment from your Audience.

   Example: If your ad's goal is to get people to submit a form to become a lead, make sure in your target Audience you are excluding people that have already signed up.

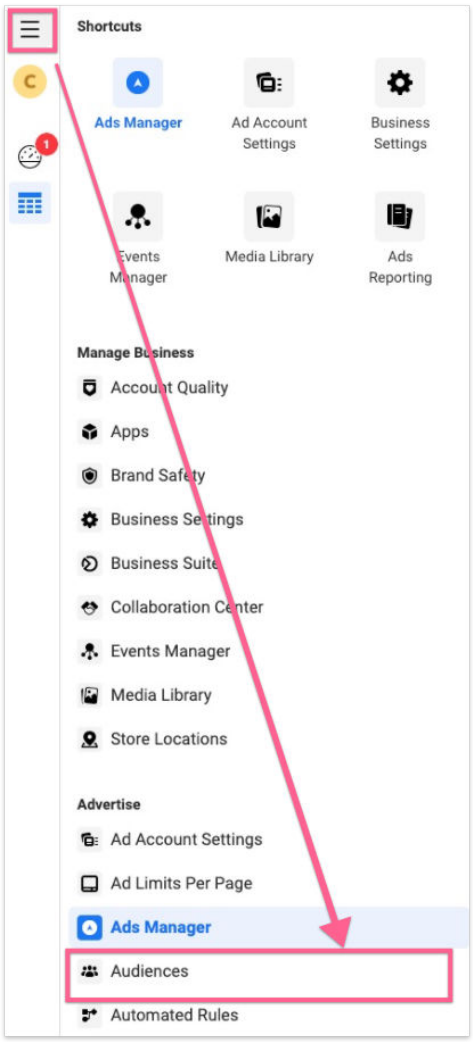


3) If your audience is too wide or you are sure it would be a good idea to narrow it a little bit.

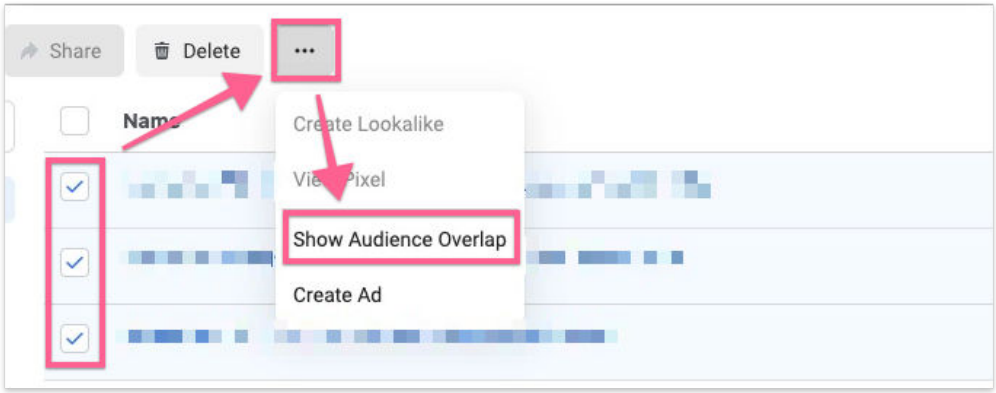
   Example: Lookalike 1% of people that have visited Airbnb **and** are also interested in Hotels.com;

Checking for audience overlap

1) In Ads Manager, *click on the all tools sidebar and click "Audiences"* .

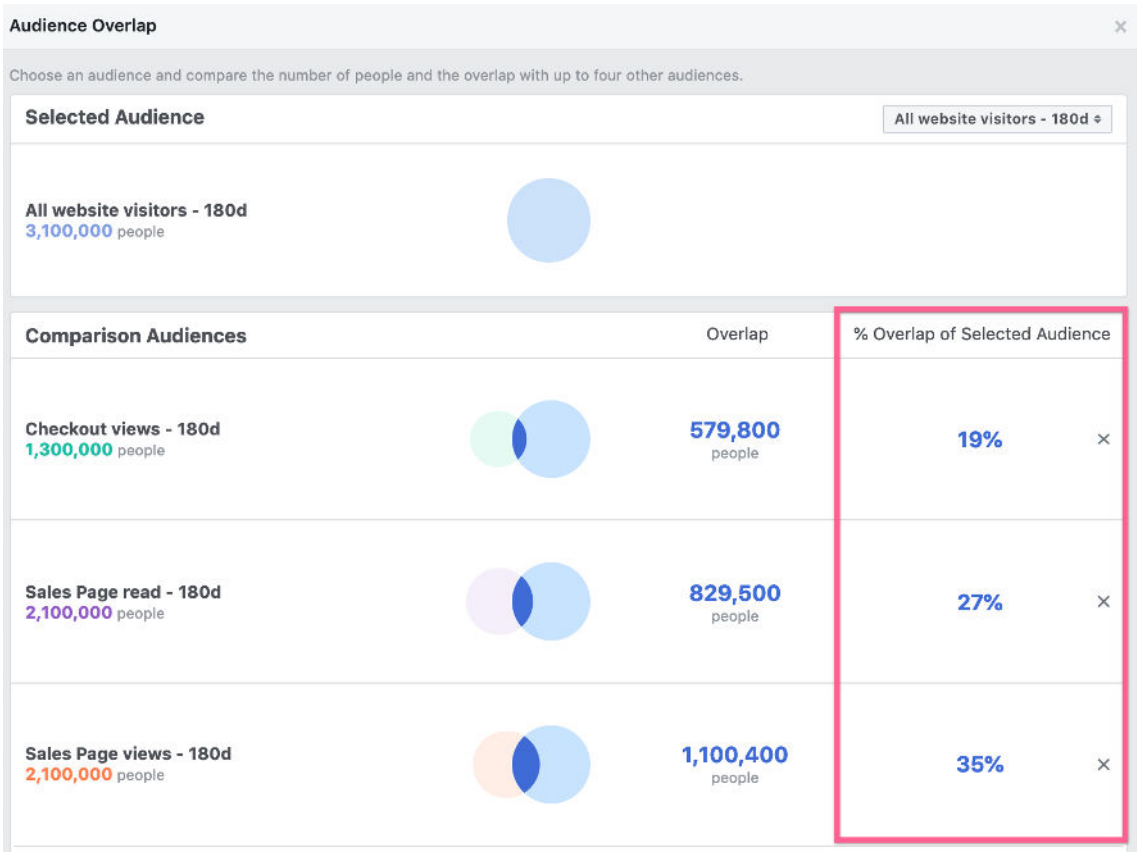


2) Select the audiences that you will be analyzing, and then click “Show Audience Overlap”.



3) You will get a report that will tell you what's the overlap % across your audiences:

Note: If your audience is smaller than 10.000 people you will not be able to analyze the audience.



4) If you're seeing a high overlap percentage across your Ad Sets' Audiences, you might want to consider either consolidating the overlapping audiences into a single Audience, or alternatively refining your Audiences in a way that reduces the overlap percentage across them.

Note: The need to perform this step will depend on how many people per day you expect to reach with your budget, when compared to the overall audience size and the % of overlap that you are experiencing.

An extreme example where overlap should be addressed:

- Audience A and B have an 80% overlap.
- Audience A has 10.000 people and Audience B has 10.000 people as well.
- With your budget, you're expected to reach 7.000 people per day on each.

In this example, the high overlap percentage will definitely have an effect on your Ad Set performance, which will make it harder to optimize your account and also lead to poor results across both Ad Sets.

An extreme example where overlap should not be a problem (although better if avoided):

- Audience A and B have a 10% overlap.
- Audience A has 1M people and Audience B has 1M people as well.
- With your budget, you're expected to reach 100 people per day on each.

In this example, it’s unlikely that overlap will noticeably affect your account, It might not be worth it to be concerned about overlap.