



Facebook Local Awareness Ads

Situation: Social media is often undervalued as an advertising channel. Social marketing requires constant attention and creativity, seen as a waste of time and resources by many businesses, including dealerships.

However, Facebook has proven to be effective at building connections to the local community and reaching shoppers where they spend the most time – on social networks, on their mobile devices. For this reason, when new features and options are introduced, they should be cautiously explored.

Dealership Need: To be competitive in their markets, dealerships need to connect with their communities while also promoting their inventory and value messages.

Answer: Facebook Local Awareness Ads are a new way to advertise through social media as an addition to a dealership's paid search advertising. They can put your dealership in front of new people who might not know you yet, but are in your neighborhood and will become acquainted with your brand.

These ads are easily created from the Facebook business page. The only requirements are a photo, a budget, and a message that will inspire action in the audience near the dealership.

Testing: Naked Lime tested five dealership accounts to see if Local Awareness Ads were useful in driving results. We measured link clicks, audience reach, and ad impressions, using a variety of the calls-to-action available for the service.

Results:

Metric	Buick GMC	Mazda	Ford	BMW
Link Clicks	14	13	21	31
Clicks	25	21	43	73
Reach	3,695	5,144	6,164	4,644
Impressions	9,258	14,618	23,932	14,113

Reporting Metric	Results Ad #1	Results Ad #2	Results Ad #3
Link Clicks	7	6	25
Clicks	10	10	42
Reach	6,347	3,951	13,369
Impressions	10,823	6,229	30,942

Observations: Our Digital Advertising Specialists analyzed the results of the tests and shared their thoughts about the new ads.

High numbers for reach and impressions mean that these dealerships were put in front of a large number of Facebook members. This supports the ongoing use of Facebook as a branding and community-building tool.

However, low engagement through clicks on the ads and their relatively high cost made them less effective than existing Page Like/Promoted Post advertising campaigns on Facebook.

These ads also rely on the location settings of each person's phone. Many people turn this option off to save data, which means those people are missed, even if they are the best prospects to target. Conversely, if people just passing through the area with no connection to the dealership or need for their services are targeted, it can further reduce overall ad effectiveness.

Wrap Up: Since a car isn't often an impulse buy, targeting people by location alone without any indication they are in-market may not provide a lot of value. Naked Lime recommends using Local Awareness Ads only by request and primarily for service campaigns, where proximity and urgency are bigger factors.

Facebook remains a valuable marketing platform in other ways, and we will continue to explore new options as they become available.

