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STRATEGIC FRAMEWORK FOR ADVERTISING ON FACEBOOK BUSINESS MANAGER

Building an effective strategy for utilization of Facebook Ads

Master´s Thesis
in Global IT Management

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1   INTRODUCTION

1.1   Background

Today, people are using more and more digital and social media. They look for infor-
mation and act as consumers, purchase and consume products, and discuss their experi-
ences with others. In return, seeing a big potential, businesses have increased their pres-
ence in digital marketing channels (Stephen, 2016). Finnish companies have spent about
699 million euros on digital advertising in 2022, which is a 9,8% increase from the pre-
vious year. Although the total spending for advertising has decreased since 2019 due to
the COVID-19 pandemic, digital advertising increased by 2.2 percent. Online advertis-
ing grew significantly over the last ten years and more than doubled between 2013 and
2021 (Statista, 2023). Thus, companies will continue to perform a large part of their
marketing in digital form, particularly social media.

As of October 2023, Facebook ranks as the most popular social network with over 3
billion active users worldwide (Statista, 2023). Facebook's revenue has experienced
impressive growth from 7.87 billion in 2013 to 86 billion US dollars in 2020. Then Fa-
cebook has received the first rank among social media companies by having a net in-
come of 29.15 billion US dollars. Now, Facebook receives the majority of its revenue
from advertising. The most evident transition in direction of e-commerce and online
marketing happened in 2016 and is still trending (Statista, 2022).

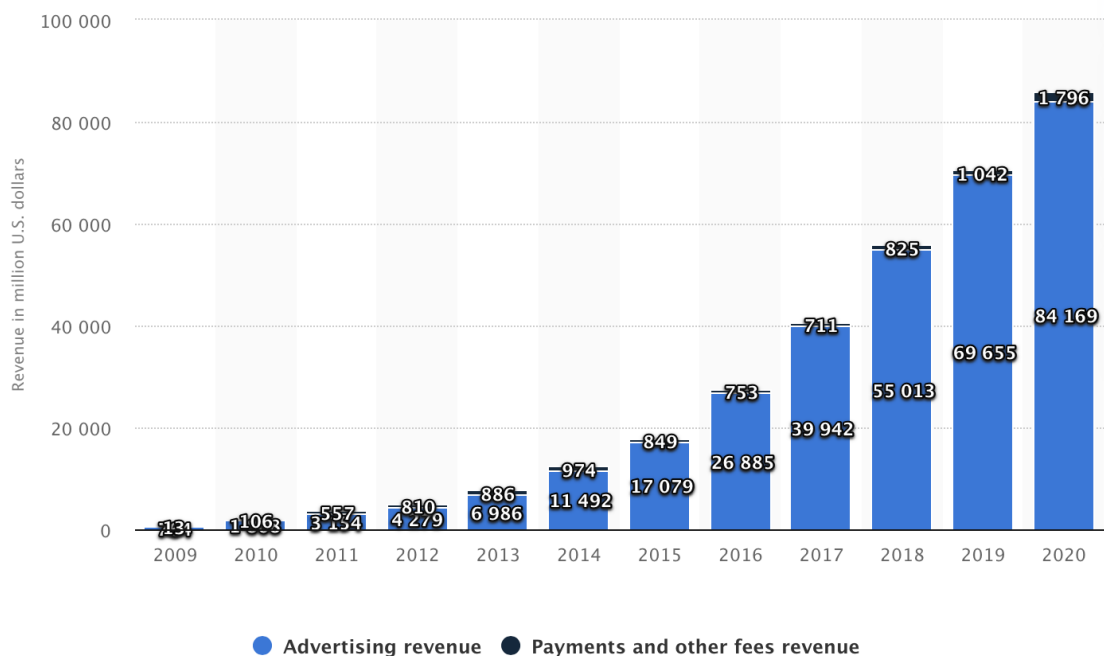Figure 1 Facebook annual revenue from 2009 to 2020, by segment (Statista, 2022)

One of the most significant social trends in the last decade was realizing the effective-
ness of Facebook advertising concerning additional benefits offered to advertisers. Fa-
cebook allows companies to exchange and spread information, sell products or services
and acquire a clearer understanding of their customers. Advertising in social media is a

very different approach because it allows interactions with users, on Facebook in particular (Logan et al., 2012). Studies indicate that user participation grows due to the user ability to search and exchange information on Facebook. The platform can leverage word-of-mouth and viral marketing, which helps to strengthen identity and perception of the brand, and consequently make consumers more willing to purchase (Dehghani et al., 2015)

Despite the growing interest of companies and the undeniable benefits of social media, there is still relatively little research on how to form the Facebook advertising strategy, choose the right approach, and deliver messages that have a real influence on customer decisions. In this study, the author focuses on building the strategic framework for advertising on the Facebook business manager.

1.2   Research questions and purpose of study

Companies have long used social media platforms to communicate with their customers, build their brand, boost revenues, and increase website traffic. However, Facebook is the biggest social network; it's also one of the most multifunctional and results-oriented online advertising platforms available to companies today.

Previous academic research has mostly focused on social media marketing; however, there is little information on how to use Facebook paid advertising strategically. Facebook Ads are increasingly popular because they enable marketers to reach any audience they choose, often at a lower cost than other online media platforms, such as Google Ads. Because Facebook is a social media platform, its users provide a lot of information about their personal interests and relationships. Thus, Facebook owns a wealth of information about its customers that advertiser can easily use. Also, Facebook is working with a few third-party consumer data companies to receive information about purchasing behaviour and income.

How can companies build an effective strategy for the utilization of Facebook Ads?

1.   How to develop a strategy for Facebook advertising?
2.   What processes are involved in the strategic utilization of Facebook Ads?
3.   How could these processes be combined to establish a conceptual framework?

1.3   Research methods

This study consists of theoretical and empirical parts. As the academic discussion on social media marketing and Facebook advertising, in particular, is still current, the theoretical part aims to merge existing academic knowledge about strategy, social media marketing, and Facebook advertising with fresh ideas from internet sources.

The empirical part applies a qualitative approach by examining the actions and best practices of Facebook marketing managers that are actively using Facebook Ads application. Arranging interviews with specialists in social media marketing, and particularly

Facebook paid advertising allowed to collect primary data. Moreover, to get an up-to-date information of constantly developing marketing industry, statistical reports and articles in social marketing and the Facebook advertising field were used as the secondary data.

2 SOCIAL MEDIA AND MARKETING

2.1 Evolvement of social media

Social media can be defined as an Internet platform that can facilitate individuals to create, curate and share information (Davis, 2016). From the perspective of Information Systems Research Kapoor et al. (2018) define social media as "various user-driven platforms that facilitate diffusion of compelling content, dialog creation, and communication to a broader audience". In this environment that people created for themselves they can interact on various levels, such as personal, professional, marketing, political, etc.

Social media is the new media form that promotes interactive participation. Media development has gone through "two separate ages, the broadcast age and the interactive age" (Manning, 2014). It used to be much more centralized in the broadcast age. A single organization, for instance a newspaper or television channel, or radio, would distribute a message to the masses. The process of receiving feedback was often indirect, slow, and impersonal. Communication among people took place on a minor scale, generally using the means of personal letters, telephone calls, etc.

Since mobile and digital technology have emerged, they have changed the ways of interaction between people. It has become much more accessible for individuals to interact. These changes have led to the beginning of a new media age, where interactivity has become the main property of media. Now any individual can express himself and get instant feedback. Previously consumers did not have ability to share their thoughts across large communities, and now social media has created this interaction opportunity. All types of social media, both mobile and stationary, are defined by common characteristics. Firstly, each of them allows user participation. Even though users can be just passive scrollers viewing other peoples' content, they still need to register Facebook profile to do that. Social media is characterized by the nature of participation, that promotes user interaction. How people interact depend on the relationship they are bind by: whether you communicate with friends, family members, acquaintances, or other people with whom you share similar interests or belong to common social circles (Manning, 2014). Social media is comparatively inexpensive and affordable for because it is easy to post, as well as share and find information. Comparing to traditional media channels it is less time-consuming and costs less. That is why now global communication and opinion sharing is possible. Instead of printing information individuals can now post it online, which makes it a swift communication tool.

2.2 Social networking

The rise of social networking websites has been provoked by the appearance of social media (Tuten & Solomon, 2014). A social networking site is an online service that allows people to create personal or public profiles on a website platform, create a list of all users to whom they are connected, and see and track the list of connections as well as lists of other people. (Liu & Ying, 2010). By creating a personal profile, users share different data about themselves. Usually, basic shared facts are names, birthdate, photos and videos. Thus, users are able to share their interests with similar users, and social

media networks take advantage of the information (Mladenovic et al., 2010). Among the most popular social networking sites are Facebook, Youtube, WhatsApp, Instagram, WeChat and TikTok (Statista, 2023).

The introduction of World Wide Web has changed the paradigm of large corporations feeding content to the consumers and gave the power to internet users to create and share their own content. The trend of social networking shifted functionality and whole purpose of Internet. It has changed from being just information holder into the platform that connects people. Social media websites have spread globally and led to "an evolution in human social interaction" (Weaver & Morrison, 2008). Social media continues to be one of the most popular online activities, and the number of new users of social networking sites is increasing fast. In 2022, more than 4.5 billion people use social networking sites, and this number is expected to increase to six billion in 2027 (Statista, 2023). As social media allows businesses to engage into direct communication with consumers at a fraction of a cost compared to traditional media, it gives social media opportunities not only to large corporations but also for small and medium sized businesses (Kaplan & Haenlein, 2010). The research shows that social media brand communities positively affect user engagement, increase brand use, and strengthen brand loyalty (Laroche et al., 2012).

Facebook is the market leader of the most popular social networks worldwide. In 2023, it reported 3.8 billion monthly active users worldwide (Statista, 2023). While studying at Harvard University in 2004, Mark Zuckerberg has created the platform to stay in touch with his friends. Facebook does not charge its users, and allows them to register and create profiles, post photos and videos, exchange messages and connect with friends, family and colleagues. Usually, the daily time users spend on Facebook is about one hour, which hugely increases the potential success of marketing campaign. Advertising platform on Facebook allows targeting to be very accurate. Marketers can review the profile characteristics of their potential customers and decide to which group they want to show the ad. The basic characteristics used by marketers usually are age, gender, interests, geographic area, workplace, relationship status and groups they belong to. As of marketing point of view, Facebook has a broad spectrum of advantages for businesses. Some of the greatest advantages include extensive global exposure, minimal marketing expenses and advanced targeting options (Spencer, 2014).

2.3   Business perspective on social media development

Due to the human need of communication and the advancement of digital technology social media have evolved. It opened a space where people can extensively establish and develop personal links.

According to the Cambridge dictionary, social media is "websites and computer programs that allow people to communicate and share information on the internet using a computer or mobile phone".

During a period of about 10 years, social media has gone through a few periods of transformation. It changed from direct electronic information exchange, to virtual communication playgrounds, to retail platforms, and finally to essential marketing instrument (Maryville, 2022).

As a result of social media companies growing their user databases, the business applications of Facebook and other social networks started to emerge. Social media platform owners possessed the most extensive information about their users that never existed before.

An IAS Insider article called "The Evolution of Social Media Advertising" summarises: "Users don't just log in and browse, they tell the platforms their name, and where they live, what they like and who they know, painting the most vivid picture currently possible for marketers looking to target specific consumers." (Integralads, 2017).

In 2006 Facebook introduced advertising possibilities on the platform, and later was followed by other social media websites trying to monetize by offering different options of the paid ads.

Companies have also discovered that they can potentially utilize being active and engaged with social media users to place paid ads on social media platforms. Therefore, brands attempt to organically grow their audience by sharing information and creating entertaining content on Instagram, Facebook, Twitter, and other social media.

According to Hootsuite blog article, brands use organic social media to:

- "establish their personality and voice
- build relationships by sharing informative, entertaining, and inspiring content
- engage customers at every stage of their buying journey
- support their customers with customer service."

The mixture of advertising, or paid social media marketing, and organic social media involvement evolved into the digital marketing branch called social media marketing (Maryville, 2020).

2.4 Social media as a marketing channel

Using the internet, social media, mobile apps, and other digital communication technologies have become part of billions of people's daily lives (Dwivedi et al., 2021). For example, about 97% of Finnish adults aged 25-44, and almost 100% of young adults are using the internet. Also, there is a high rate of internet usage among pensioners aged 65-74. Finland has one of the highest percentages in the world of the population with access to the internet (97%), of which 72% regularly shops online - the vast majority of which is cross-border commerce (Wakeupdata, 2022). As of January 2022, there we 5.39 million internet users in Finland, with internet penetration rate of 97% of population. These numbers provide valuable context for digital adoption and growth (Datareportal, 2022).

Prevalence of Internet usage and certain purposes of use in 2020, Percentage share of population

	Used the Internet [1]	Usually uses the Internet several times a day	Online shopping [1]	Making Internet calls [1]	Following social network services [1]
16-24	100	98	62	87	92
25-34	100	97	77	91	92
35-44	99	97	80	86	86
45-54	99	93	70	82	80
55-64	97	83	46	69	60
65-74	88	62	25	55	46
75-89	51	30	8	19	16

Figure 2 Prevalence of Internet usage in Finland and certain purposes of use in 2020. Percentage share of population (Stat, 2020)

The internet usage trends and engagement in social media started to grow, and in return businesses started to be actively involved in social media strategy. Social media channels allow businesses to market their brands, introduce new products thus reaching their customer audience. It promotes business growth, stimulates the connection with customers and allows to serve them better (Scholar et al., 2023).

The research shows that social medial improves and enriches the dialog that businesses form with their customers, which is totally new phenomena that previous Information Technology tools could not provide. Social media gives to organizations an opportunity to be visible, persistent, adjustable and be associated with the information they provide. As an example, providing up to date information for stakeholders (such as customers, suppliers, or employees) is a vital option offered by social media because it enables information sharing among stakeholders, at the same time removing possibilities of information asymmetry within organizations, thus creating information system channels that work efficiently. Providing such functionalities distinguishes social media from traditional information technologies in terms of providing content contribution, structurization, organization, and communication. Social media has been developing fast, so businesses have realized its enormous potential, including the customer role in enhancing a business's ability, resulting in feasibly rewarding outcomes for one and the other (lal et al., 2020).

2.5   Forming an Advertising strategy

According to Philip Kotler, marketing process model includes five steps (Philip Kotler, 2017, p.6). Within the first four steps businesses concentrate on learning about consumer needs, creating value and strong relationships with customers. Once businesses manage to create a superior value for customers, they can proceed to the last step and receive their profit rewards. This way by offering value for consumers, businesses can receive back their value "in the form of sales, profits, and long-term customer equity" (Philip Kotler, 2017, p.5).
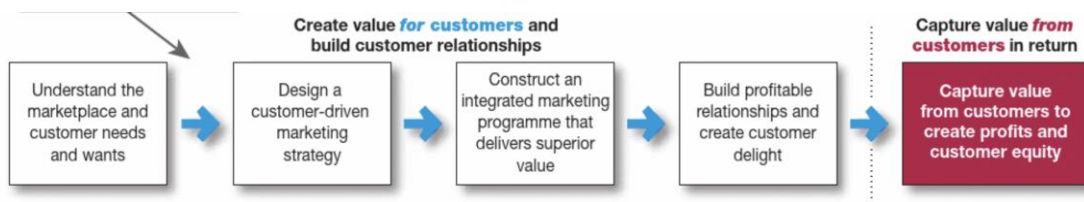
Figure 3 The Marketing process. Creating and capturing customer value (Kotler, 2017, p.6)

Nowadays, many organizations practice strategic approach to planning. It is a method of helping an organization succeed by providing the needed resources to reach set objectives. Planning strategically is considered to be a part of strategic management and is fundamental to success. Building management strategy includes making, managing and assessing decisions that help organization receive desired results. Strategic management enables organizations to better shape their future; it allows to start and affect events instead of reacting to them and therefore control the future. Strategic management involves analysing, making a plan, and following it to set and maintain competitive advantage. "The strategic management process is a sequential set of analyses and choices that can increase the likelihood that an organization will choose 'good strategy', that is, that generates competitive advantages" (Gürel, 2017).

The process of strategic management can be viewed as a set of decisions and actions that form the long-term performance of an organization and constitutes a set of sequential steps that form it as a continuous, dynamic and interactive but at the same time systematic process with a cycle of analysing, choosing and implementing. "In the strategic management process, although different authors put forward stages with distinct names, essentially three interdependent stages may be pointed out: strategic formulation; strategy implementation; and strategy assessment and control" (Ferreira & Sá, 2020).

Strategic management is a tool that allows organizations to be proactive rather than reactive, as well as initiating and influencing activities to be in control of the future. It helps to come up with better strategy formulation as a result taking systematic and rational choices (David, 2011). Understanding the importance of strategic management David has developed a strategic management process, see Figure 4.
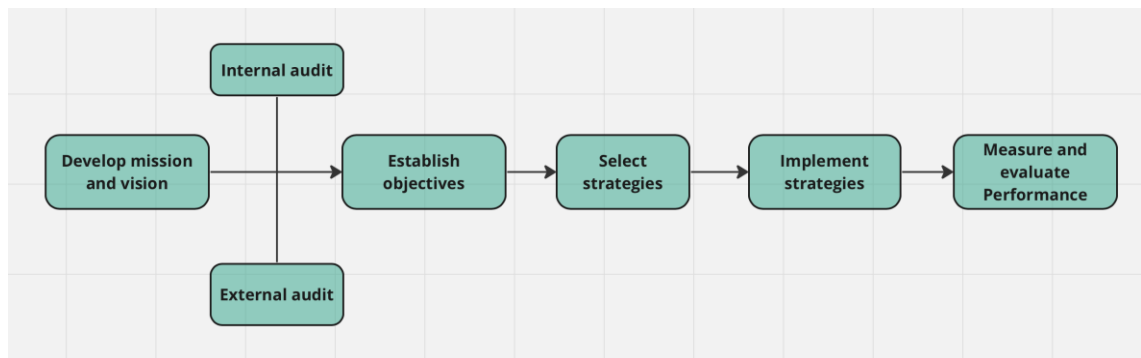
Figure 4 Strategic management process. Adapted from: Fred R. David (1989)

2.5.1   SWOT/TOWS analyses

Performing a SWOT analyses is one of the essential steps in strategic marketing. SWOT is the acronym for analysing Strengths, Weaknesses, Opportunities, and Threats. It is a powerful tool for creating a general strategy for marketing as well as for managing single campaigns (Cohen, 2023).

Performing an external analysis allows an organization to identify main threats and opportunities in its competitive environment. Analysis shows how competitors are likely to advance and how that advancement affects the opportunities and threats of the organization. Alternatively, the internal analysis aids in identifying strong and weak points of an organization. At the same time, it allows to see which resources and capabilities can become sources of competitive advantage and which can't. Looking at the results of SWOT Analysis, organizations can adopt a suitable strategy (Gurel, 2017).

Nowadays, most companies use strategic planning, although with the variable degrees of depth. The concept of planning strategically is seemingly easy. It involves analyses of the present and anticipated future circumstances, forming the organization's strategy and developing methods to attain the objective. At the same time, this is a highly complex process that requires a system-based method for finding and examining the organization outside factors and corresponding accordingly with available resources.

"TOWS is a conceptual framework for identifying and analysing the threats (T), opportunities (O) in the external environment and assessing the organization's weaknesses (W) and strengths (S)." (Weihrich, 1982). Whereas SWOT analysis implies that an organization utilizes its strong sides to capitalize on opportunity, it skips other available options, like overcoming weaknesses in the company to employ an opportunity.

 The following framework describes the steps of Tows matrix analysis:

1.   Recognize organizational inputs
2.   Prepare the company profile
3.   Identify the present external environment
4.   Prepare a forecast with predictions of the future environment
5.   Prepare a resource audit with emphasis on the company's internal weaknesses and strengths (Weihrich, 1982)

TOWS MATRIX

		Strengths (S)	Weaknesses (W)
EXTERNAL FACTORS	Opportunities (O)	Strengths/ Opportunities (SO)	Weaknesses/ Opportunities (WO)
	Threats (T)	Strengths/ Threats (ST)	Weaknesses/ Threats (WT)

(INTERNAL FACTORS spans the top of the Strengths/Weaknesses columns)

Figure 5 TOWS matrix (Weihrich, 1982).

2.5.2 SMART Goals

SMART (specific, measurable, assignable, realistic, and time-related) goals were first presented by George Doran (1981). This method was developed for setting effective management objectives. Nowadays, the SMART management has become widely spread as the standard for creating effective, measurable goals and objectives.

Specific:

To set a specific goal always use clear Key Performance Indicators (KPIs). For example, if your business is a restaurant, your ads may be targeted toward getting people to click on your ad and see your menu. Thus, the goal is clicks.

Measurable:

To achieve the success, you need to be able to measure your campaign's results. In the case of a restaurant example above, you should concentrate on measuring the number of clicks.

Attainable:

The set goals should be realistic to obtain. For the restaurant example above, imagine you want to increase the number of online orders. That means getting people to the restaurant website. Look at your Analytics to see how many clicks you currently have. A good goal may be to increase the number of clicks by 20% a month.

Relevant:

This involves tracking the KPIs that are relevant to success. In this case for a restaurant, a relevant KPI is the number of clicks. Facebook likes are not necessarily relevant. While clicks can directly lead to your SMART goal of the increasing number of website visitors by 20%.

Time-Based:

Your goals and objectives should be time-bound. Growing clicks by 20% by next month is a good use of time-oriented goals. If the they are not set within a timeline, they will not work, as 20% increase can be achieved also in 5 years. And that is already not the same goal at all (Honeysuite, 2022).

In order to set a social media marketing goal, it is good to start with the outline of your general business objectives. Once these broader objectives are considered, you can begin to match them with SMART goals that translate into your daily social media activities.

SMART is an acronym that stands for:

- Specific: You should clearly understand what you want to achieve. The more specific goals work better.
- Measurable: Make sure that your planned success is measurable.
- Attainable: How realistic is your goal?
- Relevant: Check that your goals align with your business objectives and encompass its vision.
- Time-specific: Your goal should be time-bound.

The following step in the SMM process is to assign relevant metrics. Metrics and social media key performance indicators allow businesses to follow their progress and measure the performance of social media campaigns.

There's a wide range of metrics that correlate with various social media goals (Your-Target, 2022).

2.5.3 STP Marketing model

STP is the acronym for:
- segmentation (dividing the audience into different segments),
- targeting (concentrating on those who will be the best match for your product),
- positioning (making your product the most attractive to the target audience)

It has helped many companies move to use social media to deliver content (Green 2022).

STP is a standard strategic model in today's marketing options. It demonstrates the customer-centric strategies in marketing are getting more popular than product differentia-

tion strategies. The audience-focused approach in marketing delivers more relevant and targeted messages to commercially relevant segments (Teichmann, 2019).

Today companies understand that they cannot be attractive to all buyers in the marketplace – or at least not to all buyers equally. There are too many buyers, that are widely spread, and have different demands and purchasing methods. Furthermore, businesses have different competences to provide for various consumer groups. Thus, a company should choose the part of the market that it can serve better and in the most profitable way. In order to create good relationships with customers, it must employ customer-driven marketing strategies. Therefore, many companies have changed their focus from mass marketing to target marketing. The steps are: to identify the market segments, select several segments, and develop tailored strategies and products for them. Businesses are choosing to serve a smaller group of customers who are more interested in them, and for whom they can create a better value. (Kotler, 2017).

Marketing strategy that is driven by customers consists of the four steps shown on Figure 4. First of all, the company selects the customers it wants to serve. It segments the market and divides it into several sets of customers who have similar demands, qualities, or actions. Businesses come up with various options for market segmentation and characterising each segment. Thus, targeting is a method of evaluating the attractiveness of each market segment and selecting which them to enter. Finally, the company decides what value they are proposing for their target customers. By differentiating a market offering a company creates superior customer value. Positioning involves making a clear, distinctive market offering that occupies a desirable place for target customers compared to competitor products. (Kotler, 2017)
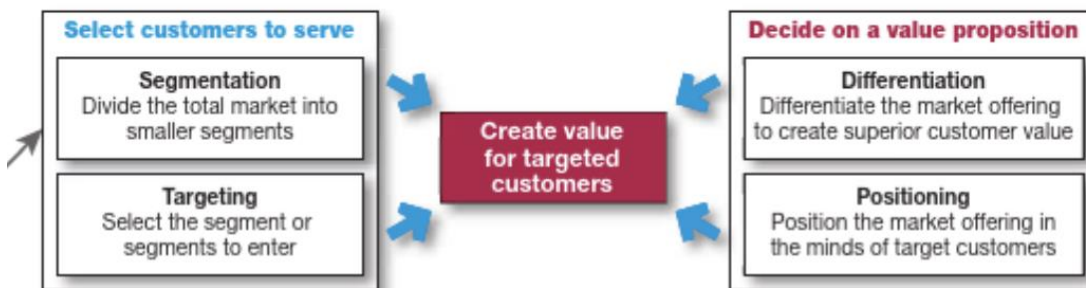

Figure 6 Designing a customer-driven marketing strategy (Kotler, 2017, p.194)

3   FACEBOOK PAID ADVERTISING

3.1   Advertising on Facebook

Advertising on Facebook has turned into one of the most effective tools for business growing, creating new customers, as well as promoting sales and leads. Over 3 million businesses take advantage of Facebook advertising, and with development of social media now is a good time to use this opportunity (Hakim, 2020).

One of the best features of Facebook is that it shows an array of social activities that people perform daily. Social media is often associated with the word viral. People like to share pictures with their family members and friends, make new connections, participate in daily discussions, look for the content that is relevant to them and their interests. "Ultimately, only Facebook knows all the aspects of users' Facebook activities that show up in corners of the FB Ads targeting algorithm" (Weintraub Marty, 2011, p.10).

Facebook advertising options are outstanding and it continues growing rapidly during the recent years. It is becoming even more attractive professionally for marketing specialists worldwide. The main reasons are that it stores a massive pile of data describing how users behave, shows statistical information on sales, easy to use, and and constantly innovating. This enables companies to manage and grow their businesses. According to Keri Jaehnig (2023), the most appealing factors are:

- Massive audience: Facebook now has over 1.8 billion active users, and 1.2 billion use Facebook on mobile daily. 38,6% of people worldwide use Facebook
- Average spending time: People tend to spend a long time browsing through social media. On average, users of Facebook, Instagram, and Messenger spend about 50 minutes every day.
- Traffic: Facebook, out of all social networks, sends the most amount of traffic to websites
- Effective targeting: Ads targeting on Facebook is very accurate because it is based on real reach data that users share on the platform, such as location, demographics, age gender, interests, etc. Furthermore, ad can be tracked for effectiveness by using built-in metrics.

The above factors have become really important in building marketing strategy, and that is why more and more companies take advantage of Facebook advertising. It has proven to be a very effective for marketing, customer communication, and brand promotion. As Facebook enables interaction with customers, it allows businesses to receive direct feedback and understand what customers think about their products or services. Over the last twenty years various studies discovered the increasing importance of social media for businesses. Therefore, the marketing strategy for businesses is more and more often based on social media activity (Chawla&Chodak, 2021, p. 49).

Targeting tools offered by Facebook are very vast. According to the research by Marty Weintraub (2011, p.10), even if users lock down their privacy settings, they still can be targeted. By tracking user activity on Facebook advertisers take advantage of all the available information in order to try selling their products and services.

"Precise interest targeting lets you define your ideal audience in detail, using terms people have included in their Facebook profiles. These terms may be drawn from their interests, activities, education and job titles, pages they like or groups to which they belong." (Marty Weintraub, 2011, p.9)

3.2   Facebook Business Manager

"Facebook Business Manager is a free tool developed by Facebook to allow businesses and agencies to securely manage their company's pages, ad accounts, catalogues, and pixels in one place — without sharing login information or being connected to their co-workers on Facebook. "(Shaun Elley, 2022)

Facebook Business Manager makes it possible to concentrate on business advertising as it provides all the required options to use available information for ads targeting and analyse their campaign result by looking at the ad statistics. Facebook lets you manage several business pages and ad accounts. At the same time, you can keep your personal account information separate from your brand account. Thus, you can only be associated with a personal information that you choose to share on your business page, such as name and email (Christina Newberry, 2019).

Facebook Business Manager is the space for managing the business's marketing and advertising goals. Also, it is possible to administer additional users' access to Instagram account and product catalogues. According to Christina Newberry (2023), it serves the following purposes:

- It separates your business account from your personal profile, so that you are not distracted by your personal feed
- It's a allows to manage Facebook ads, and provides detailed reports with performing statistics of your ads
- Both your partners and marketing agencies have access to your ads accounts, at the same time letting you be in charge
- Co-workers don't have access each other's Facebook profiles—only their email address, name, pages and accounts associated with ads

3.3   Setting up Facebook ad

Facebook's Ad Manager is an advanced dashboard that enables users to manage and evaluate all their campaigns. Straight away, the dashboard shows an overview of how much is spent for ads every day. The dashboard is organized in a table, which makes it easy to look through different ads so you can customize the view of your results. Reach, frequency, and cost are the key numbers are available, making easy to do reporting on performance. Once you register a Facebook Business page, you can start using Facebook Ads Manager. Running ads with personal profiles is not possible.

3.3.1 Choose your objective

The delivery of your ad and later bidding options will depend on initially choosing the right objective. This will help to avoid confusion and disorganized campaigns.
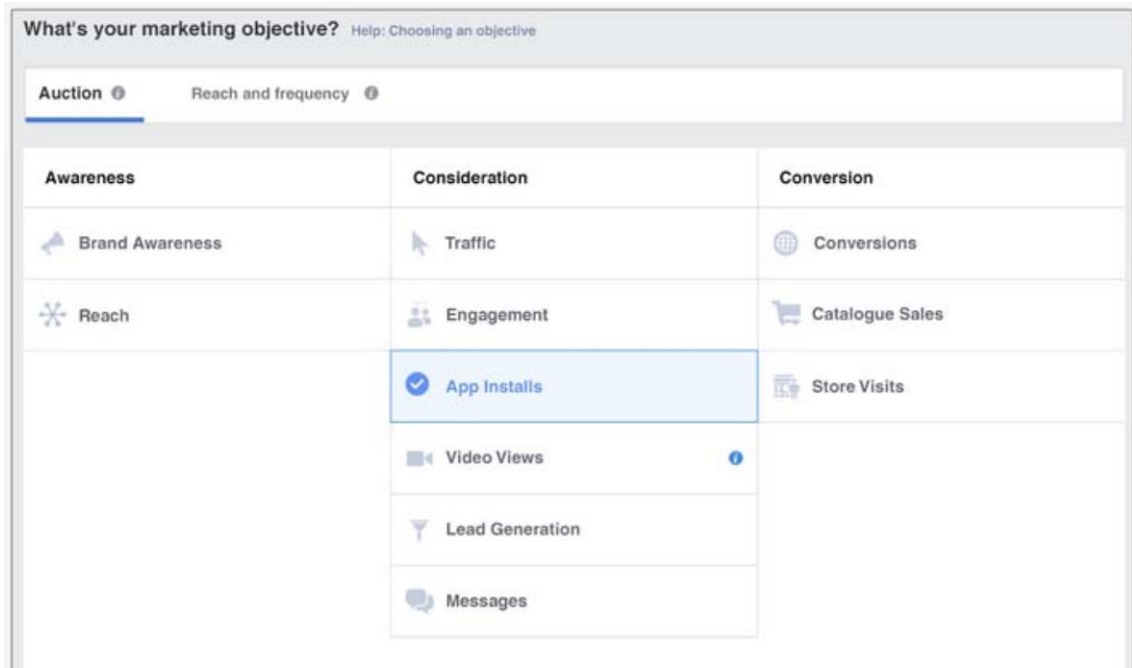
Figure 7 Choose your objective (Facebook, 2023)

In order to select the correct campaign objective, it is important to use objective that is best suited to the advertising goal that was set:

- Awareness: Objectives that make potential customers interested in your product or service
- Consideration: Objectives that make potential customers think about your offer and search for additional information
- Conversions: Objectives that urge potential customers to purchase or use your product or service (Camille Taylor, 2018)

Choosing the right ad objective will depend on the desired outcome from the ad (Facebook, 2022).

Awareness

Objective	Your business goal is to:
Brand Awareness	Increase people's awareness of your business, brand or service.
Reach	Show your ad to as many people as possible in your target audience.

Figure 8 Awareness advertising goal (Facebook, 2023)

The objective of "Brand awareness" allows you to inform more people about existence of your brand. This objective is good as well if you want to drive more traffic to your website.

The goal of the "Reach" objective is to reach as many members of your audience as possible. It is a good option when targeting small audiences and aiming at reaching maximum people within these audiences, and at the same time keeping your CPM as low as possible. promoting offers that are constrained by time and for running remarketing campaign (Charlie Lawrance, 2019).

Consideration

Objective	Your business goal is to:
Traffic	Send people from Facebook to any destination you choose, such as your website's landing page, a blog post, app, phone call etc.
Engagement	Reach people more likely to engage with your post. Engagement includes likes, comments and shares but can also include offers claimed from your Page.
App Installs	Send people to the shop where they can download your business's app.
Video Views	Share videos of your business with people on Facebook most likely to watch it.
Lead Generation	Collect leads for your business. Create ads that collect info from people interested in your product, such as sign-ups for newsletters, or have people give your business a call.
Messages	Connect with people on Messenger, Instagram Direct and WhatsApp. Communicate with potential or existing customers to encourage interest in your business.

Figure 9 Consideration advertising goal (Facebook, 2023)

The "Traffic" objective can help to bring more visitors to your website, it optimizes clicks but it doesn't mean that it will result in conversion. It is best to use when starting out to market your product to see visits statistics and what kind of audience it attracts, and to build foundation for further conversion campaigns (Sanela C. Kurtek, 2023).

The "Post Engagement" objective includes all the possible actions that people can make with your post, such as like, comment, share, click the link, etc. Facebook shows the post to the people who are most likely to interact with your post, keeping cost low. It is best to use already in the stage when your target audience already have some knowledge about your product, and thus more likely to interact (Stephanie Mialki, 2023).

Facebook Meta ads take second place in non-gaming app installs in 2023, according to Appsflyer performance index (Anne Freer, 2023). So, it is an excellent means to attract new customers who will download and use your app.

When targeting cold audiences, it is best to use Video views ads. These ads are engaging and assist in increasing brand awareness. Other options for promoting videos are "Conversions" and "Lead generation" objectives.

"Messages" is the most recent Facebook's campaign objective and it is used to have your audiences start a conversation with your Facebook page. This type of ads can be successfully used to increase awareness and promote sales.

Conversion

Objective	Your business goal is to:
Conversions	Encourage people to take a specific action on your business's site, such as having them add items to a basket, download your app, register for your site, call your business or make a purchase.
Catalogue Sales	Show products from your e-commerce store's catalogue to generate sales.
Store Traffic	Promote your brick-and-mortar business locations to people that are nearby.

Figure 10 Conversion advertising goal (Facebook, 2023)

For "Conversions" objective Facebook will target people who are most likely to complete the chosen conversion event, such as purchase, sign-up or registration. It is the most used campaign objective and it bring best results at the top of the funnel, when you have gained enough data about your customers with previous marketing campaigns. It also works effectively for targeting lookalike audiences, as well as re-engagement and retention of aquired customers (Yuval Yaary, 2021).

"Catalog sales" are either used for dynamic retargeting or finding new prospective customers. For example, it will show products from your Facebook product catalogue for your targeted cold audiences. Also, it is possible to retarget customers who have already view items from the catalogue thus showing their interest (Roihacks, 2023).

For those who have a physical store and are trying to increase the number of visits, is good to use the "Store visits" campaign objective. This option enables you to reach people around your business, and include additional information (Camille Taylor, 2018).

Once you choose your objective, Facebook will use it to determine other elements of the campaign:

- available ad formats
- bidding options
- campaign optimization

3.3.2 Select your audience

Figure 11 Select your audience (Facebook, 2023)

Facebook will optimize to display your ads to audiences which will be more likely to show interest in your ads. There are three selection tools that will help you to target your ad delivery further:

1.   Core Audience

When ads are personalized and relevant to the people who see them, they are more likely to result in action. You can use criteria such as demographics, location, interests, online behaviours, and connections in order to target the audience. There is also an option to save an audience you create for future campaigns.

Location

Advertise based on the location: city, community, or country where your business operates.

Demographics

Sort audience by gender, age, education, job title, etc. It is possible to monitor the types of users your ads get to. Nevertheless, Facebook does not expose their personal information.

Interests

Here you can include to the mix the hobbies and interests you think your potential customers should have to make your ads more specific.

Behaviour

Check you customers' prior purchases or device usage to target your ads based on their consumer behaviour.

Connections

You can either choose people who are already connected to you Facebook page, or exclude them to look for new audiences.

2.   Customised Audiences

Customized Audiences allow you reconnect with people who have previously shown interest in your business. For example, they could make a purchase, click a link to your website, or checked your app. It is also possible to create a Customised Audience using list of contacts that you already have. Other option is to create them automatically with the help of Facebook pixel or SDK.

3.   Lookalike Audiences

Lookalike Audiences will assist you in reaching people who are more expected to become new customers. If you create an initial audience of people you alredy know, your ads will find people who have common interests and characteristics (Facebook, 2022).

3.3.3   Decide where to run your ad
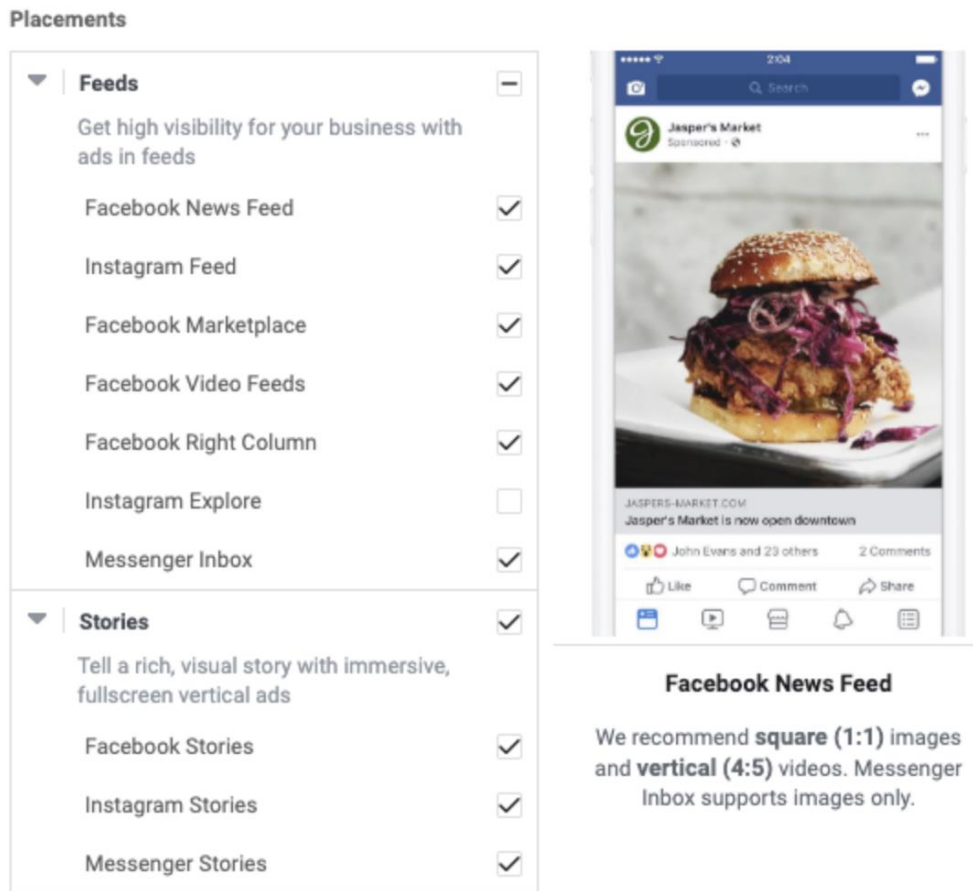
Figure 12 Decide where to run your ad (Facebook, 2023)

Facebook has a selection of ad placement options for advertisers – Facebook and Instagram feeds and stories, Messenger, Instant articles, In-stream videos, Audience network. It is important to know how to choose the right ad placement for the ad depending on the aim of advertisement (Yaskova, 2022).

By default, Facebook recommends using Automatic ad placement. This is good for those who have little experience in Facebook advertising, as it will optimize the best option for you. It works best in cases when you don't have enough data to analyze and see which placement is a better fit to achieve your campaign goals.

Those who would like to choose where to place the ads will need to learn about all the possibilities of how the ad can be placed. The options for ads placement now are on desktop and mobile newsfeeds, the Audience Network, the right column, in Instant Articles and videos, as well as Instagram.

The objective of the ad dictates the placement options. For example, if you are running app promotion campaign, you can choose mobile newsfeed and Instagram as the possible ad placements, but ads won't be shown on desktop newsfeed or Facebook right column. It is also worth to check the image size requirements for each type of placement. That is why the first step before designing the creatives is to decide where you are going to place ads.

Desktop newsfeed

If you choose the Desktop newsfeed placement, people who use desktops and laptops will see your ads in their Facebook newsfeed, alongside the posts of their Facebook friends and their followed Pages.

When to use: The ads in Desktop newsfeed look like regular Facebook posts, which makes them more attractive to users. Desktop newsfeed ads offer a place for larger images and long description, which makes them more visually attractive for customers and better catches their attention (Rakovic, 2021).

Desktop newsfeed ads tend to convert more users than mobile ads, but are more expensive. If it is possible to promote a product on service on mobile device then it is really good for attracting new customers and saves cost per conversion.

Mobile Newsfeed

If you want your ads to be seen by people who use mobile devices either through Facebook app or Facebook website through a mobile browser, the ads will be shown on mobile Feed (Facebook, 2023).

When to use: According to Statista (2022), over 98% of Facebook users access it via mobile phone. Mobile newsfeed ads are best used for attracting new customers and building relationship, growing engagement and building customer base for further conversions (Marchione, 2023). Also, mobile feed ads are allowed to use for any advertisement objective, which makes them very versatile.

Right Column

The Right Column ad is available only for Facebook's desktop newsfeed. These ads are usually placed on the right-hand side of Facebook Pages (Facebook, 2023).

When to use: As these ads are positioned on the side, they tend to have a lower click rate than the ads appearing on the newsfeed. On the plus side right column ads have the lowest CPC comparing to other ads. The best way to use them is to combine with newsfeed ads, which is especially suitable for retargeting campaigns (Mustapic, 2023).

Messenger

"Facebook Messenger Ads are a paid method of promoting your Facebook posts that invite people to open a Facebook Messenger conversation" (Kim, 2023). They are typically used to promote your website or app. There are two ways to use Messenger placement: Home Screen ads and Sponsored Messages. Sponsored Messages option is only available to use for users who have already messaged your Facebook Page (Rakovic, 2023). As of April 2023, marketers could use messenger to reach 1.036 billion users (Datareportal, 2023).

When to use: Messenger ads allow to have a more intimate interaction with potential customers, treating them like friends. This allows to start a conversation between brand and a consumer, retarget current customers. You can either use a chat team to respond

to messages or use Facebook messenger bot to create auto-customer service (Nguyen, 2022).

Instant Articles

Instant Articles can be created directly on Facebook and are a good solution to slow-loading mobile websites, as they load almost four times faster. As a consequence, it lowers bounce rate and increases user engagement. Instant articles create an immersive experience for readers and allows publishers to monetize on it (Targetvideo, 2021).

When to use: If you want to increase your ads' reach, the Instagram Articles placement is a good option. It also allows to improve conversions by placing call-to-action buttons within articles.

In-stream videos

Advertisers can show 5 to 15 seconds non-skippable video ads to people who use mobile device for watching Facebook videos. Users are typically very engaged in watching these ads, because they don't appear until one minute into the actual video the user is watching. In-stream videos better hold viewers' attention and outperform all other types of video advertisements (Mialki, 2023).

When to use: In-stream video placement allows for prolonged view duration and makes it possible to deliver more complex marketing messages (Facebook, 2023). In-stream videos help to increase visibility, engagement, reach and brand awareness.

Audience network

Audience Network placement means serving ads outside of Facebook platform and on other developer apps. Here you can still use Facebook targeting options and have the opportunity to extend the reach of your campaign. Depending on the campaign objective and creative, Audience Networks offers the following ad formats: native, interstitial, banner, rewarded video and playable (Smartly, 2023).

When to use: If your aim is to increase the ad's reach, using the Audience Network placement will be effective. The cost-per-click of Audience Network ads is also lower, compared to the rest of placement options.

Instagram

According to Hootsuite (2023), Instagram ads reach 96.6% of its active user base, which is close to two billion users. Moreover, the reach of Instagram ads has increase by 21% during the last year. The ads are organically incorporated into the stories and feeds, as well as into other Instagram accounts content. The ad in Instagram can be distinguished by a "Sponsored" label and can include product tags, links and buttons (Macready, 2023).

When to use: Instagram is consistently growing and now has over 1 billion active users. Therefore, your ads will be reaching a much bigger audience.

As Instagram has a very distinctive visual nature, advertisers must be prepared and make their ads visually attractive to fit the Instagram style (Rakovic, 2021).

3.3.4   Set your budget

Figure 13 Select your budget (Facebook, 2023)

One way to set up a Facebook ad budget in Ads Manager is at the level of a campaign. Thus, it will depend on campaign budget optimization (CBO) to make to efficiently use the allocated budget depending on your choice of ad delivery optimizations and bid strategies.

Using CBO technically means creating one central budget and giving permission to Facebook's algorithm to manage the funds between ad sets to reach the best result. The algorithm distributes money to the best performing ad sets, rather than sets that have bad opportunities.

Usually, CBO is the best option for people who don't have experience of setting up Facebook ad campaigns as it makes the process simpler and gives a possibility to manage ads automatically. This option works best when it doesn't matter how budget is divided across ad sets. However, if a particular ad set has to be prioritized in terms of money spending, an alternative would be an ad budget option.

Another option to set up a budget in Ads Manager is at the level of the ad set. Multiple ad sets can be run at the same time; and they will share the same settings for how, when, and where to run.

If you want to have better control the delivery and measurement of specific ad sets, it is good to use separate ad set budgets. If you have a vast experience with running Ads Manager campaigns and are able to measure and manage ad performance metrics, it will be the best option. You can also choose this option if the ad sets you are working with have different optimization goals, bidding strategies, or audience sizes.

The Facebook algorithm will have a different behaviour while bidding in the Facebook action depending on whether a daily or lifetime budget is chosen. Although both budget options have optimization possibilities that allow you to receive the best results from your ads, there are differences that will help to choose the best option for each case. With a daily budget option, Facebook can charge a little bit more than anticipated. A lifetime budget allows you to keep your ad cost low and gives you more control over your budget. So, if you have a restricted budget, it is better to go for a lifetime budget type. And if you can afford to spend more and get faster results with your ads, it is better to choose an everyday budget type.

The amount spent for ads for each company can be different, depending on the size of the company, its revenue, and business type, as well as company goals. Normally the budget for advertising takes from 5% to 15% of the overall business revenue, but of course, it depends on how fast you want to grow (Breen, 2022).

3.3.5   Pick a format

Figure 14 Pick a format (Facebook, 2023)
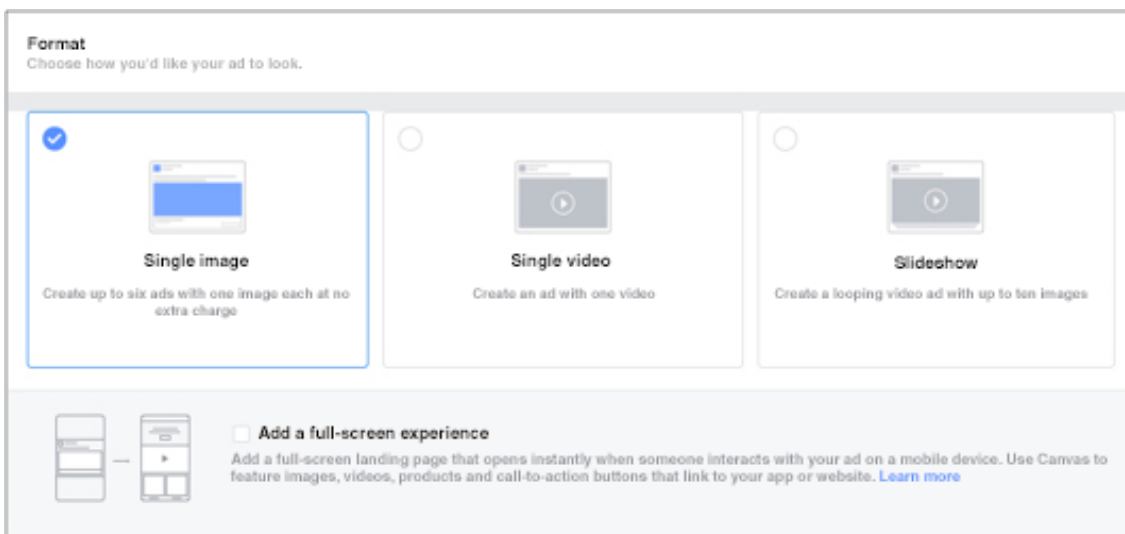
Image Ads

Although image ads are the most basic ad format, they can still work very well for showing off your products if you use quality high-resolution photos. It is good to keep the images natural, and with minimum text, emphasizing the feature of the product. Image ads are simple and can be used in almost any stage of the funnel. It is recommended to use JPN and PNG image formats.

Video Ads

Video ads have the highest audience engagement. It is easier to tell a story by using a video clip, it is more memorable and dynamic than an image. The length of the video should be about 15 seconds, but for it to work it should grab attention from the first seconds. The only drawback is that it can be time-consuming to make a video (Adespresso, 2022).

Carousel Ads

Carousel ads are a kind of advertising format that allows you to display up to ten images or videos within a single ad. Having the possibility to show a number of images improve your chances of a conversion sale. This format works best for apparel, retail, beauty, and fitness brands. Based on image performance, Facebook can optimize the order of images.

Common ways in which businesses use carousel ads are showing different features, presenting multiple offers, demonstrating various benefits, and presenting reviews or testimonials (Sproutsocial, 2022).

Instant Experience

It first looks like a regular sponsored post, but when clicked transforms into a full-screen immersive experience. In a way, it lets you create a fast-loading custom landing page that users can view without leaving the Facebook app. This option is great for telling a brand story, collecting customer contact information, showcasing a lifestyle lookbook, and browsing your products as in the storefront (Hutt, 2022).

Collection Ads

Collection ads feature a main image or video with a row of four related products below. Tapping the ad will open up to 50 products, so this ad type is perfect for showcasing company products and encouraging further consideration. This ad type is exceptionally good for engaging people to explore your products, promote a sale, present a new product line, and encourage cross-selling (Smartly, 2021).

How to Choose the Right Facebook Ad Format

In order to select the right ad format for your campaign you first need to set your campaign goals and build your strategy according to that. The strategy will depend on whether you want to increase your follower base or attract more sales or get more app downloads (India, 2020).

3.3.6 Place your order

Once your ad is placed, Facebook uses an auction to determine when to show your ad to users. It is vital to understand how the auction works and how your ad performs in order to receive the best results from your ad campaign.

Whenever Facebook gets an opportunity to show an ad to someone it runs an auction to determine which ad to show to that user. For every ad set, advertisers choose the target audiences to which they want to show their ad. All Facebook users can fall into several target audiences and thus be targeted by several advertisers. In this case, these advertisers compete against each other in the auction.

The winner of the auction is determined by comparing the total value of the three major factors:

- Bid. When creating the ad an advertiser places a bid or maximum value that he is willing to pay for the ad.
- Estimated action rates. Probability of whether a user engages with an ad, and brings the expected outcome for the advertiser.
- Ad quality. Quality of the ad depends on several factors, such as how many people view or hide the ad, the use of language, wrong information, and use of click bait.

Thus, the nature of the auction is multi-dimensional. If an ad is expected to be more relevant to some person, it can win against an ad with higher bids. If you want to check how your ad performs and whether you are targeting the right audience you can use ad relevance diagnostics (Facebook, 2022).

3.3.7 Measure and manage your ad

The Account overview page allows you to check the progress of your ad to make your campaign perform better. It displays all the key metrics of your campaign, such as active campaigns, the amount spent, and the current account balance. It guides you through you campaign performance so that you can make necessary optimizations (Facebook, 2022).

Here is a common list of metrics you can use to evaluate your ad performance:

- Cost per click (CPC). This metric shows how much money is spent for each ad click. The amount charged by Facebook depends on what objective was set for the campaign.
- Cost per mille (CPM). This metric shows the average cost per thousand ad impressions. The impression counts how many times the ad was viewed.
- Cost per action (CPA). In this case advertiser pays only when someone completes the action intended for the ad. This metric indicates the ability of your ad to get the desired action from people and shows the ad's efficiency.
- Cost per result (CPR). It is the total amount spent divided by the number of desired results. So, in this case, Facebook only charges you if a user provides the intended result, thus showing the efficiency of the ad.
- Click-through rate (CTR). This rate shows the rate at which users click on the ad. High CTR indicates a strong performance of the ad.
- Conversion rate. This refers to how many interactions resulted in conversion. If a conversion rate is low, it can mean that information on the ad doesn't match with the landing page (Breen, 2022).

4   RESEARCH METHODOLOGY

4.1   Research approach

This study follows the qualitative approach evaluating the marketing managers' experience and thoughts towards the marketing through Facebook Ads. Thus, the study focuses on gathering qualitative information by theme interviews.

The strategic framework for Facebook advertising consists of a few elements that need to work well together. As the social media field is closely connected with the information systems discipline, the framework formed in this thesis can also be perceived as an IT artifact. "IT artifacts are broadly defined as constructs (vocabulary and symbols), models (abstractions and representations), methods (algorithms and practices), and instantiations (implemented and prototype systems)" (Hevner et al., 2004). Consequently, the research will be based on design science in information systems research by Hevner, March, Park, and Ram (2004).

4.2   Design Science research in Information systems

"Information technology refers to any computer-based tool that people use to work with information and support an organization's information and information-processing needs. An information system collects, processes, stores, analyses, and disseminates information for a specific purpose" (Rainer & Prince, 2021).

Information systems are used to improve the effectiveness and efficiency of organizations. To acquire the knowledge on how to use and manage information technology we need to use two paradigms – behavioural science and design science (March & Smith, 1995).

The paradigm of behavioural science takes its origins from natural science and it explains human phenomena in information systems. It informs on how people can effectively interact with organizations and technology, improve their functional capabilities and get information for best implementation.

Design Science Research (DSR) is a method of finding solutions that improve knowledge by creating innovative artifacts. In a nutshell, DSR helps to upgrade technology and science knowledge bases by introducing innovations that deal with problems and serve to better the settings where they were used. DSR's output is comprised of freshly designed artifacts and knowledge that gives an improved understanding of why the artifacts enhance the relevant application background (Vom Brocke et al., 2020).

Simon (1996) argues that while natural sciences look at how thing are, design science is figuring out how things should be and designing artifacts to reach the goal. Thus, the main purpose of DSR is to solve problems. Behavioural science analyses how IT artifact will affect people, technology and organizations; how it will be used and what benefits it can deliver. "Design science, as the other side of the IS research cycle, creates and evaluates IT artifacts intended to solve identified organizational problems" (Hevner,

March, Park, & Ram 2004). The product of DSR is understanding of how to build and arrange things in order to achieve set goals. "In IS, DSR involves the construction of a wide range of socio-technical artifacts such as decision support systems, modelling tools, governance strategies, methods for IS evaluation, and IS change interventions" (Gregor & Hevner 2013). Even though DSR is mainly used in Information Systems, it can also be applied in other areas of Information Technology where artifact is used in interaction between human and machines.

The author of this paper aims to apply Design Science research principles to develop a strategic framework for advertising on Facebook Business Manager. The guidelines proposed by Hevner will be used to create a new innovative and practical artifact that can help businesses to plan their Facebook advertising campaigns. This framework 's mission is to contribute to better understanding and promote effective utilization of Facebook Business Manager for advertising. The process will consist of rigorous design, evaluation and communication of research findings.

Further, we will look at the seven design-science research guidelines by Hevner and discuss how to apply them to create a strategic framework for advertising on Facebook Business Manager. These principles will help to create a framework that is problem-relevant, rigorously constructed and evaluated, and is able to improve advertising outcomes.

Table 1. Design-Science Research Guidelines	
Guideline	**Description**
Guideline 1: Design as an Artifact	Design-science research must produce a viable artifact in the form of a construct, a model, a method, or an instantiation.
Guideline 2: Problem Relevance	The objective of design-science research is to develop technology-based solutions to important and relevant business problems.
Guideline 3: Design Evaluation	The utility, quality, and efficacy of a design artifact must be rigorously demonstrated via well-executed evaluation methods.
Guideline 4: Research Contributions	Effective design-science research must provide clear and verifiable contributions in the areas of the design artifact, design foundations, and/or design methodologies.
Guideline 5: Research Rigor	Design-science research relies upon the application of rigorous methods in both the construction and evaluation of the design artifact.
Guideline 6: Design as a Search Process	The search for an effective artifact requires utilizing available means to reach desired ends while satisfying laws in the problem environment.
Guideline 7: Communication of Research	Design-science research must be presented effectively both to technology-oriented as well as management-oriented audiences.

Figure 15 Design-science research guidelines (Hevner et al., p. 9).

Design as an artifact: The requirement of design-science research is to create an innovative and purposeful artifact. In this case the artifact is a strategic framework for advertising on Facebook Manager. The purpose of this framework is to provide step by step guidance on how to prepare an effective Facebook marketing campaign. The framework emphasizes that the marketing process is very complex and requires not only knowing Facebook marketing tools but also analysing company's internal and external factors, strengths and weakness as well as setting SMART goals. And only after thorough company analysis ready to move on to creating the Facebook ad itself.

Problem relevance: Nowadays, advertising on social media and on Facebook in particular is a must for any business. It is an effective and affordable way of finding the audience for a product or service. Facebook marketing framework will allow a business to assess its current situation on the market, its strengths and weaknesses, to set the right goals and create a suitable Facebook ad campaign, maximizing its effectiveness and applicability.

Design evaluation: Hevner's third guideline talks about the evaluation of the design artifact. In order to evaluate the effectiveness and efficiency of Facebook marketing strategic framework, we need to develop special criteria and metrics. For each marketing campaign the metrics should be picked individually, depending on the goals that were set. However, such indicators as ad reach, engagement metrics, conversion rates, and return on ad spend (ROAS) are commonly used to objectively measure the outcomes and make further improvements. Analysis can be performed as soon as the marketing campaign is over.

Research contributions: The fourth guideline emphasizes the importance of research contributions. Creating a strategic framework for advertising on Facebook Business Manager enhances the existing knowledge in this field. Social media marketing is evolving fast, so it is important to join the knowledge from scientific sources with online resources and real up-to-date experience of marketing specialists. It offers innovative strategies, methodologies, and insights in order to get a better understanding and set of skills for advertising on the platform.

Research rigor: Hevner's fifth guideline emphasizes research rigor, which means the importance of using strict methods to create the artifact. The credibility and validity of this research is provided by combining knowledge from academic and non-academic literature as well as gathering real-life insights from marketing industry professionals with a lot of experience in social media marketing. While literature is building a basis for the strategic framework, the best practices from the interview results mix in to create a usable and up-to-date artifact. The evaluation tools (ad performance indicators) are presented in the end to make artifact individually fit for any businesses.

Design as a search process: The sixth guideline presents the iterative nature of the design process. In the context of Facebook advertising, the means of solving a problem are searching for strategies, methodologies and industry experience from professionals. The ends are the desired results of the research which is creating a strategic framework for advertising on Facebook. And finally, laws are uncontrollable forces that exist in the context, such as rules of Facebook marketing and adapting to the evolving landscape of the platform, financial limitations, industry regulations.

Communication of research: The seventh guideline stresses the importance of effectively communicating the research findings. To enable businesses to effectively use the artifact, all the steps in the framework were properly described and backed up by literature and interview findings. The framework allows to be modified and tailored to fit the requirements of any company. Finally, it is explained how to pick the right performance indicators according to the goals of the company. All of the above ensures that stakeholders can understand and implement the framework successfully.

Thus, by following the Hevner's design-science research guidelines, we have created strategic framework for advertising on Facebook Business Manager. It is grounded in rigorous research, addresses relevant problems, and contributes to the knowledge and practice of advertising on the platform.

4.3   Framework for advertising on Facebook Business Manager

This research is based on theoretical concepts of strategic marketing, SWOT/TOWS analyses, SMART goals, STP marketing model, Facebook advertising, as well as follows design-science research guidelines. The framework consists of 4 main steps: internal/external analyses, setting SMART goals, designing a customer-driven marketing strategy, and finally creating a Facebook ad.

At the core of any marketing activities stand analyses of the company itself: how it operates, in what environment, what resources can be used and what are the main weaknesses and strengths. Once the analyses have been performed, the company has the information needed for setting advertising campaign goals. The next step goes more into detail about marketing strategy, such as segmenting the audience, targeting the best suited segments and positioning (making the product appealing to the chosen audience). The last action is creating a Facebook ad itself by choosing objective, audience, choosing where to run ad, setting budget, picking format, and measuring and managing ad.

In order to validate and improve the structure of the framework, and get more relevant practical insights, this study uses interview discussions with marketing managers.
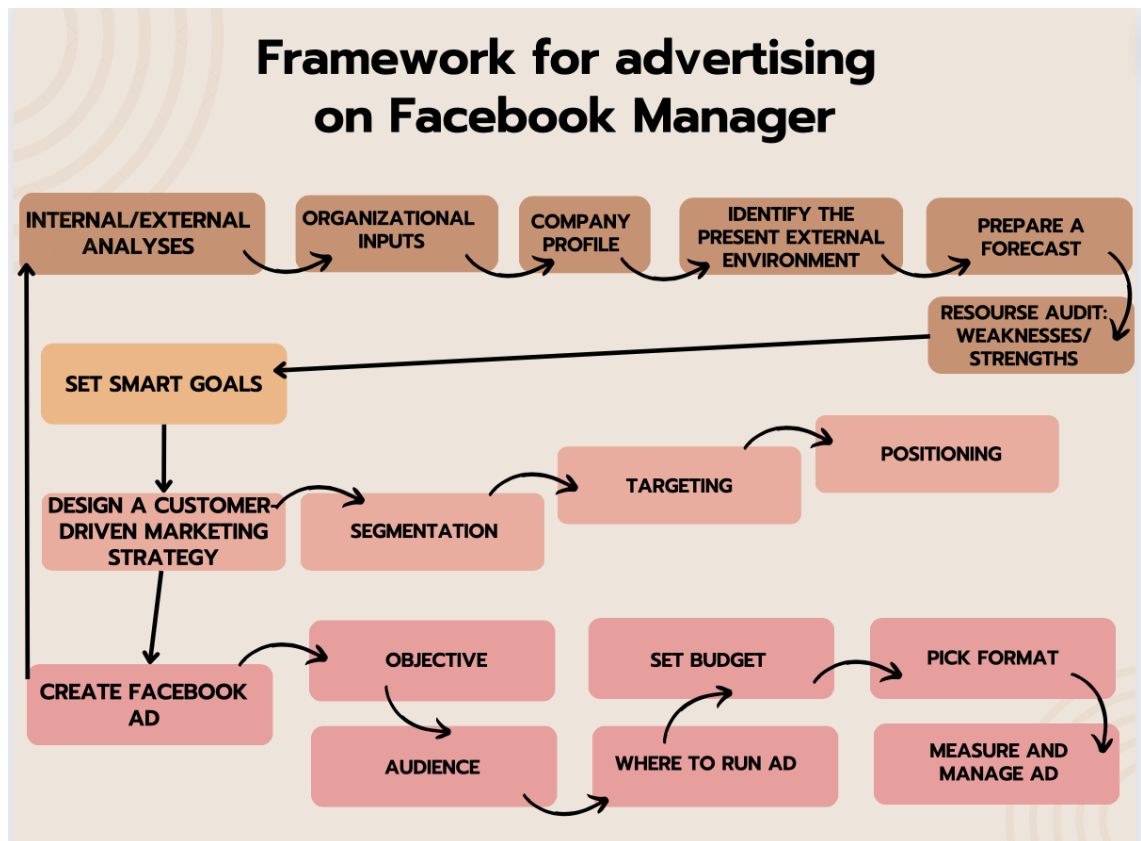
Figure 16 Framework from advertising on Facebook Manager

4.4 Evaluating the effectiveness of a Facebook ad

In order to determine whether you Facebook ad is successful; it is important to understand which metrics to be focusing on. Depending on what are the goals for the business, the objective can be getting more traffic to website or improving brand awareness, or conversions. The key performance indicators should align with the set marketing goals, so that the company can receive the right actions from their target customers and reach desired results from the campaign (Facebook, 2023).

Objective	Key Metric 1	Key Metric 2	Key Metric 3	Key Metric 4
Reach	Reach	Cost per 1,000 People Reached	Frequency	
Brand Awareness	Estimated Ad Recall	Cost per Estimated Ad Recall	Reach	Frequency
Video Views	Incremental Video Views (% Watched)	Completed Video Views	ThruPlay	Cost per Video View
Traffic	Clicks	Cost per Click or LPV	Landing Page Views (LPV)	
Leads	Leads	Cost per Lead		
Conversions (website)	Conversions (Email Sign Up, Registrations, Donations, etc.)	Cost per Conversion	Return on Ad Spend (ROAS)	

Figure 17 Key metrics for common advertising objectives (Facebook, 2023)

These metrics can be divided into the main 3 categories (Agencyanalytics, 2023):

- Performance. Performance metrics measure the cost of the ad compared to the result that were reached. By analysing these metrics businesses can decide how much they can afford to spend for the ad in return for the success level of the ad. The result of campaign will be based on the set target.
- Delivery. These Facebook ad metrics show how much you spend for the ad to be seen by your audience. It measured number of impressions (how many times ad has been seen) and reach (total number of people who have seen the ad) among other indicators.
- Engagement. In order to get high levels of engagement, the ad creatives should match the interests of the target audience. It compares how many times the ad has been showed and how many times it resulted in interaction (click, share, comment).

5 REASEARCH RESULTS & ANALYSIS

5.1 Interviews

One of the most important steps in the research was finding more specific and up to date information through interviews. The companies that were chosen for interviews are Finnish social media marketing agencies that specialize in creating social media presence for local businesses. The interviewees were the professionals who have experience in Facebook marketing field. As research has adopted a qualitative method it combines a set of open questions with the possibility to go into more details with response and themes that come up. The approached companies answered questions by email, and semi-structured interview questions allowed them to go deeper in their answers get better insights.

The interviewees job positions were mostly marketing strategists and Facebook creative specialists. The questions were logically split into three sections. The first section consists of questions about the analyses tools and techniques to be used prior to launching a Facebook marketing campaign. The answers aid in preparing a company analysis structure that ensures that all factors internal and external were taken into account. The next section benchmarks the prior successful experience of the interviewed specialists in Facebook marketing. The main topic is about aligning company strength with target audience and effectively reaching campaign objectives. The final two questions discuss how to measure success of a Facebook campaign and how to pick KPI's that would fit the particular campaign.

Interview questions:

1. Does your company perform any business analyses before planning on Facebook advertising and if yes what analyses tools do you use?
2. Are you familiar with SWAT analyses and do you think that company should perform it prior to Facebook advertising?
3. Have you ever used SMART goals for Facebook advertising and do you believe that it can contribute to the success of campaign?
4. Can you share an example when you used (SMART) goals for advertising campaign affected the overall strategy and result of the campaign?
5. The STP marketing model (Segmentation, Targeting, Positioning) is one of the basic but important models in advertising. Do you utilize this model for creating Facebook advertising campaigns?
6. Could you give an example when you have effectively segmented, targeted the audience and positioned a product accordingly for the Facebook ad, and how it contributed to achieving campaign objectives?
7. What are the most important points about positioning a product of service for a Facebook ad, and how do you make sure that the message resonates with the target audience?
8. Judging from your personal experience, what are the most common challenges that marketing professionals face when doing Facebook advertising, and how to overcome them?
9. How do you make sure that Facebook ad creative and the style of the message align with the overall company's marketing strategy and goals?

10. How do you measure success of the Facebook ad campaign?
11. Is there a basic set of KPI's that can be used for every campaign or do KPIs have to be picked individually for each campaign?

The questionnaire was sent out to 40 companies, out of which 5 companies replied to the interview questions. The interaction was held through the email, and after receiving the first replies some follow-up questions were sent to further discuss the details. Below are presented the received answers. Some of the answers were shortened or rephrased keeping the main point and given sense.

Does your company perform any business analyses before planning on Facebook advertising and if yes what analyses tools do you use?
- We do perform business analyses for each campaign we launch. Main objective is to find relevant audience who responses to the campaign objectives. Segmentation, targeting and positioning are very core of the process we do for each campaign. One important aspect to add is experimentation and A/B test. It is iterative process, where we start with one set of assumptions about segmentation, targeting, message, etc. and then for each of the round we learn more and optimize campaign based on the learnings.
- Mainly we use Facebook's own tools and Meltwater (media monitoring tool).
- We do perform analyses before planning on a specific advertising channel such as Meta Ads. The tools we use vary depending on the client, industry and other factors. We might audit and do research based on the client's current analytics and advertising tools and their history data, gather data from their business strategies via discussions, workshops and existing documentation (which we will gather into our tools in use, provided by 3rd party software). Additionally, we might expand the knowledge and premise via research using marketing strategy information portals. The analysis will be used in the digital strategy.
- Before starting Facebook marketing, we want to be sure that it suits our customer needs, and business goals. Our primary tool to interview the customer about their needs and goals, customer segments. We also do background research using Facebooks own targeting tool to see if there's matching targeting options for our needs. Also, we do a website look up to see if there's need for a separate landing page. Also, we might use Facebook ad library, to benchmark what their competitors ads look like.
- It really helps if a company already has their business page on Facebook. That helps with selecting the right audience to target, because we see from which people likes are coming from. Also, we take into account campaign goals, budget size, and check what competitors have to offer

Are you familiar with SWAT analyses and do you think that company should perform it prior to Facebook advertising?
- I don't think SWAT analysis is very suitable for Facebook campaigns. I believe it is more suitable for bigger projects and companywide long term strategic work.
- SWOT analyses are a good base for all marketing, it gives an overview of the field especially if the field is new. But equally important is to be familiar with the trends of Facebook. And the trends of Facebook are forever changing…
- SWOT analysis and other quadrant models are useful methods to use especially in a conversation or workshop with the client. We might use SWOT sometimes

specifically in Facebook / Meta Ads planning, but usually the analysis is done at the "roof level" and can then be leveraged better in a multi-channel way.

- We might use SWOT on our clients to determine the points to point out in the ads, for like in texts and images. It's also good way to separate the advertised company from the competitors.
- When you know your target audience it can be very beneficial to perform SWAT analysis, because it lets us make campaign more precise. Knowing the strong sides of business, we can do a better positioning for selected audience

Have you ever used SMART goals for Facebook advertising and do you believe that it can contribute to the success of campaign?

- I had to Google for SMART goals and found that "The SMART in SMART goals stands for Specific, Measurable, Achievable, Relevant, and Time-Bound." If this is what you mean, then of course these are natural things that should be take into consideration. But we don't use term "SMART" goals and I think there are other things that should be considered as well. However, I believe these can contribute to the success of campaign.
- I don't think we have used SMART goals, but in some context, I can see the benefit. Especially if we have data from previous campaigns.
- SMART objectives / basis for goals are in the core for our digital marketing planning. We use the OKR (Objectives and Key Results) method for goals (strategic, tactical / channel based, funnel) and that model requires the dimensions to be specific and measurable (with metrics if possible), and generally be aligned with all the SMART sections.
- Yes, we always try to make most of the advertising for our client, and most of the time it matches the frames of SMART goal. I think carefully picking the contributes to the success of the campaign.
- We do set SMART goals for every campaign; it is even recommended to do by Facebook. We need to know what we want from the campaign and how we a going to measure the results

Can you share an example when you used (SMART) goals for advertising campaign affected the overall strategy and result of the campaign?

- We use some of the "SMART" goals all the time. For an example measurable. It is quite natural that the campaign results (goal) should be measurable. Actually, all of the smart goals have some role in every campaign we run. However, they are not explicitly stated in discussions. It is natural and expected that those things have been taking in to consideration. For an example, it is quite obvious that to goal of the campaign must be relevant to campaign without saying it out.
- ---
- An advertising campaign (ongoing, not a single campaign) exceeded the main goals (leads / sales) when segmenting the paid digital marketing to 3-5 steps (purchase path), when given different KPI's / key results to follow in each phase. The original lead goal was more than doubled after implementing the strategy to the paid advertising campaigns.
- We have had several cases for example where we did recruitment ads, and our goal was to get good number of quality applications, which was our smart goal. Measuring the exact result, the customer was looking for, we managed to get good outcome with ads campaign also.

- We have done a campaign for a small private gym, and the goal was to get a certain number of subscriptions within the next two months, which is specific and easy to measure. The campaign turned out to9 be successful

The STP marketing model (Segmentation, Targeting, Positioning) is one of the basic but important models in advertising. Do you utilize this model for creating Facebook advertising campaigns?

- Yes, segmentation, targeting and positioning is the core of our campaigns. It is one of the most effective strategies we use as a performance marketing agency where we take the risk with our own money (versus traditional model where the client pays the media budget and takes the risk).
- Yes, we do.
- We do use all the sub-elements of the STP model in planning and creating the advertising, but we aren't actively and currently using this model as a built-in / fixed model. As a modified version, yes.
- Not in the sake of the name we are not using it, but it is mostly already integrated in our customer process. The interviews and workshops we do with the customer includes, targeting, segmentation and positioning to make a good ad campaign. If we need more info, we are happy to ask the client for more info.
- We do perform all the steps of the model: segment the market, see what segments we want to target and how to position (formulate the message to customers depending on the competitors).

Could you give an example when you have effectively segmented, targeted the audience and positioned a product accordingly for the Facebook ad, and how it contributed to achieving campaign objectives?

- As mentioned above, it is core of our strategy. Basically, we use it in our every campaign. One very successful campaign we have run multiple times during the years is Muumi cups. We have segmented people who loves Muumis and we have targeted them with a specific message that resonate very well with the target audience. Results has been extremely good.
- We had a client with a very specific product. The product had a very niche like audience, and it was very important to create effective segments and target audiences for the campaign to have any success. We segmented the audience on the base of a specific hobby and interest. It performed quite well despite the small audience.
- A generic example is that thinking of the segmentation, audience and positioning is to take a content prioritized strategy rather than target / segment using technical targeting. This is highlighted nowadays, when the specific data-based targeting possibilities have weakened. In other words, applying the targeting itself quite broadly and the marketing strategy (including positioning) was emphasized on relying on the content, creative and funnel-based segmentation.
- I'll give an example of one of our recruitment campaigns. Our customer was looking for process workers to certain area, which gave us the frames for targeting. The segmentation was pretty simple, it was targeted to currently working people, but also unemployed people. Positioning was made so that we kept the image of internationally known company shown for applicants, and wanted to make sure they feel like they are applying to appreciate company.

- We managed to run an effective campaign for our customer, because ewe chose a niche segment and it turned out to be more cost-effective and resulted in a higher number of conversions.

What are the most important points about positioning a product of service for a Facebook ad, and how do you make sure that the message resonates with the target audience?

- I think most important point about positioning is to understand the customer. We have conducted target group research, interviews, and questionaries in order to understand better the customer.
- I think the most important point is to know your audience. And this applies to all marketing. If you don't know your audience, your message will not resonate with them or it might perform very poorly.
- For a Facebook ad the characteristic of an ad creative is a bit different compared to other channel for example Google Ads but the general idea is the same: The first priority is that the product must resonate with the target audience and "fulfil their needs". The second priorities are the brand image, identity, values and archetypes. To make sure the message resonates, we must have variations and test the ads towards the audience in real time. Surely there must have been an agreed strategy for the messages in general to keep certain alignment.
- I think the most important things are visible brand, and tone of voice. On platforms like Facebook, there's not much room in posts to tell about your company so the first impressions are big thing when wanting to promote positioning.
- When you are positioning your product the most important thing is to choose the right audience, so that they see unique value in your offering, and perceive your product superior to competition.

Judging from your personal experience, what are the most common challenges that marketing professionals face when doing Facebook advertising, and how to overcome them?

- I would say that most challenging part with Facebook advertising is same as with any other so called push marketing channels (tv, radio, magazines, display). At some point there will be saturation in the target group and you need constantly find new ads and messages which resonate or find new segments to target. The saturation is especially problematic with Facebook ads, since it increases advertising costs. Overall, this creates more work and costs.
- That Facebook changes all the time and very fast. What you could do yesterday, might not be possible today. Targeting does not always work in logically and your target audience might not perform at all. And the reports and data is not always reliable. How to overcome this, is to be alert all the time and follow the trends.
- Common challenges include the general pressure / expectations to get quantitative or quality results often faster than the natural rotation is. Also, to get enough exposure and focus in the middle of the funnel is sometimes a struggle (the awareness and conversion objectives are usually planned thoroughly). The Meta platform in general is a huge interface and finding a common way to use it together with the clients and specialists is sometimes a challenge.
- Most common challenge maybe the lack of variation. I think Facebook is a platform where most companies and advertisers tend to play it safe,

which can result the algorithm never going on fully. I think companies should try different kind of content to reach their audiences. Also, most companies don't use conversion tracking, and mostly measure only clicks.

- The most difficult challenges are choosing the right audience and choosing the right message for your ad

How do you make sure that Facebook ad creative and the style of the message align with the overall company's marketing strategy and goals?

- Very little. Since what we do is more tactical marketing (bottom of the funnel), we don't think too much branding in traditional way.
- Our Facebook ads are always a part of a larger communication plan. And this larger plan is based on the company's strategy. A single ad or even an ad campaign cannot work on its own, it is always a part of something bigger.
- It is important for us to have open, honest and transparent communication with the client and make sure that the advertisement implementation is aligned with the company strategy and vision. We do challenge the clients sometimes and they expect us to dare to do that also proactively.
- We use Art directors to design the visual parts of the ad, and copywriters to write the ad texts. They are also participating the meetings with the customer, so they also get a 360 view of the customers brand.
- We get closely acquainted to the customer business to get the whole picture and make sure overall business objectives are met, and the message to customers and ad creative fits the image of the company.

How do you measure success of the Facebook ad campaign?

- ROAS and Total Revenue are most important KPI's for us.
- By reach, by click and if possible, by conversion.
- Is the ad campaign providing the results as expected (OKR / SMART), is the ad campaign giving additional value or insights to further develop towards long term goals, is the ads healthy according to the platform's own analysis, does the performance reflect on analytics point of view and last but not least is the marketing profitable (econometrical measurement) when calculated quarterly / semi-annually (= the big picture).
- We use Facebook's own metrics, clicks, impressions, reach, CTR, custom conversions, but also website metrics, like form fills, purchases, applications.
- Measuring success will depend on the set goals, company's stage of growth or position in the funnel. Usually, we use KPI's integrated in Facebook ad manger.

Is there a basic set of KPI's that can be used for every campaign or do KPIs have to be picked individually for each campaign?

- It depends on the goal. Most of the times our goal is to generate more revenue, so we use ROAS and Total revenue for each campaign.
- Usually KPI's should be picked individually, because every campaign and ad should be planned individually. The segment might be different or the product might be new, all of the context should be taken into account.
- Each ad campaign and client are unique, so there are no general one-size-fits all benchmarks. Also, the KPI's depend on the funnel, strategy, objective and so on.

Certain common performance indicators exist, though. Engagement (engagement rate, unique CTR or such) is one of the rising stars of KPI's in our opinion. The quality of leads and the number of sales / purchases are clear KPI's. If the end results are promising and the engagement is of good level, then the cost effectiveness is a factor that gets to be an important KPI too measured with the unit costs (cpc, cpm, cpv, cpa etc).

- The most important I use are: Custom conversions (may vary depending on customer), clicks, CTR (click trough rate), reach, impressions.
- The basic KPI's that will be informative for most campaigns are cost per click, click through rate, cost per action and return on ad spend. But of course, everything will depend on the objective set for the specific ad.

The interviews provided a better understanding for building the strategic framework for Facebook advertising. Here are the key findings according to interview answers from marketing professionals:

Strategic planning and business analysis. All of the interviewees emphasized the important role of business analyses prior to running Facebook advertising campaigns. The most important point is to connect with the right audience. Some agencies used Facebook's own analytic tools, but also other tools outside, like Meltwater. Companies need to concentrate on segmentation, targeting and positioning, as well as experiment with A/B testing.

SWOT analysis and campaign planning. Opinions on using the SWOT analyses before making a Facebook ad varied. It was pointed out that it is more suitable for long-term strategy. However, some found it beneficial for finding business' strengths and thus differentiating from their competition. Some professionals incorporate discussions related to SWOT into client conversations before preparing the campaign.

SMART goals integration. Not all professionals were acquainted with the term SMART goals, but were still agreed on the importance of setting the right goals and admitted using them in their campaigns. The strategic approach to setting clear goals is very important and greatly contributes to a campaign success.

SMART goals and campaign strategy. SMART goals play a bit role in shaping ad campaigns, because they bring focus to specific and measurable goals. One of the interviewees acknowledged that introducing SMART goals to an ongoing campaign, almost doubled the expected result.

Utilization of STP model. All the agencies said they use STP model either as it is or integrated into their own marketing process strategy. STP was named a fundamental element of ads strategy, that influences campaign planning and execution.

Effective segmentation, targeting and positioning. One of the agencies talked about their success of Muumi Facebook ad campaign, where the right targeting and tailored message played the key role, justifying the effectiveness of STP. Others underlined the importance of using niche segmentation, which can result in cost-effective campaign with increased conversion rate.

Positioning a Product for Facebook ads. The most important factor for effective product positioning was named understanding company's audience. Companies should

pay attention to their brand design elements and a tone of voice of Facebook ad, to reach their customers.

Challenges in Facebook advertising. Among the most common challenges according to interviews are target audience saturation (as it increases advertising costs), constant changes in Facebook, businesses expecting fast and measurable results, lack of variation, ignoring conversion tracking, and al I all choosing the right audience.

Alignment with company's marketing strategy. According to answers, it can be achieved by discussing the strategy in advance with clients. For design part, the art directors are involved in the process, and the same is copywriters for formulating the right message. It is important to make sure that campaign is aligned with company's overall strategy and vision.

Measuring success of Facebook ad campaign. Mostly agencies use various KPI's to assess the effectiveness of the campaign. However, it was also noted as positives if the ad adds value by giving insights for further marketing, the results are as expected and analysis worked right, and if it was profitable in the big picture. Also, measuring will depend on the set objectives.

Selection of the best KPI's for a campaign. It is clear that KPI's should be selected individually for each campaign and depend mostly on the ad objective and the product itself. All in all, the most used indicators are ROAS, total revenue, engagement rate, conversions and click through rate.

The main purpose of the interviews was to see if the real-world experience of marketing professionals is still based on the existing academic knowledge in the field. The interview results have shown that there is a significant alignment between the experience of marketing agencies and academic literature on Facebook advertising strategy. It proves that the existing academic literature is still very much up-to-date and applicable to the modern social media marketing. Even though the comprehensive approach from the existing theories is still in place, interviews showed that the Facebook platform is developing fast, and it requires industry professionals learn constantly and adapt to the dynamic environment of Facebook advertising. Both theoretical knowledge and knowledge of industry professionals mark comprehensive business analysis or SWAT, SMART goals, STP model, and KPI's for measuring success the base of Facebook ads strategy.

5.2   Framework revision

The purpose of this study is to help companies build an effective strategy for the utilization of Facebook Ads. The result of this research is a ready to use framework for advertising on Facebook manager.

The first version of framework was formed by researching existing academic literature on strategic management and marketing. As marketing is constantly changing and evolving a lot of information was also gathered from online resources, like blogs and articles from industry professionals and social media marketing companies. As a last step, Facebook advertising agencies were interviewed to receive more current views and

opinion of formulating the framework. It was quite surprising that interviewees admitted to using all the steps that were included in the first version of plan. Even though the Facebook advertising platform introduces new features and innovation, the core of Advertising framework stayed the same for many years and still is in use. The only addition that was worth including into the framework was analysing insights from the campaign for future use. Although the majority of interviewees said they do not perform internal and external company analyses and start the advertising process from setting the SMART goal, it was still placed in the final version of framework. This research concentrates on building an effective advertising strategy, and SWAT analysis is an integral part of strategic management.

At the base of the framework is the strategic management process, developed by Fred R. David (1989). First Is developing mission and vision for the future of organization. To make the future happen, we need to perform internal and external audit. The best tool for this purpose is SWAT analyses, as it allows to see key opportunities and threats, as well as key strengths and weaknesses of an organization. When we have learned about the internal and external environment, it is time to set objectives. SMART goals method was introduced by George Doran in 1981, and is still used by marketing professionals nowadays. As this research belongs to the field of marketing, we need to introduce a customer driven marketing strategy by Kotler (2017), which includes segmentation, targeting and positioning potential customers. Further, we have to adhere to the steps offered by Facebook advertising platform to finally place and ad. And finally, analyse the results of the ad and use the received insights for further advertising goals.
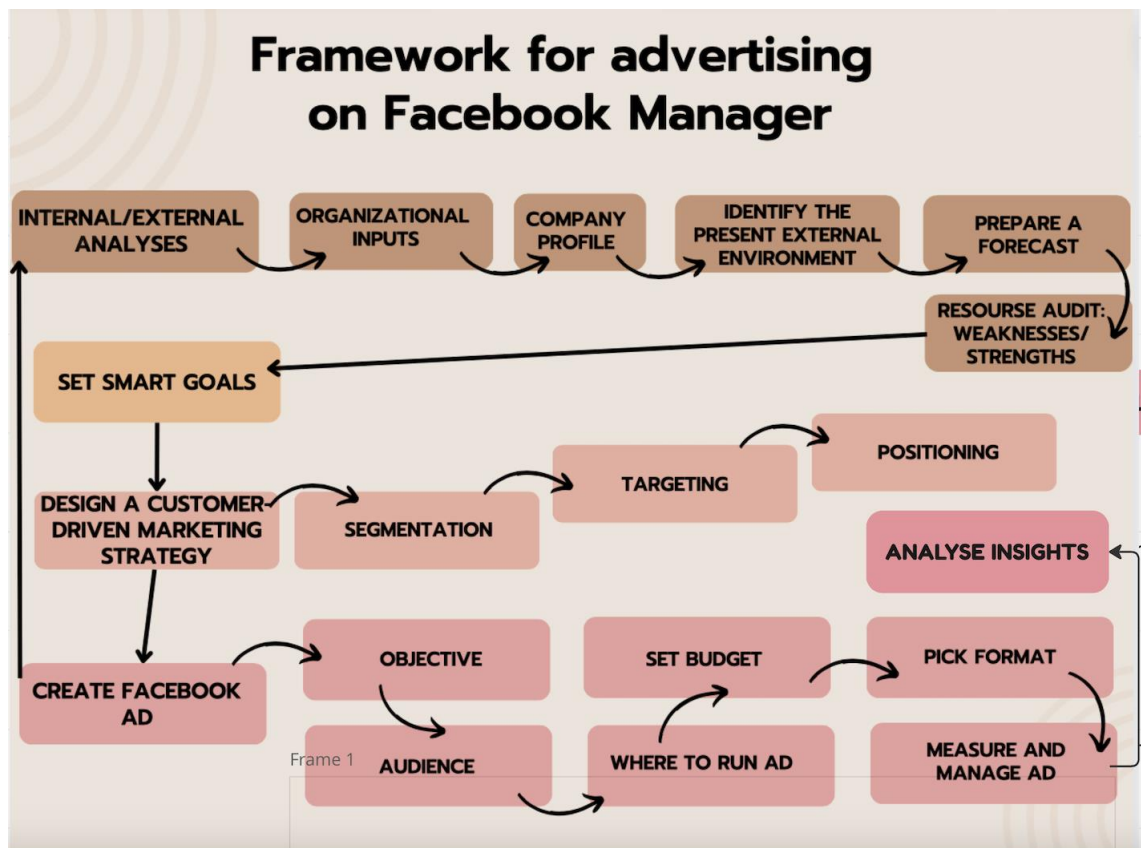

Figure 18 Revised Framework for advertising on Facebook Manager

Design science research comprises of three cycles of activities that are interconnected (Hevner, 2007). The relevance cycle brings us from contextual environment of marketing into research environment field of Facebook advertising. According to the core design cycle, it implies constant building and evaluation of the artifact. In case of Facebook advertising, the core structure for strategic framework consisting of existing marketing theories stays intact, at least for some foreseeable future. The evaluation and rebuilding the artifact mostly relates to the result of ad campaigns and taking the insights received to correct goals and strategy. Also, new branding strategies of restructurisation of an organization can affect the evaluation cycle. The rigor cycle requires continuous research to add new knowledge on the foundation. As Facebook advertising is changing and evolving all the time, advertising professionals have to be able to stay informed about all changes, innovations, and new tools and opportunities in the field.

6   DISCUSSION

This chapter discusses the key findings of the study. The purpose of this research was to develop a strategic framework for advertising on Facebook Manager. This required researching the different pieces from which the framework is built: focusing on strategic management, applying principles of marketing, taking into account social media marketing nuances, and the process of Facebook paid advertising.

The first finding is strategic management relevance to advertising. Fred R. David (2011) has introduced strategic management guidelines in his book "Strategic Management: Concepts and Cases", that bring valuable insights also relevant to the field of advertising. Comprehensive strategic planning should involve organization's internal and external analyses (SWOT), that allows to understand its strengths, weaknesses, opportunities, and threats. In advertising in ensures that businesses stay up to date with market dynamics and their campaign objectives are aligned with the long-term goals and organization's overall strategy. Drawing from the results of SWAT analyses every organization forms its competitive advantage and unique market position. When applied to advertising it means creating campaigns based on the identified strengths thus distinguishing from competitors. Flexibility and adaptability are also distinct characteristics of strategic management. Advertising professionals should be ready to changes in industry trends, consumer behaviour, and appearance of new technology and tools. As organization sets objectives to be met, it should measure and evaluate the performance to see if it worked out as planned. The success of advertising campaigns should be measured by key performance indicators, and the results should be used to form a future strategy.

The next step was to dive deeper in setting effective business objectives. The perfect tool for this was found in SMART objectives by George Doran (1981). SMART stands for specific, measurable, achievable, relevant, and time-bound. Clear and specific goals are important for advertising campaign to further see if the campaign was successful and the goals were met. To assess the progress, we need to come up with specific criteria. This also ensures the objective measurement of success for advertisement, where the most common metrics are conversion rate, click-through rate, return on investment, etc. Achievability of objective in advertising can be bound by available campaign budgets, competition and platform restrictions. Taking into account these constraints prevent unrealistic expectations and ensures effective campaigns. The relevancy criteria point out the importance of taking into account overall business strategy for each advertising goal to contribute to. Further, all the objectives have to be time-bound. It helps to set specific deadlines for ad campaigns, to see if they bring desired results.

Once the objectives are set organizations need to move from the concept of strategic management into the strategic marketing, as it involves interaction with consumers. Philip Kotler has developed the STP (Segmentation, Targeting, Positioning) model that is foundational in the field of marketing. It provides a strategic approach to reaching the right audience and creating superior customer value. As opposed to the mass marketing approach, STP model finds it effective to segment the market into a smaller section, and decide which of these segments have more potential for a specific product or service. When creating an ad campaign, it allows to better identify consumer needs and behaviour of the chosen segment, and thus improve engagement rate. Targeting, or selecting the most relevant and attractive segments also improves the results of ad campaign. Taking into account the target audience demographics and interests drastically improve the ad performance. Kotler emphasizes that companies need to create competitive ad-

vantage by unique positioning in the chosen market segment. It is vital to have a distinct brand image and deliver the right message to the selected ad audience. This makes sure, that the ad content adheres to the interests of target audience and motivates it for action.

For creating the Facebook ad step, the most information was taken from Facebook Business advertising pages and from the online sources discussing the strategies for a successful Facebook ad. The advertising model presented by Facebook platform almost identically follows the guidelines that were found from the academic literature above. Before setting objective, organizations need to analyse their general marketing strategy according to the market situation and internal analysis. Facebook offers the following three types of objectives, depending on what businesses want to achieve with the ad: awareness, consideration, or conversions. Here, the organizations can use the information from applying SMART goals method. For selecting audiences, the data driven from STP marketing model can help to select specific options offered by Facebook: location, demographic, behavioural targeting. In the next step businesses choose where to place ads, depending on the budget and campaign goals. Setting the budget depends on such factors as the campaign objectives, company size and revenue, campaign duration and value of the product or service. Different ad formats are designed for specific ad goals and attract and engage audiences in their own ways. In order to assess the ad performance and improve the future campaign we need to measure and manage Facebook ads. This ensures long-term success and data-driven decisions.

Interviews helped to test if the framework formed mostly on academic literature, online sources and Facebook own guidelines can be used in the real-world of advertising. All the respondents said that they do some sort of business analyses prior to running Facebook ads. Only one respondent out of five said that they would audit and do research based on the client's current analytics and advertising tools and their history data. However, most marketing agencies start working from the STP step of the framework. That means that the business analyses and setting SMART goals should be performed by businesses themselves before seeking assistance from marketing agencies. That is why opinions on using SWAT analyses varied. Some agencies find it suitable only for long-term strategy, which means that they actually don't think that Facebook advertising should meet the long-term company goals. Therefore, companies might not be getting the benefits of strategic advertising if they don't incorporate ad campaigns into their general strategy. The answers about the SMART goals were positive, as all agencies included them into the advertising plan, emphasizing their importance to campaign success. Also, STP marketing model was essential for all in planning and creating advertising campaigns. According to the interviews, the main challenges in Facebook advertising were the dynamic environment of Facebook advertising, need for constant adaptation, and saturated market segments. To make sure that Facebook ad creative and the style of the message align with the overall company's marketing strategy and goals, advertising agencies claim to either look at the business and its competitors from their webpages, or have conversations with clients. And some of them admit, that they don't incorporate this into their advertising plan, thus taking step away from the strategic marketing. Success of the ad campaign should be measured according to set objectives and selected key performance indicators. KPI's should be individually picked for each campaign, although the basic KPIs such as conversions, return on investment, and cost-per-click can be applied to the majority of campaigns. In order so successfully pick KPIs, we need to consider specific goals, targeted segments, and context of the advertisement itself.

7   CONCLUSION

This section summarizes the whole research work by looking at the purpose of research, methodology, and the key findings. Then it outlines research implications and recommendations based on the research outcomes. And finally, study limitations are discussed.

7.1   Research summary

The purpose of this research was to create a framework for Facebook advertising that takes a strategic approach. As media development transitioned from the broadcast age to interactive age, a new kind of media emerged. Rather than being centralized, media became social and required interactive participation (Manning, 2014). Due to its affordability, social media have opened an opportunity to communicate with consumers not only for large corporations, but also for small and medium-sized businesses (Kaplan & Haenlein, 2010). As social media user databases continued to grow, Facebook and other social networks started to create business applications. Facebook continues to grow rapidly and offers extensive advertising options for marketing professionals around the world. As a result, marketing strategy of organizations has become more frequently based on social media activity. There is a variety of studies on social media marketing, Facebook advertisement and strategic management. However, there is no research on how businesses can effectively apply strategic management principles to create a strategic framework for advertising on Facebook. This research attempts to cover this gap by exploring this topic.

The three logical steps in discovering the topic were: learning what could be the basis for strategy development, finding out what processes to include into the plan, and how to combine these processes to form a final framework. Accordingly, the main research questions were set as follows:

1.   How to develop a strategy for Facebook advertising?
2.   What processes are involved in the strategic utilization of Facebook Ads?
3.   How could these processes be combined to establish a conceptual framework?

This study reviewed literature and online sources on such topics as, social media, strategic management and marketing, and Facebook advertising. As advertising framework can be considered an IT artifact, the research was based on design science in information systems research by Hevner, March, Park, and Ram (2004). The main focus of research was applying strategic approach to Facebook advertising to increase its effectiveness, and finding applicable tools and theories to serve as the building blocks for the framework. Following the research objective, all the findings from academic research were structured and evolved into the initial version of framework.

This study adopted the qualitative approach by turning to the marketing managers' experience and thoughts towards Facebook advertising. The date was collected through the interview questionnaire, that was sent to respondents by post. The interview questions were semi-structured allowing interview share their opinions and provide insights

for the research. The communication was held by email, and wherever needed, the follow-up questions were sent. All the respondents were Facebook advertising professionals working in Finnish marketing agencies. The first version of Facebook advertising framework was then evaluated according to the interview results and edited into the final framework version.

The initial framework was built only using literature review and review of online sources specialized on Facebook advertising, which was then reviewed and edited according to the interview results. The only difference was that most advertising agencies exclude SWOT analysis from their advertising plan. However, it was kept as a part of developed framework as it is the core feature of strategic management.

In general, the research demonstrated that the existing academic knowledge may well be applied to building strategic framework to Facebook advertising, which was proved by interview results. The research showed that Facebook advertising doesn't simply start from following Facebook guidelines for setting up and ad. On the contrary, it is a part of much more comprehensive process that starts with organizational analyses and setting up specific and achievable goals that can be further reached with Facebook ads.

7.2   Research implications

Social media marketing has evolved fast during the last decades, and it has become extremely important for companies to utilize this marketing opportunity. Being the most popular social media platform, Facebook offers various advertising possibilities, that attract businesses for its comparatively low cost and easy implementation. Any marketing effort should be preceded by company analyses, according to which becomes clear what resources company has and what it can provide to its customers taking into account external environment with its rules and competition. Th effective use of strategic management allows businesses to achieve greater results in global marketing strategy and Facebook advertising in particular.

For large organizations, who have more resources and their own marketing department including business analyses and strategy into their marketing plan might be easier, as their departments are interconnected and most probably exchange information. However, for small and medium companies who plan to use help of advertising agencies it recommended to perform their own business analyses beforehand. Advertising agencies on the other hand could benefit from introducing additional service of complete business analyses for their clients, as it cat drastically improve the performance of Facebook ads.

It is recommended for businesses to get acquainted with strategic management application to advertising, and perform global company analysis before undertaking any marketing efforts. Even though Facebook offers guidelines that can be followed to place a Facebook ad, the basis is needed in order to be able to take strategic decisions throughout the process of advertising.

7.3 Limitations of the study

This research examines Facebook advertising mostly from the view of companies operating in Finland. Therefore, the results and implications can't be used in the international context. Additionally, the study is centred mainly on building strategic approach to Facebook ads, and is not covering any other advertising methods beyond the scope of this research. It also leaves out the perspectives of customer behaviour, instead focusing on company's point of view. The study takes a strategic advertising approach to the subject matter, and does not provide in-depth technical advice for creating ads.

Furthermore, as the study looks only at online advertising perspective, it doesn't try to measure company's global business performance. Additionally, as the interviews were performed with marketing agencies, the study is not restricted by analysing businesses from a certain industry or operation mode. As interviews reflect only opinions of advertising agencies, the study does not take into account situations of large corporations who have their own marketing departments.

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