Content and Ad Formats in Performance Marketing Campaigns

Brand Usage Analysis of Advertising Options on Facebook

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Abstract: The digital marketing industry is on the rise, with Facebook being one of the main advertising platforms for businesses to reach potential customers and drive results such as purchases, app downloads and registrations. In order to run a successful campaign, the appropriate kind of content is necessary to trigger the customer - still, the question for a suitable mix of content and ad format remains. Although research on online marketing has increased, there is a gap in the research of content use in performance marketing in relation to the business objectives being pursuit. This paper uses an inductive empirical method based on grounded theory with data gathered from 10 of the largest advertisers on Facebook ads in Germany, to analyze and categorize the different content and format strategies used by companies to drive performance objectives. As a result, a framework regarding content and ad format in Facebook ads for practical usage is derived.

Keywords: digital marketing, online marketing, performance marketing, paid social, social media advertising, Facebook ads, content, ad format

1   Introduction

With technological development, online marketing has become a legit way of businesses to leverage the internet in order to reach their audiences and attract potential customers [Am21]. As a consequence, in 2020 the internet was regarded as the most important channel for advertisers, reporting more than half of the total media ad spend, with ad spending on mobile doubling in the United States between 2019 and 2020 [St21] and the digital advertising spending worldwide reaching 378 billion U.S. dollars in 2020. The high spend of companies on digital marketing has been driven by its ability to reach users globally, the lower costs in comparison with traditional marketing communication, and its traceability allowing marketers to have a clear view on the effectiveness of their campaigns. This has also led to a raise in the paid social segment, also known as social media advertising, which

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has grown to represent close to 35% of the value of the entire digital marketing industry [St21, St22b], aiming to achieve performance targets such as user acquisition, by using precise targeting and segmentation [PM16].

Despite the vast amount of ad spend being invested in online advertising, paid social and Facebook ads, research lacks a clear overview over the advertising methods regarding content and format which companies are using across industries. Therefore, to close this apparent research gap, the research question addressed in this paper focuses on analysing the usage of different advertising options on Facebook, and the ways that companies are making use of them, creating a theoretical framework as a result, suggesting a best practice regarding ad content and format in relation to business objectives. To address this matter, the inductive empirical method of grounded theory [GS67] is being used. Data sets from ten different companies, which use Facebook advertising, including Amazon, Spotify and Deutsche Telekom, were collected and analysed to categorize in different strategies of content and ad format usage, sourcing the data from the Facebook Ad Library. After the data was compiled and structured, clusters were created by grouping companies together showing similar characteristics, resulting in a theoretical approach of categorization regarding typical characteristics of ad format strategies using different content structures to reach their audience.

This article commences with theorical research regarding online marketing, performance marketing, paid social, the Facebook ads algorithm and ad formats. Following background theory is an explanation on the research question and methodology used during this research. Finally, the data is presented, together with the results and a conclusion on the topic.

2   Background and Literature Review

2.1   Online Marketing

The American Marketing Association defines marketing as "the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large" [Am17]. On the other side, Chaffey, Ellis-Chadwick, Mayer and Johnson [Ch06] present online marketing as "achieving marketing objectives through applying digital technologies". As explained by Piñeiro-Otero and Martínez-Rolán [PM16], digital marketing has become its own phenomenon, bringing together customization and mass distribution, developing new channels, formats and strategies, and primarily being user-centred, more measurable and interactive. Kotler, Kartajaya and Setiawan [KKS17] describe how traditional marketing plays a major role in building awareness, but as the customers demand a closer relationship with companies, digital marketing becomes more important than ever, managing not only to reach customers, but also to drive results while developing advocacy.

As online marketing becomes more relevant for companies, the investment going into this form of marketing has also significantly increased year over year. "It was calculated that the digital advertising spending worldwide amounted to 378 billion U.S. dollars in 2020, increasing and not contracting versus the 2019 figure in spite of the economic impact of the Covid-19 pandemic" [St21]. The Covid-19 pandemic also led people to stay at home, causing a significant increase in online traffic, giving the opportunity for companies to target their audience through digital marketing initiatives and shifting traditional market- ing budgets towards digital marketing [Gl21a]. It is expected that online marketing will continue to grow at an estimate COGR of 15% in the years to come, reaching 455 billion U.S dollars in 2022 and 645 billion U.S dollars in 2024. The online marketing sector has become so relevant that in 2020, "the internet was considered the most important medium for advertisers, accounting for 51 percent of total media ad spend", with mobile ad spend- ing doubling in the United States between 2019 and 2020 [St21].

2.2   Performance Marketing

Performance marketing represents an approach in the sphere of digital marketing where businesses pay when a specific result has been reached, such as a new lead or sale [Be21]. Berry explains how "the main thing that separates performance marketing from other types of marketing is the way businesses pay for their campaigns. Rather than paying up front or by month, advertisers pay when a specific action takes place". Performance marketing therefore focuses on maximizing outcomes, mainly lead generation, purchases, or appli- cation downloads. In this light it is possible to also understand that "performance mar- keting campaign goals are typically shorter-term and focus on easy-to-measure metrics like leads generated rather than goals such as increased brand awareness" [Be21]. This measurability and ability to drive specific results are very appreciated by managers and advertisers, which is why 90% of all media spend in digital marketing is currently directed to this type of campaigns [Ed10]. Performance marketing focuses on quantifiability and a performance-oriented approach, "measuring the impact of online advertising, adapting it as needed, and making it more effective", being ideal for user acquisition and retention [IO19]. The measurability of performance marketing can be tracked through the entire on- line user journey, from the moment someone watches an advertisement, clicks on a banner or purchases a product.

2.3   Paid Social

Paid social, also known as Social Media Advertising, refers to paid communication on social media platforms, such as Facebook or Twitter, using detailed targeting and segmen- tation, and optimizing towards goals such as website traffic, app downloads or purchases [PM16]. Paid social uses mainly videos and images that link to a website or app to transmit their messages and trigger specific results. On the other side, social media marketing (not

advertising) refers to organic (unpaid) content from companies such as pages, posts and comments, with the aim of engaging with users, helping to create brand awareness, and sharing content that could be interesting to users. Social media advertising (paid social), uses the platform to target specific user audiences, makes use of content that appears to be part of the platform, and drives particular performance goals such as lead generation, purchases or app downloads [Ma19]. According to Durante [Du21] this type of advertising has three big benefits, hyper-targeting customers, being able to build audiences and tracking ROI (return on investment). Hyper-targeting refers to the data availability on social media platforms, where marketers can target users based on age, gender, location, interests, behaviours, website visitors, email lists and more. This allows advertisers to create highly effective marketing campaigns, reaching the best fitting audiences. "Showing ads to the right individuals is a critical part of the marketing process and must be taken seriously to avoid wasted ad spend" [Du21]. On top of being able to target specific audiences, through paid social advertisers can save and mix audiences, creating new audience groups, but also being able to retarget them in the future automatically. Finally, one of the main tools available through social media advertising is the highly powerful reporting, being capable to track "budget's performance and analyse return on ad spend (ROAS), cost per website purchase, cost per lead and much more at a quick glance" [Du21].

Facebook has been a pioneer in the paid social industry, being one of the first ones to develop high level targeting and segmentation options, together with introducing a new targeting approach called lookalike matching, consisting on using deep third party data to algorithmically identify behaviours and find potential customers that exhibit the same "desirable" behaviours [SLR21]. On the social network, advertisers can also choose the objective of their campaign, choosing among eleven targets in the high, mid and low funnel, helping Facebook know which kind of people should be targeted, and supporting companies on getting the best results. With Facebook Ads companies can also use very granular segmentation, choosing their location, gender and other demographics, but also interests, connections to other users or past behaviours [Fa22a]. Finally, advertisers can choose a variety of formats to run, including links, images, videos, and dynamic advertisements, with which users can directly interact with a company's inventory without even the displayed ad post. All of these types of ads can be delivered not only on the Facebook app, but also on Instagram and the Network Audience, which are apps and sites that have advertising connections with Facebook [Fa22a].

2.4 Advertising Content

No advertising campaign can be launched without content. "Content can play a vital role in driving awareness, traffic, sales, and reputation throughout the customer journey to create a comprehensive experience" [Ca17]. Images and videos are the main kinds of content utilized in commercials and online advertising. They both aim to share a message, connecting and engaging with an audience. "Images communicate thought and emotion whilst communicating a narrative in a way which words on their own can sometimes lack" [Sm20].

There are several benefits of using images in online advertising. In the first place, images can be eye catching, grabbing people's attention when using social media or the internet [Gl21b]. Images can also help to transmit a message almost immediately, without the need of lengthy explanations. Finally, images are easier, faster and cheaper to produce, allowing designers and creatives to generate the content without too much time, shooting or editing [Gl21b]. Images have also been seen by Facebook as the best content type if companies want to drive traffic to their website [Fa14]. Videos on the other hand can transmit more information than an image can, being able to explain a functionality or how to acquire a product. Videos can also be more engaging than images, keeping people's attention and getting more clicks. On the downside, videos need significantly more resources both in terms of time and money, which can be a limitation for small businesses [Gl21b]. It is important to note that in online advertising there is no need to choose one over the other, as Facebook research shows the benefits of combining content, as when an audience first sees an image, followed by a video, online conversions can increase around 30% [Fa14].

There are several formats that advertisers can use on Facebook in order to reach their target audience, having four big categories, images, videos, carousels and collections. The last two include images or videos, together with other ad components that can support companies meet their business goals [Fa22b]. On the first hand there are image ads, which are best used to "drive people to destination websites or apps through high-quality and engaging visuals" [Fa22b]. Businesses can use images to show their products or share their brand personality. Video ads are one of the preferred formats, as they allow marketers to show product features and display the brand closer. By using videos, advertisers can include sound and movement to catch people's attention, show the product's characteristics or tell their brand story. Carousels are an interactive format that can showcase up to ten videos or images in a single ad. Marketers can use this to share multiple features of a product, or even to show multiple products and link to each of them individually, within the same ad. The images or videos in the carousel can also come from the company's data base. Thanks to an integration of Facebook with companies' data bases, which allows them to connect to the product feed, showing specific products available on stock, this is known as a dynamic ad [Fa22b]. Finally, there are collection ads, which are one of the newest ad formats in the Facebook repertoire. Collection ads can include a video or image as the main component, and when the user taps on it, they can discover an immersive experience by scrolling through multiple products as if they were in the online shop, thanks to the dynamic ads benefits. These different formats are available in a similar way on the whole Meta family of platforms, including Instagram, Messenger and WhatsApp, together with partner apps and websites of the Audience Network [Fa22b].

3   Research Method

This paper aims to understand and research a best practice how companies are using content and ad format in paid social and Facebook ads in order to achieve their performance goals. As this perspective is a new and innovative approach, a method which examines phenomena and tries to extrapolate them to a bigger scope, is needed. This research uses the inductive empirical method of grounded theory [GS67] to empirically uncover the strategies used by the selected companies at the moment of running digital advertisements, under the assumption that these companies are acting logically, are optimizing their approaches and are trying to be as efficient as possible.

The present paper uses a qualitative research method, aiming to create a categorization of the strategies used by the chosen businesses regarding ad content. In the first step, an intentional selection of ten companies that use Facebook ads as a channel for their advertising efforts is done. The selection of brands to take part on the study was based on a research conducted on top Facebook advertisers in Germany based on their level of investment, with the highest investors being included in this paper [We21]. Not all the organizations mentioned in the study could take part in this research as they were no longer running advertisements on Facebook at the time of this research, wherefore two additional businesses were selected on convenience sampling basis (shown here with an asterisk). The focus on larger companies for this research is intentional, as the higher budgets can derive on faster learnings, more resources for analysis and sophisticated structured campaigns and use of best practices, which could be of use also for smaller organizations in terms of content.

#	Name	#	Name
1	Wix	6	Sky
2	Penny	7	Vodafone
3	Amazon	8	Deutsche Telekom
4	Spotify	9	Lidl*
5	Aldi	10	Zalando*

Tab. 1: Companies selected for the research [Source: Own creation]

After the organizations have been selected, the data is collected via online research with the use of the Facebook Ad Library, in order to record the ads that are currently published. The Facebook Ad Library is an open to the public-tool created by Facebook in their attempt to make their platform and the advertisements published on it more transparent [Fa22c]. According to Leerssen et al. [LDHV21], the Facebook Ad library documents a selection of ads that appear on Facebook, and although it has been criticized for data not being granular

enough, it does constitute a step towards advertising transparency. For this paper, a total of one hundred ads - ten ads per every of the ten companies - were collected using the Facebook Ads library for the month of February 2022 in Germany, creating a selection of companies that were running several advertisements. With the content of each company recorded, a description of them is then noted down with keywords and qualities that are later compared and consolidated into a table. Additionally, there will be a description of the overall content published by every company and linked to the different Facebook ad objectives and advertising products aiming at providing readers a better understanding of the advertisements being published by each company. At the end, the categorization supports the interpretation of the strategy for which the content has been used.

Thanks to the content classification this study is able to analyse the formats being used by companies. Using inductive analysis to build conclusions regarding the objectives towards which businesses are using paid social advertising in Facebook, together with identifying the best kind of content for the goals being pursuit, managerial implications can be derived. This qualitative study aims to reveal the media status quo for Facebook ads, to systematically understand different paid social strategies, and provide a basis for further performance marketing research.

It is important to note that for this study purposive sampling has been used, and although this is in line with the system of the inductive empirical method of grounded theory, consequences could include that the selected companies to be studied might not be the best to answer the research question, be biased, or be not diverse enough to allow for general conclusions to be drawn. The method of grounded theory has received criticism in the past by some academics, based on being too empirical, allowing a high level of freedom to researchers, or claiming that it draws over-generalized conclusions. Nevertheless, in this paper the method is considered to be appropriate for qualitative research, providing ecological validity and being a standard in social studies.

This paper uses a purposive selection of ten companies in Germany for the period of February 2022, which is not statistically significant, and although it is not a prerequisite for grounded theory, it calls for readers' and researchers' discretion regarding the conclusions drawn, as they might not apply for other companies, industries, countries, or timeframes. It is also relevant to consider that for the companies running several advertisements, a selection of ten was made for the purpose of this paper.

4   Data

In order to understand the content and format used by companies in performance marketing regarding Facebook Ads, the following companies have been observed using the Facebook Ads Library tool. Ten of their ads which had been published by February 2022 were recorded, and the creatives were organized in a table, together with keywords regarding the content type and format being used. A summary of this can be found in Table 2, which includes not only the name of the studied company, but also the industry to which it belongs, the number of ads running at the moment, and keywords regarding format and objective.

#	Name	Industry	# Ads running	Content+Format	Objective
1	Wix	Technology	23	Images Links and Story	Sign Ups
2	Penny	Supermarket	380	Images and Videos Links, story, carousel and collection	App Downloads Branding Recruiting Store Visits
3	Amazon	Retail	1700	Images Links, carousel and collection	Online Purchases
4	Spotify	Entertainment	95	images and videos Links and Story	Download Sign Up
5	Aldi	Supermarket	980	Images and Videos Links, story, carousel and collection	Online Purchases Recruiting Store Visits
6	Sky	Entertainment	160	Images and Videos Links and Story	Sign Ups Content Views
7	Vodafone	Communication	270	images and videos Links and Story	Download Sign Up
8	Deutsche Telekom	Communication	1500	images and videos Links and Story	Sign Up Recruiting
9	Lidl	Supermarket	1100	Images and Videos Links, story, carousel and collection	App Downloads Branding Recruiting Store Visits
10	Zalando	Fashion Retail	480	Images and Videos Links, story, carousel and collection	Online Purchases App Downloads Recruiting

Tab. 2: Overview of Ad Research *[Source: Own creation]*

5   Results and Analysis

After the advertisements were recorded, they were organized in a table including ten of the advertisements that the studied companies were running in Germany at the time of February 2022. With the aggregated information, a table sorts the types of content, format and objective being used by each of the studied companies by percentage of how much each of the factors have been utilized.

Regarding content type, the most common were images with 56%, followed by videos with 29% and finally dynamic content with 16%. Wix, Vodafone and Deutsche Telekom were the companies using the highest ratio of images with 100%, 90% and 80% respectively. For video, the businesses in which advertising context it was seen more broadly were Spotify and Sky with 60% each, and Penny and Lidl with 40%. Finally, dynamic content was the least used content type with only 16% of the 100 recorded ads using it. Amazon was the company relying mostly on dynamic ads with 90% of their ads leveraging their data base to show the products available to customers and segmenting them in categories such as technology or clothes. Other businesses taking advantage of this technology are Aldi and Zalando. 30 percent of their ads comprise dynamic content.

With this information it is possible to interrelate certain types of content use and the industries to which the companies using them belong. The use of images is mainly seen in technology and communication organizations, as they can explain a concept in a single snapshot. Videos were often observed in entertainment businesses such as Spotify and Sky, as they are able to share a preview of the content they are trying to advertise. Finally, dynamic content is leveraged mostly by e-commerce companies such as Amazon and Zalando, as they are the businesses having most complete and comprehensive catalogues of products from which customers can directly purchase. Supermarkets form the industry which makes a balanced use of all the different content types, with both Aldi and Lidl having a very balanced portfolio of 40% images, 30% videos and 30% dynamic content.

   When revising format, the most used type is links with 40% of the recorded ads using an image or video that links to an external site or app store and being placed on the feed of Facebook and Instagram. Deutsche Telekom, Wix, Lidl, Vodafone and Spotify are the companies using link ads the most, linking both to their website and to an app store in the case of promoting an app. The second most common format are stories with 23% of the measured ads, which are vertical images and videos placed mainly on Instagram stories. These are popular amongst young people and mostly link to a website or app store. Stories were mainly used by Sky with 50% of the recorded ads having vertical format, followed by Spotify and Vodafone with 40% each. Carousels and collections share a third place with 16% and 14% respectively. This kind of placements allows advertisers to have an interactive ad in which users can scroll back and forth to choose interesting content using both images and videos. Carousels and collections are also very useful linking to specific products and they can even use dynamic content by being connected to a business' catalogue. Carousels were mainly used by Amazon with 50% of their ads being carousels, followed by Zalando and Aldi with 30% each. Collection ads can only be placed using dynamic content

with an image or video at the top. These were highly implemented by Amazon with 50% of the recorded ads being collections, together with Zalando and Aldi with 35% and 30% respectively. The least used type of format were images and videos that don't link to any external site, as it doesn't allow users to take any particular action. Finally, Sky and Penny were the only companies using an image or video without linking to anywhere else.

Relating this information to other aspects, it is possible to find that link ads, which are the most broadly used can be employed by companies in any industry, linking both to websites and app stores and leveraging mostly images. Story ads are being mainly used by companies in the communications and entertainment industry and use mostly videos as they are more immersive and make the ad feel more native. Carousel and collection ads are common with e-commerce and supermarket companies such as Amazon, Zalando and Aldi, as it allows them to show variety and link to specific products as well as leveraging dynamic content. Finally, there is a small minority of ads not using any kind of links and being used mostly for non-performance campaigns that search to raise awareness and don't require an immediate reaction of users, such as Sky sharing that there is a new series or Penny encouraging people to get the Covid-19 vaccine.

Finally, the third category was ad objective, for which most of the companies were using sign ups to different (mostly paid) services as the main goal of their Facebook campaigns in 35% of the recorded cases. For Wix this was the only objective used, followed by Vodafone and Deutsche Telekom with 80% and Sky with 70% of the cases. Online purchases were the second most popular objective with 27% of the businesses looking to sell something from their online shop with Amazon having this as its sole objective, followed closely by Zalando with 80% together with Lidl and Aldi with 40% each. App download was the third most used objective being highly leveraged by Spotify with 90% of its ads being redirecting people to an app store to download the Spotify app, followed by Penny with 40% and Vodafone with 20%. Store visits represented 9% of the ads in the research being used by Aldi, Penny and Lidl. Finally, other objectives used in rare cases were recruiting, branding and content view, with less than 6% each, which in this case are considered non-performance objectives being in line with the performance definition of Thomas [Th00]

Most of the companies using sign up ads were in the technology and communication industries, as they have services where customers must register to use them. Most of the sign-up ads use image link ads that explain the service offered and link to a site with more information and where people can enrol.

Online-purchase ads were popular for e-commerce businesses such as Amazon and Zalando, leveraging carousel and collection ads, in which they use a high amount of dynamic content with the products that they are promoting.

App-download ads were mainly used by technology-related companies where the app is the main product. Other businesses using app-download ads are supermarkets and communication companies, which are diversifying offering apps as a way to connect with their customers and generate new revenue streams. For this type of ads, both images and videos

are highly used, mainly in link and story ads, linking to the app store. Store visits are a popular objective for supermarkets which not only persuade people to purchase online but to visit their physical stores. For these ads, images and videos are widely used with or without a link, or even in story format.

Content view and branding are other objectives that don't seem to require to redirect users to a new site, while recruiting ads link users to the corporate page of the company.

With this information and following the path of inductive empirical method of grounded theory, a second round of analysis of the sets of concepts, codes and keywords gathered is possible, allowing to develop a theory that helps answer the research question. The previous categorization of the recorded ads and organization with the use of keywords supports the understanding of how brands are using different types of content and ad formats in performance marketing, particularly on Facebook. This enables now the creation of a theory table that suggests the best practices regarding content and format in relation to an objective that a company might pursue with the use of Facebook ads. These findings can be found in Table 3, and represent the ultimate theoretical framework derived from this research. As stated, this is based on the assumption that due to the high budgets of these companies and the optimization capabilities of Facebook Ads, the ads being run by these companies are the best performing ones.

Objective	Format	Content
Sign Ups	Link Story	Images
Online Purchases	Carousel Collection	Dynamic
App Download	Link Story	Images Video
Store Visits	Link Image/Video Story	Images Videos
Non-Performance	Image/Video Link	Image Videos

Tab. 3: Findings Best Practices Facebook Ads [Source: Own creation]

This theoretical framework which can be derived out of the research reveals that the kind of objective that a company tries to reach with the use of ads highly impacts the type of format and content it uses. The reasoning could be linked to the kind and amount of information that needs to be shared with one ad, and where this ad should take the user.

In this sense, sign-up ads benefit from using link or story ads with an image where they can place only the most relevant information and allow them to redirect users to their website where they would find more information about the service they can register to.

Online-purchase ads focus on the product that is being sold. Connecting the business' webshop or even data warehouse to Facebook is possibly the best way of advertising only

those items which are available leveraging the latest ad technology with dynamic content. Showing these products in a carousel or collection format also supports the idea of variety and allows customers to find their item of choice.

App-download ads need to link to an app store for which they require link or story ads. Diversifying the type of content with images and videos helps to show different aspects of the app. Store visits can use different kinds of content and format depending on what companies are using to attract customers to the store, such as certain products, a promotion or their unique selling proposition, allowing them to have more flexibility at the time of ad design.

Finally, non-performance based ads also enjoy more options regarding format and content, probably due to having more focus on the message being shared on the ad than what happens after, not having to redirect users to a website or an app store.

This framework suggests that using certain types of content and format can be beneficial to reach specific performance objectives. The use of the formats and content types recommended by this framework show in the next step a reduction of time, effort and investment into the design of creatives, allowing companies to focus only on the best performing for the objective at hand. Therefore, the whole process is made more efficient. This approach, moreover, would improve the performance of campaigns by allowing the algorithm to already start distributing the best creatives, instead of running images or videos that are not optimized for the objective, delivering the message more efficiently, decreasing campaign learning times and most importantly, reducing transaction costs.

6   Discussion and Conclusion

In this paper, the relation between ad content, format and objective in paid social marketing has been discussed, winding up in a theoretical framework of best practices on content and format types in the context of business objectives, based on the current actions of the biggest advertisers on Facebook ads in Germany. The research uncovers key concepts on performance marketing, social media advertising and - more specifically - Facebook advertising. The value of this research becomes more relevant as the overall investment in online marketing and Facebook ads continues to grow [St21]. As ad spend grows, so does the importance to understand the best way to utilize the channel in order to reach potential users, create a relationship with them and drive results [PM16].

This study does a thorough revision and explanation of online marketing [Bo14], performance marketing [TWC10, CA01] and paid social [DL15, SLR21] topics in order to clarify concepts and understand differences and strategies within the sector, together with industry size research [St21, St22b] to bring awareness to the magnitude and relevance of the sector in today's economy. This research also analyses advertising platforms [Fa22d, Ti22, Tw22] to understand the scope and advertising capabilities of each of these deeper,

compiled with industry information from marketing organizations within the sector [IO19, PY22]. The topic of content is also discussed, taking the use of images and videos in digital advertising into consideration [Ca17, Sm20, Gl21a] by going over the Facebook ads content and format possibilities within the platform [Fa22b].

This research studies the advertisements launched by ten of the largest advertisers in Facebook in Germany during February 2022, in the aim of understanding their approach and using inductive analysis to develop a theoretical framework of the best practices regarding ad content and format respective to business objectives in Facebook ads. In order to reach this purpose, the study follows an analysis approach in line with the grounded theory method, starting with purposed sampling based on the largest advertisers in Facebook ads in 2020 in Germany [We21], followed by a collection and organization of the data, in this case the ten ads for each of the ten selected companies. With the collected data there is a round of coding with keywords based on defined characteristics: content, format and objective, aimed at providing a full picture. This broad perspective allows for a second analysis in which correlations and patterns are identified, with which a theoretical framework can be inducted based on the observed data and answering the research question, in this case the best practice framework of content and format in Facebook ads.

The findings of this research give orientation to marketing managers regarding the best type of ad content and format for their campaigns depending on their business goal, decreasing uncertainty and the misuse of resources in time and investment on the design and creation of said content, which is an important limitation that advertisers in the performance marketing industry face [Sm20, Gl21a].

The research presented in the thesis is limited to the highest spending companies in Germany for February 2022, which means that smaller companies, different industries, countries, and timeframes could reveal other outcomes. Future research could evaluate more companies from different industries and also discuss if the proposed framework is valid for different contexts, as well as deepening on the reasons for why said best practices have the influence they seem to have.

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