

IS FACEBOOKS' ADS MANAGER A DSP?

AND HOW DOES IT'S AMOUNT OF INVENTORY STACK UP TO OTHER PUBLISHERS?



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This is a question we often get at Targetoo. The short answer? Yes - Facebooks' Ads Manager can be described as a Demand Side Platform. In this article we explain why display advertising on social inventory – in most cases Facebooks' inventory – can be done through what we call, 'The Facebook DSP'. Furthermore we try to explain how its inventory and reach stack-up to the rest of the world's publishers – which can be accessed using a good DSP.

WHAT IS A DSP?

To start off with, a Demand Side Platform (DSP) can programmatically buy inventory on thousands of publishers including apps and websites. A good DSP is quantified by its ability to provide access to advertising opportunities on hundreds of thousands apps and websites.

However, these apps and websites do NOT include Facebook inventory. Why? Because Mark, decided to build his own buying platform and cut out a technical middle man by doing so - which, let's be honest, is a smart thing to do.

ADS MANAGER BY FACEBOOK

Facebook's Ad Manager is, in fact, a DSP that solely and programmatically sells it's own inventory – Facebook inventory (with the exception of Instagram inventory – which also can be accessed). It has similar options and targeting settings that a regular (mobile) DSP has. Again, the biggest difference here is that it only sells Facebook inventory – based on advertising formats that only apply on Facebook.

DISPLAY ADVERTISING ON FACEBOOK, A POSITIVE ROI ACHIEVABLE?

Advertising on Facebook can be profitable. The right ad, served to the right audience can bring a positive ROI in the blink of an eye. This is largely due to fact that Facebooks' Ads Manager is able to target (extremely) specific audiences. Facebook's main purpose is being a social networking website. Because of this, it naturally collects an incredible wealth of information from its users. This includes everything from their location, their interests, their friends, their family – you name it, it's there. Just think how much information you have put into your own profile.

This allows Facebook to be able to provide tens of thousands of different targeting variables that really make it a class of it's own, when it comes to its DSP capabilities (compared to interest targeting options a



'normal' DSP offers).

SIMPLE ADS – NATIVE APPEARANCE

The different Facebook Ad format options are rather simple. You are either able to serve ads in the newsfeed of your targeted audience, in the sidebar or both.

Facebook Advertising is a form of Programmatic (Mobile) Advertising[LINK <https://www.targetoo.com/whitepaper-programmatic-eng>]. Furthermore, it's interesting to mention that ads in Facebook, especially those in the newsfeed are great examples of native advertising. Simply because these adverts will appear alongside the organic posts, shares and likes from your friends, family and colleagues – their 'in-content' or native characteristics are spot-on.

As well as this. It is in Facebook's best interests to create the most effective mobile advertising possible. With its primary function as a social network, there is the necessity to ensure advertising shown on the platform that is both non-intrusive while also able to create the results it's advertisers require.

AVERAGE TIME SPENT ONLINE – FACEBOOK VS 'ALL OTHER INVENTORY'

Pretty much every marketer has Googled these terms.

Although results of research differ, it's fair to state that, globally, on average, a person spends 22 minutes on Facebook. As well as this, other research shows on average a person spends 118 minutes a day online. Furthermore, 81% of this time is spent on a mobile device and only 19% on a desktop or laptop.

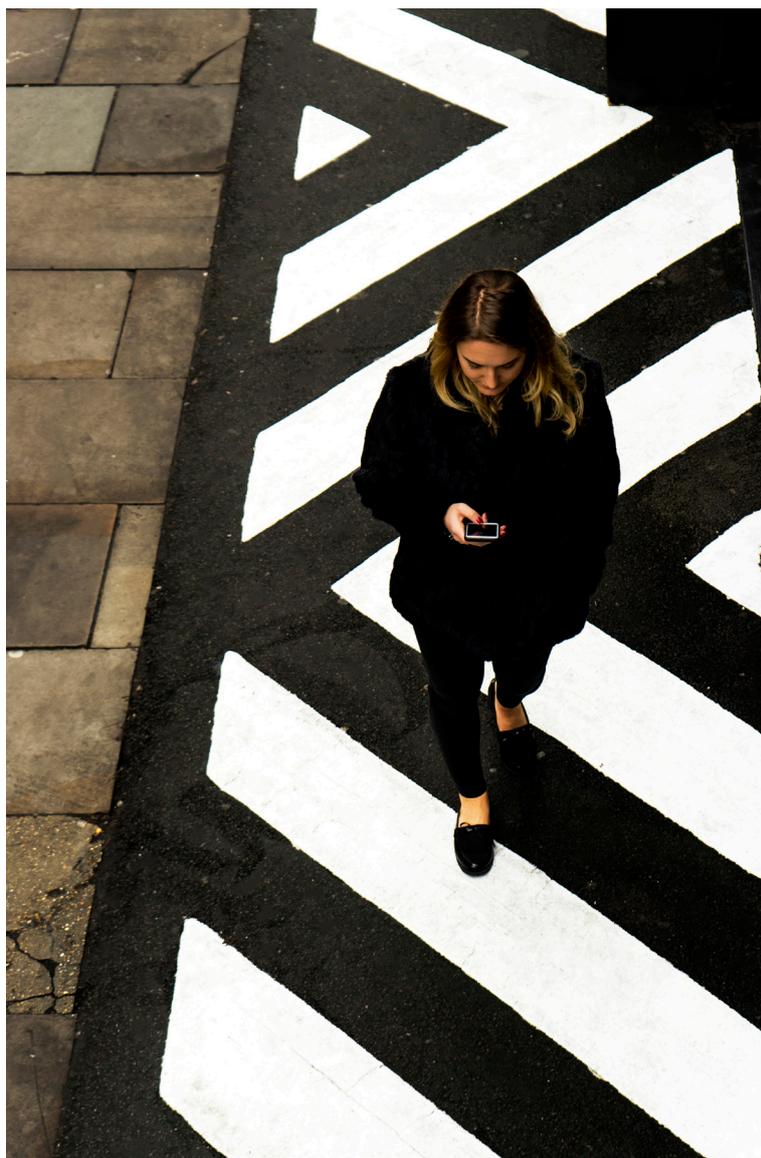
This means that, although time spent on Facebook is far bigger than any other publisher (Youtube comes second), it's still not even near the time spent on all other publishers. And here's the thing, more people access the

'general' internet (and it's publishers) than they do Facebook.

The point being that, although Facebook is immensely important in day-to-day online marketing, the reach a high-quality DSP can offer is still much larger and more diverse. Secondary it's worth mentioning that average CPM's are much higher for Facebook inventory. Because of this, we can conclude that, while display advertising on Facebook shouldn't be treated as the only option to reach your audience, it's incredible quantity of reach and inventory make it be an essential online marketing tool to have in your programmatic display arsenal.

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