

EPISODE 24: TIPS FOR A SUCCESSFUL SOCIAL MEDIA CAMPAIGN – WITH DEEPESH MANDALIA

James: Hello, and welcome to episode number 24 from the self-publishing formula.

Automated: Two writers, one just starting out, the other a best-seller. Join James Blatch and Mark Dawson and their amazing guests as they discuss how you can make a living telling stories. There's never been a better time to be a writer.

James: Hello, and welcome to an episode that's going to focus on social media ads, including, especially, I should say, Facebook advertising.

Mark, you are known as a bit of a guru on Facebook ads within the self-publishing world. Where are you with them at the moment? We talked about this a couple of weeks ago, didn't we, still being sort of the prime area for you, but this guy, Depesh, he's somebody you noticed quite early on as making waves in this area.

Automated: I did, yes. I can't remember exactly how I was hooked up with him. It may have been the guys at Readz who I was talking to.

Depesh is behind, or was working for a company that produced a very well-received children's book called "Lost My Name." They built that business off the back of a lot of Facebook advertising. I saw those ads quite frequently because I've got two small kids, so they were targeting effectively enough to catch me, so I was in their target market. We did actually buy a couple of those for Fred and Samuel.

I thought it would be interesting to talk to him just to see what he's been doing, slightly outside of our usual space, to see if we can get any

interesting information from him as to how to optimize Facebook ad campaigns.

Also, **we get lots of questions from writers who are writing books for children and for slightly older children**, and obviously these books are aimed at young children, so you're not aiming at the audience that are going to be either reading them or being read to; you're aiming to the people who are going to be buying those books for them.

These are a little bit more tricky to target those kinds of audiences, but it can be done. "Lost My Name" is a really good example of when it's done right, just how effective it can be.

James: The important breakthrough that Depesh talks about in the interview in more detail is understanding that people were buying the book to gift, so it was really targeting up aunts, uncles, godparents, and grandparents was their big breakthrough.

This is the guy who's brought into start-ups. His focusing, his targeting, is superb, to the point where I work from home. You do as well, Mark, and I think for both of us, coffee is quite important. I ended up subscribing to this service called Pact Coffee in the UK, a slightly new way of doing it where their thing is that they really cut down on the time between the coffee bean being picked and produced and being packaged and sent to you. It's as fresh as you could possibly get it, and it comes from very small sourced farmers.

Guess who was running their Facebook ads campaign as it turns out? Depesh. So it dropped into my timeline, and he somehow worked out through his algorithms that those who are self-employed are big target markets that. Yeah, he's good, and it was a really, really good interview. We had a little blip in the middle due to broadband failures, but we got the bulk of this out, and very well worth listening to. Definitely as I said at the end of the interview to Depesh, this is somebody we will be talking to

annually I think because he is somebody who understands the market and how it's moving and which direction it's going. Very useful stuff. Without further ado, here is Depesh Mandalia.

James: Mark is well-known for his expertise is Facebook advertising, but guess what? He's not the only one around.

Depesh Mandalia has some major success stories with the ads platform behind him. Most intriguingly for us is his success with a children's book series, "Lost My Name." Depths now works specifically with start-ups. I'm delighted to say he joins us now. Hello. Good morning.

Depesh: Good morning. How are you doing?

James: Yeah, this is pretty early for a podcast interview, so when you work in books and media, they start later quite often, but let's try and find the energy. Depesh, let's start with your approach.

You've discovered Facebook ads as almost certainly, is it not your single tool you use for advertising, but it's a major one for you?

Depesh: Yeah, absolutely. **I first started working with Facebook ads in 2013 when the platform was in its infancy.** It was quite far behind Google AdWords, and predominantly, I had worked through Google AdWords over the previous period. It wasn't an instant hit. It took a while to figure out how to get Facebook working for a previous business prior to joining Lost My Name, and even at Lost My Name **it took a good 6-8 weeks of hacking and testing to actually find traction.** Actually, after we found traction, we just put the foot on the accelerator, and it really took off.

James: Let's talk about Lost My Name.

Can you describe the project for us? It was quite a unique children's book, isn't it?

Depesh: Absolutely. **The founders, one of the founders actually received a personalized book for his daughter.** As he read through it, he just didn't feel wowed by it. It just felt so bland.

It was a typical story of a child's name being inserted as different kind of parts of the book in the placeholders. He got together with a few friends and said, "Look, we should be able to do something better than this." Actually, the core of the book that they developed as an idea was to take each letter of a child's name and create mini stories for each letter, so rather than putting "David" in different parts of the book, the book became completely about David.

If the story was David would wake up, he's forgotten his name, and he'd go on an adventure. Each character he meets along the way would give David part of the letter of his name. He might meet a dragon, an angel, a viking, etc., etc., and at the end of it, he's got all the letters for his name. It was quite a unique way of personalizing books, which had never been done before.

James: Right. It's a way that fits right into you know what's going to get a child excited, is going around discovering their name. Brilliant, brilliant idea. **As we all know, having a good idea is only the start of it.**

You came in and with no real confidence behind you about Facebook ads, you pressed ahead, and as you said, went through several weeks of perhaps not getting the results you wanted.

Why did you think it was going to work for you in the end?

Depesh: I think one of the key things, and one of the aspects that's often missed around developing a new product, is this **whole theory of product-market fit. It's having a product that is viable to a consumer segment.**

What Lost My Name had done previously, they'd launched a book in 2012. It was shoddy. It was hacked together. Over the next 12-18 months, they developed it with feedback from friends and family, predominantly.

Actually, the end of 2013, they started selling through not on the high street as a reseller, and that was their first marketing traction point. At that point, the founders actually packed up their day jobs because this was a side project and went full-time into Lost My Name in 2014.

I joined in March to support with just trying to find growth. You know, there was no where to go for a specific channel. At that time, you know, my view was they'd obviously seen traction on not the high street, so there is a demand for it. The book had really positive feedback, so if we could just find the right consumer, we should be able to shift a few more books. At that stage, we were spinning multiple blades, so we tried paid search, display ads, Facebook, and a few others. It's really a case of pushing all of them and seeing which ones would stick.

Ultimately, they all fell away except Facebook. To give you an example, Lost My Name actually started with Facebook advertising in October 2013, so it was a good 6 months prior to me joining that they'd already been running Facebook ads unsuccessfully, so I had something to work with.

What we found was that we weren't using the platform in the way the platform should be used. There were, being a new platform, there's a whole discovery phase of trying to figure out exactly how we should do our advertising. Once we got that in play, it was working on the communication part of it and getting the proposition right for the consumer. That's the thing that really helped us to gain traction.

James: Just to take it back a step, I mean, getting that fit and you're talking about matching the audience and the environment to the product, which obviously are a very important part of it.

Were you going from mailing lists at this stage? Were you using a mailing list to build the sales around it, or were you direct advertising?

Depesh: **We were direct advertising.** By that point, we'd already generated some sales. One of the key aspects of Facebook, which differentiates it from many other platforms, is you can take email lists, you can upload it into Facebook and find more similar audiences. **We already had some sales, so we used that as an opportunity to find more people that were similar to the ones that had already bought the book. That definitely helped us to take a step forward.**

Also, we were doing a lot of work around the interests targeting, so trying to understand our demographic and trying to find them by their profiles. One of the big key differentiators between Google AdWords and Facebook advertising is that Google AdWords predominantly relies on an intent, so "I want to buy a children's gift," "I want to buy a TV," etc., whereas Facebook is a step before that.

Someone may not actually be looking for something, but if they see something of interest, they may click through. I relate Facebook advertising to TV, where it's interrupting your media consumption and trying to target you with a relevant ad. Whereas with Facebook, the approach is similar, the level of targeting and tracking is, you know, 100x what you can do on TV. That creates a key differentiator for us, but we were able to push the book in front of consumers before they would realize that they would be interested in this. Then that gave us a big step forward.

James: An important part, and they call it remarketing in AdWords, don't they, but the look-alike lists, I guess, is the method you're using in Facebook. Presumably you also did use the traditional targeting in Facebook.

Was that what you were struggling with, or did you start to refine that and find the way of reaching the audience through just using Facebook targeting?

Depesh: **It's a combination of all things**, I think. You know, the work that Lost My Name were doing prior to me joining, they were looking at all the right areas within Facebook. It just wasn't done in the right way.

There's a technical aspect to Facebook that you absolutely need to get right, things like pixels on the site, how you're using those pixels, how the account is structured, how your bidding is set up, your optimization, etc.

There's a whole batch of technical things, which unless you get those things right, your creative efforts are not going to be as effective as they need to be. Really, my initial work was in fixing the technical aspects of the platform and then working on the communications and trying to get the proposition across to the right people. Really, once those two things came together, then it started to kick off for us.

James: Do you mind me asking how big this campaign was?

How much money were they putting into it? What sort of return level in percentage terms were they looking for, were you expecting? I don't suppose you knew, actually, at this point.

Depesh: Yeah, there's no expectations. When I joined, **we were spending 3-4 grand a month and making that back roughly if not slightly less**. You know, as a profit, there was no profit in that because we were not making our margin back on the sales.

At that point, it was a 0% ROI, and anything better than that was seen as a success for the business. To give you an idea, **by May, we had hit 450% ROI in Facebook advertising, and our budget has gone 3, 4-fold**. We've

managed to grow our spend as well as massively growing our return. That kind of level of ROI continues throughout 2014, which enabled us to just grow at a phenomenal pace.

James: That's the sort of ROI figures you really only hear talked about in social media advertising, particularly Facebook advertising. **Then you funneled, you shoveled the cash in when you hit the winning formula, which of course is usually the right way to do it.** Doing it cautiously, of course, making sure that you're not having a drop-off of that ROI. That worked for you. It must have been a good feeling.

Depesh: Yeah, and I've worked with lots of start-ups that have a similar vision of starting small, pumping in their profits, and growing big. **What I always say to start-ups of any size is don't spend money that you can't afford to lose.**

If all you can afford is £20 a day or £10 a day, then that's fine; stick to that, but be prepared to lose it.

I've seen start-up after start-up that has taken anywhere between 4 and 12 weeks to find that traction point and hit profitability. A company I worked with at the early start of the year, they were making a beauty app. They had really small budgets. It took them 3 months to find traction.

Now they have hit some really decent sales figures but because their spend levels were so level, it took them far longer to make those learnings, which Lost My Name, we already had 6 months of data. Then it took, even then, it took another kind of 4-6 weeks to really find our sweet spot, by which point then we started to plow more money into it because we knew that we were able to create a return.

James: That's a really good point, that you do need to almost divide up your growth period, your start-up period, into this period where it is going

to be an investment, it is going to be finding your way, and you may not see instant results.

People come to Mark quite a lot running their campaigns, and sometimes they're in day 2 saying, "Something's failed in my ad. I haven't had a single sign-up in 2 days." I'm thinking, "Well, in 5 weeks' time, when you've continued to tweak and find and modify and change things, if you're still panicking, then come back to us." **You absolutely need to see it as an investment, I think you're right.**

I want to talk about children's books just for a second because it's one of those areas, certainly among the SPF community, where the **children's authors have had a tougher time than the romance authors, for instance, and the thriller authors in finding their audience on Facebook and making it work.**

This is a really phenomenal success story with a children's book.

Depesh: It's an interesting thing, that I've worked with other children's products as well. **There's a huge demand for children's products in Facebook, and I think part of it is obviously finding the right audience, but it's creating the message that's going to cut through.**

If you look at any of the Facebook case studies and videos and pieces that they've put together, they talk about thumb-stopping content. It's not just that you have to find the right person; it's creating something that's going to stop them scrolling past your ad in their newsfeed, so **whether it's mobile or desktop, you need to disrupt that flow.**

It could be in the way you develop your creative. It could be the copy. It could be a combination of both. That's one thing which I think a lot of advertisers failed to understand.

No one's on Facebook with the intent of looking for an ad and looking to buy. Some people are open to it. They're the people that you want to target. If you imagine in any given day, someone could see 5, 10, 15 different ads coming up in their newsfeed at different times of the day.

In the morning, you're on your commute into work, you're browsing Facebook. You've only got limited time. You're not really going to buy then. Maybe at lunchtime you've got a bit more time. Then in the evening time, you're a bit more relaxed, so you've got more time to kind of scroll through. **One of the key things about how Facebook works is it targets you at specific times in the day**, knowing what you do on Facebook. If at every morning, it knows generally you login between, say, 7:30 and 8:30 on your commute in, it may just drop a few ads in at that moment in time. You may not interact, but you've seen it. What Facebook will then do is target you at the time of day that it knows you're more likely to interact, so it might come back at 6:00 and serve you another ad from the same advertiser and then prompt you to take that action, so whether it's a click, sign-up, or download.

What I've found again through lots of advertisers that **they don't understand is the concept of keeping ads running** and what letting the algorithm identify your key users and how they interact with ads as well. You know, some people, **we had big success with our children's book with the 55+ market**. I was at a conference 2 months ago on behalf of Facebook, and someone said to me, "Facebook's irrelevant for me because I have a 55+ market, and they're not on Facebook."

When Lost My Name launched into the US, our traction came through the 55+ market. The 25-45, which was our core in the UK, were really expensive and hard to reach in the US because the level of competition, but when we launched it to the grandparents in the US, you know, they've got the expandable income, and they're actually dwelling far longer. **They're using Facebook far longer than their younger counterparts because they**

have a bit more time. I think part of it is understanding, although it may be a children's book, it's not just the parents that are buying them.

This is one of the interesting insights we had at Lost My Name. After surveying the customers that we had, it's just a simple question of, "Why are you buying this book? Who's it for?" We went into advertising thinking that we're targeting parents, and we came out of it realizing it's actually the gifters that we're after because it's a personalized book. It's such a nice keepsake. **It was a gifting market that we had to target.**

One of the interesting stories was that one of the ads was, in particular, performing well and outperforming other ads. Actually, it was badly written. It was a very grainy picture of the book. It was written kind of with emoticons, and it just didn't feel like it was representing the product in the right way.

Coming in as a marketer, what I tried to do was to create ads that would challenge that but using kind of marketing best practice, so shorter copy, using more kind of persuasive copy, and using better, professionally-shot photography as well.

What we found over a period of 4-6 weeks, was that the ads that we would put up would continuously fail to beat the existing ad. When we went through it and we looked at it in context, one of the key things that we realized was that when you're in the Facebook newsfeed and you look at your friends' updates, they're updating photography from their phone, videos from their phone, which might be shaky, and copy which may have spelling mistakes or otherwise.

When you then present an ad in that newsfeed which is entirely professional and well-written, it stands out. It stands out like a sore thumb. That's a bad thing. **If anything does look out of place when you're in your kind of browse mode, then people will ignore it.** That's something that we found quite early on.

We went back to the drawing board to re-work the copy to make it a lot more natural, make it more conversational, and we actually re-worked the photography in terms of making it fit in with your kind of newsfeed updates. **Rather than trying to stage professional shots, we were selecting shots which felt almost like customers had submitted them.** They started to create more traction for us. That continues through 2014 of using as natural photography as we could find and copy which felt conversational and friendly. That was kind of our first cut-through.

Going into 2015, by that point, we had caught the eye of Facebook. They invited us into a creative workshop at their head office to talk about how we could take a step up in creative thinking. At that point, both myself and the creative team were quite apprehensive. We thought that, while we get this, we get this better than Facebook do, and we just went into that with no expectations. What we came out with was a whole new way of thinking about how we sell the products.

What we'd previously been doing was selling the book as a great personalized book and as a great personalized gift. In reality, we were missing out the core proponent of what the book was about, which was about the child and the personalization of the child's name.

One of the creative ideas that came out was pulling out a creative which showed the child's name, so "David," D-A-V-I-D, the characters that child would meet in the creative, so the D would have a dragon next to it, the A would have an angel, for example, and actually creating a copy around David meets a dragon, an angel, a viking, etc., etc. Who will your child meet on your adventure?

What we found was that really created a big, big cut-through beyond trying to sell a book to trying to sell the magic behind the book. The analogy I use here is of focusing on the sizzle over the sausage. The example that we used and referenced at the time was someone like M&S.

M&S sell salmon, but the quality is not that different to what Sainsbury's sell, but the way that M&S package its up is all about the quality. The ads talk about how the salmon has been caught and how it's been processed and developed. It actually makes it feel a lot more enticing than just buying salmon, which a lot of companies would be selling.

That's where we started to focus on our sizzle, which was this wow moment of the child discovering that the book was about them. That's really what helped us to take another level up in terms of a creative message which from the photography disrupted the users' flow through their newsfeed, got them interested in the ad, and the copy which created intrigue and got people to click to the site.

That intrigue and curiosity really helps to get them off the Facebook platform and onto your website to find out more.

James: That's really interesting, Depeche. I love hearing valuable information like that, where you know there's thousands of dollars have gone into getting to that point of understanding it. That again is quite, once you say it, intuitive, but you wouldn't necessarily guess that your advertising in the timeline is essentially a user-generated content area, isn't it?

It's people with their thoughts and their sometimes ramblings and their amateur photographs. I did see an advert the other day. We're doing a YouTube ads course, which I'll come onto in a moment, and I just went online to get an example of an in-display ad. It's from Goldman Sachs. It had a very generic headline. As an in-display advert, you're expecting somebody to be drawn to your advert and click on it, make an option to see it. It's not even in-stream. It doesn't even start playing.

You know, I could look at that and just know there's nobody is going to be drawn to clicking on that advert. It spoke to nobody specifically. I don't really know what was the thinking behind it, but in the YouTube environment, again, completely user-generated, very scrappy video a lot of

the time. It stood out like a sore thumb. Trying to understand your context, obviously, is an important first step.

What an important way of learning that through that campaign, a useful way of learning that through that campaign.

Depesh: Absolutely. I think that's the old school of marketing. It was, we can't identify a customer too well, and we'll just send out a set of broad ads and see which one performs.

In 2016, there's no excuse for not drilling down to creating a better understanding of your customer and based on the platform they're on. YouTube, you can do your demographic targeting. You can do your interest targeting. There's no excuse now not to be using things like that. It's a combination of lazy marketing and a lack of expertise, I think.

James: You had great success with the children's book, and that's going to be heartening, certainly, to hear, and very useful to make that discovery that with children's books the gift market is probably going to be more successful for you than advertising directly to parents.

You then have moved on to quite a few other start-ups. You've become a bit of a guru in the industry in this area.

Do you find that you can apply the same techniques, or is bespoke to each place you go to, you have kind of relearn and think how the environment's going to work specifically for that product?

Perhaps you could let us know what other products you've worked on.

Depesh: That's an interesting one. I'd love to be able to blueprint this and just give it to everyone to work on, but there are two sides of it. **The technical part, you can blueprint, and I've already got templates and kind of share those with start-ups.**

The marketing part, the creative communications part, is so specific per sector and per company. It takes time to identify the audiences and find that traction point. Generally there are a few approaches.

If you've got existing emails, then lookalike targeting is the absolute first thing you should start on with Facebook. Then identifying those interests can help to identify your audiences and grow quicker. Probably the last 12 months, I've worked with software companies, I've worked with a beauty start-up, I've worked kind of a few different publishing companies. Also most recently with Pact Coffee. **What I found is finding the target market is the most difficult thing.**

When you do then find them, it's how do you manage your costs and increase your click-through rate to make it profitable? **Step one is finding the audience, and that's not always easy. Then finding profitable audiences. That's the panacea.** If you can find the profitable audience, then you can scale that, and that makes all the difference.

You know, to give you a few ideas of different ways of approaching this, there's a methodology called net promoter score. **Net promoter score is a way of you as a company judging how many of your customers would recommend you as a business to friends and family.** You'd run a net promoter score, customers would rate your business between 0 and 10. Those rating 9 or 10 are your promoters.

Those rating between 0 and 6 are detractors. Anywhere in between that are kind of on the fence. Then you'd weigh out the score of the percentage who are your promoters minus the percentage of detractors. That gives you a real strong gauge of how well your product is performing.

For me, I've worked with maybe 10, 15 or more different start-ups, and there's a high correlation between the NPS score and how well that product is going to sell.

To give you an example, I think Amazon, their net promoter score is 40 on a scale of -100 and +100. You know, Amazon, if you look at it from the outside, they're a hugely successful company, but they're not the best in terms of kind of customer experience.

Lost My Name, we index far higher than that. I can't give the exact numbers, but it's one of the highest NPS ratings I've ever seen. I don't want to use the word "easy," but how easy it was for us to cut through in terms of marketing. We knew that we had an absolutely great product and a great experience.

Don't discount the experience in actually buying the product. That's your website, that's your emails followed up, it's your FAQs, etc. I worked with a start-up a few years ago, their NPS was I think -80, so that's the worst MPS I've seen. Actually, as much as we tried to market the product, just people weren't interested. It just wasn't a great product.

Now, leading on from that, what I've found is those start-ups that have a higher NPS score, it's far easier to market them in Facebook. You know, it's not all about the platform. **It's not all about you can take any product on there and sell anything. You can't. The product has to be really good.** That's something we try to focus on with start-ups, which is get your product and your product experiences as good as you can get it, and then we can scale the marketing, and then you will scale sales.

If you're looking at selling a book, you need to think more than just the book; it's the whole buying experience. What does the site tell you about the book, the author, the background? How much can you wrap into that sales process emotionally and build up social proof? You know, reviews of the book, independent reviews from book shops or reviewers, etc., etc. They all make a huge difference.

It's thinking beyond just selling your product on a platform but thinking about selling your product with an experience. I think that's one of the things that many start-ups fail to acknowledge early on.

James: Tell me again how you actually, the mechanics of getting the NPS score.

Is this something done professionally through a survey company, or is this something that somebody with their own books could do, could replicate to get an NPS?

Depesh: **I do this myself. There are tools available. One that I often recommend to companies is a tool called delighted.com.**

You take your email list, you upload it into Delighted. Delighted then fires out the emails, and it also collects the results back. It will give you everything within the platform. You don't need a tool. You can do it yourself.

You could use a Typeform survey, for example, which will allow you to create a survey for free. You can email that to your customers, and it simply needs to be one question of, "Would you recommend this product or service to friends and family?" A rating from 0-10. If you look up NPS calculations, it will show you how to calculate your NPS, so you can do it yourself. Tools like Delighted, I think they charge something like \$99 a month, and so it really depends on what your budget is.

Essentially, what you want to do is do this on a regular basis and actually continue to gather that feedback over time. For example, if you're launching new products over a period of months, that NPS score is sensitive to your products at that moment in time. That gives you an ongoing benchmark of how your customers perceive your products or service, as well.

James: That could be really useful.

Depesh, are you using a lot of other social media platforms at the moment, or are you the Facebook ads man?

Depesh: **I try not to be tied on or be too kind of dependent on a single platform.** Others that I've started working on more recently; Instagram really took off for Lost My Name last year. Instagram was really, really working well for us.

I've seen other brands working really well. Really, where Instagram differentiates itself as a platform from Facebook, although the targeting, the ad setup is exactly the same as Facebook. **Where I mentioned that the Facebook creative should be a bit low-fi, actually the inverse works better on Instagram.** Actually, the Instagram user is used to seeing really good, crisp clean photography, and that's what works really well on Instagram.

Pact Coffee, recently, really nice enticing shots of coffee being brewed in the espresso machine or using the kind of pour-over brew method and kind of creating small videos and really making it feel like you can almost smell that coffee. That kind of creative works really well on Instagram.

For Lost My Name also we were one of the first, in fact, we may have been one of the very few UK clients to be on the Pinterest platform in the US last year. Again, we saw some real traction there. It took me a while to understand Pinterest. You know, I'm not the target market. At the time that I was doing some testing, we were actually looking to renovate part of our house, the kids room, etc. Pinterest is great for coming up with new ideas. You want ideas for children's décor or birthday parties, etc., etc., that's a key reason why people use Pinterest.

What we found, again, was that the gifting market has so much at the center on Pinterest as well, so people planning kids' parties, they want birthday parties, etc., etc. We saw that traction coming through Pinterest in

the US last year, and in the UK, they launched I think in March or April. You know, I've seen companies pick up traction there as well.

James: Are you using Twitter or YouTube?

Depesh: **I've used Twitter in the past; I'm yet to see anything in terms of scalable success.** I've seen small success around lead generation, so pushing Twitter ads in order to capture email addresses. That generally seems to work well.

I'm yet to see an example of an e-commerce company that are selling a product that are able to make money. Really, **where Twitter and actually LinkedIn work really well is lead generation.** For example, software companies, so if you're looking to get people to subscribe to your software service, you can offer free downloads, white papers, etc. in exchange for an email address. Then you start your marketing communication around that. Twitter has been quite limited in terms of direct sales.

YouTube has been really good as a supporting channel for others. For example, in Q4 last year, at Lost My Name, we started to use YouTube to broaden our marketing to attract more people to the site. They weren't directly buying from the YouTube ad, but what we were doing was filling our pot up of customers visiting the site so that we could retarget to more people through Facebook and other channels as well. YouTube, you know, we ran that alongside TV advertising at that point, and it really helped to amplify what we were doing.

James: Okay, Depeche, it's been absolutely brilliant talking to you. I feel guilty with taking the time of one of the world's busiest men. I should say I am a customer of yours inadvertently because before we'd even come across each other's radar, I was a Pact Coffee customer as a result of a Facebook advert.

Depesh: Nice.

James: I remain very happy with it. Obviously, your targeting works in that way. I think I'm going to ask you a final question, which is, I mean, for our audience, I think there's been a lot of very useful stuff, particularly at the beginning talking about **having patience during the investment phase and seeing that initial money going into adverts as an investment in the future**, not necessarily something that you're going to get immediately back in terms of sales. That doesn't necessarily fall intuitively to someone who's not really done marketing before, and self-publishers are generally that person, so they're suddenly having to find themselves doing a marketing job alongside their writing job.

Going forward, what would you say, then, if you start to find your campaigns working and you need to move up to the next level? You somehow want to quit your job, start to get the kind of income in that's going to mean that this is a business that's going to grow and potentially make you wealthier than you were even working in your 9-5.

What are the key things you're advising your start-ups at that phase having got things initially going? Is there a specific tactical move here?

Depesh: I kind of relate it, again, back to Lost My Name. It's to **be cautious with your growth**. We were cautious right from the beginning of. We had an additional budget we could have thrown in the early stages, but we wanted to do it in a measured way. As we put more investment into the platform, we wanted to make sure that we were continuing to see returns, everything was still working as it needed to be.

Now, actually, if you fast-forward from the early success into 2015, I think at Lost My Name, we entered a period of hubris where we just thought, "You know what? We're on top of Facebook. Nothing could go wrong." We got to a phase of scaling our spend so much that actually we weren't keeping track or keeping close track of our more detailed performance metrics.

Things started to unravel. We were over-reaching to our customers. You know, there's only a finite number of people on Facebook within your selected targeting, and we started to find that we were actually spamming customers. We were hitting them far too many times with ads, and we got to a point where we were actually annoying far more people than was comfortable for business. We actually started to regress in our performance.

I think part of this is growing in a mindful way, of looking at the budget you're putting in, the kind of ROI figures that you've been used to, and knowing what your tolerances are. **Having a 450% ROI forever is never going to happen.** You'll soon start to saturate.

At Lost My Name, about 12-13 months, to saturate, and we had to reinvent our audience targeting, which we did, and we started to go global, US, Europe, and further afield. You know, at that point, our confidence had reached such a peak that we just thought that nothing could go wrong. Many things can go wrong. Facebook are constantly updating their platform. New advertisers are always coming onto the platform. You'll always find that someone's plowing in far too much money and making losses.

To give you an example, around March/April time, every year, it seems like big, big advertisers, you know, those guys that are spending anywhere between 1 and 5 million a month, are plowing budget into platforms like Facebook because it's the end of the financial year. They need to get rid of that budget. Otherwise, they're going to lose it, and they're just plowing it in. The knock-on effect for small advertisers is that your cost is then going to shoot up because the cost of bidding is therefore higher with more money flying around.

Sometimes, you have to ride the wave. I've done this with many companies where you do see these fluctuations of performance that's going really well, and then something just goes wrong; you can't explain it. Sometimes you

still don't know what went wrong, but 2 or 3 weeks later, your performance has recovered again. It could be a Facebook change, it could be an external advertiser that's just knocked everyone out of the market. Part of it is I think just **being a bit measured in terms of your growth and not expecting that yesterday's or last week's success is going to continue forever because generally it doesn't.**

James: We definitely noticed that. I think our Facebook forums were full of people in the spring saying that suddenly their campaigns weren't effective and weren't working. I don't know how others are feeling now. We're sitting recording this in July. We are seeing some of the best results we've had for the last 12 months at the moment. I mean, leads for our main course that we were picking up for £3.50 we're now picking up for £1.40, and our new course for £.20 and £.30 on occasions.

I don't know if the big advertisers have all stepped back for a little bit and let us play, but personally we're seeing fantastic results.

Depesh: **There's also another thing at play around the summer in particular is that e-commerce in general takes a slight dip.** Lots of people go on holiday, people are home with their children, or work situations change.

Then e-commerce strategies to pick up traction again in September. Then obviously you've got Christmas picking up as well. Summer can be at times bad for some aspects in terms of e-commerce but a lot better for others in terms of kind of non-direct sales companies as well.

James: The other thing we shouldn't forget, **you talk about the dynamic environment and some of the negatives for that, but one of the positives of the dynamic environment is that people are joining social media all the time.**

Depesh: That's right.

James: Anybody who says my demographic like the older demographic is not there, wait a few months, because I mean, literally, that's how quickly it's happening. My father's 82. He joined Facebook 3 or 4 months ago. He will be one of tens of thousands of people in his age bracket who eventually relented as he'll probably say.

Depesh: That's right. There's a really interesting piece I saw on this on this whole Pokemon Go phenomenon, that actually when they profiled the demographic, I think about 5% of those used in the Pokemon Go game were over 55.

You should avoid assumptions when it comes to customer marketing and look at the data, look for the facts. Quite often, you will be surprised.

James: That's fantastic. Depeche, thank you so much for joining us. Very, very valuable stuff. I can guarantee that we'll be knocking on your door again probably next year to catch up with you and find out the state of play with social media advertising because it's been I think a very valuable interview for me and for our guests. Thank you so much for joining us, Depesh.

Depesh: Thank you for having me. I appreciate that and, yeah, I look forward to chatting again soon.

James: I told you Depesh was worth listening to. A really useful guy. Interesting talking about the seasonal differences, Mark, because here we are in summer, and we have certainly noticed, you and I both running different campaigns. We're getting really good results at the moment.

I remember earlier in the year on our Facebook, on the self-publishing formula Facebook site, a lot of people weighing in about the same time a little bit dismayed that suddenly they were getting poor results, their leads

were costing them quite a lot. Views and clicks were costing them quite a lot.

As Depesh points out, it's the running up to April in particular, the end of the financial year, the big corporates, the big organizations, will funnel money into advertising. Again, running up to Thanksgiving and Christmas. In the summer, they tend to do their least. I know we all want to go on holiday at this point, but really it's a time that you should be getting some good results and putting some money into advertising. We've noticed that, haven't we?

Mark: We have. I mentioned this a couple weeks ago. We've been getting leads for the self-publishing formula, the non-fiction side of the business, that were costing between 2.50 and 3.50, but after 6 months, they're now costing around about a dollar. They're ticking up a little bit as I'm churning through the audiences, but certainly between, say, \$.80 and a \$1, which is really, really good. We're spending quite heavily at the moment.

James: Depesh would say, as somebody is moving with the times, he's keeping an eye on the audiences. We talked a little bit in the interview, didn't we, about the population's changing, so when you think, "Oh, well, that particular social media platform is no good for me," you should remember that tens of thousands of people are joining it every day, and demographics are getting older on the younger platforms, and probably vice versa as well.

I hope that was valuable. I'm sure it was valuable if you're doing any social media advertising at all. If you want to email us, you can always email us, podcast@selfpublishingformula.com. If you're not already a member of our Facebook community, just drop us a line at that email address or support@selfpublishingformula.com, and we will send you an invite to join our Facebook group. You can get all our podcasts going back ad infinitum at selfpublishingformula.com. Thank you very much indeed for listening. We will be back next week. Have a good week's writing.

Mark: Bye-bye.

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