

21

Reasons Your Agency Can't Scale Your Ads

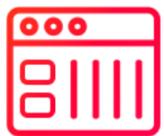
And what to do about it.



VULGAR

About

Vulgar helps eCommerce brands scale. We're entrepreneurs who create digital marketing that matters. We partner with companies who want beautiful work that works. No fluff. No headaches. No excuses.



Media

Planned
for scale



Landing Pages

A/B-tested
and gorgeous



Ads

War chests
of beautifully
clever ads



Email

Effective flows
you'll be proud
to send

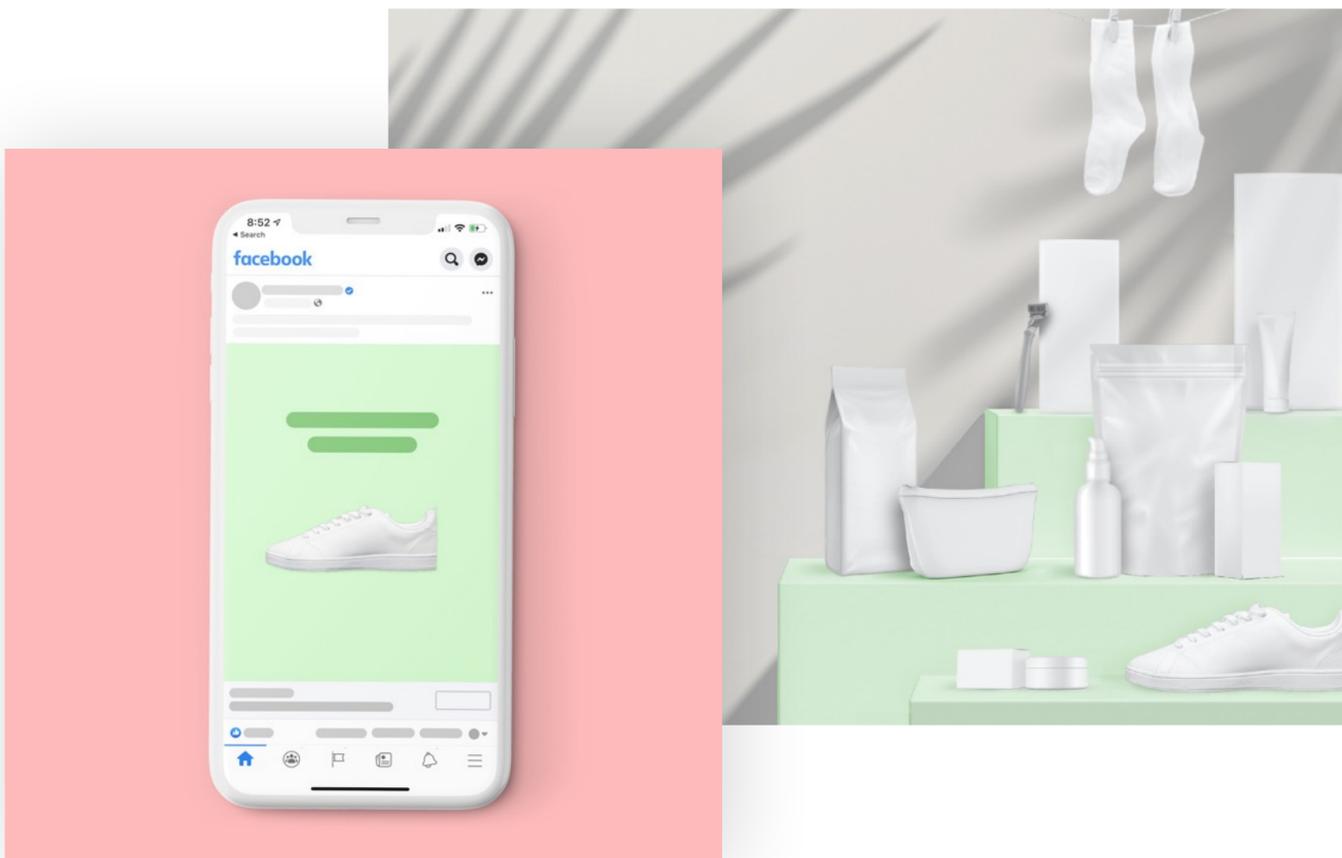
Get a **FREE custom marketing plan** and
discover how your brand could scale.

Free Marketing Plan →

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How to Use This eBook

Every brand is different. Some will benefit from certain tactics more than others. Use the list in this ebook as a flight check for your business. We recommend reading with a notebook by your side to jot down ideas and key questions to be answered. Challenge yourself to take an honest look in the mirror.



Your AOV is too low.

At scale, an excellent cost per acquisition via social ads is typically between \$30-\$40. Don't assume your agency will be able to do much better than that, especially at scale.



Now, if your AOV doesn't profitably support a CPA of that amount, you're in trouble. This is the most common barrier to scaling that we see.

Solutions

- Bundle different products together
- Bundle the same product together
- Introduce a subscription option
- Add a one-click upsell to your checkout process
- Try a minimum order value to unlock free shipping
- Try a minimum order value to unlock a gift with purchase
- Run a promotion to unlock a discount when you spend \$X

You're targeting an expensive audience.

You have an ideal target customer, sure. They convert great; maybe they even spend the most when they convert. But we often see that it's expensive to bid on target audiences like this. And when CPM is too high—like above \$50—the math for scaling doesn't work. Sometimes to scale, it's better to go after cheaper secondary audiences.

Solutions

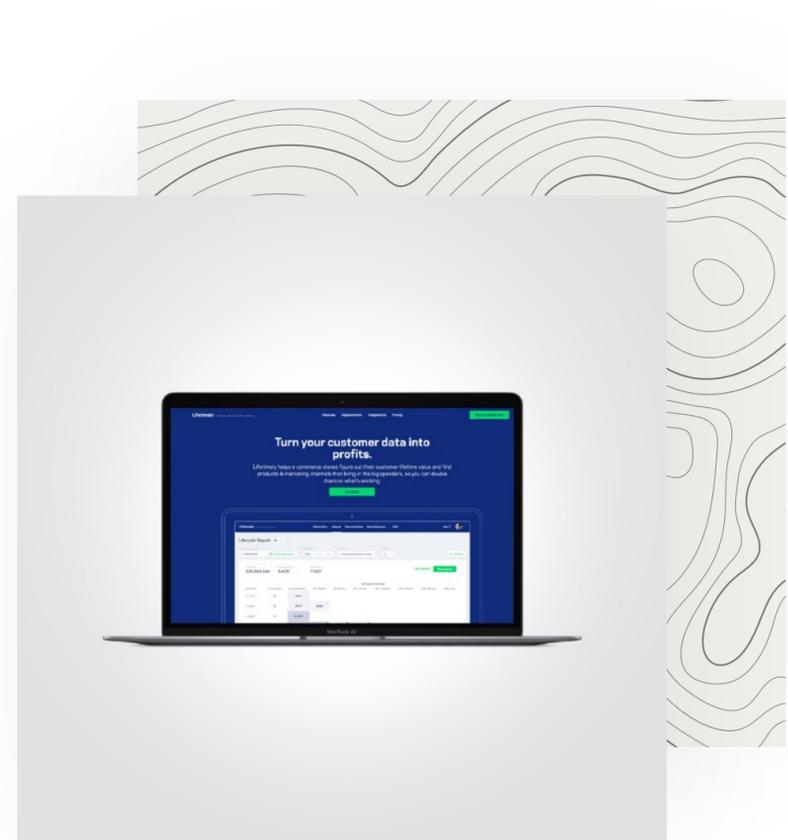
- Design ads to speak specifically to some secondary audiences to see if you can get a better ROAS.
- Broaden your audience targeting. While increasing your audience's size may mean showing your ads to a slightly less targeted group of people, Facebook has more options for whom to show your ad, which will often decrease CPM.
- Try a super lookalike audience—that is, many different lookalike audiences combined into one.

You don't know your customer lifetime value.

Sometimes you'll need to run your business using the customer lifetime value (CLTV) metric and not AOV and Facebook's reported ROAS. In other words, if you know your CPA and your average 12-month CLTV, then you can safely scale even if you're not making a considerable profit when a customer initially buys.

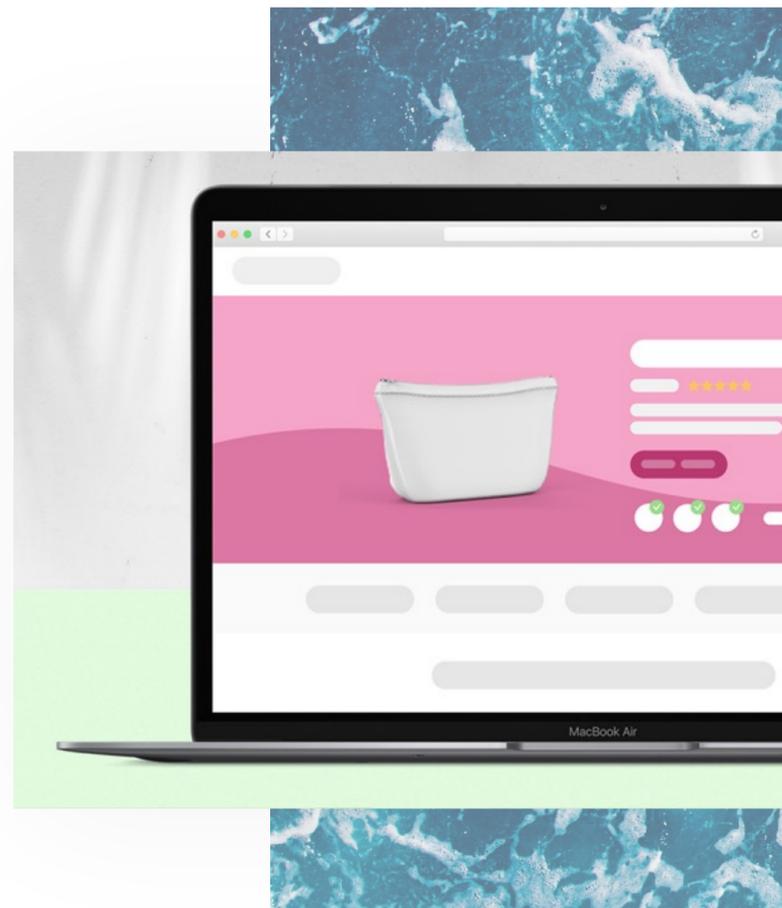
Solutions

- Use an app like [Lifetimely](#) to instantly calculate and monitor your CLTV.
- Take a close look at your Ads Manager to calculate your CPA. Consider overestimating this number to be safe.
- Provide these numbers to your media buyers to redefine what is an acceptable cost per NEW customer acquisition



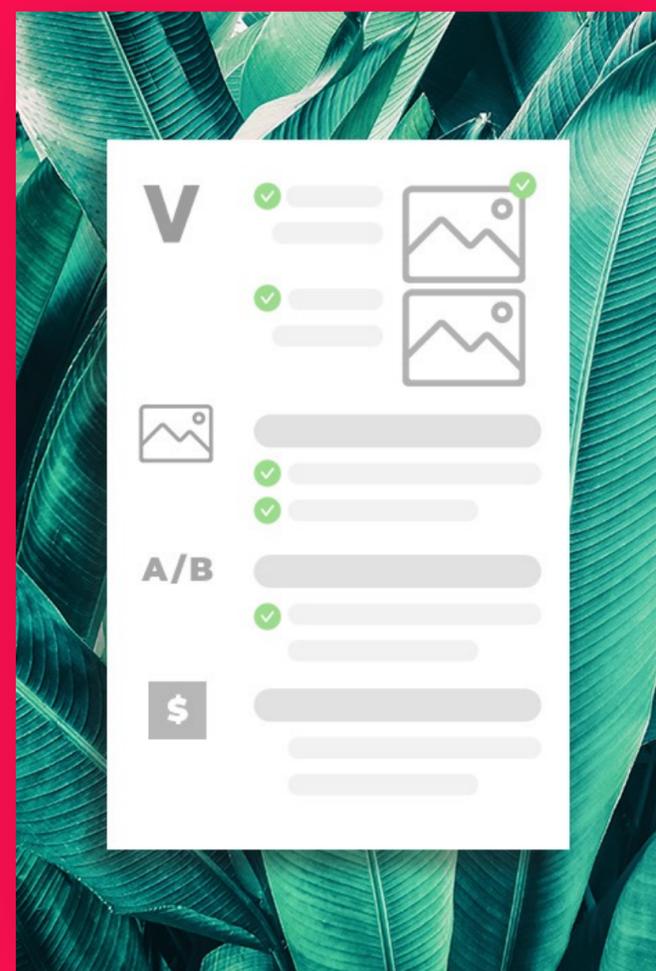
Your product pages don't convert as well as they should.

If you're not focusing on optimizing your onsite conversion rates, you're leaving lots of money on the table. It's often the number one thing that's holding your company back from scaling.



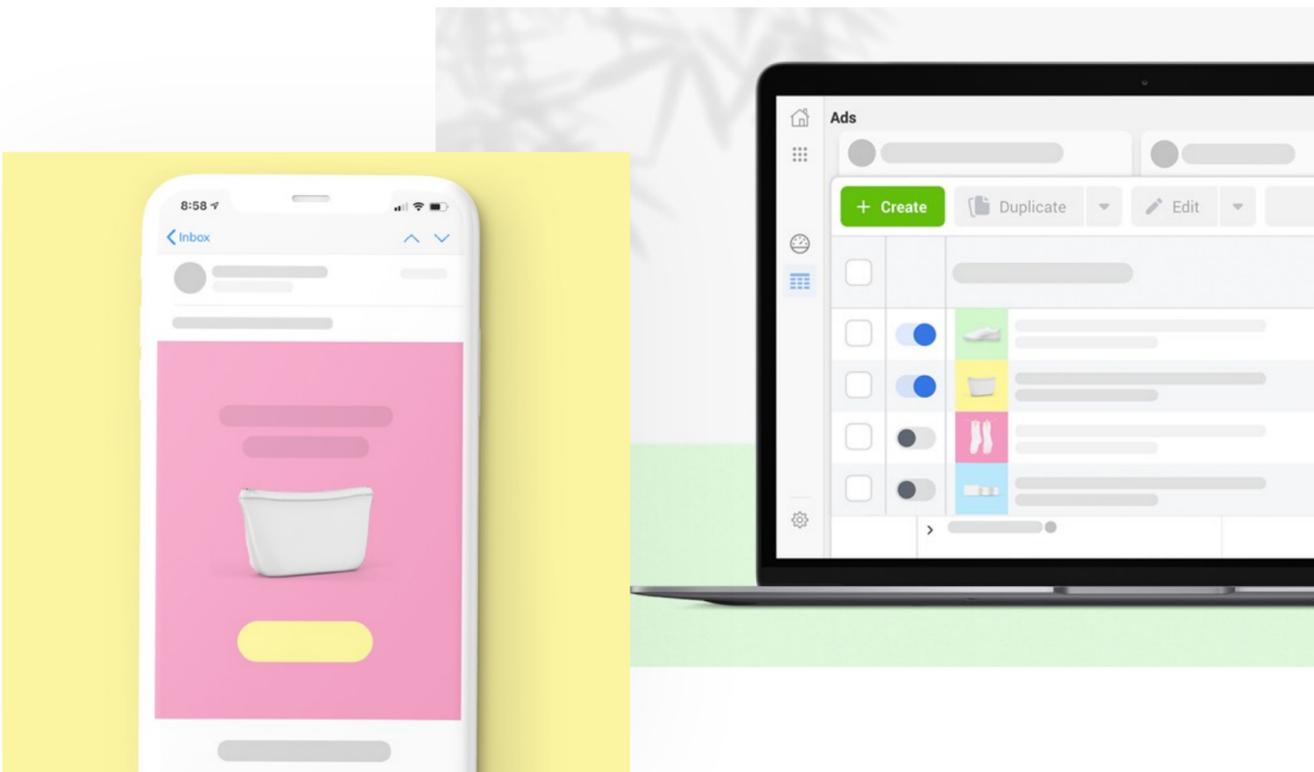
Solutions

- Track your product pages and website conversion rates every month and take action to improve.
- A/B test at all times. Seriously, one copy swap can mean all the difference. You should always have a control and a test version of your site and landing pages.



You don't have enough ads.

To scale, you need a lot of ad creative. Sorry, there's no way around it. The more money you spend, the more ads you'll need. Ad fatigue is a real thing. The biggest spenders on Facebook are adjusting or swapping their ads as often as every week.



Solutions

- Create a system to crank out dozens of ads regularly.
- Make sure you use a mix of different formats from images, videos, carousel, and more.
- If you can't handle it, let us show you [how we could help.](#)

You're not addressing the whole funnel.

Most brands that are stuck and can't scale are neglecting the funnel. All too often, we see brands continue to serve product-centric ads, and that's it. That can work up until a point. But to reach real scale, you need to add other strategies to the mix. That means introducing awareness ads, engagement ads, and dialing in your email program.



Solutions

- Create ads for the top of the funnel that engage target audiences and grow retargeting pools.
- Run creative lead gen campaigns to build your email list. Use that list to improve your target and fuel your email campaigns.
- Become comfortable with running unprofitable campaigns to fill your funnel. Not every program you run should be profitable.

People don't love your product or brand.

This can be hard to hear, but sometimes it's true.

If you can't find a group of people obsessed with your products, it's a symptom that your brand will have a hard time getting to scale. Be honest with yourself. Do people genuinely love what you sell? Why not? This matters. If the love is missing, it can be the thing that's preventing you or your agency from taking you to the next level.

Solutions

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Deliver more than you promise.

For instance, if you surprise them with a discount or throw in a free sample, they'll be thrilled.

Don't sell. Tell a story.

For example, if you're trying to sell an espresso machine, don't talk about how it's made of stainless steel or how it can make you a cup of coffee in less than 30 seconds. Instead, focus on how amazing that first cup of freshly brewed coffee feels on a lazy Sunday while the kids are still in bed.

Tell *your* story.

A meaningful brand story can overcome many product shortcomings. Make sure it's strong and present throughout your marketing.

Potential customers can't visualize your product in their lives.

One of your jobs as a marketer is to ensure people understand exactly how they'll use your products. For instance, let's say you're shopping for a drone. You check out the features, the price, and cool videos the company made using the drone. But you still don't buy. Why? There still isn't a clear enough connection between your life and the drone.

Solutions

Create demo content.

Show people how to use your products. For the drone example, have tutorial videos on how to get great shots. If you're a clothing brand, show when and how to wear your garments. If you're a pain relief brand, show how to use your product for different ailments. Don't overthink this. People want to see your product in action. It's incredible how often this content is missing from brand arsenals.



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Your email game is weak.

Great ecommerce brands make 35-40% of their revenue from email. If your fundamental email flows are not dialed in and optimized regularly, you're holding back your brand's ability to scale. We're talking about making your abandon cart sequences, winback flows, and promotional email campaigns top-notch. Oh, and yes, A/B testing at all times is critical.

Remember, converting people via email is practically free compared to paid media. Plus, you'll capture the boost in performance in your ROAS on Facebook, thus helping you scale.

Solutions

○ **Focus more on abandon cart email flows.**

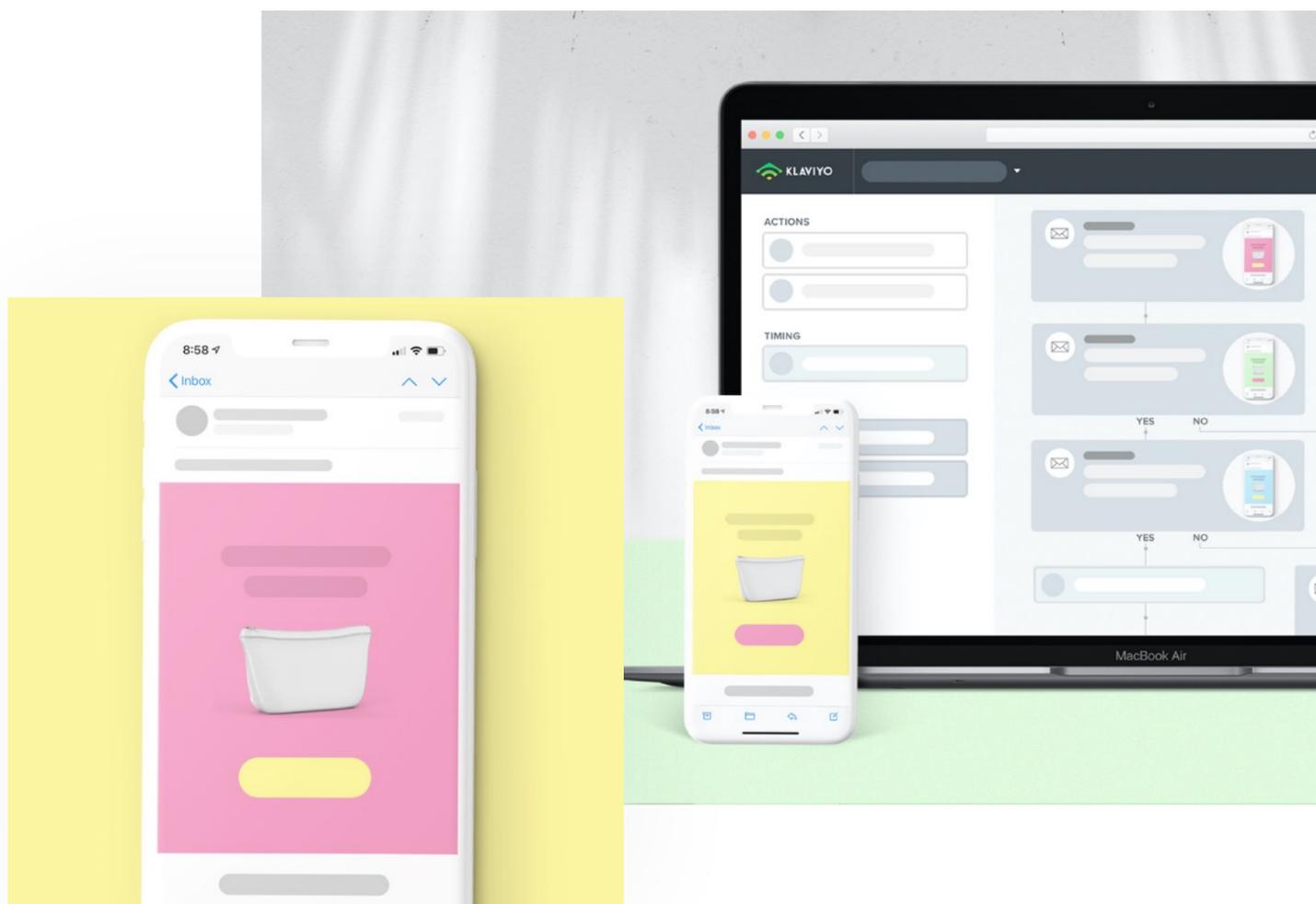
You might be sending thousands of these bottom-of-funnel emails per month. The key here is to make it a priority to get better every month. Try new things. A/B test at all times. At the least, always be optimizing your subject lines. Small improvements make a significant impact on your ability to scale.

○ **Create a lead gen strategy.**

Grow. Your. List. It matters. When it comes time for a sale, you'll see why. Make room for lead gen tactics and email capture in your marketing strategy.

○ Deliver valuable content regularly.

Send your list an email once a week; make it no-strings-attached valuable content. Ask yourself, "would I honestly be excited to get this email?" Be ruthless with your answer. Need inspiration? Try creating a version of [Tim Ferriss' 5-Bullet Friday](#).



Your audience personas are crappy.

Most brands need to spend a lot more time on audience persona work—like, a week or more just audience strategy to figure out exactly who your best customers are. When you give this the time and effort it deserves, you'll be surprised at how much actionable information you'll uncover to help you scale. Deliver this strategy work to whoever is doing your marketing.

Google how to create audience personas.

We like [this approach](#) used by DigitalMarketer. Spend significant time on creating a persona worksheet for no more than three audiences. It's not just an exercise.

Use analytics tools for better personas.

Use sites from the audience & list section of [this ebook](#) to gather actionable data points on what your targets like, follow, and have a propensity for.

Provide the docs to your agency.

Package up everything as concisely as possible—schedule meetings to walk people through the findings. Audience persona work is serious. It should drive strategy throughout your entire company.

You don't have enough awareness.

Brands with awareness, a following, or moments in the press do better in paid media channels. This can be difficult to prove analytically, but we see it all the time. Buzz has a real halo effect on paid media results and a brand's ability to scale. It's not just some agency b.s. Promise. Smaller companies, in particular, should make themselves appear bigger and more legit by picking up press mentions. The 3rd party validation enhances performance across the entire business.

Solutions

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Invest in PR.

Your investment could be time, money, or both. But create a strategy for getting your brand and content picked up by third-party sites.

Be selective about your PR targets.

Not all press has the same value, and there's a lot of expensive tactics that won't do anything for your brand.

Feed earned media back into your paid media.

Use your press mentions in your ads and landing pages to increase conversion.



Form strategic partnerships.

One of the most effective ways to generate meaningful awareness is partnering with a bigger brand than yours. Look for opportunities where you can get your brand featured alongside a better-known brand.

You don't have enough social proof.

Having lots of product reviews matters. At a minimum, a good product should have at least 500 reviews with at least a 4.5-star rating. Without this, your scale can be limited.



Solutions

○ **Use a sampling program to get reviews.**

If you're short on reviews, you can use software to run product seeding programs to get real reviews quickly.

○ **Use follow-up email sequence.**

Create incentives to get even more reviews. Consider giving away branded merchandise in exchange for a review. The theory is if someone hates your brand or product, they're not going to want your branded merch, so negative reviews are avoided.

You don't have enough SKUs.

If your brand only sells a few things, you only have a few chances to convert someone. Brands that are at scale make considerable money from customers who click an ad for one thing and end up buying another. Plus, more SKUs can mean higher AOV (see reason #1).

Solution

Expand product lines with complementary products. Prioritize products that you can cross-sell with existing ones.

Your ads are too corporate and polished.

Your ads shouldn't always be perfectly designed or produced. A lot of brands completely whiff on the fact that UGC-style ads very often—dare we say in most cases—outperform highly polished ads. It'll take a bit of courage, but this strategy alone could unlock another tier of scale for your brand.

Solutions

Add UGC ads to the mix.

Get iPhone footage or photos of your customers using your products. Don't worry that's it's not entirely on brand. Just try it.

Don't be camera shy.

Shoot your own iPhone video ads. Get your founder or employees on camera. People want genuine ads, and there's nothing more real than a minimally edited video of someone from your company sharing something cool. Experiment. If it works, add more production quality later.

You haven't invested enough into design.

There's purposefully unpolished content like previously mentioned, and then there's crappy design. A poorly designed website, UX, or brand will hold you back from achieving scale. Customers need to be confident when buying and recommending you. If you're not getting compliments on your website and marketing, you might have a problem. Remember, everything communicates. What do the dirty windows in the hotel lobby say about the cleanliness of the rooms? What does your website say about the quality of your products?

Solutions

Hire a designer or design agency.

Get this squared away. Take it seriously. Create a library of design templates for assets that your team might create, like emails. That'll keep you moving quickly because you won't have to rely on an agency for everything.

Create a culture of good design.

Make it clear to your team that everything communicates, and you'll be taking design more seriously.

You're not trusting the algorithm.

Too. Much. Audience segmentation. Not enough budget. Smaller brands and agencies often try to game the system by getting narrow with audience targeting. Today, ad-buying algorithms are so good that crazy audience segmentation can often hurt the ability to scale unless you're spending many tens of thousands per month. Be on the lookout for agencies and media buyers that try to impress you with complicated campaign structures that are actually bad for your business.

Solutions

○ **Simplify your ad accounts.**

Even brands that spend \$100,000 per month on Facebook can do so with only a handful of campaigns. If you have more than ten active campaigns and are spending less than that, chances are something is wrong.

○ **Use broader audience targeting.**

Today, your audience sizes in Facebook need to be in the millions, not thousands. Let Facebook do the work finding the customers. If you narrow down too many parameters, the algorithm will struggle to optimize, and the media cost will be inflated—a one-two knockout for your ability to scale.

You've exhausted your target audience.

Your target audiences should be in the millions on Facebook. Sometimes you'll have that. Great. But you'll exhaust that audience. Your ad frequency will be too high, and your performance will start to dip. You need always be searching for new and broader audiences to introduce your brand.

Solutions

Proactively experiment with marketing to new audiences.

This starts with having a disciplined approach to your customer persona strategy. But then, if you're going to try to expand to a new target audience, you can't simply point your existing ads towards them and expect great results.

Create new and specific marketing messages and experiences for these audiences to get one to catch. You're really only trying to find one or two new segments per year.

You rely too much on 1% lookalikes.

One of the biggest misconceptions is: "Only use 1% lookalike audiences because they perform the best. Anything beyond that is too far away from our core audience." Although it's true that 1% lookalikes typically have higher conversion rates, larger lookalikes can have lower CPAs and larger conversion volume due to lower CPMs and a larger audience pool to target.

Solution

Expand your lookalikes beyond 1%.

With a larger audience pool to target, the CPMs are less since you have more ad inventory available. With lower CPMs, you typically see lower cost-per-clicks, therefore helping reduce CPA.

Your ads aren't built for engagement.

If you're only running ads that are all about buying your products, you're leaving so many free impressions on the table. That's because when someone engages with your ad, it shows in their network. This is where creativity comes in. It's possible to persuade people to interact with your ads and buy your products simultaneously. Too many brands get stuck only running boring buy-our-stuff ads. The biggest brands understand that it pays to entertain, engage, and educate people in addition to selling them stuff.

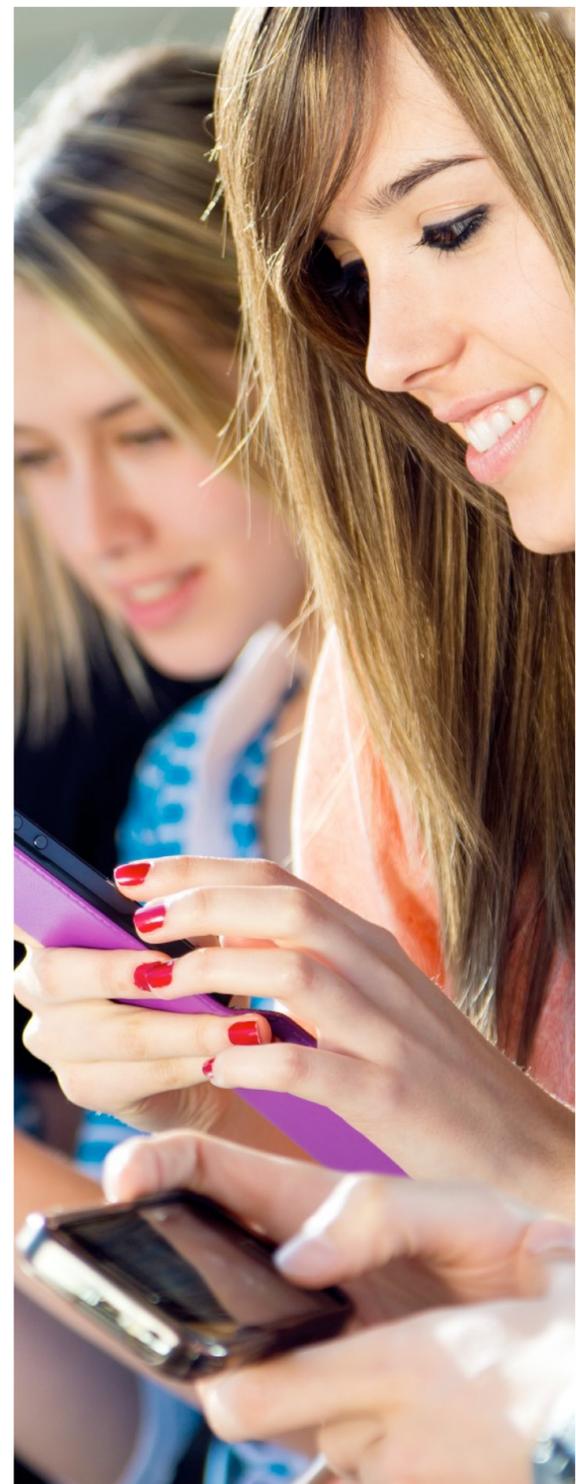
Solutions

○ **Make some ads just for engagement.**

Make them very relevant to your target audience. Ask yourself, "would *only* my audience want to click, share, or comment on this?" Use these ads to fill your top of the funnel.

○ **Invest in clever creative.**

Start with an experiment. Create a handful of ads that make your target audience think, "wow, that's clever." See what it does to the rest of your paid media performance.



Your budget is too low.

Sometimes it's true: it takes money to make money. A small budget makes it difficult to test, optimize, and let the algorithm do its thing—particularly at the top of the funnel. In some scenarios, a brand can be a lost cause at a small scale budget, but extra spending can often get them to the next level.

It sounds like chasing bad money with good money but don't underestimate the power of the awareness you get from running ads—especially if your ads are engaging. Exposure has a powerful multiplying effect that many marketers forget about in today's world of attributable ROI.

Solutions

Commit to a monthly budget and a timeframe.

Don't change what you're going to spend on paid media each month, depending on performance. Instead, commit to budget numbers for, say, six months and focus on doing everything you can to make it work.

Ramp slowly.

To prevent "shocking the system," don't increase the budget by more than 10-15% at any given time. Small changes in the budget are very important.

Your agency sucks.

Unfortunately, this might be the most common barrier to scaling your brand. Agencies get complacent. They run out of ideas. Sometimes they were never that great to begin with. And the less you pay them, the less likely they'll be able to get you unstuck.

Solutions

Get pitched regularly.

Call up other agencies. Listen to what they would do for your business. They'll be happy to tell you. Use them to identify opportunities or shortcomings of your current situation.

Educate yourself.

Keep your agency on its toes by knowing your stuff. This will also prevent them from pulling the wool over your eyes.

Challenge your agency.

Request new ideas and tactics. Read their reports. Ask thoughtful questions. If you don't, every agency will get complacent. You don't want to be the client the agency dreads, but you don't want to be the "easy" client either.



Get a new agency.

It can be unavoidable. A new agency will bring fresh ideas and energy to your business. Hire slow, fire fast.

21 Reasons Your Agency Can't Scale Your Ads

① Your AOV is too low.

Take action to increase it.

② You're targeting an expensive audience.

Are there secondary audiences that are more profitable?

③ You don't know your CLTV.

Figure it out. Use it to determine an acceptable CPA

④ Your product pages don't convert well.

A/B test and challenge your controls regularly.

⑤ You don't have enough ads.

Create a system to always be creating and introducing new creative.

⑥ You're not addressing the whole funnel.

Create ads and campaigns for all stages of the funnel, in particular the top of funnel.

⑦ People don't love your product or brand.

What can you do to start overdelivering?

⑧ Potential customers can't visualize your product in their lives.

Create high-quality demo content.

⑨ Your email game is weak.

Ruthlessly focus on optimizing the fundamental flows.

⑩ Your audience personas are crappy.

Spend at least a week getting these right.

⑪ You don't have enough awareness.

Invest in PR and partnerships. Create a plan.

⑫ You don't have enough social proof.

Build systems to incentivize reviews.

13 You don't have enough SKUs.

Start with more complementary SKUs.

14 Your ads are too corporate and polished.

Use more UGC. Get your people on camera.

15 You haven't invested enough into design.

Consider hiring a designer or design agency.

16 You're not trusting the algorithm.

Simplify your campaign structure.

17 You've exhausted your target audience.

Invest in PR and partnerships. Create a plan.

18) You're too focused on 1% lookalike audiences.

Try expanding beyond 1%.

19) Your ads aren't built for engagement.

Make this a priority. Experiment with investing in more clever creative.

20) Your budget is too low.

Use an expert to surgically raise budgets.

21) Your current agency sucks.

You know what you need to do.

Get a free marketing plan and see how we could take care of, well, all of this.

Free Marketing Plan →

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