

MARKETING

Will Facebook's ad revenue spike, innovative solutions be enough for marketers?

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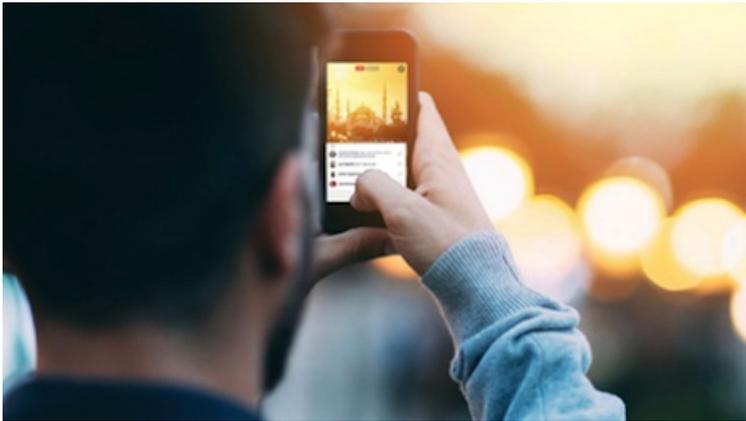


Image courtesy of Facebook

By BRIELLE JAEKEL

During last week's earnings call, Facebook detailed a slew of its innovative products for marketers and itself, such as an AI solution to shape users' newsfeeds, but its major fail with reporting video views still leaves them wary.

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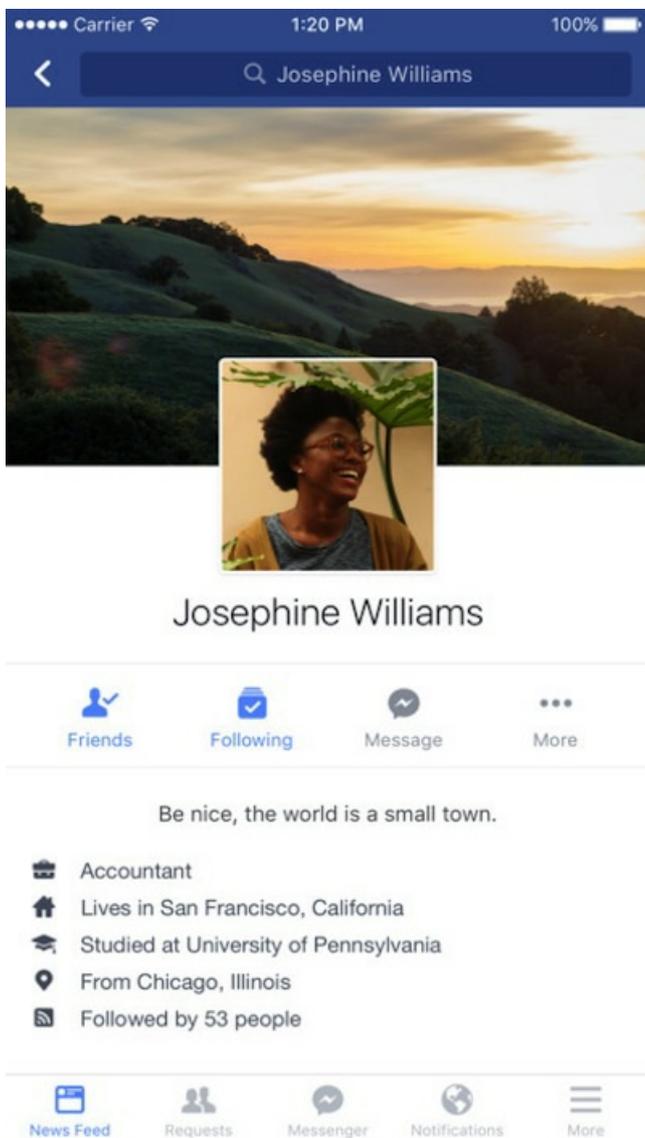
Facebook is introducing an artificial intelligence solution that will look out for terrorist activity as well as filtering out click-bait articles, which help become more user friendly. The social media giant will be focusing on more user helpful features, and its ad revenue has dramatically increased by 59 percent but marketers are still cautious after recent news that Facebook's insights on video views were not accurate.

"On artificial intelligence, we're starting to see the impact that AI can have on enhancing people's experiences on Facebook and showing them more of what they care about," said Mark Zuckerberg, chairman and CEO of Facebook during the call. "More than 40 teams at Facebook and more than 25% of our engineers are already using AI to power the products and services they build.

"We've made changes and improvements to our AI in order to filter out misleading clickbait stories from News Feed. And we're using AI to help find terrorist propaganda on Facebook," he said. "It's still early, but we think that AI will help improve the quality of what people see and can share on our platform."

Facebook advertising success

The social media platform is putting significant stock into video and visual features. Facebook believes that visual messaging will be the future and is testing out features that could eventually lead to a camera instead of a text box.



Facebook's current app

Facebook is also hoping to introduce easier ways to capture and view video, recently introducing an option that allows users to access their camera from their newsfeeds with one swipe on the app. Facebook Messenger will also see new camera features as well.

The focus on video is being supported by the increase in popularity of Facebook Live. Mark Zuckerberg reported that the number of users on Facebook Live at any given time has seen an increase by four times.

Ad revenue for Facebook increased by 59 percent up to \$6.8 billion, which leads experts to believe that marketers are seeing results and engagement from users. Mobile ad revenue alone generated \$5.7 billion, increasing 70 year over year.



Current newsfeed in Facebook app

Facebook will be increasingly invested with Facebook Live, especially now that it has been popularized with users and important events are unfolding on the platform such as Michael Phelps announcing his retirement.

Facebook testimonials

An example of quality use of Facebook's advertising is the Burger King McLamore Foundation as it unveiled an innovative new awareness campaign that universalizes the experience of illiteracy through the use of illegible packaging, auto-translatable Facebook ads and a mobile-optimized video.

Burger King's campaign brought attention to the plight of illiteracy which affects 20 percent of the world's population with branded menu cards and packaging that features unintelligible gibberish in place of English description. The images are meant to relate the difficulty in completing even the simplest tasks, such as ordering food, when literacy is an issue ([see more](#)).

Also, Disney's The Muppets lent one of its iconic characters to music festival Outside Lands, following the cancellation of its show on ABC by sharing an episodic experience with Facebook Messenger users that opt in to talk with Miss Piggy.

Miss Piggy was available for chatting at limited times on Facebook Messenger, and recently drummed up excitement for the San Francisco music festival during her latest message thread. The character interacted with users in a chat format version of a fictional online lifestyle magazine, which continued The Muppets' legacy after ABC's cancellation but also incorporates brand-related content, most recently referencing Outside Lands ([see more](#)).

"We had a great third quarter," said Sheryl K. Sandberg, chief operating officer at Facebook during the call. "Q3 ad revenue grew 59 percent.

"Mobile ad revenue reached \$5.7 billion, up 7 percent year-over-year, and was approximately 84% of total ad revenue," she said. "Our growth was broad-based across all regions, marketer segments, and verticals.

"In Q3, we announced that we have over 4 million active advertisers on Facebook and over 500,000 active advertisers on Instagram. The number of advertisers on both platforms continues to grow quickly, and we're pleased to see more and more of them using the full range of our ad products."

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