

How Facebook Ads Work

Facebook is about creating connections — and our advertising business is an extension of this. We strive to create meaningful connections between people and businesses. And in order to create an advertising system that drives results for businesses, it also needs to be valuable for people. That's why we follow these seven advertising principles:

- ◆ We build for people first.
- ◆ We don't sell your data.
- ◆ You can control the ads you see.
- ◆ You can see who's behind the ads you're seeing, and what other ads they're running
- ◆ We have strict standards to keep advertising safe and civil.
- ◆ Facebook ads work for businesses of all sizes and budgets.
- ◆ We are always improving.

We think about Facebook ads in three phases: **ad creation, delivery and reporting**. Here's how it works.

Ad Creation

First, businesses set up their ad campaign based on who they want to reach and how much they want to spend. In order to create an ad, we ask businesses to:

- ◆ Choose their business objective, like sales or brand awareness
- ◆ Select their audience (or targeting) based on the people they want to reach, like age, location, interests and other details
- ◆ Decide where to run their ad — on Facebook, Instagram, Messenger, Audience Network or across them all
- ◆ Set their budget and the time period during which they want their ads to run
- ◆ Pick an ad format like a single image, video or slideshow

Ad Delivery

Once an ad is submitted, it goes through an ad review process, and once it's approved, it goes into our ad auction which helps get it to the right people. We use factors like relevance to a given person as well as the business' budget and objective to figure out who should see the ad.

We try to show the right ad to the right person at the right time based on people's interests and activity on and off Facebook. If you ever see an ad that's not relevant to you, you can give that feedback in the right-hand corner of the ad, and then hide the ad.

Ad Reporting

Once an ad is shown on our apps, we measure performance and engagement with the ad and report results back to the business. All ad reporting information is anonymous and aggregated. We never tell businesses the name or phone number of an individual.

Ad reporting helps businesses understand what's working, enabling them to make more informed decisions about their audience, ad format, budget and other ad elements for their ad campaigns going forward.