Did Meta peak?

Unpacking the weekend's performance with Nest data

Nest

Retail rallies with Meta

The most important weekend of the ecommerce calendar is now over.

This year: all eyes are on Meta.

A rebuilt tech stack and cut price impressions are driving improved performance, while emerging strategies are allowing brands to overcome the platform's shortcomings.

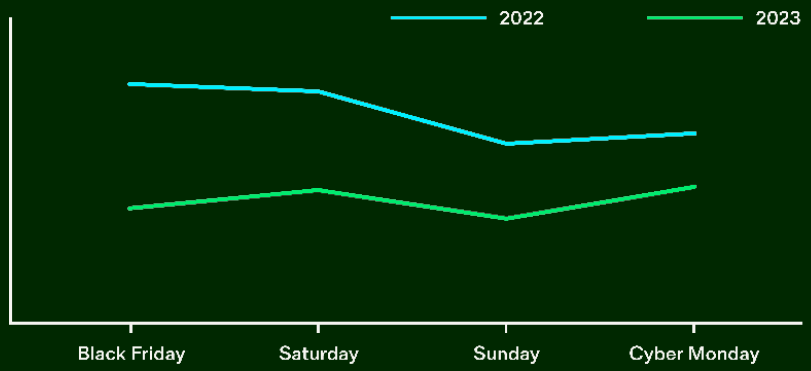
In this report, we will unpack the weekend's performance with just-in Nest advertising data.

How did Meta perform this BFCM weekend?

CPM: CPMs were dramatically lower year-on-year this Black Friday.

This Black Friday, average CPMs experienced a significant YoY decrease, plunging by an average of 26%.

This trend held true across most placements and objectives, meaning our clients could scale spend and outcompete brands that had not adapted to the new reality of advertising on Meta.

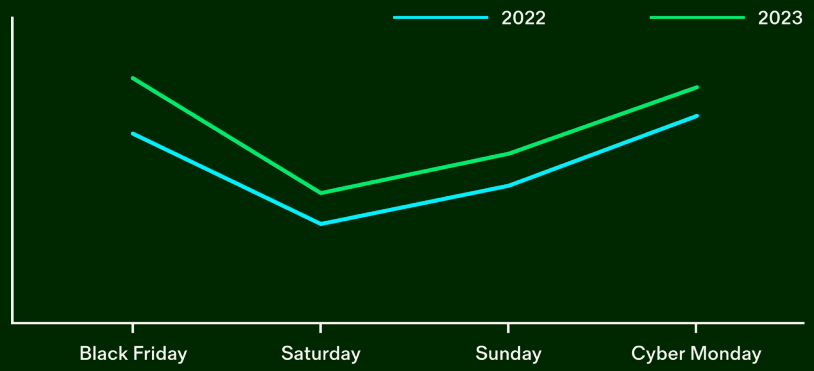


-26% YoY

CVR: Conversions and purchases increased sharply over the weekend.

Meta's improvements to targeting and performance contributed to a 14% YoY uplift in conversions.

By leveraging a full-funnel performance strategy throughout 2023, Nest clients had the necessary salience and retargeting data to convert their audience into customers during peak.

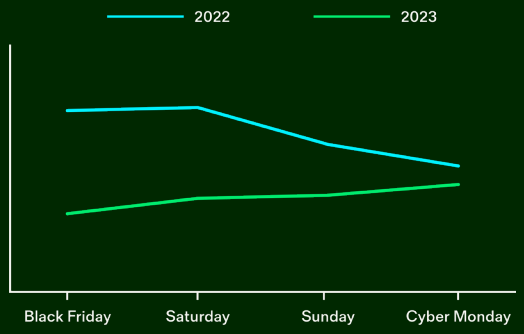


+14% YoY

How did Meta perform this BFCM weekend?

CTR: Consumers spent less time browsing this peak.

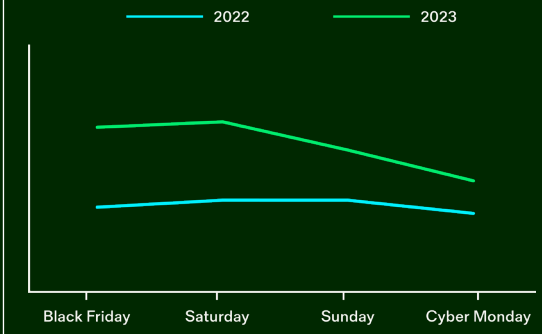
There was a noted decrease in browsing behaviour this peak. Consumers were less inclined to interact with ads, leading to a 27% decline in CTR. Despite this, reduced CPM softened the impact on CPC, which was up by just 3%.



-27% YoY

AOV: Average basket sizes are up year-on-year.

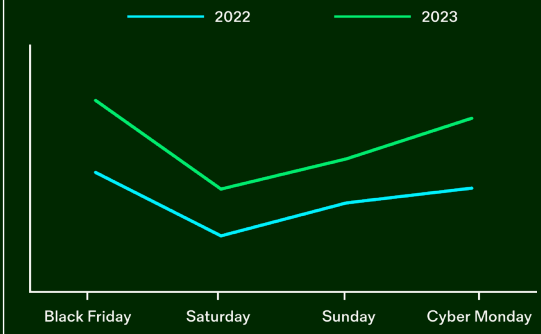
Peak is the prime time for bargain hunting. Interestingly, AOV was up by 17% YoY. With higher prices, the average consumer is more discerning, and this behaviour may also mean many are waiting for discounts and then making multiple purchases.



+17% YoY

ROAS: ROAS surge is due to lower CAC and higher purchases.

Increased conversions are behind a 7% decrease in CPA. This reduction in acquisition costs, combined with a 17% increase in average basket sizes, means that average ROAS on Meta was 26% higher YoY across the weekend.



+26% YoY

Winning Meta strategies this peak

A full-funnel creative approach creates demand

Conversion-led creative is crucial during peak. Scaling lower-funnel ads drives efficient sales while Meta is competitive.

However, this is not a winning all-year strategy, as these ads do not deliver much long-term value. Instead, brands that spent the year building resonance with video ads while Meta was less competitive will have benefited this weekend.

Creative in 2024 needs to move beyond tactical wins to supporting retailers wider business goals.

Black Friday is where US scaling strategies pay off

American consumers spent nearly $10 billion last weekend during the Black Friday sales. There is huge potential there for European brands, and we saw a 52% YoY increase in ROAS for our US campaigns.

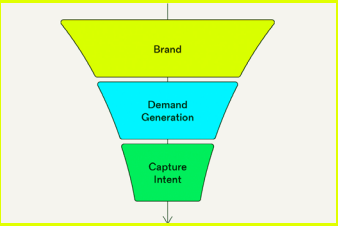
Strategies that work well for entering the US market include: targeting either the East Coast or West Coast; a city-by-city approach starting with bigger cities; carrying out market research to discover areas with similar demographics to your customers; and an omnichannel strategy.

Full-funnel performance is now essential to make Meta work

Before Apple's ATT update, online retailers could rely on running performance campaigns to grow their brands. It allowed for highly targeted marketing campaigns with quick (and easily attributable) return on investment.

However, trying to deploy this approach in 2023 will lead to unaffordable CAC. Retreating into "performance think" and trying to find scale here is a dead end. Nowadays, the most powerful marketing happens when you are full-funnel.

This strategy gives Meta the data it needs to perform, delivering higher scale and reducing CAC within a few weeks of deploying the strategy. Additionally, you will be setting your brand up for future growth.



Ensure Meta's algorithm delivers for your brand

Embracing feed-based prospecting during peak through DABA and ASC is a powerful way to overcome challenges with Meta. Maximise these solutions by ensuring that your feed is well-enriched with the data the algorithm needs to perform.

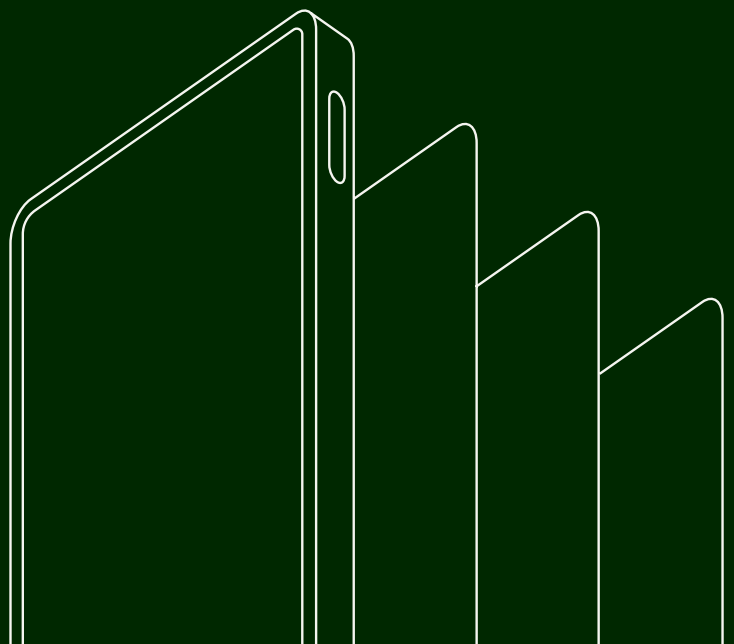
When leveraging Meta's algorithm, it's crucial that your brand retains influence over AOV, margin and product merchandising – to embrace the power of machine learning whilst also meeting your brand's commercial objectives.

How did your peak compare?

Our results show that a resurgent Meta is continuing to deliver strong results. We expect this to continue into 2024. Did your Black Friday stack up?

We are offering no-strings attached calls with our paid social experts to discuss Meta strategy. Interested?

Get in touch today



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