



# Online Ads Cost

Everything you need to know for **2022**



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# Introduction

In the advertising world, there are no universal formulas for success. Some companies invest more to get more revenue using online mediums, while others cut costs by reducing advertising spending. Whatever the strategy, it must include a few key elements: spending on digital mediums, advertising to a relevant audience, and taking advantage of different platforms to optimize your marketing efforts.

Today, the dominant advertising platforms are Google, Facebook, Instagram, LinkedIn, TikTok and YouTube. Each of them has its advantages and disadvantages. **However, the question is, “How much does it cost to advertise online”?** This whitepaper focuses on exploring the costs of advertising, considering that they depend on many factors, such as the platform of choice, industry, ad quality, and relevance score.

Additionally, running manual campaigns can no longer make you stand out. Choosing the right tools to automate the process is another important factor. For instance, LeadsBridge integrations help you connect TikTok with just about any CRM and automation tool.

**Enjoy your reading!**

# TikTok paid ads cost in 2022

## Why use TikTok for advertising?

With 689 million global active users, TikTok stands as the 7th most popular social network globally. Also, a study by Morning Consult revealed that one in four U.S. Gen Zers were more willing to use TikTok – which makes it also a popular place for marketers.

In addition to these outstanding statistics, TikTok offers inexpensive prices for advertisers.

## How much does it cost to advertise on TikTok?

Besides the price, TikTok's primary appeal is its **potential for creating high-performing ads**. If designed well, your ads can make a huge impact and even go viral with either paid or organic content. For example, a branded video with trendy music may easily get enough views for going viral.

So how much does it cost to advertise on TikTok?

TikTok ads start at \$10 per CPM (cost per thousand), which makes TikTok a relatively affordable advertising platform. On the other hand, a branded hashtag can reach up to \$150,000 to get featured on TikTok's Discovery banner. In any case, TikTok requires you to spend a minimum of \$500 on a campaign.

To optimize your TikTok Ads, you can **connect the [TikTok lead generation](#) form directly to your CRM**, using LeadsBridge integrations. This integration **automatically syncs your lead data into your marketing tools** in real time.


TikTok Lead Generation integration with Google Sheets:



Streamline your TikTok campaign's with TikTok Lead Generation and Google Sheets integration

**TRY IT FOR FREE**


TikTok Lead Generation integration with Email Notification



Instantly connect and integrate TikTok Lead Generation with TikTok Lead Generation and Email Notification integration

**TRY IT FOR FREE**

TikTok Lead Generation integration with Salesforce®



Automatically sync your leads with TikTok Lead Generation and Salesforce® integration

**TRY IT FOR FREE**

[Check out this complete guide to TikTok Advertising here.](#)

# YouTube paid ad cost in 2022

## Why use YouTube for advertising?

Since [96% of customers increased their online video consumption](#), video ads should not be ignored. And to put your business in front of your audience, there is no better place than the video-oriented social platform, YouTube.

Although Google owns YouTube and this platform uses the Google AdWords network, the pricing is slightly different when it comes to advertising. This brings us to the main question, how much does YouTube advertising cost exactly?

## How much does YouTube advertising cost?

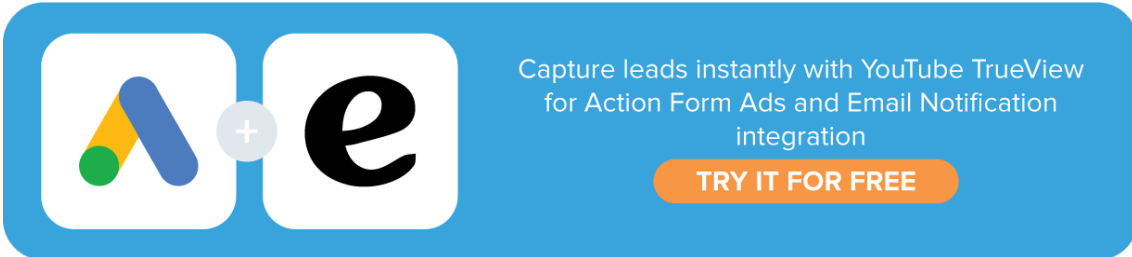
YouTube uses a no-waste system. It means that you only pay when a person watches your video. YouTube ads have an average cost-per-view of \$0.010 – \$0.030, which likely sums up to an average of \$10 a day.

The generated view will measure your general YouTube viewer count. Accordingly, the average cost of reaching 100,000 viewers is around \$2,000.

## Using LeadsBridge to optimize YouTube ads

Beyond targeting viewers, YouTube enables you to run ads on certain channels and videos. With some practical guidelines and the right tools, you can **optimize your ads**, place them on popular videos for a relevant audience and respond to submitted forms instantly. By doing so, you can extend your brand reach considerably.

**LeadsBridge integrations help to automate the lead sync process from the YouTube TrueView for Action Form Ads to your CRM or other marketing tools.**



Capture leads instantly with YouTube TrueView for Action Form Ads and Email Notification integration

**TRY IT FOR FREE**



# Google paid ads cost in 2022

Google ads is an advertising platform where businesses can place bids on keywords so that the ads show up on different Google platforms such as the Google search results, Google Display Network, and Google's AdSense program. As a result, [Google ad has become the most popular PPC network](#) among digital advertisers with the best returns on investment (\$2 for every \$1 spent).

Here are 7 types of Google ads:

- Search campaigns (text ads on search results)
- Display campaigns (image ads on websites)
- Video campaigns ( video ads on YouTube)
- Shopping campaigns (product listings on Google)
- App campaigns (promote your app on many channels)
- Local campaigns (promote locations on many channels)
- Smart campaigns (automate your campaigns)

Before discussing how much it costs to advertise on Google, let's see how the Google ads auction works.

## How does the Google ads auction work?



The **Google ads auction determines the eligible ads** that will show up. It also decides where the ads appear on the page based on each user search.

When a user searches on Google, the ads systems use the related keywords to filter through all ads. After filtering the keyword-embedded ads, the system scans them for relevant and eligible ads

for these specific keywords. Ineligible ads are discarded, and the eligible ads with **high Ad ranks are selected for display** to the user. Ad rank consists of your bid, ad quality, rank thresholds, search context, and ad formats.

Once **Google determines your ad rank**, it calculates how much you will pay every time a user clicks on your ads. The Google's formula for measuring ad rank is:

The ad rank of the advertiser below your rank / your quality score + \$0.01 = ads cost

Each time a user searches for the related keywords on Google, the auction process repeats itself. However, the result changes based on the competition. Therefore, it is normal to see your ad displayed differently.

To determine the Google paid ads cost, you first need to know the factors affecting Google ads pricing.

Learn how to predict your Google ads cost with our [complete guide to Google ads cost](#).

## Factors affecting Google paid ads cost

### 1. The industry

The industry your business belongs to can affect your Google ads cost. Some business services such as Legal, Accounting, and Real estate are more competitive. This means **higher Google paid ad costs** because these niches make more from their campaigns. For instance, a legal client can produce up to \$1,000 to \$5,000, while the marketer may not pay more than \$50 to acquire the client? On the other hand, retail and e-commerce niches have lower advertising costs because they will need many customers to make the same amount as a single legal client.

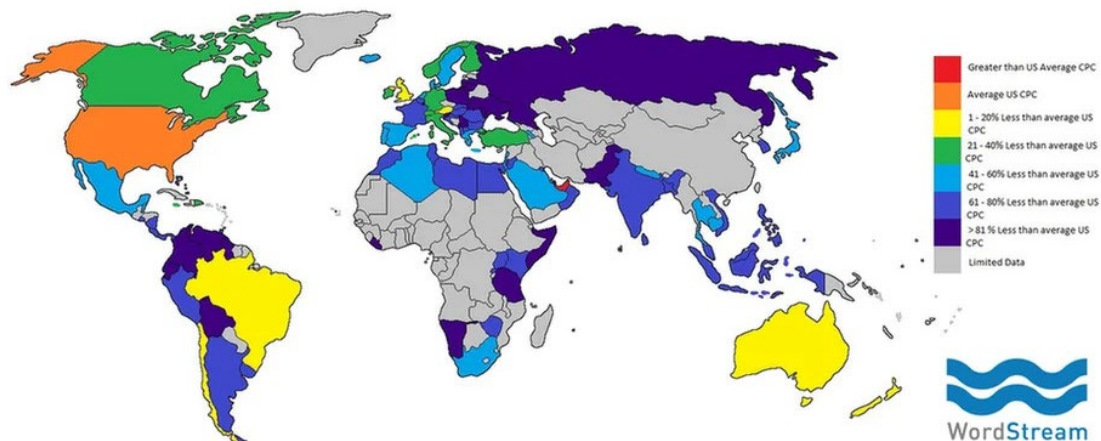
Below is a table showing the average cost per click for all industries in search and Google Display Networks.

Industry	Average CPC (Search)	Average CPC (GDN)
Advocacy	\$ 1.72	\$0.32
Auto	\$ 1.43	\$ 0.39
B2B	\$ 1.64	\$0.37
Consumer Services	\$ 3.77	\$ 0.69
Dating & Personals	\$ 0.19	\$ 0.18
E-Commerce	\$ 0.88	\$ 0.29
Education	\$ 1.74	\$ 0.40
Employment Services	\$ 4.20	\$ 1.66
Finance & Insurance	\$ 3.72	\$ 0.72
Health & Medical	\$ 3.17	\$ 0.37
Home Goods	\$ 3.19	\$ 0.70
Industrial Services	\$ 2.00	\$ 0.60
Legal	\$ 5.88	\$ 0.60
Real Estate	\$ 1.81	\$ 0.88
Technology	\$ 1.78	\$ 0.20
Travel & Hospitality	\$ 1.55	\$ 0.24

**The country you plan to target in your campaign also affects your Google paid ads cost.** Advertisers run campaigns internationally, so there are different CPC, depending on the target country. For example, it costs more to target the U.S. than India. This is because the general living expenses in the United States are higher than that of India, and people have greater purchasing power – hence the higher Google ads prices.

Check out the cost per click for different countries below from Google Ads, Bing Ads, and other SEM platforms.

## Average Cost per Click Around the World



Source: [WordStream](#)

## 2. Quality score

A quality score is a metric Google uses to measure the quality and relevance of your ad copy and landing page for a keyword. This metric also calculates your keyword's cost per click and ad rank. When you have a high-quality score, your ad rank grows, and the Google ads cost decreases each time a user clicks on your ad.

When you add relevant keywords to your ad account, Google gives them a quality score of 6. Then, it adds other factors such as the relevance and landing page to know if your quality score will drop or increase.

Below are different quality scores for keyword types:

Keywords	Quality scores
<b>Branded keywords</b>	8-10
<b>High intent commercial keywords</b>	7-9
<b>Low intent keywords</b>	7
<b>Competitor keywords</b>	3+

## 3. Current trends

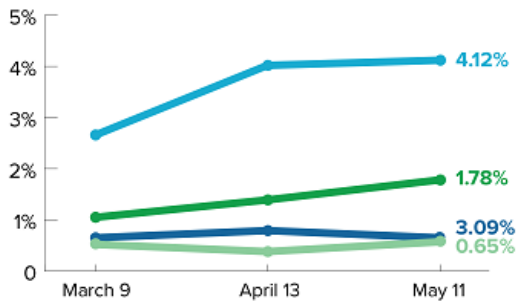
Current trends influence the Google paid ad costs directly. Let's take the COVID-19 pandemic. It has affected some industries positively and others negatively. For example, it affected the travel industry

adversely while it helped increase conversions for the apparel industry in the same period- as observed by Wordstream. Check out the CPC for the travel industry and the apparel industry below.

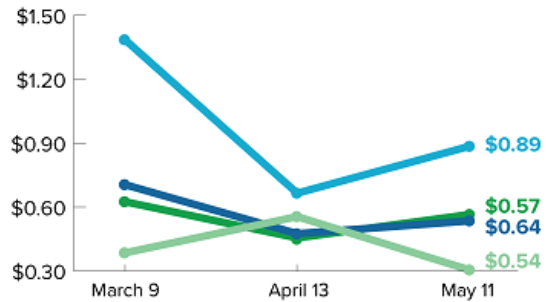
**PPC BENCHMARKS DURING COVID-19** | WordStream

**Apparel**

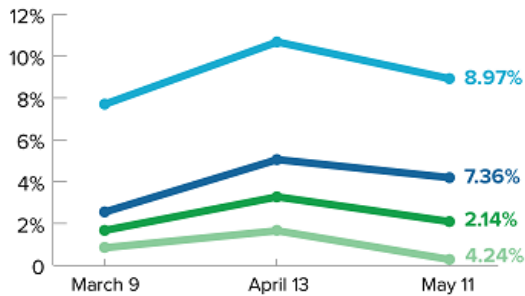
**Average Click-Through Rate**



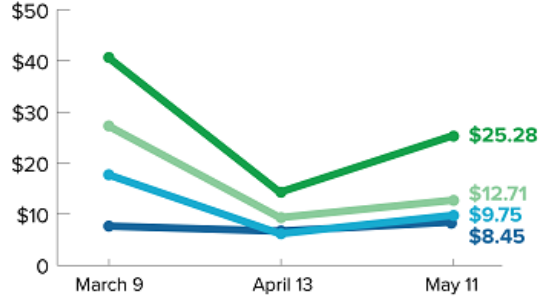
**Average Cost Per Click**



**Average Conversion Rate**



**Average Cost Per Action**



■ Google Search   
 ■ Bing Search   
 ■ Google Shopping   
 ■ Bing Shopping

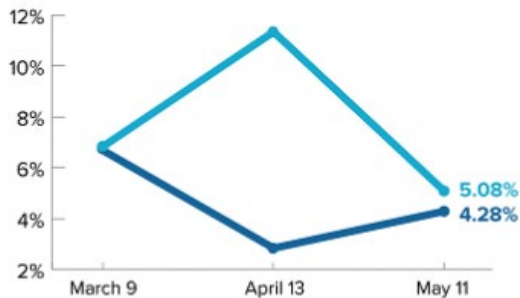
Source: [Wordstream](https://www.wordstream.com)

The travel industry was worst hit by the COVID-19 pandemic.

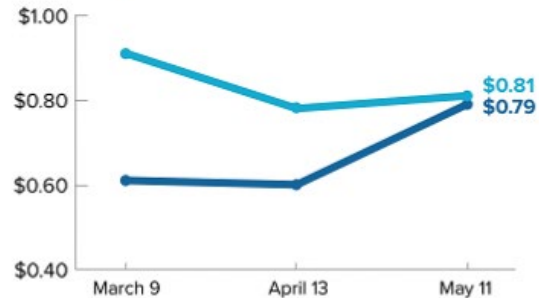
# ✈️ Travel & Tourism

Updated data!

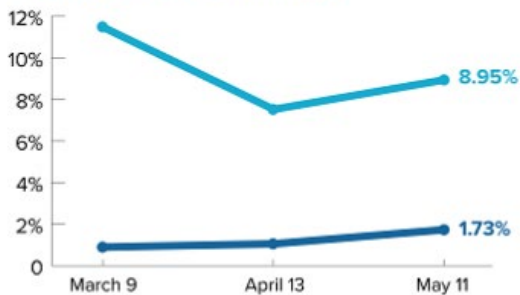
Average Click-Through Rate



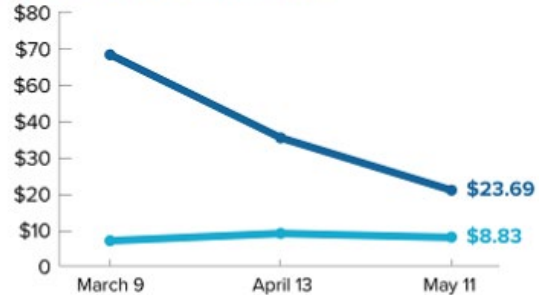
Average Cost Per Click



Average Conversion Rate



Average Cost Per Action



■ Google Search ■ Bing Search

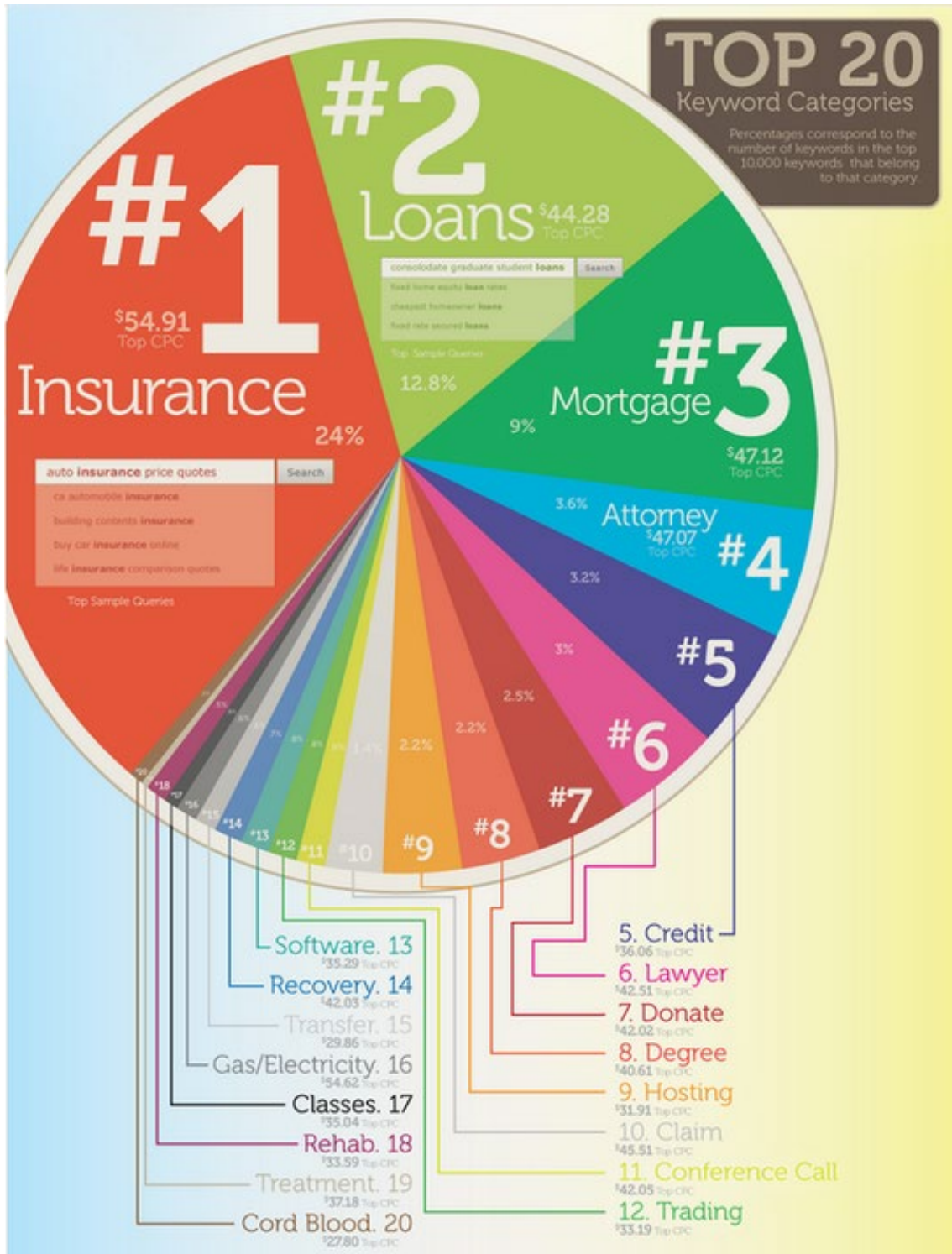
Source: [Wordstream](#)

The finance industry barely changed during the pandemic. People were still searching for answers to their finance, loans, and insurance questions even during the lockdowns. This is why the **finance industry has the most expensive CPC keywords**.

## 4. Keywords

Keywords have a powerful influence on Google paid ad cost. The reason is that **some keywords are more expensive than others**. For instance, **commercial intent keywords are more costly than generic keywords**. Also, keywords can be pricey in competitive niches like

legal and accounting. Check out the 20 most expensive keywords in Google ads below.



Source: [Wordstream](https://www.wordstream.com)

# How much does Google ads cost?

Different variables influence Google ads costs. However, the average cost per click (CPC) for [Google ads is \\$1 – \\$2](#), the average CPC for the Google search network is \$1 – \$2, and the average CPC for the Google Display Network is \$1 or less. The most expensive keywords on Google ads cost around \$50. Learn all you need to know about [Google Lead Form Ads here](#).

Now, let's discuss the ways you can reduce your Google ads spend.

## Strategies to reduce your Google ads cost

Here are some ways you can reduce advertising costs when using Google ads:

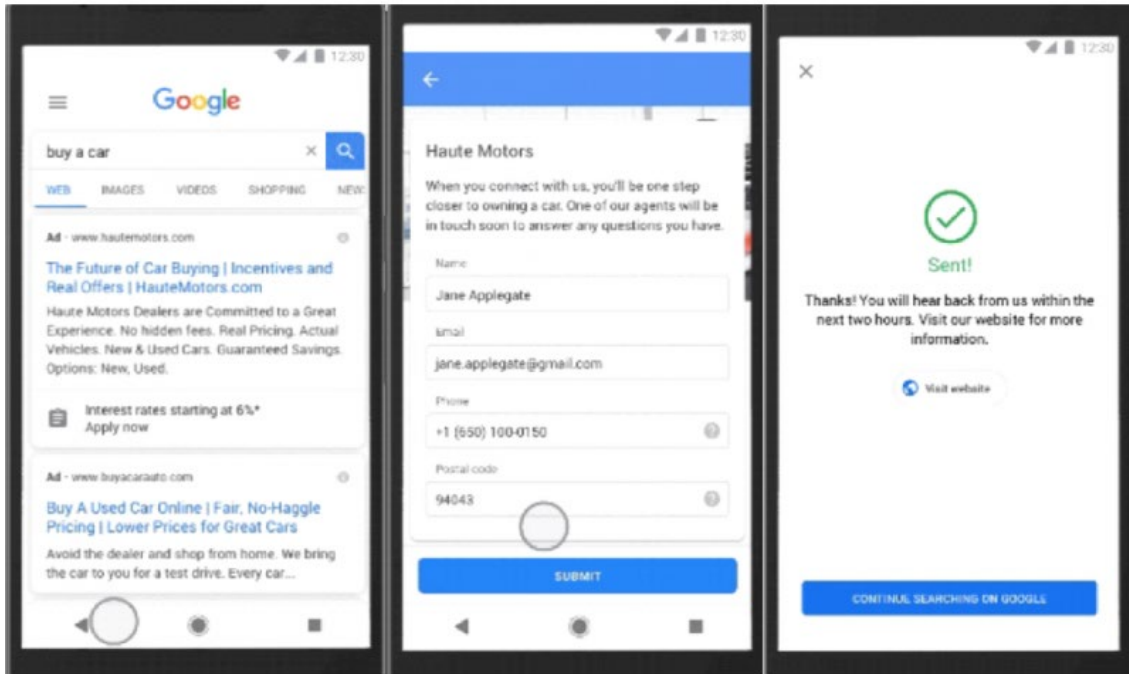
### 1. Increase the ad quality score

The **most effective way to reduce your Google ads cost is raising your quality score**. Make sure your landing page is optimized, and the ad's message is specific to the target audience and aligned with your landing page.

### 2. Use Google Lead Form Extensions

Google Lead Form extensions are lead generation ads designed to help businesses generate leads from mobile search results pages. These forms are pre-filled, which makes the process of submitting contact information easy and quick for the users. Have a look at a Google Lead Form example below.





An important aspect of optimizing your campaigns is **being able to monitor and manage your google campaigns through a CRM** or email software, which you can do using the LeadsBridge Google Lead Form Extensions integration. This way, you can **contact leads and nurture them instantly**.

Here are two of our popular Google Lead Form Extensions integrations:

This card features the Google Ads logo (a stylized 'A' with blue, red, and green segments) and an email icon (a lowercase 'e'). A plus sign is positioned between the two icons. To the right of the icons, the text reads: "Streamline your data management process with Google Ads lead form extensions and Email Notification integration". Below this text is an orange button with the text "TRY IT FOR FREE".

This card features the Google Ads logo (a stylized 'A' with blue, red, and green segments) and the Bitrix24 logo (the number '24' with a clock icon). A plus sign is positioned between the two icons. To the right of the icons, the text reads: "Automatically sync your leads with Google Ads lead form extensions and Bitrix24.com integration". Below this text is an orange button with the text "TRY IT FOR FREE".

For more information, read our complete guide to [Google Lead Form ads for successful Google lead generation](#).

### 3. Optimize the keywords

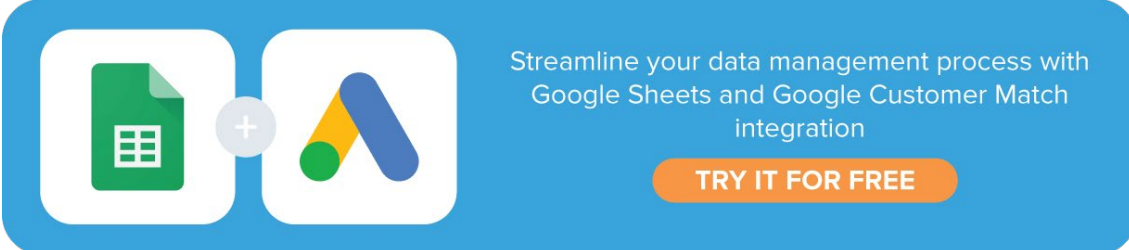
Avoid using generic keywords. Instead, use match-types that suit your content to make sure you are spending on relevant keywords.

### 4. Customer-first principle

Pay attention to your customer's needs when creating your ad campaign. Keeping your customers' perspectives in mind, you can optimize your ad content. Avoid targeting everyone. Instead, **target a specific audience that is highly relevant** to your ad campaign.

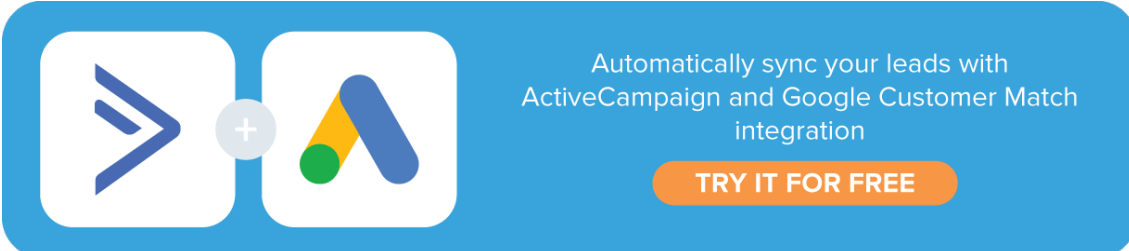
[Discover how to use Google Customer Match to target your ideal audience here.](#)

Use these popular LeadsBridge integration to leverage the power of Google Customer Match:



Streamline your data management process with Google Sheets and Google Customer Match integration

[TRY IT FOR FREE](#)



Automatically sync your leads with ActiveCampaign and Google Customer Match integration

[TRY IT FOR FREE](#)

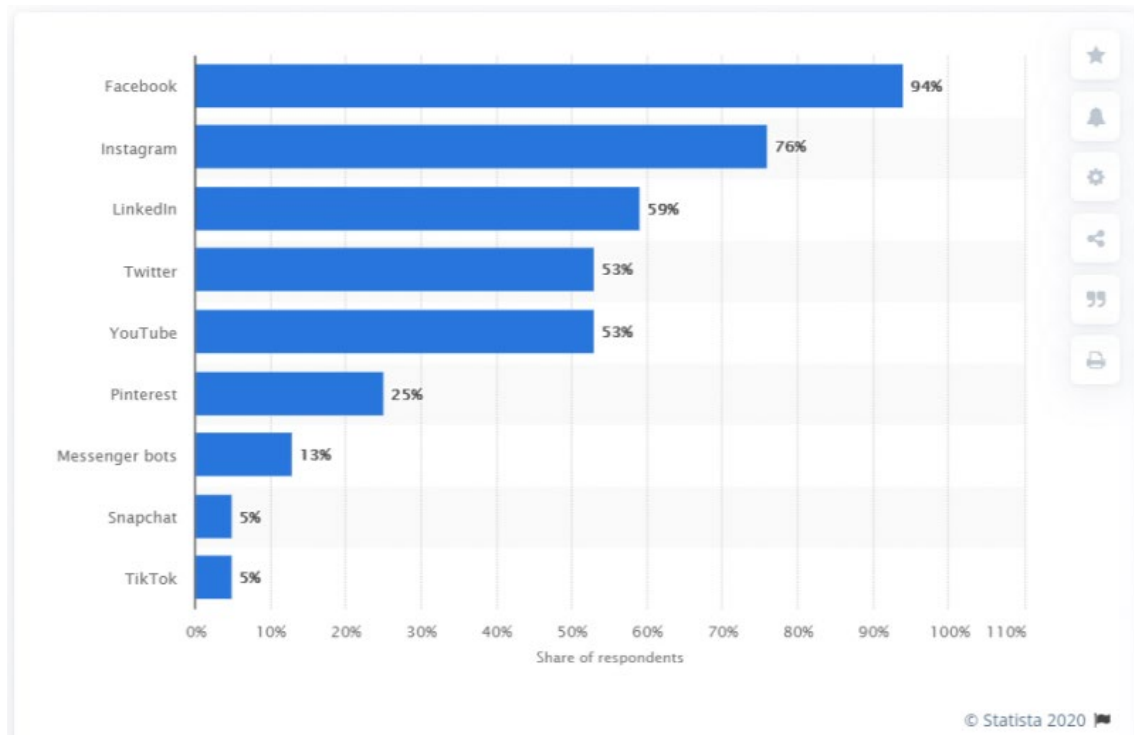
### 5. Avoid negative keywords

Based on Google metrics, it is recommended to avoid using negative keywords. This way, you can reduce your cost per click and boost your ROI.

For more information on how to reduce your Google ads cost, read these articles about [How to Implement a Google Ads Strategy at Every Stage of the Funnel](#) and [Google ads optimization strategies](#).

# Facebook ads cost in 2022

Facebook is one **of the best advertising platforms** for marketers. According to Statista, Facebook is [the leading social media platform for marketers](#) worldwide as of January 2022.



Source: [Statista](#)

According to [HubSpot](#), Facebook is the best advertising platform with the most promising ROI on ad spend.

Another interesting marketing fact is that there are over [6M active advertisers on Facebook](#). This is because brands have the opportunity to reach out to over [2 billion users on Facebook](#) with the ad system.

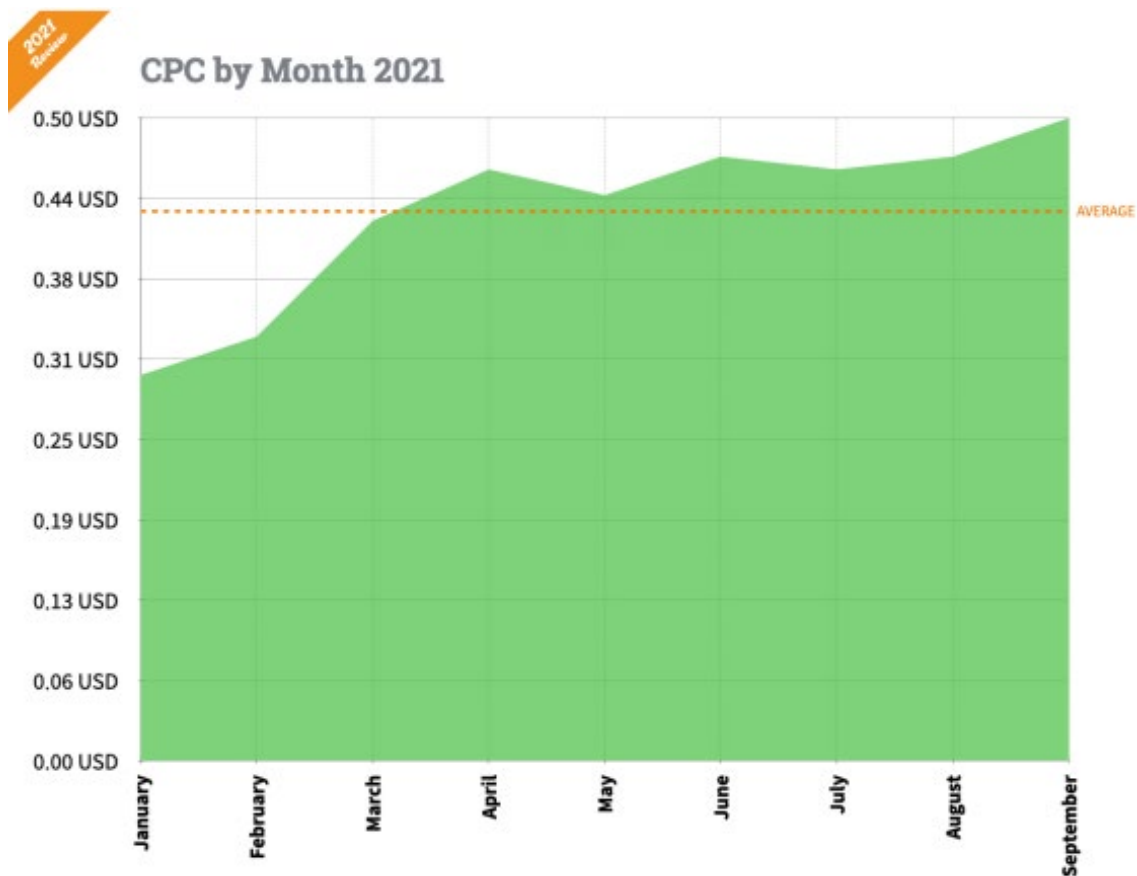
Facebook ads are also cost-effective. According to Wordstream, Facebook's [average cost per click across different industries is \\$1.72](#). You can see these statistics in the graph below, along with the Facebook Click-through rate (CTR), the average cost per action (CPA), and the average conversion rate.

Industry	Average CPC	Average CTR	Average CPA	Average Conversion rate
Real Estate	\$ 1.81	0.98%	\$ 16.52	10.67%
Retail and Ecommerce	\$ 1.85	1.02%	\$ 38.33	11.65%
Automotive	\$ 2.48	0.89%	\$23.80	10.65%
Education	\$ 2.11	0.55%	\$ 18.36	12.82%
Finance	\$ 3.89	0.58%	\$ 41.28	8.98%
Apparel	\$ 0.25	1.24%	\$ 10.98	4.11%
Auto	\$ 2.24	0.80%	\$ 43.84	5.11%
B2B	\$ 2.52	0.78%	\$ 23.77	4.63%
Beauty	\$ 1.81	1.16%	\$ 25.49	7.10%
Consumer services	\$ 3.08	0.62%	\$ 31.11	9.96%
Home improvement	\$ 2.93	0.70%	\$ 44.66	6.56%
Employment & Job training	\$ 2.72	0.47%	\$ 23.24	11.73%
Finance & Insurance	\$ 3.77	0.56%	\$ 41.43	9.09%
Fitness	\$ 1.90	1.01%	\$ 13.29	14.29%
Healthcare	\$ 1.32	0.83%	\$ 12.31	11%
Industrial services	\$ 2.14	0.71%	\$ 38.21	0.71%
Legal	\$ 1.32	1.61%	\$ 28.70	5.60%
Technology	\$ 1.27	1.04%	\$ 55.21	2.31%
Travel & Hospitality	\$ 0.63	0.90%	\$ 22.50	2.82%

[AdEspresso](#) carried out a study in 2021 that revealed the Facebook ads average costs for CPC, Like, and App installs.

- The average Cost Per Click (CPC) is about \$0.35 globally and about \$0.28 in the U.S.
- The average cost per like is \$0.23 in the U.S.
- The average cost per app install is \$2.74 in the U.S.

Here is an outline of the average CPC by month in 2021:



Source: [AdEspresso](#)

As you can see, there is no specific amount for Facebook ads cost. However, the information will give you an overview of the cost of ads in your niche. Facebook ads cost is determined through an auction system- here's how.

## How does the Facebook ad auction system work?

The **Facebook auction system works just like the Google auction**. Once your ads on Facebook are set up and approved, they are ready to be shown to users. When there is an opportunity to display your ad, Facebook determines which ads to show based on your ad bid, ad quality, and estimated action rates.

The **estimated action rates and ad quality are used to assess the relevance of your ads** to your audience- the ads that have the highest relevance to the audience will be selected.

Therefore, the ad bid, estimated action rate, ad quality and relevance, and other factors determine which ads are shown and how much their cost is. These factors are explained more below.

## Factors influencing Facebook ads cost

### 1. Ad quality and relevance

**Facebook ads cost is largely influenced by the quality of your ad** and its relevance to your audience. In evaluating the quality of your ads, Facebook uses different factors such as target audience, placement, visuals, and text. Besides, ad relevance is the key to Facebook's evaluation of your ad's performance when shown to your audience. This is **calculated based on your audience's positive and negative responses** to your ad campaign. These dialogues are interpreted through clicks, conversions, comments, and click-through rates.

**Ads with high engagements get high relevance scores**, which helps reduce advertising costs when using Facebook ads. At the same time, ads with low engagements will also have a low relevance score, thus, an increase in ad costs.

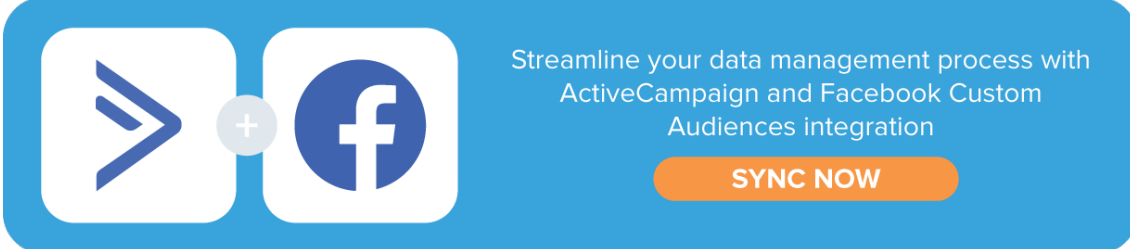
### 2. Audience

Your target audience can also affect the cost of the ads. Who you target and how many advertisers are also targeting the same group is directly linked to the cost of your ads?

If there is high competition for the audience you chose, it means the audience is popular and has a higher ad cost. Suppose you sell a fitness app to people who want to lose weight. Other advertisers selling weight loss products will also target the same audience. This **competition results in inflated Facebook ad costs**.

Don't target an overly broad audience without using filters, which could be fruitless since your ad's relevance is low. This way, you will be paying for higher ad costs without any returns. Check these useful integrations to automate your work.

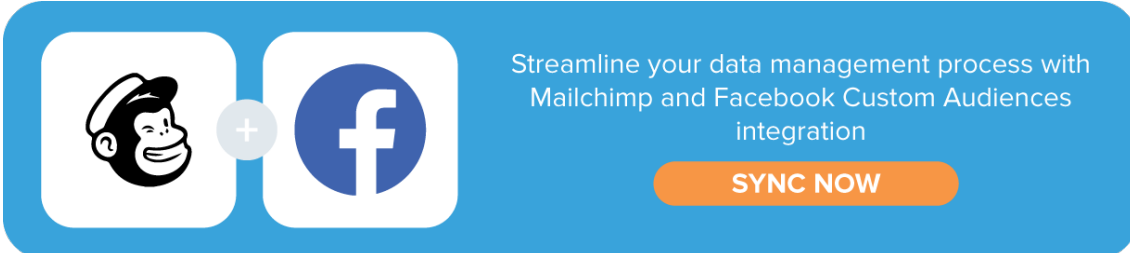
#### Facebook Custom Audiences with ActiveCampaign

A blue rounded rectangular banner. On the left, there are two white rounded squares. The first contains the ActiveCampaign logo (a blue chevron pointing right). The second contains the Facebook logo (a blue circle with a white 'f'). A small white circle with a plus sign is between them. To the right of the icons, the text reads: "Streamline your data management process with ActiveCampaign and Facebook Custom Audiences integration". Below this text is an orange rounded button with the text "SYNC NOW" in white.

Streamline your data management process with ActiveCampaign and Facebook Custom Audiences integration

**SYNC NOW**

#### Facebook Custom Audiences with Mailchimp

A blue rounded rectangular banner. On the left, there are two white rounded squares. The first contains the Mailchimp logo (a black monkey head wearing a white hat). The second contains the Facebook logo (a blue circle with a white 'f'). A small white circle with a plus sign is between them. To the right of the icons, the text reads: "Streamline your data management process with Mailchimp and Facebook Custom Audiences integration". Below this text is an orange rounded button with the text "SYNC NOW" in white.

Streamline your data management process with Mailchimp and Facebook Custom Audiences integration

**SYNC NOW**

[Learn all you need to know about Facebook Custom Audiences here.](#)

### 3. Bidding for ads

Facebook does not have a specific ad cost because it uses the bidding system, which makes the price for each ad depend on different factors. As an advertiser, you can **set a bid (manual bid) based on the amount of money you are willing to pay for the ad**. Facebook also helps to calculate the bid (automatic bid) according to the budget you set.

Optimization for Ad Delivery ⓘ Link Clicks ▾

Bid Amount ⓘ

- Automatic - Let Facebook set the bid that helps you get the most link clicks at the best price.
- Manual - Enter a bid based on what link clicks are worth to you.

€1.00 per link click

Suggested bid: €0.59 EUR (€0.43–€0.88)

When You Get Charged ⓘ Link Click (CPC)  
[More Options](#)

The bidding system allows Facebook to select the ad with the best quality and relevance and estimated action rates. The ads that fulfill the requirements win the bid and get the lowest cost for the ad space. Therefore, paying attention to your ad quality and relevance is more important than focusing on the budget. This is because the ad with the highest relevance and quality score is a winner, and not the ad with the biggest budget.

## 4. Ad placement

When creating your ads, **Facebook allows you to choose different places you want to run your ads.** These include Facebook desktop news feed, Facebook desktop right column, Audience network, messenger, mobile newsfeed, and Instagram. Test out these options to **discover the best place that is cheap to run your ads.**



## Placements

Show your ads to the right people in the right places.

### Automatic Placements (Recommended)

Use automatic placements to maximize your budget and help show your ads to more people. Facebook's delivery system will allocate your ad set's budget across multiple placements based on where they're likely to perform best. [Learn more.](#)

### Edit Placements

Removing placements may reduce the number of people you reach and may make it less likely that you'll meet your goals. [Learn more.](#)

## Device Types

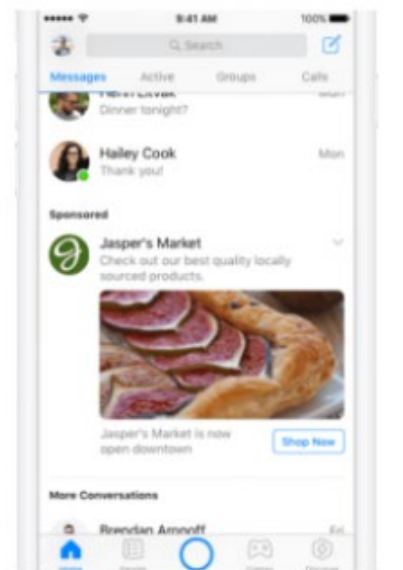
All Devices (Recommended) ▼

## Asset Customization ⓘ

Select all placements that support asset customization

## Platforms

▼ Facebook	✓
Feeds	✓
Instant Articles	✓
In-Stream Videos	✓
Right Column	✓
Suggested Videos	✓
Marketplace	✓
Stories	✓
▶ Instagram	✓
▶ Audience Network	✓
▶ Messenger	✓



Messenger

[View Media Requirement](#)

Facebook also helps you select the best placement for you. For example, allowing Facebook to display your ad on Instagram and the Audience Network will give you access to reach more audiences, while reducing your ad cost.

## 5. Ad Objective

**Facebook provides different objectives for advertisers**, including awareness (i.e., brand awareness and reach), consideration (i.e.,

traffic, engagement, app installs, video views, lead generation, and messages), and conversion (i.e., Conversions, catalog sales, and store visits). Any of **these objectives are achieved at a different cost.**

The screenshot shows the Facebook Ads campaign objective selection interface. At the top, there are two tabs: "Create New Campaign" (selected) and "Use Existing Campaign". Below the tabs, there is a "Campaign: Choose your objective." label and a "Switch to Quick Creation" button. The main content area is titled "What's your marketing objective? Help: Choosing an Objective". It features a grid of objectives categorized into three main groups: Awareness, Consideration, and Conversion.

Awareness	Consideration	Conversion
Brand awareness	Traffic	Conversions
Reach	Engagement	Catalog sales
	App installs	Store visits
	Video views	
	Lead generation	
	Messages	

For instance, it will cost you more to advertise with the objective of app install than a post-engagement since it entails more buy-in from users. According to Statista, the product catalog sales objectives cost the highest at \$4.77 CPM (Cost per Thousand) compared to brand awareness, which cost \$0.48 CPM.

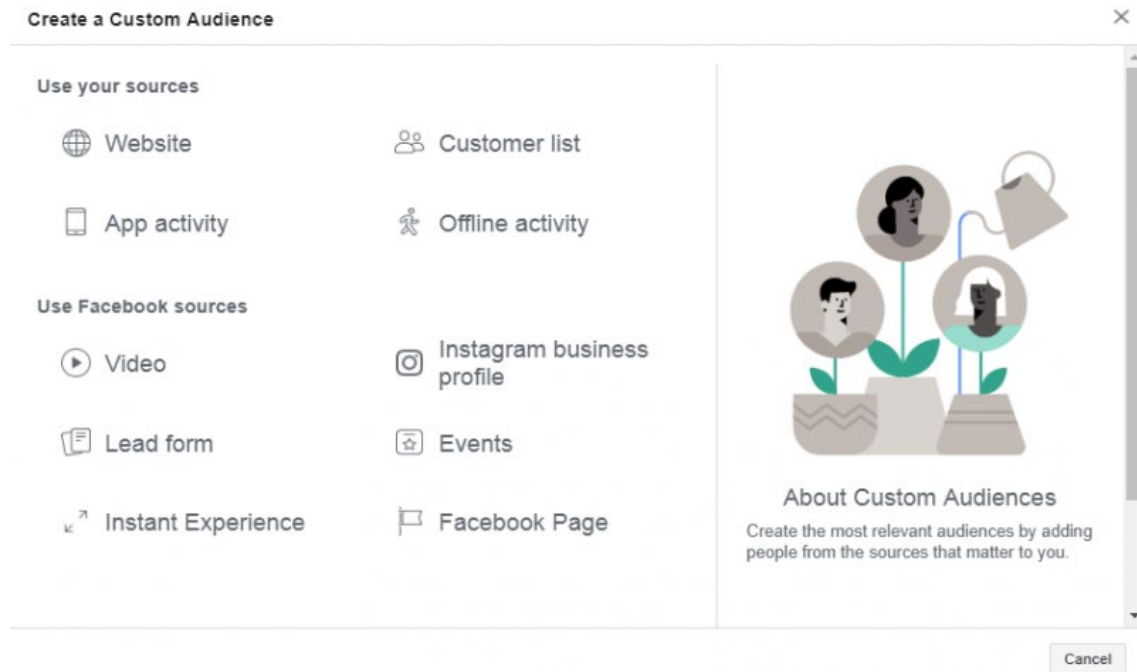
## Strategies to reduce Facebook ads cost

### 1. Target the right audience

We established that your target audience impacts how much you pay for the ad, and that choosing a broad audience will not **generate satisfactory returns**. Facebook allows you to create different audience categories to target with your ad. The first category is your target audience. You can **create the audience by adding demographic filters** and naming it for your ad campaign.

The second category is the custom audience. This is a list of people who have interacted with your business or website. You can create an audience from this existing group and target them with your campaign.

Here is a complete tutorial on [how to create a Custom Audience](#).




The third audience you can create is the Lookalike audience. This can be created from existing audiences of people who are similar to your audience but have not interacted with your brand yet. Learn more about [how to use Lookalike Audiences](#) here.

### Create a Lookalike Audience ×

Find new people on Facebook who are similar to your existing audiences. [Learn more.](#)

**Source** ⓘ   
[Create new](#) ▼

**Location** ⓘ  [Browse](#)

**Audience Size** ⓘ  0 1 2 3 4 5 6 7 8 9 10 % of countries  
Audience size ranges from 1% to 10% of the total population in the countries you choose, with 1% being those who most closely match your source.  
[Show Advanced Options](#) ▼

When you target a specific audience, you will reduce competition from other advertisers who will likely target the same audience. By doing so, you will also reduce advertising costs.

## 2. Use the best ad creatives

Facebook is a visual platform and thrives on images and videos. They help capture the attention of users as they browse through their newsfeed. Therefore, you need to **test your creative quality using Facebook's analytics** and average CTR to determine if the creative performs well. For instance, a low click-through rate is an indication that you need to revise your creatives.

With each ad, you have the option to upload about six different images. Facebook will test them, see how they perform, and then set the budget in a way that favors high-performing images.

The best practice is to test different combinations of images and texts to spot the ones that perform best. A study revealed that [41% of ad audiences prefer ads that entertain](#) them, and 37% react to ads with discounts. Ads with good images or videos engage the audience and are likely to perform well. When it does, it reduces ad costs.

Here is a post about [5 ways to create the perfect Facebook ad creative](#).

### 3. Use the right type of ads

There are different ad formats on Facebook, including post engagement, page likes, instant experience, video, event responses, lead generation ads, slideshow, carousel, collection, offers, and image. **Each ad type has its specific goals.** For instance, video ads perform better if you need to showcase or educate your audience about your new product release. On the other hand, if you need to **generate leads for your business at low costs**, lead generation ads such as [Facebook Leads Ads](#) would work best.

Be mindful of the factors when choosing your ad's format because it is going to influence both the performance and cost of the ads.

### 4. Use Video ads

Using videos in your ads also helps reduce advertising costs when running Facebook ads. Videos generate larger impression shares than other forms of content. This is why they have a cheaper cost per click (CPC). Videos are cheaper and [deliver a better ROI compared to images](#).

Here is an example of a good Facebook video ad from Try The World.



The box of the month is Spain! Taste international gourmet food and enjoy artisanal delicacies delivered right to your doorstep. Sign up today and receive a FREE France Box with your Spain Box!

**Get A FREE France Box Upon Subscription!**  
00:29

**Get A FREE France Box Upon Subscription!**  
Try The World is a subscription box that celebrates the unique cuisines and cultures of the world.

[Sign Up](#)

35 Reactions 5 Comments 1 Share



This doesn't mean you have to abandon image ads. **Images are valuable in creating engaging ads.** However, if you have been paying too much for your ads, you can try using videos to reduce the cost per click.

## 5. Improve your ad quality and relevance score

For decreasing your ad costs on Facebook, improve the quality and relevance score of your ad. Facebook measures the quality of the ads based on how relevant they are to the ads' target audience. Engagement is a key factor here. If users engage with your ads by liking, commenting, and sharing, it means it resonates with them, and as a result, your ad costs drop.

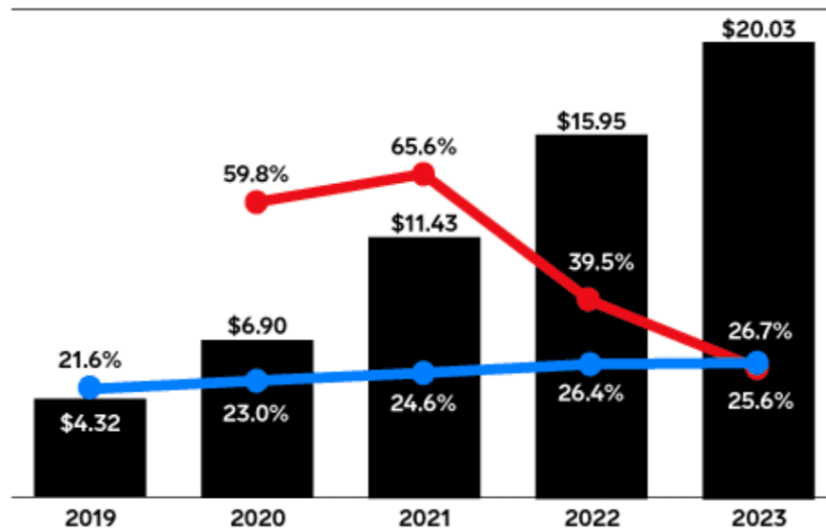
The relevance score ranges from 1 to 10, with 10 being the most satisfactory. So, you need to **improve your relevance score to get at least 8-10 to lower your CPC.**

# Instagram ads cost in 2022

With its over 1 billion monthly active users, **Instagram is one of the best social media platforms for advertising**. Instagram's advertising reach has outdone Facebook in 2021, which makes it [one of the top platforms for advertising in 2022](#).

## Net Instagram Stories Ad Revenues Worldwide, 2019-2023

billions, % change, and % of total Instagram ad revenues



■ Net Instagram Stories ad revenues  
■ % change ■ % of total Instagram ad revenues

Note: includes advertising that appears on desktop and laptop computers as well as mobile phones, tablets, and other internet-connected devices, and includes all the various formats of advertising on those platforms; excludes spending by marketers that goes toward developing or maintaining an Instagram presence; net ad revenues after companies pay traffic acquisition costs (TAC) to partner sites  
Source: eMarketer, Oct 2021

270188

eMarketer | InsiderIntelligence.com

Source: [Hootsuite](#)

Instagram is attracting different businesses. A study revealed that [over 1 million accounts](#) advertise on Instagram. In addition, over [25 million businesses](#) have joined Instagram to promote their **products** and services through the years.

There are different Instagram ad formats, such as photo ads, video ads, story ads, carousel ads, collection ads, explore ads, IGTV ads, and Instagram shopping ads. Let's see how Instagram ads auction exactly works.

# How does Instagram ads auction work?

Instagram advertising works the same way Facebook does. It uses the **auction system to determine the Instagram ads cost** for advertisers. Marketers specify the amount of money they want to invest in their campaign (during the entire course or daily). They can also use the bidding system to pay (bid) an amount for a specified objective such as brand awareness, clicks on website links or videos, and conversions.

In the auction system, Instagram determines the winning ad, which is shown to the end-user. These ads are selected based on three factors – the size of the advertiser's bid, estimated action rates, and ad quality and relevance.

The advertiser's bid is a **budget specified for daily or total ad spend**. Estimated action rates are how likely the user is to complete the specified action on the ad.

Finally, ad quality relevance specifies how likely users will be interested in the ad campaign. The ads that fulfill these three factors secure a placement.

The advertising costs are the minimum amount required to win the auction. These prices depend on several factors, as shown below.

## Factors influencing Instagram ads cost in 2022

### 1. The bid

Instagram ads display work via the auction system, so all advertisers have to bid for each ad. There are **two bidding systems – manual and automatic**.

When using the manual bid, advertisers can select a maximum amount they are ready to spend to get the desired outcome. While in the automatic bid, Instagram will choose how to spend the ad



budget. The **amount you bid on each ad influences your Instagram ad costs**. Your overall budget will also affect the amount you can bid, which also influences your Instagram ad costs.

## 2. Ad quality and relevance

The **ad quality and relevance show how Instagram users react to your ad**. Instagram calculates the relevance score using three factors: negative feedback, positive feedback, and users' past Instagram activities. The score drops if users hide the ads or ignore them. It increases if users interact with ads by liking, clicking, or commenting.

Naturally, a low ads score will contribute to an increased Instagram ads cost.

## 3. Estimated action rates

The estimated action rates are measured by how users react to your ads or how likely users are to engage with your campaign. Instagram promotes ads that get more engagement and interaction from users. **The higher the engagement rates, the lower the ads costs**. Additionally, working to increase your ad engagement brings more leads and conversions for your business.

## 4. Competition in audience targeting

If many businesses target the same audience, there is competition, which affects Instagram ads cost. Generally, ads that target **popular audiences will be more expensive**. This is because many other ads are targeting the same audience at the same time, which implies that the ads require a higher bid to win.

## 5. The month and day of the week

Instagram usually gets more traffic when there are holidays and events such as the Super Bowl, Black Friday, Thanksgiving, Christmas, etc. This means a higher number of advertisers invest in

ads during holidays to get more sales. Consequently, Instagram ads costs are higher during these times.

Also, **it is cheaper to advertise in the first and second quarter of the year than in the third and fourth quarter.** According to a survey, the average CPC in the fourth quarter is around \$1.10, while it is \$1.03 in the third quarter. In the first quarter, it can be as low as \$0.80 and second quarter at \$0.90. However, there are more conversions in the 4th quarter of the year.

Let's have a look at Instagram's average CPC in the past year:



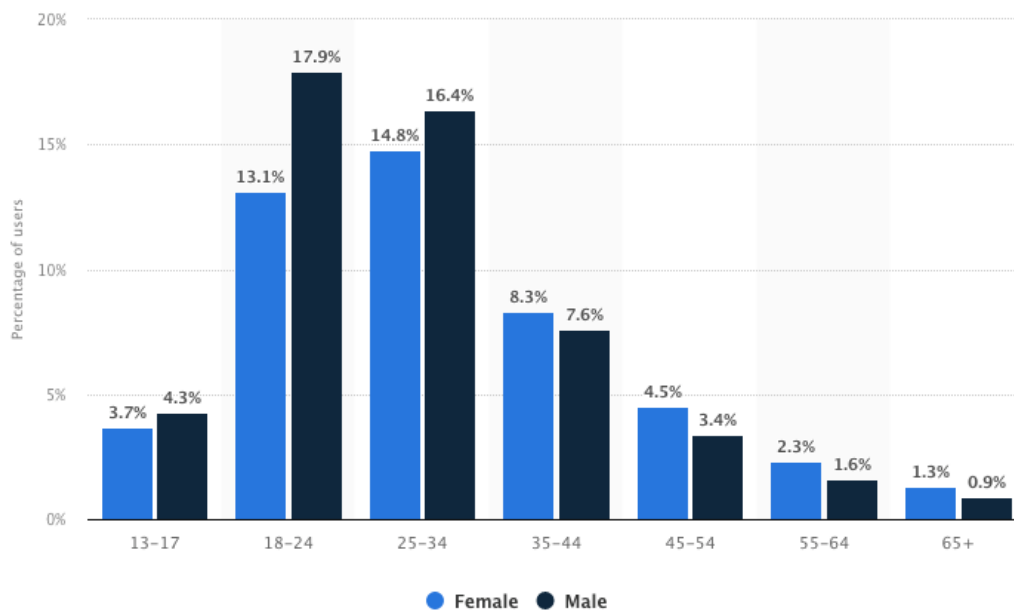
Average Instagram CPC in February of 2022: **\$1.18**

Source: [revealbot](#)

The **engagement levels are also higher during the week** than on weekends. Therefore, ads are more expensive on Tuesdays and Wednesdays compared to other days. So, the day you choose to run your ad can largely affect your Instagram ad costs.

## 6. The Gender and age

The gender and age of your target audience on Instagram also affect the ad cost. For example, **there are more women than men on Instagram.** According to Statista, there are [51% of females and 49% of males as of 2020](#). In contrast, the costs are higher to advertise to users aged 25 – 34, than those aged 18 – 24.



© Statista 2022

[Additional Information](#)

[Show source](#)

Source: [Statista](#)

AdEspresso's research on Instagram costs revealed that **it is cheaper to target men than women**. The reason is that CPC is higher for females than males, so it is more expensive to advertise to females than males. This is because females are more likely to interact with ads on Instagram.

The age of users also affects Instagram ad costs. **It is more expensive to target the age range of 25-34** than other age ranges for their higher purchasing power. Based on the same logic, the age range between 13-17 and 45-64 are cheaper to target.

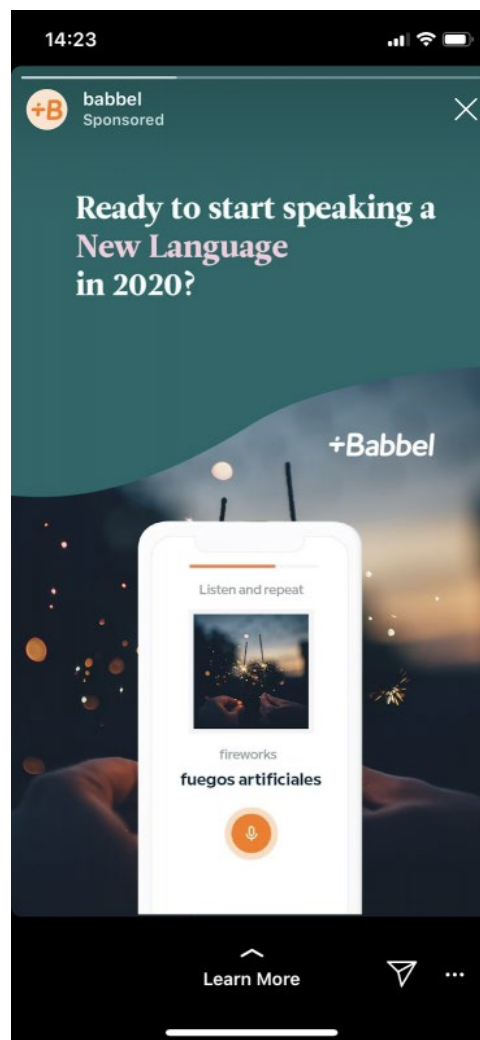
## 7. The ad placement

**Instagram provides different places to show your ads.** They include the mobile feed, right column, desktop feed, audience network, and stories bar- each class has a different ad cost. The right column is expensive, while the feed and story ads are cheaper. The Instagram story ads cost is about \$0.80 to \$1.30 CPC. Besides prices, they are the best and most cost-effective ad formats.

# Strategies to reduce your Instagram ads cost in 2022


## 1. Test different ad formats

Instagram offers different ad formats to choose from, such as photo ads, video ads, story ads, IGTV, and Instagram shopping ads. Test each of these formats to know what works best for your campaign. However, **the cheapest ad formats on Instagram are story ads**. Here is a great example of the Instagram story ads from Babel.



Instagram story ads have a low cost per click (CPC) compared to the mobile feed format. It also has the highest level of engagement. If you are in the real estate business, [learn more about Instagram stories here](#). Here are two of our popular integration which you can use for free:


## Instagram Lead Ads integration with Email Notification

A graphic showing the Instagram logo and an email icon (a white square with a black 'e') separated by a plus sign, all within a blue rounded rectangle.

Automatically sync your leads with Instagram Lead Ads and Email Notification integration

[TRY IT NOW](#)

## Instagram Lead Ads integration with Mailchimp

A graphic showing the Instagram logo and an email icon (a white square with a black 'e') separated by a plus sign, all within a blue rounded rectangle.

Automatically sync your leads with Instagram Lead Ads and Email Notification integration

[TRY IT NOW](#)

## 2. Test your creatives

Instagram **ads creative is another element that influences ads cost**. By testing your creatives, you can improve your ad performance and create relevant ad content for your audience. This will help to improve your ad and relevance scores. With the increase in the score, your CPMs are lower. So, make sure to test your messaging, images, and other creatives.

## 3. Use automatic bidding

If you are new to Instagram advertising, it is **better to start with automatic bidding**. This way, Facebook can bid on your behalf. Without sufficient knowledge, you could end up overbidding or underbidding, which can adversely affect your ad cost and performance. All you need is to specify the overall budget and let the Facebook algorithm do the rest.

## 4. Use the right audience targeting

For Instagram ads to be successful, they need to reach the audience who is interested in the advertised product or services. Instagram provides different ways to **target your audiences by using their**

**location, demographics, interest, and behaviors.** You can also create custom audiences and lookalike audiences to target people with high intent. This method also ensures that your ad quality and relevance will be high, and you will get **a high ad rank that will help lower your CPC and increase conversions.**

## 5. Use dedicated landing pages

Having a link to a dedicated landing page is a must-have when designing Instagram ads. Once clicked, users will be directed from the Instagram ads to these pages.

Creating **dedicated landing pages encourages your audience to engage** with the content and learn more about your offering- while lowering your ad cost on Instagram. For example, if you're promoting a fashion bag, the link on the ad should lead specifically to the fashion bag product page on your website. It shouldn't link to your home page or another product's page. When users click to go to a dedicated landing page, they are likely to convert because of their high intent.

Another noteworthy example of optimized ad content is creating social media content, with mobile-responsive landing pages that capture lead information like their name, email address, and whether or not they're an existing customer.

Find out more about [how to build email lists on Facebook and Instagram](#) here.

# LinkedIn ads cost

With nearly [800 million active users](#), LinkedIn is one of the best social media platforms to advertise. LinkedIn, initially known to be for executives, now offers marketers advertising opportunities and stands as the [second most used platform for B2B marketers](#).

Additionally, [half of the marketers in the U.S. run campaigns on LinkedIn](#), mostly for its business-oriented user base.

## How much do LinkedIn ads cost?

LinkedIn ads are in different formats, such as sponsored content ads, text ads, message ads, and dynamic ads.

While LinkedIn employs a similar pricing mechanism to Facebook and Google, there are some significant differences. Take the average CPM on LinkedIn, for example.

Unlike Facebook, this option is mostly used when **running brand awareness campaigns where the only bidding option is CPM**. To be accurate, the average CPM on LinkedIn is \$33.80 per 1000 impressions.

However, LinkedIn requires a minimum bid of \$2 for CPC and CPM campaigns. This sums up to \$5.26 per click and \$6.59 for every 1000 impressions the ads generate. **Sponsored InMail is LinkedIn's most expensive advertising feature**, with an average of \$0.80 per spend in the campaign.

As said above, these prices are not definitive; there are factors that can either increase or reduce your LinkedIn ads cost. But first, let's see how the LinkedIn ads auction works.

# How does LinkedIn ads auction work?



**LinkedIn ad costs are calculated by an auction system** that permits you to place bids for your ads and win a placement. The auction system determines which sponsored updates are shown in the feed and how much the advertiser will pay for the impression or click. **The auction runs every time a user visits LinkedIn and scrolls through their feed.**

LinkedIn reruns the ads through the second auction to compete with other advertisers with a similar target audience. The ad that wins the auction for the audience is displayed to the LinkedIn users.

Now, let's discuss the factors affecting the LinkedIn ads cost.

## Factors influencing LinkedIn ads cost

### 1. Target audience

The **selected target audience influences your ad costs**. Each time you place your ads on LinkedIn, you compete with other advertisers who are using the same audience. Therefore, **if you target a popular audience, you will pay more** because of the value and the competition for that specific audience.



Using [LinkedIn Matched Audiences](#), you can target your audience based on locations, audience attributes such as company, job experience, education, interests and demographics, and custom audiences.

## 2. The bidding strategy

The bid consists of **the amount of money you are ready to pay for showing your ad to your target audience** on LinkedIn. LinkedIn has three major bidding strategies that can influence the cost of your ads, including:

**Maximum delivery bid strategy:** this strategy uses **automated bidding to make your ad competitive** in the auction. Moreover, it helps maximize your ad campaign results using the entire budget assigned for the campaign.

**The target cost bid strategy:** Using this strategy, you can **set a target cost for a certain key result**. It uses automated bidding to help maximize your campaign results.

**Manual bidding strategy:** this form of bidding allows you to **specify the desired bid in the auction**.

These bidding strategies will affect ad costs. Also, if you win the auction, LinkedIn will make you pay a cent higher than the next highest bidder. This is known as the second auction model. However, there is no way to exceed your budget set for the ad's bid amount.

## 3. Ad relevance score

**LinkedIn assigns a relevance score for every ad.** The score is evaluated by the quality and relevance of your ads compared to other advertisers and how well your audience receives your ads in terms of click-through, clicks, likes, shares, and comment rates. The more engagement your ad receives, the higher your ad relevance score will be. Conversely, low engagement on your ads means a low ad relevance score, leading to an increase in ad cost.

## 4. The objective

LinkedIn offers three key objectives for advertisers: awareness, consideration, and conversion. Each objective uses different optimization goals and bidding strategies to determine your LinkedIn ads cost.

Additionally, each of them is charged using a different pricing model. For instance, **brand awareness is charged based on impressions**, and [lead generation objective](#) (conversion) is charged based on clicks.

## Strategies to reduce your LinkedIn ads cost

### 1. Select the right bid strategy

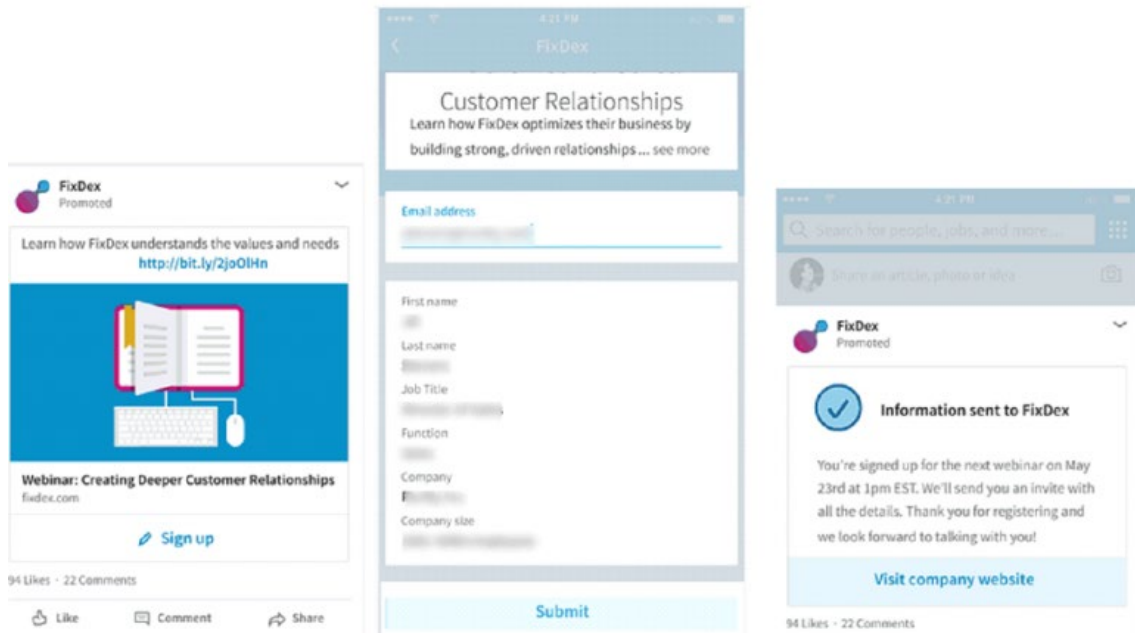
As mentioned before, there are three bidding strategies on the LinkedIn ad campaign. They are the maximum bid, target cost bid, and manual bid. Choosing **the right bid strategy on LinkedIn can reduce advertising costs dramatically**. To have control over your CPC, you need to avoid using the automated bid strategy since it raises your cost per click. Therefore, the target cost bid strategy is the best way to handle your ad spend while maximizing your results.

### 2. Use LinkedIn Lead Gen forms

**LinkedIn Lead Gen Form is one of the best advertising tools** that help reduce LinkedIn ad costs. These ads include pre-filled forms incorporated into them. Once users click on the ad, the form already contains their personal information derived from their LinkedIn profiles. All they have to do is to confirm and submit the form.

According to a study, [90% of B2B marketers reduced their cost per lead](#) using the Lead Gen Forms. In addition, you can **add LinkedIn Lead Gen Forms to sponsored content** campaigns and Inmail.


Here is an example of a LinkedIn Lead Gen Form.



Read this guide to learn [everything you need to know on LinkedIn Lead Gen Forms](#) here.

To optimize your LinkedIn campaigns, automating the process is the key. Check out our top LinkedIn Lead generation form integrations below. Remember that you can **sign up for one of these integrations for free**.


LinkedIn Lead generation form integrations with Pipedrive



Streamline your data management process with LinkedIn Lead Gen Forms and Pipedrive integration

**TRY IT FOR FREE**

LinkedIn Lead generation form integrations with Google Sheets



Streamline your data management process with LinkedIn Lead Gen Forms and Google Sheets integration

**TRY IT FOR FREE**

### 3. Improve the ad relevance score

Another influencing factor on **LinkedIn ad cost is the ad relevance score**. Your ad's content must be relevant and proportional to your target audience to earn a high score. How your ad measures up to similar marketing campaigns is also considered when measuring your ad's relevance score.

**LinkedIn uses engagements such as click-through**, comments, likes, shares, follows to estimate how well your audience receives your ads. A high relevance score shows that your audience loves the ad content, and LinkedIn rewards you with lower ad costs, so it reaches more people.

**If your audience doesn't like your ads, LinkedIn gives you lower relevance** scores and increases your ad costs. Therefore, optimizing your campaigns is the best way to reduce advertising costs.

### 4. Use retargeting

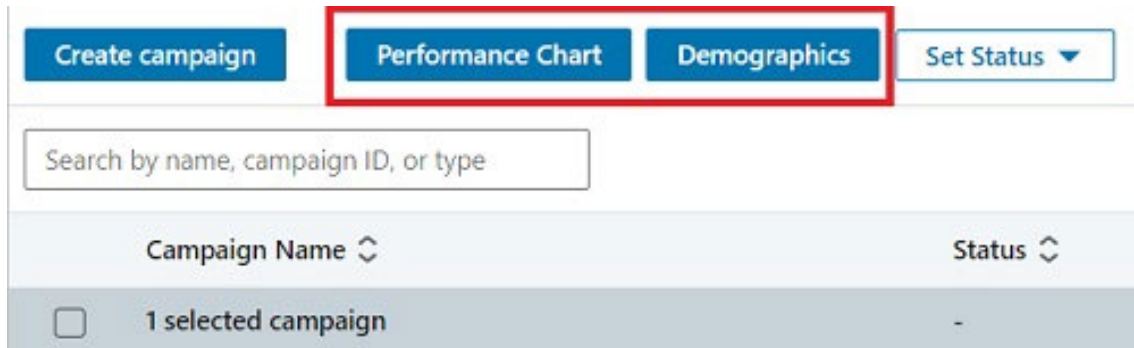
**Retargeting is a tactic** that can help you reach people similar to your existing audience. This system uses a code snippet to track people who have visited your website to retarget them with ads that encourage them to convert. Do you know that retargeting ads increase trademark search behavior by 1,046%? Also, the **click-through rates are 10 times higher in retargeting ads [than in standard ads](#)**.

LinkedIn made retargeting possible with the aid of LinkedIn Matched Audiences. This tool helps retarget your website visitors and promote your products and services from your CRM or other marketing automation platforms. It also enables you to reach **decision-makers at target companies with the account-based targeting feature**.

Discover more about [LinkedIn Matched Audiences and improve the efficiency of your retargeting campaigns](#).

## 5. Use LinkedIn metrics

[LinkedIn provides key metrics](#) to help advertisers track the performance of their campaigns. You can access this information at the top of the “Campaign Manager”, and right under the “Performance Chart” and “Demographics”, as shown below.



**LinkedIn reveals your campaign’s metrics so you can see its potential** and how to optimize its performance. These metrics include: the high converting audience, average CTR, reactions, comments, shares, follows, likes, clicks, and more.

Use this information to **evaluate the performance of your ads by improving your relevance score**, which also helps reduce the cost per click and cost per lead.

## Conclusions and takeaways

We discussed the advertising costs on all major platforms: TikTok, Google, YouTube, Facebook, Instagram, and LinkedIn. Since many factors influence ad costs, there is no fixed price for advertising on these platforms.

These factors include the ad quality and relevance score, niche industry, target audience, bidding strategies, and more. However, it is possible to evaluate a combination of these elements and determine how much your ads will most likely cost you.

The good news in all of this is that **there are ways to reduce your advertising costs**, such as increasing the quality and relevance of your ads, using the right ad format and bid strategy, targeting the right audience, and testing different ad creatives. Using the right tools, such as **LeadsBridge automation integrations**, can help you **optimize your ads and ultimately reduce your advertising costs**.

[Discover all LeadsBridge integrations here.](#)



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