COMPARATIVE ANALYSIS OF THE VALUE WHICH FACEBOOK ADS AND GOOGLE ADS ADD TO THE BUSINESS

Summary. Digital advertising is an effective way to win new and retain existing customers, to present, promote and position a brand in an increasingly dynamic and competitive business environment. Marketing effectiveness in different platforms of the digital environment is a topic that arouses great interest in both researchers and businesses. In the study two advertising tools are examined – Facebook and Google. The purpose of this article is to perform a comparative analysis of the value which Facebook and Google ads add to the business. Quantitative and qualitative research approaches are applied, and the data used in this study are secondary. For the purposes of the analysis, the methods of comparison and synthesis are applied, considering various studies related to Facebook and Google advertising and its benefits for business. Based on the results of this study, it is noted that agility in the choice of digital advertising is key. To achieve the most favorable results, it is advisable for businesses to resort to both digital advertising platforms – Google Ads and Facebook Ads.

Key words: advertising, Facebook, Google, budget, brand, targeting.

Introduction. Internet advertising is a way for companies to present their products and services in various online channels in order to reach a larger
number of potential customers. Almost every business now uses digital advertising for one reason – without it, the desired sales cannot be achieved. In recent years, consumer behavior has changed a lot and more and more people are shopping online.

The purpose of this study is to perform a comparative analysis of the value which Facebook and Google advertising add to the business. The thesis argues that in order to achieve optimal results it is advisable for the business to use both digital advertising platforms – Google Ads and Facebook Ads. The object of study are companies operating business in an online environment. The subject of research is the value that Google Ads and Facebook Ads bring to business.

To achieve the goal of the study, the quantitative and qualitative research approaches are applied, and the data used in this study are secondary. The methods of comparison and synthesis are used, considering various modern studies related to Facebook and Google advertising and its benefits for business.

Literature Review. Digital advertising is the best way to reach consumers who spend most of their time on the Internet. To deliver services to their customers, trustworthy sites such as Facebook, YouTube, Google, etc. sell advertising space on their websites to businesses. When a company advertises on a platform, it actually supports that platform that its customers love [5].

Traditional advertising mainly uses interruption as a means of gaining new customers. It aims at a wide audience, which in most cases is not closely targeted. Contrary, digital advertising allows businesses to reach the right people with the right message, at the right time [9]. In addition, it uses Internet-based advertising tools to research, manage, track, analyze and improve online advertising campaigns [6]. When digital advertising is done effectively, digital marketing seamlessly integrates into the consumer experience of the company's target customer, directing it back to its own website and business [7]. This makes it natural and unobtrusive.
Digital advertising can be customized to achieve maximum relevance to the company's target customer. This in turn maximizes the conversion rate. And because it's online, businesses can track virtually every step a customer takes with reference to company's advertising [5].

Online advertising allows the business organization to achieve a return on investment that is not possible through other traditional means of advertising such as television, billboards, flyers, etc [6].

Some methods and platforms are definitely better for one type of business, others for another type of business [5]. Some companies will find Google Ads advertising very effective. Others will find ads on Facebook or LinkedIn for more productive. If the right platforms and strategies are used, business organizations will also reduce their costs. And using the wrong strategies and platforms can leave them believing that digital advertising doesn't work for a their business.

**Results and discussion.** Facebook advertising is the most popular model for advertising on social networks. According to Statista [11], the platform has almost 3 billion visitors every month (and over 1,500,000 of them are Bulgarians), it gives access to a huge database – a database that any business can reach. What is specific about Facebook is that the Pixel system also allows management of Instagram ads (because Instagram is owned by Facebook), which is another strong asset in the hands of online businesses.

Google, on the other hand, is the most used search engine in the world [4], showing results for 3 million searches per minute, and over 85% of users are using it for their own needs. Compared to search engines Bing, Yandex, Yahoo and others, it is far more used by Internet users. Here it should be pointed out that Google Ads is the first platform for online advertising on the Internet, starting in 2000. Many companies trust paid advertising on Google because they do not have developed social networks or because their specialists are used to working with Google Analytics.
For the purposes of the study, it is necessary to properly trace the similarities and differences between the two options (Table 1).

**Table 1**

**Similarities and differences between Facebook Ads and Google Ads**

<table>
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<th>Similarities</th>
<th>Differences</th>
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<td>— Have common marketing terms that are measured in the same way.</td>
<td>— They fulfill different goals.</td>
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<tr>
<td>— Both platforms are paid.</td>
<td>— With FACEBOOK ADS – focus on user interests;</td>
</tr>
<tr>
<td></td>
<td>— With GOOGLE ADS – focus on user intentions.</td>
</tr>
<tr>
<td>— Both platforms allow integration with other applications.</td>
<td>— Different prices of keywords and parameters.</td>
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<td></td>
<td>— Different proactive people.</td>
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The first similarity is related to the fact that no matter which platform the business chooses for online advertising, all marketing terms have the same names and are measured in the same way. The cost per click (CPC) in both Pixel and Google advertising is determined by the money given to advertising divided by clicks. For example, a CPC of $1 means that for every click the business has paid $1, i.e. 100 clicks - $100.

Another similarity that may be emphasized is that no matter how much the business pays, with both platforms it receives paid traffic [8]. The moment the company runs out of its marketing budget and ends its campaign, the ad stops to be showed to consumers.

There is a similarity in that both platforms – Facebook and Google – allow integration with other applications [1]. Recently, many applications have appeared that allow detailed analysis of sites and social profiles. The good thing is that both platforms can be integrated with different software if they are compatible.

Facebook and Google, on the other hand, differ in that they pursue different goals [8]. Facebook is a social media that aims to connect users with more people. Google is a search engine for websites. In its nature this difference
shapes the audience. Social networks are visited by people who sometimes just kill time, while Google users browse with a certain intention – whether to read something or buy a product.

They are also distinguished by the fact that Facebook is a social network and the interests of the audience play a major role when advertising. While in Google advertising the main focus is on what the customer is looking for at the moment.

A distinctive feature are the different prices of keywords and parameters. Google's and Facebook's algorithms work differently, so keyword prices are different. But it's not just them. Cost-per-click, cost-per-view, and other metrics depend on the demand and supply levels in the respective ad channel.

Probably the biggest difference between the two advertising platforms is in proactivity. In Facebook, the business [1] is the proactive one which is shown to the customer, while in Google ads, the customer must initiate the same or similar search to see the company's ad.

The comparative analysis of the advantages of Facebook and Google advertising is summarized in Table 2.

Table 2

<table>
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<th>Advantages of Facebook Ads</th>
<th>Advantages Of Google Ads</th>
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<tr>
<td>— Extremely suitable for businesses with small budgets.</td>
<td>— There is a consumer intention to buy.</td>
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<td>— Detailed targeting.</td>
<td>— Targets direct sales.</td>
</tr>
<tr>
<td>— Helps to promote the brand.</td>
<td>— B2B (corporate) sales.</td>
</tr>
<tr>
<td>— It is extremely suitable for advertising new services and products.</td>
<td>— High value sales are made.</td>
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When Facebook Ads appeared, Google Ads was at the top of the pyramid. Back then the comparison was between a giant social network, which, however, was just starting to encounter complex algorithms through which to reach the end user, and an already developed platform that works. Over time, however,
Facebook has significantly improved its algorithm and is now giving amazing results to those businesses that know how to use it.

As a newer platform, it's normal for Facebook not to have reached the levels of Google Ad. The cost per click for certain keywords on Google is absurdly high for small businesses that do not have huge financial resources. For a company that has a small advertising budget, it would be much more logical to look for results through Facebook advertising, instead of investing a small amount of money in something that will most likely not work.

In addition, Facebook is a leader in detailed user targeting. Each developed platform can provide an audience of people between certain years, gender and other demographics, but Facebook includes in its algorithm the interests and hobbies of users – a factor that significantly improves targeting.

Facebook advertising significantly helps to promote the brand. If a business has an unpopular brand or has been known in B2B circles only, one of the most important things is to promote its brand. Facebook is a great way for a business to create content and advertise it so that its potential customers can see exactly what the brand is doing and how it would help them.

Social networks are also a very suitable option for advertising a new service or product that did not exist until recently (or not in such a form). Easy access to many people can help the product be recognized and accepted by the audience. It's practically impossible to advertise an innovation on Google, because the customer is the proactive person there, and he cannot look for something he doesn't even know exists.

On the other hand, for an online business to be successful, it must have a website. And when there is a website, it must be indexed by Google. According to HubSpot [3] for first quarter of 2020 Google Ads are rated highest with 1,55% CTR, compared to display ads and Facebook ads. Google is always a factor that everyone needs to consider when it comes to advertising. A company
must fall within the reach of the Californian giant, unless it sells directly through social media.

Undoubtedly, Google Ads is superior when it comes to receiving internet traffic from customers intending to buy, and this is the main difference compared to Facebook ads. Unlike Facebook, where the user sees the advertised product, in the search engine he writes the name of what he is looking for, that is, he shows an intention to buy. This is one of the main reasons why companies spend largely on their Google advertising. Although they receive less traffic, this traffic is much better. According to Hevo Data Inc [8] when we compare the average CPA for Facebook it is $18.68 across all industries and for Google Ads it is $48.96 for search and $75.51 for display across all industries.

The main advantage of Facebook is that it is unsurpassed in building a brand reputation. However, if the goal for the online business is direct sales, then Google Ads is the right choice. When a customer comes across a company’s ad and clicks on it, there is a pretty good chance to order because he is already looking for this type of product.

If company's customers are mainly corporate, then undoubtedly the Google platform would present a better application for advertising on website. Very often business customers choose their partners from Google.

In addition, when it comes to high-value sales (such as expensive equipment, housing, etc.), consumers usually use search engines to find the best one for themselves. In this case, lookalike audiences, which are the strength of Facebook, cannot work, because for expensive products one rarely makes compromises. Besides, even if such a product is discounted, an interested consumer will hardly buy it because it still will be too expensive for his current capabilities.

The analysis revealed that there is no single formula for success in the distribution of the budget between Facebook Ads and Google Ads. Depending on the goals of the online business, the right priorities must be set.
Undoubtedly, Facebook Ads should become the main advertising channel if most of the following factors coincide with the company's business: the value of the products is not very high or there are a lot of promotions; the brand needs to be promoted; the majority of customers are end users; the company needs to reach more people; the company sells a very niche product; the company's advertising budget is not very large. In addition, the minimum advertising cost is $1 per day, with Facebook Ads having the lowest cost per 1000 impressions in the history of advertising, which actually amounts to about $0.25 per 1000 impressions [2].

On the other hand, advertising on Google is the best option for the company in cases where: the company has a lot of corporate customers; the company sells expensive items; the main goal is sales; the company has good website optimization; the company's advertising budget is solid; the company sells a product in high demand. Almost any type of business can take advantage of Google's advertising platform, as advertisers earn $2 for every $1 they spend on advertising [10]. This means that when using the platform doubling the investment is common.

**Conclusion.** By being present on the Internet, brands build their image. It is important for each brand to effectively manage all its digital channels consistently. This way the company can have certain control over its interactions with its customers. Facebook Ads and Google Ads are extremely important for the development of any online business. Each of the platforms can be useful for a business, so it is very important not to choose between one or the other platform, but to explore options on how to develop both to achieve optimal results. Digital advertising provides a stable income and can be vital for company’s brand, especially if it wants to reach a wider audience. Therefore, it is necessary for the company to create an agile digital marketing strategy that is in line with the overall marketing strategy of the business organization.
Literature


