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[Essentials of Software-as-a-Service \(SaaS\) Business.](#)

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Social Media Strategies: Paid Advertising

While organic methods lay the groundwork, paid social media campaigns can amplify reach and increase lead generation in the attract stage. SaaS companies often allocate budget to **social ads on platforms like LinkedIn, Facebook/Instagram, Twitter, and YouTube** to get in front of highly targeted audiences. Let's see how they make the most of paid advertising.

PRECISE TARGETING

You can target specific **demographics, interests, or behaviors** = exact job titles, industries, company sizes, or even specific companies

One of the biggest advantages of social ads is the ability to **target specific demographics, interests, or behaviors**. This means you can **run sponsored content and target exact job titles, industries, company sizes, or even specific companies**.

For instance, a SaaS selling HR software might target "HR Directors at companies with 100+ employees in the healthcare industry" on LinkedIn. This precision ensures ad spend is focused on likely qualified leads.

On Facebook or Instagram, you might target by interests - for instance people who follow pages related to entrepreneurship if you sell startup SaaS tools. Twitter allows targeting by

COMPELLING ADS AND OFFERS

You can target specific **demographics, interests, or behaviors** = exact job titles, industries, company sizes, or even specific companies

keywords or followers of relevant accounts.

Since you're paying for attention, your ad messaging needs to capture interest fast. In SaaS marketing, the most effective social ads don't simply say "Buy now" — they offer something valuable upfront. Let's quickly look at 3 common approaches you'll see in high-performing campaigns.

1. *Free Trial / Demo Call to Action (CTA):*

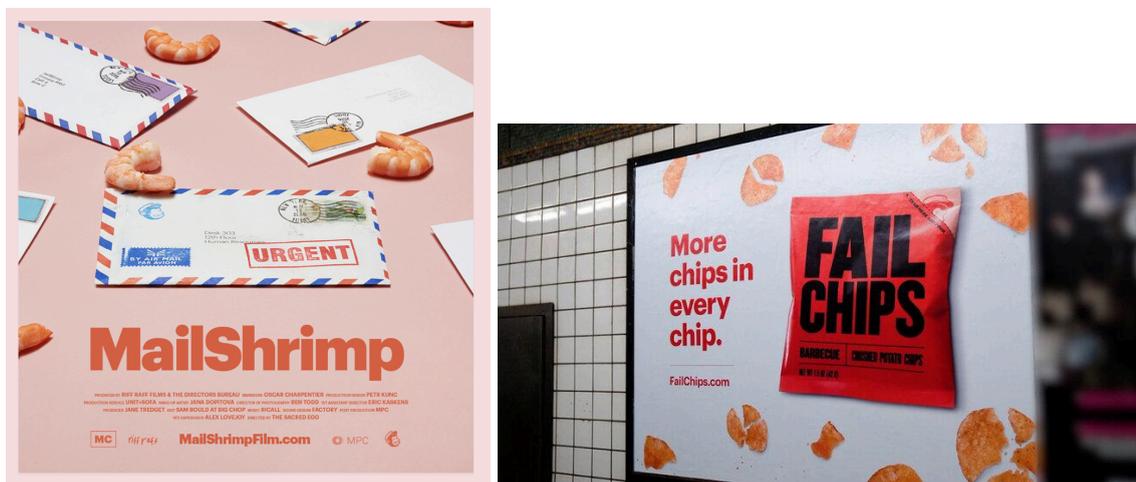
Firstly, many SaaS ads include buttons like “Start Your Free Trial” or “Book a Free Demo”. These CTAs are effective because they reduce friction, offer immediate value, and encourage users to explore the product with minimal commitment.

2. Gated Content Offers:

Another popular tactic is to promote valuable content, like a free e-book, webinar, or checklist. This is often called **gated content** because users provide their email or sign up to access it. It’s a great way to bring potential customers into your funnel and then guide them toward a purchase over time.

3. Creative Brand Campaigns:

Some paid campaigns are more about viral brand awareness. Mailchimp is a great example.



In the campaign “Did You Mean Mailchimp?”, they cleverly embraced the fact that people often misremember or mispronounce the company’s name. Instead of hiding this weakness, they turned it into a strength. They created a series of bizarre mini-projects spanning various media, including films, music, and physical products. Each was based on a common misinterpretation of “Mailchimp”. These include “**MailShrimp**” - a short film about a singing shrimp. Or “**FailChips**”, which was a fake snack brand selling bags of crushed potato chips. By crafting such unique and entertaining content that subtly referenced the brand, Mailchimp engaged audiences without traditional advertising methods.

This approach not only entertained but also significantly increased brand awareness and affinity among target audiences.

RETARGETING AND NURTURING

Showing ads to people who have already interacted with your brand.

Okay, let's continue. A particularly effective paid strategy for SaaS is **retargeting**. It means **showing ads to people who have already interacted with your brand**. For instance, if someone visited your pricing page but didn't sign up, you can retarget them on Facebook or Instagram with an ad saying "Still considering our product? Here's why 1,000 companies trust us". You can provide them a limited-time offer along with this ad to increase the likelihood for sale. **Retargeting often yields higher conversion rates** because the audience is already familiar with you.

SaaS companies might also use **sequential ads**.

Sequential Ad example:

1. The first ad **introduces the problem** your product solves.
2. Once someone engages with the awareness ad, they are retargeted with a second ad that could be **a trial offer**.
3. For users who still haven't converted, a final ad might include **a limited-time offer** to push them toward action.

Instead of showing the same generic ad to everyone, they deliver a sequence of ads based on how someone engages with earlier content. The first ad introduces the problem your product solves. It usually takes the form of a short video or animation. Once someone engages with the awareness ad (e.g. watches 50% of the video), they are retargeted with a second ad - this time with a trial offer. For users who still haven't converted, a final ad might include a limited-time offer to push them toward action.

The key with paid social is to not treat every ad click the same - use the data to retarget and personalize follow-up ads, moving prospects closer to conversion.

BUDGET OPTIMIZATION AND A/B TESTING

Constantly test and refine:

- test different images, headlines, or buttons in their ads to see what resonates best
- monitor the cost per lead or acquisition from each platform

And finally, successful social advertisers **constantly test and refine**. SaaS marketers will A/B test different images, headlines, or buttons in their ads to see what resonates best. They also monitor **the cost per lead or acquisition from each platform** and adjust spending accordingly. For example, they might find LinkedIn ads have a higher cost per lead but those leads close at a higher rate. On the other hand, Facebook yields cheaper leads that need more nurturing. By keeping a close eye on metrics, they allocate budget to the channels and creatives that perform best. Over time, these data-driven adjustments can significantly improve return of investment.

So, **paid social media allows SaaS companies to accelerate their attract phase** by reaching more people faster – especially those who don't yet follow them or know of them. It works best when paired with a strong content strategy and when it's guided by data.

With a solid grasp on attracting an audience via social media, we can move further along the inbound journey. Social channels help fill the top of the funnel – they bring people to your doorstep. Now, how do we get those people to come in and eventually convert? One answer is through **Affiliate Marketing as an inbound channel**, which in many ways complements social media. Let's explore that next.