Is your business ready to start using LinkedIn Ads?

When it comes to B2B marketing, there are a lot of reasons to love LinkedIn. There’s no other social media platform quite like it.

I mean, where else can you specifically target key decision-makers based on the size of their business, industry and all kinds of other handy criteria?

On LinkedIn, over 690 million professionals eagerly share all kinds of information about themselves. They come to the platform looking to learn, share, and discover business opportunities.

It’s a B2B marketing wonderland.

The only problem is, advertising to decisionmakers on LinkedIn isn’t nearly as straightforward as marketing to consumers on Facebook is. So, while LinkedIn Ads seems like a dream come true for B2B businesses, for many, it can be hard to turn all of that potential into a profitable reality.

In years past, LinkedIn Ads itself only made things more difficult for B2B marketers. It was beset with a variety of problems and limitations that have left the platform with a bit of a bad reputation. Thankfully, the platform has come a long way, but it still isn’t right for many businesses.

This leaves many B2B companies in a bit of a conundrum. Is LinkedIn Ads a good investment? Or should they focus their efforts elsewhere?

After running LinkedIn Ads campaigns for dozens of B2B businesses at my marketing agency, we’ve put together a list of questions that you can use to help determine whether or not

LinkedIn Ads is a good fit for your business. Let’s take a look.

Is your business making the most of other marketing channels?

In my experience, LinkedIn Ads is a great high funnel marketing tool. LinkedIn users visit the platform to learn, not to buy products or services.

As a result, it’s not a great place to get started with marketing.

When you’re first building out your marketing funnel and figuring out your messaging, it can be a pretty steep learning curve. That’s true no matter what platform you start with.

If you start with LinkedIn Ads, it’s going to cost a pretty penny. On average, most businesses will pay about $5.74 per click.

And that’s for a high-funnel, low-intent click.

Taking average conversion rates into account, you can probably expect to pay around $90 per conversion—probably for an eBook download or something similar.

By comparison, a conversion in Facebook’s priciest industry—technology services—averages a $55.21 cost-per-conversion. That’s still not cheap, but it’s a much more affordable way to cut your teeth.

So, if you haven’t maxed out your results on Google Ads, Facebook Ads, and any other relevant platforms, that’s probably a better place to focus your efforts. Could you get great results from LinkedIn Ads? Yes, but it’s a gamble.

On the other hand, if you’ve really nailed your marketing strategy on other, more affordable platforms, you’re in a

great position to make the most of LinkedIn Ads. You know how to approach your target customers and you've already got the cross-channel setup you need to capitalize on the clicks and conversions you get from LinkedIn.

In this situation, you're perfectly positioned to use LinkedIn Ads to bulk out your marketing funnel. Because it's so high-funnel, LinkedIn Ads will take some time to produce results, but if the rest of your marketing is humming along nicely, it can be a good way to expand things and grow your business.

Can your profit margin handle the cost of LinkedIn Ads?

LinkedIn Ads is pretty pricey for an upper-funnel marketing channel. While it can deliver direct sales for some businesses, for most, LinkedIn Ads works best if you focus on getting people into your funnel—not on getting them to buy today.

However, if you're paying $90 to get someone into your funnel, you need a decent amount of profit margin to handle that kind of upfront expense. Not every decision-maker that fills out your lead magnet form will become a customer, after all.

Unfortunately, if it costs $90 per form fill and only 10% of those form fills turn into paying customers, you're paying $900 per new customer.

For some businesses, that would be a slam dunk. For others, it would bankrupt them.

Obviously, these figures are just hypothetical estimates. Your costs will be specific to your business, what you're selling, and who your target customers are.

The important thing is to take a hard look at what you can afford to spend to get a new client or customer. If you make

less than five hundred dollars per customer, LinkedIn Ads may not be a good fit. If you make thousands in profit off of the right customers and LinkedIn Ads will get you in front of your ideal audience, it may be a great option to try!

And, if you're somewhere in the middle, you may want to focus on improving the efficiency of your funnel first. Often, with the right nurturing strategy and email campaigns, you can milk a lot more out of your marketing. Once you get that side of things working better, LinkedIn Ads may suddenly be a lot more interesting.

Until you actually start running ads, it's all a bit hypothetical, but if you're having a hard time making LinkedIn Ads make sense on paper, there's a good chance it won't work in practice, either.

But, if it seems like LinkedIn Ads could be a cost-effective way to get in front of your ideal customers, go for it!

Does Bing Ads work for your business?

The more well-developed your overall marketing strategy is, the better LinkedIn Ads works. In our experience, this is particularly true for businesses that are using Bing Ads.

Since Microsoft owns LinkedIn Ads and Bing Ads, there are a variety of interesting ways to use that connection to get better results from your marketing.

For example, as you identify your ideal target audience on LinkedIn, you can use that knowledge to add LinkedIn profile targeting to your Bing Ads campaigns. That way, you can deliver custom, highly-focused messaging to your ideal customers when their purchase intent is the very highest.

Of course, Bing only accounts for around 33% of online search

volume in the United States and just 9% of search volume globally. So, if your target market isn't very big, Bing Ads may not be a great channel for your business.

But, if your target audience covers thousands of potential businesses, combining LinkedIn Ads and Bing Ads can yield great results. It doesn't work for every business, but it can be a great option to consider.

Do you have a good content marketing strategy?

Content is the language of LinkedIn. As we've already discussed, people don't come to LinkedIn to buy—they come to learn, network, and discuss.

To get good results from LinkedIn Ads, you need to respect that.

On LinkedIn, most direct-sales campaigns are too much, too soon. Instead, it usually works best to focus on sharing high-value content. Blog posts, videos, podcasts, and gated content is the best way to engage with your future customers.

Ask them to buy, and you'll probably scare them away. But, offer them valuable insights and suggestions on how to improve their business, and you've got a decent chance of getting them to click…and hopefully convert.

However, to do all of that, you have to have valuable insights and suggestions on how to improve their business to share. If you don't already have good content, it's going to be hard to get good results from your LinkedIn Ads campaigns.

In addition to a great content strategy, you should also have a solid email and nurturing strategy in place before you invest in LinkedIn Ads. There's no point in spending $90 to get someone's email address if you aren't going to do anything

with it.

If you don’t have great supporting content yet, you’re not ready for LinkedIn Ads. It’s as simple as that.

Is LinkedIn Ads right for your business?

So, is your business ready to start using LinkedIn Ads? Maybe…or maybe not.

If you’re just figuring out your online marketing strategy, now probably isn’t a great time to invest in LinkedIn Ads. You’ve got a lot to figure out and LinkedIn advertising is an expensive, slow way to get started.

Even for businesses that have a dialed-in marketing strategy and are looking for ways to bulk out their funnel, LinkedIn Ads still may not be right. If you don’t have enough profit margin to handle the cost of marketing on LinkedIn, you’re probably better off investing in other channels.

But, if you’ve got the profit margin and you have a solid, cross-channel marketing strategy supported by effective email marketing campaigns and great content, LinkedIn Ads is a solid option to consider. Throw Bing Ads into the mix and things get even better.

Now, these rules aren’t set in stone. We’ve seen a number of businesses thrive on LinkedIn that didn’t fit these criteria exactly. But, as a general rule, if you’ve read through this article and don’t feel great about your odds, listen to your gut.

On the other hand, if you read through this article and thought, “You know, my business sounds perfect for LinkedIn Ads,” don’t be afraid to dive in! For the right companies, LinkedIn Ads is a great way to grow your business.

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