



YB+YS SEASON 1, EPISODE 10: Break Through With Paid Social With Cross Palalas, VP – Strategic Optimization

0:54 Megan Ingram (MI): We welcome to the show, Cross Palalas, who is the VP of Strategic Optimization at Secret Sauce Media, and has over seven years of digital advertising experience working with top brands and Creators. Hi, how are you doing today?

1:05 Cross Palalas (CP): Hi. Thank you, glad to be here.

1:11 MI: Great. So we'll dive in. I love hearing about people's stories and paths to owning your own agency. So can you talk a little bit about your road, starting an agency at just 22 years of age?

1:24 CP: Yeah, definitely. So I always knew from the very beginning of my life, I was going to grow up to be a businessman. On my dad's side, he was very big in the communications industry. My mom's side, all had dealerships, import/export businesses, that type of thing. So I said, I'm going to be a businessman, I don't know what I'm going to do. I'm just going to be better than everyone else. [Laughter] So I got to high school, took every business course available to me, which is when I really fell in love with marketing. Started freelancing right away. And then when I hit college, I was like, you know what? I really want to work for a marketing agency. No one would take a young student who was in like first year, didn't have as much experience. The only way to build experience is to have a job doing it. So I was like, you know what? It's very low cost to start your own agency to begin with, especially if it's just you, you can get a laptop, get free software, as long as you can learn things quickly, you'll be good to go. So I started that, originally just with hopes of building that experience. I had very low revenue. It was just about trying to get as many clients as possible so I can build up that experience. And then it just started to kind of take off. And I made sure that it was always kind of a student agency to begin with. So I always hired other students in the same marketing classes. That way we could all move on eventually from it. We knew it wasn't something that I had planned on running for the rest of my life, but I was like, you know what? This sets us all up to go out there and get into big careers. And it just kind of started spiraling from there.

3:02 MI: Awesome. What did you learn during that path that elevated your success and enabled you to consult with some of the top brands and Creators?

3:12 CP: Yeah. So a big thing at first was I wasn't as confident when I was talking to small businesses, like even local people. I remember I was always just trying to prove myself, improve myself, and slowly as time went on and people started to acknowledge that I had a lot of knowledge, a lot of skill for someone my age. And I started to feel a little more confident with myself. That's when things really, really started to grow. It started to take off because then I was able to talk to someone and fully, confidently know that, although I'm the youngest in the room, most of the time, I

bring a lot to the table. We learned that quickly, and things started to grow from there. And then once you can prove it to the big guys once, they all start to talk to each other and it kind of grows and grows.

4:01 MI: Yeah, definitely. I can agree with that. And I'm sure being put in situations where- cause a lot of times, when I talk to other freelancers, they're hesitant, being in selling situations or client facing situations can be unnerving for some people. So having that experience, talking to people I'm sure helped you as you were trying to build the brand and move along in your career.

4:24 CP: Definitely. When I first started, I knew I wanted local businesses. I was like, what's the best way to connect with these people? So I would literally go to craft shows with my business cards, talk to people about their business and be like, Hey, by the way, I could see cool things in the digital world. Here's my business card that forces you to get into sales and get comfortable talking to people. When you talk to everyone.

4:45 MI: I've run into that a lot too with analyst and developer types, because they don't generally like to be in front of clients and the people. And it's almost like getting them to put themselves in this situation so that they feel more and more comfortable in those spots where other people, sometimes that's their favorite part. Like I love selling, but you know it's not always for everyone

5:06 CP: Agreed.

5:12 MI: Talk a little bit now about getting into paid social, which I love paid social personally. I think there's a lot of cool and fun stuff happening in that space. But I'd love to hear. What's your favorite part about working with paid social?

5:25 CP: Yeah, I think the best thing, my favorite part about it is the mix in terms of analytical and creative working together. Most parts of business marketing, you're either one or the other. And when you're dealing with digital, you really need to know a good amount of both and be able to combine them because you can read all the numbers, but unless you know the creative on how to change things and what you can test, it doesn't really help. And if you can build great creative but you can't understand what's going on on all the ad platforms, then again you're at that weak point. So being able to merge both sides together was absolutely amazing.

6:06 MI: Yeah. And I totally echo that. I think that's what I've actually liked the most about paid social is being on the analytical side and kind of merging the two, and people that kind of have that good mix of understanding the data because the optimization part is so huge. It's probably the most important part in my opinion of what goes on in terms of how to really make campaigns effective. What tips and tricks do you have that could help the audience with elevating their paid social campaigns right now?

6:34 CP: Yeah, definitely. In terms of paid social, when you look at Facebook, obviously it's a very big beast in terms of Ads Manager. I always tell people, utilize that. Boosting a post is literally just getting their stuff out there and getting some likes and comments. But if you get into an Ads Manager and start utilizing the tools, there's some great things. My favorite tool that they have in there is the automated rules. I love it. Especially as you start to scale, I hate having to go into an account every day and look at every number and make sure that I turn on this and turn off that. So to be able to set that all up, so that based on how much I spent, as well as what the result is, it will either scale my budget, decrease it, or turn it off if it's not doing well enough.

7:19 MI: I definitely agree with that. Are there any other sort of tips for navigating that you've seen have been successful, especially in the last six months with any of your clients?

7:28 CP: Yeah, definitely a big thing that I noticed, especially with the past year, obviously COVID was a big downfall to digital marketing for a while. A lot of people started pulling their budgets, but those who can stick with it, I noticed tremendous, tremendous growth. There's some car dealerships I work with in Canada, and they had their best year ever in terms of sales during COVID because they continually put out as much as they could as if it was normal. And they were able to get that return because while everyone else was fading away and you weren't seeing them anymore, they were still in your face. And I thought that was something that was really cool to see because the first thing we do when money gets tight, is we start to pull back. And seeing that, putting in the time, putting in the effort, putting in the money is still going to give you a return even when everyone else is starting to see a big drop.

8:25 MI: I completely agree with that point. I think oftentimes clients pull out too soon and they're not staying committed to seeing it through because oftentimes you're being too reactive to what's happening in a given moment, as opposed to spending more time seeing how the campaign works, collecting more data and being able to optimize accordingly.

8:47 CP: Definitely what you said about being over-reactive all the time. You see, I pull up ad accounts and they're making changes hourly and I'm like within the hour, the algorithm hasn't even really started to recognize the difference yet and already putting more changes through. So you're never getting out of any kind of learning phase. You're never going to get those optimal results because they're constantly just changing things and hoping for the best.

9:14 MI: I also think it's being too reactive. Like I never liked to look at the data too much week to week. For that reason, I had a client this morning, even as we speak that said they wanted to understand February for three days. Are you kidding me? And you should be looking at least on a monthly, a two to three week interval so that you can actually see trends when you start to look at things. So in the details, then it's not really telling you what the true insights or optimization should be.

9:44 CP: Definitely. And I think another big thing is testing. Always, always. Again, going back to Facebook, they make it so easy in terms of being able to have the dynamic creative. It has been absolutely amazing to be able to put everything in there. And let it kind of just figure itself out based on the person. This one likes long text, this person likes video, this person likes this specific call to action and just having machine learning do that work for you there while you're testing things is amazing.

10:15 MI: Yeah, totally agree. On the opposite side of the spectrum, what is the biggest obstacle you've found stopping brands from achieving their paid social goals and the desired engagement and conversions that they want to achieve?

10:28 CP: Definitely. I think one thing we've already talked about as being very over-reactive and always making changes, always looking at things a little bit too granularly. I think another thing is where to focus. I've talked to a lot of businesses who- because digital media is always changing, TikTok came up for a bit now, Twitch is a big deal this year, always changing and they feel if I invest money in TikTok today, will TikTok be here tomorrow? Or am I going to be going to the new platform? And it scares them and puts them back a bit. But I think a big thing is being on all those platforms and amplifying yourself as much as possible. Even if I'm not putting ad dollars into every single platform, maybe TikTok's not the right audience for you to put a lot of ad spend behind, but still have that organic content going over there and be able to still keep yourself in front of viewers.1

11:26 MI: Yeah. And I think that's an important point because oftentimes clients will call out what they'd say, what we call the maturity of the platform. Right? So something like Facebook and Instagram has been around for a while, and it's very proven, whereas something like TikTok and even Snapchat to a degree are less proven ad platforms. And so sometimes clients are hesitant to want to go down that road.

11:49 CP: Definitely. And I think the earlier you adapt to these new platforms, the better results you're going to have, because as soon as it becomes more reliable, everybody else is going to be there. You're going to see a lot more high CPMs because everybody's competing to get in front of those audiences. But if you can be the first one there, then you're laughing. You have the best chance at really heading that audience at a low cost.

12:11 MI: Out of curiosity, have you seen a lot of brands kind of hop on to TikTok over the last six months?

12:17 CP: I have seen a lot and it's really funny. Some people utilize it really, really well. And I feel like a lot of the smaller brands and the smaller companies are the ones who utilize it the best. And then I feel like a lot of larger brands that I've worked with just kind of hopped on the bandwagon and just went let's just put our people doing dances. And I thought, well, that doesn't make me want to buy your product anymore. I promise you like dancing and I'll like it, but that's the extent of where it's going. But I've seen a lot of small, medium businesses. There's a glassblower who I love to see. He sells hundred dollar products just by going on there posting a video of him doing the work he's already doing now, his people are viewing it. It's entertainment. It's something you can learn from. If it's something you want to get into, he's showing you exactly how he does it. And then he's also in the comments saying, hey, if you'd like this, if it's something you want, check out our website. And he can drive that traffic, and drive people to make purchases just by putting content out there that's engaging in something meaningful towards his brand rather than just him going... [dance, dance]

13:27 MI: Yeah, totally. What paid trends should brands be aware of? I know you're talking a little bit about TikTok. I'd also be interested, as you break down the audiences from B2B to B2C, that could really impact campaigns that people have running right now.

13:43 CP: Yeah. Getting to those other platforms is important and understanding that a lot of people think, Oh, TikTok, it's just kids. I can't put my stuff on there. Well, most of the people that come up on my TikTok are not kids. The algorithm gets really good at finding the right stuff for you. Most of the people I engage with on TikTok are well into their forties. So those audiences are there. And until you actually go there and you see data, I would really recommend you don't just say, Oh, that's a younger audience. We shouldn't do it.1

14:11 MI: I think that's totally smart and agreed. Paid social for me is not the only way, obviously, that you can amplify campaigns and your brand strategy. I'm a personal believer in influencer marketing and using influencer marketing to amplify campaigns and content. How have you used influencer marketing in the last year that's really worked for you?

14:36 CP: Yeah. What I found is there's a large focus on those very micro-sized influencers. And if you look, you can pay \$10 million to have Kim Kardashian wear something for you. It'll get a ton of eyeballs, but it's not really driving people to convert. Whereas if you can find someone who's got 10-20,000 followers who are very dedicated to her, always commenting, always liking. That woman can then take your products to them and say, "Hey, these are the new leggings I'm wearing. I got it from them. They're amazing. I really like it." And they're much more likely to go and make that purchase because they're very invested in that person. And I think more and more brands are starting to realize that if they start to focus on those smaller influencers, for the same price, you can probably end up with a couple hundred micro-influencers who all have very dedicated audiences. And drive the exact same amount of people over, but your conversion rates are going to be a lot higher just because they resonate more with the person.

15:42 MI: That's a great point. And I also think it speaks to, I think those types of people are more willing to work with you. Whereas a bigger influencer they've got so much going on. Oftentimes it can be hard to even reach them. And if you do, they aren't as invested in what it is that you're trying to do, whereas someone who's a micro-influencer you could get them really excited and passionate about what you do. And at the end of the day, that's really what it's all about.

16:06 CP: Yeah. I've seen celebrities, YouTubers, Instagram models who literally will just post a picture or a video and have the product beside them in the background. What's that actually doing? I notice it's there, I don't know what it is. I'm not going to purchase it. Whereas those small people are really invested in taking the time. They'll try the product. They'll tell you exactly how they feel about it. And that's what you want from your influencer. You want them to really sell someone on the facts. So unless they're using it and they trust it, they believe it, they're not going to get the same kind of result.

16:38 MI: I totally agree. How do you foresee brands using influencer marketing in 2021?

16:48 CP: It's been great to see that as 2021 has already kind of just started the data shows that a lot of people are coming back online. CPMs across all the platforms have started to go back up over the last few months, but really picked up this first quarter here in terms of new people coming in. A lot of what we're focusing on and what I'm seeing a lot of other brands focus on is that real engagement. People want a little bit more, you even see influencers themselves. You look at most YouTubers, Joey Graceffa, for example, instead of just having their own merch, they're going with actual brands they have, I think he has a Wolf brand which is a little luxury line of clothes that people can go buy. And it's not just Joey Graceffa with his words and face on it. It's clothes that you would wanna wear all over. And it's smart because you have that dedicated audience. And if they can find clothing or products that they can use on a regular basis, they're definitely going to use it. We are all very invested in a lot of different people's lives, strictly just through the internet.

17:58 MI: Yeah. And I think that speaks to the overall trend that we're seeing with user generated content and what we call "swag". Having people rock the stuff. You've seen a lot of brands who've done this very effectively and have built really engaged communities around it because they're willing to advocate on your behalf. They're really excited about what's going on. And there's that aspect of really connecting with the users that are about your community and brands.]

18:30 CP: Yeah. I think if anybody wants to take a look at someone who's utilizing influencer marketing in a really great way right now, as well as different platforms, is [Manscaped](#). It's a body razor for males and they have done a great job. I think they're the new version of Dollar Shave Club, because Dollar Shave Club had these really crazy marketing ideas when they first started, and they were very out of the box and Manscaped kind of took it even further by having these crazy, out of the box ideas. And having user generated content for it. So having all these different people on social media, doing their own little skits with that.

19:10 MI: It's extremely effective and it works. That's a great example. I've seen a number of brands do it. And especially if your focus is on building a community on a platform like Instagram, it's a great way to build engagement and to have people feel really, truly connected.

19:30 CP: Definitely. And it also saves you money as a brand, as well, to have video user generated content for you rather than shoot all those videos and develop them yourself. You're going to spend a ton of money, but if people are willing to do that for you, just being able to put a little bit of money into it, and then once it starts going, people start doing it themselves. Now you have all this free user generated content.

19:50 MI: Yep, totally agree. Pivot a little bit into remote work. I know you are an advocate of remote work. I am as well. My agency is completely founded in sort of this all remote mentality. Now I know everyone's kind of shifted more into the remote work landscape in 2020, but I'm interested in how you think the future of work is going to change for agencies in this new reality this year.

20:15 CP: Definitely. I love it. Coming from a world of agencies. If you want to be in a big agency, you always have to move. You had to go to New York, you had to go to LA, Seattle, Toronto. You always had to go to those big cities, kind of uproot your life to be able to do it. And if you didn't, it sucks to be you. Whereas this really opened the doors for global talent. So it's not about where you are, but how good you are, to be able to hire someone from... I'm in Canada and able to hire people in the US, the UK, all over Europe or the Middle East. It's amazing because it opens the door for much better talents when you have the whole world as your pool to bring in.

20:58 MI: Yeah, I totally agree on the talent point. I also think it's shifting help, even large agencies, how they staff and how much employee versus freelance, versus outsourcing, that people even do in terms of what their staffing looks like. And actually, I think it's going to be really interesting over the next few years how that changes just the overall mentality of agencies and just the future of the workforce.

20:26 CP: That's I've been looking at a lot of businesses who are doing a hybrid now where for the majority of your time, you're out. And then having a very small office where people can go in. They can have little desk stations they can go to, they can go into a boardroom and get to work with everyone again. And it gives you the best of both worlds. Cause at home, you know what? I don't have to worry about somebody watching the dog or I can have kids and need someone to take care of them, especially with times like right now. Whereas now, you can deal with that and have your laptop right back there to get back to work again. But then when you're needing that social life where you need to work with people, to be able to go in and be hands-on with each other.

22:09 MI: I totally agree. Actually, I was a big hybrid person. I was working from home even before COVID, and I used to go to coffee shops or just different public places. Or coworking spaces to get what you're saying. I like working from home, but every now and then you like to get out and have more of that interaction, get out of the zone that you're in. And I found it to be very helpful. So I'm hoping slowly as we get further along, the vaccine gets more distributed, that we'll start to move back into being able to do those kinds of things, because I think it is important to have a hybrid sort of mentality to this. So that people can be flexible to whatever they're feeling in a moment.

22:53 CP: Definitely. I think as we start to see things open up, those who don't like the work from home life will start to shift towards much more as well. I look at myself like I hate it every once in a while. Cause you end up stuck in four walls all day. You can get out and maybe all day you're working from the home office and then be able to go out for a walk, be able to go to the coffee shop, go for dinner, so that you get more of the perks of being home rather than just the stress of looking around and always seeing the same thing.

22:34 MI: That to me is one of the best pros about work from home, just as a lifestyle, because it's that flexibility, right? I like to be able to work in different places or spots or do different things. Depending on what, even what the activity is that I'm doing on the given day.

22:42 CP: Same here. I set up an office/den. I call it downstairs in the basement cause we had a big room free. So, I have my nice desk area here where I can focus on things. Very hardcore. I felt like a little creative area where I can get comfy, just kind of sit there and do my thinking. All different spaces based on what it is I need to do.

24:02 MI: I totally agree. And I think, again, that's one of the best benefits of it. It's different types of activities. Sometimes, I'm doing a lot of writing and strategy type work. Other days I'm very heavily on the phone or doing thought leadership type stuff and being able to have different zones for different mentalities is important.

24:22 CP: Being on the phone from home is my favorite thing. Cause even when I'm on like the call with you, I'm sitting here flicking pens, playing with business cards. So for me around the entire house, while I'm on a call, instead of being stuck to my desk area.

24:40: MI: Let's leave us with one big thing for paid social. If you do this one thing, it will have an impact on your results.

24:50 CP: Definitely. I think the biggest thing - and we've already brought it up is don't look too granularly and be changing things based on the day, based on the hour. Look at things over the course of the month, over the course of the last two or three weeks and be able to pick up trends on what really is performing well. And if you start to look at it based on that, you'll make a lot better decisions when you do decide to shift things and the results will really start to grow because you're giving it time to actually pull in the data you need to make informed decisions.

25:19 MI: I love that. I would echo that a hundred percent. That's a great tip for people who are interested in doing more paid social this year. Well, thank you so much for joining the show today. Where can listeners find you?

25:31 CP: I'm on basically every social platform and I follow my own rules. All you gotta do is look up "Cross Palalas" on LinkedIn, Instagram, Facebook, Twitter, whatever it is you want to use, you'll find me. Definitely feel free to reach out and we can always discuss digital marketing for you.

25:49 MI: Great. Well, again, really appreciate you coming on today and please find him on social media.