



AI ADVANTAGE AGENCY

AI INSIGHTS FOR BUSINESS FORESIGHT

Facebook Ads ROI Strategy Guide

Master Meta's Andromeda Algorithm

The Complete Framework for Local Businesses

Last Updated: February 2026

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1. Introduction: The Andromeda Era

Facebook advertising has fundamentally changed. In late 2024, Meta released Andromeda—a new algorithm that rewards simplicity, broad targeting, and creative diversity. If you're still running old-style multi-campaign Facebook ads with detailed audience targeting, you're leaving 20-40% performance gains on the table.

This guide teaches you the Andromeda framework that savvy local businesses are using to achieve 300%+ ROI. We'll cover the three-phase approach (Setup → Optimization → Scaling), the correct account structure, and the creative testing process that separates 300%+ ROAS businesses from everyone else.

2. What is Andromeda & Why It Changes Everything

Factor	Old Approach	Andromeda (New)
Campaign Structure	5+ campaigns	One campaign
Audience Targeting	Detailed segments	Broad targeting only
Ad Variations	2-3 ads	10-20+ variations
Optimization Focus	Manual adjustments	Creative diversity
Retargeting	Separate campaigns	Automatic

Key Insight: Andromeda doesn't care about your audience segmentation. It cares about one thing: converting people into customers. Give it a broad audience, diverse creative, and proper tracking—then get out of the way.

3. The Three Phases Framework

Phase 1: Setup & Testing (Weeks 1-3)

Budget: \$10-15/day | Focus: Broad targeting, 5-10 creative variations, gather conversion data

Phase 2: Creative Optimization (Weeks 4-8)

Budget: \$20-30/day | Focus: Pause low-performers, add 5-10 new variations weekly

Phase 3: Scaling (Week 9+)

Budget: \$50-100+/day | Focus: Scale budget on proven creative, maintain constant testing

4. Account Setup: Foundation for Tracking

Your account setup determines what you can measure. Without proper Pixel installation and conversion event tracking, Andromeda has no data to optimize from.

Step 1: Install the Facebook Pixel

- Create/verify your Facebook Business Account at business.facebook.com
- Go to Events Manager and create a new Pixel
- Choose your website platform (WordPress, Shopify, custom)
- Install the Pixel code on your website
- Verify installation by visiting your site and confirming the pixel fires

Step 2: Set Up Conversion Events

Service-Based Businesses: Track form submission, phone call, book appointment

E-commerce: Track purchase, add to cart, view content

5. Campaign Structure (One Simple Campaign)

The new Andromeda structure is beautifully simple: One Campaign → One Ad Set → Multiple Ad Variations. Consolidate all ads under a single campaign with one objective (Lead Generation), use only geographic + age targeting (no interest targeting), and test 5-10 initial variations, scaling to 20+.

6. Audience Targeting Strategy

Andromeda performs BETTER with broad targeting. Broad geographic + age targeting only (no interests). Keep your audience between 50,000-500,000 people. This gives the algorithm maximum flexibility to find your ideal customers.

7. Setting Up ROI Tracking

ROI Formula: $(\text{Revenue} - \text{Ad Spend}) / \text{Ad Spend} \times 100$

A 3x return means you're making \$3 for every \$1 spent. Aim for 300%+ ROI to account for operational costs. Track this weekly.

8. Optimizing for Profit: Creative Diversity

- **Monday:** Review which 3 creatives had highest CTR and conversion rate
- **Wednesday:** Launch 3-5 new creative variations
- **Friday:** Pause ads with lowest CTR
- **Goal:** Refresh 20-30% of creative weekly to prevent ad fatigue

Test variations in: images (stock vs. real), videos (professional vs. authentic), headlines (benefit-driven vs. curiosity), copy (emotional vs. logical), CTAs (Learn More vs. Get Consultation)

9. 5 Andromeda-Era Mistakes to Avoid

Mistake #1: Running multi-campaign structure
Fix: Consolidate to ONE campaign with ONE ad set.

Mistake #2: Using detailed interest targeting
Fix: Use geographic + basic demographics only.

Mistake #3: Not creating enough variations
Fix: Start with 5-10, add 3-5 weekly.

Mistake #4: Optimizing for clicks
Fix: Optimize for revenue ROAS, not cheap clicks.

Mistake #5: Pausing campaigns too quickly
Fix: Give campaigns 3 weeks minimum + 50 conversions.

10. Key Takeaways & Next Steps

1. Andromeda rewards simplicity, broad targeting, and creative diversity
2. Structure: ONE campaign, ONE ad set, broad geo + age targeting, 10-20+ ad variations
3. Track conversion data with Facebook Pixel—this is Andromeda's learning fuel
4. Follow the three-phase framework: Setup (weeks 1-3) → Optimize (weeks 4-8) → Scale (week 9+)
5. Refresh 20-30% of creatives weekly to prevent ad fatigue and maximize learning
6. Aim for 300%+ ROAS to account for operational costs and profit margin
7. Be patient—give campaigns minimum 3 weeks and 50 conversions before optimizing
8. The businesses achieving 300%+ ROAS adapted to Andromeda. Those using old tactics are leaving 20-40% on the table.

Your Action Plan:

1. Audit your current Facebook campaigns—are they still using old multi-campaign structure?
2. Consolidate to Andromeda structure this month (\$10-15/day test budget)
3. Track your ROAS improvements weekly using the ROI formula
4. You'll likely see measurable gains within 30 days

Questions? Need implementation help? Our team specializes in Andromeda setup for local businesses. Visit aiadvantageagency.com/services/seo-aeo to learn more.