

# Meta rolls out Facebook Reels globally, looks to monetize it with new creator ad formats

Article

**The news:** Meta is rolling out its short-form video feature **Reels** worldwide on **Facebook**, per a company announcement Tuesday.

- As part of the move, Meta will be adding several creator monetization options to Facebook Reels, including tips (called “Stars”) and brand-new banner ads and sticker ads.
- The new ad formats will appear as semi-transparent overlays on Reels videos. Creators can choose when and where to place them, and will receive a cut of the ad revenues generated.

**How we got here:** Meta first began testing bringing Reels from Instagram to Facebook last summer, in an effort to both increase usage of the feature as well as lure some younger users back to Facebook proper. It’s clearly worked well: Meta mentioned in its announcement that Reels is its “fastest-growing content format.”

**What this means:** Despite its success in bringing in viewers, Reels is still nowhere close to a moneymaker just yet. It only makes up 1% of total US ad impressions on Instagram, according to Tinuiti, and that share is likely far lower on Facebook.

#### US Instagram Ad Impression Share, by Format, Q4 2021

% of total impressions served by Tinuiti



Note: represents activity on the Tinuiti platform, broader industry metrics may vary  
Source: Tinuiti, "Facebook Ads Benchmark Report: Q4 2021," Jan 2022

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So why the investment into Facebook Reels ads? Rather than a play for more revenues, it’s part of Meta’s long game to entice more creators to make content for the platform. Meta is fighting the **war for content creators** on all fronts, and with other social platforms like **Snapchat rolling out** their own short-form video revenue sharing ad formats, it likely feels the pressure to keep up.

Plus, though Facebook’s domestic user base is falling, it’s still growing in some international markets like **India**, where the ongoing TikTok ban has left the door open for competitors like **YouTube Shorts** to swoop in. Expanding Reels’ presence on Facebook is also an opportunity to snap up users in countries where Facebook reigns and TikTok hasn’t had the chance to sink its claws in yet.

**What this means for marketers:** As TikTok competitors finally mature enough to warrant ads, options for short-form video marketing are expanding beyond influencer marketing. Performance ad products like Facebook Reels' new banner and sticker ads are a welcome addition to the mix—but marketers should still approach the new formats with some caution, given the low ad impression share on Reels compared with tried-and-true Feed options.