

Meta adds more ads to Facebook Reels, plans revenue split with creators

Article

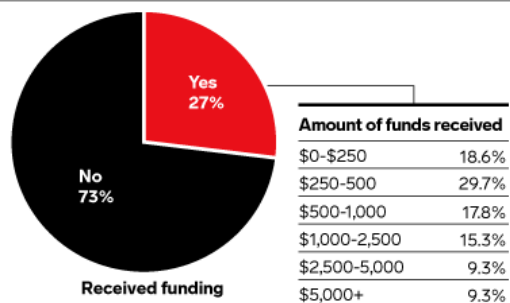
The news: Facebook is bringing some creator-friendly changes to Reels, its TikTok competitor.

- In contrast to the 30-second advertising that **Instagram** Reels began rolling out globally last year, the new format will involve shorter ads on Facebook Reels.
- The platform is testing 4 to 10-second skippable "post-loop" ads that play after a Reel has concluded; once the advertisement ends, the Reel will start over and loop.
- Another Facebook Reels test involves "image carousel" ads. These horizontally scrollable ads can include two to 10 images and will be shown at the bottom of Reels content.

Arguably the most important element: Eligible creators will receive 55% of the revenue from both of these new ad formats, which is critical at a time when social platforms are competing to keep creators on their platform—and money talks.

Amount That US Creators Have Received From Social Media Creator Funds*, April 2022

% of respondents



Note: n=486; *payment plans established by social apps to compensate creators for content
Source: Mavrck, "Ask the Creators, Volume 15, Part 1: Creators Flock to TikTok"; Insider Intelligence calculations, June 2022

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Will it work? These new ads could change consumption habits of Reels ever so slightly.

- Many Reels, like those on **TikTok**, are designed to be watched repeatedly, but adding an ad at the conclusion could lead viewers to watch a different video instead of the same one again.
- Many social media users, it should be noted, already [engage with Reels less often than TikTok content](#).
- Facebook and its parent Meta are in a bind. They need to open up more ad inventory to monetize, but this is a risky move that users might not like.

The big takeaway: Meta needs to balance user experience with monetization, and this update—not to mention its [new Instagram ad placements](#)—makes that balancing act even more critical.

- A spokesperson said the company is closely monitoring users' sentiment, both for ads and overall commerciality. Time will tell if the increased ad load will be enough of a pro from a financial perspective to be worth potentially turning off users.