

**What place do social medias take in the online  
marketing and advertising space?**

**An exploratory case study of Facebook's  
marketing solutions.**

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## ABSTRACT

This research is aiming to help marketers that require a deep understanding of social media. In a more complex, fast paced and changing digital environment, marketers need to quickly adapt their marketing strategy aligned with their business goals and use the right channels of communication on the Internet to reach their target audience. Today the digital environment offer various tools to advertise and promote products or services. New technologies have accelerated and influenced the digital landscape. New companies have recently emerged and have changed the way consumers communicate on the Internet. For instance, using social media networks today is a normal part of life for millions of people worldwide and this gives huge opportunities for marketers to reach precisely their audience and create a true connection between their organization and consumers. As social media is a new area for marketers, this research is focusing on all the aspects and the challenges that excite the marketing community. As Facebook is by far the most used social media platform, with more than 955 million monthly active users worldwide, a case study will be used to help marketers to understand how they can utilise Facebook marketing solutions in the most efficient way aligned with their marketing objectives. Some companies in different varied industries will also benefit from understanding their potential marketing success on the Facebook social media platform. This will help marketers to use social media in the most efficient way and give them the ability to respond to their marketing objectives while creating real online connection with their clients.

## DECLARATION

I hereby declare that the following research is entirely my own work. All information other than my own contribution has been fully referenced and listed at the end of the study. All the research conducted was done in compliance with the requirements of the MSc in Management for the National College of Ireland.

The final word count for this dissertation exclusive of the abstract, table of contents, acknowledgements, bibliography, references and appendices is 17,633 words.

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## CHAPTER 1 INTRODUCTION

The growth of Social Media rapidly became a huge development impacting not only the Internet but dramatically influencing our society in general. The emergence of social media in the last few years has influenced almost every part of our lives, the way we relate, interact, share experiences with people, and the influences on others (Kotler et al., 2009). This gives an opportunity for marketers to be part of the conversation and establish a social presence to engage deeply with consumers (Shaw, McCarthy & Dykeman, 2012). Social media is soon to become just as productive by allowing companies to create a real connection with their customers. Social media has an impact on business, marketing, shopping behavior, politics and communication. Over the last twelve months, social media has made a lot of noise within the digital marketing world, many companies have emerged around social media and have created more tools to allow people to share and communicate among the Internet (Anders, 2012).

The researcher has chosen this title with the aim to investigate more about social media with particular emphasis on the marketing solutions that Facebook platform can offer to marketers. Being employed at Facebook European Headquarters, the author decided to research this new topic which is a social media phenomenon and hopefully help online marketers that are thinking of integrating social media into their marketing plan and adopt social media into their marketing strategy as a whole.

Social networking has been growing rapidly within the past seven years on the Internet, millions of people are now using these platforms on a daily basis to communicate on the

Internet (Nielsen, 2009) There are more than two billion Internet users worldwide (Internet world stats, 2012), two-thirds of the Internet population uses social networks to actively communicate, resulting in more time spent on social network sites (Nielsen, 2010) The most famous social media platforms are Facebook, Twitter, LinkedIn and various blog platforms The digital landscape has evolved since the significant technological development of certain companies like Google, Apple, Facebook and Amazon.com (Elkin, 2012) For example, the founder of Facebook, Mark Zuckerberg announced that globally more than 900 million people are using the Facebook platform every month (Facebook, 2012) Social networks have experienced an exponential growth of their user's base and Facebook is the leader in social media (Kirkpatrick, 2010) Facebook is now the biggest social media platform in terms of numbers of users and of the diversity of the demographic audience (Appendix 1) This gives companies a real opportunity to reach a massive pool of Internet users to promote their products or services through Facebook This also gives individuals an opportunity to become ambassadors of brands or products they like to use If we look back at the evolution of Internet over the past twenty years and the impact on how people communicate online, there has been a rapid technological transformation and the number of websites has increased massively (Appendix 2) The number of websites grew from zero in 1993 up to a staggering 250 million in 2009 The emergence of the Internet started in the 90's, companies were building websites where Internet users could browse information about a company, product specifications or else There was only one-way communication users had to find the URL The URL refers to the universal resource locator, which basically is the address of a web page The URL allows users to find and access to companies' website In the

2000's, new technology companies such as Google or Yahoo' built platforms to rank those websites and make it easier for internet users to find relevant websites based on their research by simply typing keywords on their search engine platform. The results came out based on the relevancy of keywords, algorithm of search engine platform and sponsored links (Qualman, 2011). Today, social media is now allowing Internet users to discover information directly through their friends on social media platform like Facebook, announced Grady Burnett (2011) Vice President at Facebook Global Marketing solutions. Internet users can now interact in real time with businesses and institutions on these social network platforms. This transformed the way people communicate on the Internet, they can now discover new information or websites from people they trust through a social network platform (Burnett, 2011). An interesting fact about the level of trust in different forms of offline or online advertising is that the most trustful advertisements are from the recommendation of people known (Appendix 3). As social media creates an environment with friend's connections, the users can interact and engage with their network in a simple way. This gives a new opportunity to companies to change the way they communicate on the Internet by using the word of mouth effect. Dutta (2010) explains that today's leaders must adopt a social media presence to build their brand, communicate inside and outside the company.

The purpose of this research will be to demonstrate that companies need to use social media to communicate on the Internet and adapt their marketing strategy. This helps to create a real connection with their clients and consumers. Finally based on the research and findings, social media recommendations will be siren on how businesses can use in an efficient way for their online marketing strategy.

## CHAPTER 2: MARKETING & ADVERTISING

As this research is aiming to help marketers, the author thinks that it is important and relevant to define the various factors involved in this research. Moreover, the author's philosophy is "How do we know what we are dealing with, without a definition?" This section will help to understand how the various topics are defined in existing literature in the area of Marketing, advertising and communication. The literature review has been orientated with the following topics: Marketing, Internet, Advertising and Social Media. The author intends to define with the literature each of these areas to be able to give as much foundation as possible to the readers and lead the research about the phenomena of social media for marketers.



## 2.1 Definition and origins of marketing

In order to create customer's interests to goods or services, companies use Marketing as a process. Marketing makes the strategy that inspires sales skills, communication and business growth (Armstrong & Kotler, 2009). By integrating this process, marketing helps companies to build robust customer relationships and produce value for their clients (Kotler, 2009). Kotler (2009) defines marketing as a management process that aims to make the most of returns to shareholders by building relationship with valued customers and creating a competitive advantage. In other words, marketing could be defined, as "meeting needs profitably". In a fast changing world, customers are evolving and so too must marketing. Marketing management could be perceived as

"As the art and science of choosing target markets and getting, keeping, and growing customers through creating, delivering, and communicating superior customer value" (Kotler, 2009, p 45)

In order to understand the foundations and evolution of Marketing, here are some important milestones in history of marketing according to Bartels (1988)

### ***1920s Integration on the basis of principles.***

Bartels (1988) describes this period as the "Golden decade" because of the fact that the first marketing books text started to integrate some marketing principles such as advertising and sales management. For example, Ivey in 1921 was the first writer introducing the textbook "Principles of Marketing" (Bartels, 1988)

### ***1930s Development of specialization and variation in theory***

The marketing textbooks were kept updated and revised, as marketing textbooks were dominated sales in college and university. The American Marketing Journal was born in 1934 and started to be a dominant influence in the development of Marketing (Bartels, 1988)

***1940s· Reappraisal in the light of new demands and a more scientific approach***

Two new conceptual approaches were introduced to marketing management and systems (Bartels, 1988). The first textbook of Marketing Management was published in 1940 written by Alexander, Surface, Elder and Alderson. This book highlighted the importance of controlling and planning marketing activities within a firm (Bartels, 1988)

***1950s Reconceptualization in the light of managerialism, social development and quantitative approaches***

Beside of the principles of marketing theory, new topics such as consumer's psychology, demographics and behavior were conceptualized in 1950 by Cox and Alderson's theory in marketing (Bartels, 1988)

***1960s· Differentiation on bases such as managerialism, holism, environmentalism, systems and internationalism***

Various specialty areas including marketing management, marketing systems, international marketing and quantitative analysis emerged to replace traditional marketing approaches. For example, articles in the Journal of Marketing moved from a qualitative towards a quantitative approach

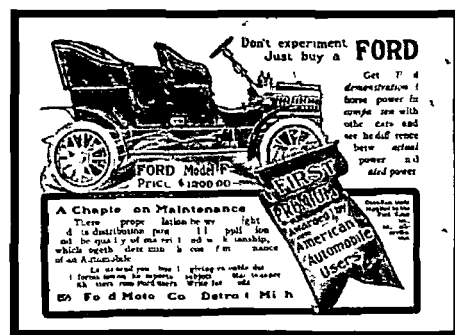


### *1970s Socialisation, the adaptation of marketing to social change*

The introduction of social marketing by Kotler in the journal of Marketing in 1971 highlighted the fact that social marketing can influence the society about its behavior and promote society's well being (Bartels, 1988) For example, association like Drink aware or Road Safety authority raise awareness in their marketing campaign to Irish people about the danger of alcohol and risk of car's accident in Ireland Marketing integrates the academic study of different sciences such as social sciences, psychology and sociology (Kotler, 2009)

Marketing also includes a creative characteristic that is desirable for advertising, distribution and retailing (Brassington & Pettitt, 2006)

For example, Ford Company is a great case in the history of marketing, here is an advertisement that Ford created to promote the launch of the new model car Ford T in 1903



*Figure 2 1 Ford advertisement promoted through newspaper in the United States in 1903 (Source Lewis, 1976)*

Moving on in the 90's, with the emergence of the website, online advertisements were born In October 1994, the first ad banner appeared on the website Hotwired that allowed the U S Telecom company AT&T to display this banner on their website



Figure 2.2 First ad banners on the Internet in 1994 (Source: Wired, 2010).

## 2.2 Why marketing is important?

Kotler (2009) recommends the use of marketing in any business to be able to survive in a highly competitive environment. Kotler (2009) also highlights the fact that marketing helps companies to understand their customer's need, consumer's change and business trends. Moreover, marketing has various relationships and interaction with other departments within the organization. The importance of having marketing interacting within the organization with other departments is described below:

Marketing's relationship with:	Description
Accounting & Finance	<ul style="list-style-type: none"> <li>Provides the finance, maintains bank accounts and advises budget preparation. Allocates the funds for marketing activities.</li> </ul>
Operations Management	<ul style="list-style-type: none"> <li>Works with operations to meet customer needs and wants. The marketing department needs to sell to the quantity of products that can be realistically produced by operations.</li> </ul>
Human Resource Management	<ul style="list-style-type: none"> <li>Develops a Human Resource Strategy for the organisation. Involved in the recruitment of suitable staff (all levels) to work within the marketing department.</li> </ul>
Facilities	<ul style="list-style-type: none"> <li>This unit provides the resources that enable organisations to function.</li> </ul>

Figure 2.3 The marketing's relationship in the organization (Source: adapted from Kotler, 2009)

The author decided to focus on Business to Consumer (B2C) and Internet marketing. As social media reaches mainly consumers in a digital environment, the next section of the literature review will now focus on the impact of the Internet and social media on marketing and new behaviors for consumers. Let's have a look first at the impact of new technologies on consumers.

### 2.3 The impact of innovation on consumer's behaviour and businesses

Some companies in our era play a major role in the innovation of new technologies and create customer's interest around their product. For example, who thought Apple ten years ago would become one of the largest phone manufacturers of today? Innovation is playing a key role to create value to the consumers and integrate their experience with the product (Prahalad & Ramaswamy, 2003). Companies innovate to penetrate other markets, in order to provide values to consumers and create a strong connection with the brand. In other words, a company can choose to market an innovative product, because it is innovative and will create new interest from customers. The customers did not have the need before seeing the product. Prahalad and Ramswamy (2003) demonstrate that innovation can create a new interest, new demands as well as new values for customers. A real life example could be that the value of instant communication created with the arrival of iPhone mobile or other smartphones on the market. Millions of smartphone owners can no longer imagine their lives without being able to share their lives within their social networks, chat or browse on the web anytime they want. This also brought huge trends into the mobile industry. In other words, Innovation drives change in customers' behaviors. Prahalad and Ramswamy (2003) suggest that co-creation is a core part of marketing, generating high-quality interactions that enable consumers to co-

create unique experiences with the company. This results for the company a key to unlocking new sources of competitive advantage. The new technologies also impact companies by improving their production and give a competitive advantage by innovating. Some say that Apple marketing and way of doing business is almost like a religion suggesting their customers to “Think Different”. This makes the consumers feel exclusive and different and create a real connection between the brand and the customers (Manjoo, 2010). Lindstrom (2008) studied the fact that how brands engage their consumers to their products and transform the consumers as followers of the brand and making them unique. For example, Apple provides a clear vision of their brand and inspires consumers to be part of it. The company builds a strong culture of innovation around their products and their brands, this requires also a good communication from the brands as well as messaging the values to consumers. When Apple launched a new product, the CEO Steve Jobs presented the value of the products and inspire early adopters to use their product to improve or make their life easier. But consumer’s behavior changes, and companies needs to act proactively and understand those technological changes, for example the internet became a fast growing buying media and this had an impact on the consumer’s buying process. Kotler (1965) suggests that by analyzing the behavior of the buyer through a behavioral model, the organization must understand better who is buying their product and especially why the customers buy their product. Different approaches can be used to interpret the buying process behavior. Kotler (1965) explains through five different models based on economic and psychological aspects, the importance for the marketing strategist to understand those influencing factors on the consumer’s buying behavior.

Kotler et al. (2009) define a consumer buying process as follow as:



*Figure 2.4 The consumer buying process (Source: adapted from Kotler et al., 2009)*

Meanwhile, marketing helps to understand consumer's behavior by studying how a person or group of individuals buy and consume goods or services to content their needs (Kotler, 2009). The developments in technology and the evolution of marketing are connected. Technology supported main milestones in the history of marketing, for example the printing press, radio, television and now the Internet are the fruits of inventions that allowed creating connection between marketers and consumers (Ryan & Jones, 2009). New technologies such as the Internet have influenced consumer-buying process; but marketing is not about technology, it is all about people (Ryan & Jones, 2009). In other words, technology helps marketing to connect people with other people in an efficient way. For example, Internet users can now quickly review other Internet user's feedback and make their purchase decision based on a recommendation or review

ratings. The Internet has revolutionized products and services available to customers (Chaffey, 2009). Consumers can now purchase goods or services over the Internet, also known as electronic commerce. The buying behavior process that Kotler (2009) suggests should be adapted to the online world. From an online marketing perspective, the consumer buying behavior process of Kotler's could be translated as follow for an Internet user nowadays:



Figure 2.5 The buying process on the Internet (Source: adapted from Kotler, 2009)

The problem recognition could be raised via online advertisement, then once the Internet user is aware of a product or service needs, they will then search for it. Various platforms are available to help to find the website that offers the products or services targeted. Once the users will find the products on various website, thanks to an aggregator website they will be able to compare the prices and conditions that the various websites offer in order to make their decision and buy the product on the ecommerce website of their preference. The final step of the online buyer process is the post-purchase behavior where the user will share their experience and feedback with the online community via blogs, forum or social media platforms. Internet marketing has changed the marketing theories and

because of the change of consumer's behavior, consumers have now more access to information on the Internet and can compare an organization's offerings faster. Chaffey (2009) describes the online buying process as follow:

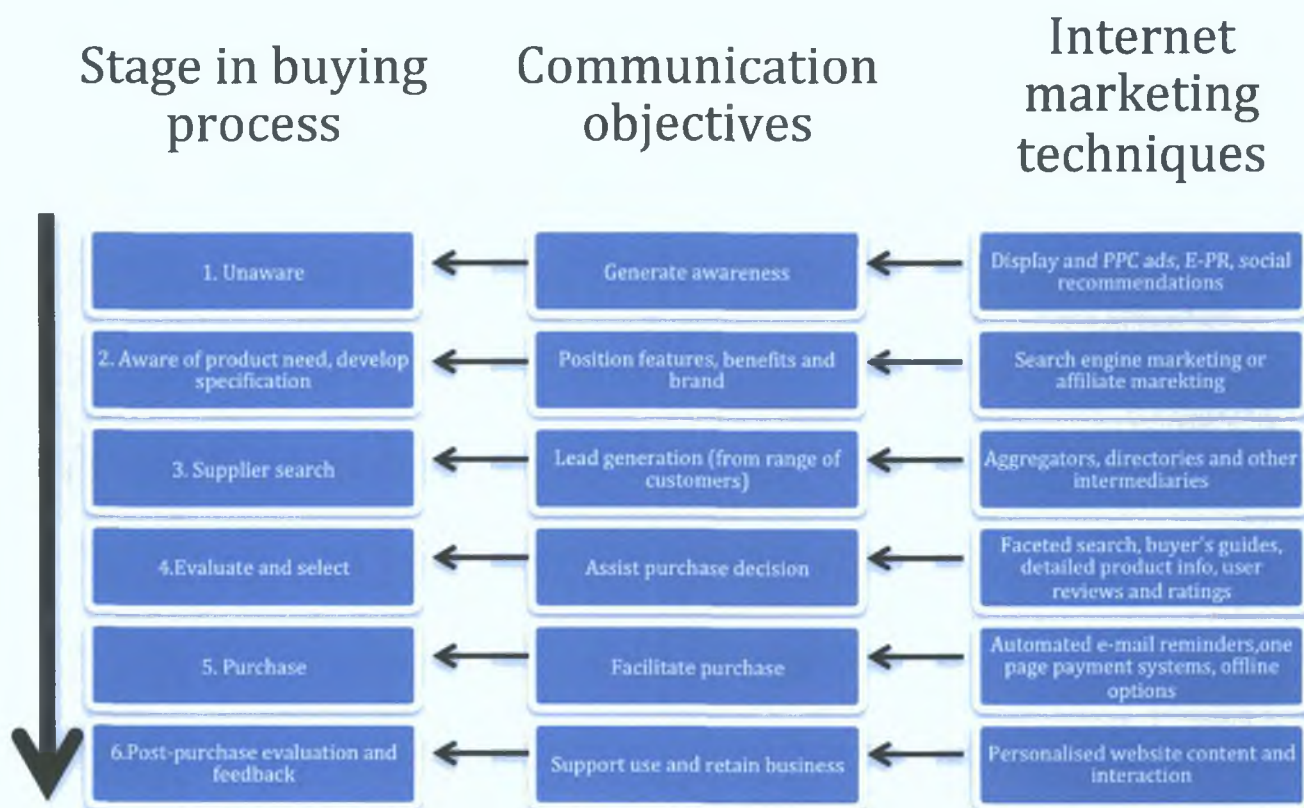


Figure 2.6 A summary of how the Internet can impact on the buying process of a new purchaser (Source: adapted from Chaffey, 2009)

It is interesting to see that social media also impacts the behavior of online users; according to DEI's *The Impact of Social Media on Purchasing Behavior* (2008), 70% of online consumers have visited a social media website to collect information in order to purchase a product on the Internet.

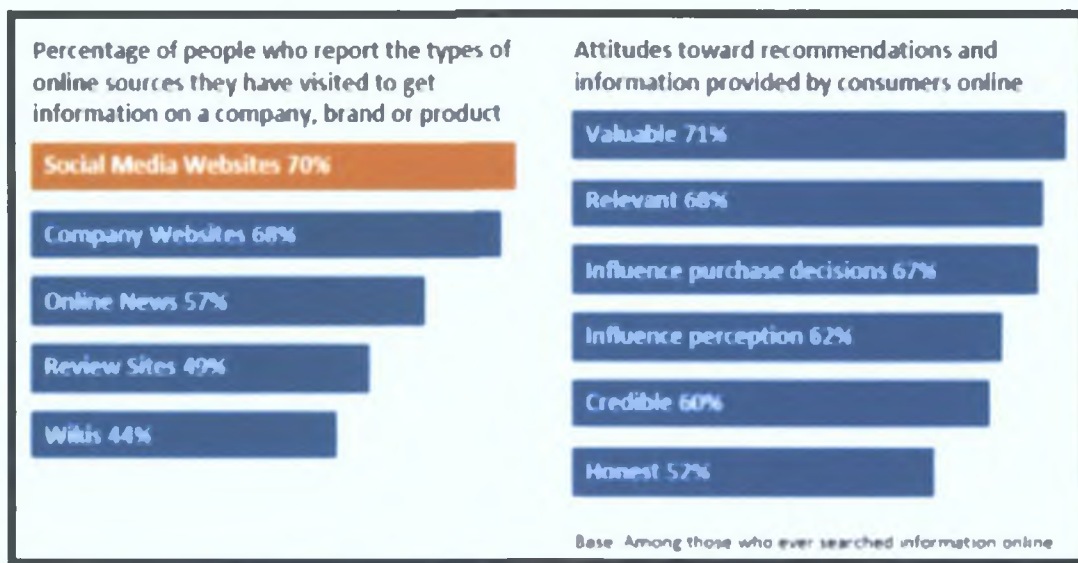


Figure 2.7 Social media website became a source of information (Source: DEI's, 2008)

Social media websites are now a source of reference for most Internet users, this allows them to get information and recommendations from people they know and trust. This word of mouth effect greatly influences the consumer's buying behavior process on the Internet. In 2009, the company Nielsen conducted a survey to analyze the level of trust in the different forms of advertising, 90% percent of people responded to trust recommendations from people they know and 70% from consumer's opinions posted online on forums or blogs (Appendix 3). As social media permits users to create their social network with people they know, this gives a good opportunity for marketers to



benefit from this level trust between people and to be part of this conversation to influence consumers on their buying process

#### 2.4 Model of Marketing mix method

In 1963, Bartels suggests (Chaffey & Smith 2008)

“A marketer is like a chef in a kitchen – a mixer of ingredients”

The marketing mix method was introduced in 1960 by McCarthy (Chaffey & Smith 2008). In order to practice marketing, many marketers use the marketing mix method suggested by McCarthy (2002). This method refers to

“The set of controllable tactical marketing tools that the firm blends to produce the response it wants in the target market” (Armstrong & Kotler, 2010, p.76)

In other words, the marketing mix method entails using four different kinds of marketing methods that can help a marketing manager to reach their target market audience. This model relies on the study of 4 P's (Hollensen, 2007) that can be described as follows: Product, price, place and promotion.

##### a) Product

Quality, design, features, brand name, packaging, and warranties characterize products or services (Kotler, 2009).

#### b) Price

This refers to what the customer pays for the goods or services allowing company to make a profit on the sale. The price is usually an important factor as it can be a competitive advantage and increase the volume of sales depending of the demand and competition's prices. Price might include discounts, payment arrangement or credit terms.

#### c) Place

This refers to the location where customers can buy the products or services. This can be through various channels such as online via an e-commerce website or offline in a retail store. The Distribution channel is crucial to ensure growth for a company. By using the right channel, this allows the company to reach more consumers and ensure their market share (Armstrong & Kotler, 2011). They suggest evaluating the different channel alternatives by analyzing on economics, control, and adaptability (Armstrong & Kotler, 2011, p 352).

#### d) Promotion

The communication employed by the company to persuade consumers to come and buy. This can be through advertising, sponsorship and through different media channels such as Print, Television, online or public relations.

Boden introduced the 7P's by adding People, Process and Physical evidence to the McCarthy's 4P's model (Rafiq & Ahmed, 1995). The 7P's of marketing objective is to represent all the variety of tools to influence buyers from the company's view (Kotler, 2009).



*Figure 2.8 The 7Ps components of the marketing mix (adapted from Kotler, 2009).*

Chaffey and Smith (2008) argue that the marketing mix method framework should be re-considered for the online world.

### 2.5 The evolution of advertising

Belch & Belch (2004) define advertising as any paid form of communication to promote an organization, a product or an idea. Advertising can be also considered as a non-personal communication using mass media like TV, Radio, magazines or newspaper to

reach a large group of individuals at the same time (Belch & Belch, 2004) The limit of this type of non-personal communication is the lack of immediate feedback from consumers Marketers push a message to consumers via mass media with difficulty to analyze how people will interpret and respond to it Unless for response-direct advertising, where consumers can respond by calling back or going to a specific website or stores, the marketers can indeed analyze and interpret the performances of this type of communication Advertising is an element of the Promotional mix, which helps marketers to accomplish communication's objectives Advertising is an important element for marketers because of its cost effectiveness to reach a large amount of consumers For example, U S marketers spent \$158.9 billion in advertising in 2011 across all online and offline media (Appendix 6)

Advertising can be used through a variety of traditional media such as

#### Television advertisements

TV is considered by marketers to be the strongest advertising medium to reach a large group of consumers (Kotler et al , 2009) The advantages of TV advertising are the low cost per exposure, the effectiveness of demonstrating benefits to consumers and describe brand personality using imagery However, TV advertisement can show distracting creative elements that can impact negatively the effect on consumers ad recall, purchase intent or brand association (Kotler et al , 2009) Moreover, the number of viewers who paid attention to TV advertisement has dropped in the past decade (Kotler et al , 2009) On the other hand, a TV advertising campaign well designed and properly executed can increase brands awareness and influence sales, but it remains very difficult to measure the

performances it as this media is a one-way communication and consumer cannot interact with the advertisement

### Print advertisements

The print media offers to marketers the possibility to provide specified market product or services offering to consumers through imagery. There are two main print media, which are newspapers and magazines (Kotler et al , 2009). Print is limited to static image that can affect the advertising effect due to poor reproduction quality or short lifetime of the magazine or newspapers. However, marketers have freedom to choose the placement and design the size and creative to gain more attention. Print advertisements consist of inserting a visual advert in a newspaper or magazine, and including an offer of communication via a response card, website, phone number or address.

### Radio advertisements

Radio medium allows marketers to promote via audio their market offerings. One of the advantages of radio media is the possibility to target consumers in terms of demographic, psychographic and geographic segmentation (Kotler et al , 2009). Nevertheless, the lack of visual creativity generates a passive nature for consumers to process the information from the marketers (Kotler et al , 2009).

In the traditional approach of the promotional mix, which included four elements: advertising, sales, promotion, publicity/public relations and personal selling, modern marketers also can consider direct marketing and interactive media as a key element of

the promotional-mix (Belch & Belch, 2004). This is due to the emergence of new technologies and Internet that gives new ways of reaching consumers.



*Figure 2.9 Elements of the promotional mix (Source: Belch & Belch, 2004).*

The growth of Internet had a revolutionary impact in the history of marketing, among advertising and promotion. New technologies have developed new interactive forms of communication. Kotler et al. (2009) describe that the convergence of communication and technologies have created the opportunity to create closer contact between the consumers and companies. Consumers can now contact companies anytime '24/7' via these new technologies. Mangold and Faulds (2009) suggest that social media should be part of a mix component of the promotional mix and therefore be integrated in the organizations integrated marketing communication (IMC) strategy.

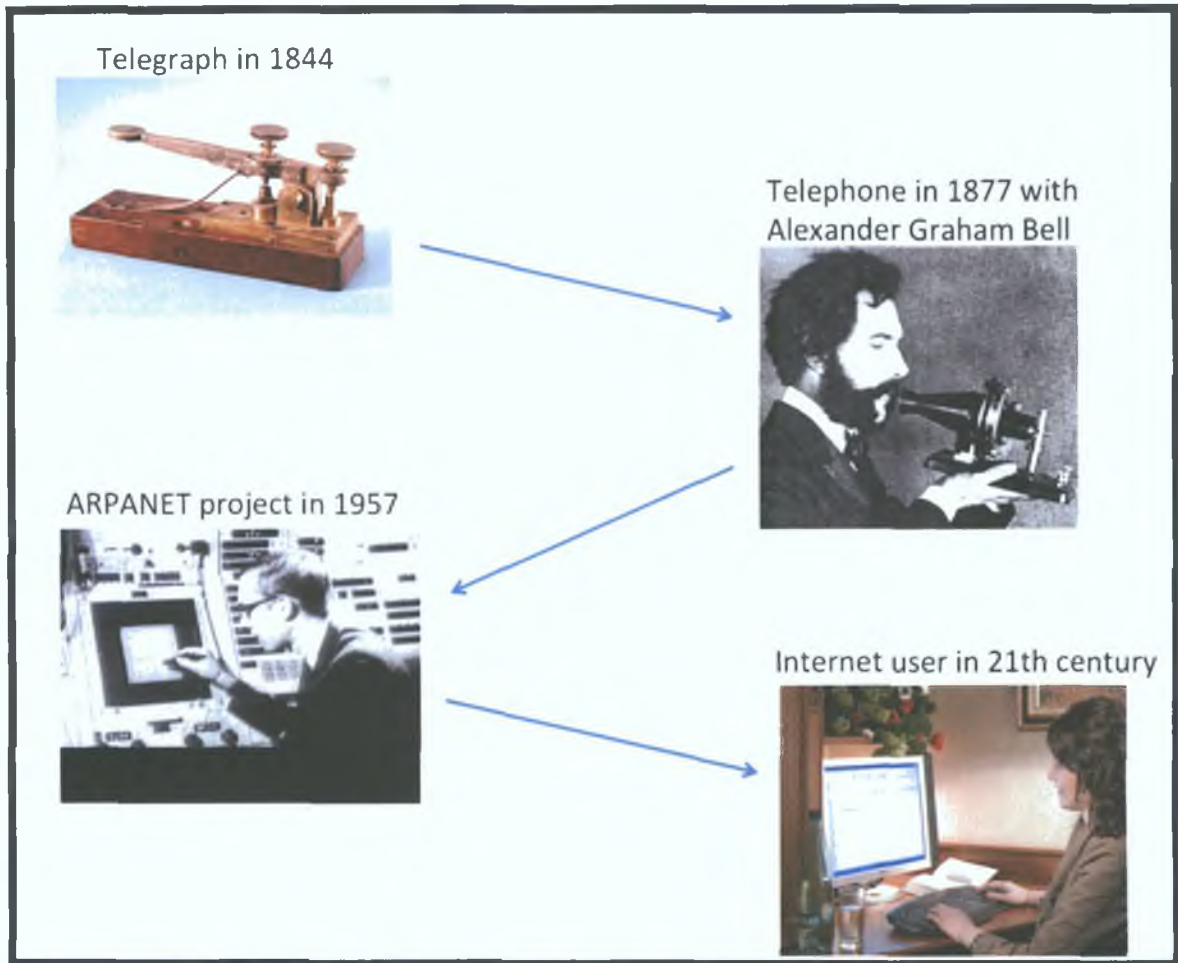
## 2.6 Emergence of the world wide web and impact on businesses

The emergence of World Wide Web facilitated the way to access Internet information. The number of websites increased considerably since 1999, counting more than 250 million websites in 2009 (Appendix 2). Various factors like new technologies, intense competition, globalization, and the information age drove companies to move their business on electronic commerce (Chaffey, 2009). In order to understand the huge growth

of the Internet, it is important to understand how early communications technology developed in the worldwide network of interconnected computers that it is defined as the Internet. This started first with the telegraph that permits for the first time to connect people separated by long distance to communicate in 1830 with Morse codes. By 1850, there were 12,000 miles of telegraph lines across the United States, which doubled the following year (Ryan & Jones, 2009). This helped people around the globe to receive news faster, it transformed the way of doing business as newspapers starting to publish news on the hour instead of weekly news (Ryan & Jones, 2009). The telegraph system let countries to communicate effectively through a wire networks. But in 1877, the telegraph was beaten by the idea of two inventors Elisha Gray and Alexander Graham Bell. The telephone (Ryan & Jones, 2009). The Internet started in 1957, with the technological war between the United States and the USSR. The U S government was under pressure to compete against the Russian government after the Russian launched the first satellite Sputnik. The U S needed to prove to the world that they had technological competitive advantage as well, this started by the creation of the American Agency ARPA (Advanced Research Projects Agency) in which the objective was to stay ahead in the technology race with the Russian (Ryan & Jones, 2009). The ARPANET project was born in 1966, the idea was to share and exchange computing resources. In 1969, the first two computers were connected, the first computer was at the University of California in Los Angeles and the other one in Stanford University close to San Francisco (Ryan & Jones, 2009). ARPANET connected fifteen U S institutions, growing to 46 by 1974 including overseas connection with Hawaii, Norway and London (Ryan & Jones, 2009). ARPANET became INTERNET in 1974 introduced by Vinton Cerf who was a US computer scientist who is

now a senior executive at Google (Ryan & Jones, 2009) Cerf was working on a way to standardize the connection between ARPANET and other computer network. The transmission program developed using TCP/IP protocol allowed to connect 1,000 connections in 1984 and surpassed 100,000 hosts connection in 1989 (Ryan & Jones, 2009)





*Figure 2.10 Milestones in communication's innovation and technology  
(Source: Adapted from Ryan & Jones, 2009)*

Until end of the 80's, the Internet was only used by scientists at research institutions. However between 1991 and 1997, the Internet offered online information to a wider audience, this became an international success by the number of people connecting to the Internet resulting a growth of 850% year on year (Ryan & Jones, 2009). In 1995, there were about 18,957 websites increasing to 342,081 the year after in 1997 (Ryan & Jones, 2009).

This shift of technology and communication transformed the way people communicate and how people are doing business (Kotler, 2009) Today the Internet offers the possibility to sell products or services across the globe to a broad audience, in other words E-commerce was born

Druckers (2002, p 3) defines the electronic commerce as follow

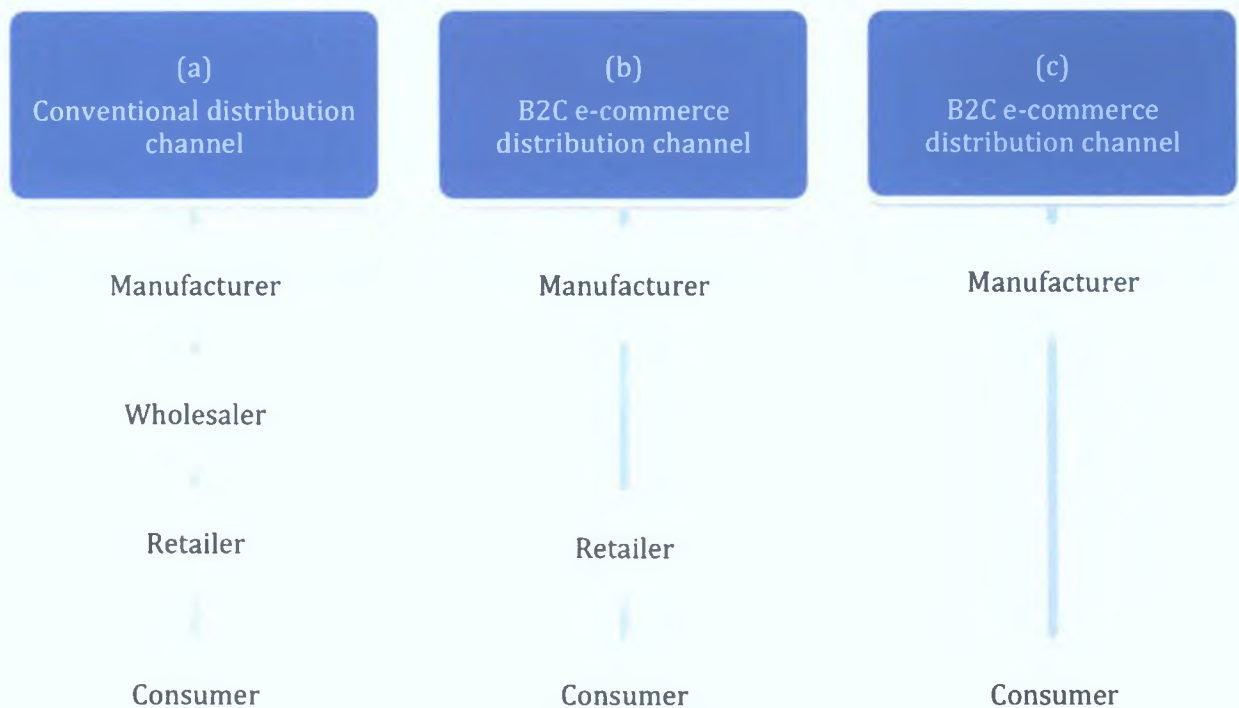
“The truly revolutionary impact of the Internet Revolution is just beginning to be felt But it is not “information” that fuels this impact It is not “artificial intelligence ” It is not the effect of computers and data processing on decision-making, policymaking, or strategy It is something that practically no one foresaw or, indeed even talked about 10 or 15 years ago, e-commerce-that is, the explosive emergence of the Internet as a major, perhaps eventually the major, worldwide distribution channel for goods, for services, and, surprisingly, for managerial and professional jobs This is profoundly changing economics, markets and industry structure, products and services and their flow, consumer segmentation, consumer values and consumer behavior, jobs and labor markets But the impact may be even greater on societies and politics, and above all, on the way we see the world and ourselves in it ”

Electronic communication has influenced industry structure, marketplace structure and business models (Chaffey, 2009) In other words, a company before the emergence of the e-commerce was selling through a network of distributors The company can now sell directly to consumers via an ecommerce website and reach them directly This broke the channel distribution in some industries mostly in the retail (Chaffey, 2009) Below is an example of the shift onto the distribution channel

(a) Original situation

(b) Disintermediation

(c) Disintermediation omitting both wholesaler and retailer



*Figure 2.11 Disintermediation of traditional distribution channel versus a digital channel (Source: Chaffey, 2009).*

Internet, particularly e-commerce, has broken the relationship between a company and its channel distribution partners (Chaffey, 2009). This process is identified as disintermediation. Electronic channels, between the manufacturer and directly the consumers with e-commerce, have now replaced the traditional sales channel. This helped to reduced cost in some business that can be passed onto customers. While disintermediation happened, a phenomenon of reintermediation occurred with the emergence of e-commerce. In other words, many aggregator websites have been created in order to assist Internet users to purchase products (Chaffey, 2009). For example,

websites like [www.confused.com](http://www.confused.com) or [www.gocompare.com](http://www.gocompare.com) help users to compare and find e-commerce websites

## 2.7 Definition of e-marketing

Marketing has always been a large field for creating new concepts and terminologies. The Internet has generated a specific semantic field. Federated under the generic expression of E-Marketing, is a specific discipline and emerged from the early 90s in the U.S., later in Europe and worldwide. E-Marketing can be defined as a marketing process using all the ways to promote an offer (product, services, or idea) using Internet technologies (Kotler, 2009). Also known as Online marketing, Internet marketing or web marketing, the E-marketing can foster communication and transactions over the Internet under these two following scopes:

- Construction and optimization of websites that meet the expectations of targets
- Generate qualified traffic through search engines, advertising or direct marketing

In the conventional approach of Marketing, E-marketing contributes to a paradigm shift of this discipline. While the classic Marketing is completely focused on supply, the E-Marketing is largely oriented towards the customer, this is due to the tremendous opportunities offered by new information technologies and communication. The Marketing has always been a discipline to create fruitful concepts (Kotler, 2009). Let's have a look at the different types of Internet marketing and advertising techniques available for marketers.

## 2.8 Types of Internet marketing

### **Search engine marketing**

Search refers to the ability for Internet users to use search engine to find information on the Internet. For example, a user will type a keyword and search engine will suggest a list of website relevant to the keywords. Companies invest their marketing budget into search ads, this allows companies to be published at the top of the list as sponsored links. Most of the time those sponsored ads are text only and have a link to the website. Search ads are used by companies that are looking for driving and generating sales on their e-commerce website. Online marketers aiming for performance and an optimal cost per acquisition use this. Most of the time, advertisers pay this kind of advertisement on CPC (Cost Per Click) or CPM model (Cost per Mille impressions). Here is an example of sponsored advertisement on the search engine Google with the keyword “shoes”

The image shows a search engine results page for the keyword "shoes". At the top, the search bar contains the word "shoes". Below the search bar, there are several sections of results:

- Web:** "Ads related to shoes" with a link to "Love Shoes | Love Korkys - Free Shipping to Ireland & NI." and another link to "Shoes at Debenhams - Save up to 70% on Selected Shoes.".
- Dublin:** "Shoes at Oxendales - Shoes For Every Occasion" with a link to "www.oxendales.ie/Shoes".
- The web:** "Shoes & Boots - Littlewoods Ireland" with a link to "www.littlewoodsireland.ie/women/shoes-boots/e/b/1665-end".

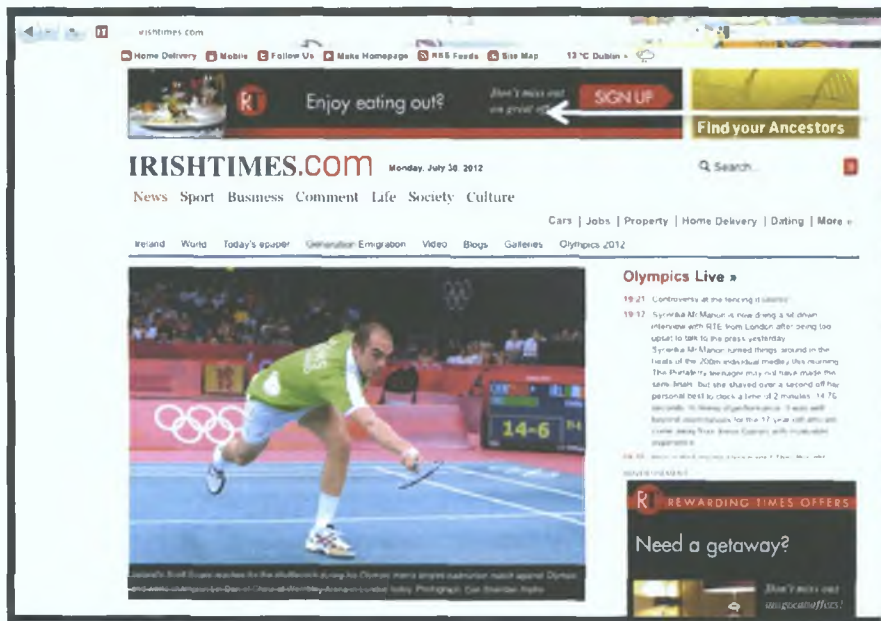
Annotations on the right side of the image:

- An arrow points from the text "Keywords entered by Internet user" to the search bar containing "shoes".
- An arrow points from the text "Sponsored link results (SEM: Search Engine Marketing) (CPC or CPM model)" to the sponsored ads.
- An arrow points from the text "Natural link results (SEO: Search Engine Optimization)" to the organic search results.

Figure 2.12 Example of sponsored ads on search engine with the keyword “shoes” (Source: Google, 2012)

## Display advertising

Display advertising refers to the promotion of a banner composed with a static or animated image on a content website. Website’s owner can monetize their audience of their website by publishing advertisement, usually the revenue is generated via CPM or CPC model. The aim of display advertisement is to drive users to another website which the advertiser looking after brand or product awareness.

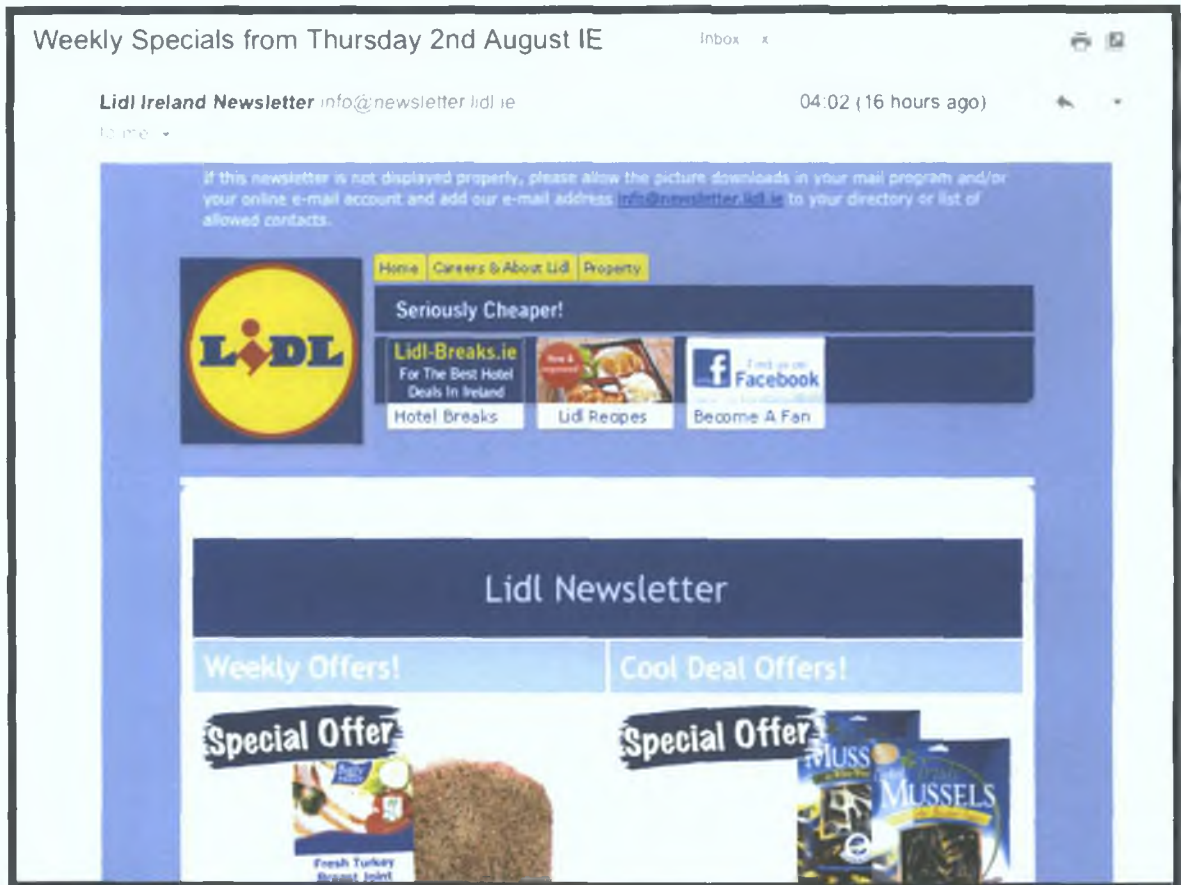


Display advertisement banner

Figure 2.13 Example of display ads on a content website (Source: The Irish Times website, 2012)

## Email marketing

Emailing marketing consists of reaching a group of users by email to promote a commercial message. Online marketers use emailing to be able to reach massively a broad audience prospects or existing clients. The limits of emailing are usually the increase of spam and user's experience (Chaffey, 2009).



*Figure 2.14 Example of emailing campaign of Lidl Ireland (Source: Lidl newsletter, 2012)*

## **Video marketing**

This consists of creating video content to inform and influence Internet users on their buying process. For example, platforms like YouTube offer video ad placement in pre-roll. When a user is viewing a video on YouTube, the first seconds might show a video ad, in the example below with a Smirnoff ad promoting drinks recipes.

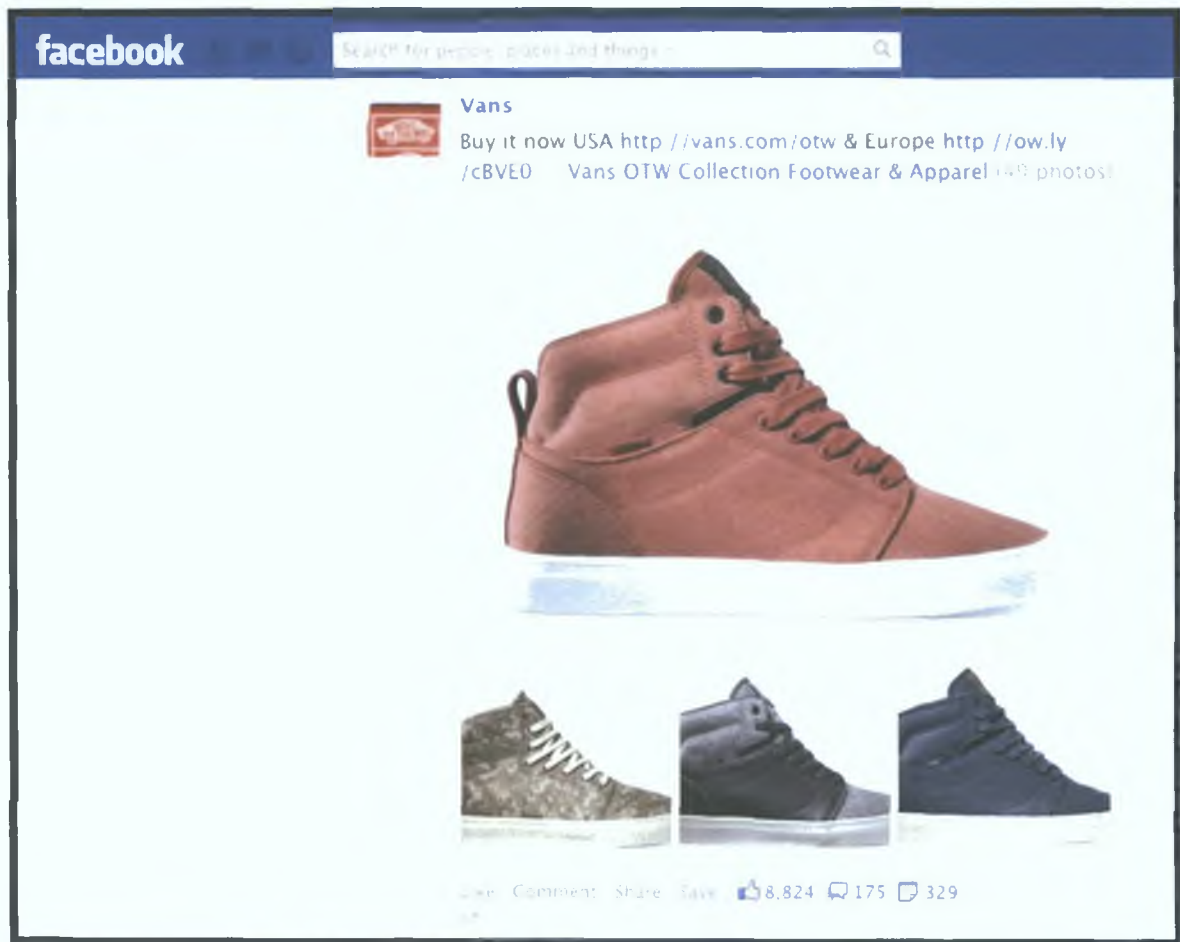




*Figure 2.15 Example of video marketing campaign of Diageo with Smirnoff vodka brand (Source: YouTube, 2012)*

### **Social media marketing**

Social media marketing refers to reach and engage with Internet users via social media platform. Main objectives of social media marketing are to generate awareness, engage with users to benefit from word of mouth effect resulting earned media for the advertiser (Chaffey, 2009). Social media marketing is using the power of friend's influence within a digital and social environment (Kotler, 2009).



*Figure 2.16 Example of social media marketing Vans Europe (Source: Facebook, 2012)*

Vans brand can directly be part of the conversation by publishing posts into the Facebook newsfeed of people who are connected to the Facebook page of the brand. Users can interact and engage with the post by liking, commenting and sharing the content with their friends; marketers can target precisely their audience in terms of demographic, psychographic and geographic (Facebook, 2012). Facebook marketing solutions will be developed in the findings chapter.

## 2.9 Social media a new tool of communication for marketers?

The first question companies and marketers can ask could be 'What is social media?'

Boyd and Ellison (2008, p 210) define Social media as

“Web-based services that allow individuals to construct a public or semi-public profile within a bounded system, articulate a list of other users with whom they share a connections, and view and traverse their list of connections”

In other words, social media could also be defined as a tool of communication that allows Internet users to build their digital identity and connect with other users to share information and data such as photos or videos according to their level of privacy settings. According to Dutta (2010), social media is an online platform that gives the ability to Internet users to communicate, share and recommend content with other Internet users. Social media and social networking are very similar, however social media could be defined such as blogs, wikis, video and photo sharing platform, social network could be defined more like Facebook, LinkedIn where users can create their real identity on the Internet (Scott, 2010). Users connect with their offline and online friends, family or colleagues to share information such as photos, videos, articles to name but a few. There are various social networks on the Internet and each Internet user spends more of their time online on social media than games or email (Nielsen, 2010). The meaning of the term 'social media' can be derived if we examine both of the words, which constitute it. Media generally refers to advertising and the communication of ideas or information through publications/channels. Social implies the interaction of individuals within a group or community. Taken together, social media simply refers to

communication/publication platforms, which are generated and sustained by the interpersonal interaction of individuals through the specific medium or tool. Social media uses the “wisdom of crowds” to connect information in a collaborative manner (Qualman, 2011). Social media can take many different forms, including Internet forums, message boards, weblogs, wikis, podcasts, pictures, and video. Social media is made up of user-driven websites that are usually centered on a specific idea. Social media is now part of millions of lives, Internet users spend a lot of time on platforms like Facebook. Facebook as a website is a social utility that helps people to share with the ones they love, by making the world more open and connected. Millions of people use Facebook everyday to keep up with friends, upload an unlimited number of photos, share links and videos, and learn more about the people they meet.

Introducing Social Media without their “father” the Web 2.0 would not be fair. Let’s have a look at it first. Websites such as Wikipedia, Facebook, MySpace, Twitter, and LinkedIn announced a new wave of website structure and brought something new to the e-business from both marketing and technological perspectives (Scott, 2010). This can be considered as the Marketing of the 21st century, where virtual or Internet channels can be seen as important as the other ones. First of all, we have to understand that web 2.0 is a marketing term. James O’Reilly (2006) was the first person to name this phenomenon. The web 2.0 is an evolution of technology and communication approaches that have grown importantly since 2004. “It is important to realize that web 2.0 is not a new web standard or a ‘paradigm shift’ as the name implies” (Chaffey, 2006, p 97). Basically, whether people are creating, sharing, or socializing, the new web is principally about participating rather than about passively receiving information. People do not consult

companies' official websites. Consumers read other consumer's comments, overview. People upload their ideas. Share them. Broadcast them. Burnett (2011), Vice President of Global Marketing Solutions at Facebook, explains that it is no longer a two ways communication system but an exponential amount of connections all around the world. The word of mouth effect has an impact on the marketing theory, for example Porter's 5 forces model originally published in 1979 has been updated in the age of social media (Hausman, 2011). Porter's original model was defined as the following (Porter, 2008):

The Five Forces That Shape Industry Competition



Figure 2.17 Model of Porter Five forces (Source: Porter, 2008)

In the original model, the power of buyers was effective in the b2b sector. Today, as consumers can express their opinions through social networks and can become brand advocates; the power of buyers becomes very influencing in the b2c sector as well (Hausman, 2011). As companies do not have direct control on messages between online consumers, Mangold & Fauld (2009) suggest influencing the conversations by using nine methods:

1. Be present on social media platform to leverage consumer's interest and create a community around the organization's offering.
2. Engage with consumers to get their feedback and reviews about the market offerings. Consumers feel more comfortable with organization where they can submit their feedback or reviews.
3. Use promotional tool to attract and incentive users to communicate and engage with the products or services. This will enable the word of mouth to reach a wider audience.
4. Provide information about the company and market offerings, consumer will get a better insight and will be able to engage more with companies that have a clear and transparent communication.
5. Establish a call to action to attract consumer's attention.
6. Present the market offerings in a simple way, this will help to enable the word of mouth, if it is too complicated users will not be able to share it with their network.
7. Engage with consumers in an exclusive way.
8. Support a cause that can connect consumers and associate a social cause with the organization, this can be done through a social marketing campaign.
9. Create stories around your brand, products or services, people like stories and this enable the word of mouth as well.

#### 2.10 How social media impacts businesses and marketers?

The next sections of the literature review will describe how these different changes occurred and the impact on businesses for their internal and external environment. Dutta

(2010) explained that social media changed how people communicate and how people buy through influences of friends and recommendations of other Internet users. With a judiciously marketing strategy, social media channel can now drive people to physical or online stores declared the Managing Director at Barclays (Lowe, 2012). This could be explained by the fact that users can interact in real time, transparently with no-hierarchical structure. Consequently, this is a huge opportunity for marketers to reach consumers and interact with them directly. For example, in the Education sector especially in business schools, social media platform such as Skype have helped teachers to make their lectures through a Visio-conference (Blankenship, 2011). Apart from reducing travel costs, it also allowed students to engage through online conversation. This method of communication facilitates students who do not feel comfortable in sharing and asking questions face to face. This gives them the opportunity to ask questions directly online. Blankenship (2011) also explained that social media should not replace the real face to face interaction but he insists on the fact that lecturers should be trained on how to use social media to interact with their students in order to use them efficiently. Social media helps users to collaborate, share information but also influence various aspects such as awareness, opinions, information acquisition, attitude, and consumer behavior (Mangold & Faulds, 2009). For example, marketing surveys prove that when consumers are planning to buy something, Internet users usually ask for recommendations of other consumers or through their friends (Nielsen, 2009).

From a marketing perspective, the promotion mix allows marketers to use different tools to communicate with their customers. These tools must be well aligned under the concept of integrated marketing communications to ensure a strong and powerful value message

(Armstrong & Kotler, 2010, p 405) The tools of communication include advertising, sales promotion, direct marketing, public relations and personal selling. Every day customers may receive multiple messages from the same organization. In order to make sure the message is clear and consistent, the organization needs to fully coordinate each of these messages. This requires companies to have a complete insight and knowledge of how to use social media. Some companies have been using social networks since the beginning, for example the company Starbucks decided to launch their presence on social media because this is the place where their customers are on the Internet (Brennan & Schafer, 2010). This required Starbucks to think about their social media strategy and understand how consumers are using social media to build a relationship between the brand and its clients. This case study will help to understand the challenges Starbucks faced to use social media from a marketing, organizational and business perspective. However social media does not only impact business but also institutions, for example Barack Obama's administration uses this new medium of communication to be closer to his followers and supporters. This first started during the presidential elections in the United States in 2008, where millions of dollars were mainly donated through social platforms to support his campaign. After his election, Barack Obama had more than 3.1 million fans on his Facebook fan page (Qualman, 2011). Today, Barack Obama's Facebook page counts more than twenty two million of fans (Barack Obama Facebook page, 2011). Social media gave the opportunity and competitive advantage to Barack Obama to be able to share opinions in promoting his ideas and enabling the word of mouth effect that social media offers. Social media has been part of the success of the Barack Obama election, Obama's campaign strategy was part of Media Politics 2.0



(Harris et al , 2010) For example, all his speeches were uploaded on YouTube, Facebook or MySpace resulting in millions of video views across the United States Facebook was used to promote local events on a particular demographic For example the ability to target the twenty plus year old age group people to increase the number of his supporters across this demographic was part of the strategy of Obama's campaign as they were mainly the audience the most active in his campaign (Harris et al , 2010) Obama's campaign has proven that politicians have a good opportunity to use social media, Barack Obama was for more by using this new medium of communication his campaign successfully in certain demographics and enabled word of mouth in different local events

## 2 11 Conclusion

Marketing has evolved in the past decade due to development of technology Consumers have now access to different sources of information like social media The old traditional media like TV, Print or Radio are only one-way communication with consumers Prahalad and Ramswamy (2003) suggest that creating value between the organization and consumers is a core part of marketing and creates a competitive advantage By engaging the consumer with a unique experience, this leads to generate a new source of competitive advantage On the other hand, Kotler states the importance of understanding the behavior buying process through five keys areas Problem recognition, information search, evaluation of alternatives, purchase decision and post-purchase behavior The development of technologies influences those five areas Technologies help to connect people and share information, especially with the emergence of social media People can now access to the reviews of millions of people worldwide It could be argued that social

media is now affecting the consumer buying process. Chaffey (2009) describes the online buying process by connecting internet marketing techniques that drives the internet users through six stages: Unaware, aware of product need, supplier search, evaluate and select, purchase and post-purchase reviews. Social media can also affect those stages as the consumer's friends / colleagues could influence them before making the decision. Social media now disrupts the consumer buying process. DEI study (2009) showed that social media is now the most online source used before purchasing a product. 70% of Internet users visit a social media website to get information on a company, brand or product before making a purchase decision. In order to reach consumers, marketers use a variety of tools. Theoretical marketing model had been adapted as well to these changes, for example the marketing mix method framework has been moving from 4P's to 7Ps by adding three more elements: people, processes and physical evidence. Internet marketing has consequently changed the way marketers should communicate to consumers. Consumers had specified online buying behavior process where they will search for products or services, compare, review and buy. This also impacted the traditional distribution channel where the manufacturer can directly sell online to the consumer without the intervention of wholesaler and retailer as known as disintermediation. Chaffey (2009) explains that the phenomena of disintermediation is moving towards a reintermediation with the emergence of third party companies that help Internet users to compare prices and companies via aggregator websites. Meanwhile, advertising has also been affected with the development of new technologies, Belch and Belch (2004) state that the promotional mix framework has been adapted to the online world. Modern marketers include direct marketing and Internet marketing as key components in this

framework Marketers can now use different techniques to advertise sponsored links through search engine, displaying ads through content website, reaching consumer via newsletters, push video marketing campaign, and engage with consumers on social media platforms The development of new technologies has also impacted traditional media Print, TV or Radio does not offer the targeting possibilities that online media can offer The marketing tools and strategies for communication with consumers have changed considerably with the emergence of social media The growth of new technologies has forced to marketing to evolve and marketers had to adjust their marketing strategy accordingly to reach consumers Today, social media has developed a new way of connecting with consumers on the Internet, consumers can now receive directly recommendations from their friends, from people they trust Marketers have now the opportunity to amplify their message through the word of mouth As companies do not have direct control of messages between online consumers, Mangold & Fauld (2009) suggest influencing the conversations by using nine methods Many studies have proved that the word of mouth is a key element in the consumer decision-making process Nielsen studied the level of consumer's trust from advertisement, 90% of consumers state they trust more people known compared to any other source like online review from other internet user or online advertisement It could be argued that the consumer buying behavior process of Kotler should be reviewed to social media The telegraph, telephone and the Internet transformed the way people communicate, interact and do business The new wave of communication with social media allows now companies to not only spread their message to people but also being part of the conversation and benefit to a wider audience by the ability of reaching friends of friends' The capacity to reach and target

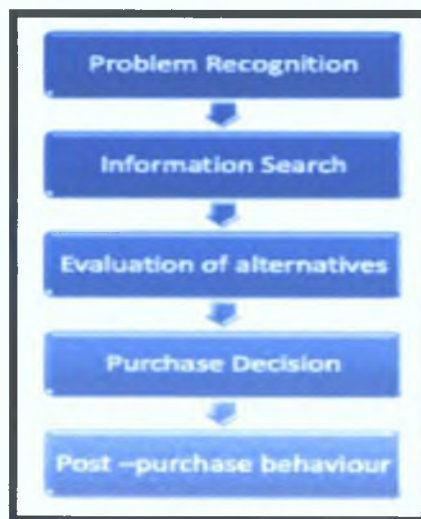
the right audience is key for marketers. Users are now spending a lot of time on a social media platform. Social media is now influencing the consumer behavior with information acquisition, opinions and purchase behavior. It could be stated that social media is now a marketing tool that is influencing consumers on their buying behavior through their friend's recommendations. One of the advertising strength of social media is the power of reach and the precision of targeting compared to traditional medium like TV, Print or Radio. Marketers can reach millions of people on social media and also a niche with precise interests. Advertising has evolved with the emergence of new technologies, marketers have more flexibility from a creative perspective, they can interact with consumers via Internet, it also gave the opportunity to contact anytime the companies by browsing information on website or purchasing directly via e-commerce websites. The study of e-marketers on social networks thus highlights the important place that social platforms are beginning to take. Why? Because e-retailers are increasingly attention to the quality of their website's visits and users spend lot of time on platform like Facebook.

## 2.12 Theoretical framework

A theoretical framework enables the author to collect the theories, which in turn guide the author, to decide to what extent of relationship or connection is associated with the problem (Saunders et al, 2009). Once the author has identified the connections between the existing theories and the problem, they can be evaluated critically. The main marketing theories highlighted in the literature review that can be integrated with social media, tested and discussed with social media are

**7 P's Marketing mix method** is a set of strategic marketing tools that companies can use into their marketing strategy to reach their target market audience. Marketing mix includes 7P's, which are: People, Process, Places, Promotion, Product, Price, and Physical evidence. The last three P's have been added to this concept since the emergence of e-commerce. Today, the author would assume that this model could be adjusted with social media. For example, the characteristic of People could be more developed as social media brings a key element, which is the word of mouth. In other words, the People can be a powerful element of the marketing mix method. Friends of people become a marketing tool that can enable the word of mouth and influence consumers. Marketers can use this power of friends by amplifying their message through friends of consumers.

**Consumer buying behavior process.** Kotler et al. (2009) describes the consumer buying behavior process as follow as:



*Figure 2.18 The consumer buying process (Source: adapted from Kotler et al., 2009)*

Each step of the process can be influenced by different factors like online or offline advertising. When a consumer is planning to purchase a good or service, he will usually go through these five steps. The author would assume that social media is bringing a new element in that process which is the people's influence on consumers. Social media help people to be connected and share information, so that the consumer can now have access to a variety of information whether they search for it online, reviewing of people's feedback or asking for recommendations. This is where social media intervenes in the buying process, consumer can now receive recommendation from people they trust and they know, not only from other Internet users. This word of mouth element could be integrated to the model of Kotler to take into consideration the impact of people's influence and recommendations on purchasing behavior.

**Porter five forces** Kotler designed this theory back in the 60's by suggesting that there are five forces that can influence or impact the strengths or weaknesses of an organization. It can be argued that this model could be adapted for social media, as consumers has more resources and more access to find information, the power of consumers is now more important and has consequently more influence or impact on the company. Consumer can also get recommendations from their friends on social media like Facebook, this also impact the model of five forces by providing more weight to consumer's force.

## 2.13 Research Question and objectives

With the emergence of social media, marketers need to understand now what value it can bring to their business and marketing campaigns. It has been demonstrated that there is a

shift happening on the Internet from both a consumer and marketing perspective. Now the questions marketers might ask themselves is: How can I use social media for my marketing activities? As a Sales Manager at Facebook Europe HQ, the author wants to help any marketers who need to understand more about the Facebook's value proposition. The author hopes this research will be beneficial for any marketing team and marketing's manager. As social media is a new tool for marketers and the fact that marketers have so many different ways to promote and advertise their products or services on the digital support. This research will also help marketers to understand how Facebook marketing solutions can help respond to different marketing's objectives such as building a brand, launch and promote new products or services, increase sales, increase customer's loyalty, understand customer's life cycle, manage relationships with existing customers, find new clients etc. This question would also help to position Facebook in the digital world.

The objectives of the research will be to help online marketers how they could use Facebook social network for their business and analyze the impacts of using these new channels of communication. As an employee of Facebook at the European Headquarters, this is a great opportunity to investigate in this area, which could be beneficial to businesses and marketing managers.

The author set two main questions for this research:

1. What are the marketing characteristics of social media?
2. In what ways social media can be integrated in the marketing strategy of a company?

## CHAPTER 3 METHODOLOGY

### 3.1 Introduction

The purpose of the research is to understand what is happening in the online marketing and advertising environment since the emergence of phenomena of social media. The author has chosen an exploratory case study method to seek new insights and assess these phenomena. Exploratory case study aims to search of the literature and interviewing people specialized in the topic (Saunders et al., 2009).

In the following part, it will be described the research methodology and methods applied to address the findings and conclusions that will be presented in chapter 5. This will allow the readers to understand how the researcher managed this project so that they get a critical view on the findings and conclusions, which will be developed later.

It will be explained in a first time the research philosophy, approach and method that the author adopted. Secondly, it will be detailed the research design and research strategy. Finally, the readers will be able to understand how the data has been collected, processed and analyzed.





### 3.2 Research philosophy and approach

Saunders et al (2003) associate the research process with the silhouette of an onion as shown in Figure 4.1. The author decided to follow this process in considering existing research philosophies, approaches, strategy, timeframe and data collection method.

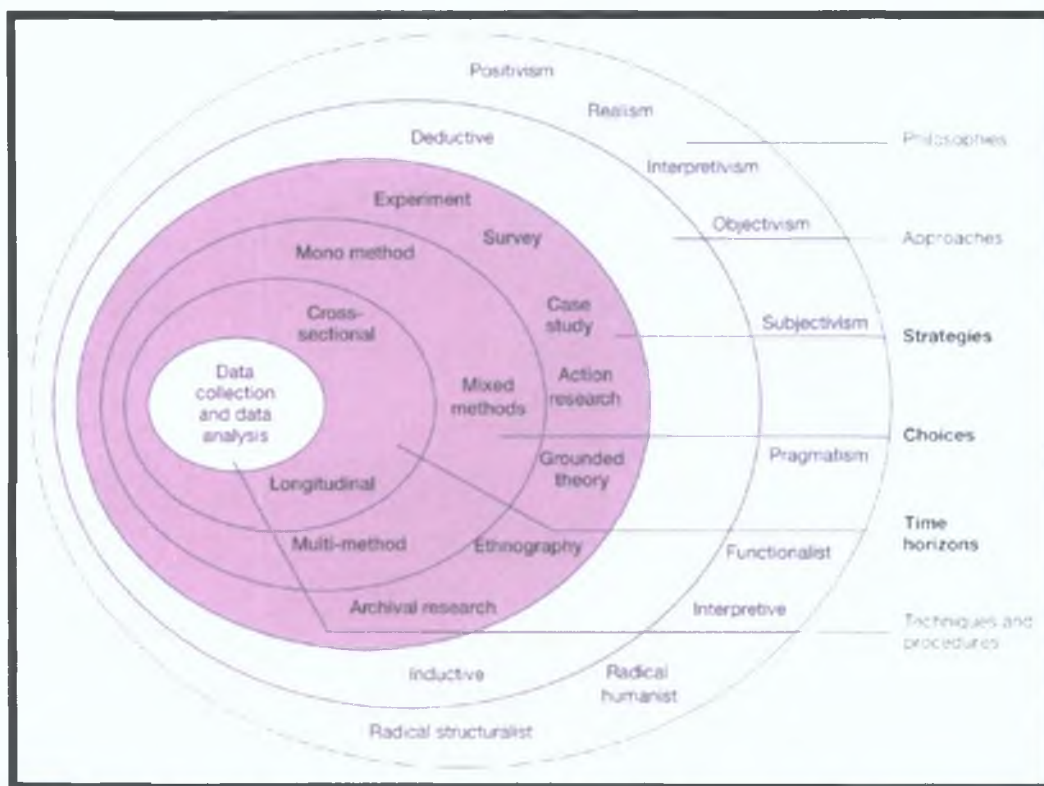


Figure 4.1 The Research Process (Source: Saunders et al., 2003,p.83)

The author adopted a realism approach that is similar to a scientific experience, considering that “what you get is what is real”. As the Internet industry is moving very fast, technologies are evolving and consumers’ behaviors also change, the researcher adopted a critical realism philosophy as our feelings and sensation can influence our interpretation (Saunders et al., 2007). On the other hand, Pragmatism is a more down-to-earth philosophy. The researcher tried to balance objectivity and subjectivity in this

report to make the findings as reliable as possible. As social media is new for the marketers, the researcher thinks it is important to keep a pragmatic philosophy in this report to demonstrate the impact of social media to marketing managers. There are many reasons why the researcher chose these two philosophies - the first one being that marketing is playing on the perception and feelings on consumers, so it can be very difficult to be objective. The second one is a personal belief, the researcher really believes that what we see is what we get.

The researcher decided to adopt an inductive approach. The rationale of using this approach is because social media is a new topic in the marketing resulting in a few theories. The inductive approach will help the researcher to work with qualitative data in order to get different insights of these phenomena. Research questions will support to collect data to understand better the nature of the phenomena and would help about the formulation of a theory. Saunders et al (2009) suggest that the inductive approach is appropriate when the research is about to understand why something is happening rather than describing what is happening. An inductive approach will allow collecting data and developing a theory as a result of the analysis.

### 3.3 Research strategy

As Social media is a particular contemporary phenomenon, the researcher decided to adopt a survey and case study strategy. A case study strategy allows one to have a deep understanding of the context of the research and permitting to answer the “why” and “how” question types (Saunders et al, 2009). In order to observe and analyze the impact of social media to marketing managers, a case study with the Facebook organization will

help to understand the social media phenomenon from a marketing perspective. Saunders recommends using a triangulation technique, this allows collecting qualitative and quantitative data through different sources. Consequently multiple-methods such as questionnaires and interviews will be used. Questionnaires will be sent to marketing specialists that have knowledge and experience in the social media world. The author chose a mixed-method research to be able to collect both qualitative and quantitative data. To summarize, the author research's strategy will use the following

- Questionnaire
- In-depth interviews
- Case study

#### 3.4 Case study method

The author decided to adopt a case study method for this research. The reason of selecting this method research is aligned with the depth of research questions. Yin (2009) suggests that case study is an appropriate method to explain and describe a social phenomenon. Exploratory case study is usually used to deal with types of "what" questions, to understand in-depth the phenomenon of social media from marketing and advertising perspective.

#### 3.5 Case study design

Four types of case study design are available (Appendix 13). The author opted for a single-case design. The rationale for choosing a single case is to challenge and test the existing theories of marketing and advertising and defines if they can be adjusted or

reviewed to have more relevance. The single case study will use Facebook marketing solutions.

### 3.6 Mixed-method research

The advantage of using a mixed-method research enables the triangulation effect (Saunders, 2010). The triangulation effect refers to use multiple sources of data to back up research findings. This will permit the research to use the following techniques to collect data:

- In-depth interviews with marketing managers and Facebook management in order to get a first picture of the impact of social media.
- A questionnaire / survey sent to at least 100 marketing managers to understand from a quantitative and qualitative perspective their feedback about social media marketing.

### 3.7 Qualitative interviews and Preparation

Interviews refer to the process of a discussion, which involves two or more people (Saunders et al., 2009). As interviews can be time consuming in terms of accessing to the right people, getting their approval, arranging the interview. Easterby-Smith et al. (2002) suggest arranging interviews with existing contacts in order to reduce time constraints. The author decided to conduct face-to-face and telephone interviews within his professional networks with workmates in the organization, Facebook and clients. The author chose a semi-structured in-depth interview in order to collect qualitative data and seek new insights. The participants were contacted two weeks before the interview in

order to prepare the questions and depending on the time constraints of the participants. In the meantime, the author chose two participants based on their knowledge and experience in the Internet industry in order to collect insightful information.

### 3.8 Participants

The author interviewed two managers in the Internet industry. A brief outline of the participant's profile:

1) Individual interview with Stan Massueras, Manager of Global Marketing Solutions for the EMEA (Europe, Middle East & Africa) regions, based in Dublin. The first company is Facebook European Headquarters based in Dublin, the author interviewed Stan Massueras (Manager of Global Marketing Solutions), who is in charge of the European Client Partner team. The goal of the Mid-market sales team is to encourage Medium and Large businesses to communicate on Facebook. The goal of this interview was to understand how social media platform like Facebook could impact companies.

2) Individual interview with Olivier Guimard, Associate Director of G&A Link, based in Nantes (France). The second company is a communication agency G&A Link based in Nantes (France), which specializes in traditional and digital media. G&A Links have more than thirty years of experience in the offline advertising space such as TV, Radio, and Print. G&A Link's mission is to help advertisers to raise awareness around their brand and to increase notoriety among their prospects and customers through different channels of communications, offline and online. The agency G&A Link also helps businesses to build websites and promote their online presence through digital marketing.

campaigns. This interview allows us to deeply understand how social media impacted their business and ways of carrying out marketing on the Internet. Each interview was done face to face, a survey (Appendix 14) had been sent prior to the interview to evaluate their level of knowledge of social media. This survey analyzed the frequency of use of social media as well as the goal of their use from a business perspective.

### 3.9 Questionnaires

Questionnaire or survey strategy is a technique that allows collecting data of various persons that answers to the same set of defined questions (DeVaus, 2002). The survey is used to be able to extract quantitative information. The survey has been established to collect responses from a large sample of marketing people. The types of questionnaires were self-administered using the Internet.

The steps used for this method are the following:

1. Create and design the questionnaire on surveymonkey.com
2. Administering the survey
3. Collect the data and analyzing them
4. Translate the data to write the findings

#### **Step 1 - Create and design the questionnaire**

The author used a premium account on surveymonkey.com that allowed creating unlimited questions and freedom to design the questionnaire. The design of the questionnaire is very important as it can impact the response rate and consistency and

effectiveness of the data collected (Saunders et al., 2009). The type of questionnaire used was self-administered to give the ability to respondents to electronically complete the survey, in other words the type used was an Internet-mediated questionnaires. This usually helps to automate the data input and reduce cost of implementation as well (Saunders et al., 2009). In order to collect accurate data, the design and structure must be tested, Foddy suggests to follow four easy steps to test the validity of questionnaire. This includes the following model (Saunders et al., 2009):



*Figure 4.2 Questionnaire process (Source: Saunders et al., 2009 )*

List questions have been used for this survey (Appendix 14) this helped to collect data on respondent’s work position and industry of their organization. In the meantime, category questions have also been used to understand behavior and attributes of their use of social media. The author also used rating questions to collect opinion about the use of social media in their job. The type of ratings used were: Agreement / Likelihood / Frequency.

The order and flow of questions have been constructed to give a logical and simple response plan for the respondents. The author designed the survey with logical questions, in other words based on the answer of respondent, questions are skipped automatically and the respondent is redirected to the next question. This aimed to avoid any annoyance and ensure a good experience for the respondents. Dillman (2007) suggests using Internet-mediated questionnaires to be able to auto program skipped questions.

The language used for this survey was English as it was targeting marketers living in Ireland, United Kingdom and United States of America. Before launching the survey online, the author launched a pilot testing to assess validity and get feedback to improve the questionnaire.

## **Step 2 – Administering the survey**

A timetable has been used to identify tasks and manage the resources that were needed at this stage. A test was piloted before launching the questionnaire. This helped to detect any confusion in the questionnaire and ensure the flow of the questionnaire was clear and concise. After that, the questionnaires have been advertised on Facebook.com, the author used Facebook marketing solutions to target Facebook users with a marketing profile, aged more than eighteen years old and living in English speaking countries such as Ireland, United Kingdom and United States of America. The author's strategy for this survey was to use Facebook marketing solutions to also test the capabilities of targeting and efficiency of advertisement (Appendix 15). The author's budget for this campaign was 300 euro to purchase ads on Facebook.com in order to promote the questionnaire. It has been used the social demographic targeting to be able to reach marketers in United



Kingdom, Ireland and United States of America. The ads were published on Facebook and redirecting to the webpage of the survey. In order to conduct the survey in the most efficient way, the author established a planning as described in figure 4.3.

	1/06	7/06	14/06	21/06
Create and Launch ads on Facebook to promote the survey	✓			
Monitor the first results and response rate		✓	✓	✓
Optimize ads to increase results			✓	✓

Figure 4.3 Timetable survey process

### Step 3 Collect the data and analyze them

The advertising campaign permitted to generate 387 clicks, 880 684 impressions for a budget of 299 euro (Appendix 16). With the aim of collecting data, the author used the service of surveymonkey.com to analyze the results and export them into charts.

### Step 4 Translate the data to write the findings

Over the 147 people who started the survey, 102 respondents finished the survey, which means there was 69.4% response rate for the questionnaire. This step of the process allows interpreting data and processes them into the findings.

### 3.10 Case study strategy

A case study is usually used to obtain qualitative information, which can help provide in-depth study and generate insight cases. The case study using the company Facebook will help to understand patterns and insights to answer to the research question. The case study strategy will allow analyzing all the aspects and characteristics that Facebook offer to marketers.

### 3.11 Research timeline

This project will be conducted with a specific detailed plan to meet the deadline and will have a logical approach to write this project. The first year (2011) is dedicated to research, literature review, and preliminary interviews. First semester of 2012 will be dedicated to questionnaires and interviews results in order to collect and analyze data. Final report for the thesis will be submitted end of August 2012.

Task / Timeline	2011								2012					
	May	June	July	August	Sept	Oct	Nov	Dec	Jan	Feb	March	April	May	June
Litterature Review														
Draft Litterature review														
Submit Initial Proposal														
Review Research Method														
Review Research Strategy														
Launch Interview / Questionnaire														
Collection of Questionnaires and analysis of data														
Draft of Thesis														
Submit Final Thesis														

Figure 4.4 Project Roadmap



Figure 4.5 Project Roadmap.

## **CHAPTER 4 RESEARCH FINDINGS**

### 4.1 Introduction

This chapter will display the findings from the research conducted. As mentioned previously, a total of 145 respondents within the Internet industry have participated to conduct this study. Hundreds of people across Ireland, United Kingdom and United States participated in the questionnaires and two people participated in the interviewing process, including the manager of Midmarket Sales team at Facebook Europe, based in Dublin and an Associate Director of a Marketing Agency located in France.

To begin, this chapter will begin by providing an overview of the changes that occurred in the digital environment from a user and marketer perspective.

In the second part, the company Facebook and its advertising marketing solutions will be presented.

In the third part, the findings of the questionnaire will be highlighting and the results of each question will be presented. Each of these findings will include graphics accompanying with a description. The findings from the interviews will also be presented and discussed.

### 4.2 Changes in Today's Digital marketing communication

In order to promote or drive traffic to website, online marketers need to use different channels, they might use advertisement to drive users to their website (Chaffey, 2009). As previously mentioned, the Internet world has been growing very fast in the past.

twenty years. The emergence of the World Wide Web has been the result of new innovative companies in the digital space. There are various digital media channels to achieve goals of brand awareness and client's acquisition to influence purchase intent. Chaffey (2009) describes the online and offline communications techniques for e-commerce as follow as:



*Figure 4.6 Online & Offline communications techniques for e-commerce*

*(Source: Chaffey, 2009)*

Various changes occurred in the past few years in the digital environment, from a marketer and a user perspective. Here are some important shifts that recently occurred:

#### 4.2.1 Social Media usage

Social media user penetrations on Internet population keeps growing worldwide, it grew from 58.5% in 2011 up to 63.2% in 2012, and it expects to grow up to 70.7% in 2014 according to E-marketing experts (2012).

<b>Social Network User Penetration Worldwide, by Region and Country, 2011-2014</b>				
% of internet users				
	2011	2012	2013	2014
<b>Latin America</b>	<b>72.6%</b>	<b>75.1%</b>	<b>77.6%</b>	<b>78.9%</b>
—Brazil	83.4%	87.6%	91.8%	93.8%
—Argentina	67.9%	69.5%	67.9%	66.1%
—Mexico	58.6%	59.9%	63.0%	65.9%
—Other	70.3%	72.8%	74.8%	75.9%
<b>Eastern Europe</b>	<b>72.4%</b>	<b>74.6%</b>	<b>77.0%</b>	<b>78.6%</b>
—Russia	84.0%	85.2%	87.0%	88.0%
—Other	66.8%	69.6%	72.3%	74.1%
<b>Middle East &amp; Africa</b>	<b>62.8%</b>	<b>71.2%</b>	<b>77.6%</b>	<b>81.0%</b>
<b>North America</b>	<b>63.6%</b>	<b>65.8%</b>	<b>66.9%</b>	<b>68.0%</b>
—US	63.7%	66.0%	67.0%	68.0%
—Canada	62.0%	64.0%	66.0%	68.0%
<b>Asia-Pacific</b>	<b>52.3%</b>	<b>58.1%</b>	<b>63.7%</b>	<b>67.9%</b>
—Indonesia	80.0%	87.5%	92.3%	94.8%
—India	60.3%	71.0%	78.9%	83.0%
—Australia	57.7%	63.0%	68.0%	72.7%
—South Korea	55.2%	60.0%	64.3%	67.2%
—China*	50.0%	54.0%	59.0%	63.0%
—Japan	41.6%	46.6%	49.4%	51.9%
—Other	53.5%	58.9%	64.5%	68.8%
<b>Western Europe</b>	<b>50.0%</b>	<b>54.4%</b>	<b>58.1%</b>	<b>60.8%</b>
—Spain	53.6%	58.7%	62.8%	65.9%
—Italy	52.5%	56.9%	60.3%	62.7%
—UK	52.6%	55.3%	57.7%	59.9%
—France	50.0%	54.0%	57.0%	59.0%
—Germany	46.1%	51.1%	55.6%	58.8%
—Other	48.6%	53.5%	57.8%	60.8%
<b>Worldwide</b>	<b>58.5%</b>	<b>63.2%</b>	<b>67.6%</b>	<b>70.7%</b>

Note: internet users who use a social network site via any device at least once per month, \*excludes Hong Kong  
Source: eMarketer, Feb 2012

137007 www.eMarketer.com

Figure 4.7 Social Network user penetration worldwide, by region and country. (Source: eMarketer, 2012)

#### 4.2.2 Time spent on social media

Internet users spend more time on social networking platform. Social media becomes now the place where users spend the most of their time online (ComScore, 2011):

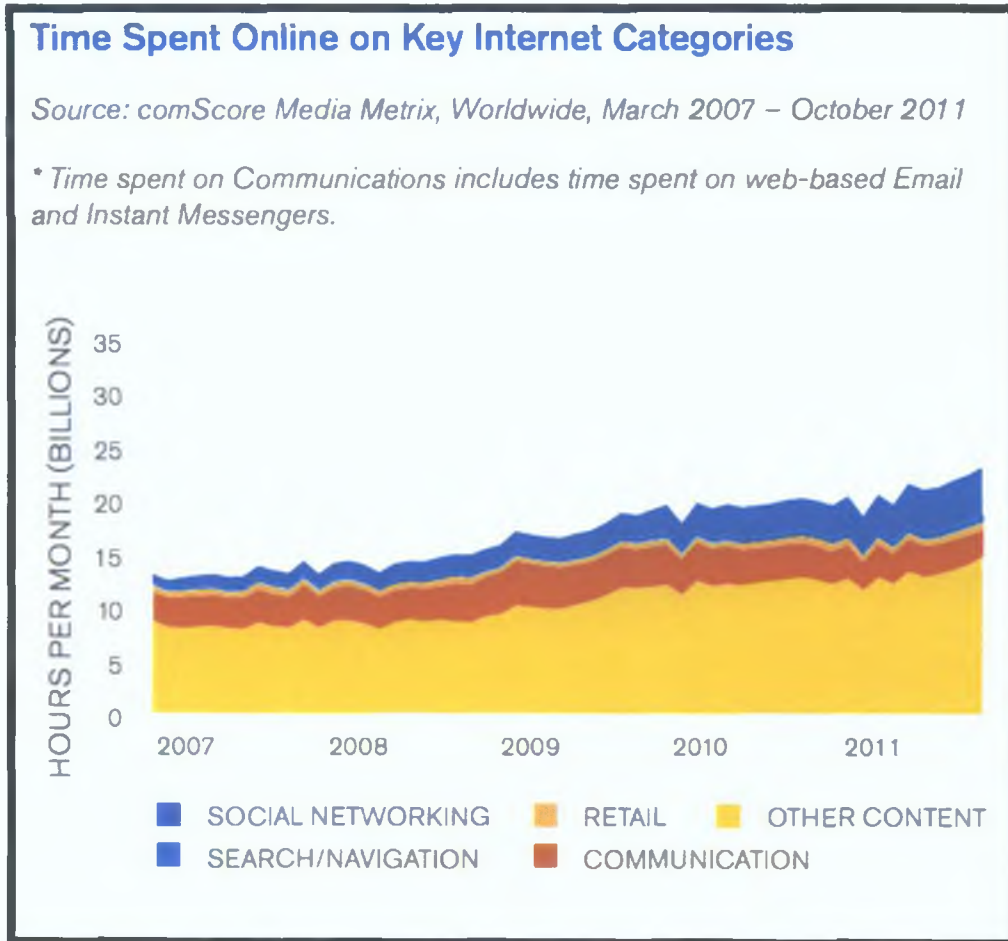


Figure 4.8 Time spent on key Internet categories

(Source: comScore, 2011)

In average a Facebook user spends five hours on the platform every month (Facebook 2012). Facebook took over Google in December 2009 in terms of monthly time spent per user in the United States as described below (comScore 2011):



Figure 4.9 Average minutes per visitor in the U.S. : Google vs. Facebook

(Source: comScore, 2011)

Social media is now the platform where Internet users spend most of their time online. With the emergence of mobile devices, let's see how users access to the Internet on their smartphone.



#### 4.2.3 Mobile usage

Internet users are now shifting from desktop to mobile, this recent phenomenon is due to the arrival of smartphones, the innovation of some companies like Apple, Samsung or HTC. These companies developed mobile devices with the features of a personal computer. Smartphone can now access to the Internet via their mobile device thanks to the increase of mobile data bandwidth (Ryan & Jones, 2009). At the end of 2007, there were 3.3 billion mobile subscriptions worldwide, resulting the most widely adopted technology by consumers in the world (Ryan & Jones, 2009). Facebook observed a large shift of their user base accessing to their platform on mobile, for example it grew from 300 million to 545 million mobile users in just three months (Facebook, 2012). According to eMarketer (2011), Internet traffic from mobiles is increasing sharply in recent years. In June 2011, 5.02% of world traffic came from mobile devices, an intense increase compared to 2.03% just a year before (Appendix 4).

#### 4.2.4 Shift in marketing advertising budget

Online advertising spends have increased in the last twenty years and are forecasted to increase until 2014 (Appendix 8). Experts forecast an increase of 27% in 2013, in other words \$87 billion would be spend in online advertising next year compared to \$68.7 billion in 2011. Whereas traditional offline advertising budget is declining year on year, there is clearly a shift of the marketing budget towards the digital (Appendix 7). The primary reason of shifting marketing budget from tradition to digital marketing is the measurability, accountability, customer engagement and low cost of customer acquisition (emarketer, 2011).

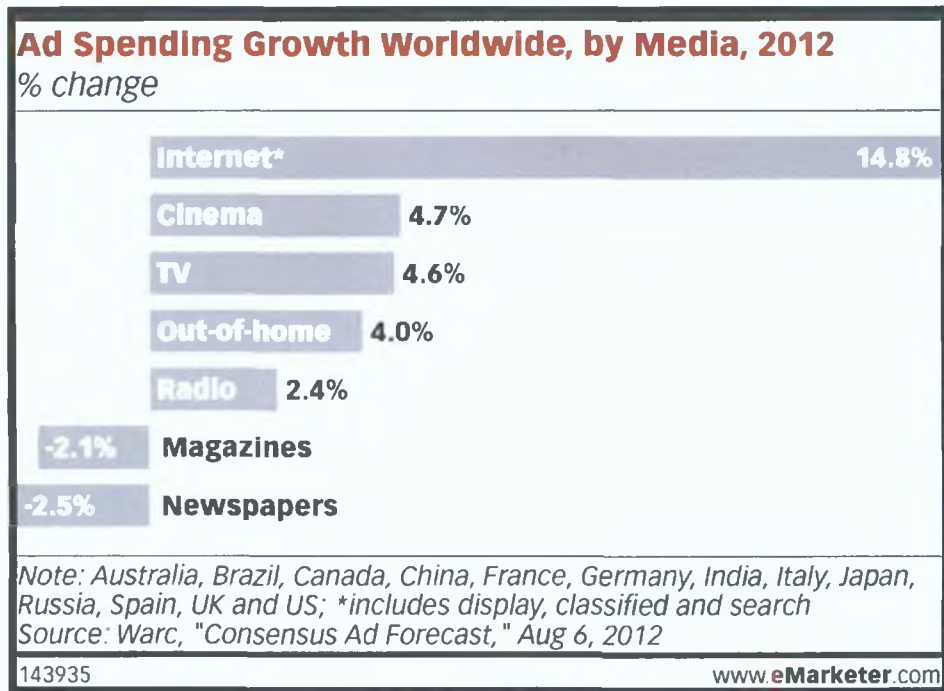


Figure 4.10 Ad spending growth worldwide by media in 2012. (Source: emarketer, 2012)

How is the digital marketing budget going to impact social media?

Emarketer has conducted a study on the projected investment of online marketers on social media in 2012 and 2013 (emarketer, 2012):

- 72.9% of online marketers will increase their marketing budget on social media next year.
- 54% of U.S companies are planning to increase by 25% their social media budgets in 2012.

As previously mentioned, the explosion of the mobile devices drove marketers to also invest in mobile marketing. Advertising revenue forecast predicts to grow from \$3.98 billion in 2011 up to \$9.72 billion in 2013, this includes display ad banner, video, and

search (Appendix 9) Emarketing experts forecast \$23.64 billion of ad mobile revenue in 2016 (Emarketer, 2012)

There is clearly a shift happening on digital marketing budget that will occur on social media and mobile platform. The forecast of social network ad revenues worldwide is predicted to be at \$9.99 billion next year 2013 (Appendix 10). While experts predict an increase in advertising investment in social media since 2009, it can be argued that the importance of social media is now a significant priority for marketers in 2012-2013.

#### 4.3 Facebook company overview

Facebook is a social network platform, which allows Internet users to create online connections to share their lives with people they care (Facebook, 2011). Facebook mission statement is to make the world more open and connected (Form S-1, 2012). Users can build their real identity through a digital profile where they can share information and update of their life status with their friends. CEO Mark Zuckerberg created Facebook in 2004 from his dorm room at Harvard University. At the beginning this helped Harvard students to connect through thefacebook.com, the concept became quickly popular and expanded to other American universities (Kirkpatrick, 2010). Zuckerberg decided to leave Harvard College and build the company facebook.com in the Silicon Valley in Palo Alto, California (Kirkpatrick, 2010). The company develops technologies to help users to share information through their social graph that helps users to map their relationship on the social network and the Internet (Appendix 11). The company counts now more than 3000 employees worldwide spread through thirty offices across the United States and the rest of the world (Facebook newsroom, 2012). Young

executives and directors compose top management of Facebook, most of them have a background in the Internet industry, like Sheryl Sandberg who was previously COO of Google before joining Facebook in 2008

MANAGEMENT		
Executive Officers and Directors		
The following table provides information regarding our executive officers and directors as of January 1, 2012		
<u>Name</u>	<u>Age</u>	<u>Position(s)</u>
Mark Zuckerberg	27	Chairman and CEO
Sheryl K. Sandberg	42	Chief Operating Officer
David A. Ebersman	42	Chief Financial Officer
David B. Fischer	39	Vice President Marketing and Business Partnerships
Mike Schroepfer	36	Vice President of Engineering
Theodore W. Ullyot	44	Vice President General Counsel and Secretary

Figure 4.11 Facebook Executive and Directors board (Source: Facebook, 2012)

### 4.3.1 Statistics about Facebook

Facebook is now the largest social media platform and here are some figures about the social network (Facebook statistics, 2012)

- More than 955 million active users in June 2012, a growth of 29% year on year
- More than 80% of Facebook users are outside of the United States
- More than 50% of Facebook users log on every day, an average of 522 million people every day in June 2012
- 543 million monthly active users on mobile in June 2012

- A Facebook user has an average of 130 friends on their Facebook network.
- Users everyday upload 250 million of photos.
- 2.7 billion of Likes & Comments per day.

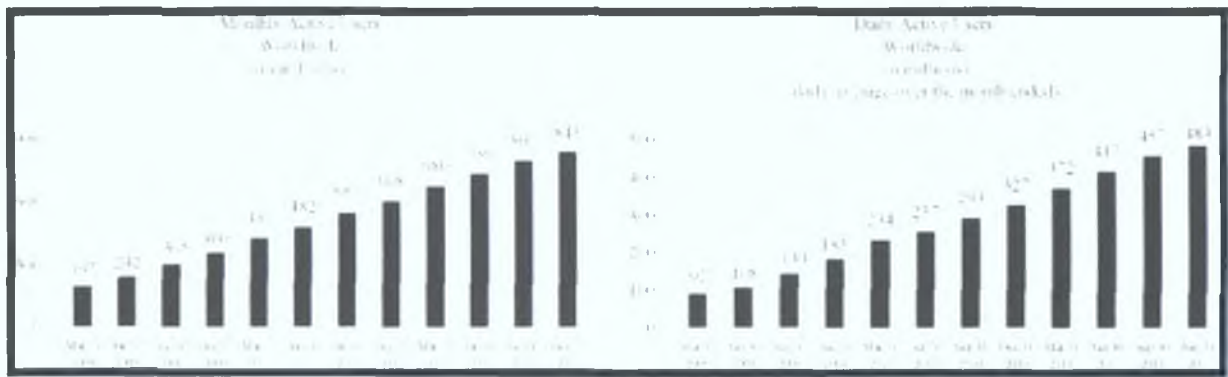


Figure 4.12 Evolution of monthly and daily Facebook active users since 2009 (Source: Facebook, 2012)

According to Facebook, active users are defined as users who have at least made one action on Facebook like posting an update, uploading a picture or any other interaction. A simple user login on his account with a passive behavior is not counted as an active user. From an active user perspective, Facebook's growth is impressive, it grew from 92 million daily active users in March 2009 up to 483 million users in December 2011. Facebook is expected to reach one billion monthly users by the end of the year (Zuckerberg, 2012). This would mean that more than 50% of the Internet population worldwide would be on Facebook. What does this explain the success of Facebook? Let's see what values Facebook offers to its users.

## 4.3.2 How Facebook create value for users?

### **Connect with friends**

With more than 955 million active users worldwide, Facebook offers for free to its users a platform where they can create their profile and connect with their friends, family or coworkers

### **Discovery and learning**

Users come to Facebook to discover and learn more about what is going on in the world around them, particularly in the lives of their friends and family and with public figures and organizations that interest them

### **Express user's identity**

Facebook enables its users to share and publish their opinions, ideas, photos, and activities to audiences ranging from their closest friends to more than 900 million users

### **Privacy control**

Users can control their privacy with sharing settings. In other words, they can control the information they want to share and with whom they want to share (Appendix 12)

Facebook's products are diversified, from a user perspective it includes the news feed and profile. Facebook's core applications like Photo album, groups, events, video allows user to engage and connect in rich ways with their friends. Facebook users can build their real identity through their profile; users can update their profile such as birthday, education, workplace, relationship status, interest, photos, etc.



Figure 4.13 Example of Facebook user profile (Source: Facebook, 2012)

### 4.3.3 How Facebook create value for marketers?

With more than 900 million monthly active users on Facebook, this gives a huge potential of reaching a massive audience on Facebook, let's see now what values that Facebook can offer to marketers

#### **Reaching an audience**

Facebook can offer to marketers the possibility to reach millions of people or a niche pool of specific groups, based on demographic and psychographic targeting. More than 600 million people connects on Facebook everyday and more than 945 million every month, this give the possibility for marketers to connect with those millions of people by advertising on Facebook

#### **Relevancy in targeting**

Marketers can use Facebook targeting to reach their target audience. For example an e-commerce website selling shoes for woman can easily target female Facebook users by demographics and interest criteria. The targeting is based on what users have declared on their profile, which results in accurate information that is coming direct from the user. Privacy guidelines does not allow marketers to reach one particular user but reach a cluster of users based on the following targeting criteria: Location, age, gender, interests, relationship status, languages, education, workplace (Facebook, 2012). Marketers can show ads to the audience they need to reach to promote their company, products or services



**Social context:**

Facebook adds value to their online advertisement with a social context. This allows marketers to use the power and influence of the consumer’s friends. In other words, marketers can amplify their message by reaching friends of consumers that are connected to their brand. For example, if a user likes the Ben&Jerry’s brand on Facebook, the marketing team can target friends of this user by showing ads with a social context. Any stories that are generated by the users can be amplified by sponsored stories.

*Advertising Example – without Social Context*



*Advertising Example – with Social Context*



*Figure 4.14 Example of Facebook advertising form (Source: Facebook, 2012)*

The two examples with Ben&Jerry’s using sponsored ads, the ad without social context on the left is reaching Facebook users based on the targeting chosen. The ad with social

context on the right is showing up to friends of people that are already connected to Ben&Jerry's Facebook page. The advantage of using sponsored stories is the ability of reaching friends, use this social context to influence more consumers based on their friend's interaction with brands and amplify the distribution of stories generated by Facebook users. Facebook believes that the shift towards a more social web create opportunities for marketers to use this social context for their marketing efforts (Facebook S-1 Form, 2012). Nielsen studied the effectiveness of social advertisement on Facebook on ad recall, purchase intent and message awareness. The study was conducted to compare social ad versus non-social ad on Facebook. The outcome demonstrated that social ads are more effective than non-social ad (Gibs, 2010).

#### 4.3.4 Business model of Facebook

As Facebook platform is free of charges for users, the company generates revenue from online advertising and Facebook credits that will be developed below. In 2011, Facebook generated \$1.18 billion of revenue in the second quarter of 2012, compared to \$895 million in the second quarter of 2011, an increase of 28%.

From a marketing perspective, Facebook offers three products to advertisers:

Facebook page for brands (Free product)

A page permits to brand to have a profile and connect with Facebook users.

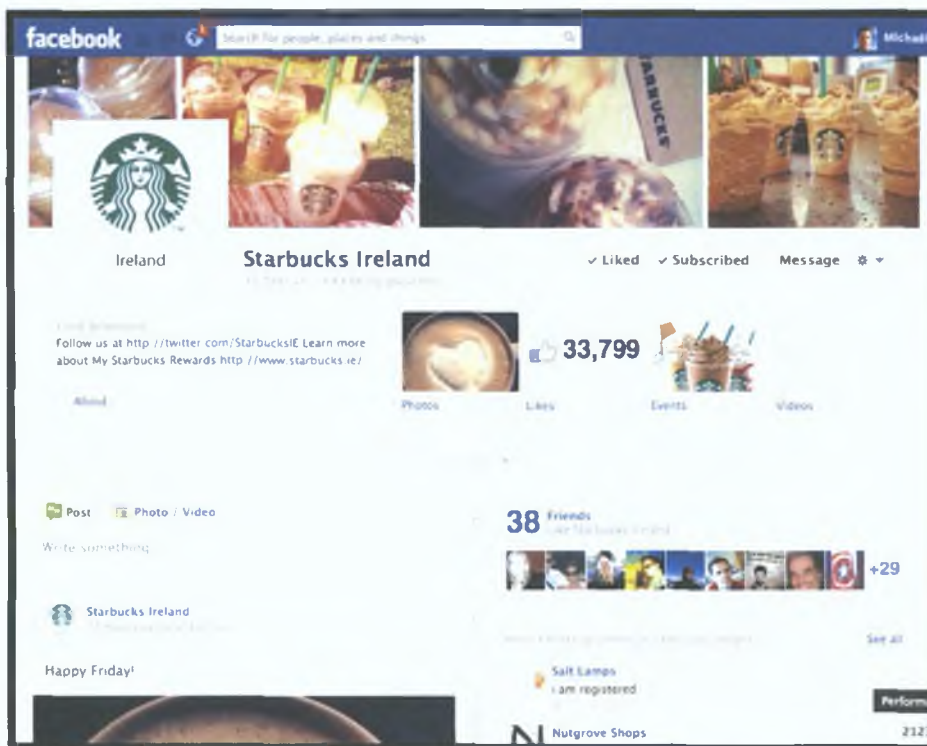


Figure 4.15 Example of Starbucks Ireland Facebook page (Source: Facebook, 2012)

The page is a way for marketers to build the identity of their brand and interact with Facebook users, many brands such as Starbucks have created pages, today there are more than ten million companies who have create a page on Facebook (Facebook, 2011). Facebook users can interact with companies the same way they do with their friends. Companies can publish updates that are sent to the newsfeed of users that are connected to the page. To be connected to the page, users need to like the page. In order to recruit fans on their page, companies can advertise online or offline (Facebook, 2012).

## **Facebook paid advertising solutions**

Facebook offers to marketers to reach consumers or their clients on Facebook through advertisement to respond to their marketing objectives. Facebook offers various placements to advertise, marketers can choose to advertise on the desktop or mobile platform. The premium placement is the homepage, this is the most trafficked page on Facebook and users spend more time, as it is the place where they have the newsfeed of their friends. The second placement is the run of site, which is called marketplace on the right hand side. The third placement is the newsfeed, where the sponsored story can be showing up directly in the newsfeed of the users on desktop or mobile version. Advertisement on Facebook can be purchased on CPC (Cost Per Click) or CPM (Cost Per Mille impressions). Facebook gives the opportunity to marketers to target their advert from a self-serve tool. In this self-service tool, marketers can choose their audience to whom their ad will be shown. For example, Starbucks Ireland can target people living in Dublin who like coffee living within 80 kilometers around Dublin. This targeting permits to reach 220,000 people living in Dublin who likes Coffee, Ice Cream etc. Starbucks Ireland can easily communicate through advertisement to this audience by inviting them to connect to their local fan page (Facebook, 2011).

**Location**

Country:

Everywhere

By City

Include cities within  kilometres.

**Demographics**

Age:  -

Require exact age match

Gender:  All  Men  Women

**Interests**

Precise interests:

Figure 4.16 Facebook advertising self serve tool page (Source: Facebook, 2011)

Marketers can use different format such as image or video, they can redirect to their page or website. One of the strengths of Facebook ads is the social context. Every time a user interacts with a brand on Facebook, this generate a story or a social context, user becomes the brands advocate to their friends. According to Nielsen, the social context increases the ad recall, purchase intent and recommendations (Gibs, 2010).



*Figure 4.17 Example of Starbuck social advert (Facebook 2011).*

In the example of Starbucks Dublin, the ad format allows to reach people who live in Dublin and like coffee. The ad will be displayed to this segment and allow Starbucks Ireland to recruit fans on their page. Facebook will charge Starbucks on CPC or CPM.

Nielsen analyzed the results of 125 Facebook ad campaigns from 70 different brand advertisers and surveyed a sample of 800,000 users. Nielsen compared the responses of users who were exposed to a social context ad (name of your friends who like a brand) against users who were exposed to a standard ad (without the social context).

The study's results showed that ads with a social context impacts the purchase intent by four times, 68% lift in ad recall and two times increase in message awareness (Gibs, 2010). Social context on advertisement favors the ad recall by 16%, brand awareness by 8% and purchase intent by 8% compared to ad without social context (Gibs, 2010).

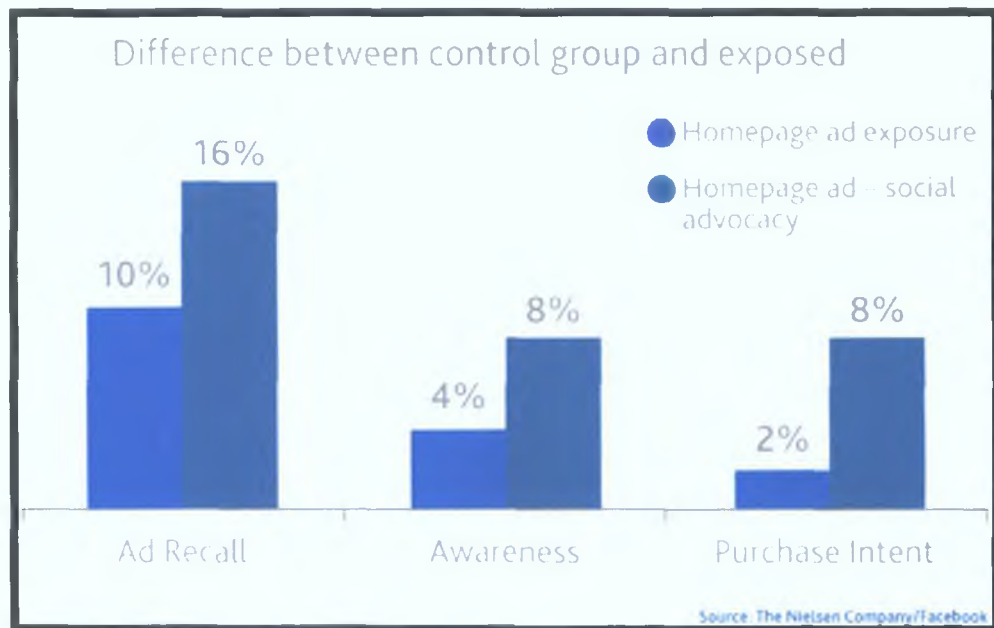


Figure 4.18 Nielsen/Facebook report: the value of social media ad impressions (Gibs 2010).

### Social Platform (Free product):

Launched in 2007, Facebook platform enables the creation of social applications. Third companies can develop applications to interact with consumers through a contest, a promotion or social game. Applications allow companies to make their business more engaging with consumers through Facebook Platform for Mobile, people can access Facebook's applications and games are available on a variety of mobile devices and tablets (Facebook, 2011). As a result, businesses can reach and connect with more people, more often through their applications. On the other hand, the website's owner can also implement social Facebook products on their website. For example, Facebook users visiting the website can engage by liking, commenting, sharing content on the website. This generates stories on the Facebook user profile and is organically spread to their

friends, if the marketer then wants to amplify this story it can be amplified by using sponsored stories advertisement.

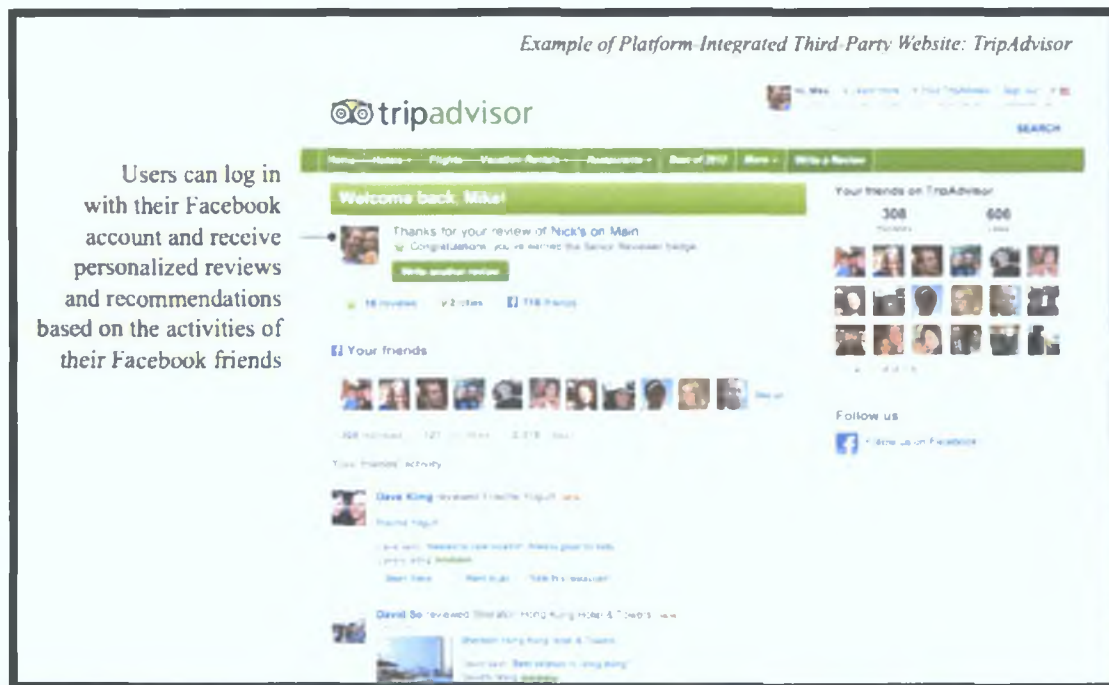


Figure 4.19 Example of website trip advisor with Facebook integration (Source: Tripadvisor.com, 2012)

In this example, visitors on tripadvisor.com can login with Facebook id and review their friend's recommendations on hotels and places to visit in the world. This gives a personalized experience for the users and gives to the website's owner data to analyze the traffic coming from Facebook with this platform integration (Facebook, 2012). This integration on the website attracted 50 million visitors on the website and Facebook users were twice more likely to provide recommendations or reviews than a non-Facebook user (Facebook developers, 2012).



When third party companies build mobile Web App or Native App with Facebook Platform, they allow people to

- Engage with the application wherever they go
- Share their app experiences with their friends
- People rely on their friends to discover what's interesting (Nielsen, 2010)

Facebook does not develop applications for marketers, consequently it created an ecosystem through third party companies. Many companies have been created to accompany marketers to build application for their company on Facebook platform. Facebook's ecosystem permitted to create more than 200,000 jobs in the United States according to a study done by the Robert H. Smith School of Business at the University of Maryland (Hann, 2011). The study findings show that the application the economy created jobs and added value of 15 billion dollars to the U.S. economy in 2011 (Hann, 2011).

#### 4.4 Analysis of questionnaires

Analysis of questionnaires includes the realization of graphic of results, the extraction of key indicators, a segmented analysis of results according to the challenge of the research questions, a statistical analyzes of data and a cross analysis of results. This is all carried out in order to highlight the key strengths and weaknesses in each topic. The questionnaires have been sent out via advertising on the platform Facebook and via emailing.

#### 4.4.1 Section 1 Respondents profile

Q1. What is the job title of your current position?

This question helped to analyze the professional status of the respondents. As described below in the pie chart, over the hundred of respondents who took part in the questionnaire, 32.9% were marketing specialist, 21.9% were CEO, 20.5% were Digital Marketing manager, and 17.8% were Marketing Director.

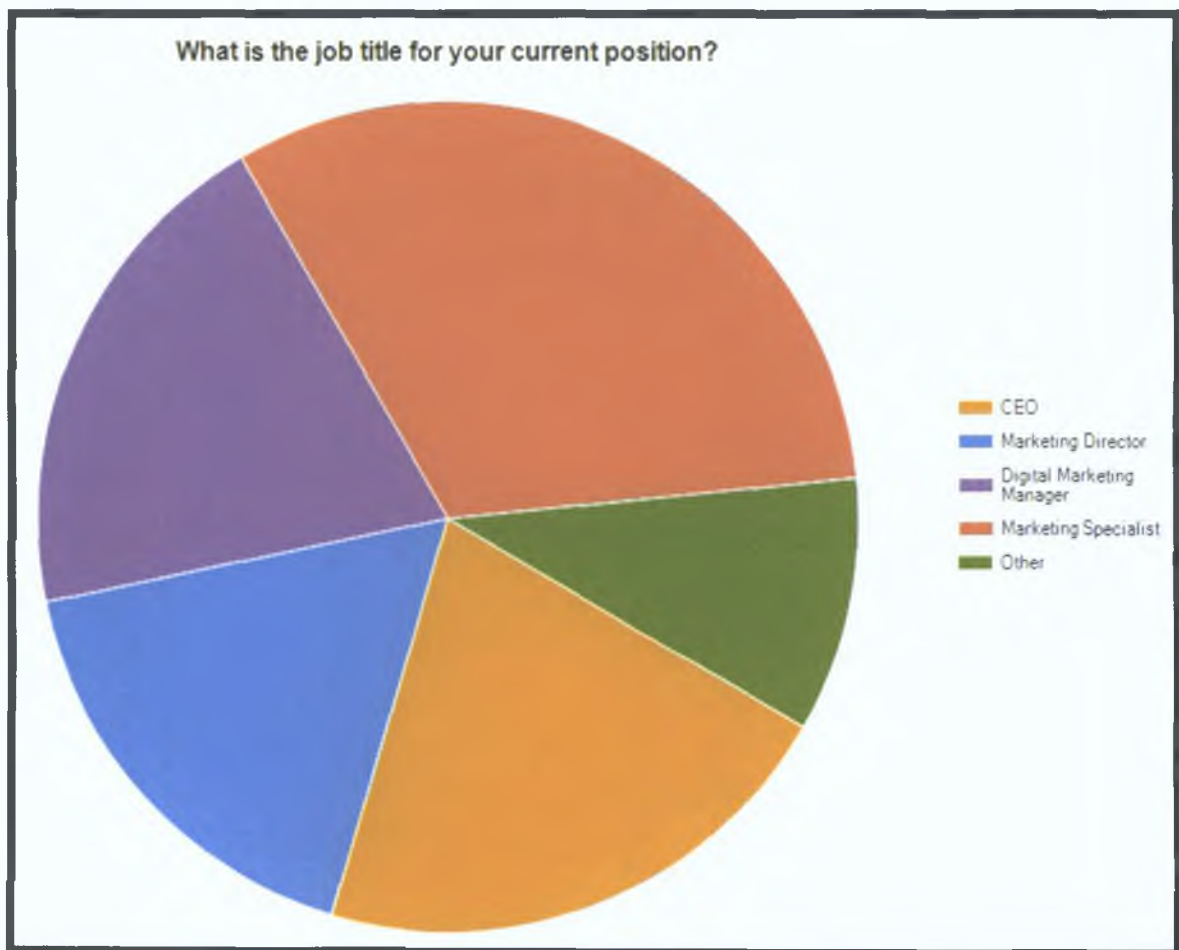


Figure 4.20 Profile of respondents (Source: SurveyMonkey.com, 2012)

Q2. In which industry do you work?

This question allowed the author to understand in which industry the respondents worked. 32.2% of respondents worked in marketing agency, 22.6% worked in the technology industry, 13.7% in the entertainment industry, 10.3% in the e-commerce industry.

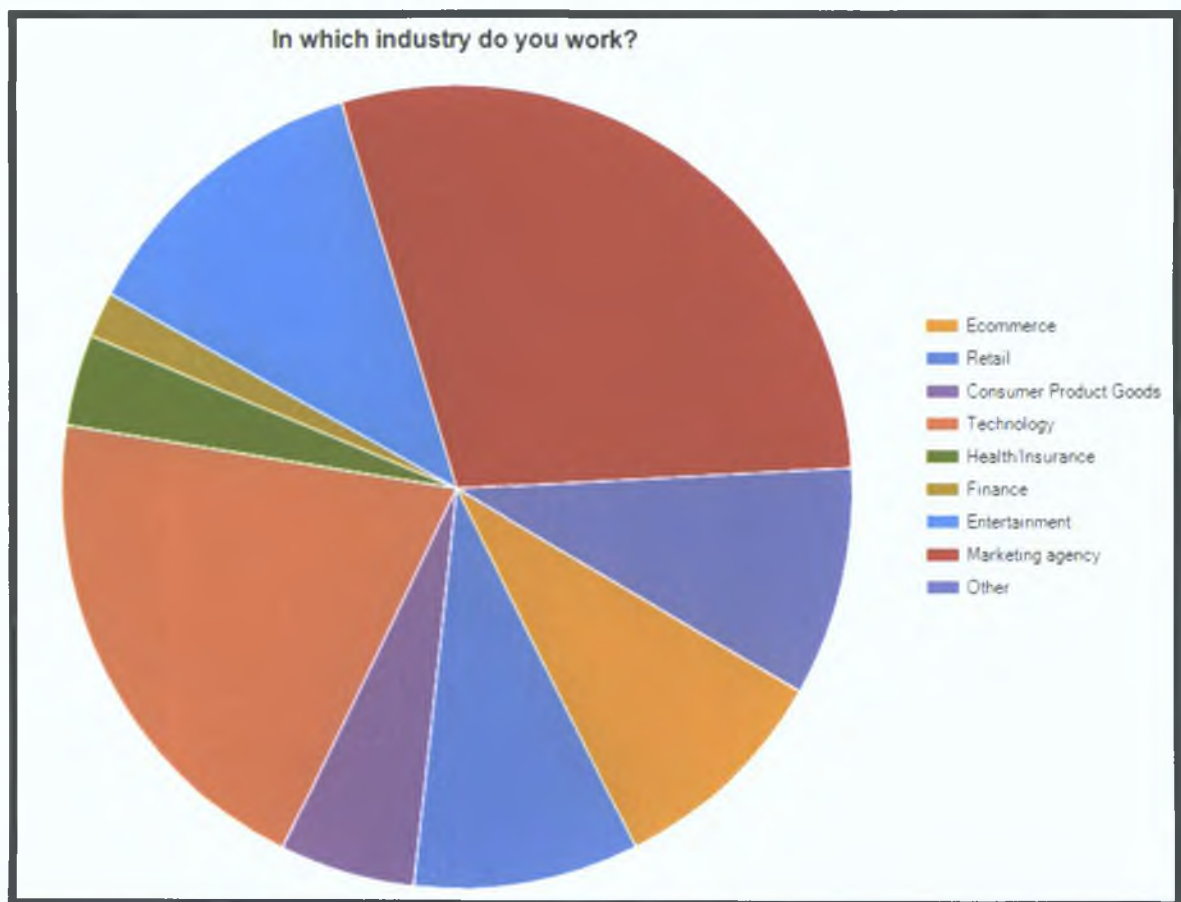


Figure 4.21 Industry of respondents (Source: SurveyMonkey.com, 2012)

#### 4.4.2 Section 2 Marketing initiatives on the Internet

Q3. How do you promote your products or services on the Internet?

The most Internet marketing tools used by respondents were social media (89.7%), Search engine marketing (54.8%) and emailing marketing (50.7%).

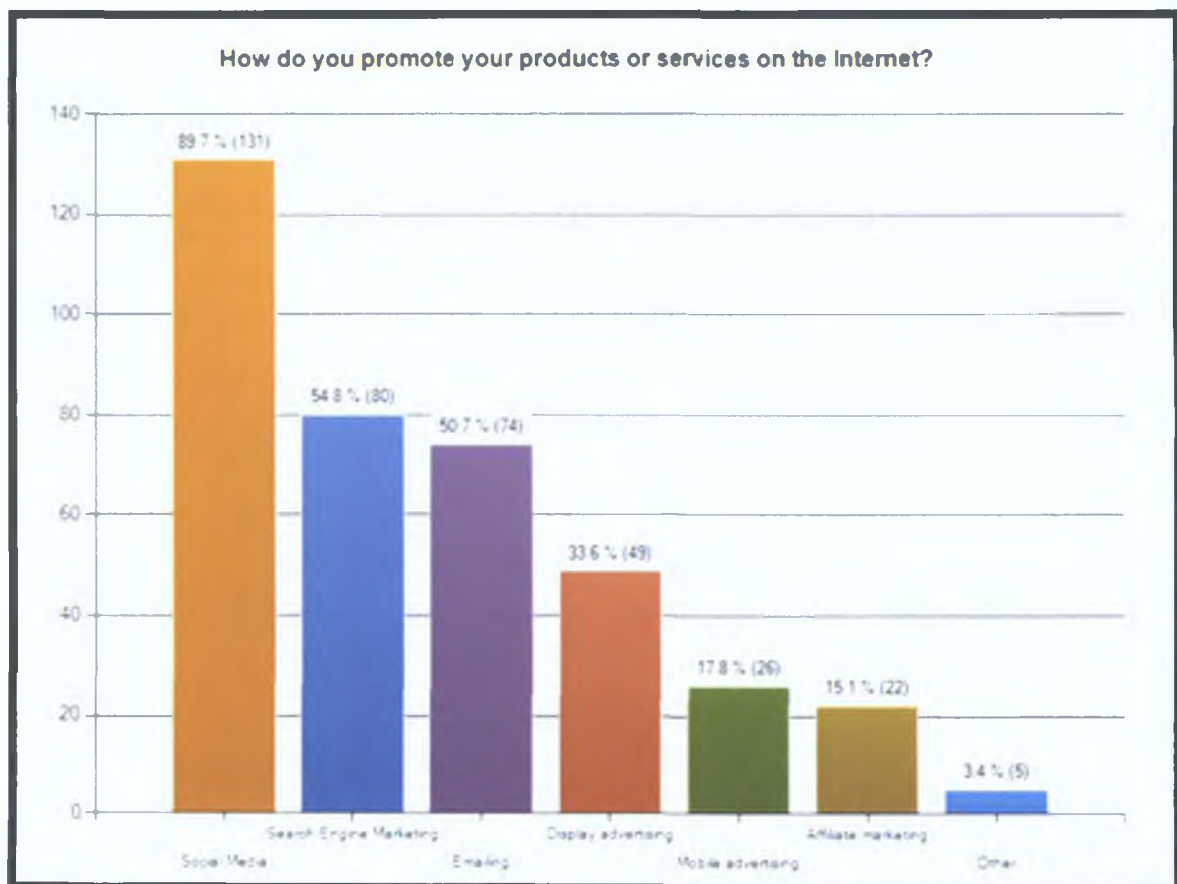


Figure 4.22 Internet marketing used by respondents (Source: SurveyMonkey.com, 2012)

#### 4.4.3 Section 3 Facebook marketing usage

Q4. Do you use Facebook products for your marketing activities?

85.6% of respondents declared of using Facebook for their marketing activities.

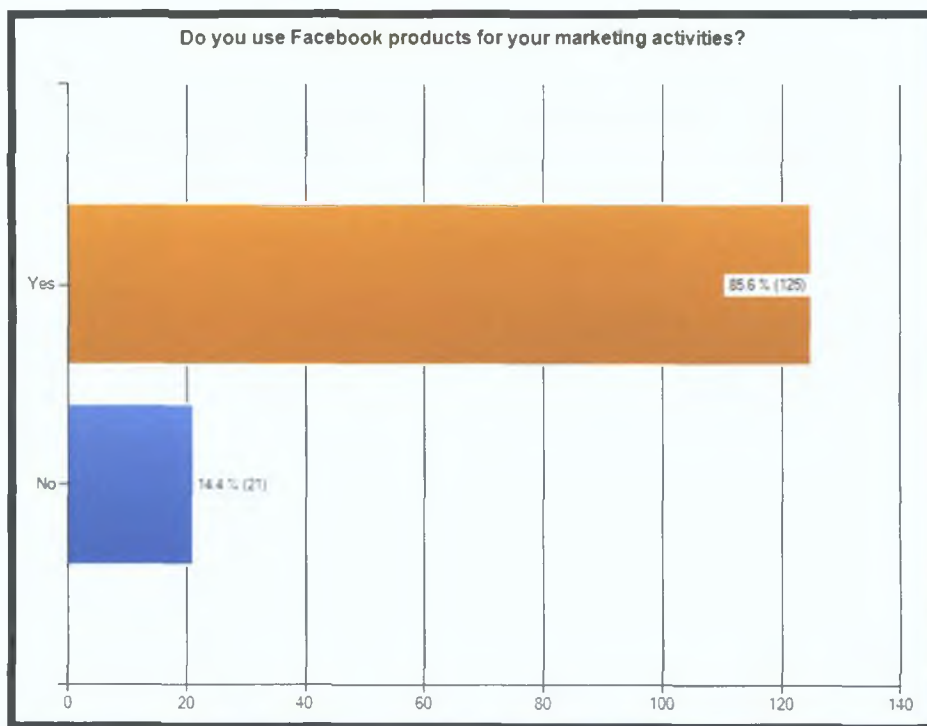


Figure 4.23 Facebook usage for marketing purposes (Source: Surveymonkey.com, 2012)

Q.5 What are your main marketing objectives using Facebook?

The top three marketing objectives that respondents declared are:

- Generate brand awareness (81.7%)
- Drive traffic to website (62.5%)
- Acquire fans on their Facebook page (47.5%)

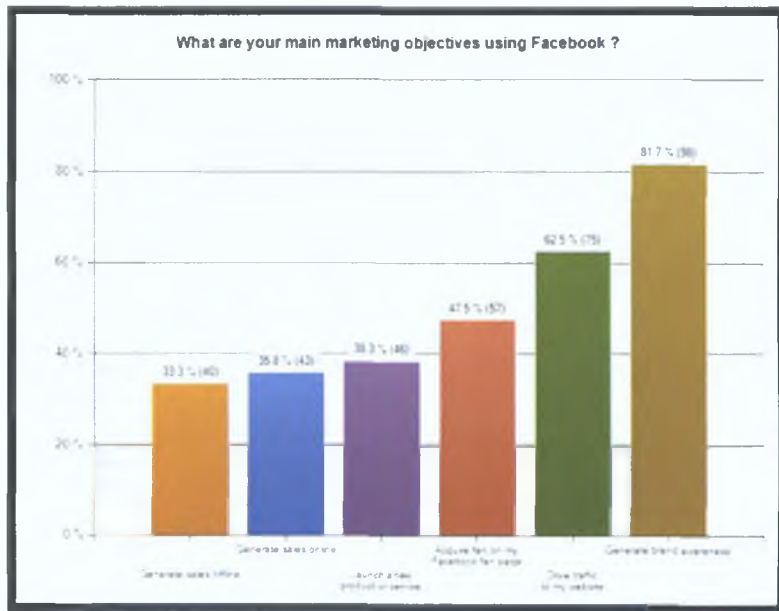


Figure 4.24 Marketing objectives on Facebook (Source: SurveyMonkey.com, 2012)

Q.6 What Facebook products do you use for your marketing activities?

91.7% of respondents declared using Facebook fan page, followed by Facebook advertising (72.5%), and Facebook platform (46.7%).

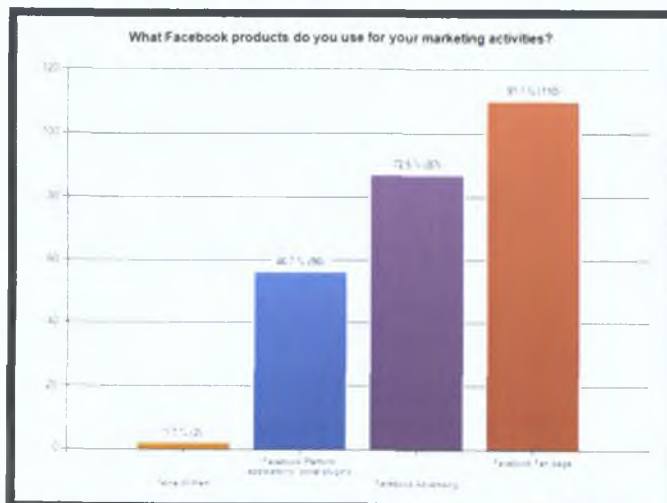


Figure 4.25 Facebook products used to run marketing activities (Source: SurveyMonkey.com, 2012)

Q.7 What benefit do you find the most valuable with Facebook marketing solutions?

Respondents strongly use Facebook marketing solutions to engage with consumers (69.5%), to reach an audience (61%), to target their audience (46.7%).

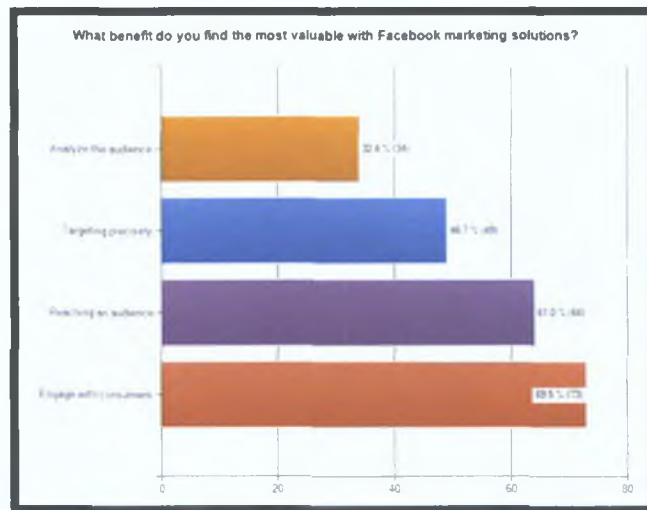


Figure 4.26 Benefits of using Facebook marketing solutions.  
(Source: SurveyMonkey.com, 2012)

Q.8 How do you measure your success on Facebook?

80% of respondents affirm to measure their success through fan growth and engagement.

The second key performance indicator is the brand awareness (48.6%).

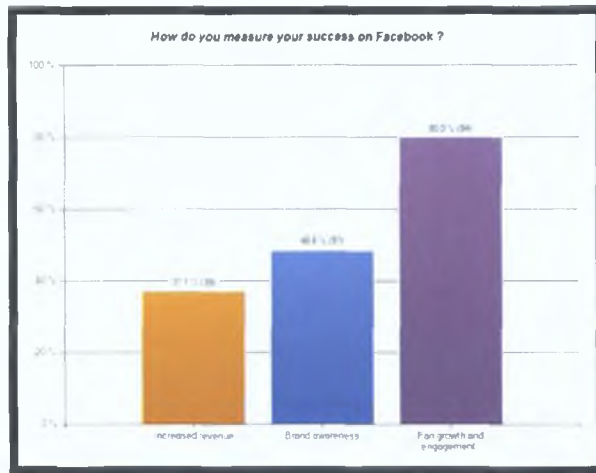


Figure 4.27 Key performance indices to measure success on Facebook (Source: Surveymonkey.com, 2012)

Q.9 How useful have you found Facebook marketing products?

49.5% of respondents found Facebook marketing products as good, followed by 29.5% who declared the products as average and 16.2% as excellent.

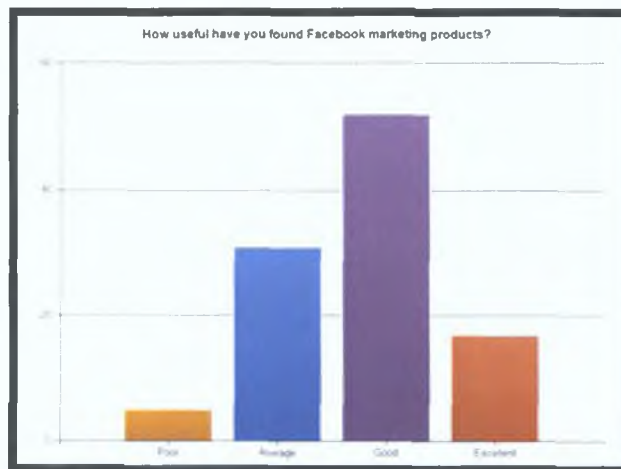


Figure 4.28 Utilities of Facebook marketing solutions (Source: Surveymonkey.com, 2012)



Q.10 What percentage is Facebook part of your Integrated Marketing strategy?

33.33% of respondents stated that Facebook represents 20-40% of their marketing strategy.

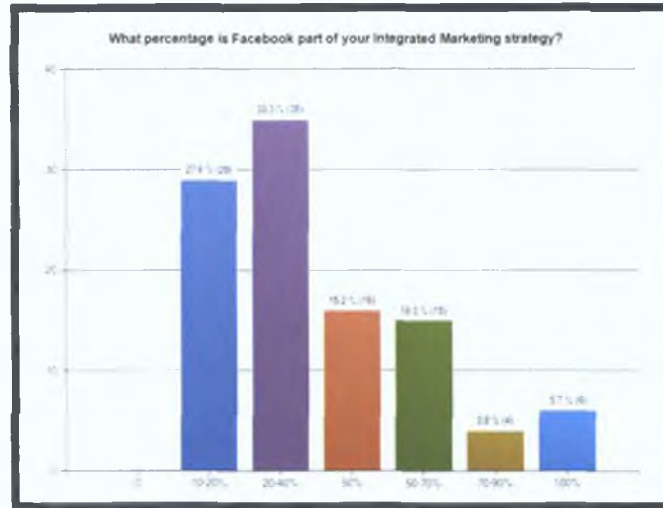


Figure 4.29 Facebook share in the integrated marketing strategy  
(Source: SurveyMonkey.com 2012)

Q.11 Compared to its competitors, how effective is Facebook?

32.4% of respondents say that Facebook is much more effective compared to its competitors.

25.7% say that Facebook is somewhat more effective than its competitors.

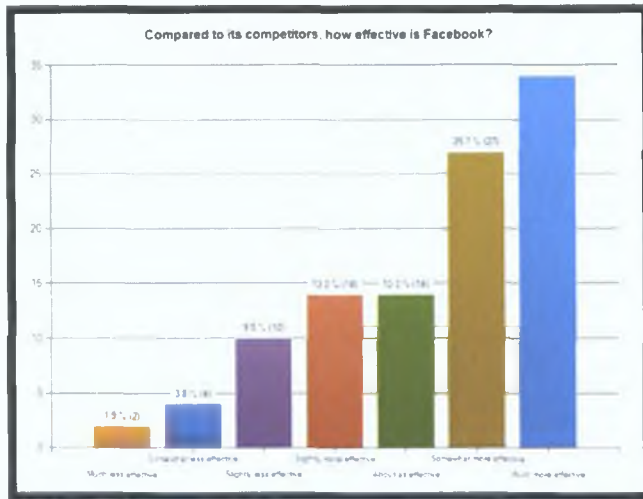


Figure 4.30 Facebook effectiveness compared to its competitors. (Source: Surveymonkey.com 2012).

Q.12 How likely are you to use Facebook in 2013?

66.67% announced that they are extremely likely to use Facebook in 2013, followed by 23.8% that declared to very likely to use Facebook in 2013.

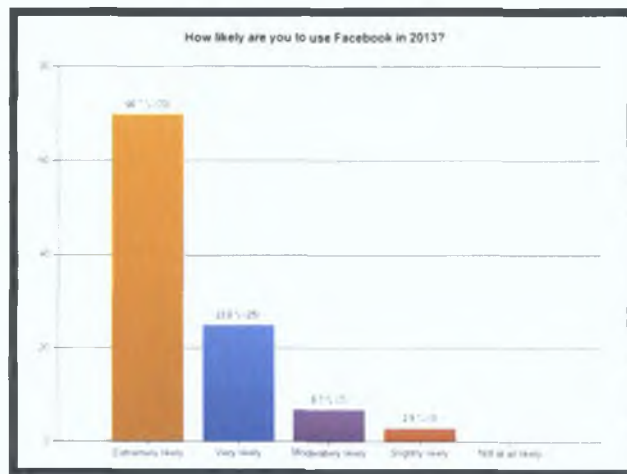


Figure 4.31 Likeness to use Facebook in 2013 (Source: Surveymonkey.com 2012)

Q.13 How easy do you think it is to manage your marketing activities with Facebook?

36.2% declared that Facebook is very easy to manage marketing activities.

25.7% stated that it is extremely easy to manage marketing activities on Facebook.

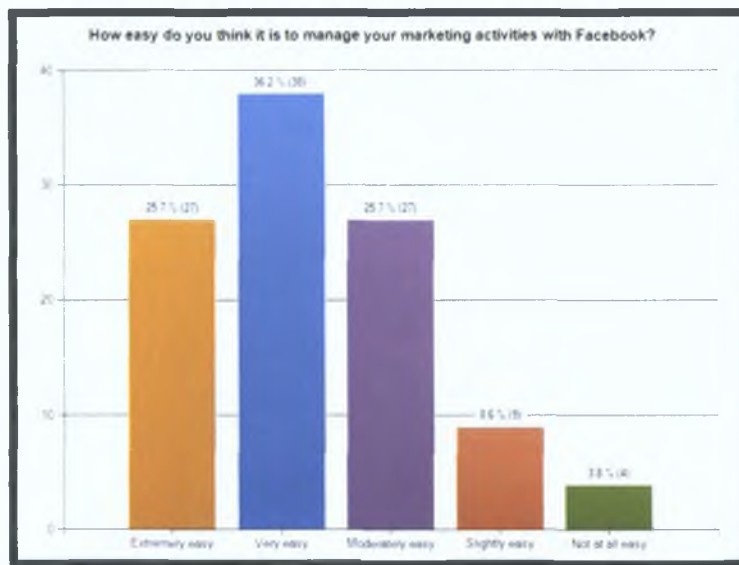


Figure 4.32 Level of easiness to use Facebook in 2013  
(Source: Surveymonkey.com 2012)

Q.14 How comfortable do you feel using in the most efficient way Facebook?

30.5% announced they feel extremely comfortable using Facebook in the most efficient way. 36.2% declared themselves very comfortable using Facebook in the most efficient way.

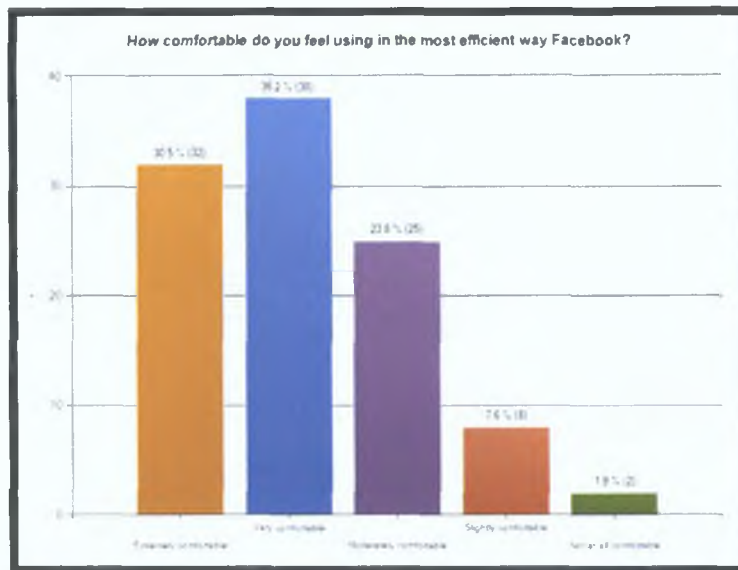


Figure 4.33 Level of comfort to use Facebook in the most efficient way. (Source: Surveymonkey.com 2012)

Q.15 Overall, would you recommend Facebook marketing products to other marketers?

96.2% declared to recommend Facebook marketing products to other marketers; only 3.8% would not recommend Facebook.

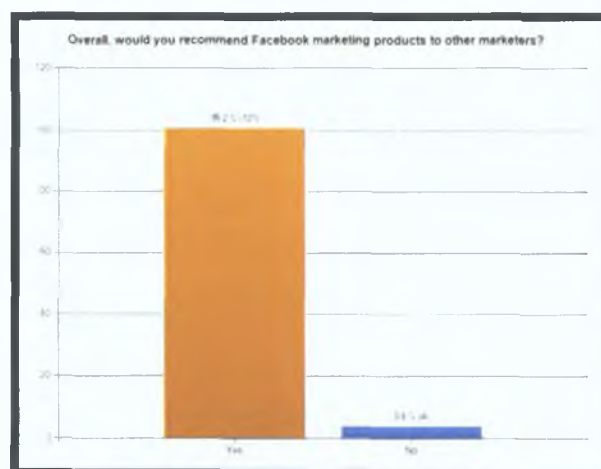


Figure 4.34 Level of recommendations of Facebook marketing solutions to other marketers (Source: Surveymonkey.com, 2012)

#### 4.4.4 Section 4 Marketing budget on Social media

Q.16 Do you intend to increase your budget on social media next year?

52.9% of respondents intend to increase their marketing budget on social media in 2013.

27.9% will maybe increase their budget on social media next year.

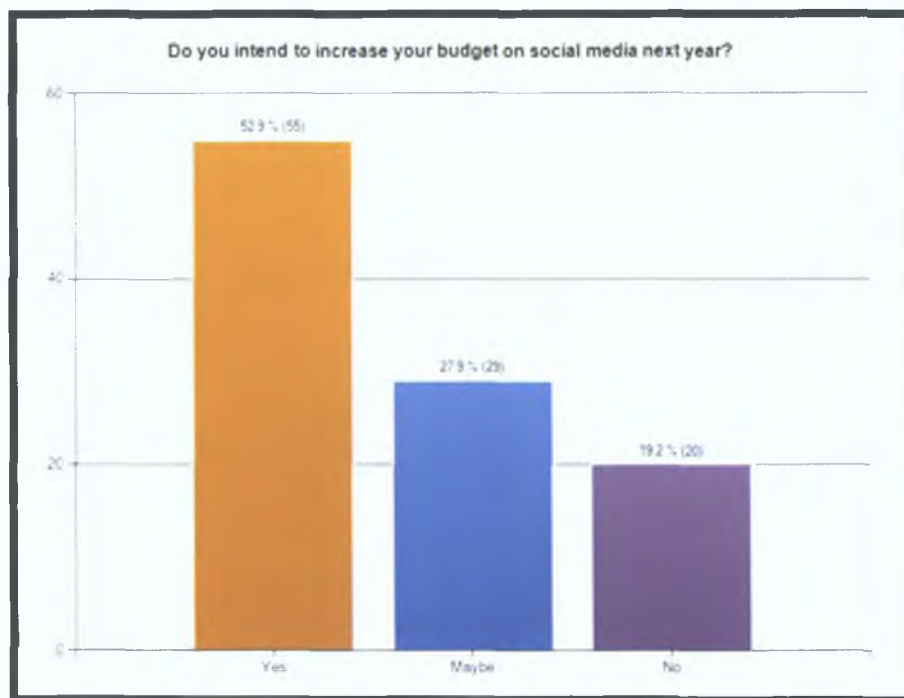
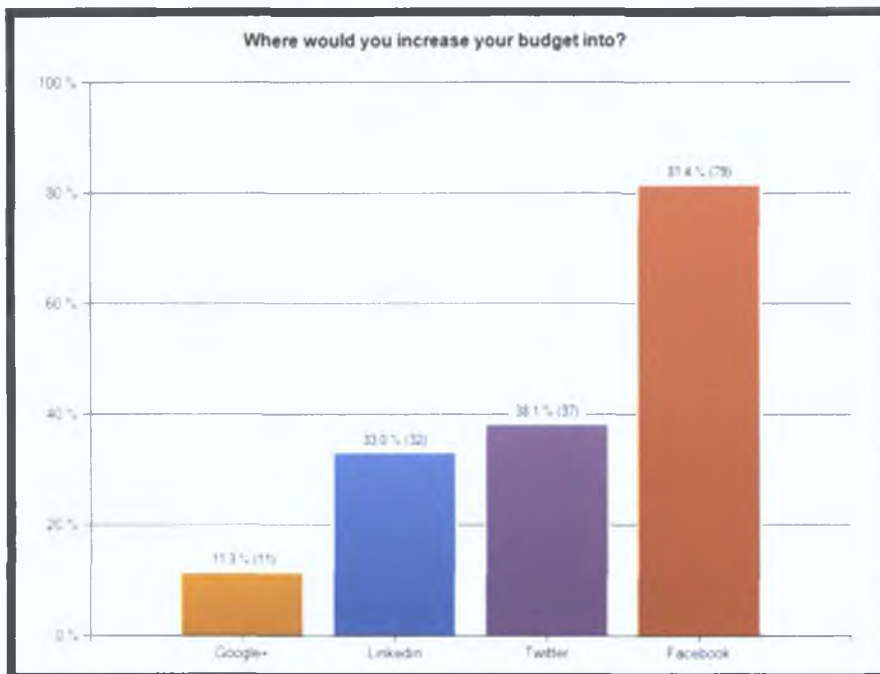


Figure 4.35 Intention of increasing budget on social media in 2013.  
(Source: SurveyMonkey.com, 2012)

Q 17. Where would you increase your budget?

81.4% of respondents are planning to increase their budget on Facebook in 2013, 38.1% on Twitter, 33% on LinkedIn and 11.3% on Google+.



*Figure 4.36 Intention of increasing budget on social media in 2013.  
(Source: SurveyMonkey.com, 2012)*

From these results, it can be observed that a majority of respondents are planning to increase their marketing budget on Facebook platform in 2013.

## 4.5 Analysis of interviews

### 4.5.1 Interview with Stan Massueras - Facebook EMEA – Mid-Market Sales Manager

Stan manages a team in charge of supporting small and medium businesses to promote their products or services on Facebook. This starts by educating advertisers to communicate on social media channels by creating a fan page where the brand can communicate directly with their clients or prospects. This gives a huge opportunity to use the word of mouth on Internet, Stan explains that every day we talk with our friends, colleagues or family and we get recommendations where to go for lunch, what movie to watch, where to buy a pair of shoes etc. and for the first time this recommendation experience is possible on the Internet especially on Facebook. Stan also explained the fact that this recommendation is more trustworthy than traditional advertisements, when it's coming from people you trust and care for, you will tend to lend more trust to your friends and family than an unknown person that you have met for the first time. On Facebook this experience is amplified by the fact that every time someone from your network will interact with a brand on Facebook, a story will be generated and will be sent to the friends of the users. Nielsen study proved that social context impacts the ad effect by increasing the purchase intent, ad recall and awareness (Nielsen, 2010). Nielsen study examines that by comparing people exposed to ads with a social context versus a group of users exposed without social context ads. The results show that people who saw their friends on the ads or saw an organic story are more willing to purchase the products than users who did not see their friends on the advertisement. Stan's team is working with a large group of media agencies such as Havas & Aegis Media. Stan explained that the

media agency had to adapt their structure to social media “We have observed in the past twelve months that social media departments were created within some media agencies”, agencies had to create a specific department dedicated to social media marketing

#### 4.5.2 Interview with Olivier Guimard – G&A Links – Director Associate

Olivier is in charge of the web department within the agency G&A Link, the agency is based in Nantes (France) Olivier helps companies to communicate on the Internet, this starts by developing and creating websites like e-commerce websites, secondly the agency buys online advertisements for their clients to boost traffic to their website in order to generate sales. Olivier was working at Google Paris for five years so he has a good understanding of the online industry. When the author asked the first question to Olivier about how social media changed the way of doing marketing and business on the Internet, his answer was quite clear. Social media is definitely changing the way Internet users consume information on the web and companies need to adapt their communication strategy. This requires advertisers and web agencies have certain knowledge to drive the right communication strategy. For example, Olivier used the example of an e-commerce website which has a fan page on Facebook, if a user complains on the fan page about delay in delivery, this gives a good opportunity to handle this query and help their customer to resolve the issue within a reasonable turnaround time. Most of the brands worry about bad comments related to their products or services - marketing directors still think that it can ruin their e-reputation, however Olivier is really convinced by the fact that if brands do not react and proactively manage their image on social media, it would be worse. This requires the agency to develop their skills in community management to



manage the communities of their clients on social media platforms. This requires the agency to recruit people who are specialized in community management. The Social media team now consists of three full time people: one community manager, one developer, and one sales manager. This gave the opportunity for the agency to propose a new service to their clients. According to Olivier, social media is now everywhere and companies do not have the choice to skip this new social era on the Internet. Moreover, Olivier adds the fact that search engine marketing such as Google or Yahoo! have been helping online advertisers to promote their website through sponsored links based on the user's search. Social media goes deeper again and offers the possibility to target their consumers more efficiently. For example, on Facebook you can target users based on their demographics, gender, interests, locations etc. Olivier used again the example of an ecommerce website selling shoes for woman, Facebook can help to target women and promote the services to the right audience resulting in a better experience for the Internet users. Olivier explains that social media is still new for marketers and this requires a certain skill set, education and training. Olivier indicates that social media is now part of marketing plans for most of companies.

## CHAPTER 5 DISCUSSION

### 5.1 Introduction

This section will help the reader to better understand the findings previously described. The ultimate objective of this section is to analyze and interpret the findings in order to demonstrate the relevance of this whole research while answering the two research questions that were raised at the beginning of this report.

Question 1: What are the marketing characteristics of the social network Facebook?

Question 2: In what ways can social media impact businesses in terms of profit, by engaging with consumers?

At the end of this chapter, the readers will know what place social media take within marketing and advertising.

The final goal of this report is also to provide marketers some strategic information about integrating social media into their marketing plan.

### 5.2 Discussion 1: What are the marketing characteristics of social media?

Social media offers to companies the ability to engage with consumers at an unprecedented scale. Firms can now engage appropriately at a lower cost and with precise consumers' insights compared to traditional media like TV, print or radio. Social media is now relevant for any kind of company or nonprofit organizations. Another advantage of using social media is the reach. According to Emarketer, social media represents 63.2% of the Internet population and it is forecasted to be at 70.7% in 2014.

(Figure 4 7) In addition to the reach, users spend lot of time on social media, twenty billion of hours are spent on social media platforms. Platforms like Facebook can connect companies with more than 900 million consumers worldwide. By telling the story of the brand or the market offerings, firms can now publish their stories to Internet users and amplify this message by enabling the word of mouth. According to the marketers surveyed, the three main characteristics of using Facebook marketing solutions are (figure 4 26)

- 1 Engagement
- 2 Reaching an audience
- 3 Targeting the right audience

Marketers set their key performance indicators on Facebook with the number of fans acquired and engagement, but also the brand awareness. It could be argued that social media must be part of any integrated marketing communications. Chaffey designed a model for online and offline communications techniques for e-commerce (Figure 4 6). The author would suggest adding 'Social media' as a communication technique for online business.



5.3 Discussion 2: In what ways social media can impact businesses in terms of profit, by engaging with consumers?

In the literature review, it has been highlighted the importance of the consumer behavior in the buying process (figure 2.5). Today social media can amplify the word of mouth and consequently influence the consumer by friend's recommendations. Some study made with Nielsen showed that the word of mouth can impact the ad recall, purchase intent and brand favorability on online advertisement (Figure 4.26). 90% of Internet users declare trusting more people they known compared to any other form of advertising (Appendix 3). This results an impact on business in terms of marketing. Companies can now communicate not only to consumers but to the friends of the consumers by enabling the word of mouth that social media platform can offer to marketers. Studies show that

engagement with consumers can impact sales and profits. For example, comScore and Facebook have jointly published a follow-up to last year's Power of Like study that deep-dives into European retail with a focus on apparel (H&M, Zara, La Redoute, ASOS and Topshop). Here are some key highlights from this study (Shaw et al, 2012)

- Facebook users in Europe are 20% more likely to visit apparel sites than the average Internet user in Europe
- The Homepage/Newsfeed placement is the dominant place in which those in the UK/FR/DE spend time on Facebook (32%)
- Facebook Fans of European apparel brands are 6%-29% more likely to visit those brands' websites than Internet using non-Fans. Even the Friends of these Fans are also 5%-16% more likely to do the same
- Fans and Friends of Fans are 10% more likely to make purchases on an European apparel website than those who are neither Fans nor Friends or Fans
- Facebook paid advertising has generated an uplift in purchase behavior of as high as +130%

## **CHAPTER 6 CONCLUSION AND RECOMMENDATIONS**

### 6.1 Conclusion

This new way of communication gives the opportunity to businesses to approach their clients in a different way than traditional media like TV, Radio or Press (Scott, 2010). Companies and institutions need to build a separate strategy of marketing and communication to be successful on social media platforms. This research will hopefully help companies to understand the importance of using social media for their businesses and their marketing strategy, but also understand the potential impact on their internal and external environment. It has been demonstrated that social media can help a company and institutions to build a real brand identity on the Internet, for example the use of social media interacting with consumers to promote their products, ensure a good customer service and the company can benefit from the word of mouth effect (Qualman, 2011). Platforms like Facebook give the opportunity to target the right audience and bring a social context between consumers and the organization. The two preliminary interviews helped us gain a good understanding on how social media impacts business. This involves a full reflection on how to establish the right social media strategy, hopefully this research will give some useful tips to companies and Marketing managers. This research would also benefit marketing managers to use social media to improve the communication with their teams and increase cross collaboration within their organization.

The author has reviewed the marketing literature and would propose to review the model of marketing mix method to adapt it to social media. In addition to that, the word of

word of mouth effect also impacts the Porter's five forces and online consumer behavior process. These models could be adjusted and take into consideration the influence of consumers they can have between each other when buying a product or discovering a brand online.

## 6.2 Further study

The author would suggest in the future conducting further research in this area. As mobile is growing in terms of users, the Internet traffic is dominated by mobile users. It would be interesting to understand how companies can use social media through mobile devices to engage with their clients.

## 6.3 Implication for practices

As Facebook is reaching almost 50% of the worldwide Internet population, the author would suggest to any B2C companies using Facebook marketing solutions to ensure an online presence on social media. Facebook is now the place where consumers are. There are different ways to communicate on Facebook depending of your marketing objectives, here are some recommendations based on the following marketing objectives:

### **Generate brand awareness**

The first step is to build a fan page, which is free of charge. Building a fan page does not require technical skills, it only requires selecting judiciously content to publish on the page and that represent the value proposition of your business. This can be outsourced to a social media-marketing agency or can lead by an internal community manager. Facebook gives advices to brands on the following page [www.facebook.com/marketing](http://www.facebook.com/marketing)

### **Acquiring new clients to enable the word of mouth**

If you have created a fan page, the next step is to acquire fans on your page to build your community. The fan page can be advertised offline or online. Marketers can put the link of the Facebook page on their TV, print or radio advertising campaign. It is important to clearly work on call to action to attract Facebook users on the fan page. The most efficient way is indeed to set up advertising campaign directly on Facebook and target the market audience.

### **Drive traffic on website**

If your main objective is to drive traffic to a website, it is advised to use CPC ads campaign on <https://www.facebook.com/ads/manage>. Facebook has a self-service ad platform that allows creating standard ads that can redirect to an external website. Three steps compose the ad creation workflow. The first one is to create and design the ad, second step is targeting the audience through demographics, locations, and interests. The last step consists of managing the budget and confirms the campaign.



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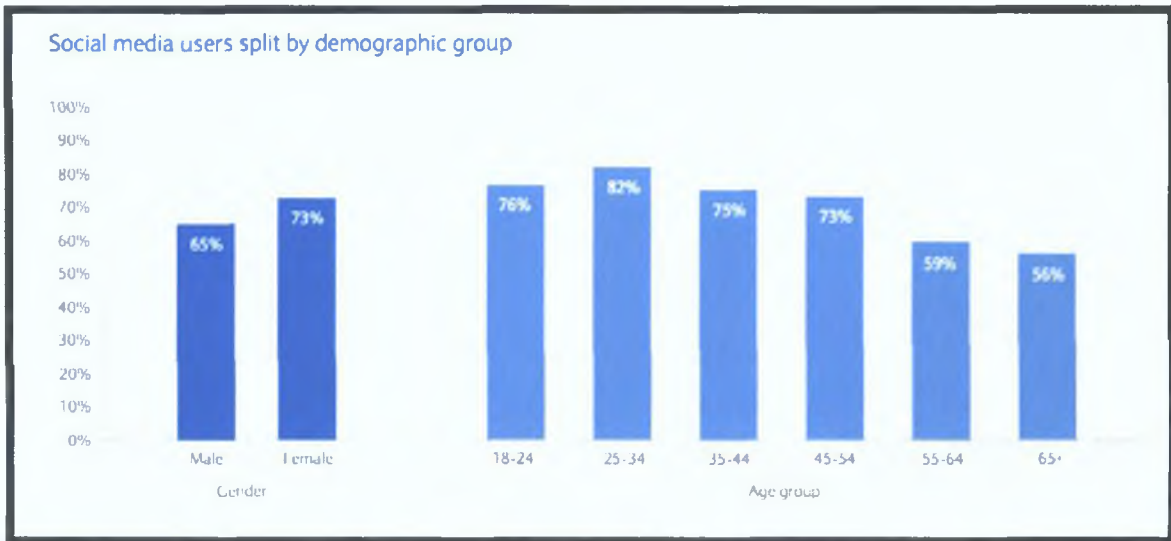
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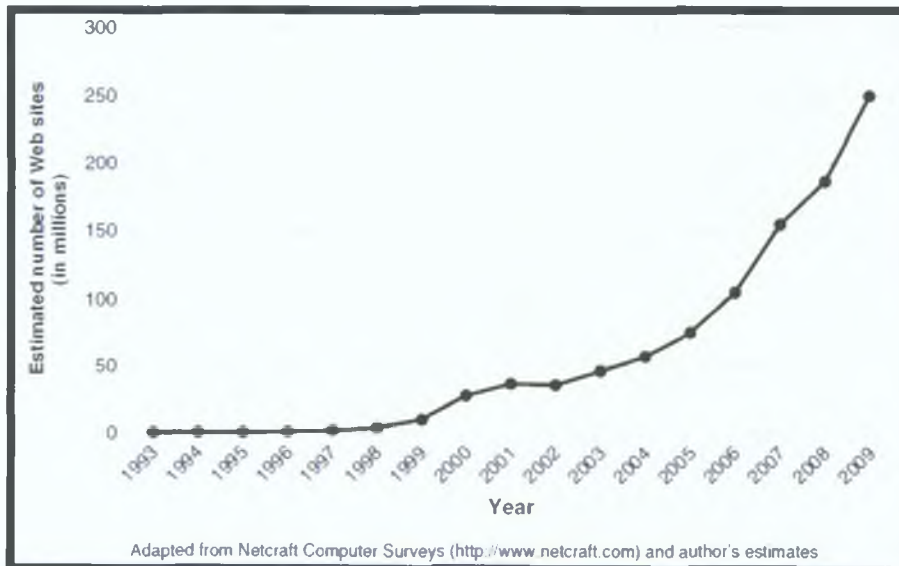
## APPENDICES

### Appendix 1 Social media users split by demographic group



(Source: Barclays study, 2012)

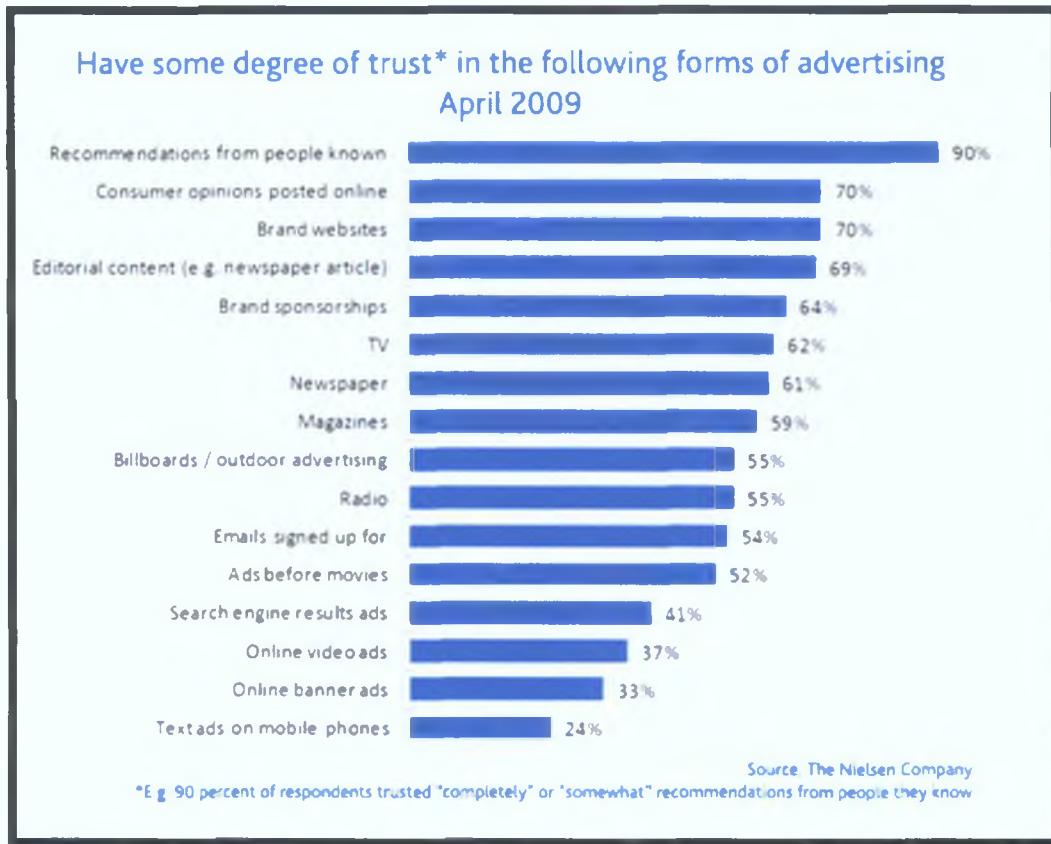
### Appendix 2 Growth of Internet websites worldwide 1993-2009



(Source: Netcraft Computer surveys 2010.)



### Appendix 3 Trust in Advertising



(Source: The Nielsen company, 2009)

### Appendix 4 Mobile Internet Traffic worldwide 2010-2011

**Mobile internet Traffic Worldwide, Mar 2010-Jun 2011**

% of total internet traffic



Note: includes tablets

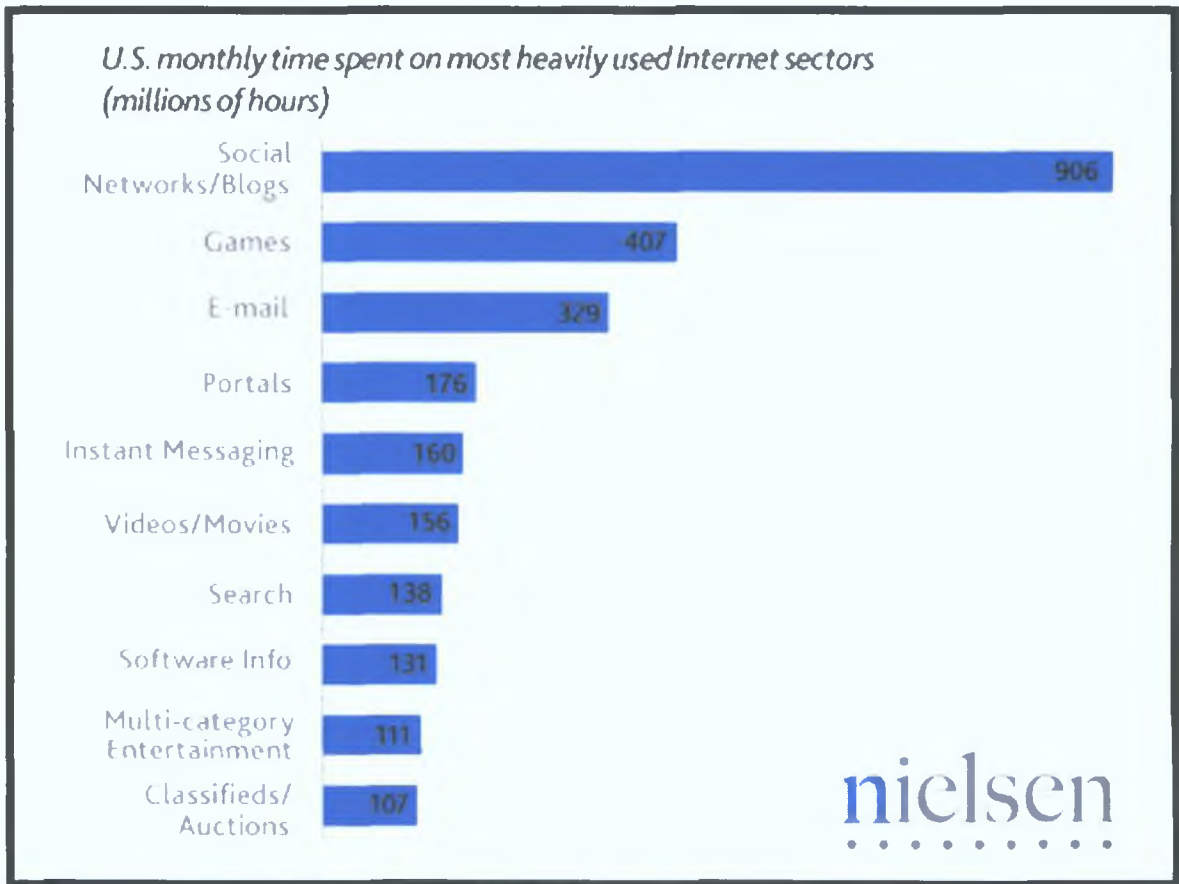
Source: Net Marketshare as cited in press release, July 1, 2011

126502

www.emarketer.com

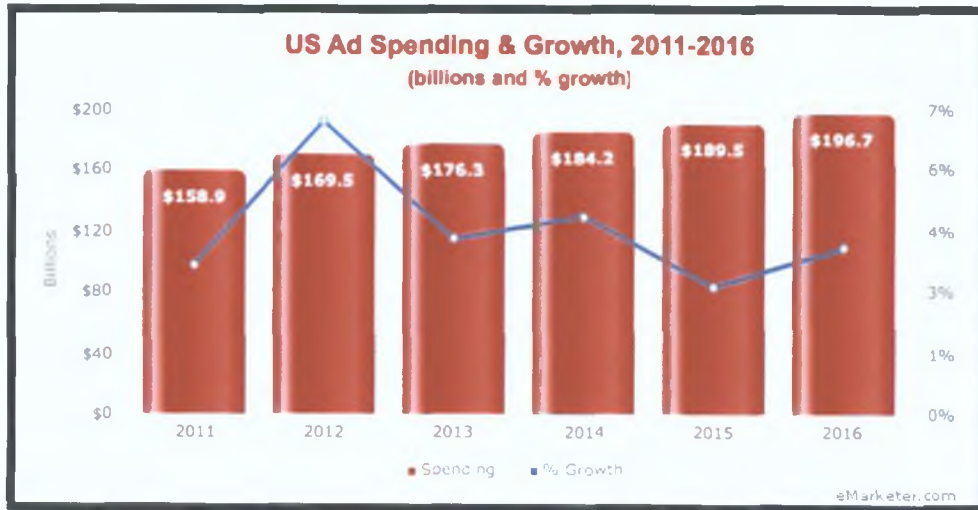
(Source: Emarketer,2011.)

**Appendix 5 U.S Monthly time spend on most heavily used Internet sectors:**



(Source: Nielsen, 2009)

## Appendix 6 U.S Ad Spending & Growth 2011-2016



(Source: Nielsen, 2011.)

Appendix 7 Advertising spend in all media 2009-2013

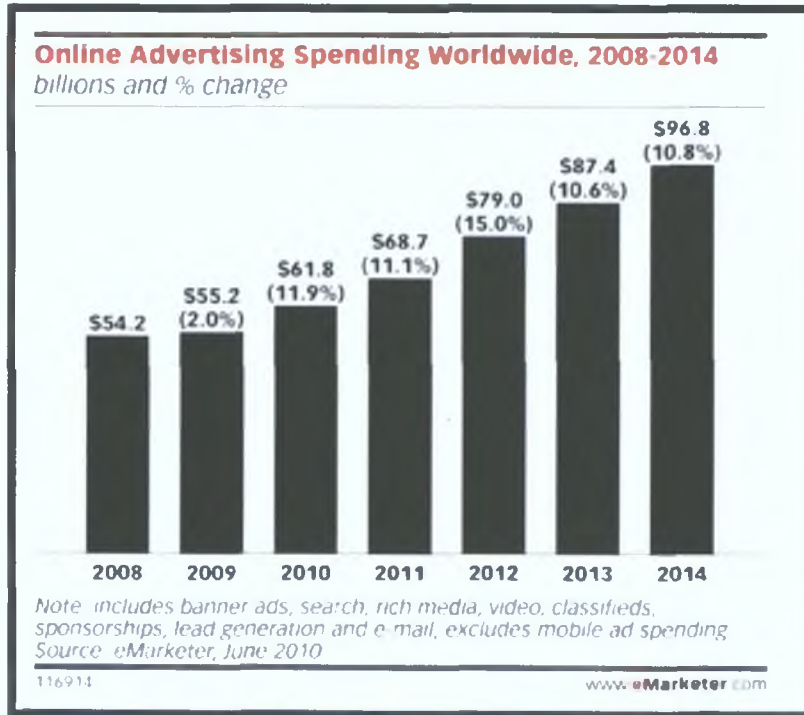
<b>Advertising spend: Worldwide</b>			
<b>Worldwide advertising spending will reach \$421 billion in 2009, Jun 09</b>			
	<b>2009</b>	<b>2013</b>	<b>CAGR</b>
	<b>(\$m)</b>	<b>(\$m)</b>	<b>(%)</b>
All media	<b>421.087</b>	467.321	0.5
Television	<b>149.076</b>	168.414	0.0
Newspapers	<b>92.671</b>	91.820	-3.7
Internet	<b>58.717</b>	86.728	7.7
Consumer magazines	<b>29.818</b>	33.279	1.1
Directories	<b>29.191</b>	28.611	-3.8
Radio	<b>28.661</b>	28.070	-2.9
Outdoor	<b>26.871</b>	30.484	1.1
Trade magazines	<b>16.252</b>	17.430	-2.3
Video games	<b>1.588</b>	2.622	13.8

[www.DigitalStrategyConsulting.com](http://www.DigitalStrategyConsulting.com)

Source: PricewaterhouseCoopers, Jun 09  
 Interpretation: All figures are in compound annual growth rate. Rate for internet includes wired and mobile.

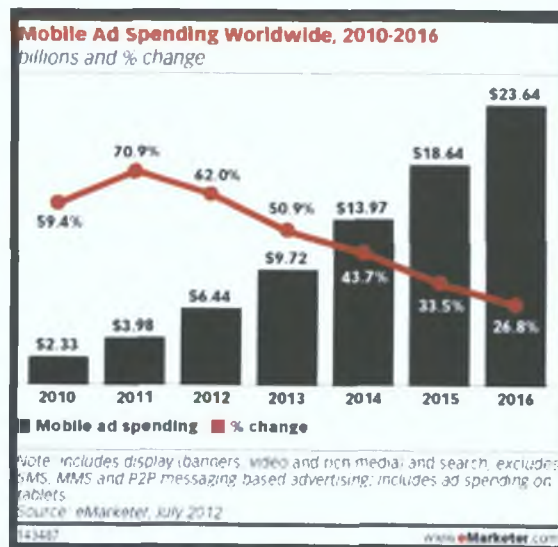
(Source: Pricewaterhouse, 2009.)

## Appendix 8 Online ad spending worldwide 2008-2014

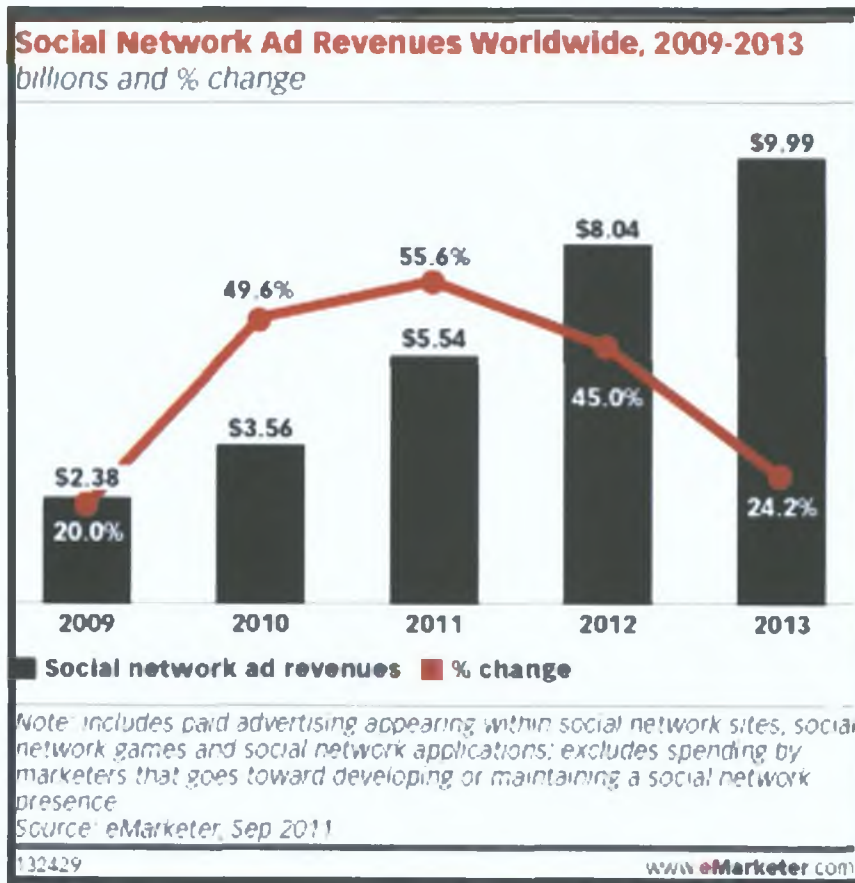


(Source: Emarketer, 2010.)

## Appendix 9 Mobile ad spending worldwide 2010-2016



## Appendix 10 Social network ad revenues worldwide 2009-2013



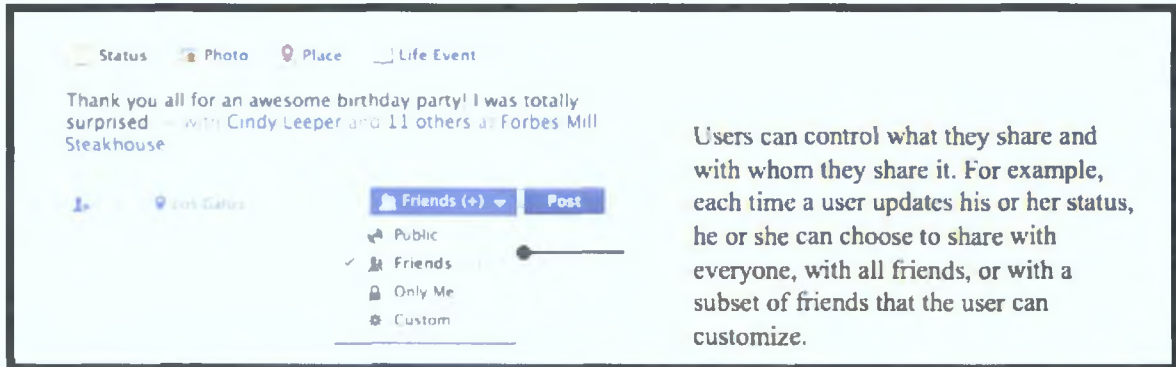
## Appendix 11 Example Social graph on Facebook

Illustration of the Social Graph



(Source: Facebook S-1 File, 2012.)

## Appendix 12 User Privacy control

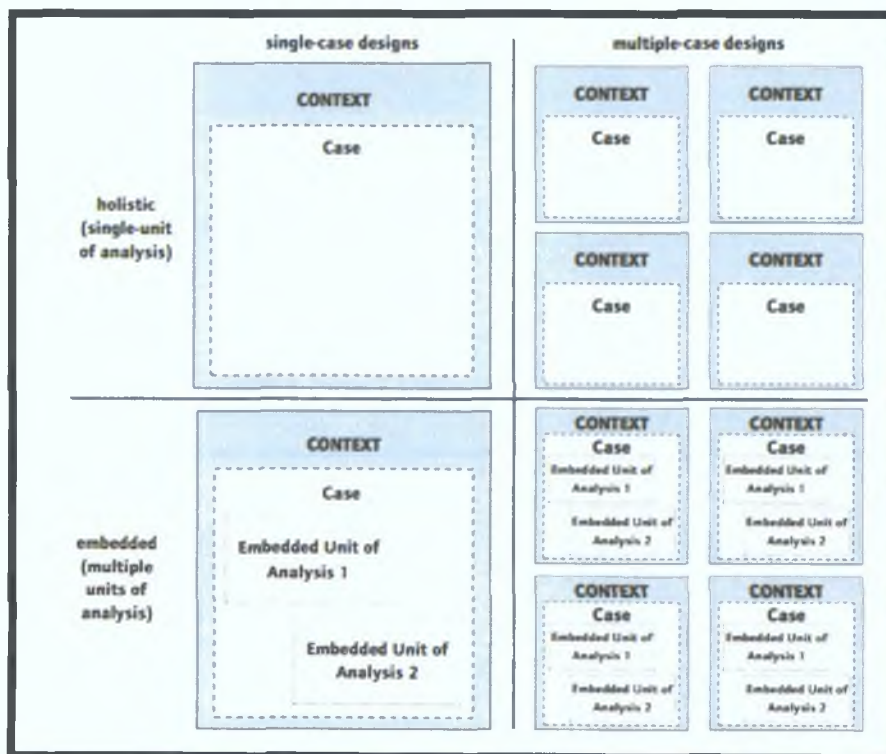


The screenshot shows a Facebook status post with a privacy dropdown menu open. The status text reads: "Thank you all for an awesome birthday party! I was totally surprised — with Cindy Leeper and 11 others at Forbes Mill Steakhouse". The location is "Los Gatos". The privacy menu is set to "Friends (+)", with a slider control positioned between "Friends" and "Public". Other options include "Public", "Only Me", and "Custom".

Users can control what they share and with whom they share it. For example, each time a user updates his or her status, he or she can choose to share with everyone, with all friends, or with a subset of friends that the user can customize.

(Source: Facebook S-1 File, 2012.)

## Appendix 13 Basic Types of Designs for Case Studies



Source: COSMOS Corporation



## Appendix 14 questionnaires

**This survey will take you only 2 minutes ! Thanks a lot for your time !**

**\* 1. What is the job title for your current position?**

CEO

Marketing Director

Digital Marketing Manager

Marketing Specialist

Other

Other (please specify): \_\_\_\_\_

**\* 2. In which industry do you work?**

Ecommerce

Retail

Consumer Product Goods

Technology

Health Insurance

Finance

Entertainment

Marketing agency

Other

Other (please specify): \_\_\_\_\_

**\* 3. How do you promote your products or services on the Internet?**

Search Engine Marketing

Social Media

Display advertising

Affiliate marketing

E-mailing

Mobile advertising

Other

Other (please specify): \_\_\_\_\_

**\* 4. Do you use Facebook products for your marketing activities?**

Yes

No

**5. In a typical day, about how much time do you spend using social networking websites?**

Hours

Minutes

**\*6. Do you see a value investing on Social media?**

- Yes
- No
- Maybe

**\*7. Are you thinking to integrate Facebook in your marketing strategy?**

- Yes
- No
- Maybe

**\*8. How likely are you to use Facebook Marketing solutions in 2013?**

- Extremely likely
- Very likely
- Moderately likely
- Slightly likely
- Not at all likely

**\*9. Do you consider to invest your marketing budget on social media next year?**

- Yes
- No

**\*10. How often does your organization use social media (e.g., Facebook, Twitter, etc.) to communicate with your clients?**

- Extremely often
- Very often
- Moderately often
- Slightly often
- Not at all often

**\*11. What are your main marketing objectives using Facebook ?**

- Drive traffic to my website
- Generate brand awareness
- Acquire fan on my Facebook fan page
- Generate sales offline
- Generate sales online
- Launch a new product or service

**\*12. What Facebook products do you use for your marketing activities?**

- Facebook Fan page
- Facebook Advertising
- Facebook Platform (applications, social plugins)
- None of them

**\*13. What benefit do you find the most valuable with Facebook marketing solutions?**

- Reaching an audience
- Targeting precisely
- Engage with consumers
- Analyze the audience

Other (please specify):

**\*14. How do you measure your success on Facebook ?**

- Fan growth and engagement (like, comments...)
- Increased revenue
- Brand awareness

Other (please specify):

**\*15. How useful have you found Facebook marketing products?**

- Poor                      Average                      Good                      Excellent
- 

**\*16. What percentage is Facebook part of your Integrated Marketing strategy?**

- 0
- 10-20%
- 20-40%
- 50%
- 50-70%
- 70-90%
- 100%

**\*17. Compared to its competitors, how effective is Facebook?**

- Much more effective
- Somewhat more effective
- Slightly more effective
- About as effective
- Slightly less effective
- Somewhat less effective
- Much less effective

**\*18. How likely are you to use Facebook in 2013?**

- Extremely likely
- Very likely
- Moderately likely
- Slightly likely
- Not at all likely

**\*19. How easy do you think it is to manage your marketing activities with Facebook?**

- Extremely easy
- Very easy
- Moderately easy
- Slightly easy
- Not at all easy

**\*20. How comfortable do you feel using in the most efficient way Facebook?**

- Extremely comfortable
- Very comfortable
- Moderately comfortable
- Slightly comfortable
- Not at all comfortable

**\*21. Overall, would you recommend Facebook marketing products to other marketers?**

- Yes
- No

**\*22. Do you intend to increase your budget on social media next year?**

Yes  
 No  
 Maybe

**\*23. Where would you increase your budget into?**

Facebook  
 Twitter  
 Google+  
 LinkedIn  
 Other (please specify)

(Source: Surveymonkey.com, 2012)

**Appendix 15 Ads to promote the questionnaire**

Only 2 minutes!  
surveymonkey.com



Student doing a thesis about social media, please respond to the survey! Thanks a lot!

This ad targets 563,720 users:

- who live in one of the countries United States, Ireland or United Kingdom
- age 18 and older
- who like #Internet marketing, #Digital marketing, #Marketing buzz, #Marketing, #Social media marketing or director marketing communications
- who are in the category Small Business Owners

Suggested Bid €0.58 – 1.34 EUR. Current bid might reach 80 – 100% targeted users.

Student needs your help!  
surveymonkey.com



I am doing my thesis about social media, please take 2 minutes to respond to this survey!

This ad targets 1,313,300 users:

- who live in one of the countries United States, Ireland or United Kingdom
- age 18 and older
- who like #Web analytics, #Search engine marketing, #Email marketing, #Social Networks, #Internet marketing, #Digital marketing, #Web banner, #Web traffic, #Marketing, #Search engine optimization, #Social media marketing, #Promotion (marketing), #Viral marketing, #Commerce, #Affiliate marketing, #Social media or #Web search engine
- who are in the category Small Business Owners

Suggested Bid €0.74 – 1.74 EUR. Current bid might reach 70 – 95% targeted users

[View on Site](#) [Create a Similar Ad](#)

Ad Preview

[Edit](#)

Targeting

[Edit](#)

Only 2 minutes!  
surveymonkey.com



Student doing a thesis about social media, please respond to the survey! Thanks a lot!

This ad targets 563,720 users:

- who live in one of the countries United States, Ireland or United Kingdom
- age 18 and older
- who like #Internet marketing, #Digital marketing, #Marketing buzz, #Marketing, #Social media marketing or director marketing communications
- who are in the category Small Business Owners

Suggested Bid €0.53 - 1.26 EUR. Current bid might reach 85 - 100% targeted users.

[View on Site](#) [Create a Similar Ad](#)

Only 2 minutes!  
surveymonkey.com



I am student and doing a thesis about social media, please respond to the survey! Thanks!

This ad targets 563,720 users:

- who live in one of the countries United States, Ireland or United Kingdom
- age 18 and older
- who like #Internet marketing, #Digital marketing, #Marketing buzz, #Marketing, #Social media marketing or director marketing communications
- who are in the category Small Business Owners

Suggested Bid €0.69 - 1.67 EUR. Current bid might reach 70 - 95% targeted users

[View on Site](#) [Create a Similar Ad](#)

(Source: Facebook advertising self-serve tool, 2012)

## Appendix 16 Advertising report and results

880,684 Impressions 387 Clicks 0 Conversions 0.044% Conversion Rate €299.85 Total Cost €0.34 Cost per Click €0.77 Cost per Conversion

Date Range	Campaign	Ad Name	Impressions	Clicks	CTR	CPC	CPM	Spent
Lifetime	Promotion of questionnaires UK	SurveyMonkey Free Online	68,108	28	0.041%	0.78	0.32	€21.87
Lifetime	Promotion of questionnaires UK	Only 2 minutes!	10,080	2	0.020%	0.58	0.11	€1.15
Lifetime	Promotion of questionnaires UK	Only 2 minutes! 1	204,331	124	0.061%	0.76	0.46	€94.22
Lifetime	Promotion of questionnaires UK	Student needs your help! 1	69,112	26	0.038%	0.68	0.26	€17.76
Lifetime	Promotion of questionnaires UK 1	Only 2 minutes!	35,556	11	0.031%	0.78	0.24	€8.54
Lifetime	Promotion of questionnaires UK 1	SurveyMonkey Free Online	45,186	14	0.031%	0.70	0.22	€9.82
Lifetime	Promotion of questionnaires UK 1	Student needs your help! 1	206,788	66	0.032%	0.83	0.26	€54.59
Lifetime	Promotion of questionnaires UK 1	Only 2 minutes! 1	241,523	116	0.048%	0.79	0.38	€91.90

(Source: Facebook, 2012)