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# Facebook Strategies for Businesses

*Learning How To Monetize  
The Fastest Growing Social Site*

*WSI White Paper*

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# Facebook Strategies for Businesses: Learning How To Monetize The Fastest Growing Social Site

## Introduction

On February 4<sup>th</sup> 2004, Mark Zuckerberg created and launched Facebook from his Harvard dorm room. What began as a membership site only for students at Harvard University soon grew to accept students from other universities, and then college students, and finally anyone with an email address who was over the age of 13.

Today, Facebook has over 400 million active users worldwide, with the average user spending more than 55 minutes per day on Facebook. It was no surprise that many places of work and education started to ban the use of Facebook as most felt it was distracting their employees or students from their actual work. In fact, parents would prevent their children from going on sites like Facebook as they simply felt it was a waste of time and believed their children only went there to socialize with their friends.

However, with the launch of social sites such as YouTube in 2005 and Twitter in 2006, there was no doubt that these sites were changing the way users interacted online. Businesses began to realize in order to remain competitive and reach out to their customers, they must start engaging in the tools and networks where their audiences are spending a lot of their time. To date there are more than 1.5 million local businesses that have active pages on Facebook.

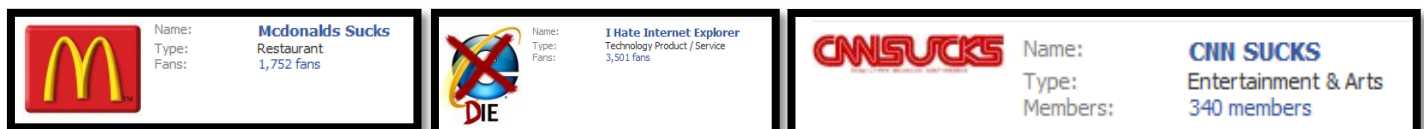
What would it mean to an organization if they had customers talking about their products and services to their friends? What would be the value of reaching out to customers to tell them about your new services or promotions? What would be the ROI on having your brand exposed and built on social sites like Facebook? These are the questions that businesses began to ask themselves – the challenge was exactly how can an organization start to monetize Facebook for business purposes.

## Why Businesses Should Promote Themselves On Facebook

Facebook is not for every business, and most organizations will use Facebook in different ways. First you need to determine if your target audience, your customers, your clients or prospects are even on Facebook. Whether you are B2B or B2C, Facebook can be a platform, which your organization can leverage. Here are some of the different reasons why most businesses should start to engage themselves on Facebook if they have not already.

### Protecting Your Brand on Facebook

One of the biggest fears that organizations have about connecting on Facebook is if people start to talk negatively about them. Why open up a can of worms where people all over the world can have an open conversation, right? The reality is, anyone can create a Facebook Page about your company, or start a blog, or upload a video to YouTube etc. If businesses do not start the conversation, they leave the control up to their customers who might be frustrated, or even competitors that simply want to damage the company's brand. Have a look below at some of the Facebook Fan Pages dedicated to companies in a negative way.



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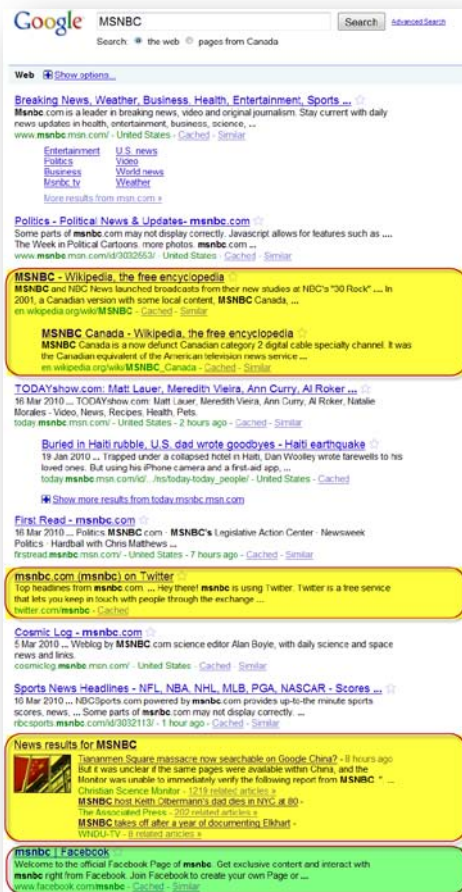
## Protecting Your Brand on Google

Have you ever searched for a company name, brand name or product in a search engine before you made a purchase or decided to do business with that organization? Your online brand is extremely important to monitor and manage. Having one negative listing in the top 10 results of a search engine could be enough to have prospects steer away, leave your existing customers in a state of panic, and damage your brand to the point where business starts to go south.

This is where almost any business online regardless of their product, service or target audience can leverage Facebook. Businesses can use Facebook simply as another landing page to tell visitors about their company. The fact that Facebook is a creditable source, has a high page rank, is updated frequently and has millions of pages and links are all reasons for Google to rank a Facebook Business Page on page one of Google. This is very similar to having your business listing on a site like Wikipedia, which also comes up high in the search results.

Every time you obtain a page one ranking in Google, you push down any of your competitors and negative listings that may be impacting your brand. Combining this strategy with other social sites will allow an organization to dominate page

one of Google for your branded term. For example, if a user was to search for the phrase **MSNBC**, which is a cable news channel in the United States, you can see the areas in yellow to the left that outline social media channels such as Wikipedia, Twitter and Blogs that MSNBC is leveraging as well as their Facebook Page in green.



### Did You Know Facebook Has...

- More than 400 million active users
- 50% of their active users log on to Facebook in any given day
- More than 35 million users update their status each day
- More than 60 million status updates posted each day
- More than 3 billion photos uploaded to the site each month
- More than 5 billion pieces of content (web links, news stories, blog posts, notes, photo albums, etc.) shared each week
- More than 3.5 million events created each month
- More than 3 million active Pages on Facebook
- More than 1.5 million local businesses have active Pages on Facebook

Source: Facebook



### How To Get Your Branded Name on Facebook:

It is important you build your Facebook Fan Page with your branded name such as [www.facebook.com/yourcompany](http://www.facebook.com/yourcompany)

To do this, go to [www.facebook.com/username](http://www.facebook.com/username) once your fan page has over 25 fans and you can reserve a vanity URL for your business.

## Connecting With Your Customers

Since we know the average user on Facebook spends more than 55 minutes on the site per day, businesses really have no option but to use this medium as another channel to connect with their customers. Instead of waiting for your clients to come to your website to find out what is new, why not push the information directly to them on channels where they hang out? You can

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collect feedback, get your products reviewed, receive testimonials, push out promotions, get users to participate in contests, print out coupons; the possibilities are endless.

Take for example Nisim International, a company which is dedicated to solving hair worries, whether you have too much (hair removal products) or have too little (hair growth products). Using Facebook, they were able to grow their fan base to over 1000 fans and start pushing out promo codes in which they can track and measure to see what medium, message, and offer was bringing in the most value. One of their latest promotions was to use the promo code "Haiti" in which users received a 25% discount off their order, and Nisim in turn would have also matched the discount with a donation to the Direct Relief International for Haiti. Within 12 hours, they received 32 new orders specifically for this promotion.



On a bigger scale, Burger King launched a Facebook campaign called the Whopper Sacrifice. They had developed an application and asked Facebook Users to sacrifice

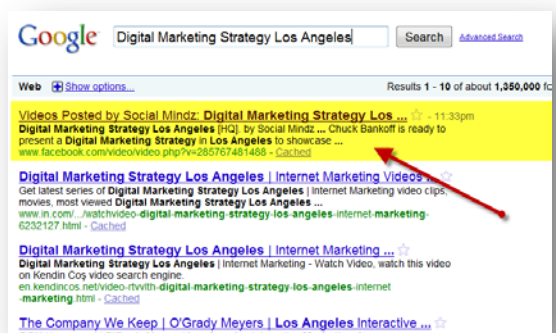
or "de-friend" (delete) 10 of their friends on Facebook and in turn they would receive a free Whopper. The campaign, which had taglines such as "Friendship is strong, but the Whopper is stronger," went viral quickly as each time someone would delete their friend, the application was built to send out a notification to their entire network that they had done so. However, Facebook stated this was against their terms and asked Burger King to remove the application, which they did - but not before 233,906 friendships had already been sacrificed for a Whopper.

## For Optimization Purposes

If Search Engine Optimization (being found on page one for your key phrases) is important to your business, then there is a way to leverage Facebook as well. Apart from having your personal brand name listed on page one of Google using Facebook as previously outlined, you can use the video section inside Facebook to build exposure the same way.

Facebook video is not as popular as YouTube video, but statistics show there are about 260,000 videos uploaded to Facebook each day (Techcrunch). Chuck Bankoff, a WSI Consultant located in Los Angeles, had optimized a video about his services and syndicated the video to various channels such as YouTube, AOL Video, Google Video, Daily Motion and also Facebook. The video was being optimized for the term **Digital Marketing Strategy Los Angeles** – a long term phrase but he wanted to see the power of video optimization. In 24 hours, his video was on page one of Google; however, because the

## Facebook Video Ranking #1 in Google in 24 Hours



## Facebook Average User Figures

- Average user has 130 friends on the site
- Average user sends 8 friend requests per month
- Average user spends more than 55 minutes per day on Facebook
- Average user clicks the Like button on 9 pieces of content each month
- Average user writes 25 comments on Facebook content each month
- Average user becomes a fan of 4 Pages each month
- Average user is invited to 3 events per month
- Average user is a member of 13 groups

## International Growth

- More than 70 translations available on the site
- About 70% of Facebook users are outside the United States
- Over 300,000 users helped translate the site through the translations application

Source: Facebook



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root word Digital Marketing Strategy is competitive (26,900,000 competing sites), all the videos were pushed down to page two or three of Google with the exception of the video that he had uploaded to Facebook. Today, as of March 17 2010, the video on Facebook is ranking #1 in Google for the term **Digital Marketing Strategy Los Angeles** and #2 for the term **Marketing Strategy Los Angeles**.



### How To Maximize Your Video Optimization On Facebook:

1. Name the video file with your keyword phrase – this is one method to indicate to the search engines what your video is about. Example: *MarketingStrategyLosAngeles.avi*
2. When you upload the video, Facebook will allow you to provide a Title and Description of the video, make sure that both these fields have your keyword phrase

## How Can Businesses Promote Themselves On Facebook

The number one reason as to why businesses do not adopt a social media strategy is because of lack of knowledge, according to a survey conducted by MarketingSherpa to small and medium sized businesses in 2009. This is why when it comes to sites like Facebook most businesses do not know where to begin. Depending on the goal of your campaign, below are some of the different strategies on how organizations can make Facebook work for them.

### Facebook Advertising

Facebook Ads allow businesses to reach their exact audience and connect with real customers to your business. For instance, if a business were to run an advertisement campaign on a search engine such as Google, they basically can target their audience by telling Google the following:

- If someone searches for this specific phrase (exact, broad, phrase)
- If someone searches for it in this region, radius

However, what if you wanted to narrow your exact audience even further and target those people who are male or female? Married? Divorced? Over a certain age? This is where social networking sites like Facebook shine as they are able to provide marketers the ability to target these demographics whereas search engines such as Google do not have the data of who is actually conducting the search. As an example, if your target reach is men living in the United States that are married and over the age of 50, there are currently 2,260,940 users on Facebook that fit this demographic.

CM Photographic, a full service photography studio providing engagement, family, children and pet portraits leveraged Facebook Ads, which allowed them to target their exact demographic — 24-30 year old women whose relationship

### Facebook Platform

- More than one million developers and entrepreneurs from more than 180 countries
- Every month, more than 70% of Facebook users engage with Platform applications
- More than 500,000 active applications currently on Facebook Platform
- More than 250 applications have more than one million monthly active users
- More than 80,000 websites have implemented Facebook Connect since its general availability in December 2008
- More than 60 million Facebook users engage with Facebook Connect on external websites every month
- Two-thirds of comScore's U.S. Top 100 websites and half of comScore's Global Top 100 websites have implemented Facebook Connect

Source: Facebook



Original ad placed

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status on Facebook indicated that they were engaged. Over 12 months, CM Photographics generated nearly \$40,000 in revenue directly from a \$600 advertising investment on Facebook. Of the Facebook users who were directed to CM Photographics' website from the ads, 60% became qualified leads and actively expressed interest for more information (Facebook.com)



### How To Maximize Your Ads on Facebook

Remember Facebook is push marketing, more traditional and is different than Google Adwords in which people are actually searching for your product/service. However, the ability to narrow down your exact audience provides an opportunity for you to connect to the right people. The following should be kept in mind when creating ads on Facebook.

1. Visit [www.facebook.com/business](http://www.facebook.com/business) to get started and determine if there is a target audience on Facebook for your product or service based on the demographics you wish to reach
2. Visit <http://www.facebook.com/help/?page=861> to learn more about writing optimal ads, character limits, image size and resolutions, and terms and conditions
3. Always tag your ads using parameters in the destination URL, so you can determine using your analytics which ad copy or image is driving the best results.

### Facebook Mobile Stats:

- There are more than 100 million active users currently accessing Facebook through their mobile devices.
- People that use Facebook on their mobile devices are twice more active on Facebook than non-mobile users.
- There are more than 200 mobile operators in 60 countries working to deploy and promote Facebook mobile products

Source: Facebook

## Facebook Pages

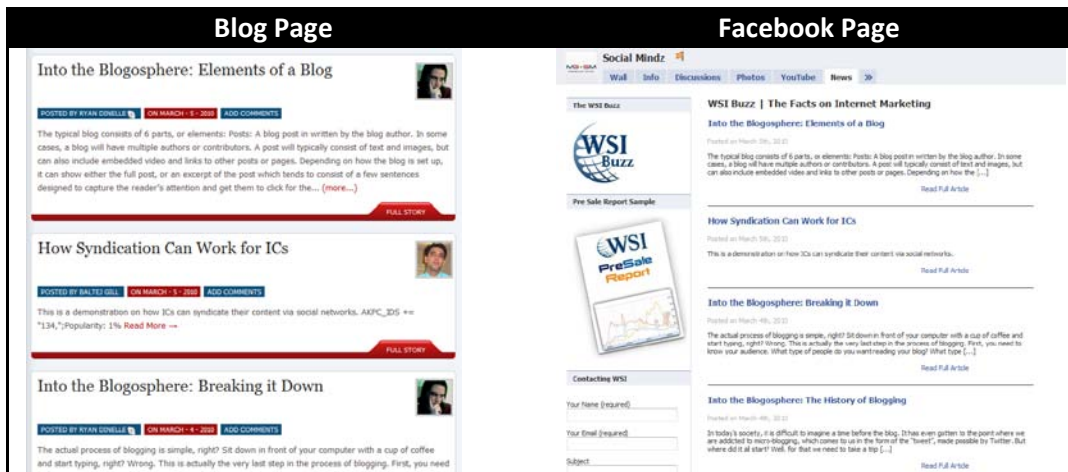
A Facebook Page will allow you to build a business page for your organization, in which you can promote your products and services, connect with your customers and build your brand. One of the main reasons businesses are afraid to build a page on Facebook is because they do not want to mix their personal lives with their business network. So for example, pictures of me at a New Year's party holding 3 beers in my hand might not sit too well or best represent my organization to my business contacts. However, there is a way to completely separate your business page with your personal account. You do need to have a personal account in order to first develop the page, but the privacy setting will then allow you to have control of what information you want users to see and separate your personal and business account.

Once your Facebook Page is created, you can then start to populate it with pictures, images, information, videos that reflect your brand. If you are already on other social networks such as Twitter,

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YouTube or blogs, there are methods in which you can customize your Facebook Fan Page to automatically pull information from those mediums into the Facebook Page.

Below is a sample of how a blog post is configured to go directly into a Facebook Page.



Not only does configuring your social sites (website, blog, articles, press releases, Twitter, Facebook, YouTube) to work with each other save time, it will allow you to get your information out to your valued subscribers no matter which network they are engaged on. Also from a search engine perspective, the more your content gets syndicated, the higher the probability of it appearing directly in the search engine results page.

The image below is from the Budweiser Canada Facebook Page, which shows you can really customize the look and feel of your Facebook Page to reflect your website, landing page, email template or offer.



## Get The Word Out!

Now that you have your Facebook Page, how can you let people know about it? Here are some different ways to promote your Facebook Page to your customers and start the interaction.

1. Send out an email blast to your list letting them know your organization is now on Facebook
2. Place a logo on your website that lets your current visitors know that they can follow you on Facebook
3. Run a contest or promotion as an incentive to get people to join
4. Run a Facebook Ad Campaign targeting your demographics and invite them to join your fan page. Again incentives are great here!

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### Facebook Events

Another way of leveraging Facebook for business purposes is by posting your events directly on Facebook. Let's say for instance that you are running an event and you have posted it on your website for people to register. The goal would be to have users complete the form and register for the event, and after doing so, they might receive an auto responder thanking them for reserving their seat.

Take the same scenario and imagine if you had used Facebook to post your event. Remember Facebook was designed to allow information to be passed through easily amongst friends. So this means if a user decides to attend the event on Facebook, a notification will be posted on their wall (page) letting their entire network know they are attending.

So in scenario #1 where you post the event on your website the user gets an email. In scenario #2 the users confirms their attendance but at the same time their entire network now can see this – which might persuade them to attend as well.

From an admin standpoint, the Facebook Events feature allows you to send a direct message to all the guests you had invited, including those who have confirmed their attendance, declined or have not yet decided/responded.

### Conclusion

The reality is Facebook is not a phase and is here to stay. Businesses need to determine how they can monetize this network if they wish to compete and stay in front of their customers. Facebook can no longer be seen as the site where college students go to socialize about the latest fashion or party – as statistics show the fastest growing demographics two years ago was those 35 years and older, and today it is woman over 55 (InsiderFacebook.com). In fact, 45% of Facebook's US audience is now 26 years and older! Businesses need to consider sites like Facebook as part of their marketing mix; otherwise the risks of not being present can actually open the door for competitive or negative brand exposure. So if you have not already, it's about time to give your online marketing strategy a facelift by joining Facebook!

### About the Author



Baltej Gill is the Search Engine Marketing Specialist at WSI. Graduating from a technical background in Computer Science, Baltej has over 5 years experience in training and educating consultants and organizations on how to leverage Internet marketing in their business. He has held several Internet marketing workshops internationally and trained Internet marketing consultants on subjects such as search engine optimization, conversion architecture, social media and web analytics.

If you have any questions, please email [education@wsicorporate.com](mailto:education@wsicorporate.com).