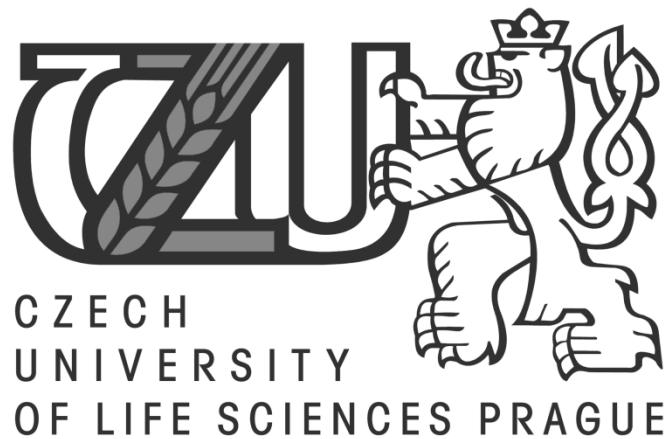


Czech University of Life Sciences Prague

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Bachelor Thesis

The Role of Social Media in On-line Marketing

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Declaration

I declare, that I have worked on my diploma thesis titled “The Role of Social Media in On-line Marketing” by myself and I have used only the sources mentioned at the end of the thesis.

In Prague

.....
Adéla Vlasáková

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The Role of Social Media in On-line Marketing

Role Sociálních Médii v On-line Marketingu

Summary

This thesis tries to assess the role of social media in modern on-line marketing and evaluate different marketing techniques and its success in the social media marketing strategy. Firstly, it describes the basic term, which are in a close relation to the topic. It defines terms such as marketing, on-line marketing, advertising and communication. It presents the main social media, their basic description and use in marketing.

Further, it analyzes a concrete social media brand account on Facebook and its marketing practices and evaluates its success. It focuses on implemented user engagement techniques such as contests and games and the development and growth of its fan base. The thesis describes their main contests since beginning of their operation and evaluates its contribution to increase in numbers of fans. The thesis describes and evaluates their use of advertising campaign to support these contests. It also evaluates their communication skills and techniques based on monitoring of their conversations with fans and their problem solving and therefore the overall relationship between the brand and its fans.

In the final part there is an overall evaluation of social media use in on-line marketing, concluded mainly on the observation and results of the practical example. It also provides a recommendations concerning further involvement in social media and its implementation into the brand's marketing strategy.

Souhrn

Tato bakalářská práce se snaží posoudit roli sociálních médií v moderním on-line marketingu a vyhodnotit různé marketingové techniky a jejich úspěch v marketingové strategii na sociálních médiích. Práce nejprve vymezuje základní pojmy, které jsou těsně spjaty s tématem. Definuje například marketing, on-line marketing, reklamu či komunikaci. Dále představuje některé z nejvýznamnějších sociálních médií, popisuje jejich bázi a funkce obecně i jejich využití v marketingu.

Následně práce analyzuje konkrétní Facebookovou stránku určité značky, její marketingové techniky a hodnotí jejich úspěch. Soustředí se převážně na realizaci a zapojení technik, které zvyšují zapojení fanoušků (například hry a soutěže), a rovněž na vývoj a růst jejich fanouškovské základny. Práce popisuje nejvýznamnější soutěže, které se pořádají již od samého počátku existence stránky, a jejich přínos k navýšení počtu fanoušků. Práce také popisuje a hodnotí jednu z jejich marketingových kampaní na Facebooku vytvořenou k podpoře jedné ze soutěží. Důležitým faktorem pro hodnocení jejich stránky je komunikace a řešení problémů. Faktor komunikace byl hodnocen na základě zkoumání konverzací mezi fanoušky a správci stránek.

Závěrečná část obsahuje celkové zhodnocení založené převážně na zkoumání již zmíněného praktického příkladu. Dále také poskytuje doporučení pro další možný vývoj v rámci marketingu na sociálních médiích a vhodné kanály pro zefektivnění jejich marketingové strategie.

Keywords: Marketing, on-line marketing, targeted marketing, viral marketing, social media, Facebook, marketing strategy

Klíčová slova: Marketing, on-line marketing, cílený marketing, virální marketing, sociální média, Facebook, marketingová strategie

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1 Introduction

On-line marketing is an inseparable part of current marketing mix. It includes websites, search engines, e-mails and social media.

Nowadays, social media is a very important part of peoples' everyday lives. Most of the time people use internet, they spend a large period on the social media, connecting with their friends and interests. It is the basic tool for internet communication and therefore cannot be overlooked. Thanks to development of internet it is much easier to get a hold of current information from everywhere all over the world. In January 2014 74% of all internet users used some kind of social media (Pew Research Project, 2014). Social media is also widely used in marketing, because of its power of influence. Around 90% of marketers use social media in their marketing strategy. They spend a lot of money and effort, while trying to keep up with the pace of customers and the social media evolution. Many of them are not sure about the amount of impact they make and therefore underestimate the power of consistency. By employment of the wrong, or too many different social media, they might lose their original purpose and even harm the company, or its name.

Every kind of social media has a different purpose and impact. Some of them are focused on entertainment, others on sharing pictures, or communication. Social media is considered as the fastest channel for spread of information, especially in crisis situations. According to Internet Live Stats (2014) there are more than 3 billion internet users, 1.322 billion Facebook active users and more than 307 million of Twitter active users in the world. During one day (November 2nd 2014) there were over 165 billion emails sent, 2 million blog posts, 539 million tweets, 6 billion videos viewed and 98 million photos uploaded. The numbers are growing every day and social media might one day become the major way for communication between customers and companies.

2 Aims and Methodology

As companies invest a lot of effort, time and resources the aim of this bachelor thesis is to determine the actual importance of social media in modern on-line marketing. The theoretical part describes different on-line marketing channels and platforms, their brief history and use in current marketing. The thesis also deals with the trend of advergames which is nowadays a very important part of on-line marketing.

The practical part of the thesis focuses on Facebook marketing of the WUNDER-BAUM® brand in the Czech Republic by its sole importer. It observes the marketing techniques and communication with real and potential customers. By the analysis of data based on their marketing techniques such as different contests and events and other important factors the thesis determines the progress since its beginning and therefore its role in on-line marketing.

It might be useful for marketers who are considering the first time employment of social media marketing. It tries to establish the effectiveness of the marketing on each social media platform and its purpose. It might help marketers to decide which social media would be the best for them and provide valuable insights especially concerning Facebook. It will provide useful information, not too complicated even for social media beginners.

In the first part of the thesis, focusing on a literature review, the information is drawn not only from the professional literature, but also from on-line sources due to the current nature of the topic. The information is summarized and systematically sorted to provide basic information and the foundation for the following part.

In the second part the major method used is analysis, conducted on relevant data provided by the major techniques used to monitor behavior on a particular Facebook page. It will mainly be the analysis of statistics from *Facebook Insights* during the page's operation and their evaluation. A comparison of different types of content and contests offered and their success will also be used. A very important part of social media marketing is the communication between the users and the brand which is being closely monitored and observed in this thesis, to assess its efficiency and response time and rate.

3 Literature Review

In this part theses focuses on basic definitions and terms to provide wider picture around selected topic. Because of extent limitations of this thesis it is not possible to describe all aspects, but only the ones that are relevant for this thesis. It provides brief descriptions of these terms and their basic principles.

3.1 Marketing

Marketing is not only about advertising and selling, it is a complicated managerial process, which starts on the complete beginning with an idea, product creation. Although the effective presentation and promotion is an inseparable part of its marketing mix, it consists of many tools working together trying to significantly affect the marketplace (KOTLER, et al., 2010). It was defined as a social and managerial process by which individuals and groups obtain what they need and want through creating and exchanging products and value with others (KOTLER, et al., 2005).

As mentioned in the book called Contemporary Marketing (BOONE, et al., 2010), the two unnecessary skills for marketers are creativity and critical- thinking skills, because today's marketing environment presents many challenges for them to overcome.

On the beginning managers have to implement planning, which is according to Stevens et al. (2013) defined as managerial activity that involves analyzing the environment, the setting objectives, deciding on specific actions to reach the objectives, and providing feedback on results. involves to evaluate the intensity and extent of customer needs and determine the presence of profitable opportunity. The key of a successful product is to offer something more than its competitors. For creation of successful product every marketing manager needs to understand customer needs, wants and demands. The satisfaction of customer needs is very important part of marketing even after the actual creation of a product. The goal of managers is not only to attract new customers, but also to take care of the old ones by rising product appeal, for example: by improving its features or performance according to customer preferences. Marketing helps company to achieve maximum effectivity, viability and defend against competitors on the market.

Marketing mix consists of 4 basic elements:

- 1) **Product**= identify needs and wants of customers, select product with a good potential, asses its quality and create
- 2) **Price**= set price which is customer willing to pay and provides revenue
- 3) **Place**= select distribution channel, the right place with enough opportunities
- 4) **Promotion**= development and implementation of communication strategies, set target customers

Marketing objectives went through a significant development over the last century. As described by Kotler et al. (2010) it started with product- centric marketing so called 1.0 which focused mainly on selling to mass buyers with physical needs during Industrial Revolution, then thanks to information technologies came into action consumer-oriented marketing 2.0, whose goal was to satisfy and retain customers who were now smarter and able to compare different offers. Marketers consider customers as passive targets of their campaigns, but trying to reach their minds and hearts. Now came the new age of marketing, values-driven marketing 3.0. Companies aim to make the world a better place and perceive customers as a whole human with mind, hearth and spirit. They try to satisfy not only their personal needs, but they aim to provide solution of situations in the society. It complements emotional with human spirit marketing. Cosmetic firms, which provide animal-cruelty-free cosmetic products, could be considered as a great example of this type of marketing. All this is possible mainly through so called new wave technologies.

The evolution of new wave technologies such as social media helps people to turn from pure consumers to prosumers, who are consumers somehow contributing on development, creation, or design of a product (GUNELIUS, 2010). They are the key influencers and have to be taken in the account by businesses. This is the reason why is social media so important in current marketing, because the opinion of consumers' matters.

3.1.1 Communication

Communication is a very important part of marketing. Poor communication may result in loss of customers, or prevent people from becoming customers. According to Foret the communication is a process of sharing, transferring and exchange of meanings and values, not only in the area of information, but also the manifestations and results of behaviors as different products offerings and customer reactions to them (FORET, 2011). The presentation of products, brands and its manner sends certain signals to the customers and therefore helps to create decision of purchase.

Foret also mentions seven fundamental principles for successful communication.

- 1) Credibility
- 2) The right choice of time and place
- 3) Comprehensibility and value of content and its relevance for both
- 4) Clarity
- 5) Consistency
- 6) The right choice of channel
- 7) Knowledge of the recipient and adaptation

All these principles are very important in communication through any channel possible. They have to be adapted to the situation as well as the environment of the channel used. For example the environment on social media is more relaxed and therefore the communication less formal.

3.2 On-line Marketing

On-line marketing began to spread with the expansion of internet availability in the world. It started around 1990's. Currently, the internet connection has around 40% of the world's population. It was less than 1% in 1995. Since 1999 the number of internet users increased more than ten times. In 2005 the amount of active internet users reached the first billion, the second was reached in 2010, and the third billion was reached in November 2014 (Internet Live Stats, 2014). Nowadays online marketing is a big part of marketing

mix and almost no marketer can imagine their work without it. On-line marketing is not only the application of basic principles of traditional marketing in internet environment, but requires a completely new approach. On-line marketing uses e-mails, web pages, search engines and social media. Myšák (2014) indicates a further division we can see in the Figure 1 below.



Figure 1 Division of On-Line Marketing
 Source: Recreated by author (MYŠÁK, 2014)

Its main advantages are:

- Easier penetration of new markets
- Wider customer reach
- Access at any time
- Cheaper than traditional
- Fast transmission of information
- Communication and interaction
- Personalization of approach
- Better customer service

- Immediate customer feedback
- Short response time
- Easier targeting
- Analysis of customer behavior
- The future internet possibilities

Although the on-line marketing has many advantages, there are some disadvantages as well:

- Technological dependency
- Security, privacy and therefore customer mistrust (mostly payment)
- Mistrust of customers because of frequent frauds on the internet, spam
- No- touch buying (partially solved by return guarantee)
- Cash on delivery does not guarantee the actual purchase
- Easy for everyone to copy design, logo, etc.

3.2.1 Target marketing

Target marketing is marketing directly to the group of people for whom is the product intended, not only to general public. Target marketing provides more efficient way to market without wasting resources for non-likely to buy people. It helps to increase percentage of buyers and therefore marketing efficiency.

The sorting of an audience is available for example by Google AdWords, or Facebook Ads. Every marketer can choose their target group according to their gender, age, location, interests, etc.

3.2.2 Viral Marketing

Viral marketing is a marketing technique whose goal is to spread a marketing message very fast. It grows exponentially by sharing on social media and can reach huge amounts of people in short time. The name suits the concept. It spreads exactly like a virus. According to Egan the main advantage of viral market is that the people who share the content become part of marketing team for no payment at all (EGAN, 2015). In viral marketing is very often used entertaining, social or a free component. Free component

means the offer to get something for free, which is very appealing and increases the chance of sharing. Also it often uses common behavior and motivations of general public or tries to elicit emotions. According to a Dr. Wilson, there are six basic elements every marketer hopes to include in their strategy. A viral marketing strategy need not contain all these elements, but the more elements it embraces, the more powerful the results are likely to be (WILSON, 2012).

1. **Offer a free products or services-** tend to attract people
2. **Enable easy sharing with other people-** often by social media
3. **Easy scalability, replication**
4. **Take advantage of common behaviors and motivations-** .e.g. desire to be popular
5. **Use existing communication networks-** the larger persons network, the larger and faster spread of the message, encourage sharing
6. **Take advantage of others' resources-** place on others' websites

Other marketers agree on another very important factor the use of social factor to elicit emotion, to be unexpected, or tied to current events. All of these techniques and factors might help to increase traffic to the page and increase brand awareness among people. The virality is the ultimate goal of each marketer. Janouch (2014) sees the biggest threat of viral marketing in the even faster spread of negative message, which can severely harm the brand image.

3.2.3 Advertising

Advertisements help to promote events, brands or products and to lead customers to company's official social media sites and to their website. Advertisement is able to acquire fans and customers, but their retention is solely based on the quality and relevance of content on landing page provided by the marketers. Before employing an advertisement it is essential to determine its possibilities and desirable goal. There are many different types of advertisements, but this thesis focuses mainly PPC campaign and advergaming, because of their wide usage in social media environment.

3.2.3.1 PPC Campaign

According to Janouch (2014) few years ago the PPC (Pay Per Click) meant the revolution in on-line advertising. It was mainly because of its relatively low cost and exact targeting. It is considered as one of the most successful advertising techniques on internet. Thanks to the possibility to be linked to search engines with keywords, it has a high probability to acquire new highly interested visitors and therefore potential customers. Search engines view not only the natural results, but also the advertisement. People often do not distinguish between the two and therefore click on the first link to appear in the search.

PPC is a type of advertising which is focused on attraction of high number of customers and fans. It can be also focused on the page visits, which is mainly used, when the page sells an advertising space. In this type of PPC campaign is most important to monitor relevant visits: their length, number of similar pages visited and people's return rate. Other possibility of their conception is based on the actual conversion.

Its main advantages mentioned by Janouch (2014) are:

- Payment for the actual visitor
- Exact targeting
- Campaign under complete control
- Easy success evaluation

There are many different PPC systems among the most widely used belong Google AdWords, Microsoft Bing Ads, Yandex Direct, Facebook Ads etc. According to Bednář (2011), Facebook focuses mainly on two types of advertisement payments, CPM (Cost Per Thousand) and CPC (Cost Per Click). CPM is usually used for propagation based on picture, because it is counted by impressions (displays) and CPC is more suitable for actual selling. The most important part of these kinds of advertising is the setting of a daily limit and maximum cost willing to pay per unit. The cost willing to pay and the actual cost are two completely different things. Many advertisers set their bids on costs of advertisements containing the same keyword and higher bid results in higher reach. The actual cost is usually much lower. The Google AdWords in some cases also offers a CPA (Cost per

action), which enables to pay only for the actual purchase of customers, so called conversion.

It is possible to set daily, or monthly budget and therefore there is no danger in unexpectedly high cost. When creating a campaign, PPC systems is able to evaluate keywords, their expected success, reach and suggest recommended budget. It is possible to set many different aspects in the campaign such as graphics, demographics, country limits, or the viewing of the advertisement on specific days of the week, or time of the day. PPC campaign is often used to promote advergaming.

3.2.3.2 Advergaming

Advergaming is a type of marketing through games. It is not just in-game advertising, which can be also part of it, but it is marketing by the game itself. It provides to each user personalized experience. It provides much higher level of engagement and therefore brand recognition and intention to buy. Nowadays this tool is often used to build a community on social media platforms.

The games can be relatively simple and easy, but nowadays are often getting more complicated to engage users even longer and to come back. It is not enough just to create a game, it has to be supported by other marketing techniques. Correct promotion of the advergame can result in its virality. Each advergame should be at least partially related to the particular product or brand to enforce its recognition and appeal, but on the other hand it never should be too commercial. It should always correspond with the brand image and represent its identity and ideals.

Lately the trend is moving game experience from single-player to multi-player games on a community based platforms (BOLAND, 2009). On the beginning users played only once and then left, but currently it is about coming back and can last for several months. The social media platforms help to spread the game virally, attract and retain users e.g. potential customers. More and more often is also used their integration as a mobile applications, to broaden the user's involvement. The opportunities for marketers within the advergaming are very broad and effective, for example the M&M's created a game and experienced click-through rate of 90%. Usually the games take 10 to 15 minutes and more than 60% people come back to play more. Many people mistakenly thinks, that games are

only for young people, it is not true, because it is often focused on older audience, by games such as solitaire.

In the article by Joe Boland (2009), Ferguson recommends the following practices:

- Better to be designed by professional
- It has to match the brand identity and ideals
- Has to be attractive to users
- Entertaining or educational- positive association
- Support and promote it by other marketing techniques
- Allow to be placed on third party sites to support virality
- Create scoreboards to enhance experience
- Reuse the game by changing a message within
- Possibility to create mobile version for further reach

3.3 Social Media

The social media is a very fast changing phenomenon and therefore a little difficult to define. According to Safko and Brake social media refers to activities, practices, and behaviors among communities of people who gather on-line to share information, knowledge, and opinions using conversational media (SAFKO, et al., 2009). Sometimes is the internet itself considered as a social media, because it was the first many-to-many communication channel and is the base for the rest of them.

Nowadays the social media are an important part of on-line marketing. 92% of marketers indicate, that social media are important for their business and 80% says, that social media has increased website traffic for their business (STELZNER, 2014). They are able to connect all the other channels together and by cooperation to improve their performance and impact. As we can see in the Figure 2 below, currently social networks uses more than 2 billion of people and is estimated to reach 2.5 billion in 2017. Many of them use social media in their everyday life. Either to connect with friends, companies whose campaign or product attracted them, or have certain appeal, to search for products, actual on-line shopping or many other possible reasons.

”It is all about enabling conversations, you cannot control conversations, but you can influence them” (SAFKO, et al., 2009).

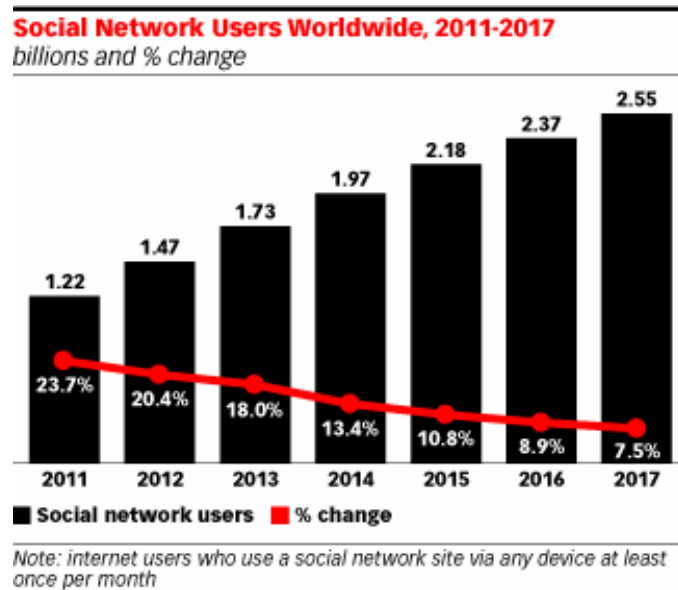


Figure 2 Social Network Users Worldwide, 2011-2017
Source: E-Marketer, 2013

When using social media for company you have to consider if the actual social media platform enables you to communicate, collaborate, educate or entertain the customers in the most effective way. Social media is not about the content itself, but it is about the way in which consumers of content are connected and about the conversations that results (EVANS, 2008). Communication is the most important part of marketing weather it is conducted through several social media or simply by email. Collaboration is another marketing tool realized by large discussions and public participation on content. Another goal of some companies can be to educate either customers or employees which is possible for example by educational videos on You Tube, which is also a very good channel for entertainment. The engagement may be in a form of text, photo, video, audio, virtual environment, or combination of a few to create as large impact as possible

Social media have a few things in common. The content has to be cared for, maintained and upgraded, if not, it will lose its supporters. Los of supporters’ means failed marketing strategy and might be quite difficult to regain.

Social media can be divided in many different ways. According to Kotler et al. (2010) social media can be divided in two main categories. One is expressive such as Blogs, Facebook, Instagram, Twitter, You Tube and other social networking media and the other is collaborative such as Wikipedia, eBay or Craigslist. The other method may be

division by their primary function. There are blogs or microblogs (Twitter), already mentioned collaborative sites, social networks (Facebook, LinkedIn, Myspace, Google+), content communities (YouTube, Pinterest, Instagram), or virtual worlds (Second Life). Next to these there might be further division according to type of content to photo sharing (Instagram, Pinterest, Flickr, Picasa), audio (iTunes), video (YouTube, Google Video), gaming (World of Warcraft, EverQuest), search (Technocrati, Google Search), interpersonal (Messenger, Skype), and aggregators (Reddit, Yelp). There are many more subdivisions which are for purpose of this thesis not necessary to mention.

This thesis focuses mainly on one part of the basic division, the main expressive social media and their role in the on-line marketing. On the contrary of public opinion, that social networking sites are used only by youngsters, they are used by quite a large proportion of people over 65 years old. (See Figure 3)

Who uses social networking sites

% of internet users within each group who use social networking sites

All internet users	74%
a Men	72
b Women	76
a 18-29	89 ^{cd}
b 30-49	82 ^{cd}
c 50-64	65 ^d
d 65+	49
a High school grad or less	72
b Some college	78
c College+	73
a Less than \$30,000/yr	79
b \$30,000-\$49,999	73
c \$50,000-\$74,999	70
d \$75,000+	78

Pew Research Center's Internet Project January Omnibus Survey, January 23-26, 2014.

Note: Percentages marked with a superscript letter (e.g., ^a) indicate a statistically significant difference between that row and the row designated by that superscript letter, among categories of each demographic characteristic (e.g., age).

PEW RESEARCH CENTER

Figure 3 Who uses social networking sites
Source: Pew Research Internet Project, 2014

3.3.1 Blogs

Blogs are one of the most basic social media. Their basic concept is a journal posted on-line which was possible to do since 1994. Originally it was only a part of regular site, but it was quite difficult to maintain without appropriate technical knowledge. It started to spread in 1999 (ZRELLA, 2010). Nowadays anyone can create their own blog thanks to much more user-friendly blogging sites as Live Journal, or in the Czech Republic Blog.cz. Bloggers upload articles called posts, which is possible to comment by public. Comments help to get valuable feedback and build a community. In the side bar is usually the *blogroll*, which is a list of links to different blogs which the particular blogger likes. Another way how to connect two different blogs and attract more readers is to *trackback* two articles usually about the same topic. One blogger lets the other one know that he mentioned his article in his own. By doing this the blogger leaves his *link* in a comment of the article that interested him and that might lead some readers of that article to his own. People can also *subscribe* to a blog which they like and get notification about its news often by email.

Blogging is perfect for marketing purposes, because it is possible to connect with basically every other social media. For successful blogging the blog has to look professionally and has to have an interesting content. The content also has to be added regularly in order to keep readers interested. For companies blogs should not present only official corporate text but more personalized information about interesting events or news. The blogging is not suitable for everyone. They have to have a lot to say not just present the products. For example Samsonite Company very successfully implemented blogging into their marketing strategy by employing well known fashion bloggers, who travel with Samsonite suitcases all over the world, write about it on their blogs and also provide valuable material to post on all other social media channels.

With the emergence of new social media and networks its usage by companies declined, because it was viewed to be more efficient to post more often, shorter post and more flexible in communication. However, based on data provided by Stelzner (2014) in his report, up to 68% of marketers plans to employ blogging into their marketing strategy again.

3.3.2 Facebook

Facebook is nowadays one of the most popular social media network. It was founded by Mark Zuckerberg in 2004. Originally it was meant only for Harvard, then other Ivy League schools and since 2006 for everyone with email address older than 13. Facebook's mission is to give people the power to share and make the world more open and connected. People use Facebook to stay connected with friends and family, to discover what's going on in the world, and to share and express what matters to them (Facebook Official Page, 2014). Currently the Facebook has 890 million daily active users and 1390 million of monthly active users (Social Balkers, 2014).

The most important part for personal use is to create a *profile*, where are written basic information as contact information, education, employment, date of birth, interests, hobbies, etc. Thanks to the possibility to set various aspects of account as private or public, to determine who can see the information the user posts, it provides the possibility to connect with friends, relatives, coworkers, or acquaintances, which can be sorted in different groups and sort the content which is shown to them. All connections are called *friends*. People can connect to pages of products, or companies by *liking* or *following* their page. Then they have a full access to their activities. The new posts can be show in their *newsfeed*, which is a list of recent activities of friends and liked pages The newsfeed can also be set by the user to prevent certain things from showing. Users can set private or public messages, post *statuses*, photos, or videos which is possible to *tag* and comment. Tag means link to the other people profiles or pages, for example a person pictured in the photo, they get notified when they are tagged and can untag themselves if they wish.

Companies usually create a public profile, *page*, which looks very similar to a personal page, but it contains important information about the company, contact information and basic facts as products, features, mission, or vision. They do not accumulate friends, but *likes*. Its purpose should not be only about selling, because people often do not like to see too promotional post in their newsfeed, or on the page. It has to have content that is interesting to the fans to keep them attracted. Pages can create events which are included to their page, or completely separate, post videos, pictures, create contests, create their personal applications as advergames to attract and keep their fans. They have to aim at engaging people in their activities.

Facebook is very important channel for direct communication with real or potential customers, answering their questions and solving problems. More and more often is Facebook the first place where people look, when searching for a company, or a product. It has many other useful features, which will be further described in the Analytical part of this thesis.

3.3.3 Twitter

Twitter is probably the most popular microblogging site. This increasingly prevalent trend's value lies in its portability, immediacy and ease of use (SAFKO, et al., 2009). Post on it can have a maximum of 140 characters. It is very popular probably mainly because of celebrities presence and easy connectivity. Although it was built in March 2006 its popularity started to boom in the first half of 2009. It is very good media for companies to be on, because they can promote their blog posts, products, or events. Its main advantage is, that it is not very time consuming or challenging. It is often used as a supplement for blogs and other media. It can inform in short about the newest post on their blog or social media. It is much easier to write two sentences, than to write an entire article therefore the person responsible for content is not pressured, he can send update any time something interesting comes to his mind, or something unusual happens. The company can also present some short general information about themselves in section called *bio*. The goal is to attract *followers* to read posts which are called *tweets*. The followers can reply by adding *@username* of the author to their tweets, and it will show in the person's replies tab. A very useful thing is *retweeting*. Retweeting allows reaching wider audience, the followers of the one who retweeted the post and so on. There is also the possibility of direct message, but only to the ones following you.

A very useful feature of twitter is called *trending topics*. Twitter has developed an algorithm that tracks mentions of words and phrases and highlight those that are the most talked about at any given time (ZRELLA, 2010). It shows in what the community called *Twitosphere* is currently interested.. *Hashtags* are another tool for user to indicate the topic of interest by inserting £ or # before a particular word for example *#fashion*. It adds other metadata and context to tweet so it can be easily categorized and found by subject matter. The user can also use *Twitter search* which allows finding people who are talking about,

who are usually good to follow. Because links are very long and tweets very limited in length the Twitter also provides URL- shortening service as *bit.ly*, which also allows counting number of clicks.

Whereas the twitter is mainly self-policing the users are fortunately able to keep the spam at minimum by reacting and unfollowing the spammers. Also mostly there is no sponsored or corporate advertising which usually helps to eliminate cost of maintenance.

The downside of microblogging is that people got used to post every ordinary thing about their every-day lives, which might lead to information overload of people with a large number of people they follow and therefore their inefficient managing of content and processing.

3.3.4 LinkedIn

LinkedIn is social networking site which enables people to connect with people on a professional level and therefore to find suitable employees or employment usually based on recommendations. It was founded in 2002 and launched in 2007 (SAFKO, et al., 2009). The users of this network were originally mostly university graduates, middle-aged, people with high positions with an average household income over \$110,000. Now the average age of users is getting lower because of increased use by young graduates.

LinkedIn is the most restrictive social media in terms of customization and integration (ZRELLA, 2010). People create profiles with their professional experience and skills and connect with others. It does not enable to share any pictures except profile pictures. Primarily users connect with people who they know personally, secondarily, the people who know the people you know, thirdly, the ones they know and so on. LinkedIn allows users to connect with people they do not know but only through people who they do know. This system protects the privacy of users and enforces trust and integrity within. It helps people to connect with people they would not normally meet. LinkedIn also implemented a feature called Answers which allows posing questions to the entire community. Also there is the possibility to create groups, where people can discuss particular topics.

In general it is mainly about the networking on professional level and therefore provides more serious and professional audience, usually with higher education and income.

The advantage is, that users usually stay up to date with current information and you can search for people you met in the past, or the right person in the company you need to contact. Advertisements on LinkedIn reach business professionals using target marketing techniques and factors such as gender, position or area of specialization.

3.3.5 You Tube

You Tube is the most popular video sharing site. It started in 2005, now it is the third most visited site on the internet (ZRELLA, 2010). The user accounts are called *channels*, uploading is free and accessible to all. Creators of these videos might be professionals, semi-professionals, or complete amateurs who are trying to make something fun, interesting or educational.

Firstly the user has to choose a username which will determine its channel's URL, pick the name of the channel and fill-in a general description. There is also the possibility for viewers to comment and like video, so the creators can easily know what people think and respond appropriately. The company creates a page where it gathers all its videos and which people can subscribe to.

Video sharing is one of the most effective ways how to build company's portfolio and attract potential customers. Companies can allow anyone to *embed* their video, copy HTML code and post to someone else's site. Companies should encourage it to enhance its spread, popularization and virality. There is an immense amount of data loaded on this page every minute. It might be very useful if you manage to create a video so entertaining or interesting, that you will get thousands of *views* and *shares*. As example that is often mentioned is the case of Blendtec Company which created many videos called "Will it blend?" In these videos its president blends different ordinary things in a new food blender, one of the most successful was an iPad with more than 17 million views. The company reported 300% rise in sales. A company can also place advertisements on videos whose owners get some revenue from this, or on the other hand let other people place commercials on their videos. There is also the possibility to subscribe to a particular channel which allows easy access.

3.3.6 Instagram

Instagram is a photo sharing media, originally used only through mobile devices, but now it is possible to use through web as well. It was founded in 2010 and acquired by Facebook in 2012. According to E-Marketer Instagram currently experiences faster growth than any other social media. In the US it has more than 64.2 million users and is expected to reach 100 million in 2018 (E-Marketer, 2015). Instagram currently has more than 300 million users in total.

It provides brands the ability to reach an engaged audience, deliver messages in focused visual experience, and publish content in a creative, high-quality environment (Instagram for Business, 2015). Its main purpose is to connect people through pictures. Take a picture, use provided filters to give it more interesting and professional look and instantly share with friends, or public. Pictures on Instagram are usually hashtagged to provide easier identification of content for search. People can set their privacy according to their preferences and nature of the content. Similarly as on Twitter people gather followers and follow people and brands in which they are interested. It is possible to download this application for free for example on Apple App Store, or Google Play.

As said in article on Facebook for Business (October, 2014) brand building on Instagram should convey the lifestyle, heritage and identity of a brand to build affinity over time. The high creativity is required to gather followers.

Instagram is a great photo sharing application. It can be shared on many other social media for example Facebook and Twitter. This helps to connect different social media even further and therefore reinforce marketing strategy and brand perception.

4 Analytical Part

In this part the thesis focuses on WUNDER-BAUM® Company, its brief presentation and history, but mainly on their marketing techniques and their success on Facebook in the Czech Republic. It presents its main campaigns on Facebook and their success evaluation. It will be analyzed with the help of Facebook Insights and data it provides.

4.1 History of WUNDER-BAUM®

This American company was founded in 1952 by pharmacist Julius Sämann, in the state of New York on request of a milk man who was bothered by smell of spilled milk in his truck. Julius Sämann thought of the smell of a pine woods in Canada, his homeland, and created the first signature CAR-FRESHNER® by application of scented oil to the special material in the shape of a tree and named it *Royal Pine*.

In 70's the Tree became popular worldwide. Even though in different countries they are called differently, in United States, LITTLE TREES®, in France, ARBRE MAGIQUE®, or in Germany and the Czech Republic, WUNDER-BAUM®, there is no doubt that the name contains the same thing. Currently the company presents more than 30 different scents and designs not included temporary limited editions. (Appendix: Picture 1 WUNDER-BAUM® products) The most successful is vanilla scented tree, created in 80's, called *Vanillaroma* which even surpassed the original tree, the *Royal Pine*.

Their Facebook page was started on August 14, 2012, and up to this day managed to gain more than 10.5 thousand of likes. Their supporters are mainly from Prague and between 18-34 years of age. Considering the time interval and limited audience reach it can be evaluated as a huge success.

Their active participation on Facebook begun on their 60 years' anniversary in September, 2012 with a contest called "Tree to the tree and the scooter is yours".

4.2 Guidelines and Rules

When creating an online presence on Facebook each company has to meet at least two sets of requirements and terms: Facebook's and brand's itself. These rules are very important because they set the environment and its positioning.

4.2.1 Facebook guidelines

Facebook has a many different sets of terms. They all should be read before setting up a page, or creating advertisements. There are terms for every aspect of Facebook which can be included for example in Facebook Pages Terms, Facebook Advertising Guidelines, Statement of Rights and Responsibilities, Self-Serve Ad Terms, Promotions Guidelines, Facebook Brand Resources and more. Everyone needs to comply with these rules to avoid Facebook intervention and possibly shutting down of their page or application.

The guidelines contain requirements for content, accuracy (relevance), attribution, community standards, privacy and others. All of them can be reviewed when clicked on terms located on very bottom of Facebook page.

4.2.2 WUNDER-BAUM® brand guidelines

When implementing a social media in marketing strategy certain requirements set by the brand itself have to be followed. For WUNDER-BAUM® there has to be displayed the following statement: The Tree design and WUNDER-BAUM® are trademarks of Julius Sämann Ltd. © 2013 by Julius Sämann Ltd. As for the content post by the distributor it must not be offensive or depict the Tree in any way, to be in conflict with the product usage instruction for example ingesting, touching skin, or be in a close proximity to children. The distributor is also responsible for the content posted by public. Although the rules are more relaxed for user content it definitely must not be offensive and is up to distributor's responsibility to evaluate its potential harm to the name of the brand.

4.2.3 General rules for participation in a contest

Every contest and game needs to have rules. Without rules a company could get in problems, even a lawsuit. The rules are applied to all different aspects for example it clearly states, that the organizing company has a right to drop the game in case of serious reasons without need to compensate the contestants. Also there is a mention about unfair and unlawful practices of contestants which can result in their disqualification. The agreement with processing personal information is a very big part of all agreements on internet and all contestants has to be aware of them. It is not possible to demand the prizes by lawsuit. According to Facebook rules there also has to contain a statement that this contest has nothing to do with Facebook itself, Facebook Ireland Ltd. nor Facebook Inc. These rules should be created with the cooperation of a certified lawyer to be sure it covers all aspects and avoid possible legal responsibility and lawsuits.

4.3 When to post?

When to post is a very important question. To decide on this we first need to know on what parts of a day are our users active in order to reach as many people as possible by each of our post. If it is posted in a wrong time it might be completely overlooked due to the load of data which will be displayed after that post.

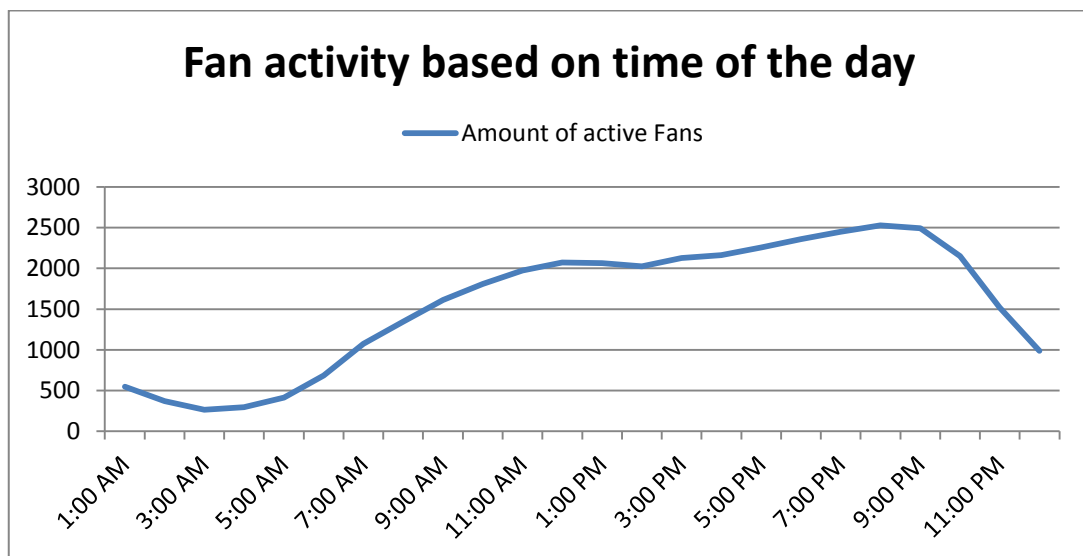


Figure 4 Fan activity based on time of the day
Source: Recreated by author (Facebook Insights)

As we can see in the figure 4, on WUNDER-BAUM® Facebook page are users the most active between 8 and 9pm. However, it looks like that many users are also active during the day, probably while at work. Those are the right times to post in order to have the highest reach and response possible.

The Facebook and other social media networks are not the same as web pages or blogs, where is timing not that important factor, here, the timing is everything. The person responsible has to adapt to users behavior and post or react when it is appropriate, not only when he gets a time. All the information has to be up to date and response immediate.

4.4 What to post?

What to post is a very important question to pose when preparing social media strategy according to the Figure 5 below, which was created based on data provided by Facebook insights the most successful post for WUNDER-BAUM® is a video. Although is video the most challenging to create it has the highest reach of audience, which is very good, because it might result in higher rate of likes or comment. With the other types of posts the reach dramatically declines. However, this particular brand does not create many videos, they use mainly pictures. The posts might be promoted by Facebook, but that is not a very cheap solution.

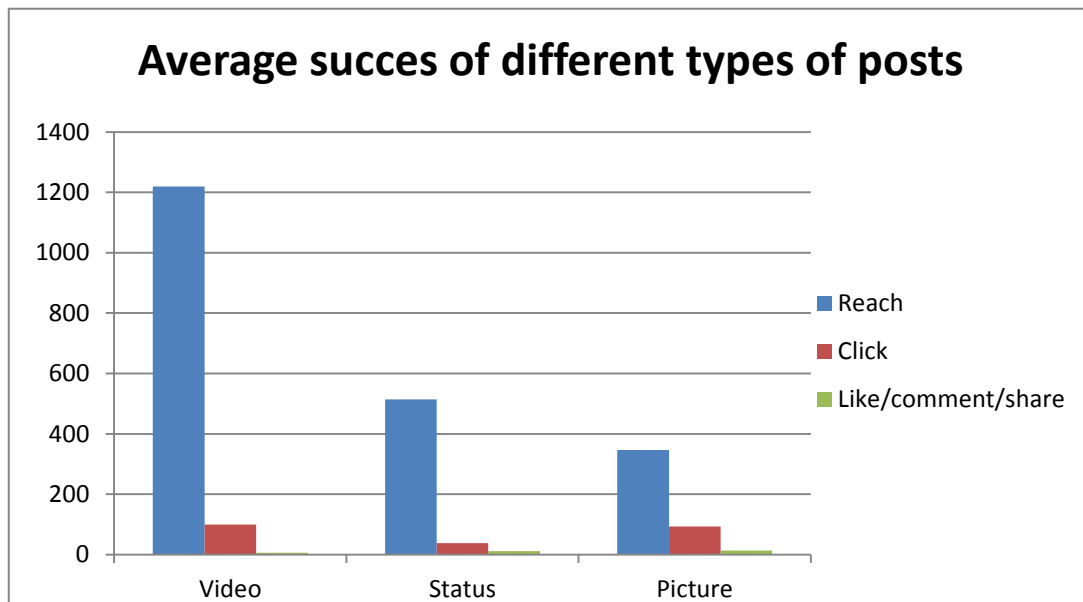


Figure 5 Average succes of different types of posts
 Source: Recreated by author (Facebook Insights)

4.5 What is an organic reach and why it does not include all the fans, or friends?

Organic reach is the number of people who can see a page's post in their news feed. With the increasing number of people likes and friends the organic reach declines. According to Brian Boland (2014), the leader of the Ads Product Marketing team at Facebook there is a big drop in organic reach compared to the previous years, especially after the change in Facebook rules in November 2014. It aims to eliminate Spam and too promotional content, which results in exclusion of many brands' post from people's newsfeed (Facebook for Business, 2014).

The Facebook sorts the posts displayed in each users news feed according to assumed preferences and relevance. It has to be done, because without sorting the average Facebook user would have to be displayed around 15 000 posts a day, which would lead to missing out on relevant posts and therefore overloading and inefficiency of news feed and users' dissatisfaction. The main issue here is, that Facebook assumes, that users are more interested in pages and posts their friends liked or commented on, than in their own, which does not have to be necessarily true. WUNDER-BAUM® brand Facebook page with a five and half thousands of fans reaches by each post reaches 150-350 people and often much less. The reach before the change was at least four times higher.

It can be helpful to encourage fans to click on button "get notifications" to include brand's posts in their newsfeed. That might help to increase an overall reach.

4.1.1 Tree to the tree and the scooter is yours

This was the first of the yearly games with valuable prizes, which started out their successful Facebook campaign and gained a significant amount of likes. It was a pexeso based online game, which goal was to find all matching pairs of the same WUNDER-BAUM® ® Trees as fast as possible. This game earned them the first two thousands of likes. It became very popular very fast, because it contained an element of virality. It did not attract people only because of the valuable prizes, but also because of a simple, undemanding entertainment.

(Appendix: Picture 2 Visual of Tree to the tree and the scooter is yours)

Time period: 20.9.2012- 21.12.2012

Rules: The player has to register for the application.

The goal is to match pairs with the same picture as fast as possible by clicking on the picture which the user wants to turn over.

Budget (approximated):

Creation of application: 70 000 CZK

Prizes: 150 000 CZK

Marketing support: 1 000 000 CZK

Prizes:

Main prize: Overall best score-scooter Piaggio

Monthly prize: 1st ranked- iPhone 4S

Other prizes: Mountain bikes, Headphones, Trees

Placing: external microsite, created by a specialized company

Visitors: 10 685

Unique visitors: 4 388

Page views: 15 818

Average visit duration: 00:03:02

Total number of page likes acquired: 2435

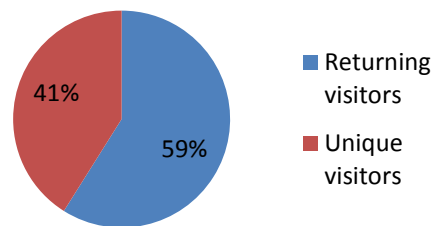


Figure 6 Visitors
Source: Google Analytics

As can be seen in the figure above, the game successfully attracted players and even manage to convince a high percentage of them to return.

This game was supported by the biggest and the most expensive marketing campaign in the history of Czech branch of WUNDER-BAUM®. It included many traditional marketing activities such as in store POS materials, hostess promotion and product sampling in stores and during social events as concerts in O2 Arena, but also by the Facebook advertising campaign. There was registered a significant increase in users after the launch of supporting PPC campaign on Facebook which was launched on November 8th, 2012 (Figure 7). This advergaming created a solid fan base.

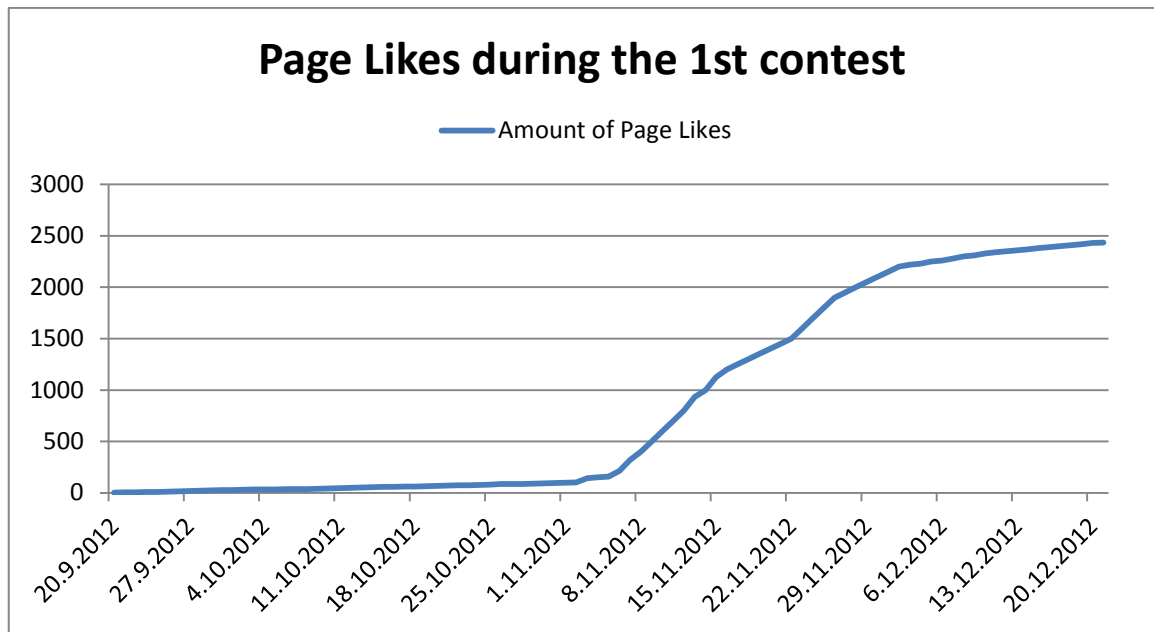


Figure 7 Page Likes during the 1st contest
 Source: Recreated by author (Facebook Insights)

4.1.2 WUNDER- BAUM puzzle

This game was another simple online game similar to the one before, yearly game for 2013. It was a puzzle where every player was supposed to assemble a picture as fast as possible. This game was also very entertaining, but it did not help to acquire as many fans as was originally expected.

(Appendix: Picture 3 Visual of WUNDER-BAUM Puzzle)

Time period: 1.10-30.11.2013

Rules: The player has to be signed in via Facebook account.

The player has to become a fan of the page.

Accept to provide an email address to process the results.

The goal is to assemble a Tree picture as fast as possible by dragging pictures with the mouse.

The player can share the results.

After the Nick name is filled in the ranking is provided to evaluate the score.

Budget (approximated):

Creation: 80 000 CZK

Prizes: 7500 CZK

Marketing support: 15 000 CZK

Prizes:

Main prize: Overall best score- iPhone 5

Weekly prizes: 1st Tesco 500CZK voucher

2nd and 3rd Exclusive WUNDER-BAUM® package

4th and 5th WUNDER-BAUM® package

Placing: Facebook application

Total number of likes acquired: 427

Thanks to this game the number of page likes increased from 2 433 on the beginning to the 2 860 after its end (Figure 8). Although, it is not as much as the game before it can be considered as quite good, taking into account it was not supported in any other way than by PPC campaign by Facebook AdWords, with quite low set daily budget.

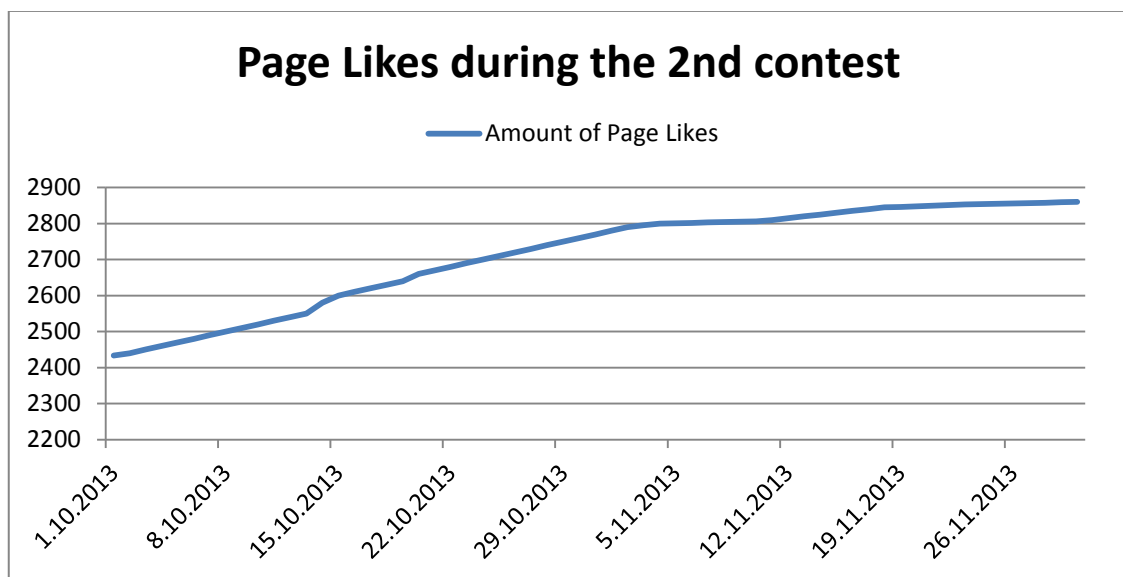


Figure 8 Page Likes during the 2nd contest
Source: Recreated by author (Facebook Insights)

4.1.3 Discover Czech Republic with the tree

This contest was much smaller, than the ones presented before. It was conceived more like a smaller game in mean time between bigger contests. It was meant to keep the fans interested and maintain their support. WUNDER-BAUM® posted on their Facebook

page several pictures of monuments from different places and people had to send their correct location in private messages.

(Appendix: Picture 4 Visual of Discover Czech republic with a tree)

Time period: 22.8.-22.9.2013

Rules: Send guess for photo location in private messages.

The winning were the first three correct answers.

14 pictures posted in total

Budget (approximated):

Creation: 6 000 CZK

Prizes: 1400 CZK

Prizes: 1st-3rd - 3 Trees

Placing: Facebook timeline

Number of likes acquired: 110

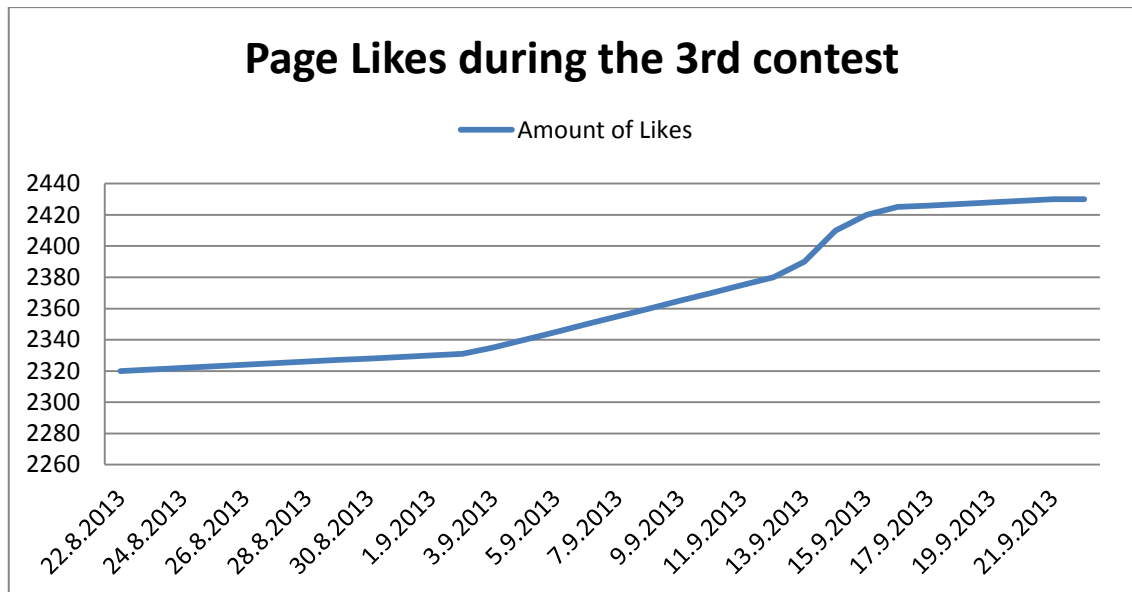


Figure 9 Page Likes during the 3rd contest
Source: Recreated by author (Facebook Insights)

It did not gain as many likes as other games, but starting on 2320 likes end ending with 2430 is definitely not a bad result. Also the price was very good compared to the bigger games. Thanks to this contest we can see, that the value of the prizes is not the most important factor. In this case could be prizes considered as symbolical, but attracted many

players as well as the bigger games. People like to play and receive free things no matter what is it, or its value. Even a small game can improve customers' brand perception. During its operation WUNDER-BAUM® created more than one contest similar to this one with very similar results.

4.1.4 Summer photo contest

This game was for WUNDER-BAUM® historically the most successful. It started when page had around 3380 likes and ended on more than 10 000 likes. This game was very successful, because it engaged the fans on a whole different level. It engaged their creativity and skills.

(Appendix: Picture 5 Visual of Summer photo contest)

Time period: 21.7-1.9.2014

Rules: Like the page.

Take a picture containing a WUNDER-BAUM® tree and upload it to the application.

Winners are authors of the pictures with the largest number of likes.

Every Facebook user can vote by liking their favorite picture.

3 rounds, 5 winners every 2 weeks

Budget (approximated):

Creation: 10 000 CZK (3 rounds)

Marketing support: 15 000 CZK

Prizes: 20 000 CZ

Prizes: each round: 1st tablet

2nd portable DVD player

3rd large headphones

4th small headphones

5th Trees

Placing: Facebook application

Total number of page likes acquired: 7270

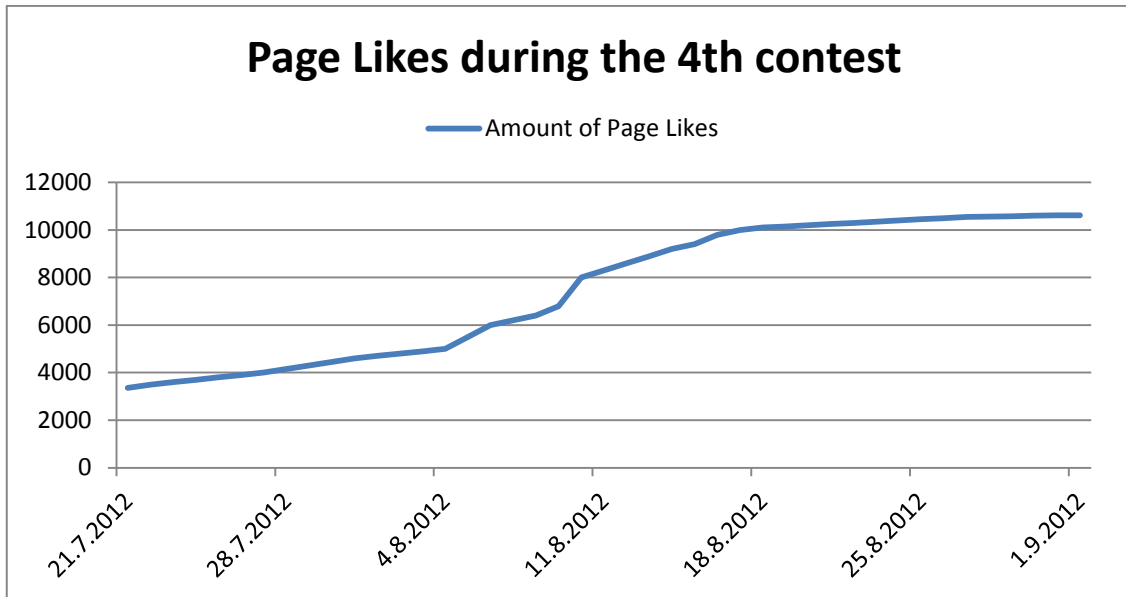


Figure 10 Page Likes during the 4th contest
 Source: Recreated by author (Facebook Insights)

As we can see in the Figure above this game acquired the largest amount of likes of all, over 7000 likes is a huge number to gain only in one month. All fans loved this game thanks to the interaction with other users and their awe for appraisal. Moreover, it was supported by large campaign by Facebook Ads. It also attracted with valuable prizes and their direct mention in advertisements as well.

4.1.5 Contests focused on user retention

The WUNDER-BAUM® employs many more much smaller games, which are aimed at customer retention rather than acquisition. These games do not require any type of promotion, which makes them very cheap. They are simple games such as product recognition, or word find puzzle. They are very important, because they keep the fans interested and provide a reason to come back.

To retain customers is as important as to acquire them, because without them our effort posed on acquisition would become pointless. The brand could be able to require hundreds of fans during one month but loose as many in the next few days.

(Appendix: Picture 6 Visual of contest focusing on user knowledge of product portfolio)

4.1.6 Advertising PPC campaign

PPC campaigns form the main support element for WUNDRE-BAUM® Facebook campaigns. This chapter describes creation of one of their campaigns, specifically for the Summer photo contest.

The basic steps when crating PPC campaign (JANOUC, 2014).

1. Setting of goals, type, budget and length
2. Choice of keywords and specified targeting
3. Creation of entrance page
4. Launch of campaign
5. Monitoring and evaluation

Although the WUNDER-BAUM® outsourced the creation of the campaign to the specialized firm, they had to consider these steps when setting their requirements towards the firm. The firm created three advertisements with different targeting whose goal was to gain as large number of fans as possible for WUNDER-BAUM® page through Facebook contest application.

Three different advertisements were created. First was targeted at Czech people and age group older than 28, second at 16-28 and the third was targeted at people older than 16. All of them were also targeted based on interests. The main criterion was an interest in cars, because of the product nature is being a car accessory. The localization was not used to target any specified region and therefore the campaign had an impact across whole Czech Republic.

The advertisements were displayed traditionally in the right sidebar of Facebook, it was also specially formatted for display on mobile devices. Thanks to the pairing with the WUNDER-BAUM® Facebook page the advertisements also often appeared in the users' newsfeed.

One of the advertisements created

(Appendix: Picture 7 Visual of PPC Campaign for Summer photo contest)

Slogan: Win a tablet with WUNDER-BAUM®! Just upload a picture gather likes and its yours! Make photo of you, or your friends with our scented WUNDER-BAUM® tree, upload the picture in the application and win! We compete for great tablets, cool headphones and scented WUNDER-BAUM® packages!

Potential audience: 2 400 000 people

Location: Czech Republic

Age: older than 28

Bid per click: 0.10 EUR

Results:

Number of likes: 74

Total advertisements likes: 225

Page likes: 82

Total page likes: 258

Comments: 3

Total comments: 8

Reach: 34 038 displays

Impressions: 5,2

Display rate per user: 3.70

Click-through rate: 0,511%

Total Reach: 254 000

Total cost: 540,03 EUR

The campaign was launched on July 22nd, 2014 and ended on August 31st. It was launched in three rounds and versions each of them had a little different slogan potential audience and actual reach, but were very similar. See a picture .

During the whole campaign were reached 254 thousands of users which generated several thousands of new WUNDER-BAUM® page fans. The advertisements were shown to each user approximately five times. Its click-through rate is calculated by division of clicks by impressions. It shows us that the advertisement received approximately 5 clicks per 1000 impressions, which is evaluated as successful. This campaign total cost reached 15 000 CZK, which is quite a cheap price for the results.

It was a very successful campaign which helped to enhance the viral spread of the contest and was well set to use its full potential.

4.2 SWOT analysis

Evaluation of the Strengths, Weaknesses, Opportunities and Threats of WUUNDER-BAUM Facebook page and their Social Media marketing strategy in general. As much as the author aims for objectivity this SWOT analysis might mirror author's opinion.

Strengths: Well established brand
Good brand recognition
Signature design and its picture potential
Great marketing team
Continuous fan employment and interaction
Enough resources for marketing campaigns
Well established fan base
Good communication and problem solving
Honest and just approach

Weaknesses: Repetition and homogeneity of content
Narrow assortment (one main product- Tree)
Limited audience possibilities (country limits- language)
Not always possible to defend against fraud

Opportunities: Increasing brand awareness and recognition through other social media
Increasing fan trust by straightforward and honest approach

Threats: Competing brands implementing the same media
Decrease in organic reach due to Facebook's changes
The possible Facebook obsolescence in the future
Fast development of new media
Changing user preferences

5 Results and discussion

All the analyzed contests were very successful and provided a large amount of fan engagement and enabled wide interaction. It definitely improved the brand perception and recognition. However, during some of the contests issues were raised concerning unfair behavior such as hacked game applications and fake accounts. This was especially during the first game where hackers reached improbable scores, but thanks to the game rules, which contained the paragraph about disqualification if suspicious behavior was registered, they were able to exclude dishonest contestants and fair play could be continued. Another case arose in a summer photo contest, where one contestant created many different accounts and liked her own picture. This was more difficult, because there was no proof of her dishonest action and therefore she had to win the first round of the contest even when submitting a very uninteresting and unoriginal picture.

When accumulated results during the contests and after they were compared a clear signal about the evolution of likes was sent. It is basically not possible to expect any major increase in likes without the implementation of contests and a large commitment to the content. As we can see in the figure 11 below the number of likes acquired during periods without any significant contests was basically none.

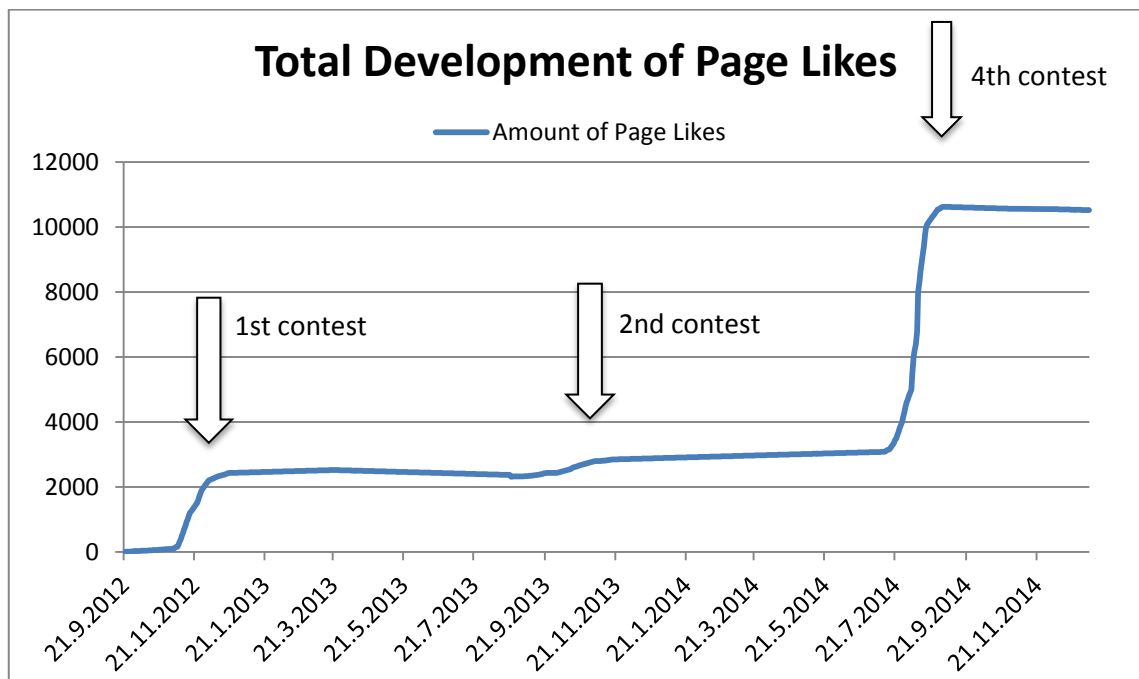


Figure 11 Total Development of Page Likes
Source: Recreated by author (Facebook Insights)

Another important part is not just to acquire fans, but also to retain them. For this purpose the WUNDER-BAUM® marketing team engaged small games focused on keeping the fans interested. Those were based mainly on product recognition and knowledge of product portfolio, which also helped to further increase the brand recognition.

There are also different pros and cons of their placements, which need to be taken into consideration. The placement as an application allows different formats, which provides more variability and therefore more possibilities. It also provides useful data about its users which is very valuable feedback. Another very prized advantage is the possibility for an application to spread virally by sharing and inviting friends, it has viral potential. However, it is a definitely more expensive solution, than a placement on the timeline. Usually if not directly implemented as such, it does not work on mobile-phones. The timeline placing is much cheaper and more simple to implement, but does not provide many measurable data about the contestants. It is very easy, straightforward and does not have very high barriers to entry to the competition, but does not provide the automatic evaluation of results. Its main advantage is the possibility for fast reaction and modification according to current events. Applications are much more difficult and time consuming to develop and implement. It is possible to use through mobile-phones without any special features. On the other hand the data is very important in its success evaluation so every marketer has to consider and evaluate all the aspect of both before implementing one of them for every marketing method used.

As we can see in the example of the PPC campaign, its outsourcing really paid off. Thanks to the specialized firm's experience, they managed to gain a huge amount of fans with quite a low budget. The firm used its previous experience when setting up targeting and keywords and was able to recommend the budget set. It constantly monitored the campaign and therefore was able to advise WUNDER-BAUM® for example to increase budget when this was actually needed.

The Facebook marketing team of WUNDER-BAUM® had and still has a very good response rate and response time of less than 24 hours, which ensures fans' trust and satisfaction. This response time and rate was evaluated based on the observation of their communication with customers on their page. Even when encountered with uneasy

situations they solved them very quickly and in a very professional and diplomatic way. This kind of honest and transparent communication is much needed part of the social media environment. Despite new Facebook policies and quite a narrow product portfolio to work with they managed to employ a successful Facebook marketing strategy.

6 Conclusion and recommendations

Social media is undoubtedly a very important part of on-line marketing, but only if used appropriately. To reach its full potential it should not be used as an independent channel, but as a compound of more than one with a web page as its pillar and supported by traditional marketing. The main goal of social media should be to increase traffic to the website and increase customers' satisfaction by personalized user support.

Although, their marketing strategy is very successful, in the future WUNDER-BAUM® should definitely consider implementing Instagram in their social media marketing strategy as it is gaining importance among other social media and because of its picture orientation, which is suitable for their the presentation of their products. If implemented, it should be interwoven with all the other media used to gain as much importance as possible. Twitter might also be a very good idea, because it could help to promote Facebook campaigns and bring attention to their Facebook page. All the media can be interlinked by hashtags. WUNDER-BAUM® could also try, if possible, to reuse the already created applications by changing the message within, which might significantly reduce the cost of next contests.

Although Facebook is advertised as being free and perfect for every purpose anyone can imagine it is not as ideal as it seems. It is a business and every good feature has to be paid for. On the other hand it still comes out as much cheaper than traditional marketing, even though it should be at least partially supported by it. We can take as an example the comparison of promoted and un-promoted post and its reach. There is a significant difference. The average organic reach on the WUNDER-BAUM® page is approximately 300 displays, but a promoted post can reach several thousands.

Social media is an inseparable part of on-line marketing, but it cannot be considered as the only part of it. Even though nowadays it is a very important due to its

high usage by customers, marketers has to implement other on-line marketing techniques also, for example direct email marketing where it is not necessary to pay to reach the target customers. However social media can be very helpful in broadening the email list by highly interested targets.

The social media has a great supportive role in on-line marketing. More personalized approach within social media helps to create relationships with customers and therefore their brand loyalty. Moreover, it is a trend, and every business has to keep up with popular trends to be acknowledged by public as a business worth to pay attention. By presence on social media every business sends signal, that they are up to date, modern, social and open to interaction.

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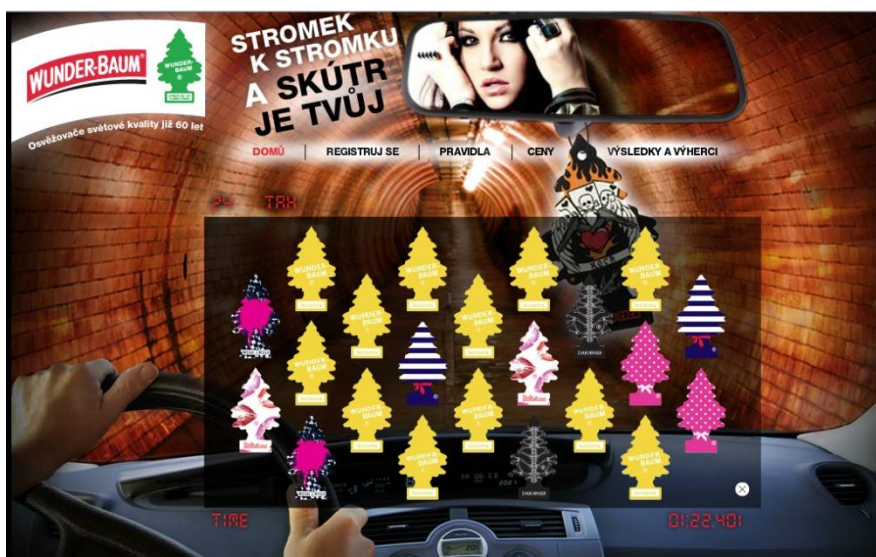
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Picture 14 Visual of PPC Campaign for Summer photo contest

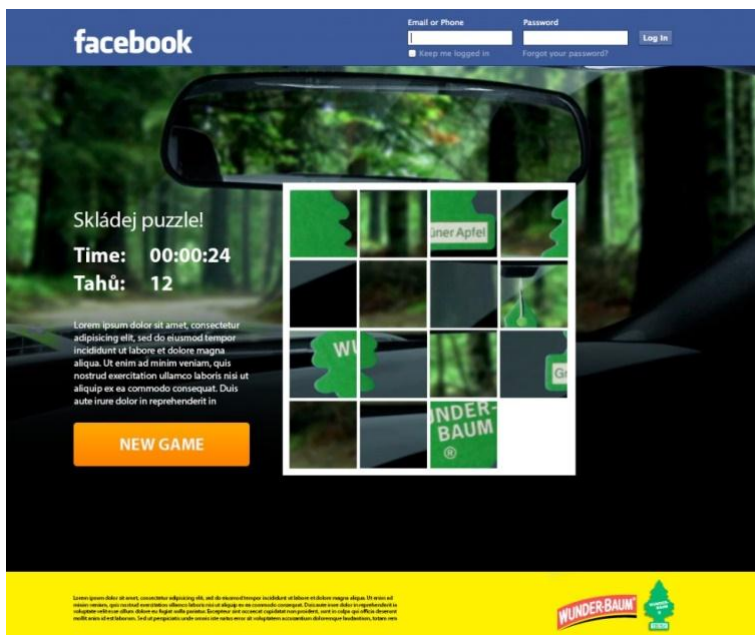
9 Appendix



Picture 1 WUNDER-BAUM® products



Picture 2 Visual of Tree to the tree and the scooter is yours



Picture 3 Visual of WUNDER-BAUM Puzzle



Picture 4 Visual of Discover Czech republic with a tree



Picture 5 Visual of Summer photo contest

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WUNDER-BAUM

Vyhrává 1., 5., 10., který najde v doplňovače správný název stromečku.

The Tree design and WUNDER-BAUM are trademarks. © Julius Sämann Ltd.

Picture 6 Visual of contest focusing on user knowledge of product portfolio

WUNDER-BAUM
Sponzorováno ·

Vyhraje tablet s WUNDER-BAUM®! Stačí nahrát fotku, nasbírat co nejvíc lajků a je to vaše!

Letní FOTO SOUTEŽ
o TABLETY a další COOL ceny

Letní soutěž o tablet!
Vyfotejte sebe či své přátele s voňavým stromečkem WUNDER-BAUM®, nahrajte fotku do soutěžní aplikace a vyhraďte! Hrajeme o parádní tablety, COOL sluchátka či voňavé balíčky WUNDER-BAUM®.

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Picture 7 Visual of PPC Campaign for Summer photo contest