

CZECH UNIVERSITY OF LIFE SCIENCES IN PRAGUE

Faculty of Economics and Management

Department of Economics



Diploma Thesis

**Economic Analysis of Facebook Impacts and Chosen
Marketing Campaigns**

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CZECH UNIVERSITY OF LIFE SCIENCES PRAGUE

Department of Economics

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DIPLOMA THESIS ASSIGNMENT

Bc. Zuzana Boková

European Agrarian Diplomacy

Thesis title

Economic Analysis of Facebook Impacts and Chosen Marketing Campaigns

Objectives of thesis

Evaluate the role of Facebook in the online industry and the economic impact of Facebook marketing activities. Establish Facebook marketing campaign, determine the main factors affecting this campaign, assess the efficiency of set marketing campaign and set recommendations.

Methodology

Literature review will be conducted using methods of synthesis, introduction, deduction, and extraction. Analysis section will be done using methods of both qualitative (descriptive) as well as quantitative analysis such as fundamental, psychological, and technical analysis.

The proposed extent of the thesis

60 – 80 pages

Keywords

Social Networks, Facebook, Marketing, Marketing Campaign

Recommended information sources

Deloitte (2012) Measuring Facebook's economic impact in Europe: Final Report, London: The Creative Studio at Deloitte, 18566A

Justin R. Levy (2010) Facebook(r) Marketing: Designing Your Next Marketing Campaign, Indianapolis: Pearson Education, ISBN-10: 0-7897-4321-3

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Zarella, D. and Zarella, A. (2011) The Facebook Marketing Book, O'Reilly Media, ISBN: 978-1-449-38848-5

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Statutory Declaration

I hereby declare that I have written the diploma thesis “Economic Analysis of Facebook Impacts and Chosen Marketing” by myself and that I have used only sources mentioned in the references of the thesis.

In Prague, February 20, 2015

.....

Zuzana Boková

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Economic Analysis of Facebook Impacts and Chosen Marketing Campaigns

Summary

The diploma thesis is focused on the economic analysis of the Facebook impacts and created marketing campaigns for the company Balakryl. Theoretical part deals with theoretical background of social media with the focus on social media marketing and usage of social media as a marketing tool. In addition company Facebook, Inc. is closely researched bringing focus on its history, usage and financial matters. Usage of Facebook as a marketing tool is furthermore examined, concentrating on the tools for Facebook marketing analysis and measurement. Practical part then analyses concretely actual Facebook impacts resulting from its activities and ecosystem. Practical example of added value resulting from Facebook ecosystem is demonstrated on company Zynga, Inc. Lastly, the impacts of created Facebook media marketing campaigns for company Balakryl are analysed. The campaigns are evaluated and future forecast and recommendations are proposed.

Key words

Social Networks, Facebook, Marketing, Marketing Campaign

Ekonomická analýza dopadů Facebooku a vybraných marketingových kampaní

Shrnutí

Diplomová práce se zaměřuje na ekonomickou analýzu dopadů Facebooku a vybraných marketingových kampaní pro společnost Balakryl.

Teoretická část diplomové práce zpracovává pojetí sociálních médií v odborné literatuře se zaměřením na marketing na sociálních mediích a jejich využití jako marketingového nástroje. Vedle historického vývoje společnosti Facebook, Inc. jsou zohledněny také současné pozice, využití a finanční záležitosti této společnosti. Dále je zkoumána použitelnost Facebooku jako marketingového nástroje s důrazem na nástroje pro měření a analýzu marketingových kampaní na tomto sociálním médiu.

Praktická část pak konkrétně analyzuje reálné dopady Facebooku vyplývající z jeho aktivit a ekosystému. Přidaná ekonomická hodnota, která je následkem Facebookového ekosystému je následně demonstrována na reálné společnosti Zynga, Inc. V poslední části jsou analyzovány dopady vytvořené Facebookové kampaně pro společnost Balakryl. Tyto kampaně jsou pak celkově zhodnoceny se zaměřením na budoucí vývoj a doporučení.

Klíčová slova

Sociální síť, Facebook, Marketing, Marketingové kampaně

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1. Introduction

It all began with only static place where authors skilled in web technologies could post their content and where visitors could only passively read this content. Everything started to change in the year 2004 with the arrival of Web 2.0. Term Web 2.0 appointed whole new development stage of the Internet history and social media sites when replacing static content of websites by the space for sharing and content creation. From that point on, the content was created not only by individuals or group of authors, but also by common users, including even people with little to no information technology skills.

It took just few years for social media and social media tools to gain on their nowadays popularity. Among the most popular belong Facebook, Twitter and YouTube, all of them not being older than 10 years. Generally, social media include several types of social media platforms such as social networks, blogs, wikis, media sharing sites, podcasts and microblogging. With no doubt, recently the most popular types of social media are social networking websites such as Facebook, the largest representative of the social media sites.

At the end of year 2014 Facebook reached incredible 1.23 billion monthly active users which represent almost half of the whole population with the access to the internet. But why is Facebook so popular? With such amount of active users around the world Facebook offers major social tool to connect with wide audiences including friends, family, colleagues, constituents and also consumers. The fact that social media websites are broadly spreading among people couldn't be ignored by businesses and marketers. It is just the possibility to connect with consumers that is the most important from the economical point of view. Facebook offers businesses the environment and tools to address and connect with their customers, to advertise more effectively and to build their brand identity. Facebook expresses a new generation of social media organisations who has significant global impact and creates economic value through enabling ecosystems. This means that economic impact of Facebook consists not only of traditional narrow measures of economic impact but also of broader impact which is created due to Facebook allowing third parties to create added value across the economy.

In order to utilise this channel it was necessary for many business to start with social media marketing. Nowadays it is no more the question whether to join social media sites or not, but rather how to operate on them in the best and the most favourable way. Marketing on social media offers relatively easy and cheap way how to deliver business message to audience which can range from closely targeted to very widely specified one. Besides that businesses can utilize social media marketing to increase brand awareness, its popularity and to build long-term relationships with customers.

Facebook is developing quickly and until now it has been able to keep up with latest demands and trends of society. However its history is still short and it is a question of time to prove if Facebook is a real thing or just another internet bubble which will be replaced sooner or later by new and more advanced tools. For now, Facebook is trying to do everything so that it doesn't happen.

2. Objectives and methodology

The main objectives of the diploma thesis are to evaluate the economic impact of Facebook marketing activities and to establish and assess concrete Facebook marketing campaign. Furthermore the role of Facebook in the online industry is evaluated as well as efficiency of set marketing campaign and factors that are affecting it. Lastly future recommendations for established marketing campaign are made.

Methodology of the diploma thesis is based on study of literature and summary of gained information with the use of synthesis, induction, deduction and extraction from available academic and non-academic resources. Analytical part is based on real case study where Facebook marketing capabilities are examined with the use of methods of both qualitative (descriptive) and quantitative analysis. The data will be processed using software Excel.

Based on both theoretical and practical part, a general conclusion is formulated.

3. Theoretical background

This part of diploma thesis explains the terms connected with social media, taking closer look at different types of social media. Furthermore, the attention is put on social media marketing bringing up its benefits, seeing difference form the traditional marketing and concentrating on usage of social media as a marketing tool. In addition Facebook company is closely researched bringing focus on its history, usage and financial matters. Lastly the usage of Facebook as a marketing tool is examined concentrating on the estimated value of a Facebook fan and tools for Facebook marketing analysis and measurement.

3.1 Social media

Term “social media” is connected with another term “Web 2.0”. Any of these two terms don’t have a unified definition. The term Web 2.0 is a settled designation for the website development stage, in which static content of websites was replaced by the space for sharing and content creation. This covers the period from 2004 to the present. O’Reilly (2006) describes Web 2.0 as *“the business revolution in the computer industry caused by the move to the internet as platform, and an attempt to understand the rules for success on that new platform. Chief among those rules is this: Build applications that harness network effects to get better the more people use them. (This is what I’ve elsewhere called “harnessing collective intelligence.”)”*. Web sites offered people only limited passive viewing of content, on the other hand a Web 2.0 site offer users interaction and cooperation with each other in a social media dialogue where users are creators of own user-generated content in a virtual community. Examples of Web 2.0 are social networks, blogs, video sharing sites wikis, Web applications, etc.

Social media arose on the basis of Web 2.0. It is any content that forms social networks on the Internet. Social media offers various tools for online communication such as social network services, text chats, instant messaging, forum, blogs, wikis, etc. Walker (2015) outlines many definitions of social media from which one describes social media *“as a concept that typically refers to one of the most fundamental traits of all Internet media -- the ability to have two-way, or many-to-many dynamic information exchanges. People often define social media to mean tools and platforms that allow that online*

"conversations," thus emphasizing the many-to-many nature of the dialogue that results" (Walker 2015).

Evans (2012) defines social media while referring to the Wikipedia, a socially built online encyclopaedia. According to him, the power of Wikipedia is in possibility of anyone to contribute with knowledge even though it may be incorrect. Due to large amount of visitors this misstatement may be corrected within a while. *"Social media is used in this context to tap the collective expertise and arrive at an acceptable conclusion. It is the wisdom of the crowd, with all caveats fully present"* (Evans, 2012).

Social media are one of the fastest developing industries and its usage became a daily routine for high percentage of internet population. *"The desire to belong to a group and the propensity to feel connected to others are basic human needs. These traits transcend geographic boundaries and bridge all social, cultural, and economic divides. Communities of likeminded persons, utilizing social networking sites, can realize tremendous benefits that will impact organizations and individuals alike"* (Barnes & Barnes 2009). This thought is connected with reason why social media sites became so important for many businesses. Social media ensure massive amount of individuals or groups that can be very easily reached, contacted and targeted as audience for advertisement. Moreover reaching desired audience is quite easy and connected with relatively low costs. *"Over the past five years, the social media business has grown from a sleepy, sophomore way for college kids to communicate to perhaps the future of how people will share information and bring their offline lives online. It's truly been amazing to see how much the Internet business has evolved as a result of Facebook, MySpace, Twitter, and other social media technologies"* (Treadaway & Smith 2010).

3.1.1 Types of social media

Without a doubt, some of the most popular recent types of social media are social networking websites such as Facebook, which exceed 1.23 billion active users on the website every month at the end of year 2014. Nevertheless, there are several more types of social media platforms.

These include (Grahl 2015):

- **Social networks:** Social networks allow people to connect with other users with similar interests and backgrounds. There is usually necessary to have a profile which then allows various ways of interaction. The most popular social networks are Facebook and LinkedIn.
- **Web Blogs:** Blogs allow participants of conversation to post messages connected to certain topics. There are countless blogs on the Internet.
- **Wikis:** Wiki websites allow visitors to add and edit content in a community-based database. The best-known is Wikipedia.
- **Media Sharing:** Services that allow users to upload and share videos and pictures. They usually offer additional social features. Very popular is YouTube and Flickr.
- **Podcasts:** Podcasts include audio and video files accessible using subscription services. One of the best known is Apple iTunes.
- **Microblogging:** Microblogs are services that concentrate on short text update that are presented to anyone who subscribes to receive it. The most popular is Twitter.

Following figure represent actual landscape of social media in 2014. In the very middle are top networks providing users with wide range of functionality from publishing, sharing, discussing to networking – Facebook, Twitter and Google+. These are followed by new wave - series of mobile apps that managed to attract hundreds of millions of users only in few years. Aside from these two groups, social media is a wide ecosystem of online services and mobile apps, which can be grouped according to their usage as “Publishing” (blogs, wikis, etc.), “Sharing” (YouTube, SoundCloud, etc.), “Discussing” (Skype, Viber, etc.) and “Networking” (LinkedIn, Badoo, etc.) (Cavazza 2014).

Figure 1: Social medial landscape 2014:



Source: www.fredcavazza.net/files/2014/05/social-media-landscape-2014.jpg

3.2 Social media marketing

There are to be found several explanations of the term social media marketing. According to Weinberg (2009) *“Social media marketing is a process that empowers individuals to promote their websites, products, or services through online social channels and to communicate with and tap into a much larger community that may not have been available via traditional advertising channels. Social media, most importantly, emphasizes the collective rather than the individual.”* More general explanation of the term refers to the process of gaining traffic or attention through social media sites.

Generally, social media marketing is a form of internet marketing that uses different social media networks in order to achieve marketing goals. Social media marketing involves activities comprising social sharing of content, videos, and images for marketing purposes. It also involves establishing relationship with communities and communicating with them as a representative of a company.

Weber (2009) remarks, that social media marketing is not suitable only for the largest multinational corporations but it might be even more effective for small and medium-size businesses which could take maximum advantage of it. Using this kind of marketing can enable smaller businesses to expand the reach for new potential customers. Customers are nowadays used to interacting with brands through social media, thus having strong social media background and presence on the web is becoming indispensable. If done correctly, social media marketing can bring notable success to the business.

3.2.1 Benefits of social media marketing

Social media marketing has been proven to be beneficial for businesses when done correctly. There are number of goals that can be achieved. These are as follows:

Increased brand recognition

Strong market presence is obviously beneficial for businesses. Creating brand awareness is long time goal which benefits company also in the future. Consumers, who are aware of certain brand in present time, even if they aren't actively seeking the product or service at

that time, are likely to remember the brand in the future and seek it when in need of its product or service (Weinberg 2009).

Improved brand loyalty

Brands who engage on social media channels enjoy higher loyalty from their customers. Social media networks are new channels for brand's voice and content. It simultaneously makes the brand more accessible, more familiar and recognizable for customers. According to report published by Social Media Examiner (Stelzner 2014) 77% of business marketers were much more likely to develop a loyal fan base through social media and 69% found social media useful for building a loyal fan base.

More opportunities to convert

Activity on social medial network, consequently compelling marketing strategy and creative demonstration can lead people to purchase the desired product or service. Every shared post, image, video, or comment gives someone possibility to react and every reaction can lead to a website visit, and eventually to a conversion. Even though, not every interaction with business brand actually results in a conversion, it increases the likelihood of an eventual conversion (DeMers 2014).

Higher conversion rates

Social media marketing brings higher conversion rates because of the fact, that by interacting in social networks, brands become more humanized. Through this interaction in social networks, brands can act like people and people prefer doing business with other people rather than with companies. Additionally, DeMers (2014) says that *“social media has a 100% higher lead-to-close rate than outbound marketing, and a higher number of social media followers tends to improve trust and credibility in brand, representing social proof.”*

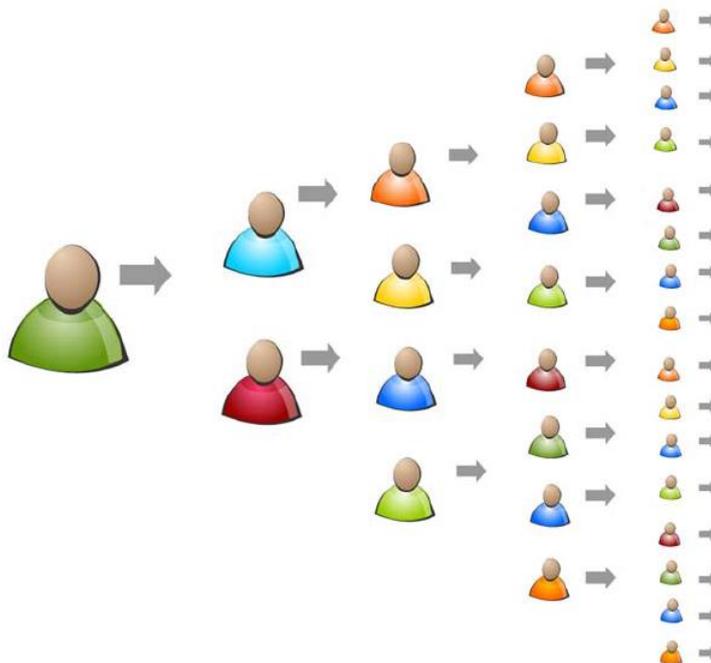
Higher Brand Authority

Social networks are common channel for compliments on products or services. Mentioning brand's name leads to extending brand's audience and the more people are communicating the brand on social media, the more valuable and authoritative it will appear to new users.

Increased website traffic

“Using available social media tools, users endorse approved content for their peers. As soon as an active user of a social news site or influencer discovers a piece of content and spreads it, word of mouth commences. The idea is a viral spread, which is heightened by online communities and the cross-pollination of content on other social media sites” (Weinberg 2009). This phenomenon is illustrated in the figure below.

Figure 2: Graphical representation of viral marketing



Source: Weinberg, 2009

Without social media, the inbound traffic would be limited only to organic search and direct visits. However, social media add another path to business website and through use of social media marketing also increasing traffic of new visitors. Generally, the more

quality or interesting content is generated, the more traffic and thus more possible conversions will be achieved.

Reduced marketing expenses

According to report published by Social Media Examiner (Stelzner 2014) nearly half of those who spend at least 6 hours per week on social media efforts saw a benefit of reduced marketing expenses. What is more, paid advertising through social networks, namely Facebook and Twitter is relatively cheap compared to other ways of promoting business.

Better search engine rankings

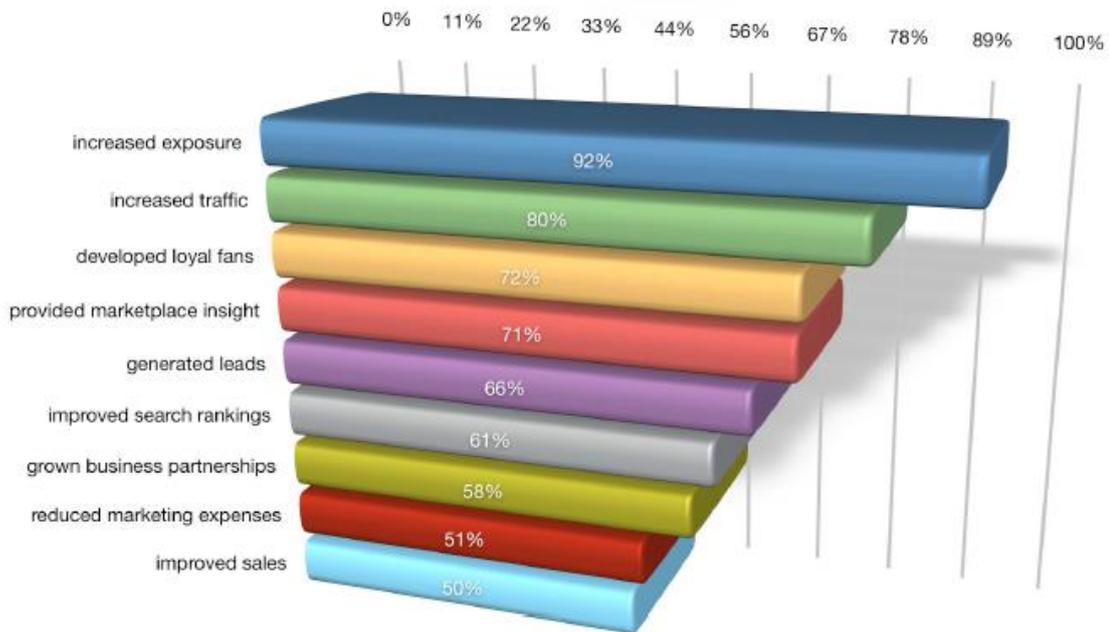
Google and other search engines may use presence on social media as a significant factor for calculating their website rankings. This is based on fact that strong brands most probably use social media. Thus having a strong social network base gives search engines signal of legitimate, credible, and trustworthy brand.

Improved customer insights

Social media provide businesses with unique opportunity to obtain valuable information about their customers, what are their interests, opinions and what is their behaviour. For example brand can run a survey on new planning product before even producing it and thus search in advance preferences of its consumers.

Benefits of social media marketing base on the Social Media Examiner report (Stelzner 2014) are summed up in the following figure. The more percentage each benefit has, the more valued is it for marketers.

Figure 3: Benefits of social media marketing



Source: Social Media Examiner, 2014

Furthermore, the Social Media Marketing Industry report (Stelzner 2014) delivers interesting findings about social media marketing. There were 2,800 marketers participating in the study who provided valuable insight. Major findings in this report are:

- Marketers place very high value on social media: A significant 92% of marketers indicate that social media is important for their business.
- Facebook and LinkedIn are the two most important social networks for marketers: There are 54% of marketers who selected Facebook as main platform, followed by LinkedIn at 17%.
- Most marketers aren't sure their Facebook marketing is effective: Only 34% of marketers think that their Facebook efforts are effective.
- Original written content is most important for social media marketing: There are 58% of marketers who stated that original written content is the single most important form of content, followed by original visual assets at 19%.

3.2.2 Social media marketing vs. traditional marketing

In this digital age, social media has rapidly integrated itself into everyday lives, both personal and professional. But perhaps the greatest impact is on the scene of marketing, with consumers and brands finding tremendous benefits and changes. Social media marketing is almost prevailing over the traditional marketing due to its lower and effective cost nature and its interactivity. In contrast with traditional marketing, social media campaigns can be created, modified and optimized to meet one or more specific targets with almost continual updates allowing businesses to react on market's changing tastes and interests. Since social media is relatively still in its initial stages of development, some consumers have a problems choosing between traditional versus social media even despite the differences between these two.

Basic difference is that social media marketing, including blogs, search engine optimization, and social networks, is so called *inbound marketing*. Here is the emphasis put on attracting social network users to certain website by providing some value such as entertainment, information, special offers, etc. From the negative point of view, social media marketing forces businesses to adapt new and time consuming ways of promotion. Traditional marketing, including television, radio and print advertisements, is so call *outbound marketing*, meaning the traditional form of marketing where certain company initiates the conversation and sends its message out to an audience. Problems of traditional marketing include high cost with lower yield and difficulty in measuring.

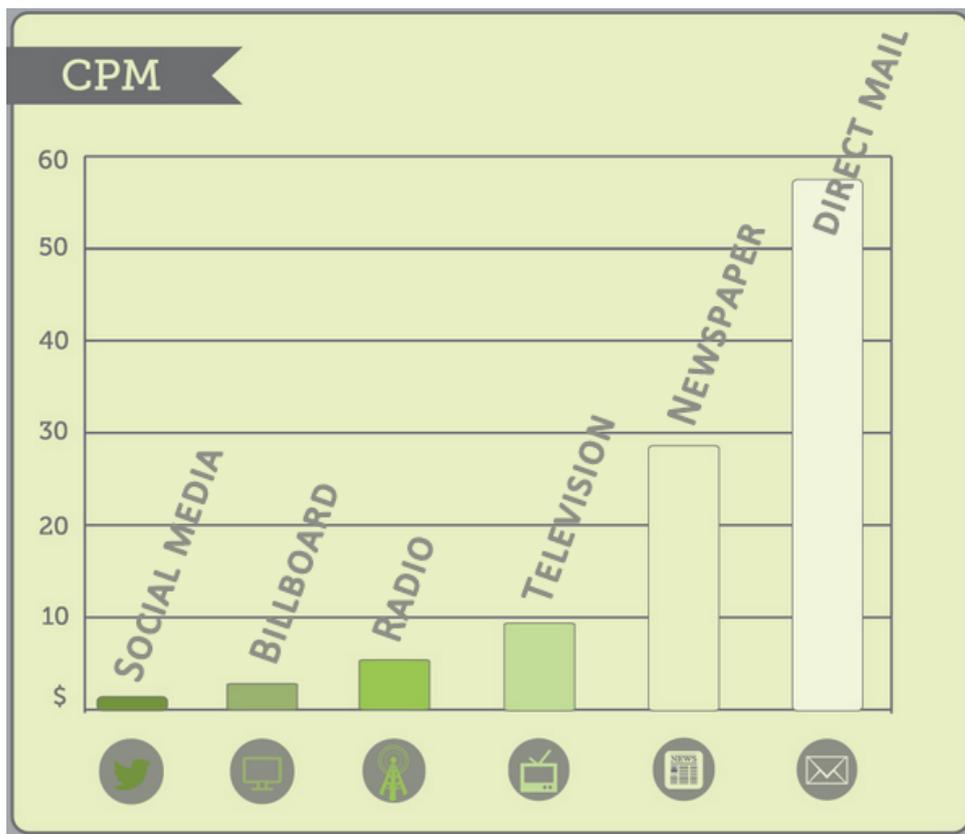
Evans (2012) also states several characteristics that make social media essentially different from traditional media marketing. *“Note that this does not mean “use instead of” but rather implies a different set of tools that can be used to complement what you are doing now. From Wikipedia: The audience can participate in social media by adding comments or even editing the stories themselves” (Evans 2012).*

Weinberg (2009) speaks about the fact that social media marketing simplifies organic discovery of new content. Brand's content can be submitted to hundreds or even thousands of new visitors, sometimes without even need of paid advertising. The real power of social networks is in passing and sharing interesting content with friends who then share it with their friends, if they like it, and then again and again. In such way remarkable content on

social media can achieve amazing organic reach¹. Another point of Weinberg (2009) is that increased traffic through social media gives change to build positive and possibly strong relationship with customers. This relationship is created mainly by Brand’s communication on social networks when attention to customers’ opinions and questions is emphasized. Positive relationship has obvious advantage of a chance that these customers will recommend the company, product or services to their friends and the word will spread.

Hausman (2012) supports the thought by saying that power of word of mouth is the most powerful aspect in social media marketing as consumers trust what others consumers say – mainly if the consumers are in their social network. This believes are based on assumption of similar in values, attitudes and lifestyle with their friends on social networks and on thought that consumers in their social network have no reason to support products that aren’t good.

Figure 4: Cost comparison of social media versus traditional media marketing



Source: www.adweek.com/socialtimes/social-vs-traditional-media-marketing/466873

¹ Organic reach is the total number of unique people who have viewed post through unpaid distribution.

However, probably the most important measure when comparing these two ways of marketing is the CPM². As mentioned before, costs of social media marketing can be relatively low. Transmitting the message by itself is connected with low cost; however, some human resource is always needed. In fact organizations sometimes have to outsource social media marketing specialist. On the contrary social media marketing can be done anywhere. In traditional marketing there are enormous payments for TV advertisements, billboards, printed advertisements or broadcast in radios. The comparison of social media versus traditional media CPM is represented in the figure above.

Finally, to summarize the differences between these two ways of performing marketing, the following table is presented.

Table 1: Differences between Social media and Traditional media marketing

Social Media	Traditional Media
Two-way conversation	One-way conversation
Open system	Closed system
Transparent	Opaque
One-on-one marketing	Mass marketing
About you	About ME
Brand and User-generated Content	Professional content
Authentic content	Polished content
FREE platform	Paid platform
Metric: Engagement	Metric: Reach/ frequency
Actors: Users/ Influencers	Actors/ Celebrities
Community decision-making	Economic decision-making
Unstructured communication	Controlled communication
Real time creation	Pre-produced/ scheduled
Bottom-up strategy	Top-down strategy
Informal language	Formal language
Active involvement	Passive involvement

Source: www.hausmanmarketingletter.com/16-differences-between-social-media-and-traditional-media

² CPM refers to Cost per Mille. It is commonly used method of advertising measurement. CPM essentially tells what the costs per 1,000 views are during entire campaign.

3.2.3 Use of social media as a marketing tool

Chaffey (2011) describes internet marketing as the application of the internet and related digital technologies to achieve marketing objectives. These marketing objectives can be realized by the use of social media.

Social media is powerful marketing tool mainly because it heavily utilizes the methods of permission marketing. Permission marketing is the opposite of interruption marketing, where customers' attention is being attracted away from whatever they are doing, whether it is a television advertisement cutting into a TV show, or an internet pop-up advertisement interfering with a website. Interruption marketing methods of advertising have become less effective in the modern world mainly due to information overload. On contrary permission marketing, instead of interrupting the customer with unrequested information, works only with audience who gave its consent to receive the marketing information in advance. In other words, *"permission marketing is the privilege (not the right) of delivering anticipated, personal and relevant messages to people who actually want to get them. It recognizes the new power of the best consumers to ignore marketing. It realizes that treating people with respect is the best way to earn their attention"* (Godin, 2008).

"Friending", "liking", and "following" are methods of permission marketing. Facebook is a prime example. When a customer connects to Facebook and gives the marketer permission in a form of "like", there is higher probability that he will respond and share content with others and lower probability of ignoring the company's offers.

Businesses' prime usage of social media is as a tool for communicating with current or potential customers. If done correctly, thanks to big reach and "word of mouth", increased amount of new customers will appear. Social media is not a one-way channel with single information goal any more, it is rather more about two-way conversation and interaction. As mentioned before, the emphasis is laid on listening to consumers and answering or reacting when necessary. Obviously, businesses' reactions have to be polite and maximally helpful. While smaller companies tend to sustain more personal style of communication, bigger companies usually use more formal way of communication (Wigmo 2010).

Every social media marketing should start with a strategic plan. It is important to formulate strategic goals - what is the planned accomplishment of social media usage. To reach the goals the strategy needs to be developed. It is also recommended to develop a set of guidelines for social media usage. Based on goals, strategy and target demographic suitable social media should be then defined. Finally, it is important to recognize what type of content is the most effective for set goals (Wigmo 2010).

3.3 Facebook

“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 2004).

Facebook is the largest social network in the world launched in 2004, owned and operated by Facebook. It was founded by Mark Zuckerberg, former student at Harvard University, and his colleges. The original idea of the system was to provide a school website only for students at Harvard University available at the domain “thefacebook.com”. The system expanded very quickly and within two months has been extended to some other colleges in the Boston area, the Ivy League, and by the end of the year to other universities. Gradually most universities in Canada and the United States, corporations, and by the year 2006 also regular persons set their Facebook accounts (Kirkpatrick 2011).

Nowadays there are 864 million daily active users from which 155 million are in Europe (Facebook 2014). This value increases every year by approximately 19%. According to the Facebook Quarterly Earnings report (2014, p. 8) Facebook generated revenue of 3,204 million dollars in 2014.

Facebook has become icon of social networks. It operates globally and is fully translated into 68 languages.

3.3.1 History and statistics

Facebook as it is known now wasn’t the original ideal. Firstly the founders came with the idea of “Facemash” which was opened in the year 2003. Facemash was a game type website with “hot or not” application for students at Harvard. The idea was to compare two students pictures side-by-side and choose the better looking one. To accomplish this, Mark Zuckerberg used images maintained by Harvard to help students identify each other. Fact, that Facemash mirrored people’s physical community with their real identities, represented the key aspects of what later became Facebook (Kirkpatrick 2011).

In January 2004 Mark Zuckerberg started another project known as “Thefacebook”. The inspiration to create Thefacebook came from the Facemash. Thefacebook was big success from the beginning as it recorded somewhere between twelve hundred and fifteen hundred registrants within first twenty-four hours. Membership was initially restricted to students at Harvard University and within the first month, more than half of undergraduate population at Harvard was registered on the service. In March 2004 Thefacebook started to expand to other universities and gradually reached most of universities in Canada and the United States. In June 2004 there was dropped “The” from the name and the name was changed to only “Facebook” as we know it nowadays (Kirkpatrick 2011). The address changed to facebook.com in August 2005 after the domain purchase of \$200,000.

In May 2005, investors put \$13.7 million into Facebook and in October 2005, Facebook expanded across the borders into twenty-one universities in the United Kingdom and into high schools as well. Later on school in Australia, New Zealand, Mexico, and Ireland were added to the Facebook network (Who OWNS Facebook 2012).

In 2006, the first version of Facebook for mobile devices was launched. Early versions worked through SMS, allowing users to send messages or post on their friends' walls by text message. Later in 2006, on September 26, the network was extended beyond educational institutions and Facebook allowed registration to everyone aged or older than 13 year (Kirkpatrick 2011). The site remains free to join, and makes a profit through advertising revenue.

During 2007, the site's features have continued to develop. Users could give presents to friends, post free classified advertisements and even develop their own applications (Phillips 2007). Facebook had at that time 30 million registered users and 100,000 business pages which allowed better promotion of companies' businesses. Promotion was done through new ad system called "Facebook Ads". This system allowed advertisers to choose the target group or area of interest on which he wanted to target his advertisement. It was also possible to define ad's budget. Thus overall interest for setting up a Facebook profile kept growing. In October 2007, Microsoft announced a purchase of 1.6% share of Facebook for \$240 million and thus gave Facebook a total implied value of approximately \$15 billion (Who OWNS Facebook 2012).

The year 2008 meant the begging of Apps³ on Facebook which later on, in the year 2012, developed into Facebook App Center, an online mobile store. This store initially had 500 Facebook apps which were mostly games (SpinFold 2011). Apps on Facebook represent business opportunity for many companies who focus on developing applications. Among the most popular apps belongs for example “Band Profile”, “SoundCloud” or “Angry Birds” (Griffith 2013). Other important added function was the "Facebook chat" that started in 2008 and the "Like" button that was added later on. It allows users to express their sympathy with the written comment, status, photos, or videos.

In January 2009, study on compete.com (Kazeniak 2009) ranked Facebook the most used social networking service by worldwide monthly active users.

Traffic on Facebook was increasing steadily and in July 2010, Facebook announced 500 million users which made it at the time the largest social network page in the world with value of \$41 billion. After Google and Amazon became Facebook the third largest American web company (Bloomberg 2010).

In the year 2011, Facebook became in the United States the second most visited website right after Google with average number of visitors of 137,644 thousands per month and thus again showed its role of a major phenomenon of those days (Fernandes 2011).

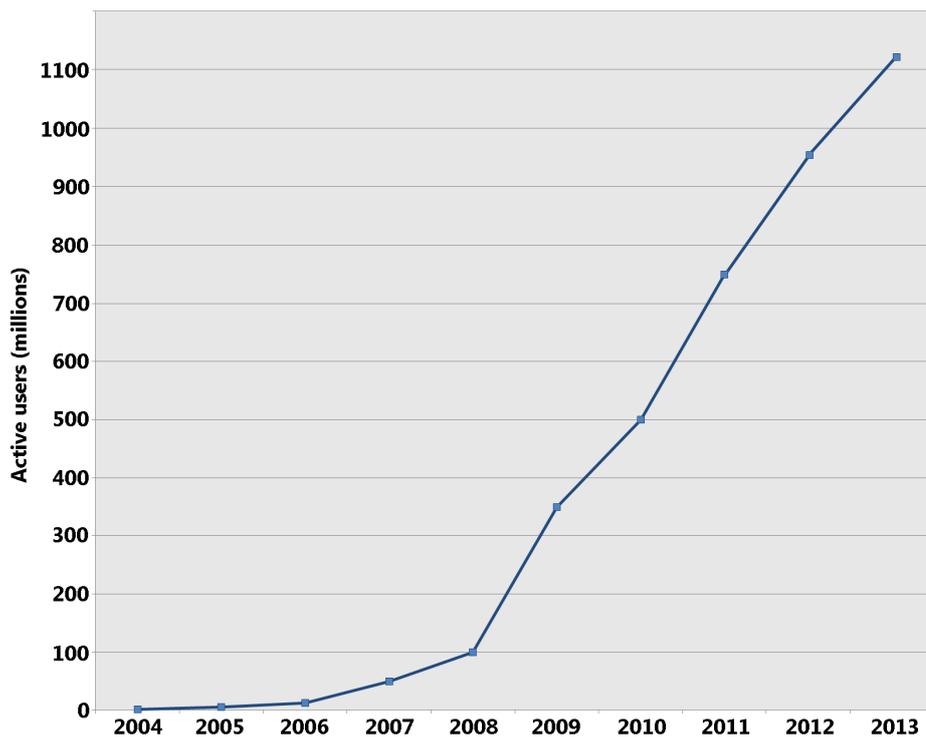
At the end of next year, in 2012, Mark Zuckerberg announced that Facebook had passed the one billion mark of monthly active users and 600 million mobile users. However, investors valued the business at a fraction of the \$104 billion opportunity they saw in the company when it held initial public offering (IPO) in May 2012. The question was how much value Mark Zuckerberg can extract from all those people that Facebook signed up for free. In 2011, the company produced almost \$4 billion in revenue, mostly from advertising which is however far below the Google's nearly \$38 billion (Fowler 2012).

³ App is an application. “In a Facebook context such an application is a small and cloud-based, i.e. it does not store data on a user’s computer or mobile device being used to access Facebook, but instead stores data on Facebook’s servers. These apps have a heavy reliance on social interaction with users (particularly a user’s Facebook friends). They are also by and large game, lifestyle related (e.g. personality quizzes) and typically light-hearted” (Deloitte 2012, p. 39).

In October 2013, Facebook was introduced as a member of The Alliance for Affordable Internet (A4AI). The A4AI is a coalition of public and private organisations that includes also Google, Microsoft and Intel who seeks to expand Internet access. The aim is to make the Internet access more affordable in the developing world, where only 31% of people are online.

In the end of 2013 Facebook claimed earnings of \$523 million, an increase of \$64 million from the previous year. By January 2014, Facebook's market capitalization had risen to over \$134 billion. There are 1.23 billion active users on the website every month at the end of 2014 (Facebook 2014). The development of Facebook fans base is shown in the figure below.

Figure 5: Development of Facebook's active users



Source: www.kissmetrics.com

During the week of February 4, 2014 celebrates the company its 10th anniversary.

3.3.2 Usage of Facebook

As mentioned previously there were 1.23 billion active users on the website every month at the end of year 2014 which makes it 864 million Facebook active users every day. Approximately 82% of them are outside U. S. and Canada. In Europe there are over 223 million people on Facebook. In October 2014, there were 1.12 billion active users of mobile Facebook (Facebook 2014).

Facebook contains around 42 million pages and 9 million apps and websites that are integrated with it. There are 83 million fake profiles. 300 million photos are being uploaded daily. Highest traffic occurs mid-week between 1 to 3 pm. On Thursdays and Fridays, engagement is 18% higher (Noyes 2014).

80% of users prefer connecting with brands and companies through Facebook. 42% of marketers report that Facebook is critical or important to their business. 7.5 million posts have been promoted from June 2012 to May 2013 (Noyes 2014).

53% of all users are female and 47% are male. The most common demographic group, representing 29.7%, is between the ages of 25 to 34 (Noyes 2014). An average user has around 200 Facebook friends. Younger users tend to have even more friends getting close to 300. Looking at digital activity, by average, each Facebook user spends about 21 minutes on the site every day. They usually “like” their friends’ content and comment on photos relatively frequently, but most don’t change their own status that often (Smith 2014). 23% of Facebook’s users are checking their account more than 5 times per day.

Facebook is prohibited or the access is somehow limited by regulations in 10 countries including North Korea, Iran, China, Cuba, Bangladesh, Egypt, Syria, Mauritius, Pakistan, and Vietnam.

These were the hard statistics. But what Facebook actually offers and why has it become so popular? For most, Facebook is a useful and enjoyable way of interacting with others online. Individuals enjoy Facebook because of its obvious social benefits. Businesses appreciate Facebook for being tool for easy integration options, advertising opportunities

and broad reach possibilities. Small businesses can take advantage of Facebook pages for practically no cost at all.

Facebook became so popular because it connects people around the globe. It offers clean and simple online environment where it is easy to view pictures and read what is happening in other people's lives. It offers space where users can share their thought and feeling with a single sentence and where businesses can find new customers and interact with their customers quickly and easily.

According to its usage and popularity it is clear that Facebook's value will be rising and this social giant is not going anywhere any time soon.

3.3.3 Facebook on the stock market

For over a year Mark Zuckerberg resisted two buyouts, the offer from Viacom in 2006 to purchase the whole company for \$750 million and at that same year a buyout from Yahoo! for \$1 billion. On the other hand, Facebook did accept investment from companies.

The speculation about public subscription of Facebook's shares started already in 2010 but Facebook Chief Executive Mark Zuckerberg wanted to wait, saying "we are definitely in no rush. If you don't need that capitals, then all the pressures are different, and the motivations to go public are not there in the same way" (Reuters 2010).

In the past, there were enormous discussions about the real value of Facebook. Opinions of many experts often differed. When Facebook entered the stock market these debates finished. The main reason why Facebook decided to go public after all was crossing the boundary of 500 shareholders. After the initial public offering (IPO), Mark Zuckerberg should have retained a 22% ownership share in Facebook and was to own 57% of the voting shares.

Thus on May 17, 2012 Facebook Inc. held an initial public offering and announced a share price of \$38 each, which valued the company at \$104 billion. At that number, Facebook Inc. became the largest newly listed public company (Milian and Chan 2012) and it made it

worth almost as much as PepsiCo, at that time valued at \$106.5 billion. Firstly, 412 million shares were offered to the stock market. This represented 15% of all shares of Facebook.

After the first day the price of shares raised to \$38.23. Facebook has not fulfilled the desires about development of stocks. On the other side, positive is that the investors did not let themselves to be impacted by the media pressure and it did not increase the price of stocks which was overvalued form the starting point.

Already at the first week of operation the first problems arose. In the middle of IPO process Facebook bankers secretly cut Facebook's revenue forecast and the share price began to decline. It started with the decrease of 10% from the share value on May 21, 2012. The IPO was labelled as “fiasco” as Facebook's stock lost over a quarter of its starting value by the end of May 2012 (Weidner 2012). By June 6 investors had lost \$40 billion.

The following table represents the development of the Facebook's share price from its initial price offering through its first weeks up to February 19, 2014. At the beginning, the price for share was higher than \$38, but it started to drop immediately, falling to \$31 per share in the end of second week and touching the line of \$27.72 in the third week. Just on August 2, 2012 the price per share surpassed its initial price with share value of \$38.05. Since then it has been rising more or less steadily. On January 16, 2015 is the share price \$75.18 which is 97.8% increase from offering price (Yahoo! Finance 2015).

Table 2: The development of Facebook share price

Traiding days after IPO	Date	Share price	Net change from offering price
Offering price	May 18, 2012	\$38.00	N/A
First day	May 18, 2012	\$38.23	▲ 0.6%
1	May 21, 2012	\$34.03	▼ 10%
2	May 22, 2012	\$31.00	▼ 18%
6	May 29, 2012	\$28.84	▼ 24%
8	May 31, 2012	\$29.60	▼ 22%
9	June 1, 2012	\$27.72	▼ 27%
19	June 15, 2012	\$30.01	▼ 21%
68	August 20	\$20.011	▼ 47%
578	December 20, 2013	\$55.12	▲ 45%
642	February 19, 2014	\$68.06	▲ 79%

Source: own processing

3.3.4 Facebook's revenues

Most of Facebook's revenues come from advertising. In the third quarter of 2014 revenues reached the sum of \$3,203 million whilst \$2,957 million came from advertising and the rest, \$246 million, from payments and other fees (Deloitte 2012).

Payment and other fees recorded a 13% increase from the same quarter in 2013 while revenues from the advertising recorded amazing 64% increase compared to previous period, the third quarter of 2013. This increase is due to significant continued growth of mobile users in the past year which plays in favour of Facebook's advertising.

Looking at revenues from geographical viewpoint, the biggest part, \$1,514 million, was generated in the U.S. and Canada. Revenues of \$844 million were generated in Europe, \$492 million in Asia and \$353 million in the rest of the world (Deloitte 2012).

3.4 Facebook as a marketing tool

There is a wide range of social media sites that can be used for marketing. However, not all are suitable for marketing of a concrete business. It is necessary to take into account several aspects, for example which sites are popular in region where a business operates. Facebook is prime social media for internet users and therefore for marketers as well.

As Clapperton (2009) states *“Facebook is the largest social network and the one of which your customers are most likely to be members already. If you decide social networking is for you, then it won’t be a matter of „Have you got a Facebook Group“ but „Why aren’t you on Facebook?”*

“Facebook offers a variety of tools and platforms to reach users. Marketers can leverage Facebook Ads, applications, Pages, or Events. Each of these tools also contains an analytics system called Insights that easily reports on activity levels and demographics” (Zarrella, D. & Zarrella, A. 2011).

Facebook Pages

Facebook Pages are great tool for companies and organizations to present themselves. They are most probably the central point for most businesses and key part to most social media marketing strategies. Facebook Pages have some similar features as a user’s regular profile but moreover they offer additional functions making full customization and a variety of interactions possible. Pages are intended for businesses, brands and organizations to share their stories and connect with audience. Customization can be done through posting stories, hosting events, adding applications and more.

Facebook Pages are connected with users via likes, on contrary with profiles where is the connection carried out via friendship. People who like Page and their friends can see page’s updates in News Feed unless user changes option to not showing the page content. Businesses should bear in mind that the goal isn’t to get the most followers as possible but to create interesting content, good presentation and relevant audience who take action - give like, comment or share post of that concrete Facebook Page.

From the technical point of view Zarrella (2012) observed that the best engagement, in Facebook concept meaning likes, comments and shares, is achieved with posting photos. However there are some differences among the rest of the types for the three metrics. Photos generally acquire the most likes and shares while comments acquire the most comments but are shared rather rarely.

Most action on Facebook Page is happening on its wall. It is important for businesses to regularly update their wall with new posts. Number of actualization is not set strictly and it differs according to concrete presentation. When creating content there are few things which should be rather avoided. Once when content is posted it should not be deleted afterwards even though Facebook offers such possibility. Deleting content lowers credibility. Secondly business should beware of posting duplicates. Lastly generating of good content but in very short period of time is considered as mistake too. Consumer would get overloaded and the outcome would be negative.

Facebook application

Facebook allows developers to create all kinds of custom application. Some are designed for user interaction and connect the application to the brand. As an example Nutella developed Facebook application “The Nutella Jar Creator” where its fans could request a personalised label for a Nutella jar with their own name for free. This application was very successful leading to great engagement. With a simple idea of personalization and an easy to use Facebook application, the campaign reached great audience, adding nearly 160,000 fans just in Belgium (Iab 2015). In general applications give marketers an opportunity to create engaging, branded experiences that are inherently social (Zarrella, D. & Zarrella, A. 2011).

Facebook events

Facebook offers event functions which allow to inform about planned actions and to invite users to such event no matter if real or virtual. Event function is great to draw users’ attention to the planned action whether it is a sale, performance, or new product launch.

Facebook advertisement

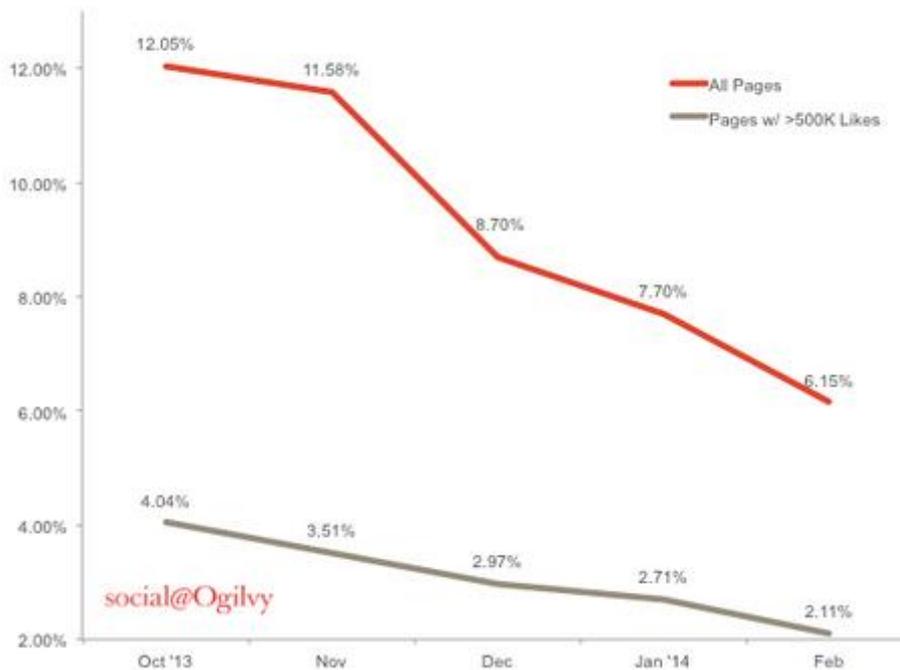
After creating certain Facebook content there is a possibility of supporting it by advertisement. *“Facebook has a powerful advertising platform known as Facebook Ads. Low click-through rates, sophisticated targeting options, and easy integration with applications and Pages make it an interesting tool for marketers”* (Zarrella & Zarrella 2011).

There are two main purposes of advertisement conducted on Facebook. First one is to build or extend page’s fan base. Building fan base is necessary to actually have someone to address, to present to, and to send the message to. However, since organic reach is being suppressed by Facebook to the minimum as it is explained in the next paragraphs, it is extremely desirable to be highly relevant and thus to attract only loyal “true” fan base. Businesses should beware of artificial purchases of fans just because of the good feeling and impression that huge fan base gives, always having in mind that additional cost will be necessary to display their posts to their fans.

Advertisement for the purposes of extending fan base mostly targets non-fans of page. Targeting can be further specified, including targeting on certain sex, age groups, region, interests etc. Targeted audience will see brand content appearing in News Feed, Ticker, or on the right hand side of the Page.

Once business acquired reasonable fan base, it wants to start sending the messages. Here comes in play the second purpose of advertisement on Facebook - to increase constantly artificially reduced organic reach of their posts. This organic reach is purposely suppressed by Facebook algorithm because, according to a Facebook survey, users want to see more stories from friends and pages they care about, and less promotional content (Facebook 2014). Facebook organic reach was already significantly decreased in several waves. During 2012 Facebook restricted organic reach from above 26% to below 12%, in another round, happening in December 2013, reduced it further to below 9%. In February 2014 it plummeted to around 6%. The latest change is planned for the beginning of 2015 (Oldham 2014). This trend is presented in the following figure.

Figure 6: Average organic reach of content published on brand Facebook pages



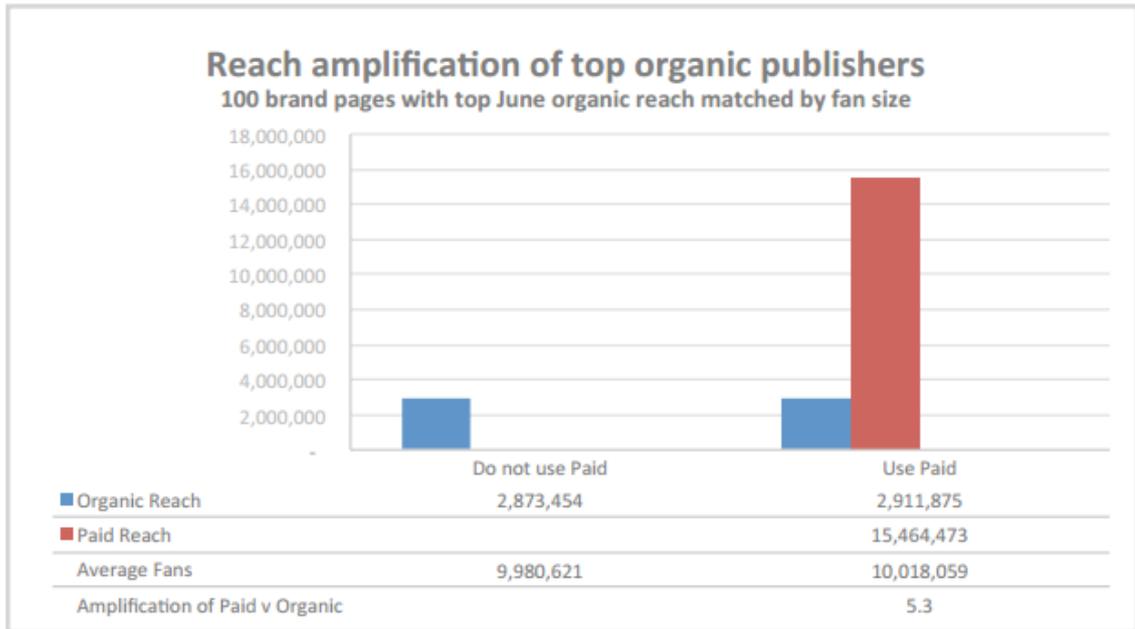
Source: www.engagementsciences.com/goodbye-facebook-organic-reach

Reduced organic reach means that boosting the reach of businesses posts with Facebook media spend is essential. However, is it important to remember that engaging posts will perform better and precisely these are the ones which should be sponsored. Otherwise, sponsoring posts which are not engaging is a waste of money.

Maximizing reach is important for marketers, because reach is a significant driver of ROI⁴. Facebook (2012) announced that campaigns which maximize their reach have on average a 70% higher return-on-investment. *“Even brands with some of the largest fan bases can reach on average 5x more people using paid media in addition to organic publishing. Furthermore, the audience reached with paid media exhibited greater shopping and buying frequency for those brands than the online average”* (Facebook 2012). This phenomenon is to be seen on the figure below.

⁴ ROI stands for Return On Investments. This topic is further discussed in following chapters.

Figure 7: Reach amplification of top organic publishers



Source: www.facebook-studio.com/fbassets/resource/73/UnderstandingPaidandEarnedReachonFacebook.pdf

Facebook (Polich 2012) conducted research on top U.S. Facebook brand pages by fan count that also reached an organic audience of at least 1 million unique users in a single week in June 2012. These were divided into two groups – pages that used only organic media and pages that used both paid and organic media during this week in question. The resulting sets each have an average fan base of 10 million (9.98 million for organic only and 10.02 million for paid and organic). It is to be seen that both groups achieved similar average organic reach. *“However, the average total reach achieved by each of the groups was vastly different: the group that used organic media alone achieved an average total reach of 2.87 million, while the group that combined paid and organic media achieved an average total reach of 15.46 million, which is an amplification of 5x over the organic reach for those Pages”* (Polich 2012).

3.4.1 Value of a Facebook fan

Marketers ask often question “What is the value of a Facebook brand Fan?” There have been several efforts to answer this question and to come up with general average value of Facebook fan. Latest report on this topic was conducted by Syncapse in 2013. Syncapse researched 20 companies across U.S. market. *“The brands under study in 2013 were*

selected based partly on their wide consumer adoption and Syncapse SynQ rating, a social brand health index incorporating blended page performance metrics including Fan count, Fan growth, engaged Fans and engaged Fan growth” (Syncapse 2013).

Syncapse created survey and collected data from over 2,000 participants. Factors of Syncapse fan calculation were product spending, loyalty, propensity to recommend, media value, acquisition to cost and brand affinity.

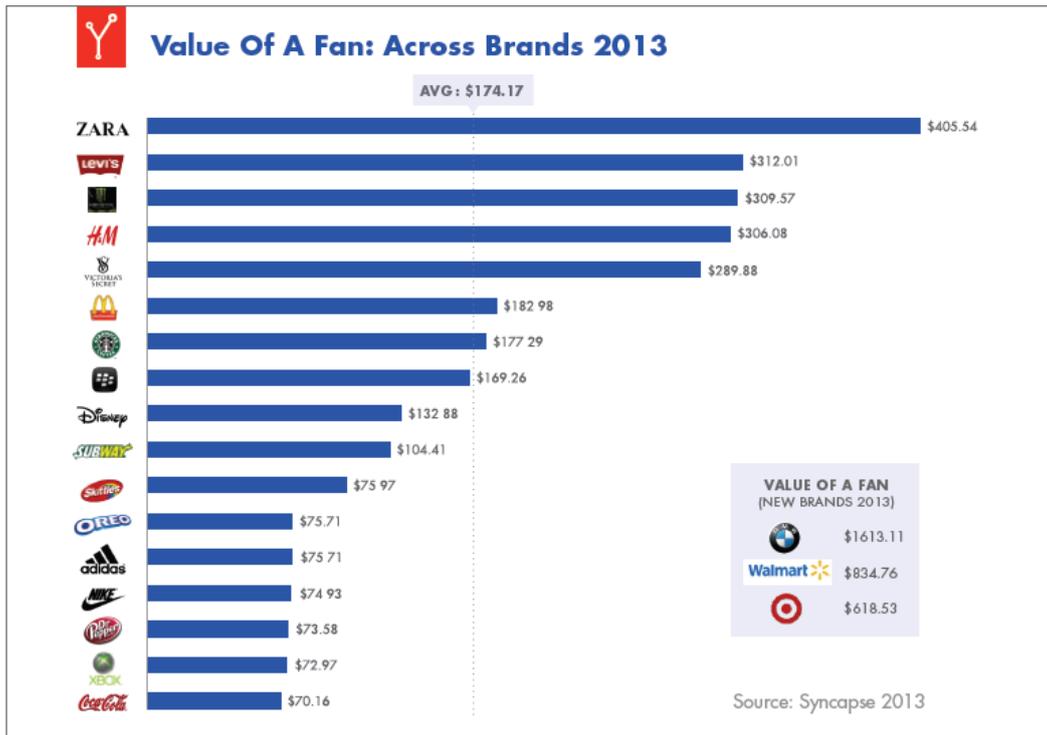
The key results of this study were that Facebook brand fans:

- are 80% more likely to be brand users than non-Fans
- spend 43% more than non-Fans in respective categories, despite not having a higher income
- are 18% more satisfied with their brands than non-Fan users
- are 11% more likely to continue using the brands than are non-Fan users (are loyal users)
- are 85% more likely to recommend the brand compared with 60% of non-fans

Another finding was that consumers like brand pages for two main reasons - coupons, discounts, and rewards that brands offers and because they show support for that certain brand or they receive regular updates.

Average value of Facebook fan in 2013 calculated by Syncapse was \$174.17. However as it is seen on figure below, the value for a fan across industries varies greatly from \$1,613 per fan for a brand like BMW, to \$177 for Starbucks, and \$70 for Coca-Cola. According to research brands with high equity or longevity in the marketplace and brands with smaller retail prices have comparatively smaller Fan values.

Figure 8: Value of a Facebook fan (Syncapse 2013)



Source: www.syncapse.com/value-of-a-facebook-fan-2013/

Syncapse wasn't the first company to try to put average value on a Facebook fan. Another social media agency, SocialCode, claimed in 2011 that a value of Facebook fan is \$9.56 which is far from Syncapse's result. SocialCode study assumed a cost-per-click of \$1 (Delo 2011).

In 2010 social media agency Vitruve determined the value of a fan to be \$3.60. Study was "based on the amount of exposure fans generate for a brand in their friends' news feeds" (Delo 2011). Results of studies of all three social media agencies are summed up in table below.

Table 3: Summary of studies on Facebook fan average value

Year of study	Conducted by	Value of fan
2011	SocialCode	\$9.56
2010	Vitruue	\$3.60
2010	Syncapse	\$136.38
2013	Syncapse	\$174.17

Source: own processing

3.4.2 Facebook marketing analysis and measurement

As it is with any marketing efforts, close observation and tracking of Facebook marketing performance is extremely important, not only for the purposes of investment justification but also for being able to improve future campaigns.

There are two kinds of categories of metrics that can be measured - off-site and on-site. *On-site metrics* measure the activity that is directly taking place on certain Facebook site. *Off-site metrics* measure the activity that is happening on other sites, meaning out of the space of the original site where companies gained new visitors. In this case out of Facebook. For example there may be a business referring from its Facebook post to business website. Thus the traffic of certain website is increasing, as well as the interaction with customers and probably conversions. Of-site metrics are important to measure, in order to know whether and how much Facebook marketing campaigns, which are meant to affect the performance outside of Facebook, work. Useful tool for measurement can be Google Analytics.

For measurement of on-site metrics Facebook itself includes a robust analytics platform known as Facebook Insights. This tool allows gathering information about pages, applications, and ads (of course only in the case of having necessary user role assigned to a specific Facebook page; these roles are: Analyst, Advertiser, Moderator, Editor and Admin and differ in the level of access). Using this performance analysing tool is important so that adjustments can be realized, not only after the campaign but also during the campaign. By monitoring performance in real time, or near real time, immediate changes that can turn the tides of a lagging campaign only draining the budget can be made (Levy 2010, p. 88).

Basic statistics available through Facebook Insights include page likes, post overview, post reach, engagement, page and tab visits, overview of people, and basic comparison of performance with other chosen Facebook pages. More specifically, there are 6 tabs containing different type of data – “Overview”, “Likes”, “Reach”, “Visits”, “Posts” and “People”.

Overview tab

Overview tab serves as a dashboard page to present the basic metrics from the last 7 days including page likes, post reach, engagement and breakdown of the most recent posts. This tab is basically good for quick look but, in order to analyse the performance other tabs are necessary. For graphical visualization see appendix 1.

Likes tab

Likes tab shows total number of people who have liked Facebook Page (become fans) as well as development of likes over any specific period of time. Furthermore it is possible to watch net likes, the number of new likes minus the number of unlikes, and where the page obtained its likes. For graphical visualization see appendix 2.

Reach tab

Reach tab shows overall performance of the actual content published by the page. The tab is shows 4 charts, all focused on how many people are page’s content. For graphical visualization see appendix 3.

Visits tab

Visits tab allows analysing of how many people are visiting page tabs and how many are visiting actual page on a daily basis. Furthermore, visits tab offers charts that are following the number of times people came to page from a website off of Facebook. For graphical visualization see appendix 4.

Posts tab

Posts tab is very useful when analysing performance of actual content on an individual basis. This tab is divided into three sections – “When Your Fans Are Online”, “Post Types” and “Top Posts from Pages You Watch”.

“When Your Fans Are Online” section maps activity of page’s fans during the day. This is great tool for marketers suggesting what the best time of day to post is. “Post Types” section presents quick chart of how the different types of content are performing including Status, Link, Photo and Video. “Top Posts from Pages You Watch” section offers source of competitive insight into best performing post of selected pages.

Post tab also offers view of the performance of individual pieces of content in chronological order. Marketers have exact overview of how many people opened the post and how many likes, comments, shares the post received. For graphical visualization see appendix 5.

People tab

People tab offers overview of demographic, geography and language composition of page’s fans and non-fans connected with page through reach or engagement. It is again divided into three sections – “Your Fans” representing people who liked the page, “People Reached” representing the number of people who were reached by post no matter if fans or not, and “People Engaged” representing the number of people who have liked, commented on, or shared posts or engaged with page no matter if fans or not. For graphical visualization see appendix 6.

Return on Investment

What is considered the most important value that can be measured is return on investment (ROI), in other words indicating the ratio of earned money to the money invested. ROI therefore gives income as a percentage of the amount spent.

Using analytics tool such as Google Analytic helps to track actions on web site determining where these visitors taking action came from so the effectiveness of each external source can be evaluated. *“To calculate the actual ROI from your efforts, simply deduct the cost of your social media work (include monetary and time investment) from the income generated”* (Zarrella 2012). ROI can be also measured as a change in product sales after promotion on the social media. The ROI formula:

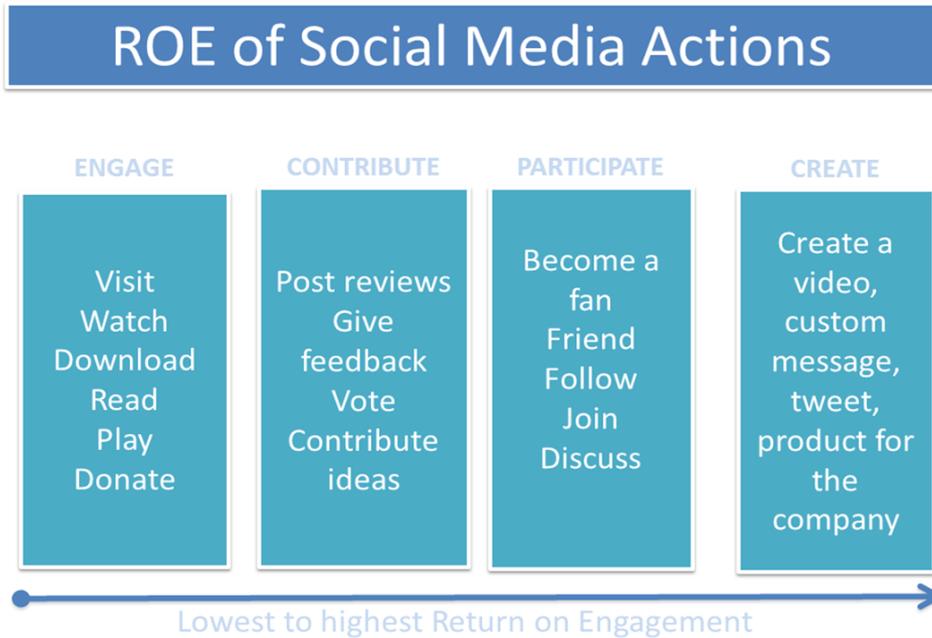
$$ROI = \frac{(\text{Gain from Investment} - \text{Cost of Investment})}{\text{Cost of Investment}}$$

Even though ROI is considered the most important value, according to Social Media Examiner findings (Stelzner 2014) only about 37% marketers agreed they are able to measure the return on investment for their social media activities.

Return on Engagement

As outlined above, marketers who want to calculate ROI in connection with social media can run into difficulties. *“Measurability within social media is not about the classic financial value but focus on relations and human behaviour, which are not quantifiable. Social media increases trust, which takes long time to build but can disappear in a few seconds”* (Wigmo 2010). Therefore, when evaluating social media marketers often use return on engagement (ROE) instead of ROI. ROE is the overall brand strength gained from a certain brand action, strategy, or product. It is in not measured in financial way but it aims at what business gets back in brand strength. While measuring ROE there are two principal factors to follow. The most important are *time spent on page* and *number of pages viewed and clicked*. The longer visitor stays the greater relationship is created. ‘More components of ROE which can be followed are presented in following figure.

Figure 9: Key “return” components of ROE



Source: www.redhotmarketingblender.com/2013/04/from-roi-to-roe-return-on-engagement-is-the-new-thing

Another factor that should be monitored is “bounce rate”. It is connected with web traffic and represents percentage of single-page visits, meaning percentage of visitors who entered the page but left immediately. This number help as an indicator of usually poorly set marketing campaigns because if there is very high bounce rate it points out that visitor did not probably find on the page what they thought they would.

4. Practical part

Practical part of the diploma thesis deals with actual impact resulting from Facebook activities and its ecosystem in EU countries and in the U.S. Because Facebook ecosystem enables other businesses to create added value across the economy the practical example of this added value is demonstrated on company Zynga, Inc. Furthermore, impacts of created Facebook media marketing campaigns for company Balakryl are analysed. The campaigns are evaluated and future forecast and recommendations are proposed.

4.1 Economic impact of Facebook

With 1.23 billion active users around the world, Facebook is today's most prominent social utility to connect with diverse audiences, including friends, family, colleagues, constituents, but from the economical point, most importantly consumers. Businesses are using the service to connect with their customers, to advertise more effectively and to build their brand identity. Facebook express a new generation of social media organisations who have significant global impact and creates economic value through enabling ecosystems. This means that besides the traditional narrow measures of economic impact there is also broader impact of Facebook in allowing third parties to create added value across the economy, which needs to be considered as well.

4.1.1 Economic impact in Europe

International research firm Deloitte was commissioned to carry out an extensive analysis of the Facebook economy contribution across the EU27⁵ countries with a focus on United Kingdom, Germany, France, Italy, Spain, and Ireland. Economic impact is defined as the total contribution that Facebook brings to the Europe's economic output measured in terms of gross value added⁶ and jobs created. The report "Measuring Facebook's economic

⁵ Study was executed in January 2012, when there were 27 member countries in European Union, therefore EU27. The contributed value of Facebook is assessed for the year 2011.

⁶ "Value added is a measure of economic output analogous to Gross Domestic Product (GDP)" (Deloitte 2012, p. 6)

impact in Europe” (Deloitte 2012) brings forward following:

Defining the economic impact of Facebook

While Facebook is continuously changing businesses in new and energizing ways, the methodologies used to define and measure its economic impact were well established.

Facebook’s economic impact can be compartmentalized into two categories of effect. It creates impact “through *narrow effects*, caused by Facebook’s day-to-day activities within Europe, and *broad effects*, accruing to third parties as a result of the Facebook ecosystem” (Deloitte 2012, p. 1). Therefore Deloitte’s study examines these key areas:

Narrow effects

Narrow economic effects of Facebook cover value added and employment. This value added differs from general spending in the economy. For example, “Facebook generates direct value added through the remuneration of its employees in wages and other payments, the operating surplus (profit) it makes, and the taxes it pays” (Deloitte 2012, p. 7). Simply put, Facebook employs staff across Europe. That means the narrow effect comprises of money spent on wages, buildings, equipment and with suppliers.

These narrow economic effects can be further compartmentalized into three segments according to the ways how Facebook impacts on businesses and individuals:

- **Direct effect of Facebook:** often referred to as the first-round impacts because they correspond with the first round of spending in the economy. They comprise of Facebook spending on its employee wages, on paying taxes, and the profit generated from its activities.
- **Indirect effect of Facebook:** comprises of value created in associated industries that supply inputs to Facebook
- **Induced effect of Facebook:** value created from spending by households “in the overall economy as a result of direct and indirect effects from the generated economic activity of Facebook and associated industries” (Deloitte 2012, p. 8).

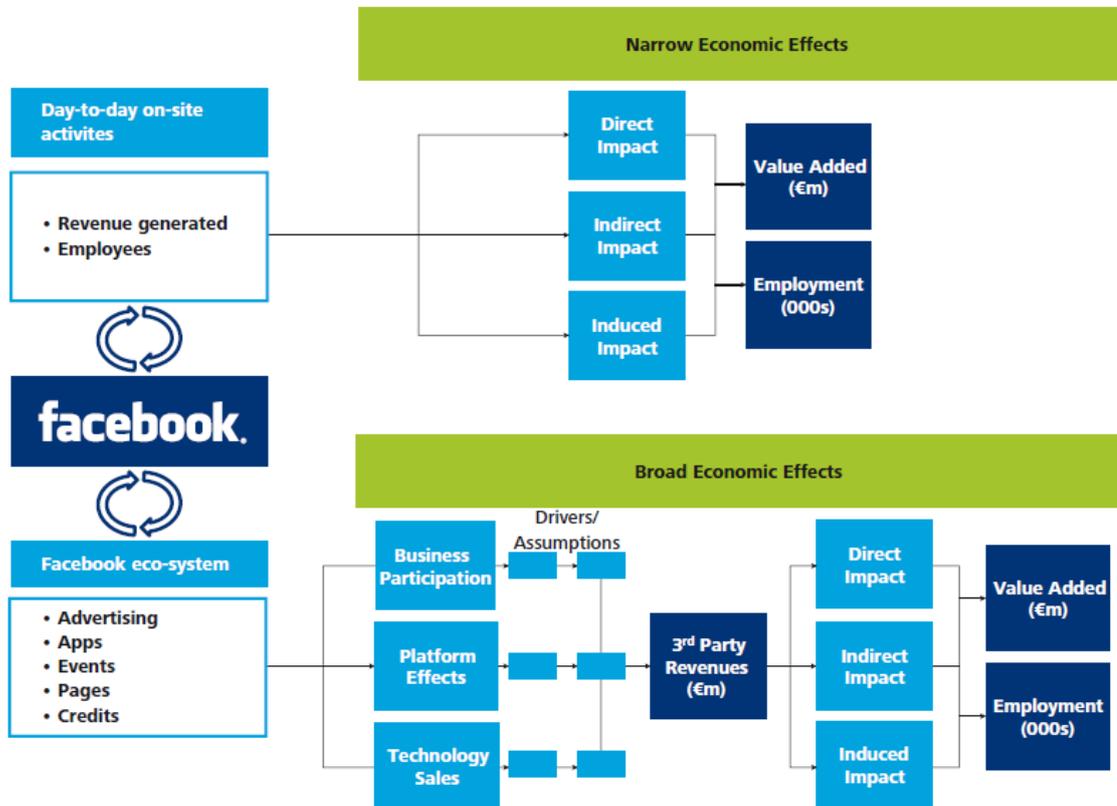
Broad effects

Facebook is an internet-based business which is able to enable broader economic activity across other economic subjects. These broad effects are outside the narrow effects and are expected to be much more significant for other economic subjects than the narrow economic impact created by Facebook. Most importantly, Facebook have strong impact upon:

- **Business participation:** these are the benefits to businesses which use Facebook as an advertising medium. Facebook enables businesses to build their brand and raise awareness of their products thanks to Facebook advertising, fan pages, featuring stories, 'likes' and by communicating directly with customers. Through Facebook business pages companies generate new sales and thus increase their revenue.
- **Platform impacts:** these are wider economic benefits that arise from individuals and communities using Facebook as a communication platform. They comprise of value added from development of applications for Facebook which employs thousands of people. Additionally, Facebook saves time by enabling easier communication and also social events planning online which means money spent on venues, food, drink and other expenses.
- **Technology sales impacts:** As a number of Facebook users increases Facebook may become the deciding factor when considering purchase of new technology. Thus Facebook boosts the demand for technology through increased sales of smart devices able to access the site or application and broadband connections.

The relationship between the narrow and broad economic impacts of Facebook is represented in the figure below.

Figure 10: Facebook's economic impact



Source: Deloitte estimates

Key study findings

- Facebook added value to the European economy was estimated to **€15.3 billion** in 2011.
- Facebook helped to support **232,000 jobs** across Europe in 2011.
- Increased businesses participation due to advertising, customer referrals and increased brand value was worth around **€7.3 billion** in 2011.
- The Facebook App Economy was estimated to **€1.9 billion** value added and supported around 29,000 jobs in 2011.

Detailed study findings

Following text will focus on the real added economic value created by Facebook, numerically expressed for each group, namely the narrow effects in bulk, than for business participation, platform effect and finally for technology sales. The Deloitte's (2012) study findings are summed up as follows:

Narrow effects

The narrow economic effect in the EU27 in 2011 amounts to €214 million and directly supports approximately 3,200 jobs.

The direct economic effect of Facebook on European Union economy amounts to €124 million in value added. In the terms of employment the organization directly supports over 700 jobs. Economic impact further increases when adding supply-chain effects, or business-to-business purchases, and consumer spending effects. These are estimated to calculate for additional €90 million of value added. In the terms of employment they account for additional more than 2,500 jobs across the EU in 2011. Summing up above mentioned, the narrow effects accounted for €214 million of value added and supported approximately 3,200 jobs across the EU27 in the year 2011.

When looking at the data at the country level, the greatest portion out of €214 million belongs to EU6 states, namely United Kingdom, Spain, France, Italy, Germany and Ireland. Whole EU6 accounts for sum of €210 million. The biggest part, circa €166 million, occurs in Ireland, although there is a significant contribution of €32 million in the UK as well. Considering employment, out of circa 3,200 jobs, whole 2,800 are in Ireland and the UK.

Business participation impacts

The business participation is calculated to support approximately €7.3 billion of economic impact and 111,000 jobs across the EU27 in 2011.

Facebook enables businesses to participate through paid advertising activity, on activities that build brand value and through referrals. These amounts to sum of €22.3 billion in enabled revenues or to 66% of Facebook's total gross revenue enabled in the EU27 in 2011.

Impact of €7.3 billion through business participation is suggested when projecting this revenue to economic impact, measured by value added. The size of the contribution generally mirrors the size of the national economy considered, although the final relative number, and therefore the contribution, of fans was higher in some countries such as the UK and Italy.

From the point of employment, paid advertising on Facebook supports a significant number of jobs, approximately 110,000. Supported jobs are estimated to create value added of circa €694 million while more than 70% occurs within the EU6. The benefits are especially high for the UK with €160.8 million value added.

Customer pages, ostensibly a free source of advertising for firms, create €48.7 million of value added throughout the EU27 in 2011. At the country level, Customer pages created €33.1 million and approximately 400 of the 800 jobs within the EU6 while the €10.7 million value added is created in Germany.

Platform impacts

The platform impacts are estimated to support economic effect of approximately €2.2 billion value added and 32,900 jobs in the EU27 in the year 2011.

Platform effects enabled by Facebook events generated gross revenues of circa €3.4 billion across the EU27 while the largest proportion of the revenues accrue again to UK, followed by France and Germany. Converting the €3.4 billion into economic impact, the value added across the EU27 is approximately €2.2 billion and supported employment by platform effects is circa 33,000 jobs. Platform impact is smaller than business participation effects but represents an important component of Facebook's overall economic impact.

Among platform impact belong with no doubt the app economy contribution. Unlike any other broad contributions, the app economy relies on Facebook because it is the only social media with such site of a scale to allow serious and consistent app development. The value added generated by the app economy is little below €2 billion across the EU27 while supporting almost 30,000 jobs. The biggest contributor from the EU27 is the UK followed closely by Germany. The sum of two of these major app developing countries is over €0.5 billion in value added and over 7,000 in jobs supported by Facebook Apps. In the rest of countries from EU6 is the app economy contribution much smaller, mainly due to lower level of software development.

Finally the economic impact from social activities across the EU27 accounts for €232 million which leads to employment of 3,600 jobs. The majority of employment and the value added input are created by EU6 states. Each member state reflects the strength and size of its economy and the use of Facebook by its citizens.

Technology-sales impacts

The economic impact of technology sales supported by Facebook across the EU27 members is estimated to be circa €5.5 billion and to support over 85,300 jobs.

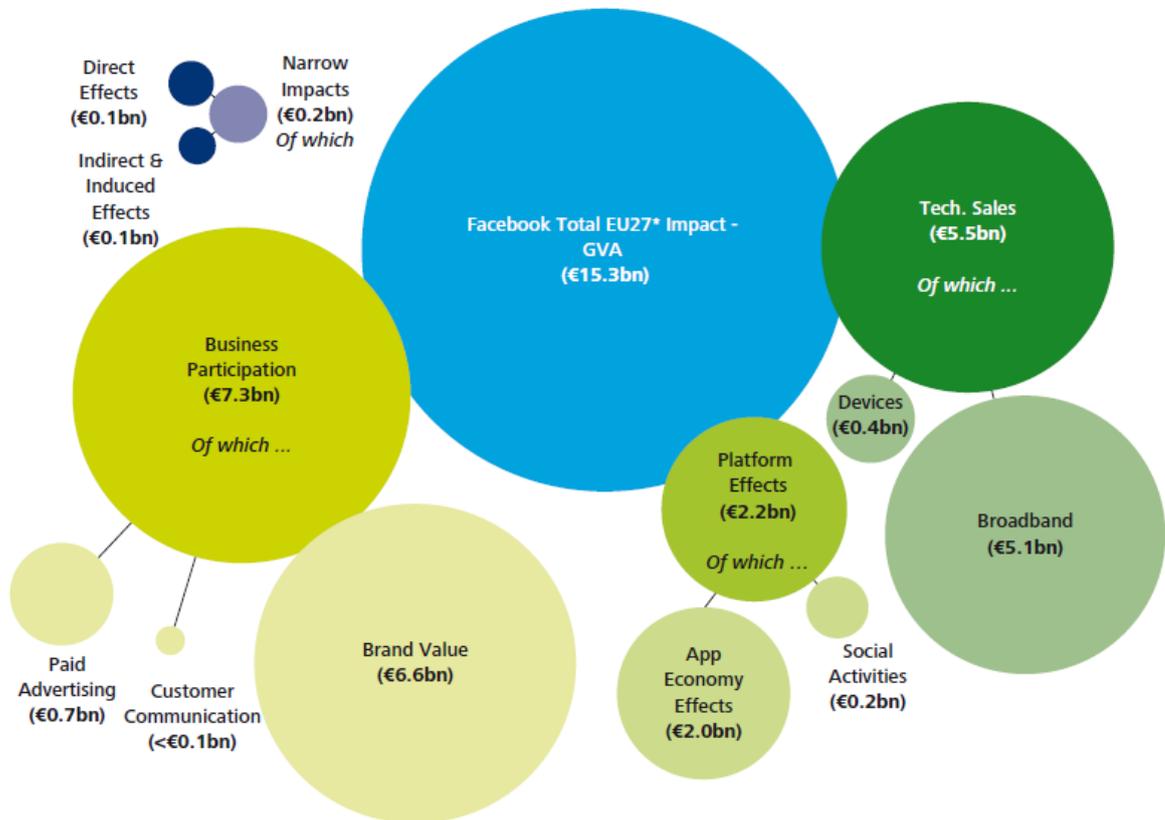
The sale of devices and broadband services enabled gross revenue across the EU27 of about €6.5 billion in 2011.

The impact of €1.5 billion, also the largest one, is in Germany. However, Germany has particularly high number of fixed-line broadband connections. On the other hand while the UK has the highest Facebook users in Europe, as well as the highest number of users who access Facebook via a mobile device, it has quite low broadband prices.

When calculating the value added from the revenue an estimate of total economic impact of €5.5 billion is driven, which supports around 85,300 jobs. At a country level Germany continues to receive the largest impact. These impacts are mainly driven by broadband sales because devices alone are usually produced outside of the EU27 member countries.

The sources of Facebook economic impact, compartmentalized to show the impacts of the different components, are summarised in figure below.

Figure 11: Sources of Facebook economic impact



Source: Deloitte estimates

Summary

In the figure above is to be seen the aggregated economic impact of Facebook. The total economic impacts sums up to €15.3 billion, from which is the narrow impact of circa €0.2 billion. Narrow impact is significantly lower than broad impact representing only 1.5% from overall impact.

Broad impacts represent major part of Facebook economic effects. The most significant are those created by Facebook enabling business participation which includes advertising activity on Facebook and activities that help to build Brand Value. These effects are estimated to provide circa €7.3 billion in the value added which is created by organisations and their suppliers plus through the expenditure of those benefitting from associated jobs.

Second part of broad impacts, the platform effects including the app economy and social activities organized through Facebook contribute the amount of €2.2 billion. Majority of value added comes through activity in the app economy. The top players in this field are companies such as Wooga and King in Europe and Zynga outside of Europe.

Finally, technological sales complete the trio of broad impacts. Sales of devices and network capacity to facilitate the use of Facebook among European users are estimated to €5.5 billion in value added, in particular through the purchase of the connectivity required to access Facebook.

Considering the job contribution, there are estimated to be created circa 232,000 jobs which are associated in some way with Facebook throughout the EU27 countries, whilst 229,000 relate to broad effects. 111,000 of these are estimated to be connected to business participation and 85,000 to technology sales.

4.1.2 Economic impact in the U.S.

As well as in Europe Facebook has significant economic impact in the United States. The segmentation of impacts stays the same only the range differs. When speaking about Facebook's *narrow economic impact* in the U.S. several examples can be brought forward.

In its article from July 2013 identified Wall Street Journal the Facebook IPO as the cause of a change in the U.S.' national economic statistics. The local government area of the company's headquarters⁷, San Mateo County, California, announced rose of average weekly wage of 107% from the year earlier, to the amount of \$3,240. This equals to \$168,000 a year which is more than 50% higher than the next highest country, New York County, better known as Manhattan. Manhattan moved to the second place with \$2,107 a week, or \$110,000 a year. Thus became San Mateo County top wage-earning county in the U.S. at 2012 (Thurm 2013).

Throughout the time Facebook has established altogether 14 offices located in the U.S. in Atlanta, Austin, Boston, Chicago, Dallas, Detroit, Denver, Los Angeles, Menlo Park,

⁷ Just Menlo Park, California, part of San Mateo County is where Facebook headquarters are located.

Miami, New York, Reno, Seattle, Washington D.C. (Facebook 2014). These cities benefit from Facebook job created as well as higher working standard and wages too.

From the Facebook's *broad economic impact* point of view Facebook helped to solve the job issue when hiring qualified candidates become in 2012 more challenging than ever. Companies used to send out message about new opening to every job seeker hoping for a response, thereby creating a feeding frenzy of under-qualified, non-qualified, and desperate candidates. Qualified candidates were overlooked. Then the companies made nothing to explain why the job seekers were refused for the working spot and the cycle repeated again and again.

Facebook's entry into the job board market changed all that due to offering the largest database of users in the world. There are 206 million Americans spending over 20 minutes online every day on this world's largest social network. The platform offers companies and human resource managers immediate insights into the user base from photos to interests, conversations, trends, and analytics.

Even though, Facebook is not launching usual job board it partners up with non-profit organizations like the National Association for Careers and Employers, Direct Employers, government entities in addition to HR technology vendors like Work4Us and BranchOut (Miller-Merrell 2012).

Not to be forgotten, Facebook also has enormous technical platform effect on the U.S. economy, more specifically the App economy effect. Components of Facebook Platform allow developers to build apps on Facebook such as one of the biggest game developers Zynga's popular "Farmville". These Components create jobs, and each of those jobs contributes value. Similarly, anyone can build an app on Facebook and begin earning revenue. If the app is popular developer may hire additional developers to expand the app. When the app is even more popular, new company may be established and more developer, additionally financial managers, a public relations team, a legal team, and clerical staff are hired. This circle can go over and over leading to many created jobs and significant contributed value to the economy.

Faculty members of the Robert H. Smith School of Business at the University of Maryland, College Park have conducted a study on the topic of The Facebook App Economy (Hann, Viswanathan & Koh 2011). The study evaluated the economic value of jobs created directly within companies specializing on the Facebook applications and other services, as well as jobs that originated in other sectors of business as a result of the expanding ecosystem of Facebook. The study brings three striking results regarding the jobs created in the App industry (direct employment), jobs created as a result of the App industry in other sectors (indirect employment), and the economic value of those jobs (the wages and benefits paid to these employees).

There were 53,434 jobs created in the App industry as a direct result of the Facebook platform. From 129,310 to 182,210 jobs created outside the App industry. Finally, Facebook App Economy has added from \$12.19 billion up to \$15.71 billion in wages and thus benefited to the U.S. economy in 2011.

4.1.3 Economic impact on Zynga, Inc.

As it was pointed out in previous parts, Facebook broad effect allows other businesses to create added value across the economy as a result of the Facebook ecosystem. In order to present practical example of this case, Zynga company will be examined in the next part.

Zynga was founded in July 2007 by Mark Pincus and headquartered in San Francisco, California, USA. Zynga is a provider of social game services and was based partly as a Facebook app company. According to the company, Zynga's mission is to connect the world through games. Nowadays, the company develops social games that work alone on mobile phone platforms and on the Internet through the website Zynga.com and through social networking websites such as Facebook (Zynga 2015).

Zynga's history and development is very closely connected with Facebook. When in the May 2007 Facebook opened up its applications programming interface, inviting other companies to make applications on top of its social network, Mark Pincus saw an opportunity and decided to join in. It was very smart decision because Zynga succeed to exploit Facebook's unprecedented wave of growth.

It was just the year 2007 when Zynga released its first game for Facebook. The company created a free social poker game on Facebook which promised simplicity, universality and enabled to plan a “poker nights” with friends no matter the distance. Zynga’s first game was successful enough to make the company profitable. In this year Zynga generated \$693,000 in revenue and prepared its path to growth because its user’s number was growing quickly and the company was already profitable (Takahashi 2011).

In November 2008 Zynga had around 100 employees and released its second game called Mafia Wars which got really successful and popular too. In 2008 Zynga had generated \$19.4 million in revenues, while Mafia Wars was generating 20% of them. Actually 95% of these revenues came from the “virtual goods”. Basis of this virtual goods model is to offer free app to play and on top of that additional “upgrades” or “items” in the game that can be purchased for real money. The next year, the game got so popular that its fan base grew dramatically and contributed \$32 million in revenue in 2009 and \$161 million in revenue in 2010. Besides thanks to Mafia Wars and Zynga Poker, the company as growing very fast. By the year 2009, Zynga had 40 million monthly active users and its poker game was the top title on Facebook. The game was the first one to reach more than 10 million monthly active users (Takahashi 2011).

Another enormous successful Zynga’s game was FarmVille, released in June 2009. The game grew at an unprecedented rate generating 5 million users in only two months. As well as FarmVille another game Cafe Word, launched in 2009, also registered success with 28 million monthly active users. Zynga ended the year 2009 with revenue of \$121.5 million and 207 million monthly active users (Takahashi 2011).

By the year 2010, Zynga had six of the top 10 games on Facebook and had more than 252 million monthly active users with only FarmVille alone having more than 79 million users. However, in 2010 Facebook was changing its policy which was problem for Facebook gaming developers such Zynga. Facebook users were complaining about getting too many spams from other Facebook users who were playing games so Facebook basically shut down game notifications showing on the main news feed of Facebook users. Facebook also limited other forms of viral communication on its platform.

Outcome of this action was less complains from users about the game spam, but dramatically lower usage of game apps which caused Zynga to loose tens of millions of users. Another interference connected with lowering reach caused that app makers had to start promoting their apps bringing the ad revenues back into Facebook pocket. Another crisis for app developers was Facebook policy from 2011 which required app developers to switch over to Facebook Credits, paying 30% of their transaction revenues to Facebook. Zynga was slowly beginning to try to diversify away from Facebook.

In May 2010 Zynga was evaluated to \$13.98 billion. Revenue for the year 2011 was \$1.14 billion and for the year 2012 \$1.28 billion (Zynga 2012). As of early January 2013, Zynga games had over 265 million monthly active users with three top Facebook games FarmVille, Zynga Poker and ChefVille. According to the BBC, *"figures suggest 80% of Zynga's revenue comes from Facebook users"* (BBC 2012). Nevertheless Zynga decided to drop Facebook Connect and as the games company moved to its own account system and ended its relationship with Facebook on March 31, 2013.

4.2 Chosen marketing campaigns

Following chapters deal with analysis and impacts of created Facebook media marketing campaigns for the brand Balakryl. In the end all Facebook marketing activities will be evaluated and future forecast and recommendations will be proposed.

Balakryl brand is a member of the PPG group founded in 1883 as Pittsburgh Plate Glass in Pittsburgh, Pennsylvania. Today, PPG is a global supplier of paints, coatings, optical products, specialty materials, glass and fibre glass. PPG group operates worldwide in more than 60 countries with about 156 manufacturing facilities and 42,600 employees in North America, Europe, Middle East and Africa, Latin America and Asia Pacific (PPG Industries 2013). In markets with construction coating materials in EMEA region (Europe, Africa, the Middle East and the French overseas) occupies PPG company stable second place (Balakryl 2014).

In the Czech Republic is the Balakryl brand represented by PPG Deco Czech a. s., the largest supplier of coating materials and other specialty products on the Czech market.

PPG group in addition to the major brands Balakryl, Primalex, Johnstone's and Bondex owns wholesale Triga Color and network of stores House of Colors (Balakryl 2014). The structure is represented on figure below.

Figure 12: PPG structure in the Czech Republic



Source: own processing

Brand of paints Balakryl was born in the mid 80's of last century. At the end of 1985 the production of solvent paints in the former Colours Tebas manufactory was stopped. The production program further focused on ecological dispersion coating materials. Rise of ecological dispersion coating materials dates back to 1987 when new Balakryl V 2045 paint was launched which soon gained a large community of customers. Average annual Balakryl production at this time amounted to a giant volume of about 3 million units.

Gradually, on the market were presented more water-based paints for wood, metal, concrete, plastics and other surfaces under the Balakryl brand. Nowadays the range of Balakryl products covers all commonly painted surfaces. On the Czech market Balakryl brand belongs among the best-selling coating materials in its category of water-based paints for wood and metals and it is the market leader (Balakryl 2014).

Development and impacts of the Facebook marketing campaign are published in this diploma thesis with the courtesy of the Balakryl brand. Some numerical data presented in

this work are only copying real development. Exact figures can be fictional in order not to damage the company by revealing sensitive information.

4.2.1 Developing Facebook marketing strategy

According to Levy (2010) before starting concrete activity on Facebook it is important for businesses to design a comprehensive strategy to follow. Facebook can be used in variety of different ways. Every company has different needs, different product, different prospect and customers. Also goals and success metrics usually differ.

Levy (2014) further recommends answering several questions which include among others ones presented below. Answering them should help to frame the Facebook strategy of particular company trying to use its environment.

Why does the brand want to use Facebook for its business?

Balakryl would like to set up Facebook page and use it in order to construct active fans base that can be communicated with directly. It is believed that strong overall presence on Facebook will increase the brand recognition and awareness. Balakryl sees Facebook as an opportunity of relatively cheap communication channel that will humanise and increase popularity of brand.

Target audience are mostly middle age to older users favouring creativity, home improvement, interior design, do-it-yourself, painting, own productions, etc. It is believed that target audience is present on Facebook in a large scale.

Value adding content offering various tips and ideas on topics such as home improvements, self-created products that can be realized with the use of Balakryl paints will be provided to its fans. In this way Balakryl would like to promote its brand in nonaggressive way.

What are specific goals brand wants to achieve for its business with Facebook?

The specific goals are:

- Construct and increase fans base
- Increased the brand recognition and brand awareness
- Increase brand popularity due to offering value added content
- Utilize channel that would support Balakryl event Recy-Věci 2014
- Develop strong overall presence on Facebook

How can the business use Facebook to fill a need or want that brand's customers are experiencing?

When considering the field in which Balakryl company operates, the goal is to appeal on customers wants. Thanks to Facebook, the desire to create will be enhanced through appropriate post types, images and videos. Content of the message is that do-it-yourself is fun, pretty and when using Balakryl painting also easy. Recommendation on the most suitable Balakryl paints for specific self-products will be given, along with exact procedure if requested.

How does the business plan to measure your success?

Measurement is planned to be done with the use of Facebook Insight and Google Analytics tools. Data that are to be focused on when using Facebook Insight are reach and actions (likes, comments, shares and post clicks). When using Google Analytics the focus will be on number of new and returning visitors, bounce rate, number of visited pages and average time spent on website. Furthermore, quantification with the use of average Balakryl Facebook fan value will be done.

According to Treadaway (2010) a successful Facebook marketing plan should include these components:

Step 1: Defining the audience

The audience has been already briefly defined in previous part. What needs to be done is translating business audience definitions to the appropriate content on the Facebook platform. Facebook marketing campaign will be targeted on middle age to older age users located in the Czech Republic or Slovakia, regardless the gender, with the interests in interior design, home improvement, do-it-yourself, painting, etc.

Step 2: Determining the goals and objectives

The goals have been already settled in details in previous part.

Step 3: Setting configuration options

Facebook provides numerous settings and configuration options. Business presentation will be done through setting up a Facebook Page (see next chapter). Necessary administration roles will be assigned.

Step 4: Creating a compelling page

Creating of compelling page is one of the most important and challenging steps. Not only in the initial stage, but throughout the whole existence it is necessary to maintain the page and take care of it. Otherwise all efforts will be wasted.

Content has to be created and updated regularly, in order to keep fans attracted. It is also necessary to communicate with them with relatively short delay. Balakryl needs to reply to fan's questions, ideas and opinions in order to make them feel valued and cared of.

Balakryl stimulates interaction by encouraging users to comment on post and to show off their own products. This provides convenient combination of users' social interaction with people who share similar interests and channel where Balakryl can finely propagate its brand and products.

After answering all the questions helping to frame the Facebook strategy and laying out the components of successful Facebook marketing plan, concrete set of Balakryl Facebook marketing campaigns can be presented. There are four important parts of Balakryl Facebook marketing activities:

- Setting up Facebook profile
- Developing Balakryl fan base
- Continuous page content creation and promotion
- Supporting Balakryl event Recy-Věci 2014

Each activity is described in detail in the next sections.

4.2.2 Realization

To start up it was necessary to launch Balakryl Facebook page. This was done in February 2014. As a name for page was chosen “Balakryl” which is the most appropriate because brand’s products are known among people under the same designation. Page was set up as “Brands & Products: Product/Service” category. This option clears out for audience that Balakryl is a brand Facebook page.

Additionally, it was necessary to fulfil page info such as Facebook web address, Website, page description and general information. All information is presented in the following figure.

Figure 13: Balakryl Facebook page info

Facebook web address	www.facebook.com/balakryl
Website	www.balakryl.cz
Short page description	We believe that the world may be in better colors. Welcome to the site for sharing creative ideas and news from the world of paints and varnishes.
Detailed description	For more than 25 years we are helping customers to recolor their surroundings and brighten our world with our colours. BALAKRYL in the Czech Republic belongs among the best-selling coating materials and in its category of water-based paints for wood and metals is the market leader. On this Facebook page you can not only find news from our assortment, but also tips and advices on how to have fun with our paints and varnishes.
General information	Welcome to the Balakryl Facebook page! We look forward to your comments and suggestions! Our site is open to you, so you can insert your comments, photos, videos and links here. This is a user-generated content created by Facebook users and it does not reflect the attitudes and opinions of the Balakryl company.

Source: own processing based on www.facebook.com/balakryl/info

Alongside with basic information it was necessary to create profile picture and cover photo. Brand's profile picture should not change because it would confuse audience. Cover photo represent space where additional message can be delivered. It can be changed once in a while. On Balakryl Facebook page it is changed occasionally depending on time season or current marketing campaign. Profile picture and current cover photo is represented in following figure.

Figure 14: Balakryl Facebook profile picture and cover photo



Source: www.facebook.com/balakryl

Developing Balakryl fan base

The initial state of fans immediately after launching profile was zero. It was essential to plan and launch campaign focused on developing fan base.

Firstly user with account that has assigned admin, editor, moderator or advertiser page role has to log into Facebook and then click on “promote page button”. Facebook create advert feature guides user through three steps of add creation:

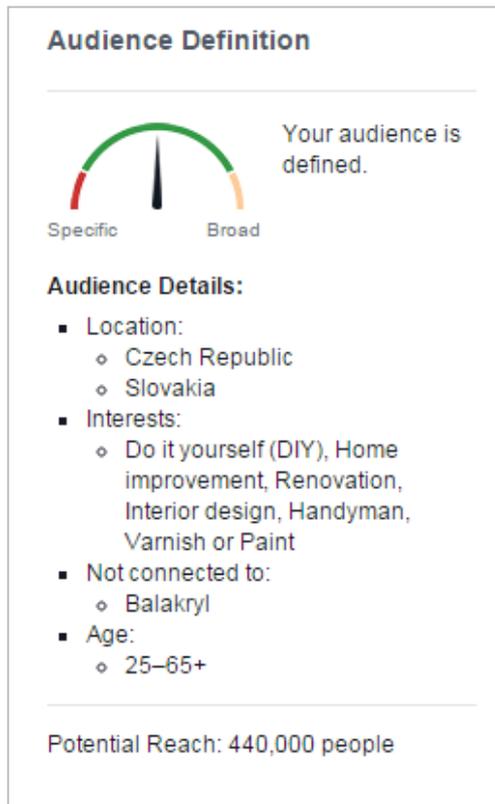
Step 1: Creation of campaign

In this step objectives for campaign and campaign name are chosen. For Balakryl the objective was set as optimization for page likes.

Step 2: Creation of advert set

It is necessary to define the audience that wants to be reached. Facebook offers targeting from the broad to very specific one. It is recommended to be more specific in targeting in order to acquire fans that have potential to be really interested in Balakryl page and products. Specific targeting for Balakryl Facebook page can be set up for example as it is seen on following figure.

Figure 15: Balakryl advert targeting



Source: www.facebook.com/ads/create

After defining the audience maxim budget needs to be chosen. It is the maximum amount of money that is to be spent for day or for lifetime of advert. When choosing lifetime budget it is also necessary to set starting and ending date for the advertisement. For Balakryl, the creation and increase of fan base was done in two waves. Firstly the advert was created for one month with higher budged. After achieving success with the first advert it was decided to launch second wave for another half of month. As it is seen on figure below, these two Balakryl Facebook campaigns attain to develop fan base of almost 10,000 people.

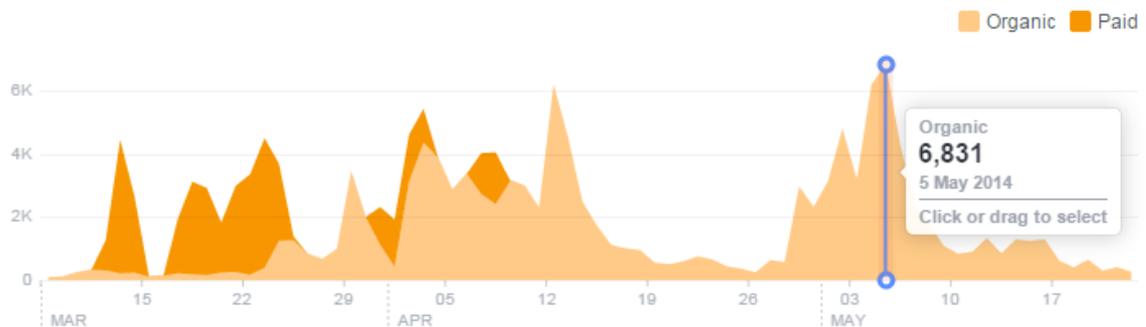
Figure 16: Development of Balakryl fan base



Source: www.facebook.com/balakryl/insights

Acquired reach in the first two months is to be seen in figure below. Facebook graph legend can be little misleading here. Even though it is called “organic” reach in this period it represents reach generated by two waves of page like adverts. Organic here actually means “Page Suggestions” – to how many unique users, who are not yet connected with Balakryl page, Facebook showed Balakryl adverts as suggestion of page they could like. As it is seen below, daily reach amounted up to over 6,800 users.

Figure 17: Balakryl page reach in first two months



Source: www.facebook.com/balakryl/insights

Step 3: Creation of advert

This is probably the most important step when creating advert. Facebook allows choosing up to 6 different images in predetermined dimensions for one campaign, 17 characters for advert headline and 45 characters for text description. The better combination of all three aspects the better chance to attract more users. Facebook advert can show up on three different locations – on desktop news feed, on desktop right column and on mobile news

feed. If marketer doesn't want to show his advert on any of locations he can simply remove them.

Preview of Balakryl advert and its different placements is to be seen in appendix 7.

Continuous page content creation and promotion

As it was mentioned before, creation of compelling content is continuous and the most challenging work. However it is required to be done in order to keep hard-earned fans attracted and active. In Balakryl it is a comprehensive cooperation of market specialists and company representatives who are working on content updating and communication with fans.

Aside from content alone, it is essential to define budgeted for post promotion. As it was mentioned in chapter 3.4, reduced organic reach means that Balakryl needs to boost the reach of its posts with paid promotion in order to show it to more of its fans. Content promotion has been done from the very beginning. Firstly the frequency and budgetary demands for post promotion were smaller as the fan base was smaller but later on with enlargement of fan base frequency and budgetary demands grew. Balakryl decided to promote from 4 to 6 posts every month starting with September. Development of both organic and paid post reach since then is to be seen in following figure.

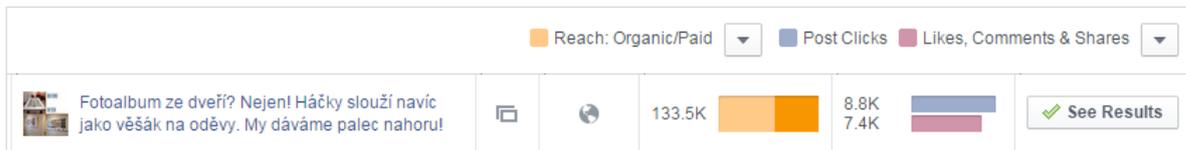
Figure 18: Balakryl post reach 09/2014 - 01/2015



Source: www.facebook.com/balakryl/insights

The best performing post achieved to reach even up to 133,504 people and 7,441 likes, comments and shares which are rather incredible results. This post generated 128 new Balakryl fans. Detailed of this post and full report is to preview in appendix 8.

Figure 19: Best performing Balakryl post



Source: www.facebook.com/balakryl/insights

Updating content and promoting post also generates new page likes. Development of total page likes⁸ after the two waves of initial advert campaigns is to be seen in following figure. Number of fans for January 31, 2015 is 10,313.

Figure 20: Development of total page likes 05/2014 – 01/2015



Source: www.facebook.com/balakryl/insights

Supporting Balakryl event Recy-Věci 2014

For now the last part of Balakryl Facebook marketing activity is supporting of event Recy-Věci 2014. A colorful game Recy-Věci 2014 is the second year of competition for creative people. The idea is that contestants recycle old thing with the use of Balakryl product, take picture of the process and final product and enter with it the competition. First price is 100,000 CZK accompanied with some additional prizes for others. Winner is the one with the most votes from audience. Detail of the competition with full description of its rules and techniques is to be seen on website soutez.balakryl.cz.

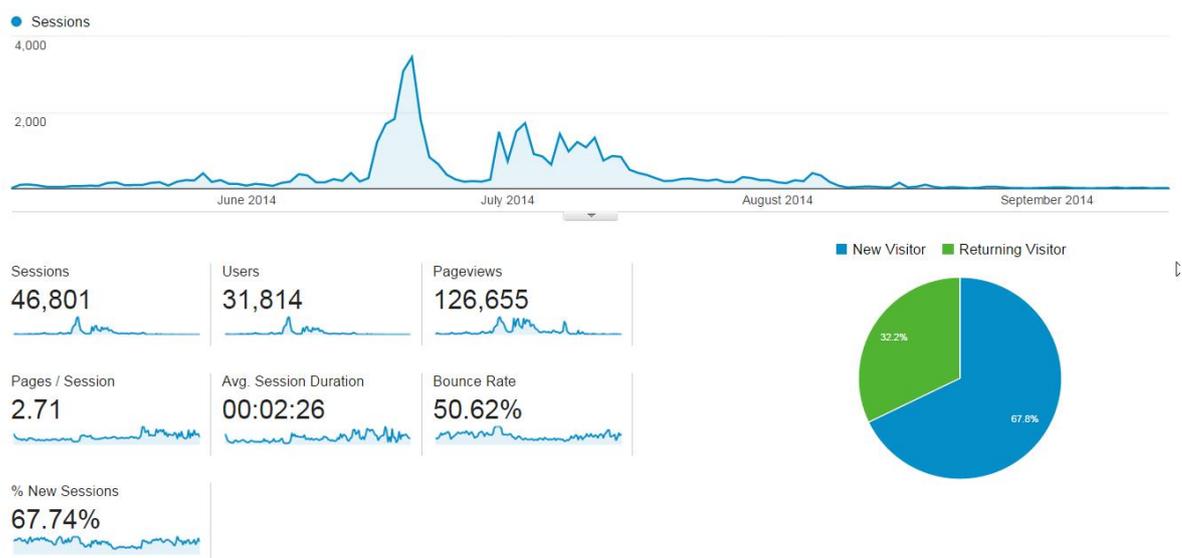
⁸ Total page likes graph shows the final number of likes. This means new likes minus the number of unlikes.

Event was supported with series of posts on Balakryl Facebook page, however these were not boosted with promotion. It is good example that even with almost 10,000 fan base at that time, post without promotion could reach only from several hundreds of fans up to maximum 2.8 thousand fans for the best performing one (see appendix 9). Average engagement rate for all post connected with event Recy-Věci 2012 was 5.84%.

It was also possible to give Facebook like to individual competition products on webpage soutez.balakryl.cz. There were 100 registered products which gathered altogether 1,700 likes.

Using Google Analytics tools it can be found that total visits of website soutez.balakryl.cz in the time of event reached up to 46,801 (see following figure).

Figure 21: Google Analytics preview of Balakryl Recy-Věci event



Source: www.google.com/analytics

As it is presented in following figure, visits from Facebook during the same time accounted for 13,134 (28% of total visits) with 52.84% of new visitors, 37.67% average bounce rate, 2.91 average number of pages per visit and over 3 minutes of average time spent on website.

Figure 22: Visits of Balakryl Recy-Věci event generated from Facebook

Sessions ? ↓	% New Sessions ?	New Users ?	Bounce Rate ?	Pages / Session ?	Avg. Session Duration ?
13,134 % of Total: 28.06% (46,801)	52.84% Avg for View: 67.74% (-21.99%)	6,940 % of Total: 21.89% (31,702)	37.67% Avg for View: 50.62% (-25.59%)	2.91 Avg for View: 2.71 (7.62%)	00:03:04 Avg for View: 00:02:26 (26.08%)

Source: www.google.com/analytics

4.2.3 Quantification

Because Balakryl Facebook page doesn't have any direct connection to product sale, to be able to quantify the outcomes of Balakryl Facebook marketing activities it was needed to determine general average value of its Facebook fans. Efforts to determine this fan value were made in chapter 3.4.1 as social media research companies that attempted to put exact value on fan were examined. Approaches of their studies varied and so did the results going from Vitruve's \$3.60 in 2010, across SocialCode's \$9.56 in 2011, to Syncapse's \$136.38 in 2010 and even \$174.17 in 2013.

The results of studies vary to too greatly to use them for purpose of quantification. Therefore the best approach was to ask Balakryl directly, what value they place on their business's Facebook fans. According to company representative it is not certain number as different customers bring different value to the company, however for the purpose of evaluation of Balakryl Facebook marketing activities, the value can be counted for as 35 CZK for a fan. Therefore following calculation calculate with this value.

Return on investment

What are the benefits to Balakryl resulting from an investment into creation and development of Facebook fan base? ROI helps to evaluate the performance of this investment. The theory of ROI was already covered in chapter 3.4.2. For computation following formula will be used:

$$ROI = \frac{(\text{Gain from Investment} - \text{Cost of Investment})}{\text{Cost of Investment}}$$

Cost of investment for 12 months is summed up in following table.⁹

Table 4: Cost of investment

Building fan base	95,000 CZK
Page management (12 000 CZK / month)	144,000 CZK
Facebook post promotion	30,000 CZK
Cost of investment	269,000 CZK

Source: own processing

Gain from investment will be expressed by Facebook fan value as it is seen in following table. Number of fans reflects state on January 31, 2015.

Table 5: Gain from investment

Number of fans	Fan value	Gain from investment
10,313	35 CZK	360,955 CZK

Source: own processing

ROI can be calculated as follows:

$$\text{ROI} = \frac{360,955 - 269,000}{269,000} * 100 = 34.18 \%$$

For Balakryl Facebook marketing investment was calculated 34.18% ROI. Higher ROI means the investment gains compare favourably to investment cost. In this case for every 100 CZK in invested in Facebook activities Balakryl would gains 34.18 CZK.

Cash flow

Simply put, cash flow is income or expenditure of cash funds. Cash flow for a certain period represents the difference between income and expenditure of funds for that period.

⁹ Numerical values used for computation presented in this part are only fictional in order not to reveal real data and damage the company. However they copy real development.

In businesses case and investment analysis are cash flows viewed as the basic input and output of a proposed investment or action. For this purposes following simple formula can be used:

$$\text{CASH FLOW} = \text{inputs} - \text{outputs}$$

As the data set was laid out in previous part, cash flow from Balakryl Facebook marketing activities can be calculated as follows:

$$\text{CASH FLOW} = 360,955 - 269,000 = 91,955 \text{ CZK}$$

Result indicates that there is excess of inflow over outflow.

Payback period

Payback period is a financial metric for cash flow analysis. According to Investopedia (2015) it is a length of time required to recover the cost of an investment. Payback period generally addresses question of how long it will take for investments to pay for itself. Shorter payback period is preferred because investment or action costs are recovered sooner and again available for other uses and s shorter payback period is generally viewed as less risky. Payback period is usually given in decimal years. For computation following formula will be used:

$$\text{Payback Period} = \text{Cost of Project} / \text{Annual Cash Inflows}$$

Using data set presented before and payback period formula, time required to recover Balakryl cost of an investment can be calculated as follows:

$$\text{Payback period} = \frac{269,000}{360,955} = 0.7 \text{ year}$$

Under given circumstances it would take 0.7 year for investments to pay for itself.

Balakryl Facebook fans development forecasting

The method of forecasting uses historic data to determine the direction of future trends. Forecasting is used by businesses to determine how to allocate budgets for future time period (Investopedia, 2015).

Based on the collected data from the Facebook Insights a forecast of future development of page fans can be formed. The forecast is created based on the fitting the straight line through the points with the method of least squares.

In the table below the data set can be observed. The development is represented in week view starting in June 2014, after the fan base has been established.

Table 6: Development of Balakryl Facebook fans

Period	June 2014	June 2014	June 2014	June 2014	July 2014	July 2014
Week number	1	2	3	4	5	6
Number of fans	9845	9838	9827	9820	9828	9837
Period	July 2014	July 2014	August 2014	August 2014	August 2014	August 2014
Week number	7	8	9	10	11	12
Number of fans	9832	9825	9807	9806	9800	9790
Period	September 2014	September 2014	September 2014	September 2014	October 2014	October 2014
Week number	13	14	15	16	17	18
Number of fans	9786	9805	9810	9823	9860	9862
Period	October 2014	October 2014	November 2014	November 2014	November 2014	November 2014
Week number	19	20	21	22	23	24
Number of fans	9867	9890	10055	10095	10119	10130
Period	December 2014	December 2014	December 2014	December 2014	January 2015	January 2015
Week number	25	26	27	28	29	30
Number of fans	10154	10165	10205	10265	10255	10271
Period	January 2015	January 2015				
Week number	31	32				
Number of fans	10281	10313				

Source: own processing

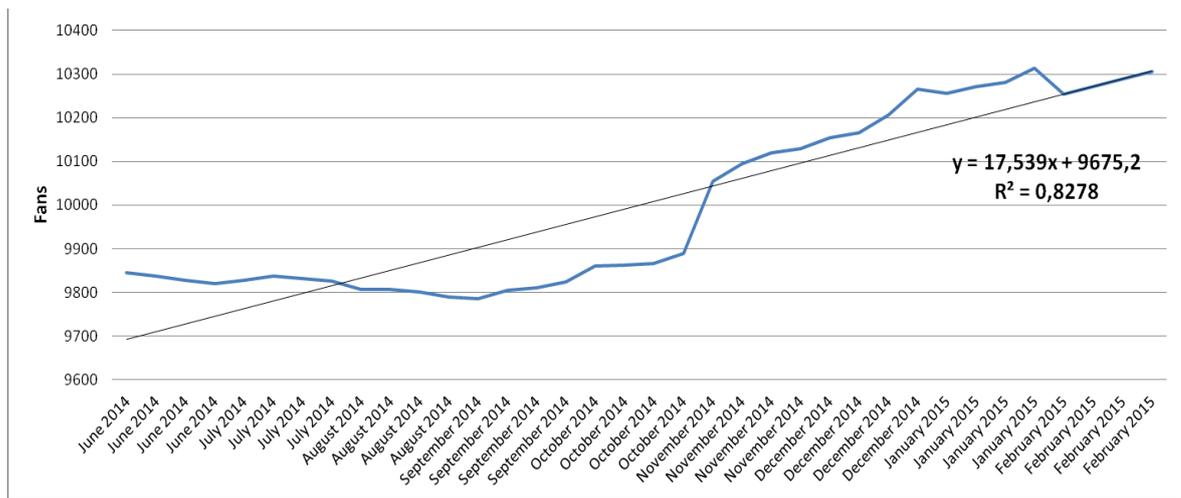
Based on this data set the estimation of the number of fans for following four weeks period will be made using Excel software. Forecasted values are to be seen in table below and in following figure.

Table 7: Development of Balakryl Facebook fans – forecasted values

Period	January 2015	January 2015	February 2015	February 2015	February 2015	February 2015
Week number	31	32	33	34	35	36
Number of fans	10281	10313	10254	10271	10289	10307

Source: own processing

Figure 23: Development of Balakryl Facebook fans on graph



Source: own processing

According to Excel forecast which is based on previous development, there is 82.78% probability that the number of fans in future period shall fall and then rise again. This is caused mainly due to lack of steady post promotion during periods from July through October 2014 which resulted in slight decrease of Balakryl fan base in these months. Looking at the result from practical point of view, under the circumstances of ongoing post promotion it is only little probable that fan base would decrease in such way.

4.2.4 Increased brand awareness and preference

The beneficial outcome of Facebook marketing campaigns is hard to measure and quantify in this case, however International Business & Research Services (2015) was appointed to conduct a research on the increased brand awareness and brand preference of PPG products on the Czech market. The research was based on face to face interviews between the interviewer and respondent and comprised of 1,000 respondents from the Czech Republic.

Concerning the Balakryl products the research brought following findings:

- Balakryl became the most known product for wood and metal coating among other brands (Luxol, Lazuro, Dulux, Eternal, Balakom, Xyladecor) with these exact results:
 - 20% respondents stated Balakryl as top of mind brand
 - 31% respondents stated Balakryl spontaneously
 - 61% respondents stated Balakryl spontaneously constrainedly
- Balakryl is the most preferred product for wood and metal coating (19%). The reasons are primarily good experience, good price, high quality, well known brand and good reference.

Year on year comparison report conducted percentage increase of people who stated Balakryl as top of mind brand by 4% - from 16% in January 2014 to 20% in January 2015. Total spontaneous awareness increased by 5% - from 26% in January 2014 to 31% in January 2015. Lastly the preference of brand products increased by 3% in year to year comparison. Generated sale in year to year comparison increased by whole 19% (International Business & Research Services 2015).

This success is caused by whole set of marketing and personal relationships activities that have been conducted during several years. To be certain Balakryl Facebook activities well fit to this set and have contributed to the positive development.

4.3 Summary and recommendations

Firstly it was important to design a thorough strategy Balakryl would follow. Before starting concrete activity on Facebook several questions about reasons of entering Facebook, desired goals that should be achieved, specific plan, or target audience were answered. These questions helped to get the ideal about directions of Balakryl Facebook activities and to frame its strategy and marketing plan.

Specific goals were:

- Construct Balakryl Facebook fans base and increase number of fans
- Increased the brand recognition and brand awareness
- Increase brand popularity due to offering value added content
- Utilize channel that would support Balakryl event Recy-Věci 2014
- Develop strong overall presence on Facebook

Nevertheless, as already mentioned, the primal goal of brands that are presenting themselves on social media sites is to intensify the relationship with customers through interaction and communication resulting in making brand more humanized.

All the goals were attained. Firstly Balakryl Facebook page was successfully launched and campaigns for establishing fan base were set up. It was achieved to address targeted audience and to raise number of fans from zero to almost 10,000. Daily reach during this period amounted up to over 6,800 Facebook users.

Following work was done by group of market specialist and company representatives. Their goal was to continuously create compelling content and keep fans attracted. In order to present Facebook content to wider audience, Balakryl decided to promote its post. Post promotion was to be done 4 to 6 times every month starting in September. Due to the promotion it was reached up to 133,504 people generating 16,290 actions (likes, comments, shares and post clicks) with the best performing post. Promotion of effective content ensures stabilization and continual increase of fan base. However, it would have been advisable to start with post promotion sooner. Thus would be avoided fans decrease that happened between July and October 2014.

Subsidiary task was to utilize Facebook channel to promote and support Balakryl event Recy-Věci 2014. The event was highlighted by series of posts on Balakryl Facebook page that were to increase traffic on the target webpage soutez.balakryl.cz. With the use of Google Analytics tools it was founded that generated traffic from Facebook page during the event accounted for 13,134 visitors which accounts for 28% of total traffic. What is more Google Analytics indicates quality visits with average bounce rate only 37.67%, 2.91 average number of pages per visit and over 3 minutes of average time spent on website. However, the potential of fan base was not fully exploited. Due to lack of promotion during this time, increased web traffic was reliant only to Facebook organic reach. It is believed that with post promotion the reach and thus traffic on target website would be more significant.

All above mentioned activities led to development of strong presence of Balakryl brand on Facebook. Actual state of fans on January 31, 2015 was 10,313. Using Excel software forecast of future development of number of fans for the following four weeks period was done. According to the Excel estimate the number of fans in future four weeks period is supposed to fall and then rise again. However, it is believed that if maintained simultaneous post promotion it is only little probable that fan base would decrease in such way.

Overall long time goal was to increase the brand awareness and popularity. Even though it is hard to quantify and measure exact benefits of Balakryl Facebook marketing activities as they don't lead to direct sales, the outcome is partially reflected in research on the increased brand awareness and brand preference of PPG products on the Czech market conducted by International Business & Research Services (2015). This research points out increase of people who stated Balakryl as top of mind brand by 4%, total spontaneous awareness increased by 5% and preference of brand products increase by 3% in year to year comparison.

Using the value Balakryl put on their Facebook fans, 34.18% return on investment was computed. Furthermore positive cash flow of 91,955 CZK from Balakryl Facebook marketing activities was calculated with payback period of 0.7 years.

From the results appointed above can be concluded that existing Balakryl Facebook marketing campaigns were evaluated as effective ones.

4.3.1 Proposal for future strategy

Facebook marketing activities described in previous parts fulfilled the aim of creating strong and solid base for further activities. As it is mentioned before it is necessary to maintain the page and to create interesting content throughout the whole page existence, otherwise the initial efforts would be wasted. Thus future Facebook marketing activities need to be continued.

A recommended future strategy for Balakryl is to adhere to defined principles and maintain its contemporary strategy. This means Balakryl should focus on satisfying its fan with offer of appealing content, on communication and relationship with customers and on increasing brand awareness. It is suggested to refresh common content with thematically focused one once in several months in order to keep fans interested. Brand ambassador, person who would figure as a positive brand spokesman, would be also beneficial because he would strengthen the customer-product relationship.

In future it is essential to continue with content promotion at least given 4 to 6 times per month in order to secure broad reach of people. If there are budget reserves, post promotion could be done more often. It is not necessary to create Facebook advertisement targeted purely on gaining new fans because due to regular content promotion fan base will be slowly increasing on its own.

Finally there are several aspects that could potentially affect Balakryl Facebook marketing and therefore should be avoided in the future.

What could potentially affect Balakryl Facebook marketing?

Built up reputation and popularity is fragile. It takes time to gain it yet it can be damaged in a moment. Businesses certainly don't want to lose efforts made and financial resources already invested in Facebook marketing activities and that is why it is important to pay attention to certain aspects that could cause this damage.

Critical impact and fundamental effect on Facebook marketing campaigns would have following actions. Consequences may cause loss of brand popularity and even brand dislike.

- Poorly selected person or a team who is maintaining page and creating page content.
- Weak communication strategy with customers including long response time, improper communication content, language and form of communication, bad crisis communication, ignoring fans and lack of knowledge about the business.
- Poor post frequency and timing. Too many posts could annoy and dissuade fans; on the other hand, too few posts would cause loss of interest.

Following actions would not harm brand's Facebook page and thus brand popularity in such way, but they will most probably increase cost of campaigns.

- Lack of monitoring and analysing course and outcome of the campaigns.
- Misreading the analytics outcomes.
- Wrong audience targeting when creating advertisements and promoting posts.

5. Conclusion

In the last decade, Internet came through major development evolving from only static pages to space for sharing and content creation. Content could be suddenly created not only by skilled individuals but as well by wider audience including common users. Among others, this possibility of involvement attracted most of internet population making social media sites the most visited websites in the world. Facebook belongs among the most popular ones, being thus the largest representative of the social media sites. Facebook has gone through historical development not longer than 10 year, reaching incredible 1.23 billion monthly active users at the end of 2014. With almost half of the whole population with the internet access being active on Facebook every month, businesses and marketing oriented people started to realize it's the huge potential. Businesses are using Facebook to advertise more effectively, to build their brand identity, and to connect with wide audience, including not only current, but also new potential customers.

Facebook has significant global economic impact which was evaluated in the diploma thesis as one of the two main objectives. With the help of the study it was found that Facebook economic impact can be compartmentalized into two categories of effect – the narrow effects, caused by Facebook's day-to-day activities, and broad effects, accruing to third parties who create added value across the economy as a result of the Facebook ecosystem. The diploma thesis further explored actual economic impact in the European Union countries and in the United States. Key study findings sum up the total Facebook added value to the European economy up to €15.3 billion. The major part of Facebook economic effects is represented by broad impacts whilst the narrow impact represents only circa €0.2. Considering the job contribution, there were estimated circa 232,000 created jobs in 2011 which were associated in some way with Facebook throughout the European Union countries. In the United States only Facebook App Economy has added in 2011 from \$12.19 billion up to \$15.71 billion in wages and created over 182,744 jobs as a direct result of the Facebook platform. Furthermore, in order to present practical example, Zynga company was focused on and its added economic value across the economy emerging as a result of the Facebook ecosystem was covered. Generally, it was proved that Facebook contributes to the economy to relatively significant extent.

As the second main objective, the Balakryl Facebook marketing campaign was established and assessed. The campaign was compartmentalized into four subsections - setting up Facebook profile, developing Balakryl fan base, continuous page content creation and promotion, and supporting Balakryl event Recy-Věci 2014. Firstly, the most important questions, necessary for framing Facebook marketing strategy and laying out the components of successful Facebook marketing plan, were presented and answered. Further on, realization of all four subsections of marketing campaign was described in detail as well as evaluated. Specific goals for all subsections were set and attained. Facebook marketing activities led to increase of the brand awareness and popularity and development of strong presence of Balakryl brand on Facebook. Overall, the campaign was evaluated as effective one.

In conclusion it was proposed for Balakryl company to continue with Facebook marketing activities and suggestion for future Facebook marketing strategy of Balakryl company was made.

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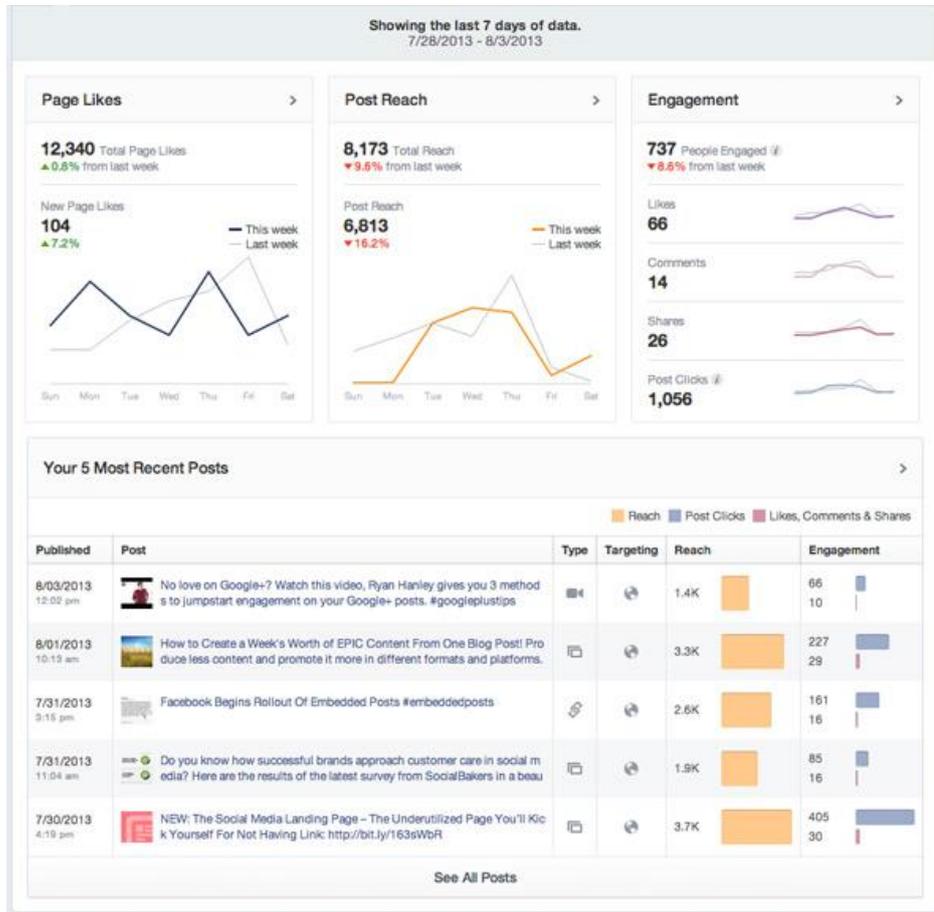
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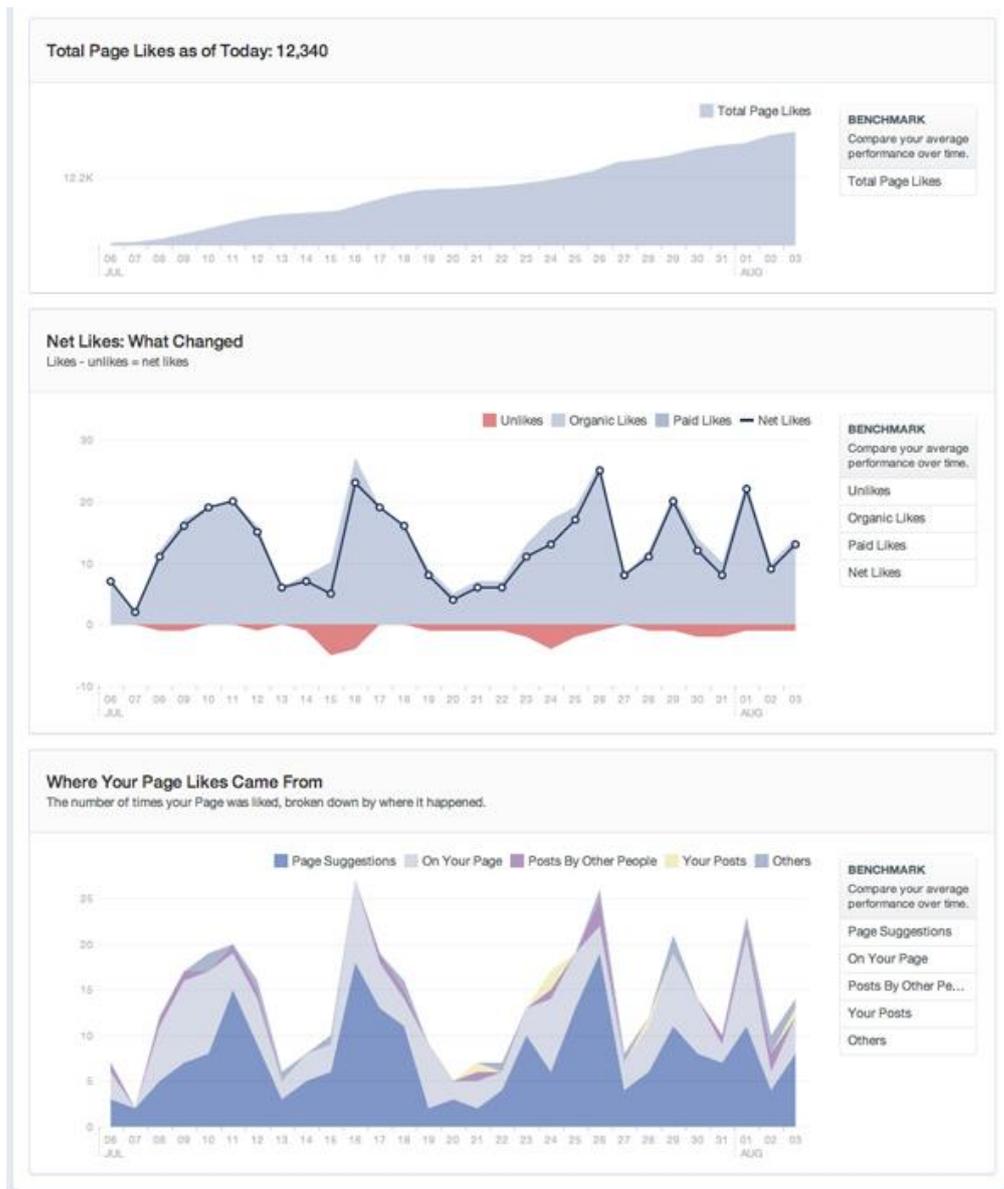
8. Appendix

Appendix 1: Facebook overview tab



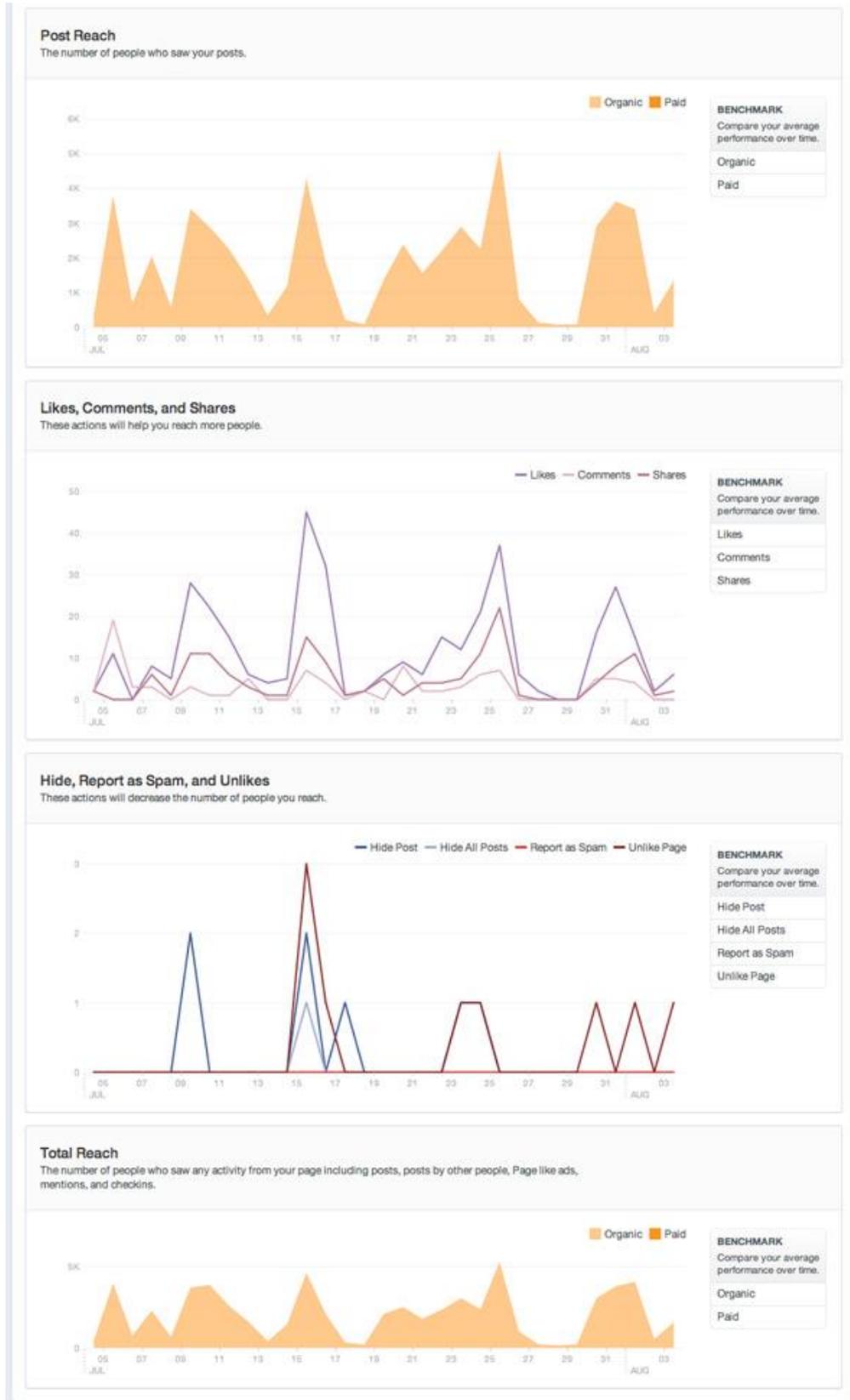
Source: blog.tabfoundry.com/new-facebook-insights

Appendix 2: Facebook likes tab



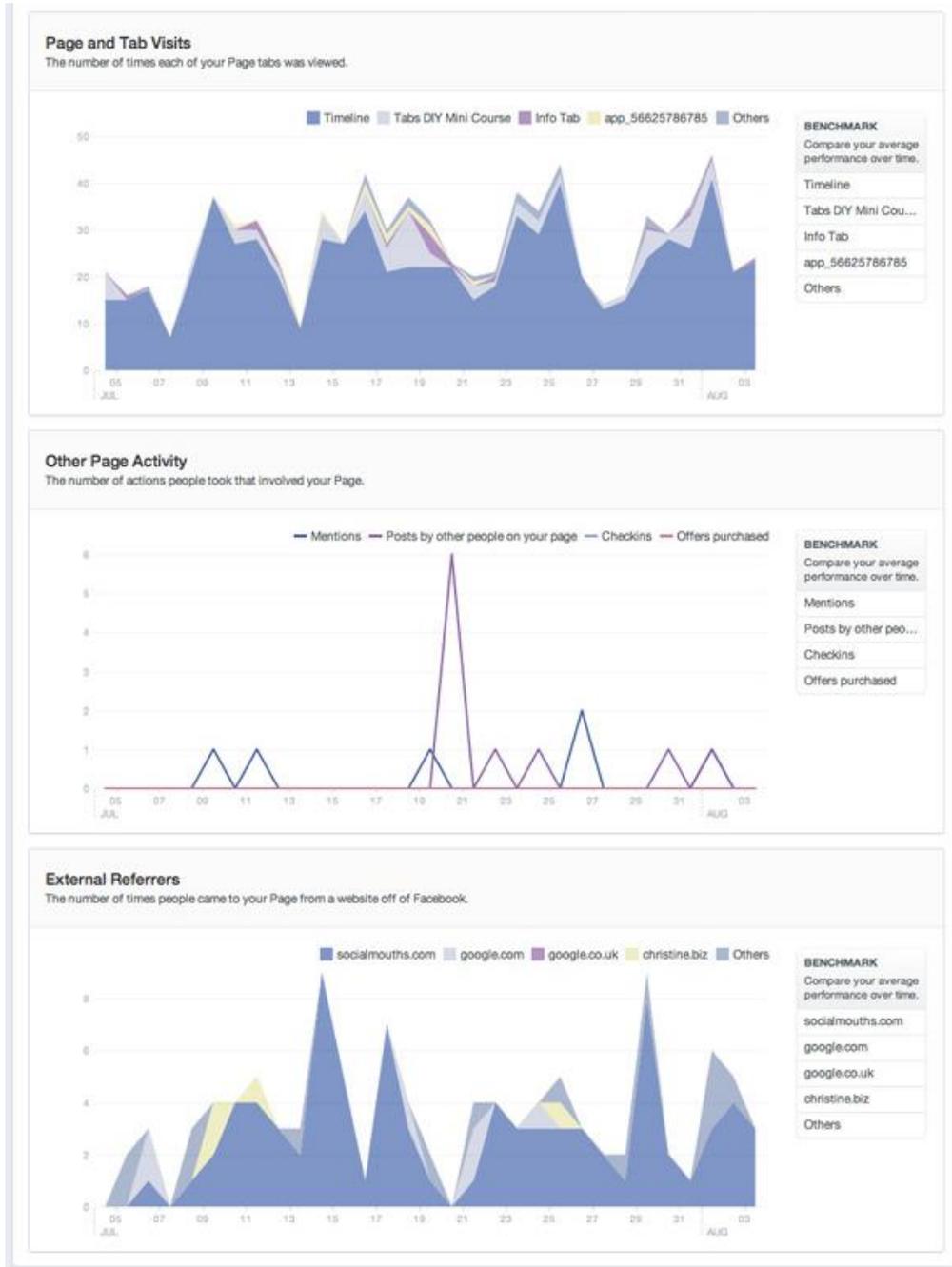
Source: blog.tabfoundry.com/new-facebook-insights

Appendix 3: Facebook reach tab



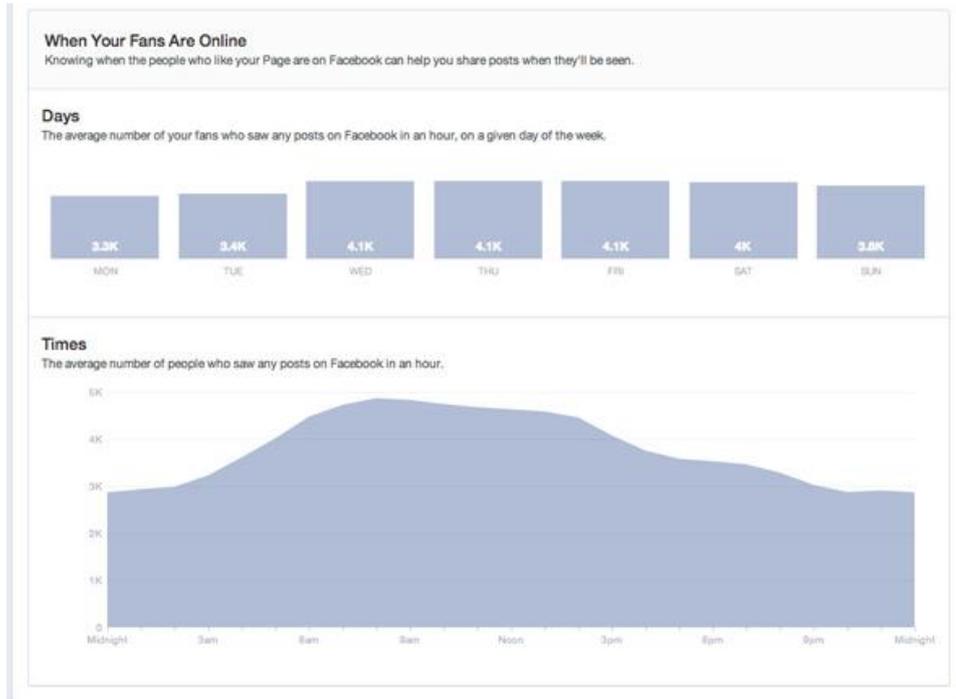
Source: blog.tabfoundry.com/new-facebook-insights

Appendix 4: Facebook reach tab



Source: blog.tabfoundry.com/new-facebook-insights

Appendix 5: Post tab



Type	Average Reach	Average Engagement
Status	4K	148 Post Clicks, 23 Likes, Comments & Shares
Link	2.9K	121 Post Clicks, 21 Likes, Comments & Shares
Photo	2.6K	193 Post Clicks, 26 Likes, Comments & Shares
Video	2.3K	154 Post Clicks, 25 Likes, Comments & Shares

When Your Fans Are Online

Post Types

Top Posts from Pages You Watch

[Add Pages](#) Likes, Comments & Shares

Page	Published	Posts This Week	Engagement
Addington Coffee Co...	31/07/2014 12:27	Sometimes there are benefits to starting early in the morning...	95
Luciano Espresso Bar	31/07/2014 01:10	Ok... Loyal Luciano Espresso Bar fans...Caption this!	36
Just Desserts	27/07/2014 01:43	Stella's My Little Pony birthday cake was finished with little flowers, rainbow hearts,a pretty rainbow and a hand	19
Luciano Espresso Bar	31/07/2014 16:15	Luciano Espresso Bar... Feeding hungry Cantabrians since ... A long time!	17
Just Desserts	27/07/2014 01:22	This beautiful winter's wedding cake was finished with ombre pink roses cascading over the four tiers.	15

All Posts Published
May 07, 2013 to August 04, 2013

Reach Post Clicks Likes, Comments & Shares

Published	Post	Type	Targeting	Reach	Engagement
5/31/2013 12:00 pm	Every blog needs an "Expert Review" every now and then, specially if you are not achieving all your goals. At SocialMouths, we usually charge \$50			14.7K	218 50
6/13/2013 9:34 am	This is a big deal: Twitter just opened the doors to its analytics platform, for free.			6.2K	366 114
6/17/2013 9:39 am	Looks like there are some interesting announcements coming from Facebook on Thursday: 1) Instagram to launch video and 2) Facebook Timeline			6.2K	352 61
7/25/2013 10:43 am	Facebook just rolled out photo comments for page posts, here are a few ways you can motivate your fans to engage on your page with visual con			5.7K	579 67
6/17/2013 10:31 pm	Question: Who can recommend the best solution for contact management? I really don't have it. It needs to be accessible on the browser and on any device, and			4.8K	261 24

Source: blog.tabfoundry.com/new-facebook-insights

Appendix 6: People tab



Source: blog.tabfoundry.com/new-facebook-insights

Appendix 7: Balakryl advert preview and placemen

ADVERT PREVIEW AND PLACEMENTS

✓ Desktop News Feed

Suggested Page

 **Balakryl**
Sponsored

Your ideas, our paint. We bring space for sharing inspiration & tips for working with colors



Balakryl
Product/Service
10,410 people like this.

[Like Page](#)

✓ Mobile News Feed

Suggested Page

 **Balakryl**
Sponsored

Your ideas, our paint. We bring space for sharing inspiration & tips for working with colors



Balakryl
Product/Service
10,410 people like this.

✓ Right Column



Balakryl
World in better colours
Your ideas, our paint. We bring space for sharing inspiration & tips for working with colors

[Like Page](#) · 10,410 people like this page

Source: own processing

Appendix 8: Balakryl post detail and full report

Post Details Reported stats may be delayed from what appears on posts X

Balakryl
29 October 2014 · 🌐

Fotoalbum ze dveří? Nejen! Háčky slouží navíc jako věšák na oděvy. My dáváme palec nahoru!

133,504 people reached ✔ See Results

Like · Comment · Share · 👍 3,028 💬 34 ➦ 1,088

133,504 People Reached

7,441 Likes, Comments & Shares

5,908 Likes	3,028 On Post	2,880 On Shares
414 Comments	34 On Post	380 On Shares
1,119 Shares	1,088 On Post	31 On Shares

8,849 Post Clicks

8,541 Photo views	17 Link clicks	291 Other Clicks ⓘ
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NEGATIVE FEEDBACK

70 Hide Post	9 Hide All Posts
0 Report as Spam	1 Unlike Page

Source: own processing

Appendix 8: Posts supporting Balakryl event Recy-Věci 2014

Reach: Organic/Paid Post Clicks Likes, Comments & Shares

Published	Post	Type	Targeting	Reach	Engagement	Promote
04/08/2014 12:58	 Je rozhodnuto. Oficiálním vítězem Barevné hry RECY - VĚCÍ je paní Eva Divišovská. Pracuje jako			2.8K	410 82	Boost Post
29/07/2014 18:11	 5 dní 5 hodin a 50 minut ještě můžete hlasovat v naší Barevné hře RECY-VĚCÍ. Zatím vítězí Eva			635	303 22	Boost Post
23/07/2014 21:24	 10 nejlepších vybrala porota. A vy zamíchejte osudím a svým lajkem určete vítěze - hlasovat			1.2K	72 10	Boost Post
16/07/2014 12:54	 Na základě podnětů od hlasujících a některých finalistů, za které všem děkujeme, a také díky			2.4K	279 23	Boost Post
15/07/2014 13:34	 Tato fotka z předání výhry za facebookové hlasování v naší Barevné hře RECY-VĚCÍ plnáší			788	153 49	Boost Post
09/07/2014 17:31	 Na webu http://soutez.balakryl.cz si prohlédnete vybrané designové skvosty a zahlasujete pro svého			685	195 20	Boost Post
08/07/2014 13:50	 Balakryl's cover photo			320	22 0	Boost Post
03/07/2014 17:02	 Celý měsíc hlasujte o nejzajímavější recy-věc na našich stránkách: http://soutez.balakryl.cz/ Váš lajk			354	41 5	Boost Post
30/06/2014 18:40	 Porota se usnesla! Desítku odborníky oceněných recy-věcí najdete ode dneška na našem webu. A			741	307 31	Boost Post
23/06/2014 15:41	 Přihlášky jsou uzavřeny a zasedá odborná porota, která během tohoto týdne pošle 10 nejlepších			1K	62 3	Boost Post
22/06/2014 08:00	 Poslední možnost přihlásit se do soutěže RECY-VĚCÍ a o výhru v hodnotě 100 000 Kč! O dnešní			1.9K	32 2	Boost Post
19/06/2014 18:06	 Pozor! Posledních pět dní, kdy je možnost přihlásit svou recy-věc do Barevné hry RECY-VĚCÍ! Dejte			514	55 10	Boost Post
16/06/2014 18:50	 Najděte zbytečnou věc a vraťte ji do hry. Designér Aleš Poláček třeba ze starých, zaschlých šátek			790	24 10	Boost Post
13/06/2014 18:27	 Loni si z Barevné hry RECY-VĚCÍ odnesla bramborovou medaili tato mongolská truhlice			281	29 2	Boost Post
29/05/2014 18:35	 Co bizarního vás napadne? Z židle lampa? Z postele nástěnka? Máte další nápady? Tak sem s			428	13 4	Boost Post
21/05/2014 18:50	 Kolikrát jste slyšeli větu: Vyhod to, co s tím budeš ovládat? Tak teď je váš den! Projděte sklepy, půdy,			406	27 7	Boost Post
15/05/2014 16:41	 Pozor! V Barevné hře RECY-VĚCÍ nejsou žádná svazující pravidla. Najděte COKOLIV			478	9 3	Boost Post
05/05/2014 20:31	 Balakryl's cover photo			331	14 0	Boost Post
05/05/2014 20:24	 Rozlučte se s rodinou, pár nečít je nevidíte. Proč? Začíná totiž soutěž Recy Věcí! Odměnu v			698	22 12	Boost Post

Source: own processing