Czech University of Life Sciences Prague

Faculty of Economics and Management

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Bachelor Thesis

Social Networks as a tool for marketing strategy – A case study of Mercedes Benz

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BACHELOR THESIS ASSIGNMENT

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Thesis title

Social Networks as a tool for marketing strategy – A case study of Mercedes Benz

Objectives of thesis

This thesis deals directly with the importance of an effective marketing strategy using social networks as a channel to expand sales and brand awareness. The goal of this work is to analyze the performance that is generated from social networks of the selected auto company then suggest, new ways of communication and possible solutions for its improvement. The data and performance analysis will be done with help of analytical tools for social networks, especially from the Czech company Socialbakers.

Methodology

The thesis will be divided into three main parts. The theoretical part involves social networks in general,it will explain what social networks are and how they work. The second part deals with a description of the best analytical tool in the market that can be used by companies to analyze their performance and create competitive and industry benchmark from social networks, in this case the chosen tool will be the Czech company Socialbakers SA. The last practical part, will involve the usage of the selected tool to create a case study of the auto company Mercedes Benz, I will use tables, and performance graphs to analyze their social networks, specifically from Facebook, Instagram and LinkedIn, as well as comparison with the industry and main competitors, and last but not least recommendations that could improve and help Mercedes Benz performance on social media.

The proposed extent of the thesis
40 pages

Keywords
Social Networks, Social Media Marketing, Marketing, Marketing on Facebook

Recommended information sources
Social Media Marketing Workbook: How to Use Social Media for Business
The Complete Guide to Facebook Advertising

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Declaration

I declare that I have worked on my bachelor thesis titled "Social Networks as a tool for marketing strategy - A case study of Mercedes Benz" by myself and I have used only the sources mentioned at the end of the thesis. As the author of the bachelor thesis, I declare that the thesis does not break copyrights of any their person.

In Prague on 15.03.2019

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Juan Pablo Castro Mamani

Social Network as tool for marketing strategy – A case study of Mercedes Benz

Summary

The thesis focuses on the importance of the social network concept as a channel for marketing activities. The thesis is divided into three main parts. The first part deals with the theory of social networks, as since the existence of these platforms, the way of interaction from individuals has evolved into a digital form, and companies adopted these channels for marketing and advertising purposes. In the second part, the analytical tool, algorithms and services from Socialbakers are described in detail. The third part includes the usage of the chosen analytical tool to conduct an analysis of historical data (2018), competitive and an industry benchmark of the selected auto company. The purpose of the research is to determine the efficiency of their current strategy and suggest possible future solutions.

Key words: Social Networks, Social media marketing, Advertising, Analytical tool, Facebook, Instagram, LinkedIn, Benchmarks, Data analysis, KPI's, Socialbakers

Sociální sítě jako marketingový nástroj - případová studie Mercedes Benz

Abstrakt

Tato práce se zabývá analýzou historických dat vytvořených uživateli sociálních sítí na různých platformách. Cílem této analýzy bylo vytvořit efektivní marketingovou strategii pro vybranou automobilovou společnost (Mercedes Benz) a navrhnout nové způsoby komunikace na sociálních sítí. Analýza dat na sociálních sítí jako Facebook, Instagram a Twitter byla provedena za pomoci analytického nástroje od společnosti Socialbakes a analyzovanými KPI's za sledované období byly: celkový počet fanoušků, celkový nárůst fanoušků, distribuce interakcí, počet příspěvků, kvalitativní analýza obsahu a jeho výkonu oproti množství příspěvků. Byla testována hypotéza o tom, zda kvalitní obsah funguje lépe než větší množství příspěvků s méně kvalitním obsahem. Data byla analyzována za pomoci softwaru SAS Enterprise a byla provedena korelační analýza s cílem prokázat na základě výsledků pozitivní korelace mezi kvalitou a výkonem (množství interakcí). Dále byla také navržena doporučení pro lepší marketingovou strategii.

Klíčová slova: Sociální sítě, Social media marketing, reklama, analytický nástroj, Facebook, Instagram, LinkedIn, Benchmark, datová analýza, KPI's, Socialbakers

Table of content

1 Introduction

Since the existence a of the internet, we have witnessed remarkable changes in the company-consumer relationship, to such an extent that there have been changes in consumption habits, in distribution channels or the definition of service, among other vital aspects.

Over the last few years, social networks have become popular around the globe. Nowadays there is already a whole range of social networks, and the number of users is continuously growing; therefore, these communication platforms have developed and become stronger as a result of their popularity, many companies have also begun to seek their benefit through them and started to adapt their marketing strategies. Today we have many platforms that facilitate this type of communication which can be highlighted for example Facebook and Instagram two of the biggest platforms in terms of active user, but the most important would be Facebook has over 2.23 billion monthly active users, which makes this platform the number one social network worldwide, therefore, relevant for auto companies. Recently LinkedIn has played an essential role for professionals. The platform offers services such as online education for professionals; this social network is the only one of its kind. However, we must not forget about the other networks that have high popularity and significant active users all over the world especially, Instagram, Twitter, YouTube, Google + and many more.

This thesis deals directly with the importance of an effective marketing strategy using social networks as a channel to expand sales of e-commerce companies. The goal of this work is to analyse the performance that is generated from social networks of the selected auto company then suggest, new ways of communication and possible solutions for its improvement. This analysis will be done with the help of analytical tools for social networks, especially from Socialbakers.

The work will be divided into three main parts. The theoretical part involves social networks in general, i.e. it will explain what social networks are, how they work and some of them then will be described with more detail. Then the work will be focused on social media marketing and marketing strategy, especially on Facebook and Instagram. The second part deals with data analysis, competitive and industry benchmarks from social networks. It will

explain how important is to monitor the key metrics for e-commerce companies, what does it mean from a business perspective, how the data can help to improve the performance through different channels and generate sales. The data for the analysis will be given either from native social networks platforms, although, for a deep understanding of performance over time, competitive benchmarks, I will be using one of the best analytics tools infamous case the services of the Czech company Socialbakers, who is the first company to provide this type of service around the world. This company its services and tools will be described in work as well.

In the last, practical part, the tools explained in the second part will be applied to a particular business. For this work was chosen the software company Avast (Amazon), which will be helped tables, and graphs perform performance analysis on social networks, specifically Facebook and Instagram, as well as comparison with the competition, evaluation, and last but not least recommendations that could improve Alibaba performance on social networks.

2 Objectives and methodology

2.1 Objectives

The main goal of the thesis is to demonstrate that an effective usage, monitoring and benchmarking of social networks channels, can help marketers to improve its digital objectives.

Partial goals of the thesis are the following:

- Analyse the performance of the company Mercedes Benz on social networks through a case study.
- Demonstrate the advantages of quality content on social network performance over quantity.
- Suggest new ways of communication and possible solution for performance improvement.

2.2 Methodology

The practical part is based on the analysis of historical data of multiple social networks profiles (Facebook, Instagram & LinkedIn), the data and performance analysis were conducted using an analytical tool and its algorithms, in this case, the Czech company Socialbakers. The last part contains the conclusions based on the analysed data and the correlation between quality content over quantity.

3 Literature Review

3.1 Social Networks

Social networks are known as part of social media. They can be defined as online media where people meet to create a circle of friends, interact with each other or join a community with people with the same interests, so they are sometimes referred to as social networks or simply communities. In social networks are nowadays the most popular web application, and by different measurements criteria even surpass the size and reach of traditional web sites like such as Google[1].

3.2 How Social Networks work

As has been said, the basis of social networks and what differs from other media, are relationships between users. These relationships are called differently by network type, such as "friendship" (Facebook), "follower" (Twitter), "subscriber" (YouTube). In fact, they mean the same thing, but the typical relationship is that the users are interested in communicating and sharing information, since most data is transferred through users who are friends, it is from the point of view social networks are essential not only for as many users as possible but also for as many relationships as possible.

The content of traditional communication services such as web portals can be articles, links, multimedia (sound and images) that are made up of professionals. Users of these communication channels can comment on the content, but cannot participate, or at least leave their feedback. Social networks are among the applications called Web 2.0, which means they are from the beginning content created by the users themselves. Unlike the already mentioned web portals do not need editorial or authority that would need to give approval for the content. The content is published here exclusively by the users themselves who take care of their distribution[2].

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[1] Social Networking, Investopedia, source: https://www.investopedia.com/terms/s/social-networking.asp
[2] How Online Social Networks Work, Computer.Howstuffworks.com, source:
https://computer.howstuffworks.com/internet/social-networking/information/how-online-social-networks-work.htm

3.3 Selected Social Networks

This chapter will describe in more detail all of the following social networks, Facebook, Instagram, Twitter, and LinkedIn, primarily due to worldwide popularity and functionality at different principle.

The popularity of social networks is growing steadily. Facebook currently has 2.23 billion monthly active users, and their number keep growing. For example, the number of Instagram users has been in the last year backed up, namely from 100 million in 2016 to 500 million in 2017. In nowadays time is not all about Facebook, which still keeps its first place, but there are plenty of other popular networks like Twitter, Instagram, LinkedIn, and more. This, of course, leads to significant competition between them, which puts pressure on it to continually evolve, update and to introduce new features

Each of the above-mentioned social networks is primarily focused on other purposes, and it differs especially the content that is shared. Facebook integrates entertainment, sometimes online education, this is a network, where people go to collect information about other people they are interested in, exciting events, and news. Twitter again introduces such an encyclopaedia from where one can seek information; the content on this platform is usually short. Instagram is a platform that looks like a photo gallery, where users use it as a source of inspiration, the user can share photos and videos. With a completely different mission and vision, LinkedIn is the largest professional network in the world.

3.3.1 Facebook

Facebook is a social network that allows its users to communicate with each other, associate, share multimedia data, maintain relationships and have fun. It has been founded in 2004 Harvard University student Mark Zuckerberg. Initially, it should serve only as Harvard University Student Contact Network. However, since August 11, 2006, change and anyone over the age of 13 could sign up for Facebook. The name of this network was based on paper flyers called Facebooks that are distributed at American universities first-year students. These leaflets aimed to familiarize students with each other so did Mark Zuckerberg from Facebook[3].

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[3] A brief history of Facebook, The Guardian, source:
https://www.theguardian.com/technology/2007/jul/25/media.newmedia

On Facebook, you can communicate using different forms of communication, such as the ability to share text messages, so-called states or statuses, this is followed by the link sharing and multimedia content in pictures and videos formats. Facebook users can also communicate with private messages or particular applications. Other options communications are forums, events, and more.

The way Facebook works is quite simple, to get started first of all you have to sign up as an individual to have a profile, next will be adding your friends and family by sending them a 'friend request' which they need to accept.

The Facebook Principle is to attract friends, companies, and fans to share with them information. The most significant advantage for marketers is the system of friends of friends, which is a simplified way means that if you share a photo, for example, it can be seen by friends or friends of friends, thus basically avalanche spreading information. From a business perspective, one of the key metrics is the total fans from any page on this platform. Sufficiently large community means that a company keeps its profile well, regularly adds interesting content and communicates with fans. The fastest way to get fans is a paid ad (profile ad). But then it follows the hardest job - the fans get hold on.

According to statistics from 2017, Facebook is the largest social media platform, has nearly 2 billion monthly active users, many profiles, public pages, and groups. In the Czech Republic are almost 4.8 million users. The highest number of fans Facebook has Cristiano Ronaldo (122 million), followed by Real Madrid C.F. (109 million), FC Barcelona (102 million) and Shakira (104 million). Among the most successful brands on Facebook are Samsung Global (49 million) Red Bull (48 million) Oreo (42 million)[4]. It has the largest in the Czech Republic the fan base Petr Čech (5 million), Claire Muzik (2.7 million), Paper Magic (1.4 million) and Dobré rady a nápady (1.3 million). Brands with the most significant number of fans on Facebook are among the most popular Lidl Czech Republic (685 thousand), Samsung Czech Republic and Slovakia (477 thousand) and Slevomat (374) thousand)[5].

3.3.2 Instagram

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[4] Facebook Statistics-Brands, Socialbakers.com, source:
https://www.socialbakers.com/statistics/facebook/pages/total/brands/
[5] Czech Republic Facebook Statistics [online], Socialbakers, source:
https://www.socialbakers.com/statistics/facebook/pages/total/czech-republic/

The social network Instagram that allows its users to share photos and videos was created in 2010 by Kevin Systrom, however, in 2012 when the company had just 13 employees and making no profits, the company was sold to Facebook for a price of 1 billion US dollars[6]. This move from Facebook allows them to make it possible to link both networks into one user, and the piece of content can appear on both Instagram and Facebook at the same time. In September 2017 Instagram had 500 million daily active users, nowadays Instagram boasts 1 billion daily users, and about 100 million photos and videos are shared daily[7]. The constant platform and application development can explain the popularity of Instagram and the increase in its active users. The platform has worked continuously in new ways to engage with their users by providing new ways formats for content creation; recent innovations are for example 'Instagram stories' feature which allows a daily picture/video blog for users or 'Instagram TV' that allows its user to produce home-made TV videos and as YouTube in vertical formats.

Just like on Facebook or Twitter, users can create their profiles to share their posts, and like the mentioned platforms, Instagram allows their users to interact, track, comment or respond to other user's posts. Instagram also introduced a chat section where users can send private messages to an individual or a group, and the message can be a photo, video or text. The users on Instagram are allowed to set up an account as private or public, if the user account is private, then the user's post will only be displayed on the wall of their followers, however, if the account is public then everyone can see or search for the post. Before sharing a post (photo/video) the user can choose from a range of filters and effects that can be applied to the post.

The most innovative feature of Instagram was created in 2016 which is called Inta-stories or Stories, nowadays has about 400 million daily users, its competitor feature Snapchat inspired Insta-stories. The Insta-stories are short videos or several photos capturing everyday moments where users can apply filters, texts, drawings or emoticons. Insta-stories content will last 24 hours on the user's wall, after that time the post will be deleted and storage on Instagram Cloud[8].

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[6] Instagram – A Brief History, The Next Web Portal, Source:
https://thenextweb.com/magazine/2013/06/21/instagram-a-brief-history/
[7] Number of daily active Instagram users from October 2016 to September 2017 (in millions). Statista. The Statistics Portal, 2017 https://www.statista.com/statistics/657823/number-of-daily-active-instagram-users/

[8] MCDONALD, Jackson Ph.D. Social Media Marketing Workbook, How to use Social Media for Business - INSTAGRAM, p.257

In 2015 Instagram started to monetize the platform and launched a paid Advertising for brands, the Ads could be displayed on the user's wall or Insta-stories section. Many companies began to use this platform to share information about their products or activities, the challenge for brands when using this platform was the creation of an exciting and enjoyable post, as for this platform visualization and creativity plays an important role. As already was mentioned, it is possible to create a post using hashtags in the text section, it is essential to choose the right hashtag, which has the most posts and is more popular, this is the easiest way to get visibility.

The following list presented by Statista has the top 5 most popular Instagram profiles by number of followers: Instagram (277 million), Cristiano Ronaldo (152 million), Selena Gomez (144 million), Arian Grande (143 million), Dwayne Johnson – The Rock (129 million)[9].

3.3.3 Twitter

Twitter service was founded in March 2006 by Jack Dorsey, this platform does not fall under the classical social network, as it works quite different in many ways. The channel is also called by marketers as microblogging space. This platform has more than 328 million active users which is not even compared with Facebook, however, in the micro-blogging space, they do not have direct competitors[10].

Thanks to Twitter users can easily keep in touch with their friend or make new contacts, or even follow people and business profiles. Twitter's users can also use the platform as an up-to-date source of information, so Twitter's business profiles can communicate and interact with their fans or followers.

The message that can be sent and read by users is called 'tweets. Tweets are short texts with a maximum of 280 characters, these content or post are displayed on the author's profile and are delivered to users who follow the author, the people who follow any author/business profile is called ''follower". As this platform is public anyone can see the posts, there is no required friending like on Facebook, even people that do not follow and the specific author

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[9] Number of daily active Instagram users from October 2016 to September 2017 (in millions) [online]. Statista. The Statistics Portal 2017, source: https://www.statista.com/statistics/657823/number-of-daily-active-instagram-users/
[10] Twitter History, Britannica, source: https://www.britannica.com/topic/Twitter

can easily read and find tweets. Users can respond, share the post, or send messages to their subscribers[11].

To the tweets is even possible to add hashtags to a word or phrase, that begins with sign # for example #MercedesBenz #PureAdrenaline. Using a #hashtag will permit the users to find related posts that contains the same hashtags, for example, companies can use hashtags to introduce a new product to the market, where multiple messages from different users can be easily found under the message, this action helps companies to increase brand awareness and attract more followers or simple as expand the message[12]. In terms of marketing best practices, it is a good idea to find tweets that contain information about the company and its products, respond and interact with the tweets, and also forward tweets (retweet), this interaction with the followers increase visibility and expand relevant information. Tweets can be sent via a web application and mobile applications, and the same thing applies to tweet tracking, which can be tracked via both ways[13].

Initially, Twitter was used only as a form of entertainment where people could share information about their activities or thoughts about a specific topic; nowadays it is a useful marketing tool and source of information, this channel plays a significant role for news media, politicians, celebrities or companies. Currently, Twitter has 328 million active users worldwide, from which 20% are from the USA, and around 500 million tweets are published each day. In the Czech Republic, about 300,000 thousand users are registered. Regarding the most important profiles on Twitter by the number of followers are the following: Katy Perry (107 million), Justin Bieber (105 million) and Barack Obama (104 million). The most influential business profiles by the number of followers are the following PlayStation (16 million)., Chanel (13 million), and Samsung Mobile (12 million)[14]. In the Czech Republic, the most popular profiles are the following: Peter Cech (1.8 million), Petra Kvitova (583 thousand) Vtipy na Kazdy Den (406 thousand)[15].

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[11] MCDONALD, Jackson Ph.D. Social Media Marketing Workbook, How to use Social Media for Business – TWITTER, p. 211-213
[12] MCDONALD, Jackson PhD. Social Media Marketing Workbook, How to use Social Media for Business – TWITTER, p. 224-225
[13] MCDONALD, Jackson Ph.D. Social Media Marketing Workbook, How to use Social Media for Business – TWITTER, p. 226
[14] Twitter Statistics Directory. Socialbakers, 2019 source: https://www.socialbakers.com/statistics/twitter/profiles/
[15] Twitter Statistics for the Czech Republic. Socialbakers, 2019. Source: https://www.socialbakers.com/statistics/twitter/profiles/czech-republic/

3.3.4 LinkedIn

The social network was officially launched in 2003 by its founder Reid Hoffman, LinkedIn was one of the first generations of social networks, nowadays has more than 500 million active users from about 200 countries, and it is considered as the largest professional network in the world[16].

This platform allows professional around the world to connect and share contacts between professionals from different fields, references, occupational status, employment information, and there also exist specialized groups from which experts can discuss specific topics, these groups are often used by companies or brands to present themselves.

LinkedIn is all about business networking, the platform's users are managers, consultants, students, experts from various areas and others who use LinkedIn primarily as a place where they can present their profiles, expertise to have a better jobs opportunity. A user profile is no other than a resume that contains information about the current job, work experience, education, references, interests, knowledge, and skills. Each user can send a connection invite to another user; once connected, any post by user No. 1 will show in the news feed of user No. 2. In this sense, LinkedIn works precisely the same way as Facebook profiles.

Users can join groups: LinkedIn has "break out" groups by topic, which mean that professionals discuss various issues such as Web design, Marketing, and advertising, economy or even engineering.

Businesses also can have their accounts on LinkedIn, but they do not use this platformer for their marketing purposes in a narrower sense, for companies it is used primarily as a source of information about prospecting people or business partners, as well as a quality professional forum where relevant topics can be discussed, this debate helps companies to expand their brand awareness, which can attract job seekers or potential customers[17]

3.4 Marketing on Social Networks

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[16] LinkedIn American Company, Britannica. Source: https://www.britannica.com/topic/LinkedIn
[17] MCDONALD, Jackson PhD. Social Media Marketing Workbook, How to use Social Media for Business – LINKEDLN, p. 147-149

As a result of Internet usage worldwide, the number of internet users is constantly growing, as well as the social network's users; therefore, from a marketing point of view, there is enormous opportunity to use this platform as a channel for direct communication. If a company wants to achieve the best results, it is almost imperative to follow this trend and be active on these networks.

3.4.1 Social Media Marketing

Social media marketing is one of the fastest growing marketing disciplines, this is a way of promoting products and services, though, social media and websites. This communication can be characterized as a process that enables individuals to improve their sites, products, or services through online social channels. These channels allow communicating a message to a much larger community that would be available using regular channels. Social media emphasize to in particular a collective view that prefers an individual.

Social networks nowadays have become a trend and have already succeeded in a way that has not happened in the world of information technology so far. Thanks to the expansion of mobile internet and IT progress, these channels can be applied not only to a handful of experts but to a broader communication platform. For these reasons, they have become a standard best practice of marketing communication[18].

As I already mentioned, social networks can be used as a direct communication channel with a customer and, unlike other media, there is constant interaction between a company and its customers. In one hand, customers can directly express their opinions, ask a question, comment and even complain, on the other hand, there is a possibility for companies to respond and interact with customers, this is a crucial activity from a marketing point of view. For any company, the information and feedback that is obtained is a valuable asset, as the marketers can then define how the customer perceives products and services and then adopt new strategies.

Social networks can be mainly used for the following marketing activities:

- **Brand awareness:** To create general awareness and increase brand recognition, this helps marketers to familiarize people who have not met the brand yet.

- **Product service or pre-sales support:** Product advertisement, people familiarized with its features

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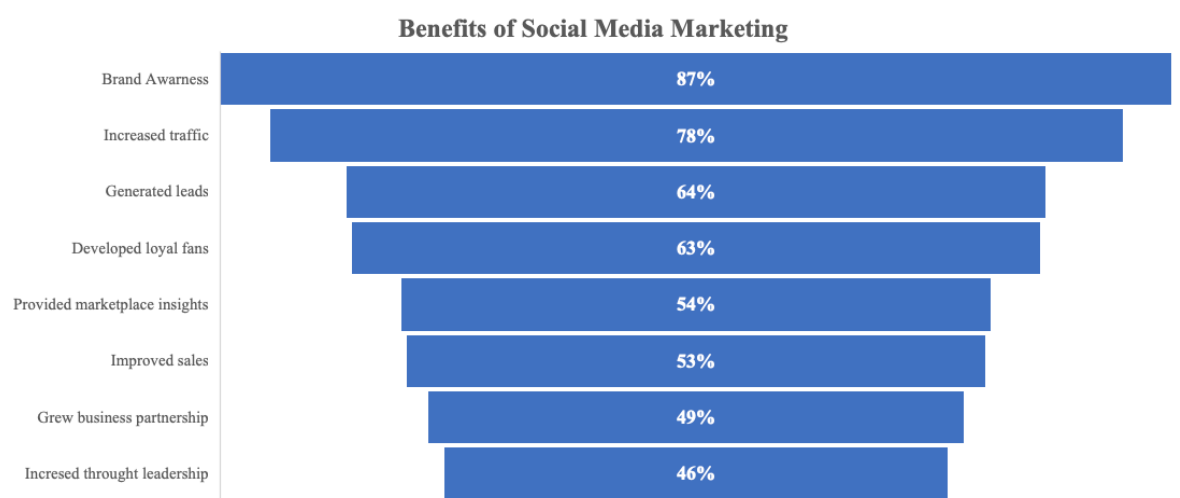[18] WEINBERG, Tammar. The New Community Rules, Marketing on the Social Web, p. 23-24

- **Convincing potential clients about the benefits of the product:** Encourage people their willingness to shop

- **After-sales support:** Customer support with existing clients about services or products
- **Building a user community:** Securing long-term communication with clients

According to a survey launched in 2017, about 92% of marketers said that social networks marketing is significant to their business, and 73% said that were analyzing the activities and performance of their social network. This highlights the potential for marketing on social networks to increase sales, but the real challenge is how to achieve the best results. Social networks are a great channel and asset to marketers, according to a Social Media Marketing Industry Report 2018 (graph), 87% of marketers will use social networks to increase brand awareness, the second biggest goal from marketers will be the increase in traffic 78%.

About 64% said that they used social marketing to Generate leads, therefore, ach published post; for example video, photo, text or a link represents an opportunity for a marketer to reach a potential customer, such action can also be a visit to a website and subsequent purchase of a product or service[19].

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[19] STELZNER, Michael, 2018 Social Media Marketing Industry Report,. SocialMedia Examiner. Source PDF: https://www.socialmediaexaminer.com/social-media-marketing-industry-report-2018/

Figure 1: Benefits of Social Media Marketing

Benefits of Social Media Marketing

Brand Awarness	87%
Increased traffic	78%
Generated leads	64%
Developed loyal fans	63%
Provided marketplace insights	54%
Improved sales	53%
Grew business partnership	49%
Incresed throught leadership	46%

Source PDF: https://www.socialmediaexaminer.com/social-media-marketing-industry-report-2018/

According to the Texas Technical University report of 2013, companies that are active on social networks enjoy greater customer loyalty, so most marketers use social media to build the base of their loyal fans.[20] Most marketers also use social networks as a valuable source of information about the competition, their industry, through data analysis benchmark and evaluation, 63% of marketer agreed that marketing on social networks help them to Develop loyal fans. Another benefit of social network marketing is to increase marketplace insights, with the data generated, business can expand the presence, create business partnerships and of course increase sales.

Social networks are changing and evolving; however, the behavior and time spending per user does not change, according to Paul Tekel partner of the Facebook manager for Central and Eastern Europe just the form of communication has changed.

It can also be seeing that today's social life is shifting to the online environment; this environment is mainly mobile. According to Tekel, 80% of Facebook's active users are subscribers that use these networks via mobile phones on average 14 times a day, where users spend on average 3 hours a day on their mobile phone approximately, which bring enormous potential to online marketing. In the other hand, the Ads that users see on their mobile phones receive up to 82% more attention than those on TV perhaps[21].

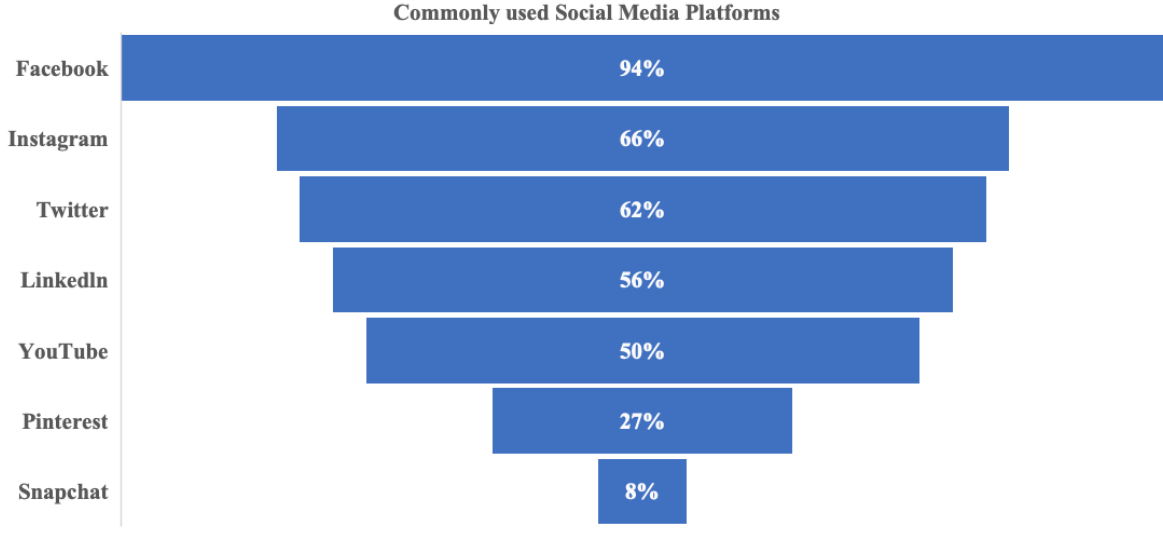[20] Establishing Brand Loyalty through Social Media, Texas Tech University. Source: http://www.depts.ttu.edu/comc/research/outpost/blog/brand-loyalty.php

[21] STELZNER, Michael, 2018 Social Media Marketing Industry Report, SocialMedia Examiner. Source PDF: https://www.socialmediaexaminer.com/social-media-marketing-industry-report-2018/

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For many companies the key KPI's on social networks[22] is to receive as many interactions as possible, for this matter, companies use engagement campaigns where marketers can test what product is liked the most in a specific target group, this to seek feedback. Also, algorithms are used to set a target group of users that will most likely interact with a specific campaign. The disadvantage is that these campaigns are more expensive and do not reach the full potential target group on the Social Network platforms.

However, if the company's goal is to increase brand awareness, then campaigns to increase engagement often are not the right choice. To increase brand awareness, marketers need to choose a relevant Ad, which probably will not bring interactions, but it is targeted to more relevant audiences. In the case of Facebook, the platform can recognize which users are interested in similar content and then show them Ads with topics that are more relevant to them.

Figure 2. shows the use of social networks from a marketing practice. For marketing purposes Facebook is the channel that is used the most by any company, which represents 94% of the answers from marketers, the second most widely used network is Instagram (66%), third is Twitter (62%), LinkedIn (56%), Youtube (50%)

Figure 2: Common used Social Media Platforms

Commonly used Social Media Platforms

Platform	%
Facebook	94%
Instagram	66%
Twitter	62%
LinkedIn	56%
YouTube	50%
Pinterest	27%
Snapchat	8%

Source PDF: https://www.socialmediaexaminer.com/social-media-marketing-industry-report-2018/

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[22] Social Media Metrics and KPIs, KLIPFOLIO (online). Source: https://www.klipfolio.com/resources/kpi-examples/social-media

According to the social media Industry survey 2018, most marketers (93%) regularly use Facebook as a form of paid advertising, followed by Instagram advertising, which is used by 24% of marketers[23].

3.4.2 Marketing strategies on Social Networks

For a proper and efficient plan on social networks, the most crucial action from any company will be necessary, as with other media, to set primary goals and strategy to achieve the planned objectives. Even though today most businesses know how important is social media, not all of them can choose the right and successful marketing strategy, therefore, a well-chosen approach leads to the hit the goals, in the following list will be mentioned the steps to be followed:

Define clear goals: Each part of a marketing strategy serves to achieve a goal, so there is no chance to move on without a clearly defined purpose, such objectives can be for example: increase sales, acquire new customers, increase brand awareness, and more. It is recommended to set one, at most two main goals, if there are too many goals, it is possible that none of them will be achieved.

Specify the plan and procedure: The primary goal must be precise; for example, specific parameters must be selected the step by step plan to achieve the primary targets. The decision making to successful planning can be called smart analysis, according to which objectives must be specific, measurable, achievable, relevant and time-bound. For example, if the business goal is to increase sales, then one of the steps to follow is to increase website traffic over social networks by 40% within a year, to increase the traffic will also require planning on relevant content creation and so on. In this matter, planning on which will be the right platform to achieve these goals must be taken.

Identify an ideal customer: once goals are clearly defined; the automatic next step is to start thinking about: who is the target customer? What is known about their online behavior? On which platforms these potential customers can be reached?

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[23] STELZNER, Michael, 2018 Social Media Marketing Industry Report,. SocialMedia Examiner. Source PDF: https://www.socialmediaexaminer.com/social-media-marketing-industry-report-2018/

Successful strategies on social networks are about understanding the audience, then delivering the message to the right target audience, this best practice can then be translated in better campaign performance, therefore easier to achieve the goals.

The ideal customer profile is compiled most by simply studying the existing client base. Most social networks have tools that provide demographic information, especially for companies with large audiences. These tools include Google Analytics, Facebook Insights, Twitter Analytics, Instagram Insights, or LinkedIn Analytics. An ideal customer profile should consist of information such as age, gender, background, employment, income, hobbies, interests, problems, obstacles, habits and much more.

Look at the competition: As social media marketing best practice monitoring the competitors is a great option to learn a lot about what works and what does not. Eventually, the competitors target the same customers, so it means a great opportunity to learn from their best success and failures and of course apply successful tactics to the planned strategy. In order to analyse competitors, it is necessary to select 3-5 main competitors and look in more detail on their presentation on social networks, which platforms have been chosen by them, analyse their content strategy, determine the number of fans or followers, the frequency of posting, in particular, is recommended also to put attention in the content that has been promoted, as promoted content usually drives more interactions.

It is also necessary to look at how competitors match their fans. But the most important thing is to look at direct fan interactions, engagement. Although network administrators can only calculate the exact engagement rate, it is not difficult to figure out how responses were to the competitor's contributions depending on the number of fans on his site. The simplest way is to look at the posts of the competitor, for example, in the last month, and count the engagement of these posts. When this number is divided by the total number of page fans, the result is an approximate engagement rate, the Engagement Rate, which can already tell you a bit.

Select the networks and tactics: As has been mentioned before, each social network can be used for different purposes. Therefore, companies have to be careful about selecting the right channel for their right message. Many businesses create an account on all the popular networks without first finding out which ones of them will bring the most benefit, in this sense, the goal is not to have a profile on all networks, but to identify in which platform is

the ideal customer is concentrated. For B2B businesses, for example, LinkedIn is their best choice, while Facebook and Instagram can be used often by auto brands. The strategy of selecting the best platform to deliver the marketing message has to be aligned with the goals has been created before; for example, if the goals were to increase brand awareness and reach more people, then a perfect platform would be Facebook, as this platform allows marketers to use Facebook Ads for each goal.

Create a content strategy: One of the most essential parts of a marketing strategy on social networks is a content strategy. Content and Social networks have a powerful symbiotic relationship, as social networks are meaningless without appropriate content, and the content will never be shown to users if social networks did not exist. The content creation must appropriately be designed for each social network, and the published content should not only represent product information but instead should give its audience a real value.

Each successful content strategy on social networks has three parts; there exist some questions that a marketer should be able to answer to start with the perfect content strategy, these questions are: What type of content to publish? When is the best time to post? How frequent a post should be released?

The content type depends on its format (text, image, video or link only) and context (educational, funny, serious, etc). Determining the best time to publish content can be studied by analysing the performance of historical data of the profile when the users are interacting with the profile, moreover, the social network's platforms also can also recommend the best time of publishing by studying the online audience activity, however, various tools and algorithms have been developed by analytics vendors, for example Socialbakers Prime Time, the functionality of this algorithm will be explained more in detail in the second part of the thesis. Last but not least, it is important to determine the frequency of publishing, finding the right frequency is key, to publish a small amount of content can be translated into a low number of interactions and the result is not achieving the desired goals, in the other hand creating a lot of content can be annoying for fans/followers, the result is losing fans and.

Allocate budget and resources: To see business results from social networks, it is vital to reach a determined target audience indeed, therefore, it is highly recommended to allocate an individual budget for marketing activities on social networks.

The budget should include the cost of marketing tools or agencies services that provides for social networks monitoring and analysis, content-related costs such as advertising costs, and video productions. To increase the brand's visibility is important to allocate Ads costs to reach the sought target audience[24]

3.4.2.1   Social Media Marketing on Facebook

Facebook has 1.18 billion daily active users, which represents a unique marketing opportunity for companies to reach a specific target group, it is not new that Facebook is used for marketing purposes, however, in the past 10 years the platform as developed new ways of marketing communication such as selling products via chatbot, hosting 360-degree videos. For any company, this represents a huge opportunity to grow the fan base and get interactions, the more fans a company has on Facebook, the more quality information about their products and services can be delivered, from the marketing point of view, the discovery of ideas, wishes and demands is a success, and Facebook is the perfect place o build product and brand communication. The interactions generated help businesses to build better customer relationship and there is also important to mention that customers can leave valuable feedback which can be positive or negative. A company can create a conclusion from the obtained feedback and adapt its products to what customer demands, thereby achieving the most important goal of increasing sales[25].

As it has been mentioned, the importance of a good content on Facebook drives to more interactions and brand's visibility, therefore, it is very important for marketers to keep in mind the existence of an algorithm called Edgerank that has been developed by Facebook, the aim of this algorithm is to determine which content is relevant for any Facebook user, the three metrics that are considered by this algorithm are the following: Affinity Score, Edge Weight, and Time Decay. Facebook's goal is to keep engaged their users with the

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[24] DAOUD, Hossem. 8 Essential Elements of a Social Media Marketing Strategy. SocialMedia Examiner. Source: https://www.socialmediaexaminer.com/essential-elements-social-media-marketing-strategy/
[25]CONLEY, Megan. Hubspot (online). Source: https://www.hubspot.com/facebook-marketing

platform, so creating this type of algorithms can make sure the relevancy of the content that is been shown[26].

Facebook offers a variety of ways to communicate a message to a company's customers, it is very important to select the best way but also recommended to combinate ways, to optimize the desired awareness in the target group. From a business perspective, basic communication channels can be through Facebook Ads, groups, applications and of course events.

Facebook can be used by auto companies to increase traffic to the website, generate demand and leads, increase the buying consideration, and more critical close a sale. The platform also allows companies to connect their CRM (Customer Relationship Management) into Facebook messenger; this can help marketing teams to create a personalized message based on individual customers' needs and encourage them to make a purchase.

Lead generation: Good photos and videos of the automotive inventory can facilitate customers visualize what the car is like and inspire them to come back for a take a look at the drive.

Facebook Lead Ads are an excellent way to engage with users providing a great mobile experience. For example, if the user would like to have more information about the car they can complete a form with pre-filled contact details without leaving the platform, the good thing is that Facebook takes the data from their profile, which makes the experience of filling them way better and drive low-cost inquiries and generate leads.

Best practices on Facebook Lead Ads:

Mix it up: The Facebook Lead Ad formant can be used as hand raiser, drive booking, pamphlet requests, it is always recommended to use Lead Ads for various types of campaigns then monitor the results of the best performing Ads and learn from its success.

Quality and personalization: To have qualified leads is essential to increase the probabilities of future sales, therefore, making sure the personalization of the Ad will be key for its performance, for example; If a person fill in the form, and says that is looking

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[26] WIDMAN, Jeff. EdgeRank Algorithm on Facebook. Source: http://edgerank.net/

for information to buy a car, there exist higher possibility that the same lead at some point of time can be converted into a sale.

Data Protection: It is essential to add multiple consent options in the filling form; this best practice is critical for EU automotive brands to protect the data.

Be clear and set expectations: Making sure leads (people) understand what they are signing up for, can protect the brand of creating different expectations and complaining after submitting the form, it is recommended to be as transparent as possible with the Ad Lead, this best practice will ensure that the budget of Ad spend has not been wasted on a low-quality and irrelevant leads.

Track ad performance: The most important best practice will be tracking the results that have been generated by Facebook Leads Ad, for this matter it is possible to add tracking codes to each lead, then when is monitored by the CRM/DMS the vehicle sales can be tracked[27]

Groups on Facebook: are an excellent channel opportunity for business as the people in these groups usually share the same hobbies, interests or opinions. The group members interact with each other, discuss various topics, upload pictures, and videos. If a particular brand creates such a group, it means an excellent opportunity for the company to influence and attract new customers.

A Facebook business profile is a place where companies can share their message, therefore, get their fans and followers, but eventually, the fans will not interact as much as in a Facebook group. However, it is a great channel that can be used to present products and services.

The News Feed is dominant if a user of Facebook clicks on follow over the pages of businesses or friends page, the content that it has been generated will appear on the news feed. Therefore, a good content strategy for Facebook business profiles influences the relevancy; for example, marketers can create Sentimental Posts, utility, surveys, quotes, outrage, controversy posts.

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[27] HENDERSON, Gary. Lead Ads: 10 Tips & Best Practices For Facebook Lead Ads. Source: https://www.digitalmarketing.org/blog/10-tips-for-facebook-lead-ads

Events are another way of promoting an auto company on Facebook. It must be time-limited, and you must specify a start and end date when setting them. They are especially useful when placing a new product on the market, various meetings or short-term discount trailers. Allow invitations to friends, fans and group members.

Facebook advertising has a significant advantage over others, and that is mainly because of the targeting accuracy. It allows brands to focus on a particular audience with much greater precision. Since Facebook users share a lot of information on their profiles and often do not realize the risks associated with them, the ad targeting company can choose from various demographic data (place, gender, age, education, state)

3.4.2.1   Social Media Marketing on Instagram

On October 6, turned eight years old since the platform was launched in 2010, this social network had a great sensation for users around the globe, it seems like everyone – even a user's dog – has an account on this social network.

Here are some stats that show how engaging is the use the platform, and why is so relevant for auto companies to be in the platform:

- In January 2018, Instagram had about 800 million active monthly users[28]

- About 60% of adults use Instagram

- 80% of the users base it is outside the U.S.

- Exists 25 million business profiles on Instagram

- 50% of users "follow" at least one business, and 60% of them said that they have learned of a service or product thanks to the platform[29]

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[28] Statista, Number of monthly active Instagram users from January 2013 to June 2018 (in millions) Source: https://www.statista.com/statistics/253577/number-of-monthly-active-instagram-users/

[29] COLLINGS, Alicia. Instagram Marketing, How to Create Captivating Visuals, Grow Your Following, and Drive Engagement. Source: https://www.hubspot.com/instagram-marketing

*Figure 3:Number of monthly active Instagram users from January 2013 to June 2018*
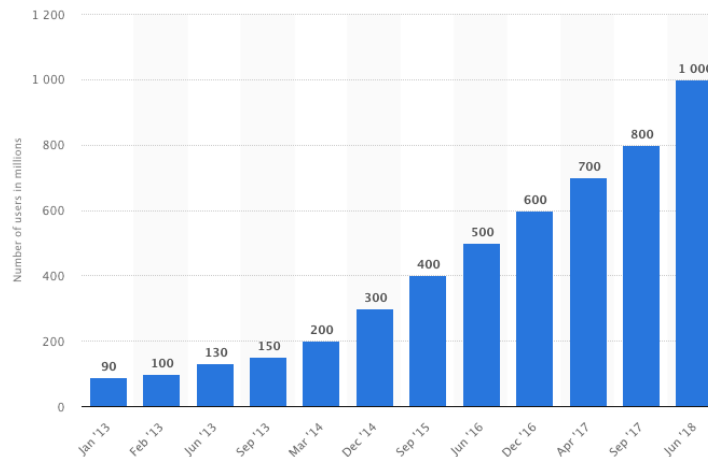
It is clear that Instagram is not only for personal use any longer. As it is currently a world platform that permits brands to modify their content, recruit new talent, showcase merchandise, and encourage their audience. Instagram users are not merely active; they are engaged. This exposure and video sharing app have quickly become a prime social media website; about 35% of the users said that they check their Instagram app multiple times a day. For marketers, this is an excellent opportunity to generate brand awareness and introduce products, with an accordingly friendly, authentic manner without trying hard to sell a customer.

With this small introduction about the platform, there is some practical way to create a good content strategy to promote a service or product using the options Instagram graves to the marketers[30].

Marketers should always remember that Instagram users are looking for genuine brand's content, no blatant advertisements. A good example is Volkswagen in the auto industry, besides showing the products, they create authentic content that includes influencers and "casual people" this to humanize their presence on this platform

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[30] COLLINGS, Alicia. Instagram Marketing, How to Create Captivating Visuals, Grow Your Following, and Drive Engagement. Source: https://www.hubspot.com/instagram-marketing

Figure 4: Volkswagen Instagram

Source: https://www.instagram.com/volkswagen/?hl=en
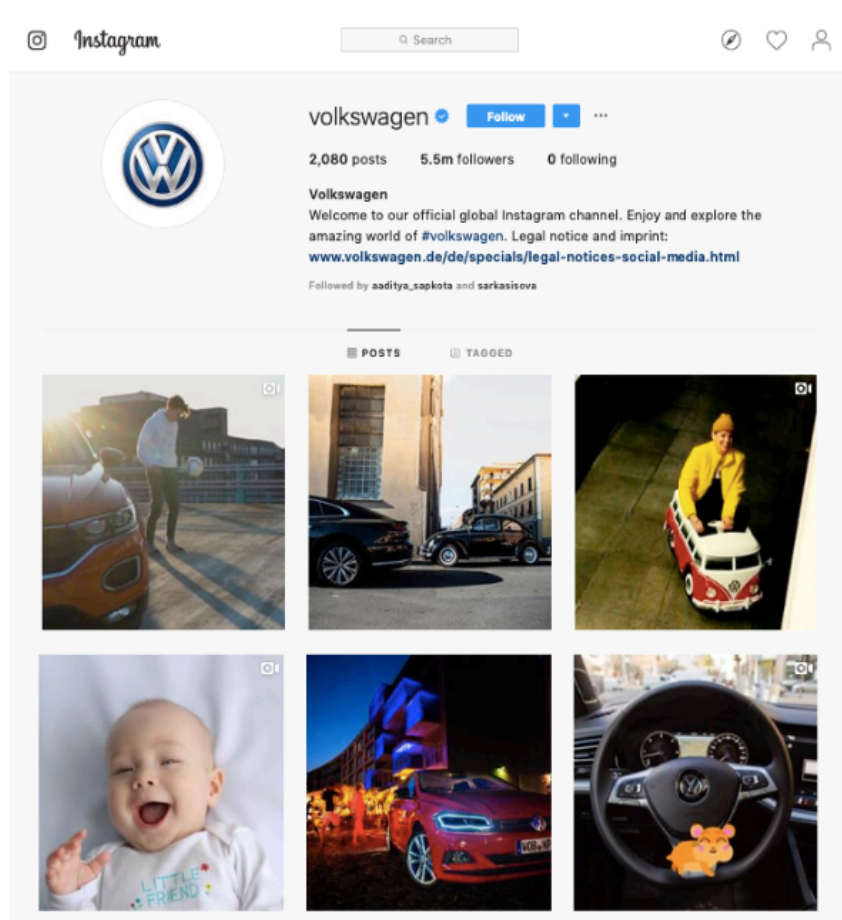
Influencer Posts

In a survey of 150,000 influencers conducted by Hashoff:

91.9% of influencers selected Instagram as their favorite platform, just 2.7% chose Facebook, and another 2.7% chose Youtube. The main reason for their chose is that Instagram is the platform that generates the most interactions rate per user from all the existing social networks platforms.

3.5 Data analysis and monitoring on Social Networks

As social networks continue to grow, the volume of recorded data increases. Whenever a brand posts content on their Facebook, Instagram, Twitter, LinkedIn or YouTube profile, it creates digital footage. User's activities like viewing, sharing and commenting on a post, or clicking on 'I Like This' will be recorded, social networks are a massive source of data and information for businesses. By analysing social data, companies can have a better understanding of how is their performance on social media and can adapt their future decisions.

As I stated before, no marketing can be done, not even on the internet or Social media, if there are no measurements on the activities and performance of the strategies applied.
Some companies, especially the small ones, do not carry out any analysis, some do the simple analysis themselves and often measure only a fraction of that what they could have monitored. Other companies use special tools to help them with monitoring and analysing the data; some of them especially small companies use the native social network provides the tools. These tools include, for example, Facebook Analytics that provides Facebook Insights of private data, Twitter Analytics, Google Analytics, Instagram Analytics, and more.

For a more in-depth analysis of data from social networks, it is possible to use the services from companies that are specialized in monitoring and analysing data from social networks. These companies provide tools for in-depth data analysis and are used mainly by companies that have large fans or followers base or companies operating on several platforms simultaneously, which work with a large amount of data. Such an analytics company is, for example, Socialbakers S.A which I will explain in more detail later on.

3.6 Socialbakers Analytics Company

Socialbakers is a trusted social media analytics vendor partner of thousands of enterprise brands and SMBs, some of their clients belongs to the Fortune Global 500. The Czech company has leveraged the most extensive social media database in the industry, the company have developed algorithms with the usage of machine learning and Artificial intelligence. The constant product innovation put them to the top of leading social networks

analytics, with over 2.5k clients, across 100 countries, currently they monitor over 10 million social profiles across all major platforms including Facebook, Twitter, YouTube, Pinterest, LinkedIn, Instagram, Google+ and VK.com

Socialbakers' social media marketing suite is a solution that helps brands ensure their investment in social media is delivering measurable business outcomes.[31]

3.6.1 Analytics

Analytics is a tool for monitoring, comparing and improving social performance. Through this tool, a marketer can quickly review historical performance data and identify the customer behaviour on social networks, or even analyse their performance and compare with competitors and industry. The reason why is so important to monitor the performance continually is that this helps a marketer to on the decision-making on their next steps on the marketing digital strategy.

Analytical tools are sophisticated tools and helpful when measuring performance overviews different social platforms such as Facebook, Instagram, YouTube, Twitter, LinkedIn, and others. It allows to quickly get clear information, monitor, and report on the progress over time and turn social networks data into actionable insights.

Having this data once again puts the marketers in a competitive advantage and provide with intelligence to create a plan for better positioning the brand on multiple social networks. The software and its features are set to be easy to control and do not require any previous experience. Reports are customizable according to the marketer's needs and data that interest the user. All of the information can be exported to a file (PowerPoint, PDF, Excel, PNG), or a graph can be exported into PNG file separately. [32]

Analytics Benchmark: this feature allows a marketer to compare their performance with key competitors, indirect competitors, of a specific industry or region across multiple social platforms. The analysis allows the marketer to track the frequency of shared posts, what content is created directly by fans or followers, and what is the layout of shared posts by images, videos, links, or statuses. It helps to measure the direct interaction of social network users with the site and its content, engagement, or expresses how many people respond to the content, and what contribution has triggered the most responses.

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[31] Socialbakers. Socialbakers Companay (online) source: https://www.socialbakers.com/company/
[32] Socialbakers. Socialbakers Solutions. Source: https://www.socialbakers.com/solutions

Based on this information, the marketer can easily find out what types of posts and what content is best suited for publishing. Another critical factor in growth in social networks and addressing a wider audience is to identify key influencers, which are people who can influence in some way how the public perceives the brand. Analytics can identify these influencers and determine is their performance it is relevant.

Another metric within Analytics is the Response Rate, which can measure how often and for how long the company responds to audience queries.

In addition to these reports that allow social performance analysis, analytics also includes tools that optimize content strategy, where it is most important to determine what type of content to publish when to publish and whether a post is supported by advertising. Specifically, they are Inspiration Pro, Prime Time and Performance Prediction.

Inspiration Pro: It is a tool that identifies what type of content is currently the most successful for a particular social network. Inspiration Pro will show the most successful posts on Facebook, Instagram, Twitter or YouTube. It is possible to add additional filters to look for the best content such as Interest, Industry, Country, Type of Content, and Promoted or Organic.

Figure 5: Socialbakers Inspiration PRO
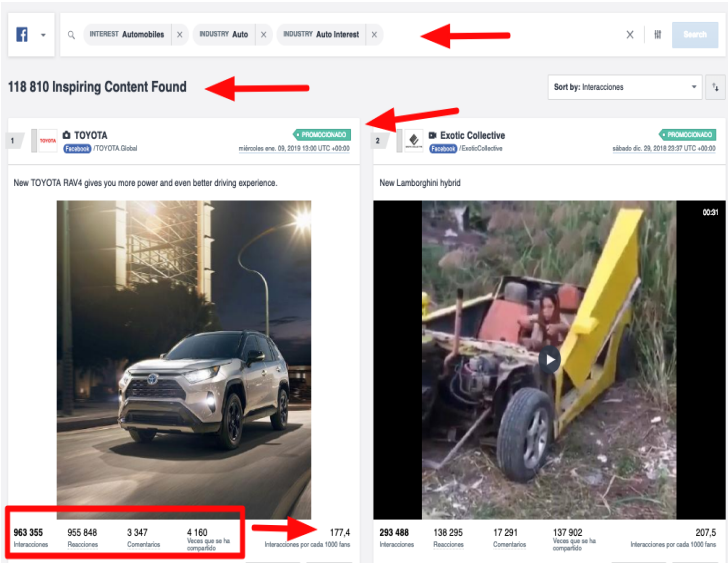
Source: Socialbakers Analytics tool

Prime Time: determines when is the best time to publish content to maximize the organic reach and maximize interaction.

Although there are many studies and rules on when is the most appropriate time to post, Prime Time recommends the ideal time for publishing, based on customer data analysis, and their interactions over time. If a marketer wants to publish content the recommendations from Prime Time will be for the next 24 hours or next 7 days. Since each social network profile has different customer data behaviour, each profile will have different Prime Time and the best time of publishing recommendations.

Figure 6: Socialbakers Prime Time
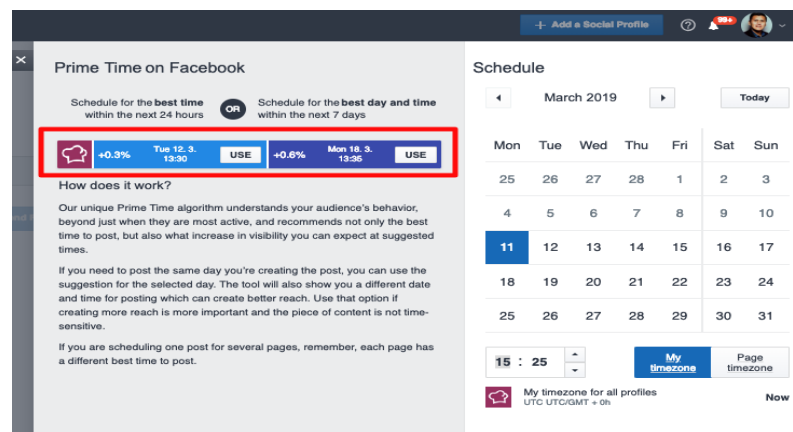
Source: Socialbakers Analytics tool

Performance Prediction helps a marketer to evaluate what content is going to be the most successful and which of them are, therefore appropriate to use for promotion. The tool estimates the content performance behavior 30 minutes after its publication, based on which it assigns a score and accordingly the post falls either into A +, A, B, C or D type of content. The post to which A + is assigned represents the best content to be promoted. Together with A, it is also recommended to promote posts with A and B scores

Later on the practical part, I will be using this tool to analyze the correlation if there is a correlation between the content that has the best score and the final results.

Promoted Post Detection is an essential tool for budget allocation as it helps to identify which content has behaved as paid advertising on Facebook and what they were purely organic. Paid advertising is on the rise, and if any business wants to reach out to its audience

is critical its usage. The evidence by fact is that nowadays a lot of companies are spending on Facebook advertising.

Marketers always wanted to know what content from competitors are promoted, or at least view the ratio of paid vs organic content and compare their interactions overall and see the impact of content promotion.
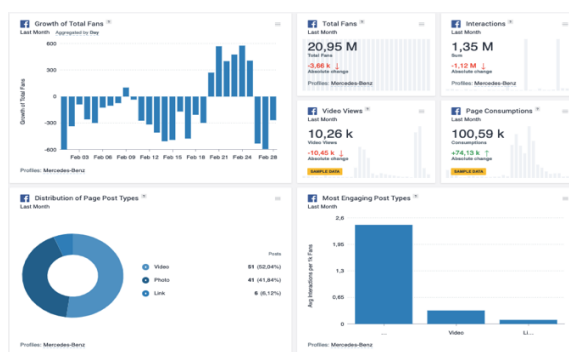
3.6.2 Dashboard

Allows a marketer to compile a report that is fully customizable based on the needs and KIPs that is needed to monitor, each team member on the social media team can create their personalized dashboard and monitor their profile performance across the platforms and choose from more than hundred different metrics.

Monitor your performance across Facebook, Twitter, Instagram, Pinterest and YouTube, all in one place. Build a customized view or choose from predefined templates to get the most out of social and business data visualizations

Collaborate with ease with internal and agency team members by sharing custom dashboards at the click of a button.

An essential overview of the Dashboard is Executive View. This allows you to measure what Facebook Ads, the quality of content, and how it affects web traffic and conversions, how many people have visited the website through Facebook and eventually purchased the product or service.

Figure 7: Socialbakers Dashboard

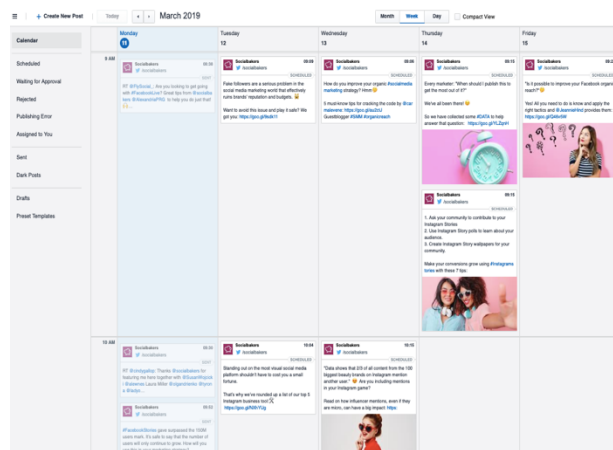**Source:** Socialbakers Analytics tool

3.6.3 Publisher & Community

Publisher and Community are tools within the Socialbakers Suite that have different features over Analytics and Dashboard. There are no tables and charts here, and these tools

serve market makers, in particular, to work more effectively on social networks, especially for content and community management.

The Publisher is a tool that helps streamline the delivery of content. With its help, content can be created, scheduled, and published from one place on all required pages across Facebook, Instagram, Twitter, and Pinterest. Publisher allows you to track all posts, those that have been published and those that are , scheduled or posts that are pending approval. It contains a calendar that allows a plan of when the post should be published, also the calendar has a recommendation of Prime Time (best time to publish)

Figure 8: Socialbakers Publisher

Source: Socialbakers Analytics tool

The Community section allows you to organize teamwork by assigning roles, tasks, and approval flows. It also streamlines collaboration with internal comments and features that enable team members to exchange ideas. Last but not least, it provides community management functionality, allowing for direct interaction with the community (fan base or customers), with the help of this tool it is possible to answer to comments, direct messages from one place.

*Figure 9: Socialbakers Community Management*
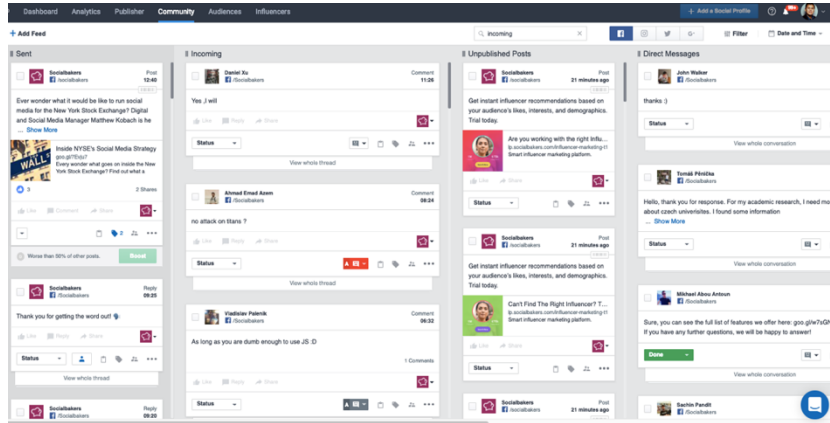
Source: Socialbakers Analytics tool

3.6.4 Influencers & Audiences (Artificial Intelligence)

Influencers: As was stated before Socialbakers has more than 10 years of collecting data from different platforms, according to their website they monitoring more than 10 million social networks profiles, having such a large database give them the possibility to build a the tool for researching Influencers on Instagram. The tool gives the possibility to research Influencers based on their audience size, demographics, Interests.

Figure 10: Socialbakers Influencers Search
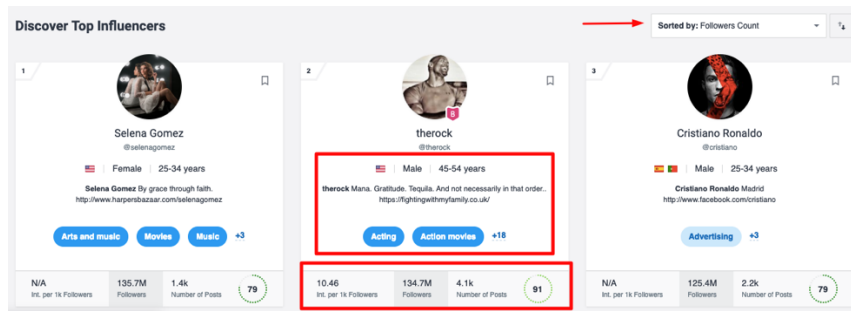
Source: Socialbakers Analytics tool

Audiences: With the integration of private data from Facebook and Google Analytics, and the usage of Artificial Intelligence; the tool can create buyer personas based on historical data of the interactions the user did within the Facebook profile or a website. The tool

gives information about the audience interests, affinities, content that the "persona" may interact with.[33]

Figure 11: Socialbakers Audiences (AI)
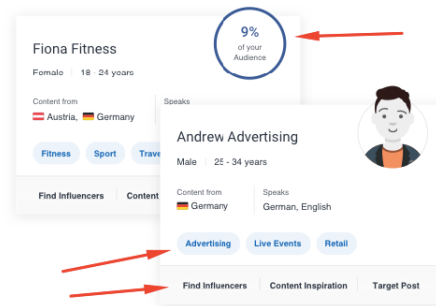
Source: ww.socialbakers.com

4 Practical part

4.1 Introduction to the brand – Mercedes Benz

Mercedes-Benz is a multinational organization of the German manufacturer Daimler AG, and the brand is used for luxury automobiles, buses, coaches, and trucks. Mercedes-Benz is headquartered in Stuttgart, Baden-Württemberg, Germany. The name first raised in 1926 under Daimler-Benz but traces its descents to Daimler's 1901 Mercedes and Karl Benz's 1886 Benz Patent Motorwagen, broadly considered as first automobile.

4.2 Mercedes-Benz global analysis (FB, IG and TW)

Mercedes Benz has active global accounts in the most important social networks, for example: Facebook, Instagram, Twitter, YouTube and LinkedIn.

Facebook currently has over 20.95 million fans, that particular platform has the highest number of fans (see Figure 11). The Instagram global account is very close to Facebook, with over 17.15 million followers it is the second biggest channel, in the third position stands Twitter with 3.3 million subscribers, followed by YouTube 897 thousand and LinkedIn 55 thousand followers. For these reasons, the following analyzes will focus only on the most important platform: Facebook and Instagram

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[33] Influencers & Audiences. Source: https://www.socialbakers.com/suite/audiences-and-personas

Figure 12: Mercedes Benz multi comparation (FB,IG,TW,YT,LN)
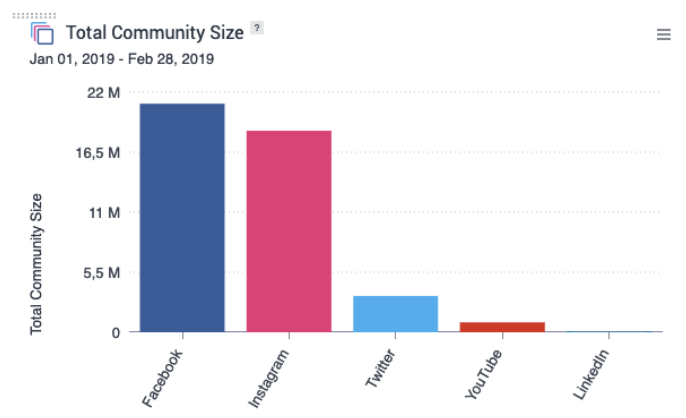
Source: Socialbakers Analytics tool

Figure N 12. shows the Total community size of each social network in 2017 compared with the total community size in 2018. It is clear that Mercedes Benz Instagram, had increased its community by 5.18 million new followers in 2018, followed surprisingly by Twitter with 952 thousand new subscribers, the poor performance of Facebook regarding the growth of the fan base in 2018 is clear, just 14 thousand new fans.

Figure 13: Community comparation 2017 vs 2018
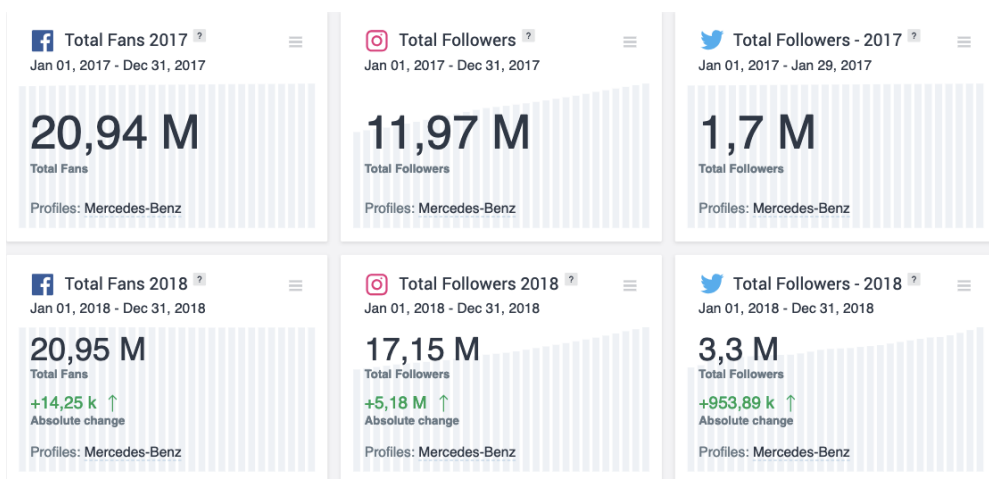
Source: Socialbakers Analytics tool

The figure N 13, also shows the evolution of the interaction in linear graph from 2017 to 2018, the social network that has experienced the most activity from its community is Instagram, therefore, the growth of the community can be explained by the content evolution on interactions generated by the followers.
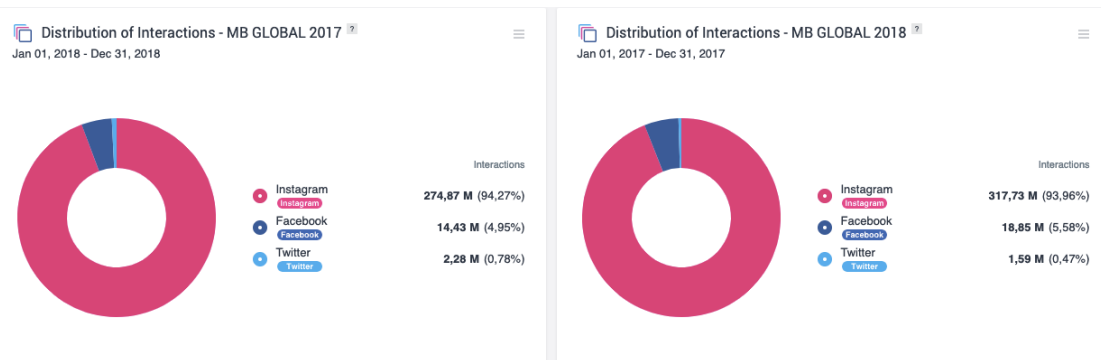
Figure 14: Linear graph of Interaction: from 2017 to 2018
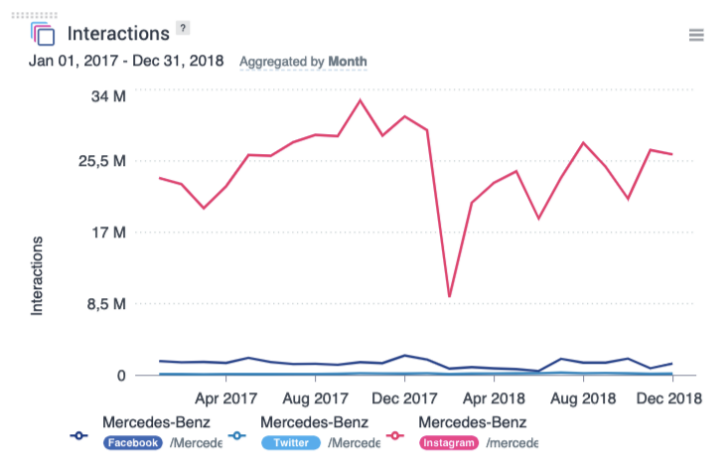
Source: Socialbakers Analytics tool

The figure N 14, Comparison of distribution of Interactions from 2017 to 20 supports the theory that Performance on Interaction is correlated with growth in the community.

Figure 15: Distribution of interaction Global: 2017 vs 2018

Source: Socialbakers Analytics tool

And the figure N 15, shows the total number of contents published in the three platforms from 2017 to 2018, the results based on to total interactions and fan growth, has nothing to do with the performance overall (Interactions and fan growth), as Twitter created the highest amount of content in 2017 - 2018.

Figure 16: Number of total Post - MB Global 2017 and 2018
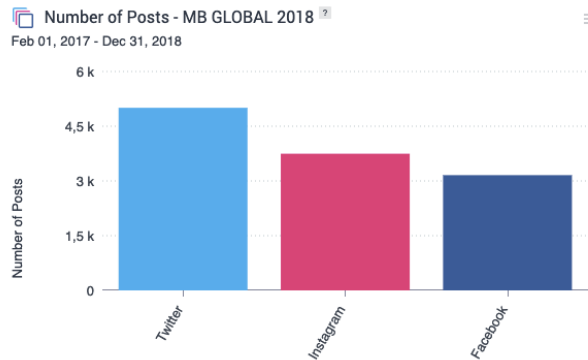
Source: Socialbakers Analytics tool

4.2.1 Analysis: Mercedes Benz vs Competitors vs Auto Industry

As it was stated already, a key activity for an efficient marketing strategy is the analysis of performance conducted by benchmarking, i.e. the competition analysis and its comparison, of multiple social media profiles, and it helps the company to determine the performance against main competitors and industry.

Benchmarking goals is to identify the best practices in the industry and competitors, and ultimately help the company improve its performance.

Benefits of benchmarking:

- A marketer can identify where the brand is their performance situated within multiple platforms; with these insights, it is possible to set aspirational goals using competitive intelligence of competitor's successes and use them as a guidepost.
- Change up a strategy and reliable decision making based on historical data
- Set up realistic performance goals on across social media platforms; for example; frequency of published post, average interactions per posts, fan growth, etc.

To conduct the research were taken in consideration the main competitors of Mercedes Benz globally. i.e.: BMW, Ferrari, Porsche, Audi, Lamborgini, Ford Mustang, Aston Martin, Toyota and the Global Auto Industry.

The figure N 16. Shows the performance the total community size in 2018, Mercedes Benz is located in the first position with the largest fans base with 20.9 million fans, the second

place is for BMW with 20.2 million fans, the third position is for Ferrari with 16 million fans, however in the figure N 17. it is visible that the Facebook profile that had the biggest fan base growth is Toyota Global with 3.6 million new fans. In order to understand how Toyota performed this way would be necessary to see other metrics such as interaction, Number of posts.

Figure 17: Facebook: Multiplatform comparasion (data from 2018)
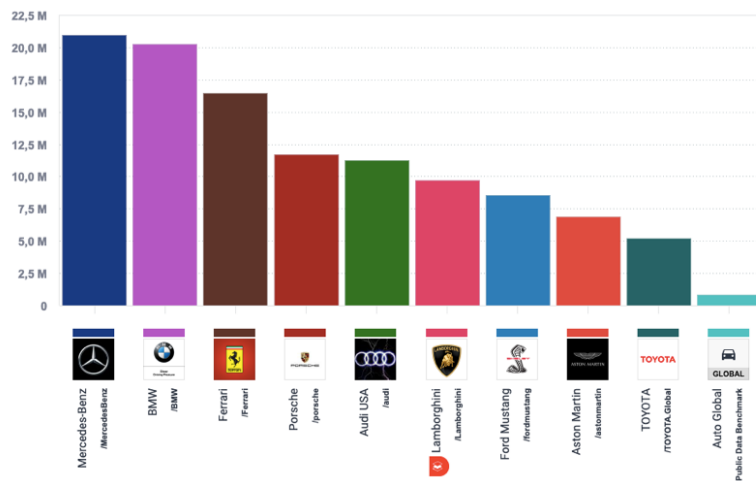
Source: Socialbakers Analytics tool

*Figure 18:Community growth in 2018*
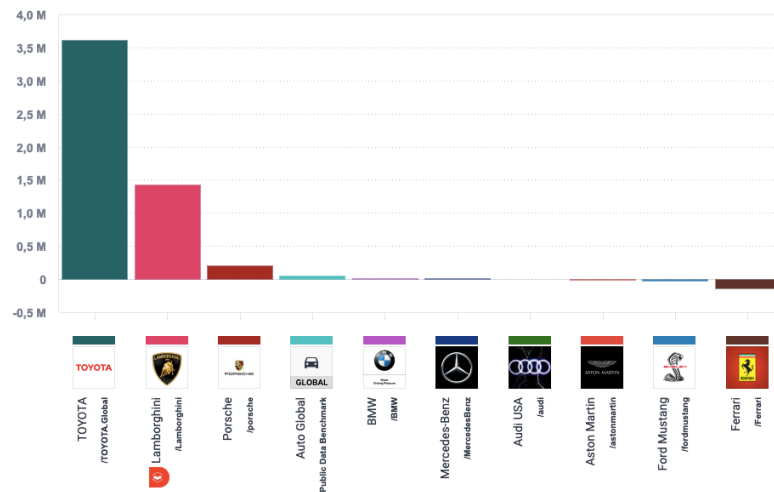
Source: Socialbakers Analytics tool

The figure N 18, an algorithm from Socialbakers called Promoted Post Detection that was explained in detail before, was used to analyse the paid performance of all the auto brands even the industry, as the data shows the Promoted Post Efficiency by each brand, where is

notorious that Toyota has a paid strategy, in the graph shows that 76% of their content were detected as "Promoted", the paid strategy generated for them 98.73% of the total interactions in 2018, with 25.01 x Post efficiency. Furthermore, the Auto Global Industry is also spending on promoting their content, which based on the obtained results 18% of the content is being promoted, and those promoted content are generating the 54% of total interaction in 2018 from the auto industry.

The data of promoted posts from Toyota Global can be analysed by Mercedes Benz and probably adopt their best paid content, as in the previous graph is shown that this brand had greatest increase in their fan base.

Figure 19: Multicomparation of Promoted Post Strategy
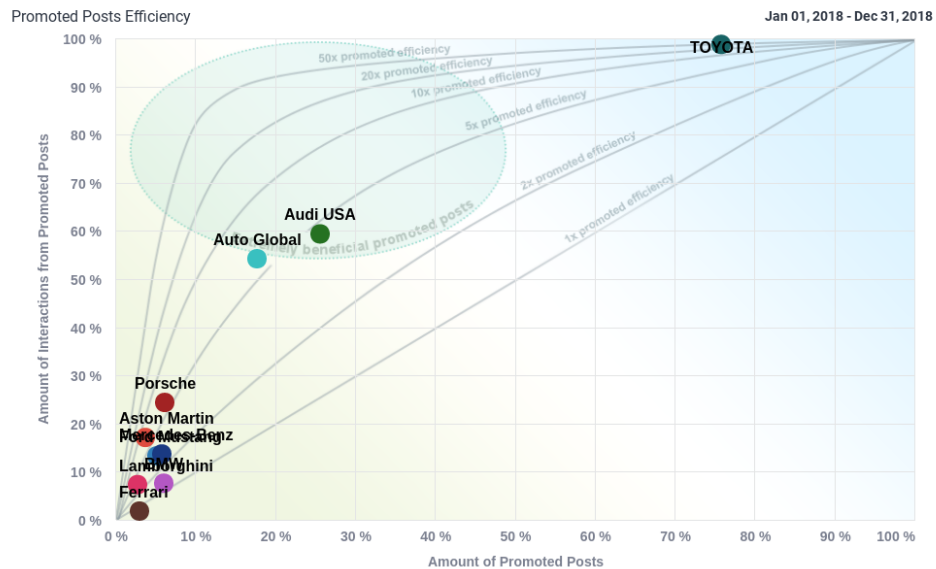
Source: Socialbakers Analytics tool

4.2.2   Correlation Coefficient analysis: Quality vs Quantity

Methodology of the analysis:
- 418 posts were analyzed from Abril 1 to June 30, 2017
- The posts were labeled as per their initial performance behavior
- To understand the quality of the posts, was needed to use Socialbakers database and algorithm Performance Prediction that was explained in the page n. 37

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- Performance Prediction algorithm, give a grade to the post after its first hour of performance, according to the behavior a prediction is conducted automatically, and the post labeled as A+ (best posts ever), A (best posts), B (good quality), C and D (not that good posts)
- Figure 19, shows the distributions of content by post type and quality (A+, A,B,C,D)

Figure 20: Number of Posts (Apr 1 - Jun 30, 2017)

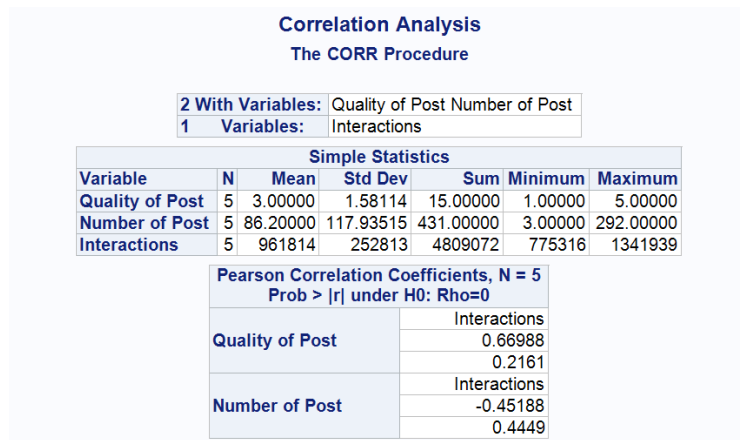|	Number of Posts (Apr 1- Jun 30, 2017)				
Labels	D' posts	C' posts	B' posts	A' posts	A+' posts
Photos	196	54	44	12	3
Videos	64	14	7	5	0
Links	32	0	0	0	0
TOTAL POSTS	292	68	51	17	3

- Figure 20. Shows the distribution of total Interactions by quality content

Figure 21: Distribution of Interaction (Apr 1 - Jun 30, 2017)

	Distribution of Interactions (Apr 1- Jun 30, 2017)				
Labels	A+' posts	B' posts	D' posts	C' posts	A' posts
Reactions	1231143	1041748	762084	749726	700326
Comments	14019	16833	11290	9750	27596
Shares	96777	44958	26449	28979	47394
TOTAL INTERACTIONS	1341939	1103539	799823	788455	775316

The results in the figure N 19. show a correlation between Quality of Post and interactions of 0,67. Interpretation of correlation results states that there is a correlation between these two variables. The closer the value is to 1, the stronger the correlation so it can be concluded that there is a fairly strong correlation between Quality of Post and Interactions. This mean an increase in Quality will also result in an increase in interactions overall. The results for the correlation between number of posts and interactions however has a medium negative correlation. This means an increase in number of posts does not mean an increase in interaction but has negative effect.

Figure 22: Correlation Coefficient Analysis (Quality vs Quantity)

Correlation Analysis

The CORR Procedure

2 With Variables:	Quality of Post Number of Post
1 Variables:	Interactions

Simple Statistics

Variable	N	Mean	Std Dev	Sum	Minimum	Maximum
Quality of Post	5	3.00000	1.58114	15.00000	1.00000	5.00000
Number of Post	5	86.20000	117.93515	431.00000	3.00000	292.00000
Interactions	5	961814	252813	4809072	775316	1341939

Pearson Correlation Coefficients, N = 5
Prob > |r| under H0: Rho=0

	Interactions
Quality of Post	0.66988
	0.2161
	Interactions
Number of Post	-0.45188
	0.4449

4.2.3   Evaluation and solution design for Mercedes Benz

After the analysis of the historical data of Mercedes Benz Global in their different social networks platforms, the results seem to be pretty clear, there has been a huge gap in the global performance specially from Facebook, the profile stopped gaining fans. Furthermore, when making the competitive benchmark there is a clear scenario of Brand spending on Advertising on Facebook, therefore, the social media ecosystem may be saturated with the Facebook Ads.

Suggestions to increase the performance:

QUALITY OVER QUANTITY

- What is it?

Brands need to connect with their audiences on a meaningful level, no one like being constantly swamped with ads. Is not always good to be always on, fans and followers may get bored with too many posts. The key learning is from Facebook and the bad performing content.

Benefits:

- Enhance trust and loyalty with the current followers.
- Inspired audiences to share a good content, it generates awareness and it's for free

- Budget optimization, the analyzed data showed that Facebook posted almost 300 content and had the same interaction of 3 A+ posts, creating these content may have costed a lot of money to Mercedes Benz.

INFLUENCER MARKETING:

It was mentioned that a new trend of marketing best practices on social media includes Influencers, Iinfluencer marketing and this activity has taken off. However, there are a lot of things to look for in a social media influencer when choosing the best fit for your business. If we consider the pros and cons of micro-influencers vs macro influencers.

- **Macro Influencer Marketing**

The rise of social media changed the game and analytics has made every aspect of a campaign measurable. Brands approaching macro influencers pay big bucks to tap into the engaged, and trusting follower bases they command and can see some incredible numbers in terms of engagement and visibility as a result.

Macro-Influencers have between 250k and 1 million followers, using them would benefit dramatically, with potentially over 1000% increase in engagement from a single post by a well-positioned influencer with 1m+ followers.

- **Micro Influencer Marketing**

Micro influencers are a bit of a different breed. Usually, with followings from the thousands up to about a hundred thousand, these are the approachable side of influencer marketing.

Micro influencer accounts boast up to a 60% increased engagement rate compared to macro influencers. In fact, in general, the engagement rates an influencer has peaked in the early thousands and starts to plateau after around the hundred thousand mark. Micro influencers are also much cheaper than their big-name counterparts.

Combine that with their increased in Ads of engagement and conversion rates, and micro influencers might just be more cost-effective for the final Mercedes Benz business goals.

BRAND AMBASSADORS:

What is it?

- Next level of Influencer Marketing.
- Once a brand find the correct influencer that gave results, it should consider making him/her an ambassador for a specific period of time.

Benefits:

- People recalls 40% more a brand that has a great celebrity.
- Gain new followers and improve engagement with owned ones.

VIDEO IS THE KING

What is it?

- The main ad format today, no matter if its live or a story.
- **Is the perfect format to inform, educate, sell or persuade.**
- Every strategy should include video to achieve objectives

Benefits:

- Short videos + direct and clear messages improve KPI's
- Up to 40% chances of being viral. (People share video)
- Video ads convert sales 75% more than a simple photo

STORYTELLING

What is it?

- Great way to share other messages in a very interactive and fun way.
- Instagram is the key platform to use this feature.

Benefits:

- Generate leads and gain more traffic.
- Encourage follower's participation
- Increase brand awareness

5 Conclusion

The thesis is focused on the analysis of historical data that were generated by social network users in multiple social platforms. The aim of this analysis was to develop an effective marketing strategy for the selected auto company (Mercedes Benz) and suggest new ways of communication on social networks.

The main goal of the thesis was to analyse historical performance data from Mercedes Benz social networks, then compare the results with their main competitors and industry, in order and suggest solution and make recommendations for its future marketing strategy. A brief background on the company was also provided as this was significant to the research. The analysis used Socialbakers analytical tools, which is a tool that provide information such as; Historical performance data, and KPI's as Total number of the community, Total Growth of fans of the selected period of time, Distribution of Interactions, Number of Posts, data from Facebook, Instagram and Twitter.

The data collected helped the researcher evaluate performance of the selected company and then make recommendation for marketing improvements using new ways of communication. Aided by the statistical software SAS, it was concluded that quality content has more influence on the performance interactions. It was also discovered that the current strategy had bad influence in the growth of the fanbase as it weak points in their content strategy hence the researcher suggested possible solutions on the new actual social media trends.

6 Resources

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