

TIME TO face FACTS

“ The real power of social media is in opening the shop or factory walls, and letting the customers in – making them part of the business...”

THIS edition we take our third and final step into the world of Social Media, with a look at the rapidly expanding world of Facebook.

There are now more than 800 million active Facebook members, according to Facebook's own statistics. If Facebook was a country, it would be the third largest in the world. More than half of these citizens log in to Facebook daily. Socialbakers.com reports that just over half of the Australian population use Facebook – and half of these members are aged 18 to 34. These are numbers that we cannot ignore.

Unlike Twitter, Facebook is symmetrical – you can only connect to friends when they agree, and then the connection is mutual. People may thus have a smaller network on Facebook than Twitter, but it will tend to be a closer, more trusted network. Facebook also reports that the average member has 130 friends. All this gives the platform a powerful “word of mouth” capability.

As stated in the first article in this series, the real power of social media is in opening the shop or factory walls, and letting the customers in – making them part of the business. Here's where Facebook and its trusted networks can help.



To start with, your business can have an additional online presence with a Facebook ‘page’. You can use this to showcase your business with news updates, photos and even videos. More importantly, you can use this to engage with your customers and potential customers. Listen to what they say to you via wall posts, and engage them in competitions, events and activities. Tell stories, solve problems and ask questions.

The IKEA fans web site reported a successful campaign in Malmö, Sweden, using Facebook. The store manager established a personal Facebook profile, with uploaded photos of showrooms. His Facebook friends could then “tag” items in the photos to win the product. This was then shared over both Facebook and Twitter, creating a very successful, low-cost campaign.

The low cost base can yield an impressive Return on Investment. Erik Qualman, the author of Socialnomics, reported a Burger King Facebook promotion in the USA that generated a return of USD \$400,000 for an investment of less than \$50,000.

This isn't only for large corporates, either. Last year, Pagemodo found that around half of the small businesses they surveyed were using Facebook pages. These businesses reported that their Facebook pages were generating traffic; both to the page itself, as well as sending traffic to their websites. Further, almost half of those surveyed reported that a portion of the new visitors were converted to paying customers.

Facebook also gives your business an entirely new front door with the “Like” button. This allows people to connect with your business even when they are not using Facebook. When Facebook members click on a “Like” button on your website, this informs all of their friends about your business. Visitors to your site also get to see which of their friends like the page already.

A final reminder – if you start to open your door to your customers via social media, you must do it properly. Don't try to hold the door half-open. As mentioned in each article in this series, this is all about openness and honest engagement. Things must be what they seem, and you must deliver what you promise.

A study by marketing company Exact Target reveals that to ensure your customers continue to like you, don't just use your social media presence to pump out a continual stream of repetitive marketing messages. On the flip-side, make sure that you put out enough special offers and deals to make your customers want to keep coming back, and most importantly, make sure that you allow your customers to talk back to you and truly engage.

As Brian Solis, the author of The End of Business as Usual has said, “If you're not sure what customers want – ask!”



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