

**Shopatron**

Why Brands are  
**Facebook's Biggest "Fans"**



## Introduction

What company wouldn't give an arm and a leg for the opportunity to address an auditorium full of their brand's most adoring fans? What would you say? How about starting with, "Welcome to our Facebook fan page. How can I help you?"

With over 130 million U.S. users<sup>1</sup>, Facebook is the best, easiest, and most popular way for brands to interact with their customer base. In its most simple form, it gives your brand an accessible, human side that can personally respond to customers' needs, make them feel involved with your brand, and motivate them to share your brand with friends, make purchases, or visit retail outlets. Delving deeper, Facebook can be integrated with your website generating increased online sales and interactions with products and services that can be shared virally across the vast network of friends of friends of friends... of friends.

In a nutshell, brands no longer have the luxury of having a one-way conversation with their customers. Using social networks, those customers have the power to spark a revolution (Egypt) and at the same time get tens of thousands of people buzzing about a scarf exclusively offered for sale through a brand's Facebook page.

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1. Source: eMarketer.com; Facebook cites 500million "active" users worldwide

## How does Facebook work?

Let's say you tore a ligament in your knee and you need a good brace. Or, you want to invest in a new camera? How do you go about finding the best knee brace or the most reliable camera for your needs? You ask around.

Or, you see someone walking down the street in a great pair of boots and you ask, where did you get those? Facebook takes these human interactions and puts them online. On the most basic level, Facebook is just people talking with other people about what they like and what interests them.

For manufacturers and retailers, the magic happens when people start talking about their brand.

- ▶ **Example 1:** Joe posts on his wall that he is looking for a new camera. Maybe 5-10 of his "Friends" comment with the brands and models they like or use. And maybe a few of them even include a link to the manufacturer's product information page.
- ▶ **Example 2:** Joe's "Friend" Mark recently "Liked" a product on Company X's website. The "Like" resulted in an image, description and product link to be posted on his Wall. Joe (and Mark's other numerous "Friends") sees the link in his newsfeed. Given that Joe is looking for a similar product, he clicks the link. After reading about the product, he is so impressed he decides to buy, and also "Likes" the product to share his decision on his own Wall, which is in turn seen by all of his numerous "Friends". In the course of a day, the product has been personally recommended to an average of a 250 or more like-minded people. Depending on how many friends of friends continue to share the link, the same information could reach thousands or even millions of people. According to Facebook, this type of "post-purchase sharing" boosts conversion rates by 2-3x.

### QUICK TIP

A Facebook "Page" should not be confused with a Facebook "Profile." Businesses have "Pages" that can be "Liked." Individuals have "Profiles" and can make and accept "Friend" requests.

With over 50% of all internet users spending an average of 23 minutes on Facebook daily<sup>2</sup>, how would you like to put a buzz in their ears?

It's easy. Create a Facebook page for your brand and invite, entice, and inspire customers to "Like" you. As mentioned above, a Facebook fan page is equivalent to having a roomful of customers hanging on your every word. Facebook is almost the "nirvana" of permission marketing.

## How do I build a fan base?

So, now you have a Facebook page. Great! How do you get fans?

### Begin by querying your existing customers.

If you don't already have one, chances are, many of your customers have been waiting for your Facebook page. According to a February 2011 Ad Age/Ipsos Observer survey, one-third of those surveyed said Facebook was their preferred platform for receiving marketing communications. Sending an e-mail directing current customers to your Facebook page where they can receive special offers, ask questions, and stay up-to-date on your latest products and services will bring you an initial wave of fans and get the momentum going.

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2. Source: [technewsdaily.com](http://technewsdaily.com)

### **Motivate potential fans with incentives like discounts and exclusive offers.**

Yes, your fans like your brand, but it doesn't hurt to give them a little extra motivation. According to the same Ad Age/Ipsos survey, 65% of respondents cited coupons and promotions as their main reason for "Liking" a brand's Facebook page. An exclusive offer to any new fan is great, or you can extend the offer to the entire fan base once your page reaches a predetermined fan threshold (like 1,000 or 10,000 fans). An enticing offer will not only bring fans to your page, but those fans will want to share the offer with their Friends, bringing your message to a wider audience. Remember, each person on Facebook has an average of 130 Friends.

### **Refer customers to Facebook at every opportunity.**

Fans join Facebook willingly. They want to hear from you. Facebook fans tend to be an even more captive audience than your valuable e-mail database. To continually bring fans to your Facebook page, promote it everywhere you would typically put your contact information: display a Facebook button on your website, include references to Facebook in all your communications including your e-mail signature, and update all printed materials to include your Facebook URL.

## **How do I talk to my fans?**

Now you're cooking. You have successfully drawn in hundreds or thousands of fans and it's time to give them what they came for. But what is that?

According to Ad Age/Ipsos, the top two reasons people "Like" a brand's page are coupons/special offers (65%), and better customer service (42%). First and foremost, you want to make sure you are giving them both. Otherwise it's a great party, but with no food or drinks. But don't feel obligated to throw out a 10% off coupon every third post. Vary your specials between discounts, free shipping promotions, exclusive pre-purchase opportunities on new products (see more about integrating selling on Facebook below), refer-a-friend incentives, and contests (formal contests need to follow specific rules outlined by Facebook).

When it comes to customer service, the golden rule is: respond to every query and respond in a timely manner. Customer service queries are a wonderful opportunity, even if the initial post is perceived as negative. While everyone can see the posted complaint, everyone can also see your gracious, helpful, same-day reply. Much brand goodwill has been fostered through these, at first intimidating, interactions.

Once you have covered these important bases, you will want to mix things up a bit to keep your fans interacting with you. In the same way wine enthusiasts like to talk about food, and travel, and goat cheese, people who like your brand want to hear about the things related to your brand. They want to feel part of a community. They want to be entertained.

Think of it this way. On Facebook, you are as much a personality as you are a brand. Think about the people you like. Chances are, it's not your neighbor that goes on and on about his latest venture or adventure and makes you late for work every morning. You like interesting people. You like people that make you laugh. You like people that care what you have to say.

### **QUICK TIP**

Changing your Facebook URL from [www.facebook.com/pages/CompanyX/78123009ref#](http://www.facebook.com/pages/CompanyX/78123009ref#) to [www.facebook.com/companyX](http://www.facebook.com/companyX) is simple. It also reinforces your brand name, provides a clean URL to include in print, and makes it easier for searchers to find your brand on Facebook.

1. Go to: [facebook.com/username](http://facebook.com/username).
2. Click on "Set a username for your Pages."
3. Choose a desired name (your brand name) and click confirm.

**Double check before you confirm because you will be UNABLE to change the name once you confirm it.**

(You must have a minimum of 25 Fans before you can customize your Facebook page URL.)

## CLIENT EXAMPLE: SANUK

Take Sanuk sandals, for instance. They vary their content between promoting sponsored events, posting surf videos of team riders like Donovan Frankenreiter, and engaging Fans with funny photo caption contests. True to the gold standard of encouraging fans to add their own content, they have Fans post photos and stories of the great places they have gone in their Sanuks. Sanuk's fan page looks like a place you want to hang out. It's a cool, sometimes hilarious, conversation appropriate for their target market.



If you make bicycles, talk about an amazing new trail in Belize. If you make toys, share articles on the importance of play to a child's development.

Better yet, ask your fans to give a shout-out to their favorite biking trails or share videos of their wildest rides/crashes. Poll parents on how much time their children spend engaging in "free play." Scary as it may sound, opening up the conversation to your fans is one of the best ways to keep fans engaged and encourage content sharing. It helps fans feel they are a part of your brand, and also gives them a moment in the spotlight.

Other great ways to keep your fans' attention include guest posts from people within your organization, posting informative "How-To" videos from product developers, and giving fans the chance to chime in on features of upcoming products. Facebook even has the power to drive your fans to your retail partners' locations through events and cross promotions.

Sure, there'll be some trial and error. Don't be discouraged. Learning what your customers don't want is just as valuable as learning what they do want, and because Facebook can act like a free focus group, you learn what works almost instantly.

### QUICK TIP

Fan interaction determines the prominence of your posts on your fans' newsfeeds. The more fans interact with your content, the more your content will consistently show up in their newsfeed. So, keep it Likeable, Shareable, and worthy of Comments, lest you drop off their radar.

## Beyond the basics: Selling online

The next step for manufacturers and their retail partners is to leverage this valuable exposure to increase sales, and there are a couple of ways of going about it.

But first, let's talk about the symbiotic relationship between manufacturers and their retail outlets. Most manufacturers naturally opt not to sell their products online because they want to support their retailers. However, as the manufacturer, their website tends to draw substantial search and direct traffic from people looking to purchase their products. (e.g. Mizuno USA is at the top of the results in a search for "Mizuno" or "Mizuno Bats"). The same is true for a brand's Facebook page.

In a world increasingly driven by instant, google-esque, gratification, customers are frustrated when they can't purchase products from the manufacturer's site.

Enter Shopatron. The first eCommerce solution that understands and respects the manufacturer–retailer relationship, and offers a solution to please manufacturers, retailers, and ultimately customers worldwide. Shopatron’s unique solution allows sales completed through a manufacturer’s website to be fulfilled by their participating retailers through direct shipping or in-store pick-up. This makes for a streamlined customer experience while still reinforcing retailer’s position in the marketplace.

Recently, Shopatron expanded this integrated sales process to Facebook. If you are a Shopatron customer with a Facebook page (250 fan minimum), your entire product line can be integrated into a Facebook Shopping page within your Facebook space, giving customers the opportunity to browse, share, and purchase your products directly through Facebook.

### Why this is wonderful and not scary.

Offering your entire product line, or select products of your choosing for sale on Facebook is a simple, secure, and seamless process with the help of Shopatron. The Facebook store features the product image, description, and price, and has full sort and search capabilities. If a fan wants to purchase a product, they are automatically brought to the manufacturer’s eCommerce site for checkout, and the transaction, like all transactions using Shopatron’s interface, is then fulfilled through a participating retailer.

What makes featuring products on Facebook so wonderful—in addition to giving manufacturers and retailers another source of online sales—is that it allows fans to directly “Share” the products with their friends.

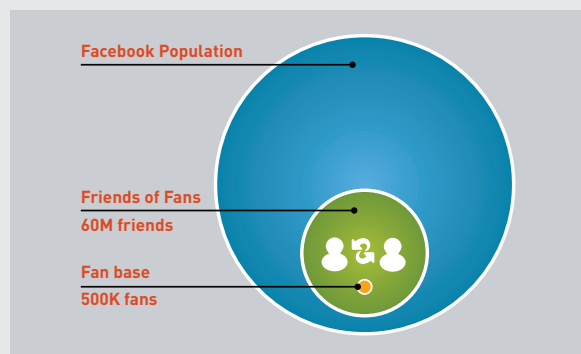


According to a survey by eMarketer, recommendations from friends and family are the most trusted. So, if a fan chooses to click the “Like” or “Share” button next to your product, whether or not they make a purchase, they are essentially recommending that product to their network of Friends. The product image and description will be posted on their Wall, and cycle through their Friends’ newsfeeds. That’s a word-of-mouth opportunity you don’t want to miss.

And even better, a new feature recently released by Facebook called “sponsored stories” allows those posts to be used as ads on Friends pages, making sure the post stays at the top of the page for as long as you want.

### SPONSORED STORIES

Sponsored stories extend a brand’s reach beyond their fan’s, to their fan’s friends. This is important because, according to research from Jeff Widman of Facebook fan page consultancy BrandGlue, 199 out of every 200 interactions (99.5%) come from the user’s wall (or newsfeeds). Not many people are coming back to view your brand page regularly, so it is imperative to hold a position on their newsfeed page.



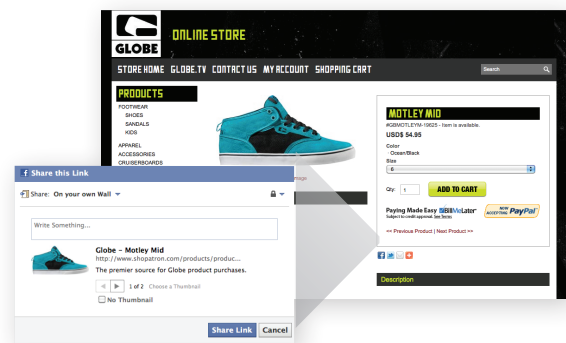
Furthermore, the Facebook "Like" button can be integrated into your website, allowing visitors to your website that have a Facebook account to "Share" your products directly from your website as well. According to Facebook, "more than 250 million people engage with Facebook through external websites." According to a recent Facebook/Channel Advisor Webinar (Building Social Commerce with the Facebook Platform – April 2011) when American Eagle Outfitters added the "Like" button to their product pages, they reported that the order size of visitors referred to their website from Facebook averaged 57% larger than other orders.

Large and small retailers have seen enormous success promoting products through the Facebook store interface. Remember the scarf example mentioned earlier? If you want to create a buzz about something, Facebook is the place to do it. Want to launch a new product? Offer it first to your Facebook fans. Want to move merchandise? Offer an exclusive discount only available on Facebook. Great offers get shared, and shared, and shared again, growing your fan base, building brand recognition, and getting people excited.

Clearly, this is great for retailers. More and more people are hearing about the products they sell, and, through the Shopatron solution, they are fulfilling more sales. Plus, a brand with a large and loyal fan base can easily promote their retail partners. With over 250 million mobile Facebook users, retailers can partner with their brands to promote specials through Facebook applications like Deals and Check-in.

And brands are happy, too. Not only is their brand continually exposed to more and more potential customers, they are also building loyalty in their existing customers. Brand evangelists rave about their products and everyone hears them. Happy customers + a growing customer base = more sales for them and their retailers.

Selling on Facebook is more than just an opportunity to move products through an additional eCommerce outlet. It is a way to expose your product line to a much wider audience. Like a conventional friendship gone digital, Facebook Friends trust and rely on one another. If you give them the option of sharing, recommending, and buying your products on Facebook, they'll take it.



## WANT TO PRODUCE A HUGE RETURN ON A SMALL INVESTMENT?

One amazing Facebook-integrated strategy garnered children's clothier TeaCollection.com a 300% increase in website traffic, a 10-fold increase in online revenue, and 3,000 "Likes" in 12 hours. They ran a simple but effective promotion that reduced the price of their three most "Liked" dresses to \$10 that day only. In addition to the increased traffic and sales, Tea Collection learned valuable insights into what their customers want most.

## A HALF DOZEN THINGS A BRAND SHOULD DO RIGHT NOW ON FACEBOOK

Brands who want to build or maintain a successful presence on Facebook should start with these six tactics to initiate their social marketing program.

### Set up a Facebook fan page

Create a page at <http://www.facebook.com/pages/create.php>. Choose the appropriate category for your company, insert your brand information, and get started.

### Create a Facebook store

Set up a store "tab" on your Facebook fan page to promote and sell your products through the social network. Shopatron's stores house a brand's complete product line and give Facebook users the ability to shop by category, price range, or through a search bar.

### Utilize Facebook Insights

Facebook Insights provides a comprehensive view of your accumulated fans, their demographics, and the ways they interact with your brand on Facebook. Simply register your domain to your page profile ID so that you can view your website's data in the system. You will see powerful metrics that help you understand your fans and their interactions in order to optimize your ongoing strategy.

### Tap into the Facebook Open Graph

Utilize Facebook's "Like" and "Share" buttons on your website's product pages as an easy way to get started with Open Graph (Facebook's integration toolset). These buttons allow users to share information from your website with their Facebook friends.

### Use Facebook Ads to grow your fan base

Facebook Ads are hyper-targeted. These campaigns can target detailed demographics, like age and marital status, plus users' "likes" (including targeting users that like your competitors). Ads can be shown to a user who has indicated they are fond of your types of products, which is a very powerful way to reach potential customers and guide them to your Facebook page/store.

### Link, link and link again to your Facebook page

Link to your Facebook page from your website, email, printed marketing material, company cars and product literature. This helps get the word out about the location of your Facebook page and store.

## In conclusion

Despite its college campus beginnings, Facebook is now a staple for business. But it need not be grudgingly accepted. Businesses are embracing its ability to connect them with their customers and extend their reach into new markets. Case in point, many businesses choose to refer people to their Facebook page more than their own website.

The fact is, Facebook is not just for college students anymore. It has grown up. It has evolved into a powerful marketing tool. People use Facebook more than they use Google. Take advantage of it and reach out to your customers in ways you never thought possible. You just might "Like" it.

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