

The Role of Facebook's Marketing Tools in Achieving Organizations' E-Marketing Goals

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Abstract

The article deals with various free and paid marketing tools offered by Facebook for achieving organizational online marketing goals. Firstly, the article describes available free and paid marketing tools of Facebook. The second section covers issues related to the effectiveness of the discussed social marketing tools and presents the expediency of Facebook's marketing tools usage in online marketing campaigns. Finally, the last part of the article analyzes the strong connection between search engine marketing and social media marketing by unfolding the true impact of Facebook's marketing tools on achieving search marketing goals.

Keywords: Facebook, online advertising, online marketing, search engine marketing, social media marketing

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Introduction

Nowadays the Internet and its unique possibilities had become an integral part of humans' everyday life. According to the International Telecommunication Union, there are 2.7 billion internet users all over the world by March 2013. The internet satisfies not only the needs of individuals seeking social interaction, but also the needs of businesses striving for new customers. Currently social networks play an important role in online marketing due to their high popularity.

Facebook, as the most popular social network in the world, has a great impact on organizations' success that offer products and services online (Alexa Internet, Inc., 2014). This article describes effective implementation issues of Facebook's free and paid marketing tools available for organizations engaged in online business activities. Due to increasing popularity of Facebook, it is considered as a valuable traffic source for companies and has a key role in social media marketing. Proper usage of Facebook's marketing tools can substantially boost social traffic, which in turn will increase sales volume of the products promoted through Facebook. Besides, Facebook offers powerful market segmentation tools for organizations including geographical location, gender, age and interests of network members. Market segmentation mechanism is designed to ease target market selection and to facilitate the process of reaching potential customers that can be interested in offered products or services (Kabani, 2013).

Facebook's marketing tools

Facebook offers several free and paid marketing tools for businesses through which marketing specialists can improve organizations' website traffic volume. The most widely

used tool is Facebook's Like Button, which can be installed on any website by few simple steps. It represents a universal software solution that allow Facebook's users to "like" any web page and share liked web pages with their friends. So users "evaluate" web pages through Like Button by placing backlinks to websites on their Facebook Timeline, which generally results in traffic increase to shared websites. In other words, users' Facebook friends are being informed about the existence of the shared web page by Like Button (Macarthy, 2013; Facebook, Inc., 2014).

The next marketing tool available for free is **Facebook's Page** for businesses. As opposed to Facebook's pages for personal users, which are designed for social interaction, business pages are mainly created for information sharing purposes. Every organization can create a Facebook Page for free, which can serve as an "additional website" for that company (Kabani, 2013). Furthermore, many small companies use Facebook Page as a cheap alternative to full-featured websites with associated top-level domain zones. By constantly updating their Facebook Pages with news and useful links, companies can ensure that new information related to their activities is available to Facebook users, who can choose appropriate business pages to receive news and updates based on their preferences and interests. Facebook users can view latest updates of selected business pages through special section called "Pages Feed" (Facebook, Inc., 2014). Thus, organizations can promote their products and services in Facebook for absolutely free by creating a Facebook Page, which can attract new potential customers and direct them to organizations' websites.

Unlike Facebook Pages, **Facebook Groups** are mainly designed for uniting users into groups with similar interests or ideas. However, Groups can also be used by companies

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to receive social traffic. Companies can create their Facebook Groups and provide group members with updates related to group subject. The important difference between Facebook Groups and Facebook Pages is that group members are allowed to post news and updates just like the company that created the group, whereas editing Facebook Pages is limited to the page owning company only. Facebook's special section called "Groups", which is available to Facebook users that are participating in various groups, aggregates all of the updates related to group members' activities in one place (Facebook, Inc., 2014; Kabani, 2013).

Besides the above mentioned marketing tools, Facebook also provides other free programs and applications which can have a positive contribution to social media marketing to some extent. For instance, **Facebook Connect** allows website visitors to access specific web pages that require authentication without long and boring registration process by using their Facebook Account data (Facebook, Inc., 2014). In other words, instead of registering on a website by filling in all required information, visitors owning Facebook account can enter company's website through more simplified and quick route by connecting their accounts with visited websites. Overall, Facebook Connect allows organizations to read and process visitors' data from Facebook Account and remove required registration steps for Facebook users. Finally, **Facebook Comments Box** allows website visitors to leave and share comments without required registration procedure by using their Facebook Accounts (Facebook, Inc., 2014). Similar to Facebook Connect, Comments Box facilitates visitors' navigation through website pages by saving visitors' time needed for registration process. Furthermore, it also helps companies to tackle spam comments more effectively through Facebook's powerful comment management interface available for free.

Along with free marketing tools, Facebook also provides paid CPC and CPM advertising options for organizations with broad targeting possibilities. In the case of CPC (Cost-Per-Click) advertising, paid listings are displayed for free and the money is charged only when a user clicks on the ad, whereas CPM (Cost-Per-Mille) refers to charging money for thousands of ad impressions regardless of users' behavior. Companies can choose the most appropriate ad option based on available budget, timeframe of marketing campaign, target market's size, and so forth. Furthermore, companies can advertise not only their websites, but also Facebook Pages created for free. Facebook ads can be displayed to various target groups through powerful target market segmentation options including age, gender, geographical location, preferences, interests, and so forth. For example, an online shop that is selling women shoes can choose to show its ad only to women Facebook users from the local market. Thus, targeting possibilities offered by Facebook ads allow companies to target desired market segments and achieve higher effectiveness (Facebook, Inc., 2014).

Facebook ads also provide companies with daily budget limitation option, which facilitates budget planning for social media marketing campaigns. Besides, organizations can adjust the price they are willing to pay for ads and change their bids depending on budget and competition level (Facebook, Inc., 2014). For instance, if two companies target the same Facebook users' segment, the highest bidder will be placed above its competitor at the paid listings section.

The effectiveness of Facebook's marketing tools

As we have already mentioned, Facebook's marketing tools can boost the effectiveness of companies' online marketing activities. In order to achieve the desired level of effectiveness, firstly we need to understand advantages and drawbacks of the marketing tools described in the previous section.

1. Like Button: This tool facilitates the process of sharing web pages at Facebook. If the button is not installed on organization's website, visitors are not able to quickly share liked information with their friends. However, the button can be ineffective if it is misplaced or installed on such web pages, which do not contain interesting or valuable information for the majority of visitors.

2. Facebook Pages: In order to improve and maintain the effectiveness of created Facebook Pages, companies need to constantly update their pages with news and useful links. However, constant updates are not enough for Facebook Pages to become an effective marketing tool for businesses. For instance, let us pretend that the Facebook User X had liked only Y Company's page. In this case the effectiveness of the page is the highest because all news and updates will be visible to the user and the probability that the user will click on any link is in its highest point. However, along with the increase of the number of various Facebook Pages liked by User X, the effectiveness of Y Page will decrease, because news and updates visible to the user from other pages will result in higher competition and low probability of accessing the Y Page by the user. Thus, the effectiveness of Facebook Pages depends not only on constant updates of the content, but also on the total number of liked pages of each Facebook user.

3. Facebook Groups: The logic behind the effectiveness of Facebook Groups is analogical to Facebook Pages. The only difference lies in that along with organizations owning the group, members of the group also are able to post news and updates. It suggests that companies need to constantly monitor group posts and remove spam content in order to maintain group's effectiveness at the desired level.

4. Facebook Comments: As it was already mentioned, Facebook Comments program solution allows website visitors to leave comments without time-consuming registration process. It is obvious that the total number of commenters and active website users will be much lower if Facebook Comments is not installed on the website. However, similarly to Facebook Groups, companies need to monitor posted comments and remove messages that can be considered as spam or offensive for different groups of visitors. Otherwise, the brand image of companies can seriously suffer from inappropriate comments left by spammers.

5. Facebook Connect: This tool is recommended to use only if a company has special sections or web pages that require authentication or visible only to limited groups of visitors. For example, a typical online shop can install Facebook Connect option to facilitate registration process for users from Facebook network. Visitors can select the desired authentication method based on their preferences and save much time in case of choosing Facebook Connect as a login method. However, it is important to note that Facebook Connect can be useful only if it is offered in parallel with organization's own universal registration script, because it does not allow visitors without a Facebook account to enter

members' area.

6. Facebook Advertising: As opposed to the free marketing tools, Facebook ads provide organizations broad market segmentation and targeting opportunities for reaching potential customers. The expediency of marketing through Facebook Advertising strongly depends on organizations' budget and available funds at the first place. Before making a final decision about advertising on Facebook, organization's marketing department should analyze all other possible online advertising options and choose the most appropriate one. For example, Facebook ads can be a very effective tool to gain popularity for an online news agency startup. Overall, the effectiveness of Facebook ads strongly depends on company's budget and marketing goals.

The expediency of Facebook marketing tools' usage in marketing campaigns

Now let us discuss the usage advisability of Facebook's free and paid marketing tools based on organizational marketing goals. It is important to note that the effectiveness of Facebook's marketing tools not only depends on the way of implementation, but also on the degree of the target market existence at Facebook. In other words, Facebook marketing tools can substantially increase the effectiveness of online marketing campaigns if there is a segment of Facebook users which can be considered as a target market by a company. On the other hand, organizations will not significantly benefit from those tools in the cases when their target markets are not widely included at Facebook.

Now let us consider the effectiveness of various Facebook marketing tools with an assumption that the target market is present at Facebook. The following cases discuss the optimal set of Facebook marketing tools that should be chosen by organizations based on the promoted product or service type, timeframe of the marketing campaign and organizational marketing goals.

1. An organization launches an entertainment web portal for youth and aims to gain popularity among young Facebook users. In this case the company's main marketing problem is to direct Facebook users to its website. Based on the previous sections of this article, it can be inferred that the optimal method for achieving that particular goal is Facebook's advertising. As opposed to the free tools, Facebook ads can boost the web portal's popularity among young Facebook users over short period of time. CPC advertising is the most appropriate ad option for this case, because the company will be charged only when a user clicks on the sponsored listing.

2. A company owns a famous brand and aims to retain its position in the market through regular online marketing campaigns. As opposed to the previous case, CPM advertising is more appropriate paid marketing tool than CPC, because the visibility of the ad listing is more important than the traffic volume received from Facebook. Furthermore, several free marketing tools offered by Facebook can be also used for branding purposes. Facebook Pages, Groups and Like Button can have a positive contribution in achieving organizational marketing goals and cut advertising expenses associated with the campaign.

3. A well-known organization aims to regularly inform Facebook users about news and updates directly at Facebook. The free marketing tools available at Facebook are the most optimal solution for this case. By using these tools,

the company can solve its marketing problems without any additional expenses associated with social advertising.

The discussed examples reveal that selecting the most appropriate Facebook marketing tools depends on the marketing goals at the first place. The usage of the same tool in different marketing campaign can produce substantially different results. Therefore, organizations should select various Facebook marketing tools mainly based on their goals because different tools are designed to solve different marketing problems.

The role of Facebook's marketing tools in achieving search engine marketing goals

Currently Facebook is vastly used in online marketing by organizations not only for promoting products and services to network members, but also for achieving better results in search engine marketing (SEM). Although social media marketing and search marketing are considered as separate forms of online marketing, many experts believe that the success in Facebook's marketing can have a substantial positive impact on SEM efforts and vice versa. In order to identify the role of Facebook's marketing tools in achieving search marketing goals and their effectiveness in the context of SEM, historical search and social traffic data of several large web portals (www.building.am, www.construction.am, etc...) was collected and analyzed through Google Analytics software for the past 2 years (Dec. 2011 – Dec. 2013).

The research unfolded a bold connection between two groups of traffic sources. Web pages with plenty of backlinks from Facebook had received more organic search traffic than web pages with low number of Facebook backlinks for the examined period of time. On the other hand, many web pages with no social backlinks received a pretty low number of visitors from organic search. For instance, the correlation coefficient between Google organic search traffic and Facebook traffic obtained for www.building.am is 0.94, which implies that web pages with high number of Facebook visits usually receive higher number of search visitors from Google.

Overall, it was confirmed that Facebook's marketing tools can also serve as a powerful SEM method that exploits conquered top positions in search results by enhancing users' interest in specific subjects, which results in increased search traffic volume. Besides boosting search terms popularity on the Web, proper implementation of Facebook's marketing tools results also in increase of organic backlink mass for given web page. Thus, the combined effect of raised topic popularity and increased number of backlinks eventually will result in better SEM achievements for companies engaged in online business activities.

Conclusion

As it was shown, the effectiveness of Facebook marketing tools and the expediency of their usage strongly depends on marketing goals. For branding purposes, CPM advertising offered by Facebook with broad targeting possibilities is the most optimal option among all available Facebook marketing tools. Companies that aim to gain popularity among Facebook users and increase social traffic as quickly as possible are suggested to choose CPC advertising option. Organizations which plan to regularly inform Facebook us-

ers about new available offers and updates can use various free marketing tools from Facebook, which can be sufficient for achieving the desired results. And finally, companies engaged also in search engine marketing activities can gain a substantial benefit from implementation of various marketing tools offered by Facebook, which can raise popularity of targeted topics or search phrases among Facebook members and increase the total volume of organic search traffic.

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