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FACEBOOK MARKETING

– What do users think of it?



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FACEBOOK MARKETING – WHAT DO USERS THINK OF IT?

The Internet is part of our daily lives, has been for decades in continuously increasing proportion and continues inevitably on the same path. We use it for getting information, entertainment, shopping, in our work and studies and, above all, for communication. E-mail is a familiar mode of communication, but among the later trends in the Internet is the social media with its various manifestations. It provides us means to stay in touch with our family and friends and to meet new people and to socialize among the likeminded. Social media is hoarding ever more larger share of people's time that spend in overall and especially in the Internet. The most significant by far is the Facebook.com, the phenomenon that has grown at an unprecedented pace and today it attracts more visitors than any other web domain except Google.com.

The change in behaviour presents a challenge and an opportunity in a marketer's perspective. The people are withdrawing from the television and other established marketing channels but at the same time they are flocking to a new environment that is far more interactive and with the right tools in skilled hands it also provides more information about the audience. People let you know who they are and what are their interests. However, the people aren't just mere spectators, or receivers any longer, instead they are participants. At best they are willing to become endorsers by joyously parading their new shoes in public. On the other hand they may vent out their frustration about the car that had to be taken into service yet again. While they are eager to share their lives as never seen before, their awareness about the possible negative outcomes is constantly heightening. At the same time the users feel more ownership over the content that they share and are quite easily offended if that content is misused or if their personal space is intruded.

Facebook has a massive database with detailed information of its users and the means to utilize that for marketers. But how to engage that crowd? This thesis takes an attempt to find out from the users themselves what they feel is the right way to reach them in order to get the message out there.

KEYWORDS:

Facebook Digital Marketing E-Marketing Advertising Social Media

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FACEBOOK MARKKINOINTI – MITÄ KÄYTTÄJÄT AJATTELEVAT SIITÄ?

Internet on ollut osa jokapäiväistä elämäämme jo kymmeniä vuosia yhä lisääntyvissä määrissä ja jatkaa vääjäämättä samalla polulla. Käytämme Internetiä tiedonhakuun, viihtymiseen, ostoksien tekoon, työskentelyyn, opintoihin, ja ennen kaikkea kommunikointiin. Sähköposti on kaikille tuttu viestintäväline, mutta Internetin tuoreempiin ilmiöihin kuuluu sosiaalinen media monine muotoineen. Se tarjoaa meille keinoja yhteyttä perheeseen ja ystäviin, uusien ihmisten tapaamiseen ja kanssakäymiseen samanmielisten kanssa. Sosiaalinen media haalii entistä suurempaa osaa ihmisten käyttämästä ajasta, erityisesti Internetissä käytetystä. Tähän saakka merkittävin sosiaalinen media on ilmiömäisellä vauhdilla kasvanut Facebook.com, joka on nykyään toiseksi vierailuin Internet-sivusto Google.com:in jälkeen.

Markkinoijien kannalta muuttuneet käyttäytymistavat ovat uusi haastellisia, mutta samalla ne tarjoavat tilaisuuksia. Ihmiset vetäytyvät television ja muiden jo vakiintuneiden markkinointikanavien ääreltä, mutta samalla he kerääntyvät uuteen ympäristöön, joka on huomattavasti vuorovaikutteisempi ja jonka kautta voi oikeiden työkalujen ja osaamisen avulla saada enemmän tietoa yleisöstään. Tieto ihmisistä ja mistä he ovat kiinnostuneita on helpommin saatavilla. Ihmiset eivät kuitenkaan ole enää pelkkiä vastaanottajia, vaan he myöskin osallistuvat. Parhaimmillaan he ryhtyvät innolla sanansaattajiksi iloitessaan esim. uusista kengistään julkisesti. Toisaalta he voivat pahimmillaan haukkua autoaan, joka on mennyt rikki jälleen kerran. Vaikka ihmiset ovat halukkaita jakamaan elämänsä julkisemmin kuin koskaan ennen, he ovat myös jatkuvasti paremmin tietoisia mahdollisista tästä johtuvista haittavaikutuksista. Lisäksi sosiaalisen median käyttäjät tuntevat omistavansa jakamansa sisällön ja loukkaantuvat helposti, jos sisältöä väärinkäytetään tai heidän henkilökohtaiselle reviirilleen tunkeudutaan.

Facebookilla on laaja yksityiskohtainen tietokanta käyttäjistään ja keinoja tämän hyödyntämiseen markkinointitarkoituksissa. Mutta kuinka käyttäjät tavoitetaan ja saadaan kiinnostumaan? Tämän opinäytetyön tarkoituksena on selvittää käyttäjiltä itseltään, mikä on heidän mielestään oikea tapa heidän tavoittamiseen.

ASIASANAT:

Facebook Digitaalinen Markkinointi Verkkomainonta Mainonta Sosiaalinen Media

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LIST OF ABBREVIATIONS (OR) SYMBOLS

Add-on	Add-ons are adopted practices from one site to another. They transform a service into a feature of another site or adds new use-value to the existing communities and social media sites through 3rd party applications.
AdSense	AdSense is a program run by Google Inc. which enables publishers in the Google Network of content sites to automatically serve ads that are targeted to publisher's site's content and audience.
AdWords	AdWords is a Google's main advertising product. The advertisements, triggered by pertinent keywords selected by advertisers, appear on the right side of Google's search results and on top of the results.
AJAX	AJAX, which stands for Asynchronous Java Script, is a technique that combines several technologies bind together by JavaScript, eliminating the need to update the whole web page by enabling certain parts of the page to be updated separately and thus users aren't looking at an empty browser window while interacting with the page.
API	Application Programming Interface. The term refers to a based specification source code envisioned to be consumed as an crossing point by software apparatuses to interconnect with each other. An API can comprise stipulations for procedures, data constructions, object modules, and variables.
ASCII	ASCII, stands for the American Standard Code for Information Interchange, it is a character encoding scheme formed on the basis of ordering of the English alphabet. The ASCII codes represent text in computers, and other devices that use text. ASCII is the foundation for most modern character- encoding schemes.
BBS	Bulletin Board System, is a software run by a computer system, allowing users to connect and login to the system. Logged in users may perform various actions, including uploading and downloading software and data, reading news and bulletins, and exchanging messages with other users.
Blogosphere	Blogosphere is a term that depicts the space created and occupied by blogs. Made up of people's blogs and their related interconnections.

CPC	CPC, which stands for Cost-per-click, is an Internet advertising model, where advertisers pay the publisher when the ad is clicked.
CPE	Cost per Engagement, an example of online marketing pricing specification term.
CPI	Cost per Install, an example of online marketing pricing specification term.
CPM	CPM stands for Cost-per-Mille or Cost-per-Impressions. CPM is an Internet advertising model, where advertisers pay the publisher based on thousand views.
CPV	Cost per View, an example of online marketing pricing specification term.
E-marketing	E-marketing is an electronic method of marketing that takes place within the Internet.
FMBL	Facebook Markup Language. Is the Facebook's version of HTML.
FQL	Facebook Query Language. Allows querying Facebook user data for developer purposes.
Gmail	Gmail is a free, advertising-supported email service provided by Google.
HTML	HTML, which stands for HyperText Markup Language, is the predominant markup language for web pages.
IAB	Interactive Advertising Bureau, is an advertising business organization, which develops industry standards, under takes research and offers legal support for the online advertising industry.
IRC	Internet Relay Chat. A protocol for Internet text messaging protocol.
MySQL	MySQL is a relational database management system that runs as a server allowing multi-user access to a number of databases.
OECD	Organization for Economic Co-operation and Development.
OSI	Open Source Initiative, is an organization that promotes open source software.
PC	PC, which stands for Personal Computer, is a computer intended for end-user to operate independently without an intervening computer operator and is made useful for an end-user due to its size, capabilities and original sales price.

PHP	PHP is a general-purpose server-side scripting language used in web development to create dynamic web page content.
PR	Public Relations.
REST	REST stands for Representational State Transfer. It is an architectural style of the web, developed parallel to HTTP.
ROI	Return on Investment.
RSS	RSS stands for Really Simple Syndication, which is a group of web feed formats that allow frequent publishing of updated content in a standardized format and it also notifies a subscriber when a certain web page is updated.
SQL	Structured Query Language. It is a programming language for managing data.
SNS	Social Network Site. E.g. Facebook.
SSL	Secure Sockets Layer, is a cryptographic protocol that secures communication over the Internet.
UGC	UGC stands for User-Generated Content, also known as User-Created Content, UCC. The term covers media content available in modern communications technologies.
Web 2.0	The term Web 2.0 is associated with web applications, which facilitate participatory information sharing, interoperability, user-centered design and collaboration on the World Wide Web.
WWW	World Wide Web, commonly known as the Web, is a system of interlinked hypertext documents that are accessed through the Internet, usually viewed with a web browser.
VPN	Virtual Private Network, is a network that utilizes public telecommunication infrastructure to enable remote offices or users to access a central organizational network.

1 INTRODUCTION

1.1 Introduction of the Thesis

Since its birth till today, Internet has developed itself into a medium of vast proportion for all kinds of users in the world. The Internet has shaped the lives of every consumer and seller as well. In comparison to how business used to be done, in many cases the Internet can be seen as an environment that is more customer friendly, faster, based on information, personal, open 24 hours, of low distributional costs and of fast development. (Hedman & Pappinen, 1998, 7)

From the foundation in 2004 by Marc Zuckerberg and his colleagues, Facebook has become more or less a daily platform for a lot of consumers. People can publish information about them, interact with each other, look at each other's photos, chat and update their current activities through status updates.

For more than 600 million users, it has also become quite an attractive platform for marketers as well. When browsing through the site, one cannot help but notice for example the advertisements which appear on the right hand side of one's page. (www.facebook.com)

The idea for the thesis emerged when the authors started to wonder in their own state of interest how other consumers using the site felt about the online marketing in this social network site.

Since www.facebook.com is a fairly new site but a domain with a vast proportion of daily users of all ages and social groups, the authors became interested in it as a marketing medium for companies and how effective channel it is for marketing one's products or services.

In this thesis, literary review about the theories of internet marketing shall be taken under consideration followed by some of the positive and negative

features related to the matter as well as some tools that can be applied when doing marketing over the internet.

After the means of how the actions of marketing online take place, theories about the online consumers and their behaviors are taken into consideration, as it is important to understand what kind of consumer types there are who are purchasing items via the internet and could those be using Facebook as well as a channel which affects on their purchasing decisions.

Moving on to how businesses can execute marketing and operate in the field of social media is taken under consideration. This will be followed by an introduction to the Facebook site itself and finally, how marketers can operate on the site.

1.2 Research objectives

The objective of this study is to find out how people perceive this type of marketing on their Facebook account and what type of feelings it will generate. A quantitative study about the consumer habits of a randomly selected group of respondents answer questions based on theory presented in this thesis and conclusions will be drawn from the survey analysis.

In addition aspects of how effective a platform it is for a company to attract more customers will be covered. The research will go in detail about what type of marketing is viewed as eye-catching by consumers and will purchasing decisions be made after seeing an advertisement on one's Facebook account site.

1.3 Research questions and methodology

The idea of the thesis is to find out how effective medium the site Facebook is and what kind of advertising is seen or is not seen as attractive and effective and whether or not a company should take under consideration the possibility of taking the marketing on Facebook as part of their overall marketing strategy or not.

In detail, the authors want to find out what kind of advertisements are successful in Facebook. The authors set a goal to eventually be able to answer these questions after the thesis is finished:

1. Is Facebook marketing effective and should companies look more into it?
2. Are people actually paying attention to advertisements in Facebook?
3. Is Facebook the marketing medium for the future?
4. What do the respondents think about the marketing on Facebook?

The questions which were carefully thought of were first taken under consideration by an extensive study of the theories and written data about the matter. Aforementioned study takes place after the theory and analysis of the data and conclusions will follow.

2 LITERARY REVIEW

2.1 Online Marketing

2.1.1 E-Marketing separated from E-Commerce and E-Business

Marketing that occurs in the site facebook.com is considered to be e-marketing, as it is online where people log on and view the sites with the advertisements and such. E-marketing is a part of e-commerce, which furthermore is a specific part of an entity, called e-business. The following states in more detail some of the differences of these three terms although they are closely related to one another.

2.1.2 E-Business

E-business can be described as computer-driven business and economy. (Milutinovic & Patricelli, 2002, 1) The concept of e-business can be also defined by organization's internally and/or externally conducted business through use of electronic means. (Bartels, 2000) These involve the company's usage of electronic platforms such as intranets, extranets and the internet in conduction of their business activities online. (Kotler and Armstrong, 2006, 555) Moreover, e-business can be seen as strategy construction in form of a business model where in crucial role is the maximized help of technology. (Kalakota & Robinson, 2001, 5) Furthermore, e-business can be portrayed as the usage of electronic data to enhance performance, generate value and enable novel technological applications between sellers and buyers. (Paliwoda, 2004, 50) Given the fact that the internet is experiencing exponential growth constantly, it is fair to assume that in the future a massive part of business done worldwide will occur among the field of e-business. Nowadays, it is the internet that is the business platform of most vital importance. It allows one to reach all constituents of business which are employees, suppliers and partners and of course the customers. (Milutinovic & Patricelli, 2002, 6, 9) Internally, activities of e-business concise the linkage between the company's employees through

intranets and such applications in order to enhance the sharing of information, make distribution of knowledge easier and make reporting by and to the management easier. Support of the after-sale services and collaboration with business partners are also included in the field of e-business activities. These include such functions as joint researches, new product development and sales promotion. (Jelassi & Enders, 2005, 4)

2.1.3 E-Commerce

E-Commerce is considered to be a more specific part of e-business. Most of transactions that take place under e-commerce naturally go through the Internet. This is apprehended through World Wide Web (WWW), intranet, extranet, Virtual Private Network (VPN), Secure Socket Layer (SSL) encryption and instances of that nature. (Milutinovic et al, 2002, 1) It can also be said in order to go in more detail that from e-business, e-commerce is a more exact theory that can be separated which is the process of buying and selling by electronic methods of which mainly occur on the Internet. (Kotler et al, 2006, 555) Alternatively, e-commerce can be elaborated as the action of distribution of business information, keeping up with business relationships, and execution of business dealings with the help of telecommunication technologies systems. (Zwass, 1996, 1) Moreover, the concept of e-commerce bonds together numerous different fields of technology, such as banking, programming and Web design. (Collin, 1999, 81) E-commerce can as well be described as business communications and transactions, which are conducted electronically. These include in addition to ordering, payments and proofs of purchases also marketing, advertising and communications. (Colecchia, 2000, 4) According to Nezu (2001), e-commerce is the usage of any method in electronic communications and computer when doing business.

2.1.4 E-Marketing

Marketing side of the e-commerce is known as e-marketing in which the company communicates with its cooperators, advertises their products and services online. The main task of e-marketing is to take advantage of the web in order to develop a positive, enduring relationship with customers using the Internet (Kotler et al, 2006, 555; Laudon & Traver, 2002, 379-380) Therefore, the foremost purpose of online marketing is to spawn sales directly and rapidly through a transactional web site of the marketer. (Berkowitz, Kerin, Hartley, Rudelius, 2000, 216) There is also the term "Internet marketing" to consider, which means the external perspective of combining the traditional media and the Internet when considering the acquisition and delivery of services to the consumers. E-marketing on the other hand, is deemed to have a wider range as it refers to the usage of any kind of technological actions in achieving marketing objectives and has both internal and external aspects to it. E-marketing differs from e-business by being first and foremost customer-oriented, while e-business as an entity has more to do with supply chain and procurement. (Chaffey, 2009, 417)

E-marketing happens through online computer systems which are interactive and who link suppliers and demanders electronically. There are two kinds of marketing channels online, online services that are commercial and the Internet. Commercialized online services provide on-line data and services related to marketing to customers who subscribe and pay a fee charged monthly. (Kotler, Hayes & Bloom, 2002, 360)

2.1.5 Advantages and disadvantages of e-marketing

While the Internet and marketing within it offers immense possibilities to make one's business grow exponentially, there are also some con sides to consider. A broad spectrum of users and online customers and suppliers offer vast opportunities for both parties to sell and purchase in a more rapid way. Whilst the obvious pros are of giant proportion, the threats of information misuse and things alike step in to the picture as well. User needs to be alerted when

browsing through the web where anyone can reach you in an instant, in both intentions good and bad.

Podiums for e-marketing create an increase in reach, generate cost reduction and provide advantages for customers. Without human intervention, a company can provide a customer with a limitless amount of information. This amount of information delivered via internet communicated messages is exemplary in comparison to any other form of communication means. Such information can additionally be delivered in a very easily understandable form to the consumer. E-marketing firm is also able to create interaction with the customer in a way that customers can themselves design products and services according to their liking. Domains for e-marketing also provide a modern substitute for human contact service as consumer is able to do transactions with the firm via automated sites. (Nitish & Krishnamurthy, 2005, 612-613)

From the consumer point of view, target marketing is one of the key benefits in the matter as one can optionally hand out personal information in order to receive tailored advertisements and things alike from the provider of the service. Interactivity plays a vital role in this case as well, as e-marketing works both ways unlike for example television marketing. Access to wide-ranging sources of information also provides a plus-side when a consumer can critically inspect all possible sides of the product that is being under inspection. Needless to say, the speed of access to information is also of essential importance when talking about the positive sides of e-marketing. (Belch & Belch, 2001, 516-517)

Of disadvantages, privacy issues and marketing to children are of big concern. Information gathering in marketing purposes can be seen as an issue, if the intension of direct marketing use of personal information is not stated. Legislative acts have been made in many countries, e.g. in the USA to protect children from online marketing and information gathering in order to avoid unintentional distribution of information. When many web users visit the same site simultaneously the function of the site might slow down or collapse altogether, this phenomenon is called web snarl. In addition, when there are many providers of different types or even same kinds of services, one provider's

online advertisement might drown into clutter. Privacy issues and the possibility of becoming conned online are also huge despite the fact that the legislation on the matter is continuously increasing. The typical frauds that occur are for example collection of data without informing the user, hackers misusing their gifted skills and credit card thefts. (Belch et al, 2001, 757-759, 516-517)

From the merchant's point of view, beneficiaries are plenty. The market availability is as good as the whole world, as everyone can get online. No matter where one's business operates, the Internet makes it possible for businesses both small and big to easily come out within the potential customer's reach despite the fact that the company's physical location is far away. This way companies with a more distant site can compete with those having the best location in the market place, and place a higher value on the quality of the product rather than its ease of access and physical vicinity to the customer. The Internet also provides availability at all times, which makes the opening hours of it constant and always accessible. The costs of doing business over the internet in comparison to the traditional way also go down as instead of paying for the facilities, electricity and sales staff, the opportunity costs for software, server, digital certificates and web space costs less than the formers mentioned. (Milutinovic et al, 2002, 1)

As it is a benefit for the consumer, the seller can also profit from target marketing as it is possible for the supplier to gain benefit by tailored messages sent to clients that are specifically meant for each customer or customers. Interactive capabilities can also be put into place as it is possible after initial contact to tailor the product or service as requested by the prospective clientele. The seller can also gain access to customer's personal information and therefore to further customize the product or service in question. Sales potential also grows as more people are online on a daily basis and just an e-mail or an advertisement away from the supplier's reach. Creativity in site design makes it possible for company's image to be enhanced, to generate more occurring visits by customers and set the consumer's mind into a positive setting about the company at hand. For companies with lesser possibility to use

expensive means of marketing, the internet provides a possibility for massive exposure at a minimal cost and at fast speed. The pull type of marketing medium that the Internet is can also be seen as a bonus as the customer plays a more critical role in search of information and contacting the advertiser in comparison with e.g. direct marketing. (Belch et al, 2001, 516-517; Chaffey; Mayer; Johnston & Ellis-Chadwick, 2000, 250)

In addition to challenges concerning web snarl and clutter the providers of services also face other hardships when marketing online. Customers might have prejudice and trust issues handing out their information in fear of possible deception. Despite the fact that via internet a massive crowd of prospective clientele can be reached it is still cost-consuming to design top-of-the-line advertisements and online marketing plans. Limited production quality issues come in place when comparing e-marketing to for example mass marketing on television at prime time when huge amounts of consumers can be reached. (Belch et al, 2001, 517-518)

2.1.6 E-marketing tools

Today, as an extension to a company's brick and mortar business are web sites. Consumers are brought about to the sites where they can reach not only the possibility for features of commercial communication but many online services as well provided by the seller. Furthermore, the Internet continues to affect the sales in offline channels as well, at the same time making the traditional store brands and the catalogues of the companies stronger. As it is important to maintain a relationship between consumers and company web sites, a lot of companies wish their web sites to be as appealing as possible in order to catch the attention of the customers and retain them following the process of products being sold as well. It is important to realize, that the marketing messages provided by the seller should be carefully thought of as it is really easy for a company to lose a customer to another similar web site, whose advertisements online are of more appeal to the viewer. (Wood & Solomon, 2009, 96)

For e-marketing, there are several different means to get your message through. The most popular types of marketing tools are listed here.

Banner ad is a small-sized, four-sided, often horizontal shaped advertisement that appears on web sites. Banner ads often direct the web user to the site of the advertiser. Banner ads are also often customized for productivity and portability to from one site to another. Banner ads can often be animated and highly colorful but they are usually simpler than rich media advertisements. (Cox & Koelzer, 2004, 142)

Sponsorship is a type of marketing, where an individual web page or that of a company's one makes another firm's presence on the site highly noted and receives high acknowledgement from it. (Cox & Koelzer, 2004, 143)

Interstitials are the most controversial types of e-marketing. Pop-ups and pop-under advertisements appear for the web user in an involuntary fashion when the user does not expect them to show up. These ads often include the user's own effort to close them down in order to be able to ignore them totally. Pop-ups are the kind of advertisements that appear while surfing through the web. Pop-under advertisements are the kind of ones that appear for example while watching some videos on www.youtube.com and an advertisement emerges on the lower quarter of the video screen. (Li et al, 2004, 16-17)

Also known as electronic mail, e-mail comprises the action of exchanging the telecommunication messages stored in computers. On a usual basis, e-mails are encoded in an ASCII text form. There is also the possibility to send such non-textual files as graphical images and sound files in binary streams as attachments. From the beginning phase till today, e-mail has stayed as one of the most popular uses of the internet. A massive proportion of today's internet action is e-mail. It is possible to distribute e-mail to a large group at once in addition to ones sent from one individual to another.

As an e-marketing medium, E-mail is an online type of direct marketing, where the sender states one's business to a receiver in a digital letter form. Marketing via e-mail enables a chance to insert a selection of graphics and further links to

a target audience at a relatively low cost. The interactive feature of the email is also an enhanced feature, as it is possible to easily send messages back and forth before the purchase decision is made. (<http://searchmobilecomputing.techtarget.com>, 2011.)

Classifieds advertising is a type of traditional promoting particularly common in newspapers, online web sites in addition to other publications, which are sold or handed out free of charge. Classified ads in newspapers are commonly brief due to the fact that they are charged according to the line length. Classifieds on the Internet are not typically used by per-line pricing models; instead they have a tendency to be longer. One can also search for them via search engines, as opposed to printed ones, which tend to be local. Online classified ads can also be of greater amount of urgency owing to the fact of their day-after-day structure and wider scope of audiences as obviously it is possible to reach wider audiences through the Internet. Since online classifieds are advertisements of self-producing nature and have low expenses for the publisher, there are a number of companies offering the classified advertising space free of charge to customer. Some companies have set focus mainly on the locality aspect of the matter, while others are in the business of covering certain postal code areas. (Washington Post, referred to 2011)

Rich media is a term used of visually Influential advertising format on the Internet that uses a scale of highly interactive formats. Rich media advertisements give an enhanced impact and succeed in improved user response by the use of vector-based graphics, streaming audio and video and interactivity powered by Java-technology. The majority of rich media is exposed to the users in a way that it is obligatory for the user to engage action instead of it being voluntary and therefore, most of the online users disapprove this type of marketing online. (Li & Leckenby &, 2004, 18)

Keyword search is the procedure of determination of usage of certain keywords when possible customers use different search engines. In addition the objectives of the keyword search are to determine which of the used words are popular and therefore can be seen as goals for keyword advertising and search

engine optimization which is the process of numerous techniques seeking to increase the ranking of a website in search engine results. Identification of keywords whose search engine status is accurately acquirable by search engine optimization and identification of the customer language preference that influence the process of branding and messaging are also two other goals for keyword search. Finally, the affirmation of supplemental content constructed from user terminology and determination of negative keywords are included in the objectives as well. (Web1Marketing.com, 2011)

Referrals is the custom of acquiring new customers via word-of-mouth technique, where an existing customer tells his or her friend about a service or a product one is using and this way leads a new customer to become a customer of a business in question. In some cases, the business owner gives a reward to the customer who recommends the business in question to one's acquaintances. (knowledge@wharton, 2010)

When internet marketing took on, the referral system broadened from its traditional form to online as well and has substantial rewarding features to it as well. Advertisements on the web use this kind of marketing in various levels in order to gain customers. Sites which are hosting commercial advertising on their web pages provide an earning scheme for domestic users by handing out different kinds of monetary rewards and such to successful referral-makers. (Corbett, 2008)

Slotting fees are legitimized inducements that a producer hands out to the vendor of the final product in order to get their goods to a visual place on the seller's place of business. (Meyers & Gerstman, 2002, 43) For the online purposes, a slotting fee is a form of channel partnership with right to be a favored distributor of a certain good. (Keywell, 2001, 34)

Advergaming are the types of games using interactive technology which distribute inserted advertisements and messages of that nature to users of the games. Compared to free gaming with implanted banner ads to increase the amount of visitors on certain sites, advergaming have a greater extend with

incorporation of the brand straight to the environment of the game itself. Therefore, the focus of the game is the actual advertising message. (Afshar, Jones & Duke, 2004, 2)

2.2 The online consumer

Nowadays people from all demographics have the possibility to get online and get around the Internet. The web-using populace is varied and conventional, so it is safe to say that everyone should find something from the internet to their benefit.

At the Internet's beginning phase, the Internet was mainly used by the stereotypical computer nerd-crowd and young, tech-savvy and wealthy specialists of the masculine sex. After the web's maturation, more and more people get online daily. (Kotler et al, 2006, 558)

When more and more people often are online, it of course offers the online marketers the possibility to reach a broader scale of different segments of the demographic prosperity. According to Tilastokeskus, (2010) 86 percent of the Finnish population are using the internet. Of the most popular activities online, the Finns use Email, internet banking, and information search on goods and services. Of the total population of Finland, forty-two percent are registered members of some social network. Furthermore, according to www.checkfacebook.com, 34, 9% of the people with the Finnish nationality are registered in www.facebook.com. The biggest age group altogether in Finland is the people between the ages of 18-34 with 48,2%.

Apart from the traditional consumer, the online consumer varies a bit. The conventional type of marketing is often targeted to rather passive market audience. In comparison, the online marketing is directed to people who actively log on to certain web sites or certain kinds of web sites, thus presenting a challenge to the marketer as the crowd automatically narrows itself down. In many cases, the interactive process of exchange via the Internet has become more bound to customer initiation and it is also more and more controlled by

themselves rather than the seller. Consumers using the internet have a tendency to place a bigger value on information and are more susceptible to react in a negative way to messages concerning mere selling of goods. (Kotler et al, 2006, 559)

2.2.1 Consumer buying behaviour

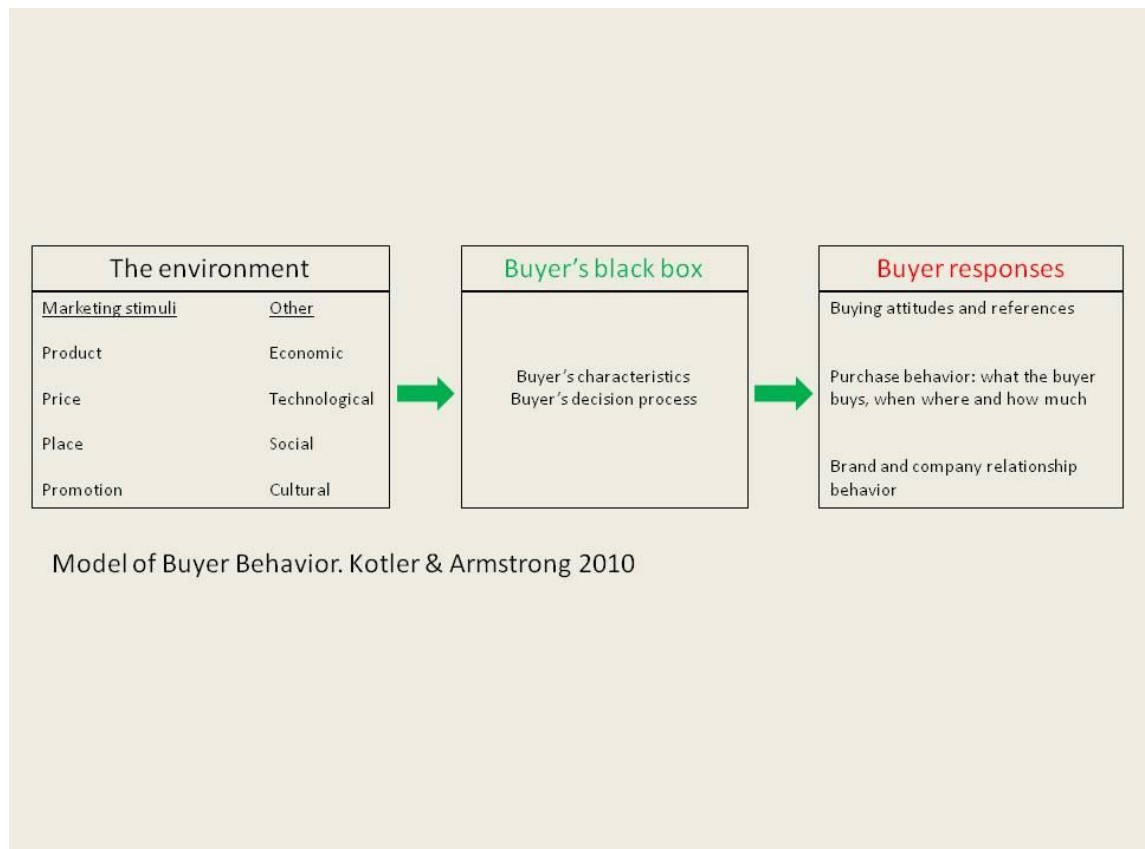


Figure 1. Model for consumer behavior

As the figure 1 acknowledges, the consumer behavior is a complex process. There are three different entities to inspect at this point, the environment, buyer's black box and buyer responses. (Kotler & Armstrong, 2010, 161)

Marketing stimuli, the Four P's consist of product, price, place and promotion. Initially for the value proposition, the firm has to have a product that satisfied a need. The company then decides the charged price, how much a consumer has to spend in order to acquire the product. Third, the marketer has to come up

with a location, place, where a customer can buy their product. Finally, the provider of the product needs to come up with a plan in order to communicate with possible customers how to make them become aware of the product and its beneficial features in order for them to want to react to the promotion of the product. (Kotler et al. 2010, 36)

The economic environment is formed out of features affecting consumer purchasing power and patterns of consumer's spending. Companies doing marketing must observe intensively how major trends evolve if there are changes in consumer spending habits both nationally and internationally. (Kotler et al, 2010, 103)

The technological environment changes in a fast pace and it also generates new markets and opportunities. Technology has come up with inventions both good and bad. Examples such as nuclear missiles and assault rifles are not the most pleasing sensation generators, but for the business world, such beneficiaries such as the television and credit cards have been the most welcome. People's attitudes towards technology depends upon if the technology in question is of more use than that of harm. While technology and products emerging from it are becoming more and more complex, consumers want assurance of their safety. (Kotler et al, 2010, 106-107)

Social environment encompasses the unwritten regulations of professional ethics and social codes as it is not possible to set laws with troublesome enforcement to hinder all matters of possible misbehavior regarding marketing. In the current situation, given all the scandals and increased worry about the environment have given pressure to firms to proactively seek better and more environment friendly ways of doing business, when come in the ethical issues and corporate social responsibility. More and more companies are developing guideline policies for social responsibility concerns.

The burst and explosion of internet marketing has also emerged with a whole new set of challenges concerning social and ethical matters. The amount of information in digital form and its easy availability has set new confrontations to

both suppliers and demanders to conduct in a way that no one gets in harm's way, as the users also generate some of the content. The most criticized matter is the privacy issues as users themselves need to stay alert when handing out information about themselves to sites collecting personal data available in some cases to anyone with an access to a computer.

In addition to this, business entities intentionally collect data about their customers and in some cases in ways, where the customers do not even know that such event might be occurring. Concerns in this include such things as companies getting unethical information and using it to their benefit when marketing to their customers. Consumer privacy issues are strongly enforced in order to secure consumer's privacy online. (Kotler et al, 2010, 109-110)

Consumer's patterns of consumption are also being influenced by such social factors as small groups, their own families, ones social roles and finally, status.

Membership groups, which are groups where a person belongs to, have a direct influence on a consumer's behavior. In comparison, reference groups are groups that give direct (face-to-face) or indirect points when forming a comparison or a reference, when it comes to person's attitude and/or behavior. People often adapt behavior patterns from reference groups they do not belong to, an example of an idol admiration can be mentioned here. Reference group identification for target marketing is something a marketer should be interested in, as it is the reference group that puts the person out there for new behaviors and lifestyle formulation. Reference groups also affect the person's attitude and the concept about one's self. Reference groups can also generate pressure to be traditional when deciding upon which brand or a product to choose from. The visibility of the product defines the importance of the group influence, as the group influence alters across brands and products, it seems as though it is the highest when the product in question is clearly shown to those whom the user wants to respect with the choice. (Kotler et al, 2010, 164-165)

Cultural environment is formulated by the institutions and different powers that have an effect on society's basic values, insights, likings and behavioral

patterns. Human beings are raised in a certain societal atmosphere which forms one's basic values and beliefs. People adapt within a certain kind of perception of the world that puts together their style of conduct with other individuals. In addition, matters of cultural dimension have a strong effect on how people consider things and how their patterns of consumption are generated. This is the reason why marketers actively seek to understand the cultural environment where consumers conduct in. (Kotler et al, 2010, 111)

Furthermore, when considering cultural factors marketers also need to be aware about the role played by subculture. Subcultures are smaller entities among cultures, sharing the same kinds of value systems derived from their experiences in life and certain situations. Nationalities, groups having the same religion, racial entities, and people situated in the same geographical area are examples of subcultures. A lot of the subcultures form attractive market segments and product design and marketing programs are often directed towards different subcultures with a custom design. (Kotler et al, 2010, 161)

Moreover, social class composition is something that exists in nearly every society. They are non-written, comparatively permanent and ordained establishments of divisions whose affiliates have in common shared values, significances and behavioral patterns. Income is not the only feature when considering social class, a role is played alongside it as well by profession, education in addition to other variables, such as wealth. In some societies, the social class position is fixed and cannot be changed, but in others a movement between social classes is possible. From the marketer's point of view, social classes are important as members of a certain social class tend to have similar spending patterns and are therefore attractive segments for marketing. It has been proven that members of the same social class share a similar buying behavior when talking about brands in such products as clothes, furniture, extracurricular activities and cars. (Kotler et al, 2010, 164)

The process of the marketing together with other stimuli entering the buyer's black box is considered an event where certain kinds of responses are being formulated to the stimuli by the consumer. The black box consists of both

buyer's characteristics and buyer's decision making process. The term black box comes from the mere fact that it is extremely troublesome to see inside mind and try to think why a consumer conducts in a certain way when it comes to buying behavior. A lot of money is put in place in order to find out what it is that makes the customer react to marketing and furthermore, purchase a product or a service. The buyer's characteristics have an effect on the way the consumer perceives the given marketing message and reacts to the given stimuli. (Kotler et al, 2010, 160)

Then, the buyer's decision making process affects the buyer's behavior itself. The buyer's decision making process starts with a need recognition that comes up in customer. A need can be an internal or an external one. The former can be a basic sensation, such as thirst or hunger and the latter for example a stimulus derived from a pleasing marketing campaign.

Process is then continued by a possible search for more information about the product that a consumer wishes to acquire. A close vicinity of a product may or may not have a strong effect on whether the consumer purchases the wanted product at once on site. Information can be reached from various sources, such as personal sources which include family, friends and relatives. Commercial sources, such as advertising, sales people and company web sites also can be useful. In addition to these, there are also public sources, such as mass media and internet search engine services, and experiential sources which include actions of examining the product itself by the consumer.

It is also important to evaluate the possible alternatives in question when choosing a product. Instead of the evaluation process being a straightforward and simple one, it is rather a complex and troublesome one. The way of comparing one product to another varies from consumer to another, which presents a challenge to marketers whose main focus in this matter should be the study of their potential customers in order to find out in what ways consumers actually alternate concerning different brands. If the evaluation process can be distinguished, marketer can become one step closer at

persuading the customer at hand to lean on towards one's product instead of another.

When making the purchase decision, the most eligible product is acquired. Other people's attitudes and unexpected situational factors are two things that can step into a role of purchase intention not transforming into a purchase decision. An example of the former is when a person one knows recommends something else instead of the intended purchase and for the latter one, a suitable situation to mention would be a downturn in the economy, when a large purchase, such as an automobile can be put on hold or to be cancelled totally. Therefore, planned action concerning preference or intentions of buying may not every time result into a purchase decision.

Post-purchase behavior is the phase where the customer does the actions related to sensations of pleasure or displeasure towards the acquired product. Here the customer's anticipations about the product are compared with what the actual performance of the product was. (Kotler et al, 2010, 177-179)

2.2.2 Issues regarding consumption process

In the figure 1, it can be seen that the consumer behavior is a continuous process, not just a single act of money changing an owner at the execution of a purchase. The event of an exchange, where two or more parties hand out and get something in return is an essential part of marketing. Being as it is, the process of an exchange holds its position as an important part when talking about consumer behavior, the broadened view highlights the consumption process as an entity, which consists of the issues that affect the consumer not only during, but before and after it as well.

Before the purchase, the consumer has to decide upon whether or whether not a product is needed and how one can gain information related to the product in question. At this point, the marketer needs to identify how a consumer's attitude is shaped and possibly changed to be more favorable to the product the

marketer wishes to sell in comparison with the ones that competitors are offering.

During the execution of the purchase process, customer considers such factors as the acquisition of the product spawns: sensations of pleasure or displeasure and what is the consequence upon the consumer whether or whether not the purchase is being done. For the marketer, one has to consider how the factors in the purchasing situation or displays at the store have an effect on the consumer's decision making.

After the purchase, consumer has to and inevitably monitors the purchased product and how was the acquired product. At this stage, the critical inspection of the product shows whether or not the product carried out its meant task and if the product generated sensations of pleasure to the consumer. Post-usage, consumer has to think about how the product is disposed of and how the environment reacts to this action. From the marketer's point of view, one has to of course outline if or if not the purchasing customer was pleased with the product and will he or she use the marketer's product again. Marketers also have to consider how to make the current customers into referring ones to the prospective new customers and how to make the current customers content with the products they purchased. (Solomon; Bamossy, ; Askegaard & Hogg, 2006, 7)

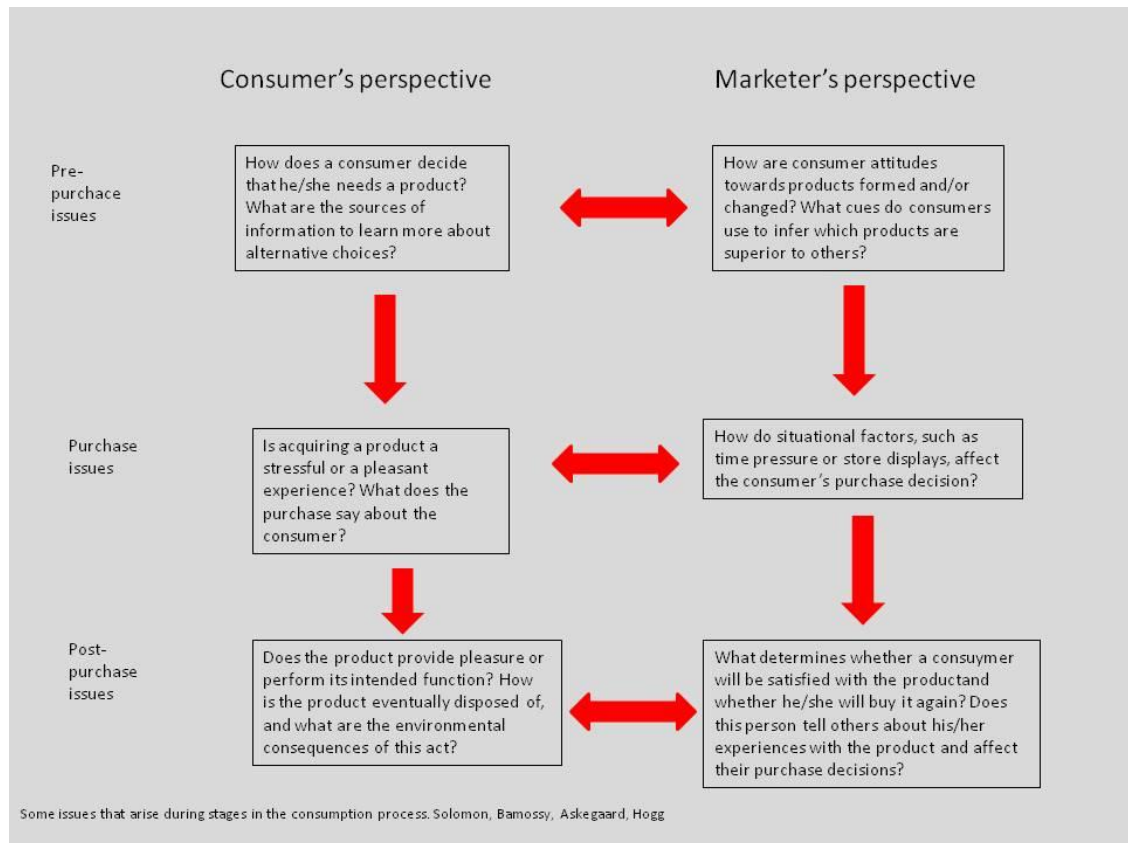
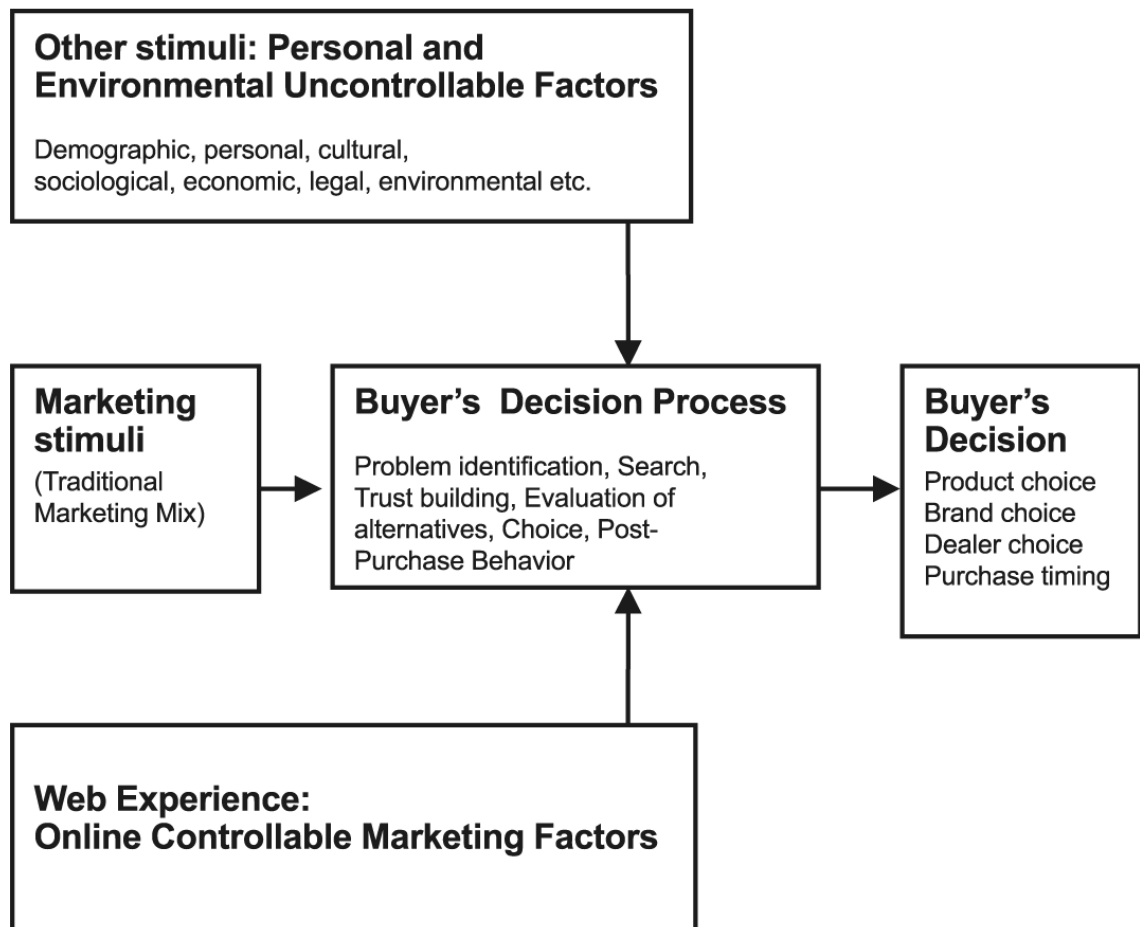


Figure 2. Issues in the consumption process

In comparison with the traditional consumer, the online consumer's behavior varies as there are other factors to consider which have an effect on the online consumer's purchase decisions. Based on the previously shown in Philip Kotler's model, Constantinides (2004) illustrates the other stimuli and more importantly, the Web Experience in addition to the figure. The concept Web experience itself can be described as total impression experienced by the customer about the company doing business online, which are based on one's perception about the virtual marketing tool combination given by the company. These aspects are in straight control by the supplier and are out there in order to influence the consumer's behavior when purchasing online. (Constantinides, 2004, 113)

Forces influencing the online consumer's behavior



Source: Based on the P. Kotler's framework (2003)

Figure 3. Forces influencing the online consumer's behavior

Apart from traditional consumers, the Internet users can be identified with certain kinds of features and traits that describe them.

Directed information seekers are users searching for specific products, markets or leisure information. These information seekers are usually very accustomed with the usage of the Internet and familiar with search engines and different kinds of directories. The more experienced the user is, more centralized and focused is also the type of usage online.

Surfers or more in detail, undirected information seekers are the consumers who use the Internet in a style of browsing sites in a random order and site jumping happens from hyperlink to another. Usually the members of this user group tend to be new users of the Internet and are more probably to click on banner advertisements and things of that nature.

Directed buyers are the people who go online in order to retrieve and purchase a specific product or specific products. For these users, it is important to use the broker sites and different kinds of intermediaries when comparing prices and information about the products they are intending to acquire.

Bargain hunters are the kind of users who hunt available offers in form of sales promotional acts or free-of-charge samples or different kinds of prizes. These are for example sites that offer small rewards if a web browser clicks and reads a targeted advertisement.

Entertainment seekers are users using the net in order to take part in entertainment features, such as online entertainment quizzes, games and contests. (Chaffey, Mayer, Johnston, Ellis-Chadvick, 2000, 44)

In addition to Constantinides' model, we will briefly look at an alternative view on how purchasing decisions are being made by customers.

There are two different extents to look at when assessing consumers' experience when talking about traditional retail type shopping; Motivations that drive the consumer when purchasing items are either those of hedonistic incentive or those of utilitarian motivation. These two aspects of shopping are present in all occasions when a procedure of consumption occurs. (Babin, Darden & Griffin, 1994, 644)

As for the traditional kind of shopping, the online consumption has the same kinds of predispositions. When considering an online purchase of a pre-determined product important factors are such as ease of access, practicality, information availability and sufficient selection as affecting reasons to find one's website attractive for shopping. Utilitarian shoppers also appreciated the feature

of being able to control the occurrence of the shopping situation itself. Investigational customers or moreover, those with hedonistic intentions regarding their purchase intentions are aggravated and motivated by their product class involvement which takes them to sites of auction and to sites which are involved with their hobbies. As an alternative, e-shopping experience of a certain product or products is what a hedonic shopper is after. (Sorice, Perotti & Widrick, 2005, 122-123)

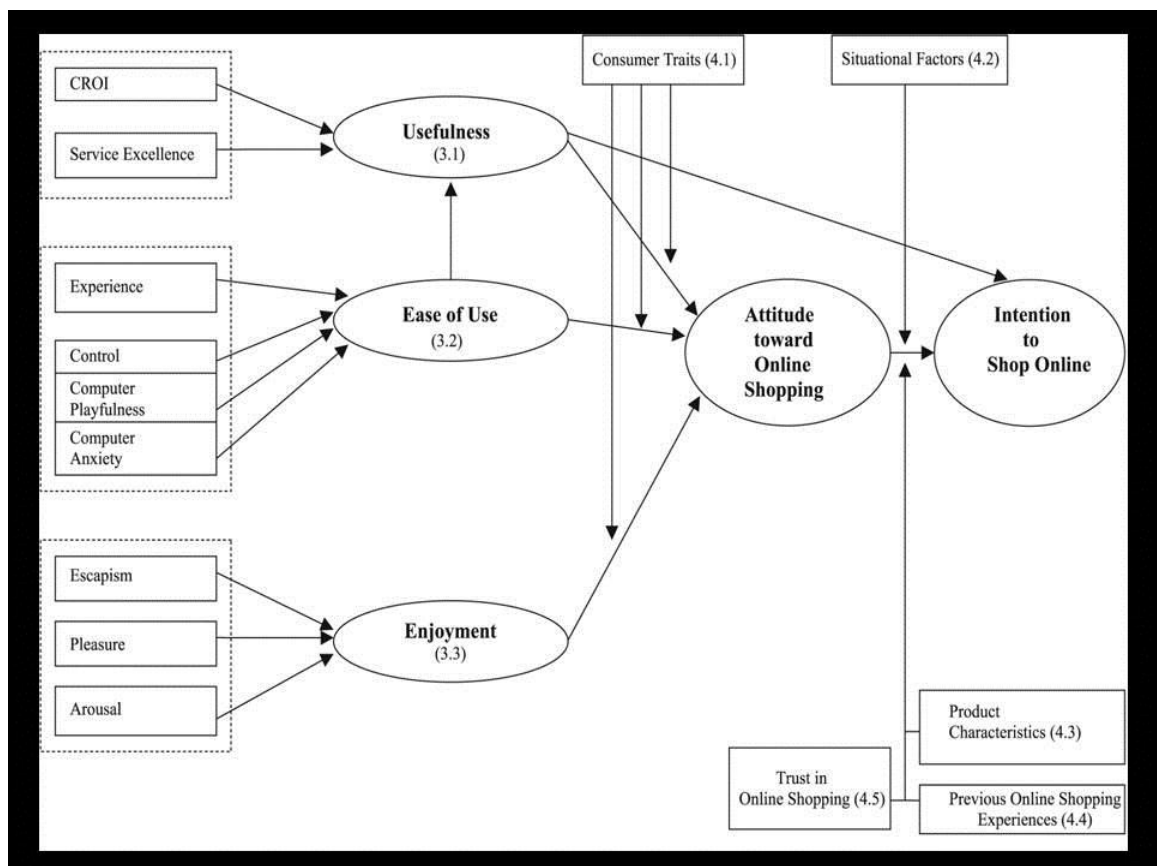


Figure 4. Framework for consumer's intentions to shop on the Internet. (Perea y Monsuwé, Dellaert & de Ruyter)

As to further compare the two kinds of shoppers, utilitarian and hedonic, we look at the figure above. In the figure, usefulness and enjoyment go under review in our study as we focus on the main concepts that drive the consumer's motivation for shopping both off- and online.

The word usefulness states in this context the views on whether or not the Internet as a shopping medium is somehow making the shopping experience a more pleasant one for the consumer. A positive or a negative sensation is being felt whether a good or in contrast a bad experience is undergone through shopping online.

Inherent inducement for internet shopping comes from the enjoyment part in the figure as well. If a consumer gains feelings of happiness and content from a shopping experience online itself, it is obvious that the sensation felt by the individual shall be a pleasant one. Pleasure is a result of shopping experience made fun and where features of playfulness occur as well, instead of the event being merely about completing the task of shopping. The acquirement of a product or a service may be subsidiary to the experience of shopping over the Internet. Therefore, the word enjoyment in the figure signifies the online customer's views related to the possible entertainment experienced when shopping online. Thus, it is clear that if feelings of positivity and pleasure are derived from the shopping experience, it results towards positive attitudes about online shopping.

Usefulness in this context on the other hand can be classified as the person's view about the usage of a new technology and if it is perceived to improve one's performance. The utility features of the Internet should have a positive effect on the shopping procedure. Therefore, if using the Internet helps, as means to shop, in a new way compared to traditional channels in the process of product acquisition, the online shopping can be viewed as an enhancement in the result of a total shopping experience. Thus, if one sees the process of online shopping as useful or utilitarian, attitudes towards online shopping are more positive than in a case of one viewing them as cumbersome and troubling. (Perea y Monsuwé, Dellaert & de Ruyter, 2004, 105-109)

3 MARKETING IN SOCIAL MEDIA

In terms of academic references, the data regarding social media is rather limited. Due to this, some alternative references, such as web publications with credible authors have been used in this chapter.

3.1 Social media

Today's trendiest thing is the social media. In April 2010 social networks and blogging sites gathered 22% of all time spent on the Internet with three-fourths of global Internet users visiting such sites. In 2008 member communities became the fourth largest online sector as Facebook lead the way globally, occupying the position of the ninth most popular brand online with 100 million active users. Since 2008 Facebook has reported increasing number of users, reaching 500 million in July 2010 and in February 2011 Facebook was the second most popular U.S. web brand after Google in measured unique audience. The top 10 web brands listing for February 2011 in U.S. also includes other Social Media sites with YouTube taking the fifth spot and Wikipedia placing as eight. The average monthly time spent per person on Facebook, over six hours and 30 minutes, is drastically larger than on any other in the top 10, on which users spend time between 10 minutes to two hours 10 minutes. In February 2011, average PC time per person was over 55 hours and 22 minutes, which equates to almost two hours a day. In 2010 86 percent of Finnish people aged 16 to 74 use the Internet, 56 percent accessing it several times a day. Email, Internet banking, information search and mass media lead the charts with 74 to 77 percent shares. 42 percent of Finnish people are registered users of social networks and 28 percent use them on a daily basis. Even though social networks are most popular in age group of 16 to 34 years old, with 79,5 percent penetration in Finland, the global audience has widened and aged with the most significant growth contributed by users over 35 years of age. The balance between purposes of Internet usage in Finland have remained quite the same when compared to the year before but Internet use in general has grown. The way people are spending their time has changed due to increasing

popularity, in population and amount of time spent, of social network services and along with it the way that people conduct and interact with each other while also the world wide Internet usage and penetration is growing. (blog.nielsen.com, 2009, 2010; Facebook.com; Statistics Finland)

Social Media lays its foundations to the roots of Internet, which has enabled various methods for user interaction: BBSs (Bulletin Board System), of the late 1970s, where software, data, messages and news could be exchanged by users by connecting and login in to a BBS and Usenet, a worldwide discussion system enabling its users to post public messages. The World Wide Web was originally created for its users to exchange information, since then the possibilities for this activity have evolved through improved technology, which allows significantly easier, faster and richer interaction between users. Today's social media consists of Internet-based applications, such as Wikipedia, YouTube, Second Life, Flickr and Facebook, enabling sharing and creation of User Generated Content (UGC). These applications are founded on Web 2.0 and they enlarge people's collaborative abilities. (Kaplan and Haenlein, 2009, 60-61; Evans and Bratton, 2008, 14; OECD, 2007)

Social media is about participation, interaction and sharing in Internet communities but the term can also be applied to media content, which is created or shared in communities. Social media offers a virtual space for people to satisfy their need to interact with each other and express themselves. The successful services, networks and communities formed in social media are designed to support user engagement by paying respect to needs of users and letting them to participate in the development process of products, technology and services, thus users are often producers of new services and operational models. The technology and mechanisms provide the means for networking and formation of communities, members are part of those communities where they can find valuable information, contacts, etc. (Heinonen, 2009, 6-7)

The motivating factors to participate in social media have been under research and discussion. In their report, Making Sense of Social Media, 2007, Heinonen & Halonen came up with a metaphor of digital society in the form of the digital

hand, where each finger of the hand symbolizes a core theme, which in differing levels of combinations leads to empowerment of a user, transferring power from the elite to the crowd as individual users are no longer mere consumers, but instead they are active participants and generators of content.

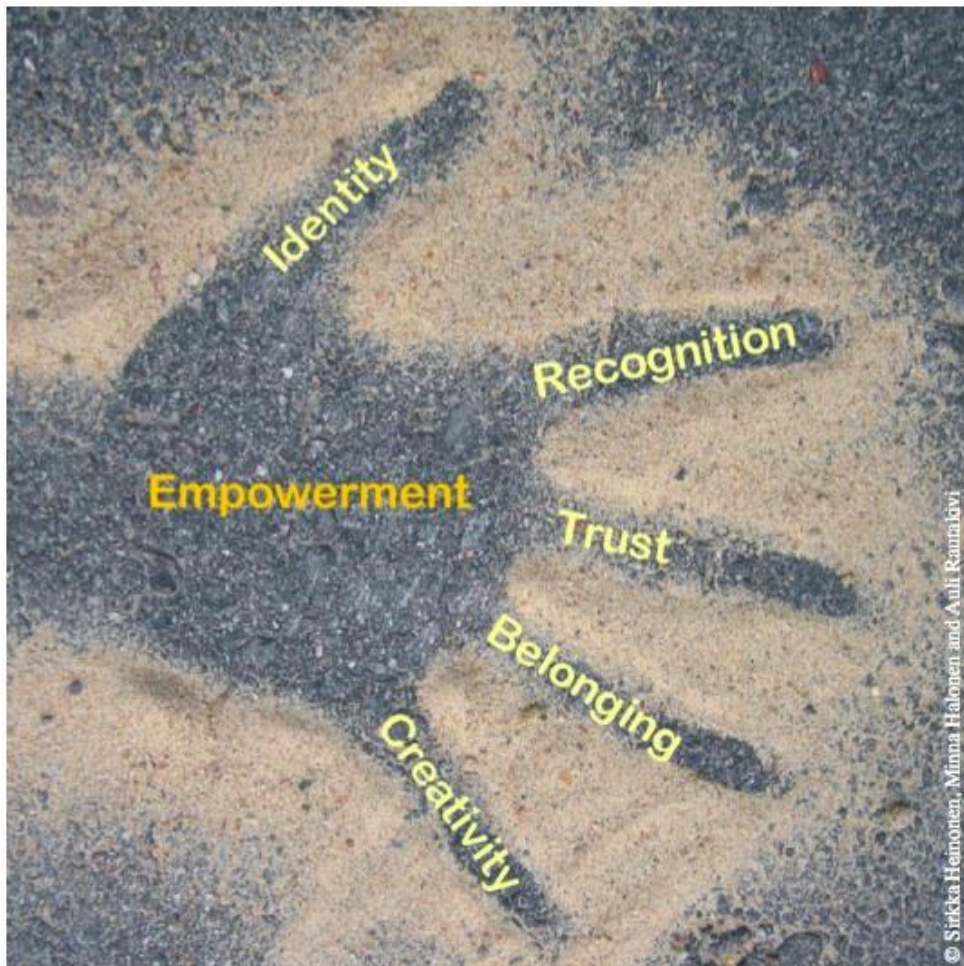


Figure 5. Handprint of our digital life (Heinonen, Halonen & Rautakivi, 2007)

The first motivational factor, represented by the thumb, is identity. By being part of Internet communities users want to express, fortify and build their own identity, which is closely related to the media we use. The index finger is for recognition, the users want feedback and recognition for the content they share in communities. Peer recognition in the form of reciprocal communication is a driving force for continuous participation and creation of content. The middle finger represents trust, a key ingredient in all interaction between human

beings, though trust is not taken for granted especially in Internet communities, but it can be earned and is a significant factor in the appeal of Internet communities. Belonging is represented by the ring finger, described as access to various networks and communities with motivation and skills to interact in them. The duration of belonging is dependent on users' experience of true belonging. As time is limited, people have to choose which of the abundant networks and communities to participate, even though digital life makes it possible to stay connected to multiple networks at the same time. The little finger stands for creativity, which is closely related to individual. Individuals can express themselves via social media individually or collectively with other users. Social media also amplifies individual and collective creativity with playfulness, randomness and combinations of things, ideas and people. (Heinonen, 2009, 13-15; Heinonen and Halonen, 2007, 65-67)

3.1.1 Web 2.0

Web 2.0 is part of social media and stands for its ideological and technical groundwork without set boundaries, instead it acts as its core. The term Web 2.0 describes the way in which Internet users and software developers make use of the World Wide Web. The term has been under dispute, even titled as a meaningless marketing buzzword, and since it can be understood to imply to a certain technical update or a specific version of World Wide Web, instead Web 2.0 is used to refer to a collection of fundamental functionalities that are essential for the developed way of the World Wide Web to operate, utilizing it as a platform for services that are far more participatory and collaborative than they used to be in the late 90's and accessed on constantly increasing diversity of hardware, e.g. mobile devices. Content and software can be continuously modified by all users as a substitute to passively viewing content that is provided to them. Some of the most noteworthy contributing functionalities include: AJAX, Asynchronous Java Script, a technique that combines several technologies bind together by JavaScript, eliminating the need to update the whole web page by enabling certain parts of the page to be updated separately and thus users aren't looking at an empty browser window while interacting with

the page; Adobe Flash, which has seemingly accumulated status as a standard to create rich content on websites; RSS, Really Simple Syndication, a group of web feed formats that allow frequent publishing of updated content in a standardized format and it also notifies a subscriber when a certain web page is updated. It isn't a simple link though, since it can be used to push variety of data (e.g. photos) and allows linking to specific comments on blogs. (Kaplan and Haenlein, 2009, 60-61; Casarez, Cripe, Sini, 2008, 142; O'Reilly, 2005)

Though many functions are built on existing technologies and ideas, the ways of applying these have improved. Through web browsers users are provided with user-interface, software and storage facilities and at the same time they are able to provide and partially control any data themselves, while adding value to the site's applications through participation. Google is a great example of a Web 2.0 company, its most well-known feature, search, is solely browser based service for the end-user, it does not require separate software to be installed or updated in order to use it and it is also accessible on numerous different platforms. Additionally, it doesn't host the data that is provided as a result of a search - instead it acts as an intermediary. This is in high contrast to Netscape, which had a software, former dominant web browser, as their most important product and they tried to use their ruling position to establish market for server products. Google's initial product was the search engine and since then it has broadened the offered services and products by dozens, among them is Google Apps Suite, which includes Gmail (a free webmail service), Google Docs (allows collaborative creation and editing of text, spreadsheet and presentation documents online) and Calendar (an integrated calendar application, where calendars may be published and shared with selected users), Sites (enables web page creation without coding or HTML expertise) and other features depending on the scale of the package. All these can be accessed anywhere with a web browser and are not limited to any specific platform. The essential competency of Google is specialized database management that requires scalable software to handle the data. (O'Reilly, 2005; Google.com)

AdWords and AdSense advertising technologies are the driving force behind Google's success as their main source of revenue is advertising. AdWords is an online advertising service offering text based advertisements and AdSense supports it via offering free services for online publishers wanting to earn revenue with relevant ads. AdWords advertisements, triggered by pertinent keywords selected by advertisers, appear on the right side of Google's search results and on top of the results. These advertisements are billed on cost-per-click (CPC) and cost-per-mille (CPM) basis according to bids set by advertisers. In addition, AdWords advertisements can be displayed as Placement targeted advertisements on pertinent sites, chosen by the advertiser, in Google's Display Network, which is formed by AdSense participants. The placement targeted advertisements include text, banner and rich media ads and can be targeted according to keywords, domain names, topics and demographics provided by Google. The system is highly cost-efficient for Google since it relies on customer-self service. Almost anyone can enrol via AdSense without a formal contract and start generating advertising revenue with their site while Google is able to spread their partner network, harnessing the combined power of the small sites that form the majority of content on the web instead of just concentrating on serving the largest sites and customers. (O'Reilly, 2005; Google.com)

The same approach is also visible in the way that BitTorrent works. All users also carry out the role of servers of fragmented files, providing increasing amount of data and bandwidth in relation to the popularity of the file by supplying more sources through scalable technology while BitTorrent only connects the individual users and the original seeder of the file isn't required to continue seeding after the complete file has been distributed to users. This illustrates the principle of Web 2.0 that service improves the more people use it. (O'Reilly, 2005)

The connected hyperlinks are the groundwork of the web. The success of Google is founded on its PageRank technology, which enables their search engine to find the correct page quickly via algorithm that takes into account the

link structure of the web. It grades the importance of web pages according to the amount of links a certain web page has accumulated in the web. The more important the site, the more significance it has on the final result of Google's search as it takes in to account millions of web pages in the Internet and in its way let's them decide which page is the most relevant, utilizing the collective intelligence of the Internet. The collective intelligence or wisdom of crowds is a term used to represent the occurrence when a group of people without comparable knowledge and common end are more intelligent than an individual. Many successful Internet companies and other organizations utilize the same principle, Wikipedia being a great example of this. The whole site's content is generated by volunteers and relies on the idea that large quantity of participants with diverse backgrounds writing in collaboration yields reliable and credible information. Wikipedia trusts its users to follow the policies, not strict rules, and encourages editing of articles since there are mechanisms to correct mistakes and secure that contributions are in fact improvements. Disagreements are worked out together by editors to achieve production of neutral knowledge. (O'Reilly, 2005; Surowiecki, 2004, XIV, 15-17; Chesney, 2006; Wikipedia.org; Matei, 2006)

The blogosphere, a term that depicts the space created and occupied by blogs, shows the wisdom of crowds at work as the collective attention of networked blogs taking notice of each other with frequent up-to-date links has powerful effect on search engine results due to the way they value pages. (O'Reilly, 2005; Ó Baoill, 2004)

The Open Source Initiative and the Creative Commons non-profit organizations represent the Web 2.0 ideology and mindset by offering alternate licensing, technologies and development models, which are more liberal in contrast to copyright. The Open Source Initiative (OSI) promotes open source software, which can be redistributed, studied, modified and used freely - in most cases – aiming for better quality, flexibility and lower-cost software that can be developed in collaboration and improved upon. The Creative Commons provides copyright licenses and tools that enable creators to maintain their

copyright while allowing certain uses of their content without explicit permission. The guidelines of these organizations encourage re-usability of content and software, enabling innovative implementations of existing services. Linux operating system is a great example of what can be achieved with open source code and collaborative design. (O'Reilly, 2005; creativecommons.org; opensource.org; Heinonen, 2009, 6-7)

3.1.2 User-generated content

The Organisation for Economic Co-operation and Development has set three requirements for content to be defined as User-Generated Content (UGC), also known as User Created Content (UCC): "i) content made publicly available over the Internet, ii) which reflects a certain amount of creative effort, and iii) which is created outside of professional routines and practices." (OECD, 2007) The first principle also includes pages on social networking sites, where content is made available to a specific group of people and rules out instant messages and e-mail, as they are two-way communication. The second principle demands users to add value to content, the users either create the content or existing content is adapted to generate a new creation, it may be text, audio, images, video or combination of these and worked on collaboratively. Simply copying content and posting it on the web is not UGC. The third principle is the most challenging one to define as content may be created without anticipated profit but some creators have become professionals after the initial stage of non-commercial activities and professionals make some content without a reward aside from their professional tasks. (OECD, 2007, 9, 18; Kaplan and Haenlein, 2009, 60-61)

There are various contributing drivers for the ever-increasing amount of UGC, which can be grouped to technological, social, economic and institutional drivers. The technological drivers include increased broadband availability, enabling users to exchange and share large media files, while wireless connections allow faster access on mobile devices also. The price/performance ratios of hardware have decreased along with increase in processing speeds,

memory capacities and consumer electronics capabilities, such as audio equipment, digital cameras and video recorders, allowing creation of richer content. Simpler software allows users to locate, modify and generate content without necessary expertise and new technologies, sites and services, which facilitate content management, distribution and locating, have emerged. At the same time social factors have contributed to the changing ways of media consumption through augmented interactive Internet use, originally spearheaded by younger age groups with willingness to share, contribute and create content and personal information in online communities, which have attracted wider user base. The Internet as a platform provides more possibilities for interaction in relation to traditional media, e.g. television, and people have embraced that possibility with desire to express themselves by forming communities. Among the economic drivers are previously mentioned technological drivers in the form of lower entry barriers as better availability of low cost tools for creating and hosting UGC has increased. Other significant driver is heightened commercial interest in UGC and better possibilities to invest in UGC-related ventures by means of investment vehicles. There are also improved new business and advertising models for monetising content. End-user licensing agreements and copyright schemes, which provide more flexible access and utilization of content, are an exemplary institutional and legal driver. (OECD, 2007, 27-30)

Even though the term UGC is often used to describe the multitude of media content that is available in public and generated by end-users, it may be perceived as the compendium of the myriad ways in which people utilize social media. (Kaplan and Haenlein, 2009, 61)

3.1.3 Genres of social media

The host of social media applications can be further derived into genres, of which users can select the appropriate medium corresponding to their needs, motives and the type of content that they share. Lietsala & Sirkkunen (2008, 25-58) have identified genres of social media on the basis of different main

practices undertaken by users in the services and some examples of existing services. These are listed in the table 1.

Genre	Main Practices	Example applications
Content creation and publishing tools	Production, publishing, dissemination	Blogs, wikis and podcasts
Content sharing	Sharing all kinds of content with peers	Flickr, YouTube, del.icio.us, Digg.com, ...
Social networks	Keeping up the old and building new social networks, self promotion etc.	LinkedIn, Facebook, Friendster, MySpace, IRC-Galleria, ...
Collaborative productions	Participation in collective build productions	Wikipedia, OhmyNews, ...
Virtual worlds	Play, experience and live in virtual environments	Second Life, Habbo Hotel, World of Warcraft
Add-ons	Adoption of practices from one site to another. Transforms a service into a feature of another site or adds new use-value to the existing communities and social media sites through 3 rd party applications.	GoogleMaps, Facebook applications, Amazon Grapevine, iLife, ...

Table 1. Genres of social media (Lietsala & Sirkkunen, 2008, 25-58)

The table depicts six genres of social media, which are content creation and publishing tools, content sharing services, social networks, collaborative production services, virtual worlds and add-ons. Blogs, wikis and podcasts are subgenres of the first mentioned genre and these subgenres could also be

described as social software, emphasising technologies utilized for social media implementations. (Lietsala & Sirkkunen, 2008, 19)

The genres provide virtual spaces designed to offer mostly content generated by the users while they rule out online services designed for one-to-one communication, such as MSN messenger, Skype and e-mail, even though they can be used for social interaction and interpersonal communication, Lietsala & Sirkkunen do not consider them as media. The genres also concentrate on later forms of social media, leaving out earlier forms of social media services with limited interaction and publishing possibilities due to different technologies and tools, like IRC (Internet Relay Chat) and forums, though those can be included to any other genre than virtual worlds or add-ons, depending on resemblance of activity and tasks with audience to the main genres. The boundaries between genres are not always clear, as some services provide various possibilities for interaction in social media. The constantly changing field of social media makes it hard to have a single definition or system to categorize its forms. (Lietsala & Sirkkunen, 2008, 25-30)

For the purposes of this thesis, social networks and add-ons, especially Facebook, are the relevant ones to study more closely.

3.1.4 Social network sites and add-ons

There are various social network sites (SNSs) and most of those provide their users means to connect with their existing social network, while the term “social networking sites” emphasizes formation of new relationships. Thus boyd & Ellison define SNSs as: “web-based services that allow individuals to (1) construct a public or semi-public profile within a bounded system, (2) articulate a list of other users with whom they share a connection, and (3) view and traverse their list of connections and those made by others within the system. The nature and nomenclature of these connections may vary from site to site.”(boyd & Ellison, 2008, 211) Their definition emphasizes the visibility of user’s social network of offline connections to separate SNSs from other genres. Even though it is possible to meet strangers on these sites, it is not the

main purpose as people use them to communicate with their extended social networks. (boyd & Ellison, 210-213)

A typical user profile on a social network site includes information about user: age, location, interests and quite often a profile picture, to mention some examples. In addition to contact list and user information, there is also space for comments, personal communication and various content on a user's page. Profile pages are practically collections of links within the site that allows people to view others' profiles with lists of connections that form a network of relationships, which is the backbone of these services. The sites offer differing levels of privacy options for users to control what information is shared on their profiles to other users and publicly. This is one of the key features separating the sites from each other. Controversially, it is possible to hide the contact lists on some sites while the public display of connections is a vital aspect of SNSs. (boyd & Ellison, 2008, 210-214)

After users have provided the necessary personal information to create a profile they are allowed to begin forming their network. The relationships may be established with bi-directional confirmation, "Friends" in Facebook, or by simple one-directional tie, "Fans" in Facebook, and the labels of these relationships vary between sites as well as the methods of communication, as some sites support instant and/or private messaging, blogging, linking and sharing of multimedia content among others. The ways in which users utilize SNSs vary according to the activities the sites allow, the specific topics that those may be focused on and the possible demographics that they are targeted to or adopted by, e.g. Dogster, an SNS for dogs, where pet owners manage the profiles of their pets, Orkut, which is the most popular SNS in Brazil, though it started with English-only user interface, and even Facebook was originally targeted to Harvard students. What is common for SNSs is that they are structured as personal networks around the individual. Many of the SNSs also allow other users than individuals to present their profiles: e.g. companies, organizations, products and groups of people. (boyd & Ellison, 2008, 210-214, 219; Lietsala & Sirkkunen, 2008, 47-51)

Users leave traces on the sites that maybe initiated by themselves, their friends and via content they generated or the social software offers about users. Because of these traces there are more ways to find a specific user than just typing their name into a search engine. The content, or data, is made available from more sources than just a single user as published and distributed content is spread by the system, e.g. Facebook's news feed. Information of users' actions is automatically produced and in addition users may provide content voluntarily on their own profiles or to others either privately or publicly while other users in their networks have access to that content. Access to the information can be limited with privacy controls. (Lietsala & Sirkkunen, 2008, 47-49)

There are also subgenres within social network sites. LinkedIn is focused on business with lack of applications apart from providing information about your colleagues, business associates, future clients and subcontractors and the means to find, contact and interact with them. Facebook on the other hand is about communicating with people all ready familiar to its users. A variety of applications are available for entertainment and the site supports wide range of content - images, video, text and combinations of these - and the users are able to interact in several ways via applications, inbox and walls. The users are also able to form groups, networks and causes instead of just joining them. (Lietsala & Sirkkunen, 2008, 49-51)

Add-ons are a fairly new trend in the web. They are not simple parts of the sites and may even have their own audience due to membership profiles. Add-ons, also known as widgets, are designed on existing site with an open interface, such as Facebook, or are applications, which can operate on their own, but are more valuable when combined with a popular platform. The applications designed with application programming interface (API) work especially well if they are planned to work as features for the master sites, even if they are not designed or ordered by the master site. For example, with access to the data provided in these applications it is easier for end-users to login, post new content or alter existing data. Add-ons resemble feeds that ease content

distribution while accumulating innovative combinations to a site. Feeds and add-ons distribute and aggregate content for publishing or private use. The goals of the developers and individual users differ, as the developers try to gather information for their purposes while the individual users may just want to spend some time. The main difference between add-ons and feeds is that feeds are a push channel and do not gather information about users, but the developers of an application have access to user data from the users themselves or from the database of master platform the API users have adopted. The Google Maps API that enables integration of maps enhanced with added information into web sites is one of the most famous APIs that Google offers. Facebook is littered with diversity of applications offering new features and extra content. Uncertainty about the application's extent of access to personal information and content of users raise concerns and some of the applications or their users cause frustrating amounts of spam. The master sites set limits on the functions of applications. These limits may be caused by the site's interface and implementation or by the policies and rules of the master site. Both Facebook and GoogleMaps have reserved advertising for themselves. (Lietsala & Sirkkunen, 2008, 54-58)

3.2 Social media marketing

Social media enables companies to reach end-consumers directly and quickly with lower costs and more efficiently in comparison to traditional communication tools, thus making it a potential channel for companies and organizations of all sizes and nature. The audience is already spending more time in social media and that audience is growing, providing an opportunity to engage them and utilize the channel as a valuable tool. However, social media is a vast constantly changing domain that calls for a new mindset. It is therefore necessary for companies operating in such environment to have guidelines that apply to all aspects of it. Kaplan & Haenlein (2010) came up with a total of ten pointers concerning the social- and media-components. The first five offer advice on using media and the remaining five on being social. (Kaplan & Haenlein, 2010, 64-68; IAB, 2010, 2-8)

Choose carefully. Limited time and resources force companies to choose the appropriate medium to achieve their goals. Companies need to actively participate in communication with their customers, where the customers are. The chosen medium depends on the target demographics and the product or service itself; e.g. there are communities formed on the basis of common interests and languages, some platforms offer better suited tools for delivering the message and more control over the nature and quality of communication.

Pick the application, or make your own. The appeal of social media applications increases in relation to the amount of users. The web offers popular applications with established userbases but the existing channels may not always be suitable. The key is to participate, share and collaborate and aim for the long run instead of trying to earn a quick buck.

Ensure activity alignment & media plan integration. Even when relying on several forms of social media to reach a larger crowd companies need to make sure that the actions are carried out coherently without unnecessary confusion caused by differing messages on various channels. This also applies to traditional media since along with social media it is part of a corporate image.

Access for all. Companies can take different approaches to operating in social media. The responsibilities and priorities of employees must be clearly defined in companies' policies. Companies fear that their employees spend their working time in social media and as a result access to social media applications is often limited. One option is to give authority of e.g. running the corporate blog to a certain body and letting other employees to comment on it. The participants need to state their involvement with the company openly to improve credibility and avoid end-consumers getting the impression that anonymous comments originate from fake users as an attempt to manipulate feedback.

Be active. Companies are advised to take the lead, to provide novel content and initiate conversations since social media requires sharing and interaction instead of just reacting to possible negative content and comments. It is worth

considering that part of social media's appeal is the opportunity for participants to actively engage as both producers and consumers.

Be interesting. By listening to customers companies can find out what their customers want and develop products, services and content that meets the expectations and is engaging, exciting, delightful and valuable.

Be humble. There is reason to remember that before participating in social media it is worthwhile to study their history and rules in order to understand how to operate. Keep in mind that the social media has been there for a while and it has experienced users.

Be unprofessional. Overly professional content with polished design and large budget isn't the way to blending in. People are allowed to make mistakes, since most of the users are also people and they realize that things don't always come true as planned, but by being nice they might even offer their counsel on how and what to improve.

Be honest. Companies should respect the rules of services and sites. The people behind applications are adept in technology and are capable at tracking users of anonymous accounts.

Many of the advices given by Kaplan and Haenlein are supported by Evans and Bratton (2008) in *Social Media Marketing: An Hour a Day*. They relate social media marketing with the most trusted form of marketing - word-of-mouth – and state that “What social media is all about, and especially as applied to marketing, is the smart use of natural conversational channels that develop between individuals” (am, 7) and point out that while both rely on conversations initiated by consumers, marketers may encourage and generate conversations, thus influencing their nature, even though consumers have more control over social media platforms. Those platforms enable word-of-mouth to be distributed faster and farther. They highlight trust, the positive effect that transparency (disclosing one's affinity with company) has to it and how dire repercussions can be when trust is violated. They encourage to experiment by participating,

listening and joining to conversations that already exist regardless of companies' presence. (Evans & Bratton, 2008, 1-41)

Also Nielsen report (2009) reflects the guidelines of Kaplan and Haenlein with a more focused approach on social networks. Even though social media presents an attractive environment for advertisers it hasn't been adopted as widely as could be expected when advertising activity and investment in relation to audience is compared to traditional media. This is due to the fact that "The social networks and advertising industry haven't quite yet found that magic formula to make this happen." (Nielsen, 2009, 1) and emphasize compatible interests of social networks and advertisers in order to develop more appropriate and effective ad models through experimentation to respond to changing behaviour of consumers. One factor, which is especially noteworthy in Facebook, contributing to the increased usage of social media is lack of advertising clutter for users and this presents a challenge for advertisers in contrast to MySpace that has experienced fall in user rates but as a platform is more open to customization and advertising. Users are less receptive to advertising in social networks because they feel ownership over the highly personal content that they provide in addition to consuming it, and feel their privacy violated when that content is used by advertisers for precise targeting of ads. Hence, pushing interruptive and/or intrusive ads should be avoided by making advertising part of interaction. Active participation while enabling users to participate in conversations and content creation in social networks and companies' sites is the key to building lasting relationships with consumers but it takes time, effort, openness and authenticity to gain the trust of consumers, which isn't granted when it comes to advertising. (Nielsen, 2009, 1-14)

Media type	Definition	Examples	The role	Benefits	Challenges
Owned Social Media	Channel a brand partially controls	<ul style="list-style-type: none"> • Corporate & micro sites with social hooks • Facebook Fans • Twitter • Branded Channels • Communities • Email • CRM 	Build "social CRM" channels for longer-term relationships with consumers	<ul style="list-style-type: none"> • Engagement with consumers various stages purchase funnel • Multiple social channels/touch points • Each fan/follower can influence one-to-many via social graph • Increased targeting • Builds consumer loyalty 	<ul style="list-style-type: none"> • Multiple channels to build/maintain • Ongoing interaction • Content controlled/not distribution platform • Public CRM
Paid Social Media	Brand pays to leverage social media platforms	<ul style="list-style-type: none"> • Installs (CPI) • Social Actions (CPA) • Social Engagements (CPE) • Sponsorships 	Ability to reach consumers in social platforms and act as catalyst that feeds owned and earned media	<ul style="list-style-type: none"> • Targeting • Immediacy • Scale • Peer to Peer social distribution • Branded content • Measureable • Brand Safe (Moderation) • Brand directed 	<ul style="list-style-type: none"> • Industry Standards in early stage • Pricing models evolving • Rapidly changing environment
Earned Social Media	When customers become the channel	<ul style="list-style-type: none"> • WOM • Buzz • Viral 	Social Media as Earned media is often the result of a well executed and well coordinated owned social and paid social media	<ul style="list-style-type: none"> • Peer to Peer/ Social • Brand can direct message in Paid/ Owned media • Transparent • Consumer Voice • Measureable • Spreads quickly via social graphs 	<ul style="list-style-type: none"> • Active Brand involvement • Consumers can ignite positive or negative quickly

Source: IAB Social Media Buyer's Guide

Figure 6. Roles of earned, owned and paid social media (IAB, 2010, 20)

The figure 6 above shows facets of social media, including defined social media types with the roles they are most suitable to fulfil within marketing strategy and associated operations & channels, as well as the possible gained benefits and challenges that need to be overcome when involved with those channels.

All social media may be categorized as owned, paid or earned (IAB, 2010, 19-20). Owned social media consists of messages to be carried out from companies to consumers via at least partially company-controlled channels (e.g. Corporate sites, Facebook pages and email lists), paid social media is distributed in the same manner with the exception that channels are not company-controlled (e.g. consumer becoming a fan, going to a corporate site or

content sharing with friends as a result of installed widget or application, or engaging with a social ad) and earned social media occurs in form of messages passed from consumers to consumers as an outcome of an encounter with a brand. In order to be efficient and possibly gain earned social media a social media plan should be based on owned and paid media plan with a quasi-requirement that those are planned and carried out successfully.

The following chapters will consider advertising in more detail, but let's take a look at the epitome of social media marketing – viral marketing. According to Sweeney, MacLellan and Dorey (2007, 66) "Viral marketing is any online marketing technique that encourages Web site visitors or digital content recipients to pass on marketing message to others, creating an exponential increase in the message's exposure." Basically viral marketing is based on hope that the message reaches out like a virus to a much wider audience than could be attained under the circumstances. The reason why viral is successful is similarity to word-of-mouth, they are both trustworthy because the message is received from someone you know. The desired outcome is more probable if the content is appealing by being entertaining, rewarding or humanitarian. Viral is similar to word-of-mouth and buzz marketing. Buzz marketing can be activity, whether or not organized, that stimulates consumers to converse about a product or service, with creation of word-of-mouth as an essential aspect. (Sweeney, MacLellan, Dorey, 2007, 66-68; Brunet, Legoux, Najjar, 2008, 2-3)

3.2.1 Social media advertising



Figure 7. Social media objectives (IAB, 2010, 5)

One of the tools is the figure 7, above, that presents some general strategic and tactical social media objectives. Determined marketing or business objectives, whether less defined marketing oriented, e.g. raising brand awareness, or more pronounced tactical ones, e.g. driving traffic to a specific site, are the groundwork of a prosperous media plan. (IAB, 2010, 5)

In order to achieve the goals developers of the campaign need find out what, where, why and how is their target audience putting social media into use. This is possible with social media monitoring tools and services offered by research and analytics vendors that shed light on the places, participants, influence and nature of conversations about any subject that is interesting. When the developers are aware of the ways in which the audience uses social media it is possible to start carrying out the creative strategy of a social media program.

The creative may exist on a company's site, a previously developed creative of an advertising campaign can be transferred and altered to suit social media or a completely new one can be designed and all of these are potential as long as they are engaging, possible to share and considers traditional and digital platforms. Figure 8 below delineates a comprehensive social media program involving numerous platforms without forgetting the traditional ones. (IAB, 2010, 6-7)



Figure 8. Social media program (IAB, 2010, 7)

3.2.2 Social media platforms

Platforms in context of IAB Social Media Buyer's Guide comprise of "any social media environment, content or feature that can be purchased or used to facilitate relevant consumer social actions and metrics."(IAB, 2010, 8) These contain games, sending messages and installing applications among others.

Because of connections, e.g. Facebook friends, on social media platforms that foster reach and influence to consumers, marketing activities on the same platforms have wider social reach and are more interactive as opposed to traditional media. Basically all social media platforms can be harnessed to marketing efforts and most of them in multiple ways. IAB groups the platforms in eight categories on the basis of platforms as per se and methodologies involved in them: Blogs, Social Networks, Widgets and Social Applications, Mobile, Gaming, Cross Social, Social Advertising and Sponsored platforms. (IAB, 2010, 9)

Blogs are online publications where posts, commonly text but may also feature other content (e.g. video blogging), are presented in reverse-chronological order. Blogs are characteristically conversational to encourage commenting and linking to other websites and/or blogs for more information is also ordinary. (Lietsala & Sirkkunen, 2008, 32) Blogs can be personal and/or branded and microblogging platforms, e.g. Twitter, where post length is limited may be included within the same category. (IAB, 2008, 8)

Widgets and Social Applications are usable on mobile devices, desktops, websites and blogs. The distributed and shared content may be user-generated, branded, games and/or otherwise interactive. They may provide calls to action (A link that encourages users to respond to an offer.) in form of sponsorship, branding or other promotion.

Mobile devices offer various channels for advertising in shape of websites, applications, messages and video.

Gaming has traditionally been practiced on devices designed for such purpose, e.g. consoles and PCs, but portable devices and social platforms have received games in increasing numbers. A quick look at Zynga, a social games developer, reveals that it attracts over 215 million monthly active users and its main distribution platform is Facebook. (Zynga.com)

Cross Social platform allows extension of a social media program over multiple platforms.

Social Advertising consists of display advertising taking place in social networks, social networking applications, blogs and other social media environments targeted diversely on basis of demographics, psychographics and other accessible data while leveraging native social functionality. May consist of numerous manifestations of social advertising, e.g. blog-, social network- and mobile advertising.

Sponsored Platforms relates the brand to marketing elements, such as fan and group pages, mobile applications, promotions and games in addition to others. They are founded on agreed upon and generated content, displaying features or functionality in other social media environments like social networks and blogs. UGC and social media activities may also consist of aggregation, generation and monitoring of content in sponsored environments. (IAB, 2010, 8-10)

3.2.3 Social media productions

All kinds of specially developed or creation of content that is possible to sponsor or purchase is stated as production. Production may be under taken with internal resources, contracted vendors and by authorized consumers, which generate content to be employed by a brand. Success requires transparency regarding the benefiting from sourcing and leveraging UGC. To achieve growing engagement and brand affinity there are types of productions, of which some are listed below, that are feasible for creation, sourcing and pre-empting interactive media. (IAB, 2010, 11)

Community Creation/Moderation is commonly carried out by brand representatives via founding, constructing and supporting online communities. Their goal is to reinforce relationships with primary audiences and communities. Brand hosts or moderates the environment by monitoring and influencing activities while being attentative to potential UGC and means of using it arising within those environments.

Conversation and Content Aggregation to a single place for analyzing, managing and leveraging data for marketing purposes is achieved with syndication tools, e.g. RSS.

Sourcing or subsidizing creation of UGC for a project or campaign generates Custom Content. Whether this is done by requesting users to create content, or by drawing from participation of experts or blogger, transparency is essential.

Content Association is achieved by leveraging content to enhance credibility and reach fresh audiences. Utilization of organic UGC in this manner must be done with the permission of authors. Implementations are in form of micro sites or hubs, integrated user-generated blog posts in ad units and widgets, and users' blogs showcased on a corporation's site or blog.

Brand Conversation Hubs/Social Media Micro-Sites are environments with an intention to stimulate social activities related to a certain campaign, product or service. Customary practice is to assimilate consumer conversations on these platforms to benefit from credible contributors in a nonintrusive manner.

Online Polls are usually survey services hosted on the web, which users may create, customize, participate and share on various platforms.

Social Ads are similar to banner ads but they prioritize interactive social or conversational functionality. Social ads are connected to person's social network account and utilize person's profile data (name, image, age, gender, location, interests, groups, installed applications and other demographics), interaction data acquired from interactions with online connections, and also social graph – a map or record of all the explicit connections between individuals. This enables social ad to utilize users as endorsers of brands on the social web site or outside of social site by including user's persona (picture and/or name) and interactions in the ads under the condition that the user is willing to share and display this information. Tweets and RSS feeds are also used in social ads and they may also contain sharing, voting and commenting functionalities. Social Ads are still developing and play a significant role by providing lucrative ways to increase relevance and engagement of ads. Social

ads are similar to Behaviourally Targeted Ads (IAB, 2009a, 6), which follow users online behaviour, e.g. through cookies that track the visited sites, identifying the predefined segment that this behaviour falls into and then targets the users with relevant ads associated with his or hers behaviour. These ad formats can be used in collaboration as social ads can be delivered through behavioural targeting. (IAB, 2010, 11-15; 2009a, 3-8)

3.2.4 Social media advertisement pricing and metrics

The costs of social media programs are dependent on a number of variables: in-house knowledge and skill, possible demand for hired and outsourced workforce, set-up and maintenance costs, amount and types of platforms as well as content types associated with them. New pricing models that compliment social media strategies have been developed to stimulate buying process. While similar to performance based Cost per Click (CPC) the more recent pricing models better reflect the diverse social actions and help in planning, purchasing and measuring social media inventory. Other pricing methods can be used for calculating more thorough campaign performance, even if it is not the pricing model of a specific campaign. Direct costs may be involved with earned social media in form of PR, outreach and user activities, e.g. word of mouth, originating from paid-for engagements. The purchasing method of campaign may result in user engagement to be considered both, paid and earned social media as paid media may generate additional engagement. Pricing models are listed below.

Cost per Install (CPI): The cost of a unique install - also known as a post, embeds or grab - of a single widget or application. The rate varies on placement, demographic-targeting, distribution volume or total budget and geographic-targeting. Works best when the objective is to build user base agreeing to post content as it guarantees distribution of content. Possible downsides are feasible lack of interaction with content and, if installs are rewarded, unrewarded content may result as more valuable.

Cost per Action (CPA): The cost of a user-initiated action, such as becoming a fan, posting to profile, commenting, video views (Cost per View, CPV) or other social interactions originating from users. It is most suitable for targeting certain single actions. However, while CPV placement assures views, it doesn't grant audience for sure as viewers may be outside the target audience, and thus demands attention to ad placements.

Cost per Engagement (CPE): The cost of every individual user-engagement occurring over a fixed period of time. Some of the examples are: engagement/interaction with branded content, votes, social actions (Liking, etc.), reviews and comments. Suitable for performance-based campaigns that are intended for driving at least one brand-focused user interaction or engagement on a website or dispersed interactions across the social web.

Cost per Click (CPC): Cost of individual clicks to a specified location in a stated time period, e.g. application, canvas or fan page. Recommended for driving traffic. Quality of traffic from various places in your media plan should be under scrutiny.

Fixed Fee/Sponsorship: Costs resulting from developing a social media program possibly guaranteeing a certain level of social activity over a given time period. Usually comes with guaranteed impressions and clicks to determine other buying metrics, even though it is not performance-based, with potential for economies of scale.

Cost per Mille/Impressions (CPM): Cost per thousand impressions, price and desired placement set by advertisers and charged regardless of clicks. (IAB, 2010, 11-18; google.com; facebook.com)

IAB (2009b) has also developed social media metrics definitions in order to facilitate advertising growth through more cohesive reporting of additional metrics better suited for assessing ad effectiveness in social media provided by publishers and vendors, e.g. comScore and Nielsen, to their customers. The

most common sources for data regarding social media are: New media vendors, which provide data that is collected from social media programs purchased from them, new metrics vendors monitoring social media, and technology platforms, ad tracking technologies, that exist can be used to acquire data. The metrics are in demand for calculating user and their connected data gained through more open platforms, which enable more relevant, customized ads to be targeted to users. There are general social media metrics, blog metrics and widget & social media application metrics, of which the first and latter mentioned are gone through in more detail, as they are more relevant to this study. Blog metrics can be applied to other properties, even though they mainly aid advertisers to measure their performance and audience on the basis of two concepts: conversations (collection of authors and sites, including their audience, linked with relevant content) and conversation phrases (combination of keywords and keyword phrases) on blogs. The metrics track conversation sizes (breadth and depth), site relevance, author credibility (continuity and relevance) and content freshness and relevance. The social media metrics are mostly used to determine social media activity types and campaign success. (IAB, 2010, 19, 23)

Unique Visitors are individual users or browsers that have been served unique content while accessing a site or application. They are recognized in basis of user registration, cookies or third party measurement. Bots should be filtered out from reports.

Cost per unique visitor is calculated by dividing the total costs of placement or application by the amount of unique visitors.

Page Views measured by user's actual views of the page. Facebook, among some other platforms, store applications' preview images for faster loading and as a result page views are not considered unless application's canvas page is clicked.

Visits (specific to UGC/social media) are individual continuous sets of activity caused by at least one pulled content download from a site by a cookie browser or user.

Return Visits are counted from average times a user comes back to a site in a certain period of time.

Interaction Rate tracks users' interacting with an ad or application. Ads should be placed carefully to avoid involuntary interaction.

Time Spent (section, micro site, community) tracks time spent on user action on a single visit of cookie browser or user on an individual session to a web site application or property. Sessions are considered to be continuous while inactivity doesn't last 30 minutes.

Video Installs measuring the quantity of Video player, a widget type, placed on users' pages.

Relevant actions taken (custom to widget or application creative execution) and cost per relevant action. The examples of actions include: coupons downloaded or redeemed, games played, videos viewed, uploads, poll votes, messages or invites sent, friends reached, number of group members or fans gained, and several others depending on relevance.

Metrics especially applied on Widgets & Social Media Applications provide better view of ROI (Return on Investment) on campaigns involving those platforms.

Active Users in interaction with an application in a certain period of time. Characterised by rapid growth and lack of activity as time goes on.

Audience Profile tracks demographics of profile information gained from users.

Unique User Reach is used to calculate percentage of users actively using or that have installed an application within the total social media audience.

Growth is simple measurement of average quantity of users in a time period.

Influence tracks the average amount of friends among users that have installed application.

Application or Widget Installs per user on their profile page or other areas.

Active users/Widgets in the wild accounts either amount of people regularly using an application at a certain time or quantity of widgets on user page at a certain time.

Longevity/Lifecycle tracks the average duration that an application or widget stays installed. (IAB, 2009b, 3-11)

4 FACEBOOK

4.1 Introduction and history of Facebook

In terms of academic references, the data regarding Facebook and its history is rather limited. Due to this, some alternative references, such as news paper articles and other web publications with credible authors have been used in this chapter.

Microsoft was the company that made computers easy to use for all kinds of people, the developers of Google are the ones who help us find what we're looking for and YouTube amuses us on a daily basis. Facebook is the site which possesses a massive advantage over the previous sites mentioned; the users of Facebook are emotionally attached to the site. Facebook makes people grin, tremble, and push people into pictures which are later published, worry when sharp statements go without a response. Facebook also has the ability to make people mock the former high school friends who have gained weight after graduation. Brides and grooms take a break during their matrimonial ceremony in order to alter their relationship status to match the current status quo and moreover, change it back to single after the break up. (Fletcher, 2010)

Facebook.com is a social network, a utility that aides an individual to connect with one's family, friends and colleagues in a more efficient way. The website itself produces technologies that ease information sharing through the social network and digital updates of individuals' social connections of reality. There are no limitations on who can join in; facebook.com is a social media open for users of all ages, backgrounds and physical location. Headquartered in Palo Alto, California, USA, Facebook is a privately owned company. (www.facebook.com/press)

There have been challenges of course in the course of the site's development in order to manage the growth and afterwards the decrease in the usage growth.

Advertisers and co-operators of the social network have also faced some issues throughout the history of facebook.com. (Chaffey, 2009, 17)

While the founder Mark Zuckerberg was a student in Harvard University, he got the idea for the site. In the beginning, the only members of the site were students at the same school. Within the premier month of its launch, half of the people in the under-graduate populace were registered as users and the facebook.com site was being affective as itself. (www.mashable.com)

The original version, "TheFacebook.com" was built by using an open source-software PHP and the MySQL database and the same technological programs are the same ones used nowadays as well. At this beginning phase of the site, there were only a few things how the users could make use of the site. The possibility to come up with a personalized profile along with one's pictures and personal data were the main activities. In addition to the former ones surfing through other users' profiles and friend adding possibilities are even today the main features of the service's core product. Other noteworthy functions that have been brought about to users of the site include such features as the wall where one can post messages, feed for news, messages alike to that of email, video and photo posting possibility, memberships to groups, different kinds of applications and the most important thing from the marketer's perspective, Facebook's own and social advertising. (Chaffey, 2009, 17)

Facebook.com-site's ownership has been under dispute since September 2004. Cameron Winklevoss, Tyler Winklevoss and Divya Narendra founded a different site for social networking called HarvardConnection and later named ConnectU. The site and its initial founders were also originated from the same university than Facebook and the founders of HarvardConnection accused Mark Zuckerberg in 2004 of using HarvardConnection's source code when developing the Facebook-site. Originally, Zuckerberg was hired to build the HarvardConnection site but it turned into his idea in the process, according to allegations made by the people of HarvadConnect, or ConnectU. It has also been stated that an earlier version of facebook.com also existed before facebook.com. A Harvard student named Aaron J. Greenspan, created a web-

service called houseSYSTEM, whose purpose was to aid the university students in their tasks related to college. The service was founded half a year earlier than Facebook and eight months before ConnectU. Of the systems staff, Zuckerberg was also a short-term initiating member. Greenspan hasn't filed suits against Zuckerberg but he wrote a book about his views on the matter. HouseSYSTEM later broadened its user-base to all university students preceding the joining of students in high schools and finally, all people whom were over thirteen years of age. (Bombardieri, 2004, Chaffey, 2009)

In 2005, on August 23rd Facebook purchased its current domain name www.facebook.com from its then current owner, Aboutface Corporation for a price of \$200 000. At the same time during the purchase and the launch of the service, the word "the" was removed from the name. Through the whole year of 2005, Facebook was spread to reach different kinds of universities and colleges at the end of the same year, the site was included to have members from almost all small-sized universities and junior colleges in the USA, Canada and even Mexico. A number of universities in the United Kingdom and Ireland universities also gain availability of the site along with Australia and New Zealand. The sites size was now added up to 2000 universities and 25 000 high schools. (Yadav, 2006; Chaffey, 2009, 17)

The first concerns regarding personal member information were stated in December 14th 2005, when 70 000 Facebook profiles were able to be downloaded by the usage of automated script. The downloading of profiles of members in MIT, NYU, the University of Oklahoma and Harvard was a part of a research project about the member privacy on Facebook. (Chaffey, 2009, 18)

In the spring of 2005 a business venture company called Accel Partners donated \$13 million. The following spring \$25 million donation was given to the site by a group of companies, such as Greylock Partners, Meritech Capital Partners and PayPal's co-founder Peter Thiel. According to Chris R. Hughes, the spokesperson for Facebook, the investments supported the company's goal to become the bench-mark company and further generate growth and evolution along with the site's users. The investor's purpose was the obvious financial

motivation as it was clear that the site was experiencing rapid growth in users offering a potential market of easily reachable consumers. Another remarkable investment was made in 2007, when based on Facebook's estimated net worth of \$15 billion, Microsoft purchased an equity share of \$240 million of the company. The investment on this strategic alliance was made in order to gain the exclusivity of being the sole provider of third-party for advertising platform for the site. Microsoft started to sell, along with the domestic market of USA, advertising space internationally. (Chaffey, 2009, 18; Yadav, 2006)

In the middle of the year 2006, an unsuccessful launch of a new feed service was provided to the users. Initially, Zuckenberg considered the Mini-Feed and News Feed, listings of what was happening among users, being great products among the service itself but later on admitted that the services were delivered to the users of the site in an unfortunate manner and with poor communication about the plus-sides of the products. Because of the failure, Zuckenberg apologized to the users and the company developed such new features as Friend Lists, which helped and created clarity when information was published about one's friends on the feed sections. (Chaffey, 2009, 18)

May 24th 2007 a possibility to create applications for software developers was put out. API (Application Programming Interface) was created to spawn applications working together with the core features of the site. According to the site, there are three options a software developer can use when creating applications and these are Interface (API), Query (FQL) and Facebook Markup (FBML). The first works in a way that API is in co-use of REST-based (Representational State Transfer) interface. Here, method calls for Facebook are made in the internet by sending a HTTP GET or POST to Facebook's own REST-server. Taking in to use the API a social context can be added to one's application. These include the utilization of profile, photo or information about an event. Facebook Query Language (FQL) makes it possible for the application creator to SQL (Structured Query Language) interface and eases the programming of the same data than in API. Facebook Markup (FBML) enables one to come up with a whole application that is possible to integrate in the use

of member's site. Through FBML it is possible link one's application to a number of points concerning integration, such as the Profile and its actions, Canvas and Feeds. More than 18 000 applications had been created by the beginning of the year 2008 with a creation of 140 novel ones daily. A little less than 100% of all users have been using one or more applications in Facebook. Among the most used applications in Facebook are Funwall, Super Wall, Texas Hold 'Em Poker, Compare People and Are You Interested?-applications. In the October of 2007, a platform for applications for cell phone was being created. (Chaffey, 2009, 18-19; www.facebook.com)

In the mid-summer of 2007 30 million users were as registered members of Facebook. In November of the same year it was reported that Facebook had 68 million active users and an average of 250 000 daily new registrations since January. It was also the number six of all U.S sites that were being visited having a total of 65 billion views of pages monthly and more than fifty percent of the active users returned to the site on a daily basis. On an average, a single user spent 20 minutes in one day at Facebook. (Chaffey, 2009, 19)

A case of damaging the advertisers' reputation were being under assessment when half-a-dozen chief companies mainly offering financial services took all their advertisements away from Facebook after having appeared on the page of British National Party. These companies were Halifax, the Prudential, Virgin Media, First Direct, Vodafone and the AA. HSBC was also made to respond to questions asked by groups, which were being set up in order to criticize the company for establishing new fees regarding student banking. (Chaffey, 2009, 19)

On November 7th 2007, Facebook Ads were launched along with additional features such as possibility to target one's marketing according to age, gender physical location, personal interests and others alike. Cost-per-click (CPC) and Cost-Per-Impression (CPM) were also added as an alternative for models regarding payments. Another new feature were Trusted Referrals or more specifically Social Ads, which were able to be shown to users whose friends had recently been in contact with a Facebook site of certain firm or the firm's

web site through Facebook Beacon technology. Along with the initiation of the advertising possibilities that were launched, the company said that at a static form were to be stayed the facts that Facebook would stay free of clutter and no information would be sold to third parties about the users. It was also stated that a user would maintain a control over personal data and the customization of one's site. Additionally, the owners of the sites made a promise that there wouldn't be an increase in the involuntary advertisement visibility. The changes that were to occur included a statement which informed the members of their ability to combine their Facebook usage with products, companies, music bands and public figures along with others alike. Advertising was also said to become more in accordance to a user's relevance. The previously mentioned Beacon technology was also introduced to users and it allowed users to share information with about their goings-on on Facebook with friends, purchases they make and reviews about sites outside Facebook. Businesses and charitable organizations were also now able to come up with their own Facebook sites, where the users of the site can show their backing up for the entities via becoming fans of them. One could also write on the companies' and other entities' walls, upload photos and start and take part on on-going discussion on topics related to the business or another group in question. An option was also given for members to decline the partnership with the companies by getting automated updates appearing to user's news feed. (Chaffey, 2009, 19; www.facebook.com)

Some new privacy issues and worries emerged when the Beacon technology was initiated in Facebook. Marc Zuckerberg commented on the negative public feedback they had received and apologized for the errors that occurred on the course of producing the new service. According to Zuckerberg, he writes in the Facebook's own blog that what was first meant to be a light-weight but easy to use technological aid to improve users to share with friends their web browsing external to Facebook on the site turned out in a totally wrong way. The users weren't at first able to choose what was being shared and so it caused a lot of clutter among the site's users. The process of responding to the feedback from unsatisfied customers contacting the up-keepers of the site was too lengthy and

indecisive and therefore, a lot of users were angry of the non-reactiveness of the site's staff. (Chaffey, 2009, 20; <http://blog.facebook.com/>)

In January of 2008 Facebook sponsored the presidential debate and gained a lot of publicity through the action. A month later, in addition to English Facebook became available also in the mother tongue of those from Spanish and French speaking countries and backgrounds. In the list of privacy control for Facebook's member updates was added a feature of Friend List privacy in March followed by the site's availability in German later in the same month. Similar to functions of Windows Live Messenger, Facebook launched its own product called Facebook chat, which became popular among users immediately. Around the same time Facebook handed out an application allowing the site to be used in 21 additional languages. In the end of the summer, in August, the limit for 100 million users was crossed. Later in the same year, the service Facebook Connect became available for the general use. The program is a combination of APIs that allowed the joined members to click themselves to websites of third-parties, different kinds of applications, mobile devices, such as cell phones in addition to online game systems using one's user identity. (www.facebook.com/press)

In February 2008, the formerly mentioned Winklevoss twins along with the rest of the HarvardConnection team received \$65 million as a settlement in court from Facebook after law-suits regarding the foundation of the site. (Carlson, 2010, www.businessinsider.com)

In January of 2009, Facebook had grown into a social media of over 150 million active users around the world and by the end of the same year the amount of members had more than doubled, now making the total amount of active users to 350 million. In 2009, CNN Live and Facebook integrated some parts of their business in form a strategic co-operation. In February, Facebook joined the OpenID board and the popular LIKE-button was added to include pictures, status updates and people's activities. The summer of the same year, Facebook Usernames activity was launched making it now possible for people to find one another using a new type of Facebook URL, which was a form of personal

destination on the web, making it easier to find people with similar names for example. (www.facebook.com/press)

2010 was the year, on which the line for 400 and 500 million active users was crossed making Facebook even more present. Last year as well, two significant technologies were launched: in July Facebook beta of Questions, which was a user generated content having both questions and answers provided by users and in August Facebook Places, which allowed people to share information with their friends about their current locations. (www.facebook.com/press)

On March 18th 2011, Facebook had 629 622 400 users globally making it one of the most visited web sites in the world. Currently, Facebook has more than 2000 employees and its board consists of 13 executives, whose chief executive officer is still the original founder Marc Zuckerberg. (www.checkfacebook.com, www.facebook.com/press).

On October 1st 2010, a movie The Social Network, based on the foundation of Facebook premiered in theaters with a production budget of \$40 million. Since its release, the movie has generated over \$220 million in revenues globally, 43.9% coming from the mere U.S. market. On its opening weekend, The Social Network made \$22.4 million in the U.S. market and during a total of 22 weeks it was shown in 2921 theaters worldwide. It is the world's 378th most profitable movie of all time. (<http://boxofficemojo.com>)

The movie was also given several different rewards by the film industry; The Social Network received Oscars for Best Editing, Music (Original Score) and Best Writing (Adapted Screenplay). The movie was nominated in a total of eight categories in the Academy Awards. The Social Network was also a four-time winner in both Golden Globe Awards and Critics' Choice Awards in addition to receiving awards from Writers Guild of America, American Cinema Editors and National Society of Film Critics. Altogether, 21 newspapers scaled the movie as being the best of the year. (www.thesocialnetwork-movie.com ; www.oscars.com ; www.goldenglobes.org ; www.wga.org)

4.2 Facebook marketing

Facebook provides various possibilities for advertising within the site itself and on external platforms, such as websites and applications. All advertising modes utilize the abundant user data available on Facebook to make them more personal and relevant for the recipient while enabling advertisers to target their efforts more efficiently. In order to have a clearer view of how everything works in Facebook from a user's perspective, below is a regular homepage of a Facebook user, which is displayed after the user has logged in.

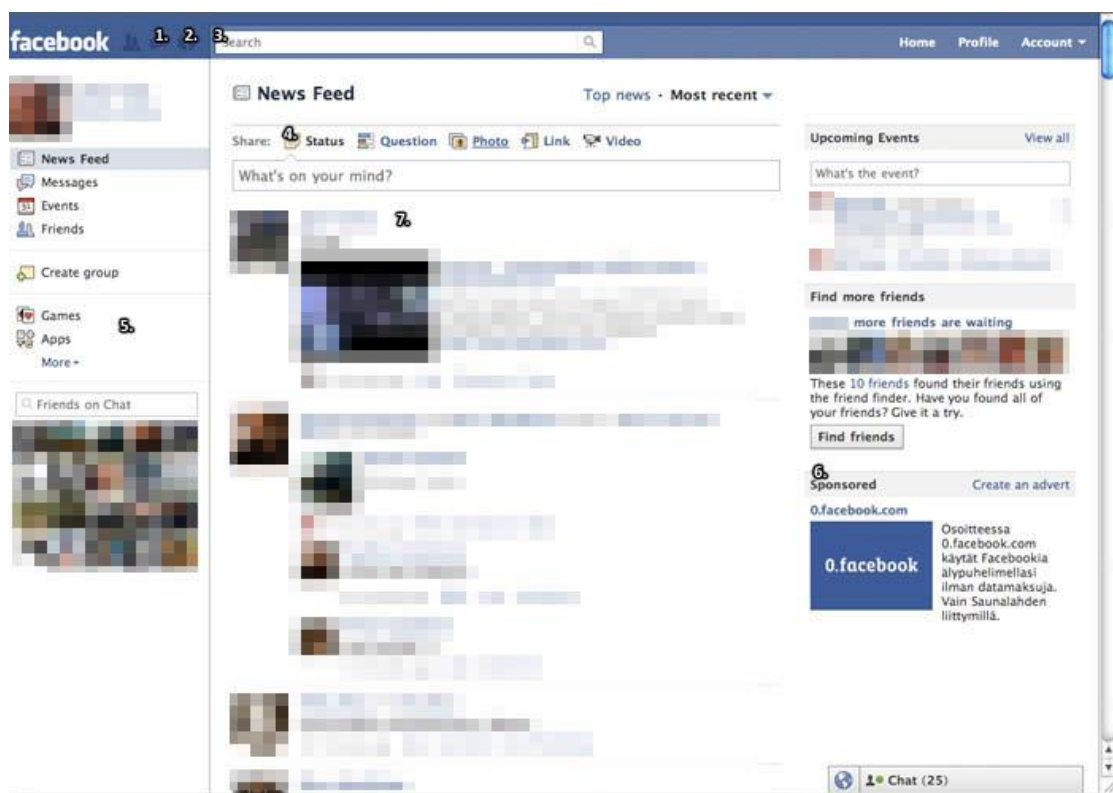


Figure 9. Facebook homepage (www.facebook.com, 2011)

Seven noteworthy elements have been marked with numbers. Numbers from one to three are located in the top bar of the home page. Number four indicates the tab bar, located on top of the canvas page, which is the central large area marked with number seven, showing the News Feed on this page. Numbers five and six indicate the left and right columns. Top bar remains largely unchanged when navigating through Facebook, with the exception that the icons may be

highlighted if the user has pending alerts, which he or she hasn't reacted to or have been received after the last session. By clicking the icon number one user opens up a drop-down menu where a list of recent messages is viewable and both, the inbox for messages and individual messages can be accessed. Inbox can also be accessed via Messages link in the left column. In the top right corner are links that ease navigation in Facebook to user profile, news feed and account management pages. Number two is the notification icon, which shows alerts of all kinds of relevant activity to user: Pictures where the user has been tagged, comments by others on those pictures, event invitations, etc. Through search typeahead, number three, user is able to find other users, organizations, products, bands, applications and all other content on Facebook. The tabs shown above the canvas in the pictured page features standard tabs, which allow quick posting of status updates, questions, photos, links and videos. The left column comprises of dashboards reserved for bookmarks to applications, e.g. Notes that is a Facebook equivalent of blogs, and also links to Facebook Pages. Bookmarks may display alerts, similar to notifications, generated by applications for instance. Right column bears similarity to left column, showing notifications about events on the top, encourages user to find and connect more friends and on the bottom are adverts. The elements are there to aggregate information that user receives from all the activity that is related to him or her and to ease navigation and gaining the attention of user in a lightweight format.

Almost anyone and anything can have a Facebook profile. In case the profile is not of person's, it is called Facebook Page. For example organizations, products, groups, teams, services and applications may have a page. When a user e.g. joins a group or likes a product, they create a relationship with the other party and by doing so they are able to interact in the same manner that individual users are. Companies have variety of methods to connect with users: sending direct messages, alert them about updates, and so forth. Companies cannot directly contact users via Facebook without established connection in any other way than adverts.

Facebook adverts are the standard mode of advertising within the site, which fortunately has made targeting of adverts relatively easy and efficient. Audience targeting filters are: location on country, state/province and city level, though the latter is only available for US, the UK, and Canada for the time being; language, which can be further chosen according to primary language of target country or the language that users have chosen to use; demographics, e.g. age, gender, education & work, relationship status, sexual orientation, likes and interests, birthdays; and connections. Connection targeting enables advertisers to focus on the people who have already connected with them – by joining a page, group or an event or installing an application - and user's friends. It is also possible to exclude existing connections.

Above-mentioned targeting filters are usable in Facebook adverts. Adverts are similar to Google AdWords as they are also short, billed on CPC or CPM basis, bidden against other adverts for exposure and possible to budget periodically. There are four types of adverts, which are used to promote a site, Facebook Page, Event or Application to drive traffic to desired destination. Facebook Pages are profile page equivalents for organizations, products, services, etc.



Figure 10. Facebook sample advert (www.facebook.com, 2011)

The picture above shows a basic advert that includes six elements: the title, image, body text, mention of friends, Like button and the “X”. The title, image and body text are linked to the destination. The mention of friends makes the advert more personal to the recipient. By clicking the Like button, which is only included if the destination is within Facebook, user is able to interact with the ad

without being redirected to the destination. The “X” allows user to give instant feedback by removing the advert and responding to poll that replaces the advert. The feedback is then used to adjust Facebook’s advertising system more desirable for advertisers and users. When an advert promotes an Event, Like button is replaced by RSVP button, which enables a user to respond instantly, and personalization shows if any friends are attending the event. (facebook.com/adsmarketing/)

Adverts are only the tip of the iceberg when it comes to advertising in Facebook. Facebook Platform, a set of application programming interfaces (APIs), expands Facebook’s reach by connecting users and their interactions to external websites, applications and devices and vice versa. The users’ activity is usually published on their profile pages. The heart of Facebook is social graph presenting the people and myriad connections they find worth sharing and the key to identifying those is the Graph API. Almost everything in Facebook is defined as objects with unique IDs to make them accessible for application developers and all those objects are connected to each other. Some of the connections also have their unique IDs in order to make them accessible. Via Open Graph Protocol real-world entities’ external web sites may become equivalent to Facebook Pages and thus allow integration into the social graph. Authentication grants applications access to users’ information and permission to perform actions on users’ behalf through authentication and authorization with user access token. Facebook Connect makes Facebook users able to connect with their Friends and share content from third-party sources to their Facebook profile through usage of Facebook identity to log onto those services.

Social Plugins are extensions of Facebook that can be used in applications via Facebook Platform. The simplest one of social plugins is the Like button. By clicking the button user creates a connection. With Send button user can send content to friends’ inbox, to a group pages wall they are part of, and in form of email. Comments Box allows commenting on a site. The comment can be either showed to anyone or the audience can be limited, some comments may even be completely hidden. By ticking the “Post to Facebook” box user can share the

comment on profile page accompanied with a story and link back to the site. The Activity Feed shows late Facebook related activities occurring on a site, and including links to those destinations, in a personalized manner with a mix of friends' activities and recommendations depending on circumstances. Recommendations are presented to a user in a personalized context, provided that the user is logged into Facebook. Like Box is an enhanced version of Like button with users able to see total likes and friends' likes of the page, and read late posts from the page, meant for Facebook page owners. Login button encourages user to log into a site. It can be incorporated with pre-specified maximum amount of user's friends profile pictures displayed in conjunction. Registration plugin also utilizes Facebook Connect to aggregation of accounts. Users logged into Facebook are shown a pre-filled form with their Facebook information for easy sign up for a website but users may also use the same form for signing up without Facebook. Additional information may also be inquired from user within the form. Facepile simply shows profile pictures of persons that have liked a page or signed up for a site. The Live Stream plugin enables users visiting a site or application to publish activity and comment in real time. Incorporation with a real-time event provides best functionality.

Facebook Platform leads to Social Channels that utilize users as endorsers of content. The channels that are available are the News Feed, requests and automatic channels. The News Feed is the first thing that meets the eyes of users when logged in to Facebook and the road to News Feed leads mainly through the Wall of user's profile page. However, all shared activity may not appear on their friends' News Feed. There are three ways to appear on the News Feed. The primary recommended way to News Feed stream is Feed Dialog. User is prompted to publish a story of their activity in an application on to their Wall without needing to login into application or specific permission since user has the liberty to choose whether or not to publish. Another way is Feed Graph Object, which is based on user authorising and granting permission for application to publish content on Wall without prompting user on each separate occasion. Feed Graph Object uses the Graph API. Third method is the Like button. When user "Likes" something, he establishes a connection to that

content and the act of “Liking” is shared on user’s Wall. One channel is requests, which are divided to two types: user-generated and app-generated. The first require user’s confirmation and are directed to a user’s friend for inviting them to application or into taking a certain action in application. Recipients for the latter type are users who have installed an application and given it authority to send requests via Graph API. Requests appear in notifications and dashboards. There are also automatic channels used for publishing: bookmarks, notifications, dashboards, usage stories, and app profiles & search. Bookmarks are automatically placed on the left column and on top of canvas of user’s homepage to ease navigation to installed applications. Notifications are subtle, yet eye-catching, alerts to a user about recent events related to them, accessible via drop-down menu on the top bar of homepage. Dashboards come in two types, the Apps Dashboards and Games Dashboards, even though games are also considered applications. Dashboards are showcased in the left column of homepage where existing requests and users and their friends lately used applications are visible. Usage Stories are feed stories of actions that are commonly shared with people that haven’t discovered an application used by their friends. Facebook users have profiles and organizations, products and services have Pages, so do applications. Application Pages can appear in searches made with typeahead located on the top bar of homepage or on the page following a search. Application Page enables users to locate the application and Liking the application Page.

Among other APIs that are not previously mentioned are Internalization and Facebook Credits APIs. Internalization API makes use of Facebooks availability in 70 languages and user community that is allowed to translate text on Facebook. Application can be translated to several languages by marking up the strings that are desired for translation, which are then translated by users, application’s developers, and designated language managers. The Facebook Credits API is only usable by canvas applications, not external websites or applications. The credits are used to purchase digital and virtual goods in applications. It is noteworthy to remember that the users have the power to choose which applications and parties are allowed to connect them. Even after

the relationship is formed the users are able to hide, remove and block content originating from all sources. The connections may also be severed if the user desires so and third party developers must provide means for users to manage content.

4.3 Privacy in Facebook

At its most basic level, the privacy of information can be described as someone's sole ownership to information and rights to govern it as one wish. Though it is clear that one has the right to distribute the owned information, at the same time the action does not include the transformation of ownership of the information to the receiver. The well-known threat of dissemination of certain kinds of information is that it can be used in a wrong matter which can damage the owner of the data. (Vacca & Erbschloe, 2001, 1-3)

Facebook's user privacy is its own section on a user's site. From there, one can choose what kind of information a person shares and with whom. A user can choose entities who are able view certain parts of one's profile from three options; the user groups are Everyone, Friends of Friends and Friends Only. Information, which a user is able to share include categories such as: Your status, photos and posts, Bio and favorite quotations, Family and relationships, Photos and videos you're tagged in, Religious and political views, Birthday, Permission to comment on your posts, Places to check in to and Contact Information. Facebook has its own recommendations, which one can view before setting the privacy settings as one chooses. The recommended settings include, from the formerly mentioned as follows. Everyone should be able to view Your status, photos and posts, Bio and favorite quotations, Family and relationship. In addition to these, Friends of Friends should be able to view your Photos and videos you're tagged in, Religious and political views, Birthday, and finally, Friends should be able to have, along with the before mentioned, Permission to comment on your posts, view your Places to check in to and view your Contact Information.

One can also customize settings in a way they see fit, for example make viewing of everything else impossible but the name and picture.

From further customization of a user's profile, in Things I share, there is also an option to limit the possibilities to view a user's chosen Website, Interested In (men, women, both), Include me in "People Here Now" after I check in. Furthermore, a user is able to also alter the Things others share; these include Can comment on posts, Suggest photos of me to friends, Friends can post on my Wall, Can see Wall posts by friends and Friends can check me into places.

Of the Contact information details, there are possibilities to alter the Address, IM screen name and E-mail address or addresses.

Connecting on Facebook portion explains in detail what information should be available to everyone and why; these include name, profile picture, gender, networks and username. According to Facebook, this information is necessary to be accessible to all users in order to help you stay in touch with your friends and family.

Apps and websites category controls what information a user shares with Facebook applications and external websites such as search engines. Applications and websites which a user is already using, have automatically access to such information as Your name, Profile picture, Friend list, User ID, Username, and all information which one has made available to everyone. A user can look at applications he or she is using and one is able to remove any unwanted ones or turn the platform for applications totally off. If a user chooses to do so, one cannot use any of the applications or websites on the mentioned platform afterwards. In addition, this motion means that Facebook doesn't have the opportunity to share user's information with application nor websites any longer either.

Block lists settings allow you to obstruct a certain person or persons in Facebook to be able to view one's entire Profile or certain parts of it if one so chooses. A possibility exists also to block specific friends and their invitations to use applications. Also, a user can block certain application invitations and not

give the designers of the application in question to gain access of your data and making contact with a user.

Additional Controls include options for Control each time you post, Control with apps and Control for what you are tagged in.

In Additional Information are the matters related to commercial matters. In Advertising, the site staff explains personal information about users is never given to their advertisers. Advertisement targeting that occurs is done in a totally anonymous matter. If an advertiser chooses a certain demographic target for their advertisements, Facebook itself does the automatic match for the appropriate user audience. Advertisers get back solely anonymous data reports, not anyone's personal information.

In order to receive applicable advertisements for a user and one's friends, certain advertisements are included with features of social commitment, such as "Your Friend likes Fun Bun Bakery."

The Like-button and how it works, is that when a user clicks on Like-button on a specific firm's Facebook page, advertisement or a product, the user creates a connection with the target in question and starts to receive updates from them on one's News Feed. In addition, the story of such "Liking" will also be put on the user's Wall. Moreover, user's Friends can also see a similar story on their own News Feed about their Friend's clicking the Like-button about the company in question. User can always evaluate and alter one's Likes, activities and connections by editing the user's own Profile and its Privacy Settings.

For Social plug-ins Facebook content may be visible in other website in a form of a box alongside with Facebook's logo on it. If a user is connected to Facebook while browsing through other sites and clicks on the Like or Recommend buttons on third party websites, information about this action will immediately appear on the user's Facebook site and made visible to one's Friends as well. In the section, Basic Directory Information, these settings can be controlled.

Instant personalization informs that all new users' information will be available to selected partners of Facebook unless they are turned off. The same data will be handed out to the mentioned selected partners that will be available to Everyone. Instant Personalization can be turned off for specific websites or it can also be turned off completely if a user so chooses. By turning off Instant personalization one can stop the mentioned selected partners from receiving information about the user.

Search makes it possible to the user to alter one's privacy settings about their visibility on Facebook and on external sources. "Public search" on Apps and Websites pages has the control over who has access via search to preview a user's Facebook Profile. This also has controls whether or not the features one has specifically chosen to with everyone appear in searches internally in Facebook and externally on search engines, such as Google.

Protecting minors is a section where the site explains how the protection of under-aged users is handled. Before a user turns eighteen, the users in question don't have public search listings created for them and their visibility on the site is cut down to minimum, into that of Friends and Networks. This happens despite the fact that they would have chosen the option to have their information available to everyone. Information that is still after this available includes name, profile picture, gender, networks and username. This is because friends in real world will be able to recognize one another. (www.facebook.com/privacy/explanation.php)

One big concern for users is matters of privacy on the site facebook.com. Even the management of the company has stated the fact that the site's users are getting more and more comfortable about publishing personal data about themselves to a broader base of people in an online environment, instead of to just the ones closest to the users. One of the main issues concerning privacy has been the event on December 2009 when the members of the site received a message which suggested them to alter their own privacy settings in a manner that their site would have been open to everyone with an access to become a member on Facebook, so virtually everyone. The content of the

personal pages would have also been open to all third parties whom had skills in technical field and were able to use the means given by the company meant for software developers of Facebook. This alteration in privacy settings caused ruckus of course, predominantly because of the fact that the company had just settled a lawsuit concerning privacy issue features of the formerly mentioned Beacon technology. (boyd & Hargittai, 2010)

5 QUESTIONNAIRE AND METHODOLOGY

5.1 Methodology

A thorough inspection of topic related literacy was taken under review by the authors at the beginning stage. This consisted of theoretical literature about online marketing and the online consumer followed by information about social media and Facebook itself. Literature, online information sources and scholar writings about the topics were carefully inspected and then picked to be part of the research process.

In the theory part, a careful study, which was concentrated on the online marketing and the online consumer, took first place in order to get things started. We used the Turku University of Applied Sciences school library in addition to that of Turku School of Economics as well as Nelli Portaali in order to find written theory to back our own assumptions.

About the marketing in social media and information more in detail about the site Facebook itself was rather limited in prior written publications. Therefore the authors used credible sources from the Internet when searching information about the social media and the site itself under review, Facebook.

Considering information regarding to marketing in Facebook, the site itself proved its usefulness as a source of information, as there was a lot of theory and information about the topic in general.

When studying the users, a quantitative study was conducted based on the preceding theory. The questionnaire consisted of several questions based first on the theory about online marketing and online consumer and then was followed by questions about the marketing in social media and in Facebook as well. Further inspection about the users was done also through more in depth questions about people's online behavior and internet usage habits and things in general related to the study in question. The questionnaire was made available in Finnish and in English.

Prior to publishing of the actual questionnaire, the questionnaire was taken by a test group of 10 people in order to find out possible mistakes and the questionnaire was adjusted according to the feedback. The questionnaire was distributed to the respondents in two main ways. It was first sent out to over 600 of potential respondents through the social media site Facebook and followed by a mass e-mail sent out to all members of Turku University of Applied Sciences. The questionnaire was also sent forward by the initial recipients. The authors were content with the amount of filled questionnaire.

The technical execution of the questionnaire was first laid in draft form in Microsoft Word application, from which the questions were transformed in to site www.kwiksurveys.com where the questionnaire was able to be laid out in answerable form.

The questionnaire's answers were analyzed with Microsoft Excel and SPSS and the questions analysis was written by the authors themselves.

5.2 Research objectives

With the research the authors wanted to be able to answer the following questions, which were stated in the earlier phase of this thesis.

1. Is Facebook marketing effective and should companies look more into it?
2. Are people actually paying attention to advertisements in Facebook?
3. Is Facebook the marketing medium for the future?
4. What do the respondents think about the marketing on Facebook?

The goal of the study was to inspect the marketing on Facebook and its effectiveness by people who are exposed to it daily as they use the site. The authors approached the matter from a point of view of a marketer and how companies could take advantage of this form of marketing in order to take advantage of the site so broadly used by different segments of the marketing audience. The aim of the study was to find out also, whether or not the marketing forms found in social media and especially in Facebook should be a part of a company's marketing mix.

6 RESEARCH ANALYSIS

6.1 Analysis of the collected data

Total number of valid filled results that were returned was 225. Majority, 200, of the responses came through Finnish version. After the questionnaire link was published the authors monitored their Facebook account in order to see how well it was spread out, but this is fairly hard to do extensively without huge manual toiling through Facebook connections. The final question sheds light on people's attitudes and willingness to spread this particular message. However, one remarkable thing is the high response rate, even though the actual number of recipients is unknown. Combined with the fact that the questionnaire was open for public for less than two weeks the Facebook proved to be quite efficient method for getting this particular questionnaire spread out.

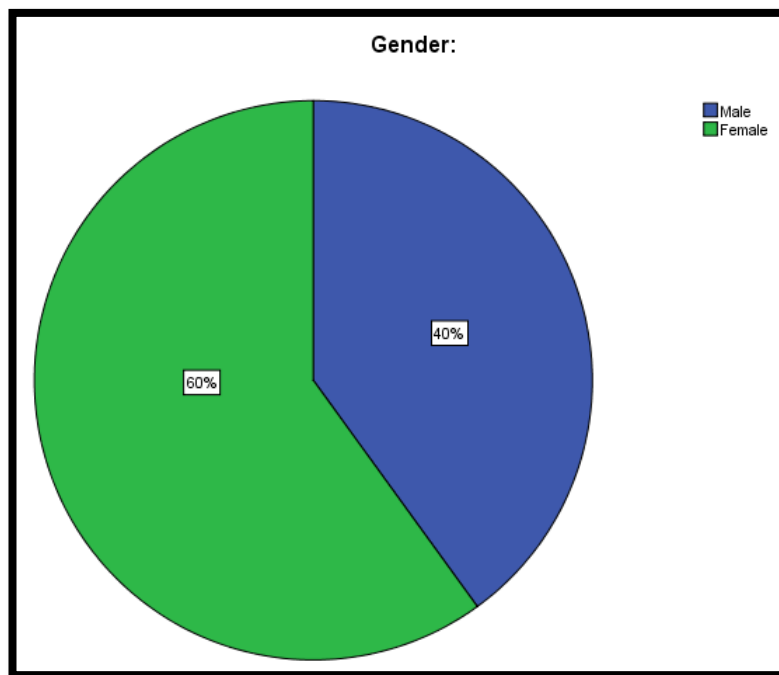


Figure 11. The gender distribution of the respondents.

The survey was sent out to approximately 630 people at a total random order and therefore not much conclusion at this point can be drawn from the gender

distribution. According to checkfacebook.com though, the deviation between sexes seems to in line with our questionnaire, as there are for example 47% male and 53% female in the case of Finnish users. So slightly more lenient towards the female population in majority. (www.checkfacebook.com, 6.8.2011)

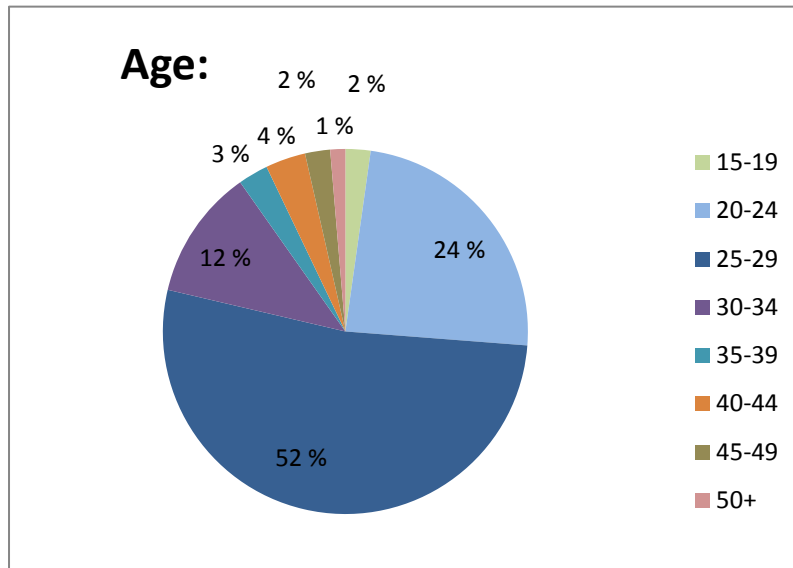


Figure 12. The age distribution of the respondents.

As the survey was about commercial purpose, it was mostly sent out to age group selected to be of at least eighteen years of age. The largest group of respondents was between the ages of 25-29 with the divided percentage of 52%, which is of course explained by the fact that both authors are within the age range as well as a lot of the students whom are studying at the same university and therefore were inevitably asked to share their opinions. Of the total Finnish population, the age group 25-34 takes 42.5%, in our case the percentage for these age groups is higher, 64%, as it was noted earlier how the respondents were selected.

The second largest group was the group between ages of 20-24 with a percentage of 24%. The age range of total Finnish population between ages on 18-24 is 22.3%, so it is along the same lines with this demographic.

The rest of the respondents, with a total percentage of 12% in total can be explained by the fact that the survey was scattered further to respondents' parents and children and other acquaintances.

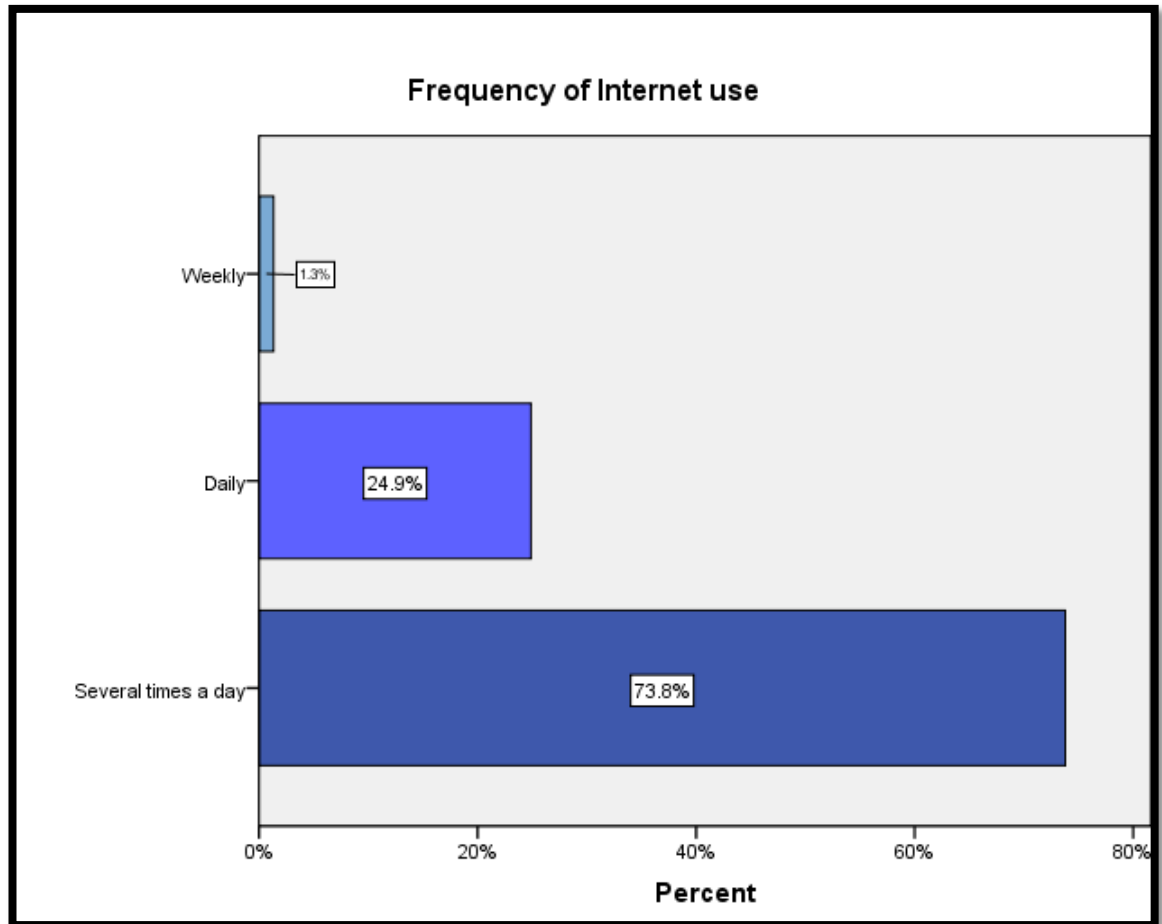


Figure 13. The frequency of Internet use of the respondents.

The vast majority of the respondents replied to use the Internet several times a day, which gives more validity to the results as the majority of people are regular users of the Internet. 98,7% of all respondents said to use the Internet at least once a day and moreover, three fourths of the precedent number were users active several times a day. Therefore, it is fair to say that of all the respondents are at a very active stage with their Internet usage.

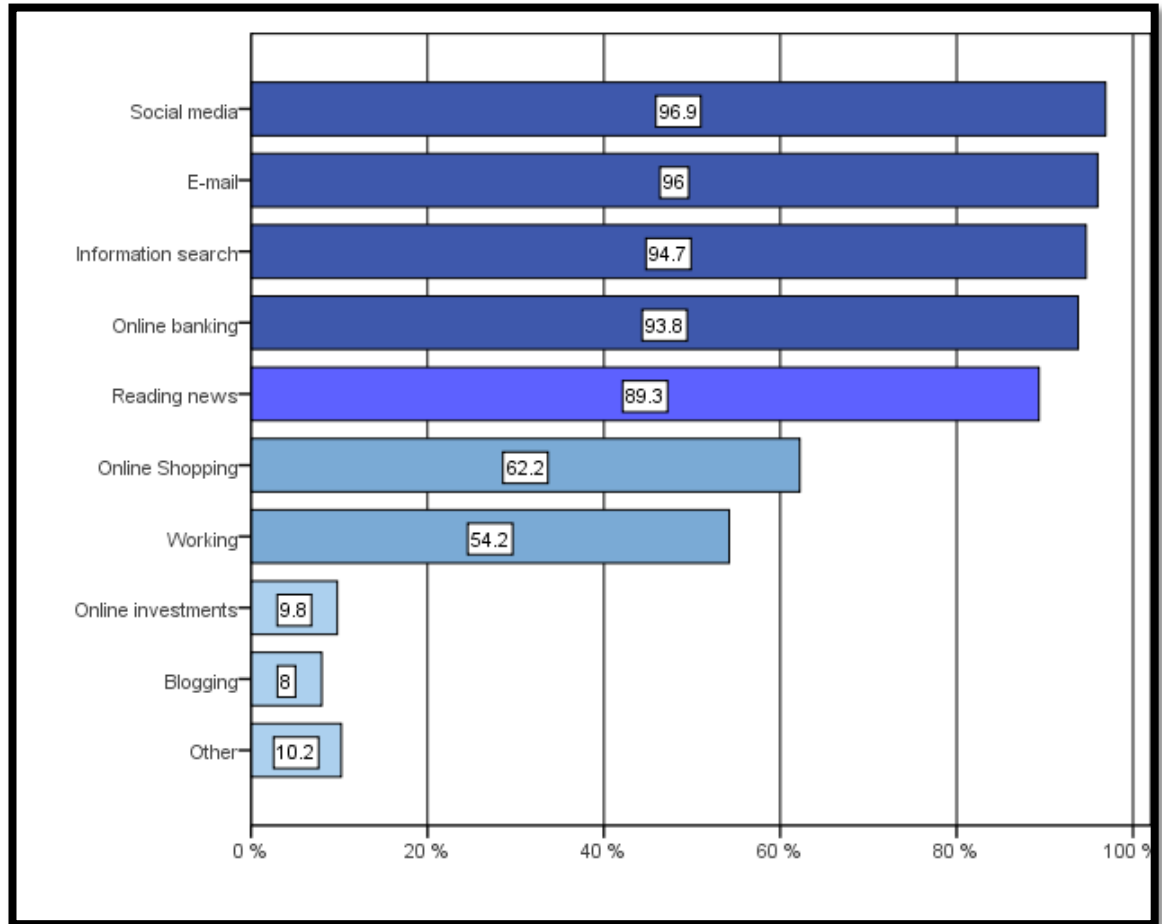


Figure 14. The purpose of Internet usage of the respondents.

96.9 percent reported to use the Internet as a means to enter some site related to social media, which goes in line with the topic of this thesis. The number being so high, the responses regarding the use of Facebook for example, can be seen as valid as Facebook is the most used site of all social media. The fact that 3.1 percent responded that they didn't use social media is controversial though, as all respondents use Facebook.

96 percent said to use email, 94.7 are searching information and almost 94 percent use the Internet in their daily banking activities. As a shopping medium, online consumers' percentage of all the respondents was 62.2%, which is more than half of the studied population. Therefore the questions about online consumers can also be seen as valid as the group was asked questions about

their online consumption habits as well. More than half of the respondents use the Internet in their occupations, which also supports the previous question about how often the respondents were using the Internet.

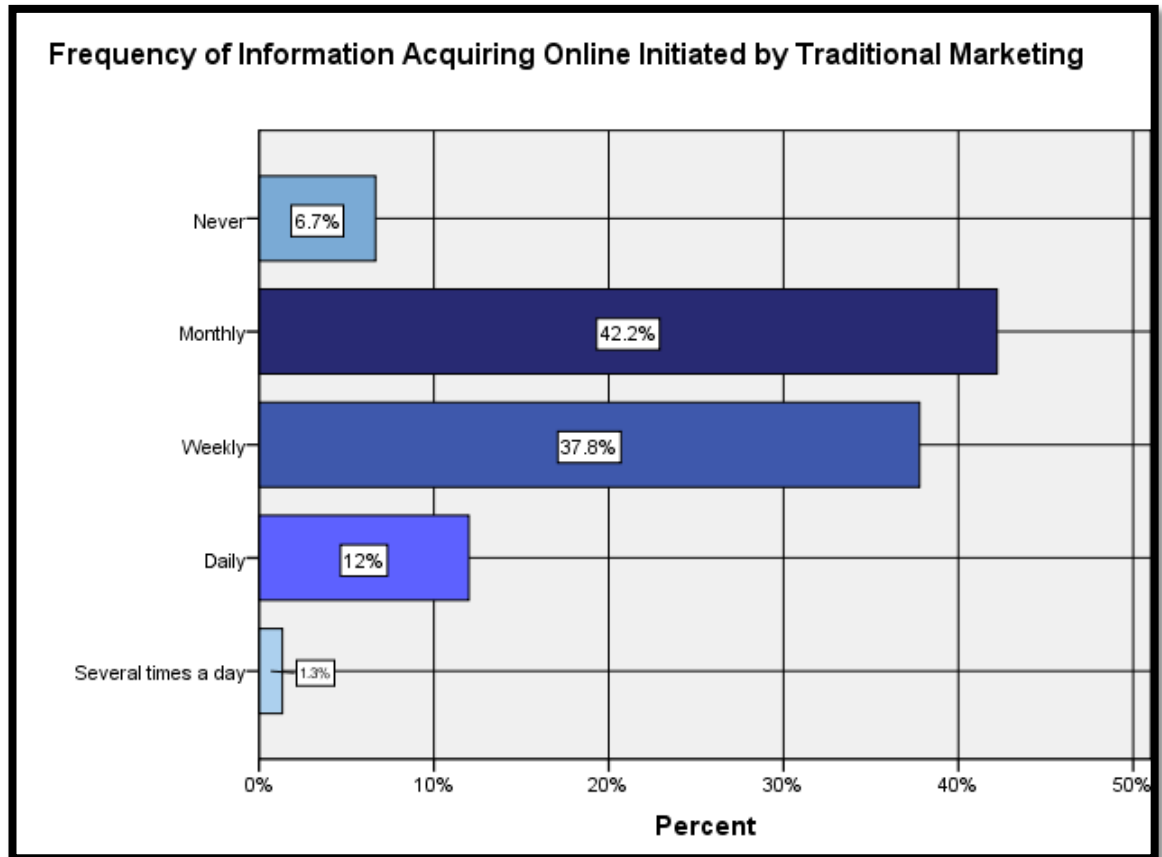


Figure 15. The frequency of information acquiring of the respondents.

Exactly 80 percent of all the respondents search information about a product or a service after seeing stimuli within the traditional marketing mediums, such as television or newspaper, weekly or monthly. Therefore it is fair to say that company websites and online sources for information concerning goods can be seen as an important part of companies, as their customers frequently search product or service information online. 13,3 percent of all the respondents do the precedent action daily.

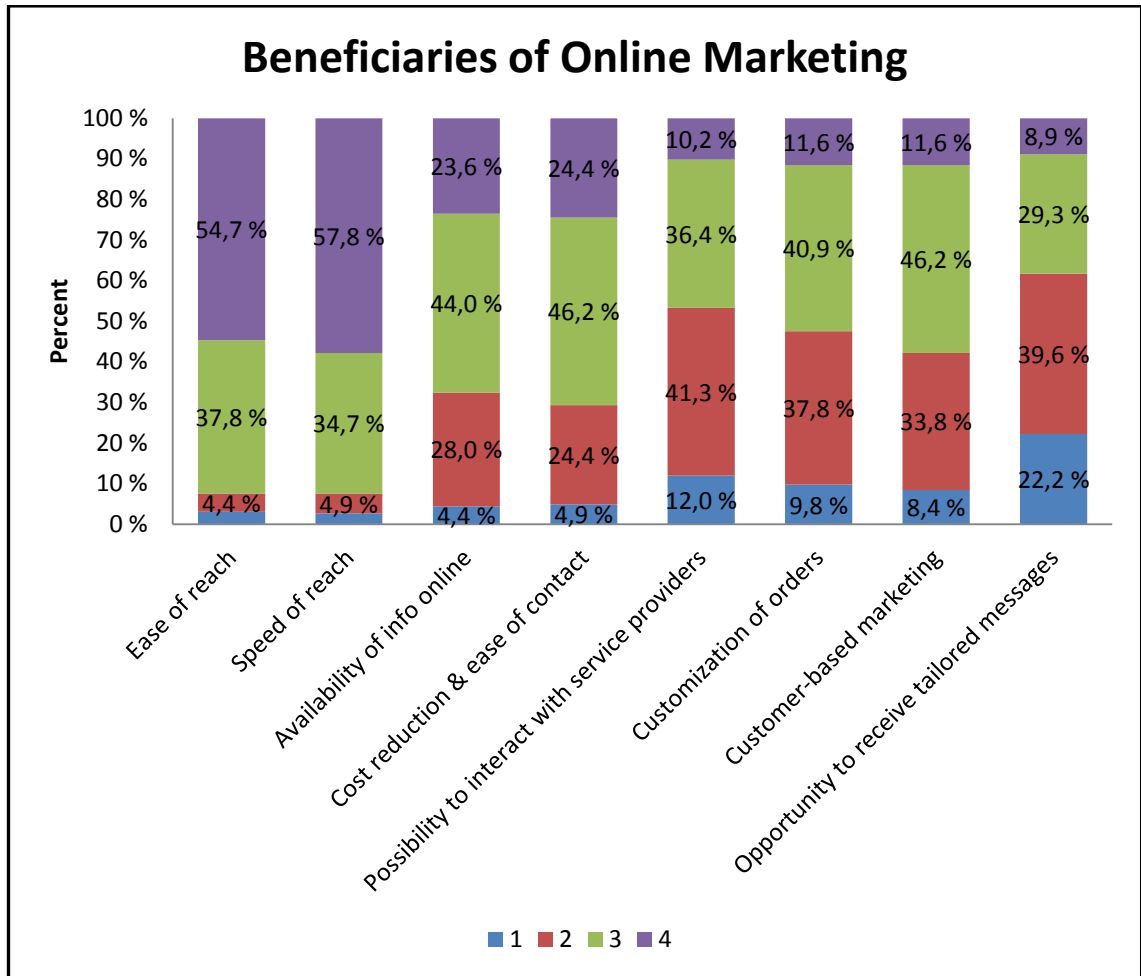


Figure 16. The beneficiaries of online marketing according to the respondents.

About the positive sides of online marketing, consumers especially appreciate ease and speed of reach when it comes to matters concerning goods marketed online. Within the similar lines, availability of information online and cost reduction and ease contact process were also positively valued by more than 60% of all participants. Customization of orders and customer-based target marketing were also appreciated by the survey takers as the majority reached the positive side of the four-option choice of answers.

Possibility to interact with the provider of service and opportunity to receive tailored messages by handing out information were seen somewhat unpleasant by the respondents.

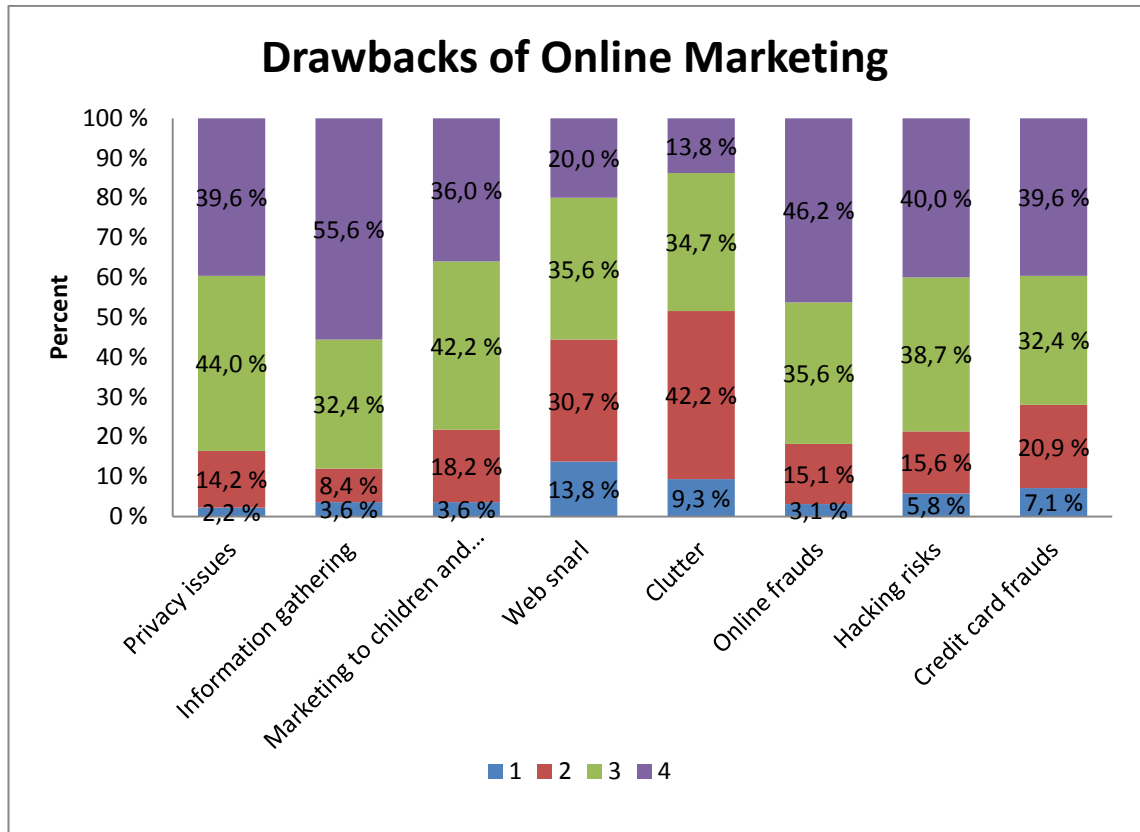


Figure 17. The drawbacks of online marketing according to the respondents.

More than 80% of all the people saw privacy issues and information gathering as a major drawback, as it related to privacy issues and the respondents' personal data. Online frauds and hacking risks were likewise seen as a threat by the respondents with a majority of people with a percentage of approximately 80%. Surprisingly, credit card frauds were seen as a lesser drawback compared to other types of online frauds. This doesn't mean though, that majority would not see them as a risk. On the contrary, there were over 70% of people thinking about the matter as a drawback as well. Clearly, this is an issue that must be overcome in order to make people more willing to accept marketing and do their shopping online. Marketing to children and adolescents was also experienced as con side with three fourths having opinion towards this trend. When comparing beneficiaries and drawbacks, a clear distinction and notion can be drawn that there are obviously more con sides compared to pro ones when considering both sides of online marketing.

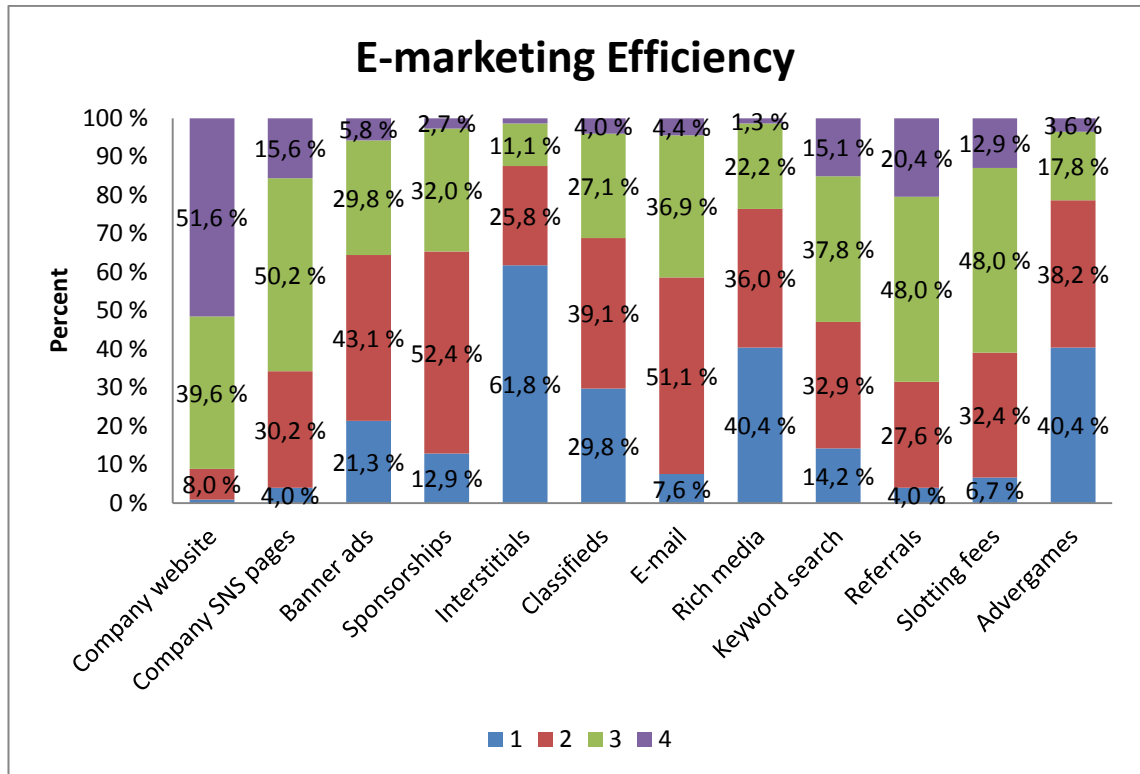


Figure 18. E-marketing efficiency according to the respondents.

Of the efficiency matters, company website was the utter winner when considering the most efficient manner to give an impression about a company. The second one was referrals, as it is common for people first to ask first-hand experiences from their acquaintances when it comes to gathering information about a company or a good. Referrals are closely related to word of mouth, which is the most trusted form of marketing. Third best was the company social network site profile, as it is more common for companies to get online as well. This can be explained by the urge for companies to be where the customers are, in the popular social media sites. Keyword search and slotting fees were almost as well rated as SNS pages, despite the similarity that SNS pages bear to company websites. Banner ads, sponsorships and e-mail didn't do as well. The lack of appreciation of e-mails is a bit surprising as tailored and targeted e-mails are commonly viewed quite effective but this could be explained by the people's attitudes on spam. Interstitials, advergames and rich media were the least appreciated ones of which rich media is infamous for its nonpopularity.

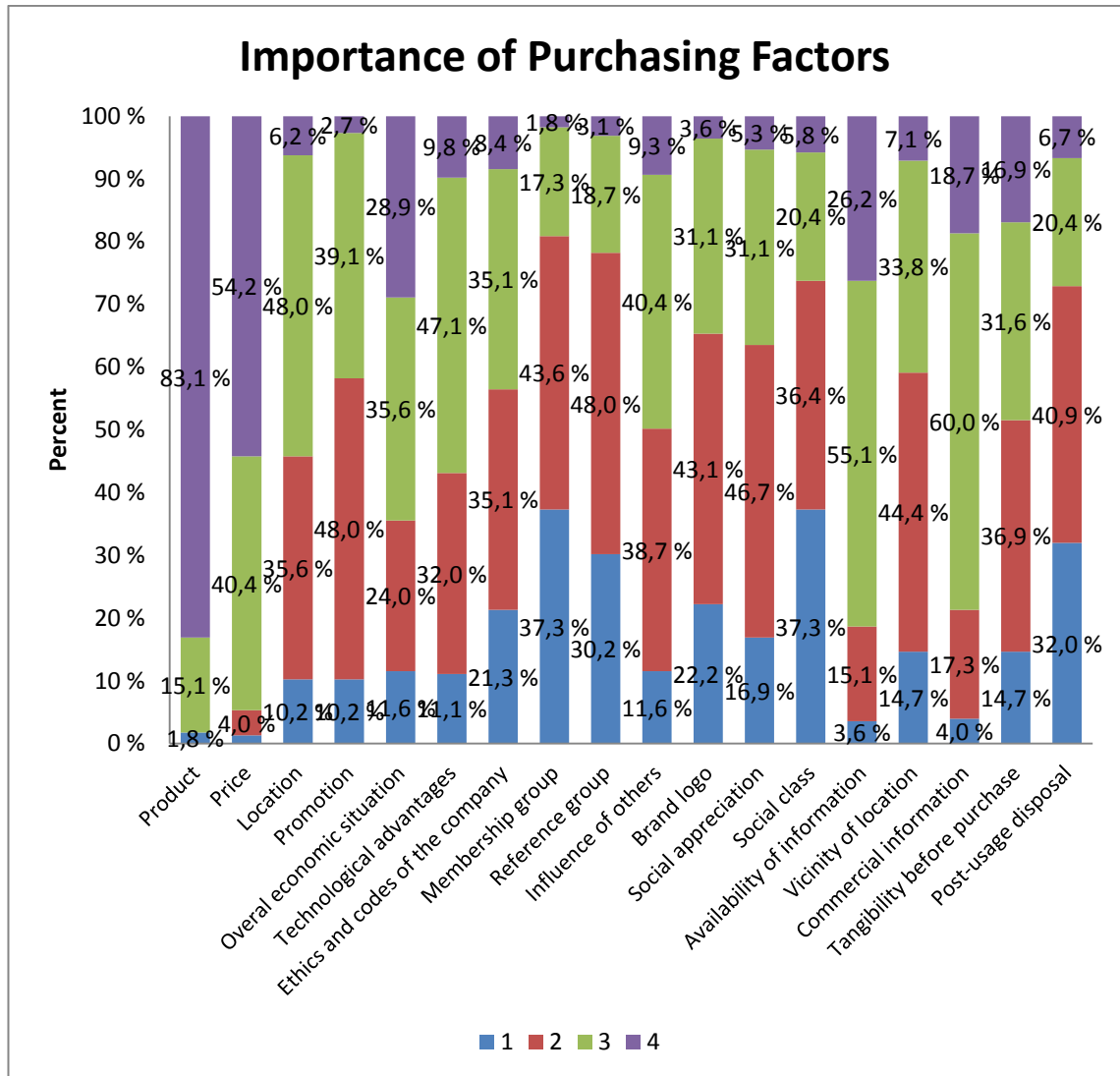


Figure 19. Importance of purchasing factors according to the respondents.

The most important matter when purchasing something was the product itself with a huge percentage of 98.2% having seen it as important or really important. The price was the second biggest determinant in the purchase process with a percentage of 94.6%. The third and fourth most important factors that stood out were availability of information and commercial information available about the product. Other matters that were appreciated by more than half of the respondents were location, overall economic situation, technological advantages and influence of others.

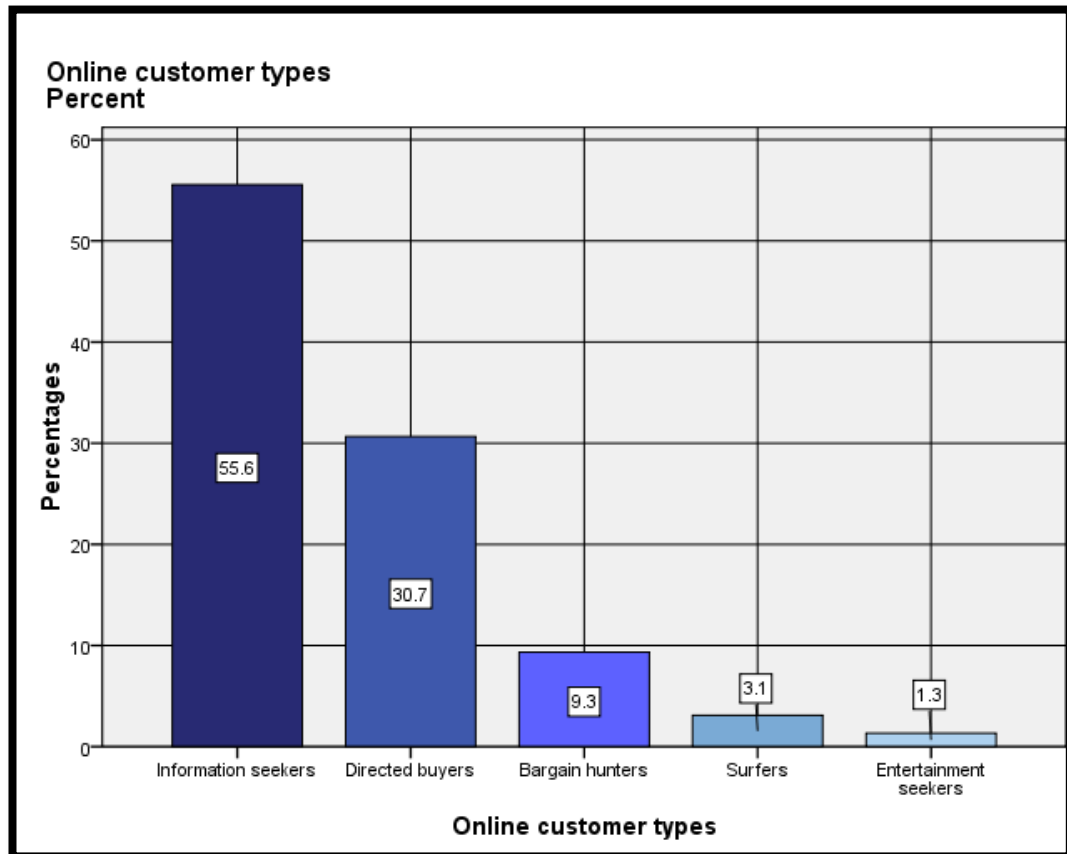


Figure 20. The online customer types of the respondents.

55.6 percent of all the respondents were information seekers, making them the majority of customer types. This reflects directly along the same lines as there were a high number of respondents who valued reach of information earlier in the questions. 30.7% were directed buyers, who were more about purchasing the product instead of seeking too much information. Approximately tenth of all respondents were bargain hunters. The rest were surfers and entertainment seekers, with a percentage less than five percent.

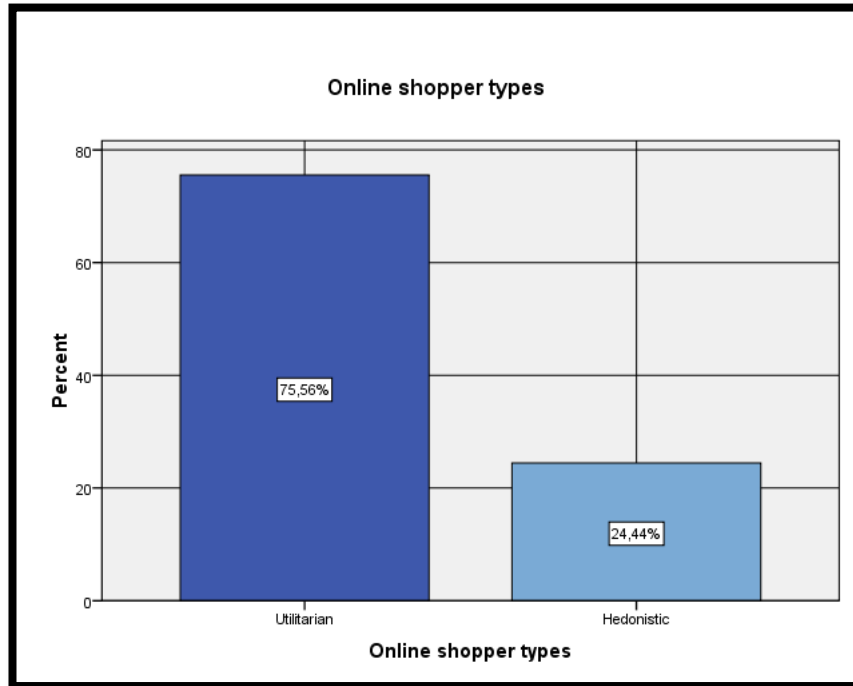


Figure 21. The online shopper types of the respondents.

Along the same lines as the online customer types, more than three fourths were utilitarian shoppers when considering different online shoppers. The majority of people thought that they were all about usefulness when considering shopping purchases made online.

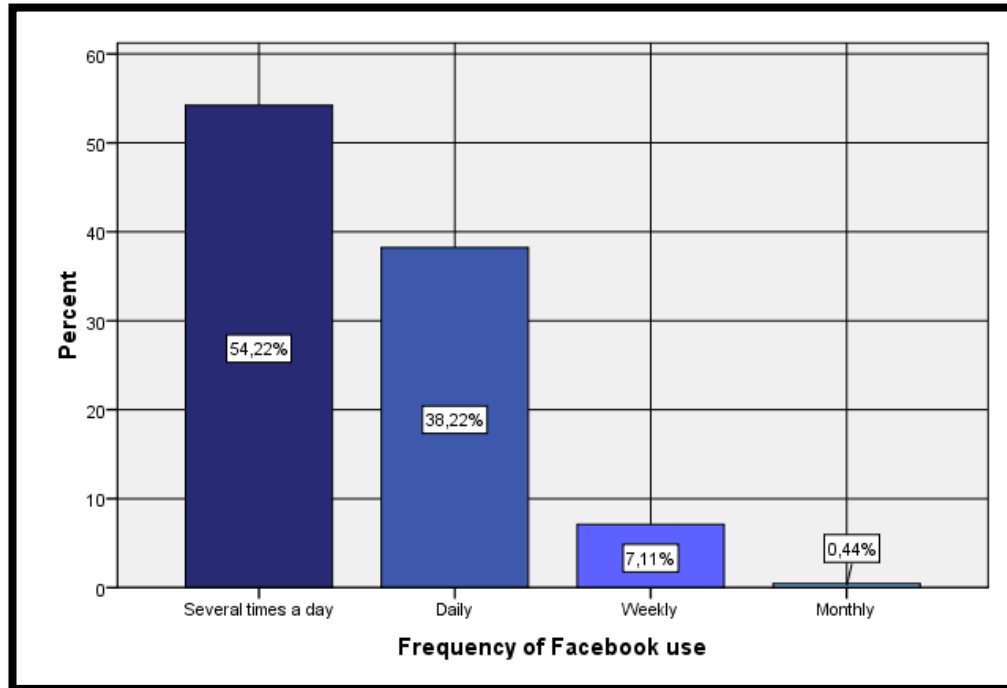


Figure 22. The frequency of Facebook use of the respondents.

As the study was about marketing on Facebook and how people perceived the matter, of all the respondents a little less than 93 percent said to use Facebook daily and even more noteworthy is the fact that 54.22 percent of the respondents use it several times a day. This gives more validity to the results, as the population was active in their usage of the social media in question. The questionnaire was aimed to Facebook users only. This was achieved by spreading the questionnaire link primarily through Facebook while a notion that the questionnaire should be taken by people who use Facebook and no one else was included in the mass email. Only one respondent uses Facebook on a monthly basis.

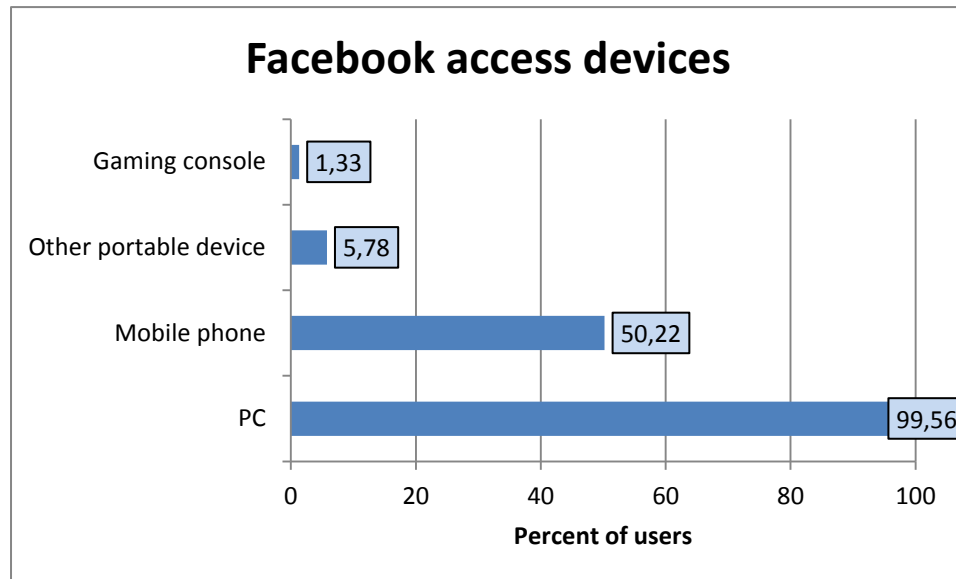


Figure 23. The Facebook access devices of the respondents.

Practically, almost all of the respondents (99.56%) said to use their personal computers to access Facebook. Only one of the respondents didn't mention using an actual computer when accessing the social media site. The second runner up was the mobile phone. This can be explained by the increase of smart phones, and applications available for them, among consumers. More than half of all the people mentioned to use aforementioned devices. Even though accessing Facebook is possible on PlayStation 3 and Xbox 360 consoles, only few respondents take advantage of this opportunity. Other portable devices include such devices as iPod Touch and PlayStation Portable. As both of these, and majority of other portable devices, use WiFi-Network for Internet access, instead of mobile phone network in general, the chances of using these devices for accessing Facebook is rather limited.

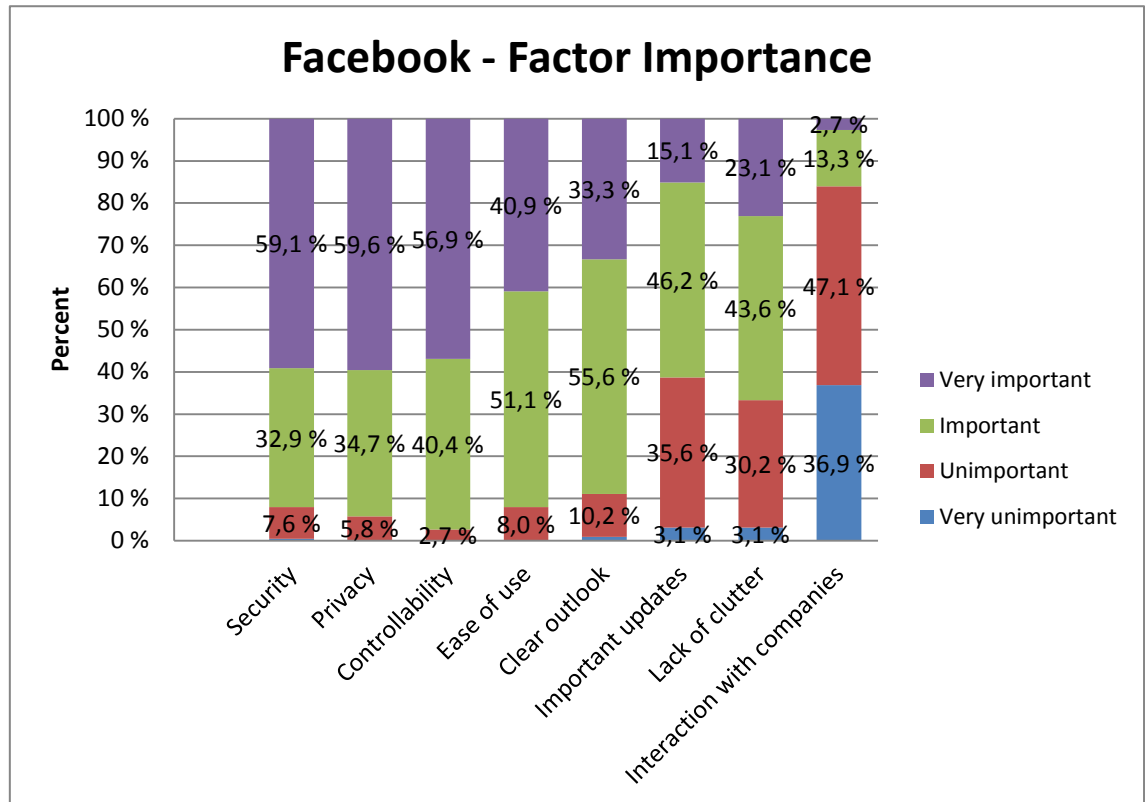


Figure 24. The importance of Facebook factors to the respondents.

The most important factors when considering Facebook were controllability, privacy and security. Nearly all of them were felt as very unimportant by none of the respondents. These factors are all linked to security and privacy, which are they key features when it comes to gaining the trust of users. Ease of use and clear outlook were also appreciated. Over 90% of all respondents valued ease of use. Visual matters contributing the ease of use in a form of clear outlook was valued by almost ninety percent. Lack of clutter and important updates were also valued to some degree, as only 3,1% of all the respondents ranked them as very unimportant. Interaction with companies is clearly not the reason why the respondents connect to Facebook, as 84% saw that as an unimportant or very unimportant factor.

The implementation of all the above mentioned factors could be done better. Only ease of use and clear outlook scored above ten percent response rates (both 12%) while other factors scored between 0,9 to 2,7 percent. Ease of use

and clear outlook were the most successful factors above all as both were rated good by more than 50% of the respondents but many still felt that the factors were implemented fairly or poorly. More than 70 percent thought that there was more than plenty of clutter in Facebook, which is in contrast with the high scoring factors but apparently clutter is still controllable despite the amount of it. The fact that important updates were implemented less successfully could mean that at least some of the more relative messages drown into clutter. Security, privacy and interaction with companies were matters where there was room for improvement with percentage of more than 60 responses falling in to fair or poor category. As most of the respondents felt that security, privacy and controllability were the most important factors, the implementation of these merits needs for improvement.

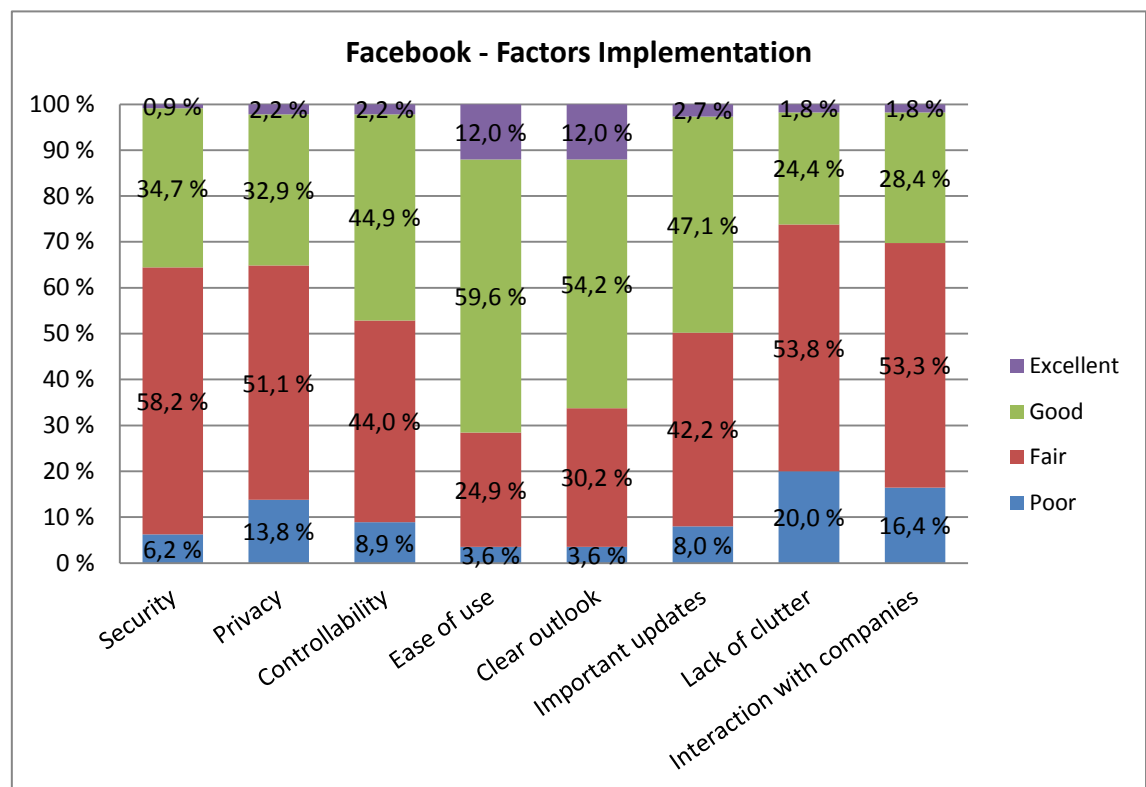


Figure 25. The implementation success of Facebook factors according to the respondents.

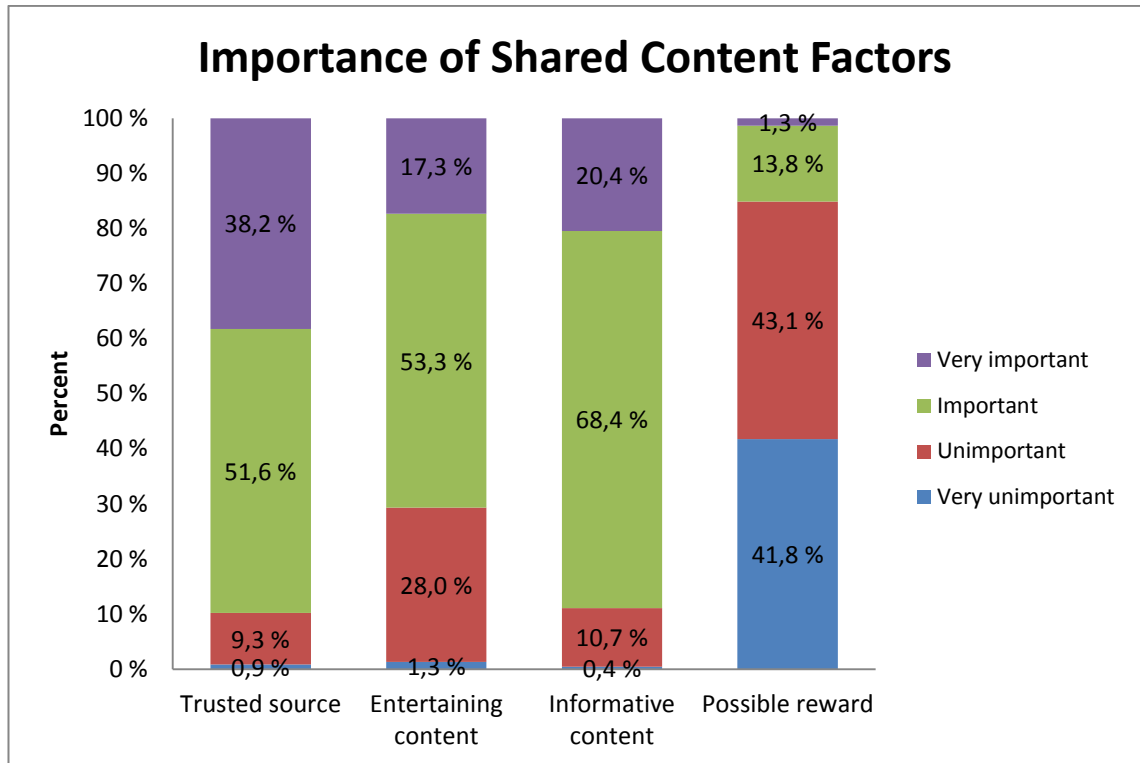


Figure 26. The importance of factors of shared content.

Of the people sharing content on Facebook, the majority of the population with a percentage approximately ninety considered it to be important or very important that the source was a trusted one and that content was informative, the trust being the most valued with 38,2% of respondents rating it as very important. A little less than eighty percent thought that it was either important or very important that the content was entertaining. A possible reward was only seen as an important or very important feature when sharing content by only 15.1%. It is clear that the respondents consider the origin of the content carefully before they are willing to share. Rewarding for sharing isn't as important as content's quality, be it entertaining or informative, even though some marketing guides give high merit to rewards as motivational factor for sharing content in social media. The contradiction may originate from the respondents views or there are cultural differences as the IAB guides used in this thesis are of US origin.

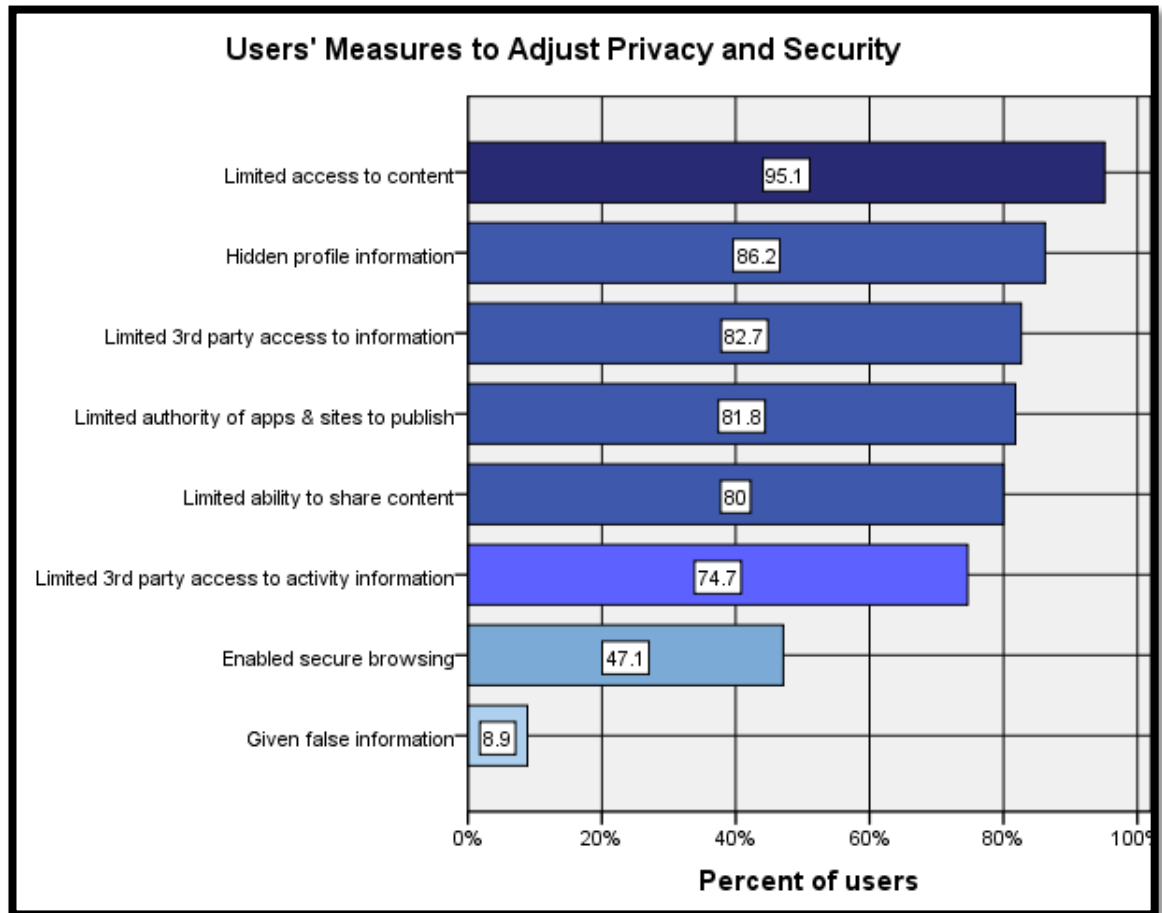


Figure 27. The privacy and security measures taken by the respondents.

95.1% of the respondents considered it an important matter to be able to limit access to content, such as pictures about the user, available for viewing to different users. 86.2% appreciated the possibility to limit the amount of information shared on their profile page. Eighty or more percent thought it was important to limit the third party access to information about a user, the authority of applications and/or websites to publish content on user's behalf and limit the ability of other users to share content. Almost three fourths of the respondents saw it as an important matter to be able to restrict the third parties' possibility to gain information about a user's activity. Apparently the respondents value their privacy and security and take measures to retain it yet less than 50% have enabled secure browsing. Giving false information isn't seen as a viable way to improve privacy and security.

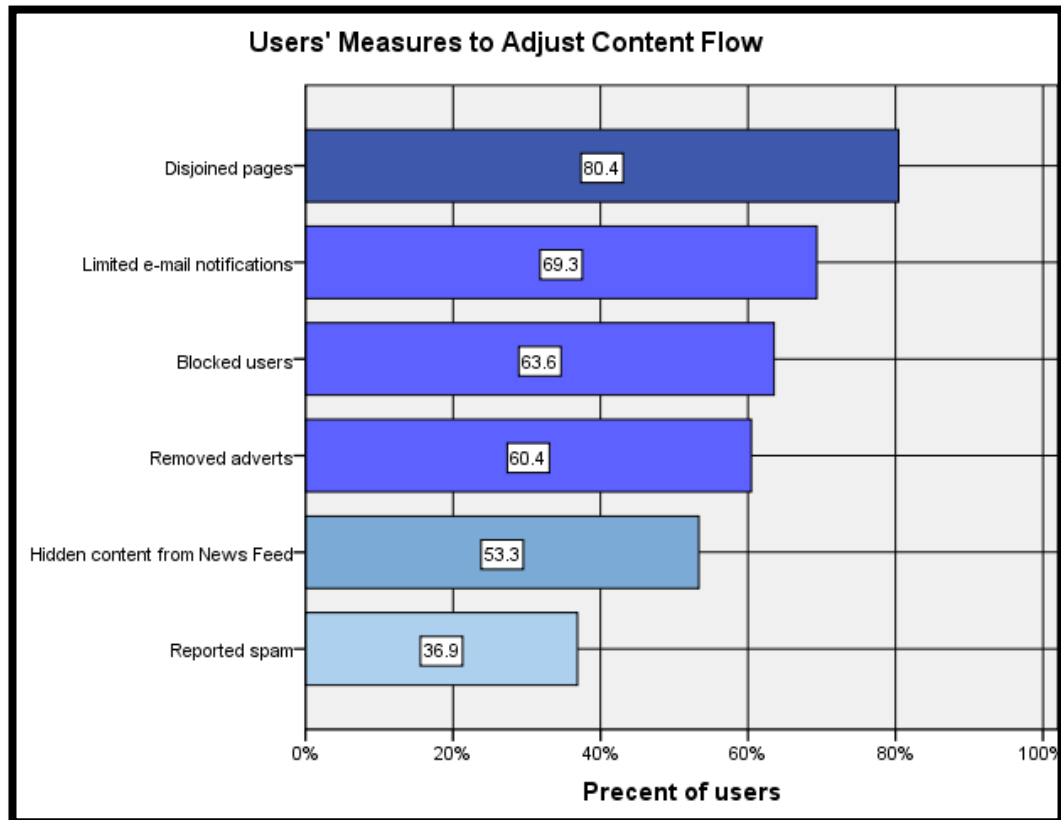


Figure 28. The measures taken to adjust content flow by the respondents.

More than 80% have disjoined a group or a page after initially connecting with them. 63.3% have disengaged the function of email notifications when something had happened on their Facebook account. 63.6% of users have blocked an other user or other users from connecting with them. The percentage is noteworthy as blocking is the most effective way to sever all ties within Facebook, as some actions to connect with a user are still possible without forming a connection. 60.4% have removed an advert or adverts. More than half have hidden some form of content from their news feed wall. It is interesting that more users have removed adverts than hidden content from their news feed as removing an advert only makes the specific advert to disappear and it will be immediately replaced with a new one while hiding content from news feed makes the content or its source to disappear from the news feed permanently. More than third of the respondents have reported some sort of spam or unwanted content to the up-keepers of the site.

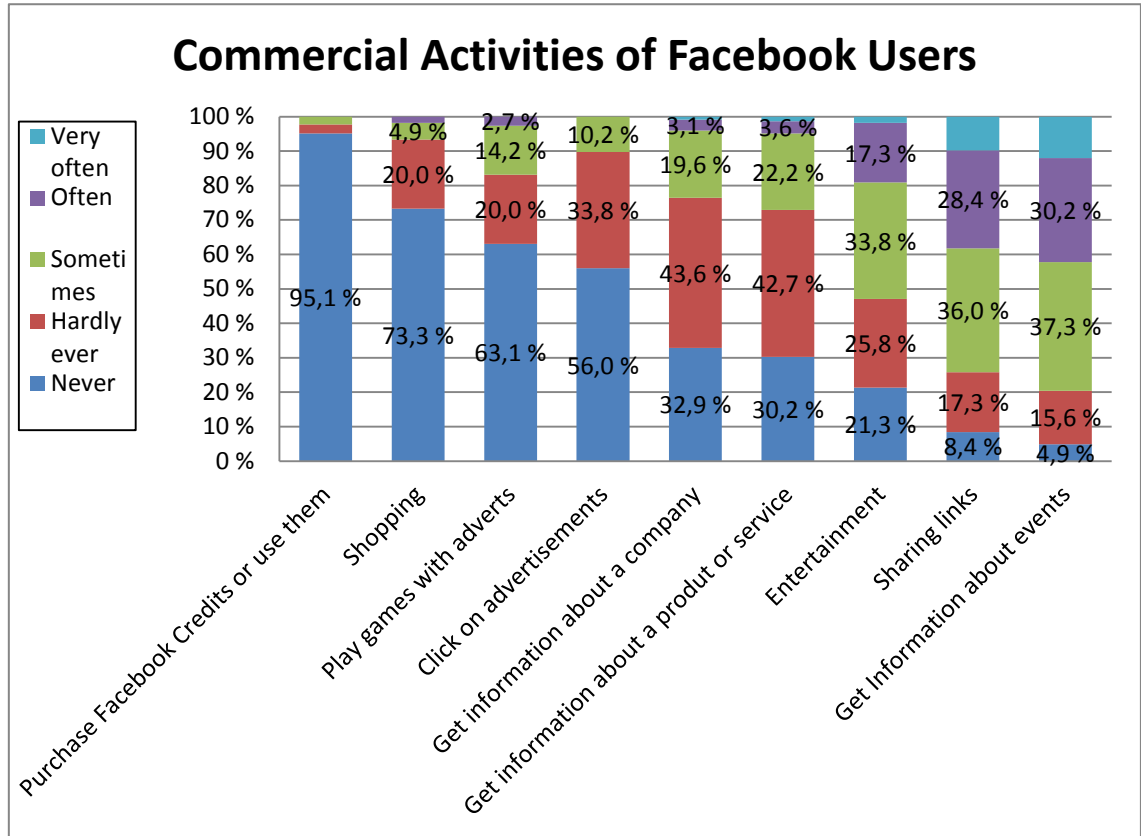


Figure 29. The commercial activities of the respondents.

The majority of the respondents had never purchased Facebook credits or used them. Very few of the respondents had shopped after an initiated signal towards it from Facebook. 63.1% had never played games with adverts on Facebook. More than half had never clicked on advertisements. 33.8% had done the same hardly ever. Only 10,2% of all the respondents to have had sometimes clicked on an advertisements. This is in contradiction with the amount of respondents that answered to click on ads in the previous question, as removing adverts requires clicking on ads. Clicking the “X” on adverts might not be seen as properly clicking on them. More than 70% of the respondents said to have never or hardly ever gotten information about a company, product or a service. More than 50% had at least sometimes sought entertainment, shared links or gotten information about events. Only information retrieval for events received sometimes of more often responses from over 80% of the respondents, while links were shared sometimes or more often by almost 75% of the respondents.

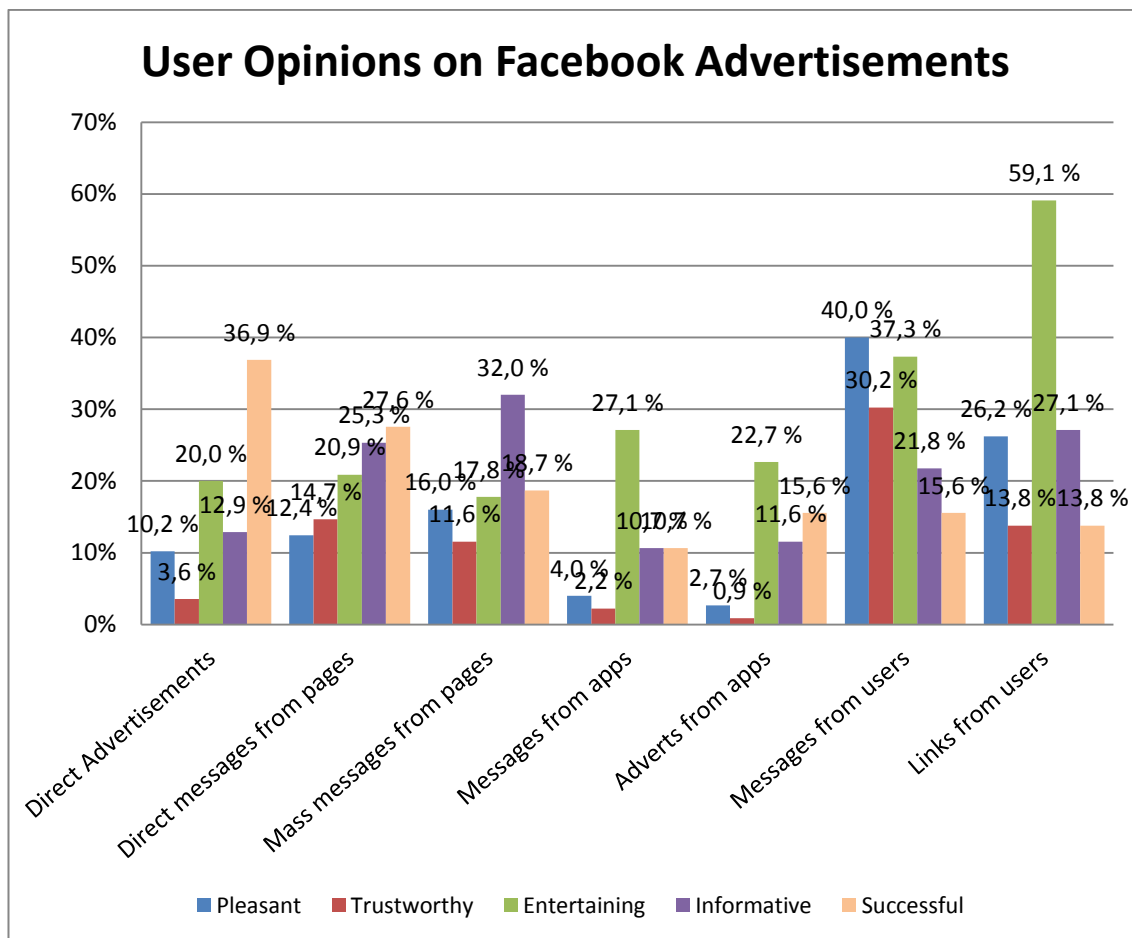


Figure 30. The respondents opinions on Facebook advertisements .

Direct advertisements were mostly seen successful as 36.9% of the respondents felt this way, even though the results of the previous question didn't yield much confidence for this kind of advertising. In addition, 20% of the respondents felt that they were entertaining. Direct messages from pages were mostly seen as successful and informative by more than fourth of the respondents. Also 20.9% saw them as entertaining. Mass messages from pages were thought to provide information by 32% of all the recipients of the study, yet only 18.7% saw them as successful. Messages from applications were mostly (27.1%) experienced as entertaining but only 10.7% rated them successful. Adverts from applications were thought to be entertaining by 22.7% and 15.6% thought that they were successful. Messages from users were seen as pleasant, entertaining and trustworthy by more than 30% of the users. More

than fifth thought of them to be informative though only 15.6% claimed that they were successful. Links from users were outrageously entertaining, as almost 60% of the respondents were of that opinion and more than fifth saw them as pleasant and informative. However, their successfulness was only 15.6%. The most noteworthy factors are trustworthiness and pleasantness. Direct ads, messages and adverts from apps are all suffering from a significant lack of trust, while the latter two are also very displeasing, even though adverts don't deserve much merit for being pleasing either. Other users as endorsers seem to be the most effective channel for advertising, which is not a surprise. Channels related to applications performed worst in the eyes of the users.

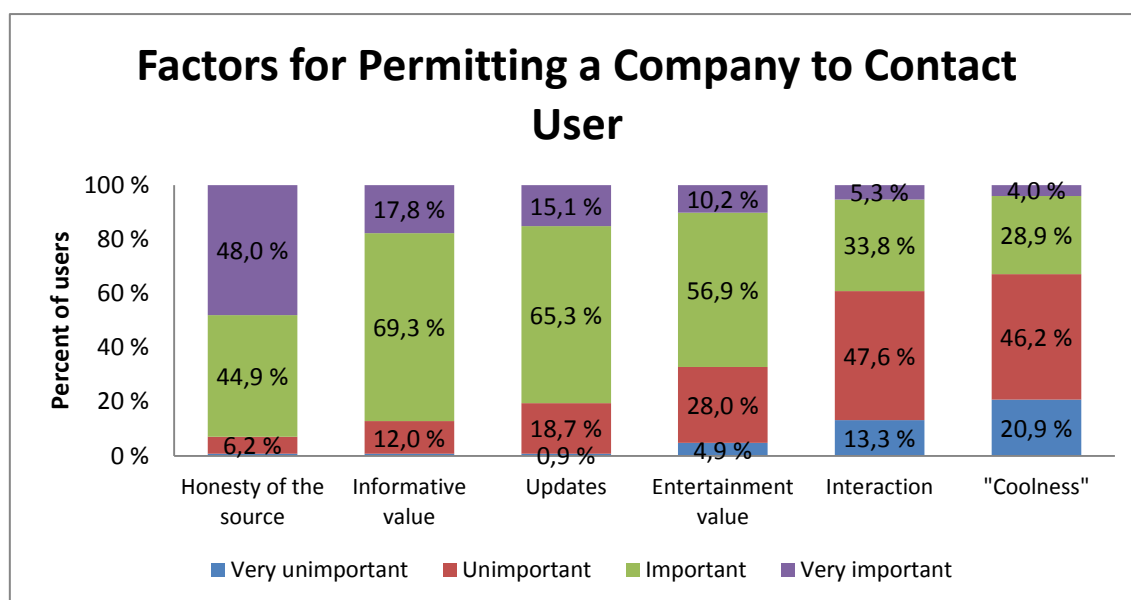


Figure 31. Factors for permitting a company to contact users on Facebook.

92.9% thought it to be important or very important for the source to be honest when considering a company contacting the user. 87.1% allowed companies to contact the user when the content was seen as having informative value of some sort. 80.4% thought it was either important or very important to stay up to date with subscribed companies. 67.1% appreciated entertainment value with at least an important statement. 60.9% thought it was either unimportant or very unimportant to be able to interact with the source in question. 67.1% thought

that the “coolness” of the source i.e. the company didn’t play a crucial role when permitting contact.

79.1% had never initiated a purchase decision after seeing an advertisement on Facebook. A little less than a fifth of the respondents (18.7%) had made a purchase decision after seeing a commercial message on Facebook from one to three times. 1.8% had done the four to six times. 0.4%, in other words one respondent had made the aforementioned purchase decision seven to nine times. At least the respondents do not feel that advertisements have an immediate effect.

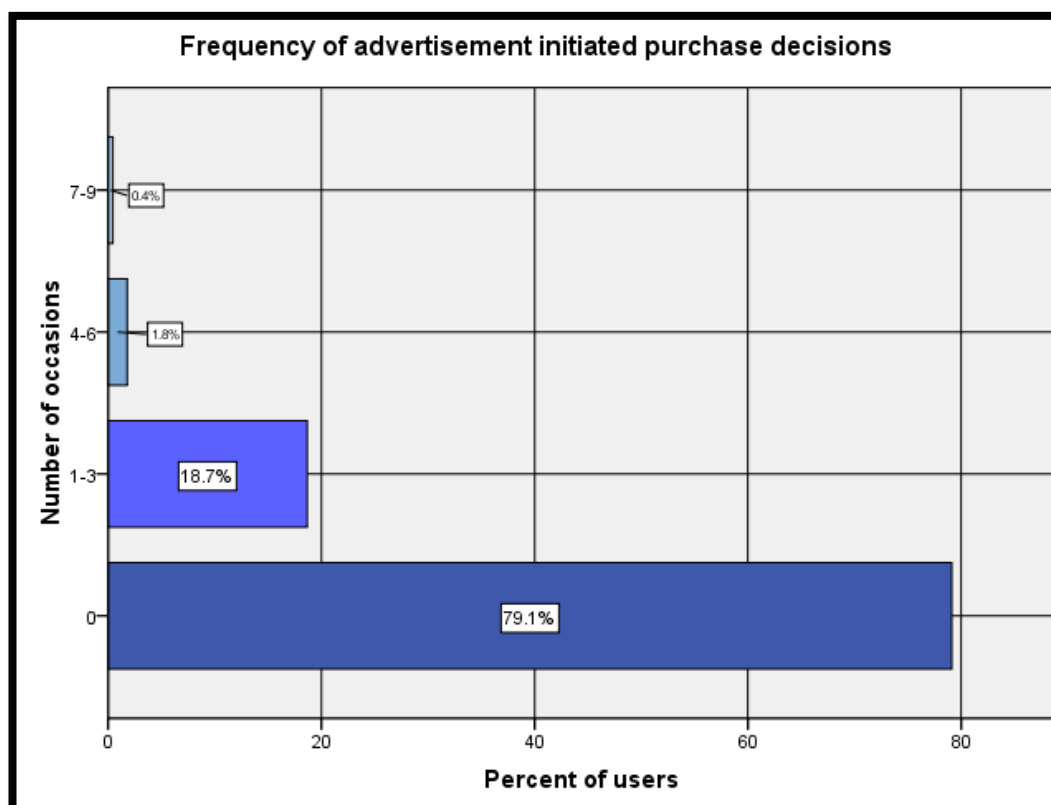


Figure 32. The frequency of advertisement initiated purchase decisions of the respondents.

When considering a successful advertisements, the most appreciated feature was successful targeting of the advertisement, even though only 10.7% thought so. 9.3% viewed it important for the advertisement image to be attractive. 8.4% said to appreciate availability of information within the advertisement. 7.1%

valued the attractiveness of the text portion in the advertisement. 5.3% saw it important to make the viewing of the advertisement a pleasant experience. 4.9% thought a successful Facebook advertisement should contain some sort of entertainment value and finally, only 0.4% saw the advertisements trustworthy.

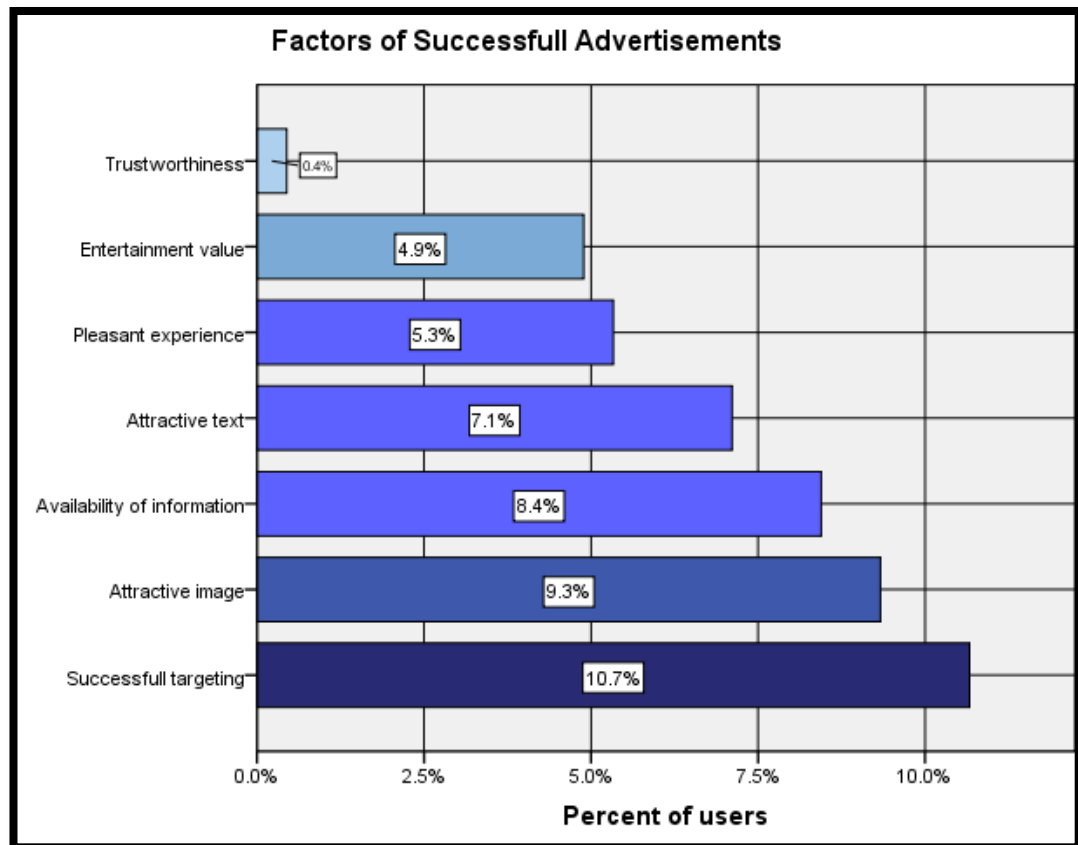


Figure 33. Factors of successful advertisements according to the respondents.

45% of the respondents were willing to share the survey link on Facebook while the majority preferred to spare their friends from unnecessary spam or were otherwise reluctant to share the link.

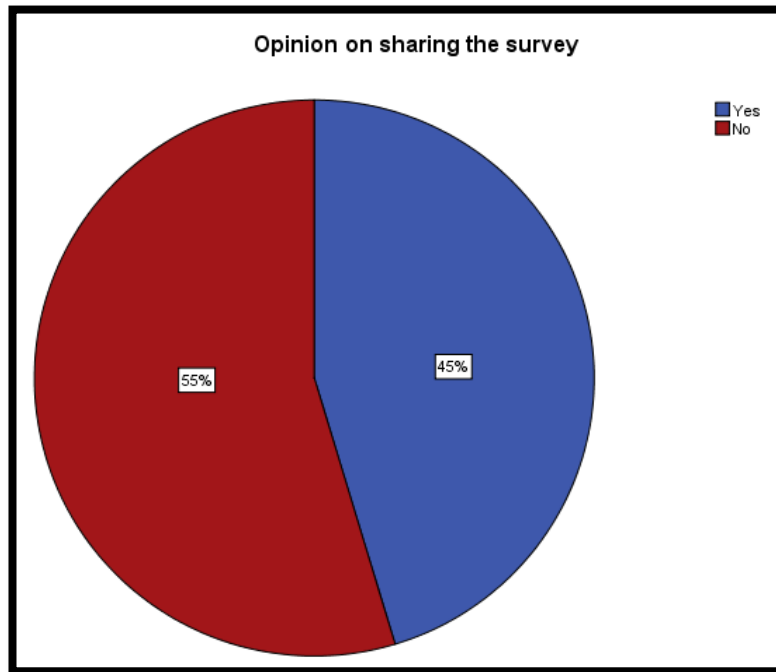


Figure 34. The respondents' opinion on sharing the survey link.

7 CONCLUSION

7.1 Summary of the thesis

The thesis was initiated by going through appropriate literature related to online marketing with its advantages and disadvantages as well as online consumer behaviour. The literature review was then followed by chapters covering social media and marketing within it with an eye on Facebook especially. Finally, a questionnaire was made that was taken by users of Facebook and the results of the questionnaire were analysed. The emphasis was more on the matters relating to consumers as the whole point of the thesis was to find out how Facebook users felt about marketing in their daily activities in Facebook.

It became apparent that online marketing provided significant benefits for both, marketers and consumers, but the benefits of the Internet don't come without the downsides. The gathered findings from the literature review related to both aspects from the consumer's point of view were supported by the questionnaire results as the respondents valued the ease and speed of reach that the Internet provided, particularly so as it was also seen as a great source of information. The other remarkable benefits were reduced costs and ease of contact process. On the other hand, perceived risks were felt far more significant than the advantages gained from online marketing. Privacy and security were the cause for most worries while the respondents are somewhat tolerant to clutter and web snarl. The majority of respondents were, at least from their own perspective, accustomed users of the web. They were skilled and eager to find information and most of them had done shopping online.

The primary issue that marketers face is lack of trust. The availability of information, especially so in Facebook, enables them to better target their desired customers but it is hard to get the message through when the audience is skeptic. It is granted that it is easier, faster and more cost effective to reach a wider crowd that is probably more receptive to the particular message than large scale sweep on traditional marketing mediums. But the pros can also be

cons. The consumers are also able to cause more damage due to ease and speed of reach. The social media is a vast network where word can spread fast and wide by anyone. In addition, anyone with required skills can dig out information if they see it worthwhile. Also, the importance of the actual product limits the variety of goods that can be efficiently delivered to consumers as tangibility is vital in order to make a purchase decision.

7.2 Answers

Time to take another look at the research questions that were set in the beginning of this Thesis:

1. Is Facebook marketing effective and should companies look more into it?
2. Are people actually paying attention to advertisements in Facebook?
3. Is Facebook the marketing medium for the future?
4. What do the respondents think about the marketing on Facebook?

Facebook provides many ways for marketing but it has its limitations. It doesn't provide a fast track to purchase decisions, though it provides data, which would be otherwise hard to acquire. In combination with the sheer amount of users who spend their time in Facebook makes it very attractive channel for marketers. With careful planning and some common sense it can be put into effective use. There are numerous ways to get your message delivered and spread but the content is the key. It may be entertaining, informative or otherwise attractive. Marketers have to find the means to harness the possibilities that lie in Facebook, since the possibilities can be utilized with so cost efficiently. The responses show that Facebook is a great channel for marketing activities related to events, as it is a great way for customers to let their friends know that they are going to see a certain band and at the same time, they can get important updates about changes, i.e. in the schedules, straight in their news feed by establishing a connection with an event's Facebook page.

The direct advertisements shouldn't be the primary reason for going into Facebook. Despite the fact that the users can not completely avoid them and that the advertisements were seen as the most successful form of advertising by the respondents, not that many actually react to the direct advertisements by clicking them. The key is to get the users to act as endorsers. Applications are certainly not the best way to gain positive attention.

When it comes to marketing, Facebook has simply too much to offer for it to be ignored. The tools and data that Facebook provides for marketers are easily reachable, it's just a matter of finding how to use them efficiently. It's certainly not unheard of that something that started out small spread like a wildfire in Facebook and beyond it. Also, the social media applications become more appealing when more people use them and at least for the time being the growth of Facebook hasn't seized. Basically, Facebook marketing is a viable channel among others, which should be utilized in addition to other channels while it isn't sufficient environment by itself. When aligned with other marketing communication, it provides an easy approach for interaction with consumers. The key to prosperous marketing activities is definitely trust. This issue stands out throughout the whole thesis. Either the audience needs to be assured that the web, and Facebook, isn't a place where danger lurks around every corner, or more measures have to be taken to guarantee the safety of all web users, consumers and other entities alike.

Users are exposed to some Facebook advertisements whether they want it or not, but at least there are methods to limit advertising and other content flow. Security and privacy are major issues and users make use of measures that Facebook has to offer in order to secure themselves. If marketing is conducted in an appropriate way, it is pleasing according to the respondents.

7.3. Validity, limitations and reliability

The authors went through several relevant publications on the field of marketing, focusing on online marketing, online consumers and online buying behaviour to gain understanding of these activities in the online environment.

Further research was required on social media and Facebook, which was challenging as academic literature for these fairly recent topics is sparse and thus authors had to partially rely on otherwise credible online sources. While marketing theory lays its foundations on the basics that have been established in the past, the topic of the thesis required use of more recent or recently updated publications as the online environment changes constantly.

The primary relevant data was collected with a questionnaire in accordance with the studied sources. The collected data supported the theoretics and statistics and answered the questions that the authors set in the beginning of the thesis.

However, most of the responses came from Finnish “digital natives”, which limits the applicability of the results. Nevertheless, the respondents fall in to the category that makes up the majority of Facebook’s userbase in Finland. This gives useful information about the most active users of Facebook to some extent.

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Questionnaire in English

Introduction

Hi!

We have prepared this survey for our bachelor's thesis on Facebook marketing, more exactly to find out what people think of it. All Facebook users are welcome to participate and take this survey.

Completing this survey will take about 15 minutes of your time. In the end you are able to provide us with your email address and thus participate to a lottery of two sets of two Finnkino movie tickets, which are valid till 6th of October, 2011. The survey closes on 12th of May, 2011. All responses are anonymous.

Sincerely,

Jani Orpana & Jukka Teräs

P.S. It is also possible to take the survey in Finnish, you can easily access the Finnish survey from the link below.

First Part- General Questions (Where we get the basics out of the way.)

1. Sex
 - a. Male
 - b. Female
2. Age
 - a. 15–19
 - b. 20–24
 - c. 25–29
 - d. 30–34
 - e. 35–39
 - f. 40–44
 - g. 45–49
 - h. 50+
3. How often do you use the Internet?
 - a. Several times a day
 - b. Daily
 - c. Weekly
 - d. Monthly
4. For what purposes do you use the Internet? (Respondents were able to choose multiple options.)
 - a. Information search
 - b. Read the news
 - c. Online shopping
 - d. E-mail
 - e. Social Media (Facebook, Twitter, MySpace etc.)
 - f. Online banking
 - g. Online investments
 - h. Work
 - i. Blogging
 - j. Other, please specify

Second Part – Questions About Marketing Online (Where we get a bit more indepth.)

5. How often do you go online to a find more information about company or a product, after having seeing an advertisement for it in traditional marketing mediums (Television, newspapers, radio etc.)? (Respondents were able to choose multiple options.)
 - a. Several times a day
 - b. Daily
 - c. Weekly
 - d. Monthly
 - e. Never

6. On a scale from 1 to 4, 1 being the lowest and 4 the highest, how would you rank these beneficiaries of internet-based marketing? (1-4 scale for each option.)
 - a. Ease of reach
 - b. Speed of reach
 - c. Availability of information online about products on commercial and non-commercial sources
 - d. Cost reduction and ease concerning the contact process
 - e. Possibility to interact with the provider of service
 - f. Customization of orders (e.g. modifications in the product features etc.)
 - g. Customer-based marketing (i.e. serving one's specific taste etc. in marketing)
 - h. Opportunity to receive tailored messages by handing out personal information

7. On a scale from 1 to 4, 1 being the lowest and 4 the highest, how would you rank these drawbacks of internet-based marketing based on their severity? (1-4 scale for each option)
- a. Privacy issues
 - b. Information gathering in marketing purposes when not wanted and clearly informed
 - c. Marketing to children and adolescents
 - d. Web snarl, i.e. site malfunctions regarding to numerous simultaneous visitors on the same site
 - e. Clutter, i.e. marketing of similar kinds of products and their vast proportions
 - f. Online frauds and cons
 - g. Computer hacking risks
 - h. Credit card frauds

8. On a scale from 1 to 4, 1 being the lowest and 4 the highest, how would you rank these methods of E-marketing according to their efficiency? (1-4 scale for each option.)
- a. Company website
 - b. Company Social Network Site pages
 - c. Banner Advertisements
 - d. Sponsorships (i.e. sponsored pages)
 - e. Intestitials (i.e. pop-ups)
 - f. E-mail
 - g. Classified advertising (similar to newspapers)
 - h. Rich media (i.e. pop-ups that include any combination of video, audio and interactivity)
 - i. Keyword search (i.e. adverts displayed on search engine sites according to your search)
 - j. Referrals (i.e. recommendations from other users within commercial sites)
 - k. Slotting fees (i.e. advertisements or products that are placed to better spots on sites)
 - l. Advergames

Third Part – Questions About Consumer Behaviour (Where we learn a thing or two about you.)

9. When purchasing goods, on a scale from 1 to 4, 1 being the lowest and 4 the highest, how important would you rank the following factors? (1-4 scale for each option)
- a. product itself
 - b. price
 - c. physical location
 - d. marketing and promotion of the product
 - e. overall economic situation
 - f. technological advantages of the product
 - g. environmental issues, professional ethics and social codes of the provider company
 - h. membership group related to the product
 - i. reference group influence
 - j. influence of others (family, friends, etc.)
 - k. brand logo
 - l. social appreciation
 - m. one's social class
 - n. availability of information
 - o. vicinity or closeness of location
 - p. commercial information about the product
 - q. tangibility when considering the purchase
 - r. post-usage disposal

10. When purchasing goods on-line, which characteristics describe you in a best manner?

- a. Specific products, markets or leisure. Very accustomed with the usage of search engines and different directories. Online usage is centralized and focused.
- b. Site browsing happens in random order and from hyperlink to another. Tendency to click on banner ads etc. Not so accustomed on using the internet.
- c. Entrance to the virtual in order to find a specific product(s) or service(s). Usage of broker sites and intermediaries when comparing price, information, etc. about the product which is under intention of being acquired.
- d. Hunt for available offers, tendency to bend under sales promotion, in search for free samples or different kinds of prizes.
- e. The use of the internet in order to find entertainment, such as different kinds of quizzes, games and contests.

11. When purchasing goods on-line, which characteristics describe you in a best manner?

- a. Ease of access, practicality, information availability and sufficient selection. Ability to control the occurrence of the shopping situation itself. Keyword being usefulness when shopping over the internet.
- b. Search for certain kinds of products when shopping. Surfing through auction etc. sites. Visiting sites regarding to hobbies, interests, etc. Keyword being enjoyment when shopping over the internet.

Fourth Part – Questions About Facebook (Basic questions about your Facebook usage.)

12. How often do you use Facebook?

- a. Several times a day
- b. Daily
- c. Weekly
- d. Monthly

13. Which devices do you use to access or post content on Facebook?

(Respondents were able to choose multiple options)

- e. Personal Computer
- f. Smart phone/Mobile phone
- g. Gaming console
- h. Other portable device (e.g. iPod touch)

14. How important are the following factors in Facebook? (Scale for each option: 1. Very important, 2. Important, 3. Somewhat important, 4. Not important)

- a. Security
- b. Privacy
- c. Controllability
- d. Ease of use
- e. Clear outlook
- f. Updates on matters important to you
- g. Lack of clutter (e.g. excessive irrelevant advertising)
- h. Being able to interact with companies

15. In your opinion, how well are the aforementioned factors implemented on Facebook? (Scale for each option: 1. Very well, 2. Well, 3. Not so well, 4. Poorly)

- a. Security
- b. Privacy
- c. Controllability
- d. Ease of use
- e. Clear outlook
- f. Updates on matters important to you
- g. Lack of clutter (e.g. excessive irrelevant advertising)
- h. Being able to interact with companies

16. How important are the following factors when you share content that you haven't generated? (Scale for each option: 1. Very important, 2. Important, 3. Somewhat important, 4. Not important)

- a. Trusted source
- b. Content is entertaining
- c. Content is informative
- d. Possible reward

17. Which measures have you taken to adjust your account security and privacy? You may choose any number of options.

- a. Hidden profile information about myself
- b. Given false information about myself
- c. Limited access to content involving me
- d. Limited ability of others to share content involving me
- e. Limited access of third parties (advertisers, applications, websites) to information about me
- f. Limited access of third parties to information about my activities
- g. Limited the authority of applications and/or websites to publish content on my behalf
- h. Enabled secure browsing

18. Which measures have you taken to adjust content flow to you? You may choose any number of options.

- a. Hidden content appearing in News Feed
- b. Blocked users
- c. Reported messages as spam
- d. Removed advertisements
- e. Limited or blocked email notifications
- f. Disjoined groups, events, or other Facebook pages

Fifth Part – Facebook Marketing (Where you get to express your opinion on Facebook advertising. Hang in the! You're almost done!)

19. How often do you use Facebook for the following commercial activities? (Scale for each option: 1. Very often, 2. Often, 3. Sometimes, 4. Hardly ever, 5. Not at all)

- a. Get information about a company or other organization
- b. Get information about a product or service
- c. Get information about events
- d. Play games that have integrated advertising
- e. For entertainment (e.g. take fun quizzes, watching videos, etc.)
- f. Sharing interesting links (e.g. to news sites, videos, pictures)
- g. Shopping
- h. Click on advertisements
- i. Purchase Facebook Credits or something with them

20. Which of the following adjectives best describe your opinion on the following types of Facebook advertisements? You may choose any number of alternatives. (Options for each option: Pleasant, Trustworthy, Entertaining, Informative, Promotionally successful)

- a. Direct advertisements (i.e. adverts that appear on the right column of Facebook page)
- b. Messages directed to you from Pages, which you are member of.
- c. Mass messages from Pages, which you are member of.
- d. Messages from applications. (including games)
- e. Advertisements from applications. (including games)
- f. Messages from other users
- g. Links from other users

21. How important are the following factors when you join a group or otherwise permit a company to contact you? (Scale for each option: 1. Very important, 2. Important, 3. Somewhat important, 4. Not important)
- a. Honesty of the source
 - b. Entertainment value
 - c. Information gained
 - d. "Coolness"
 - e. Being able to interact with the source
 - f. Staying up-to-date
22. How many times have you made a purchase decision after seeing an advertisement on your Facebook account?
- a. 0
 - b. 1-3
 - c. 4-6
 - d. 7-9
 - e. 10+
23. If you answered any other than "0" in the previous question, which factors affected on your decision? (Respondents were able to choose any number of options.)
- a. Pleasant experience about the advertisement
 - b. Attractive image on the advertisement
 - c. Attractive text on the advertisement
 - d. Successful targeting of the product
 - e. Entertainment value
 - f. Trustworthiness of the Facebook as a marketer
 - g. Availability of information regarding the product at hand

The End. (Where we want to know just a few more things and you're done.)

24. And finally, did you or will you share the link to this questionnaire with your friends on Facebook?

- a. Yes. (In order to support a good cause and help you guys out.)
- b. No. (Because I want to spare my friends from pointless spam.)

Questionnaire in Finnish

Johdanto

Hei! Teemme tutkimuksen Facebook-markkinoinnista, tai tarkemmin sen käyttäjien suhtatumisesta siihen, opinnäytetyötämme varten. Kaikki Facebook-käyttäjät ovat tervetulleita osallistumaan tähän kyselyyn.

Kyselyyn vastaaminen kestää noin 15 minuuttia. Kyselyn päätteeksi voit antaa meille sähköpostiosoitteesi osallistuaksesi kahden Finnkinon kesälahjalippupaketin (Kaksi kappaletta lippuja/paketti) arvontaan. Liput ovat voimassa 6.10.2011 saakka. Kysely sulkeutuu 12.5.2011. Kaikki vastaukset ovat anonyymejä.

Terveisin,

Jani Orpana & Jukka Teräs

P.S. Kyselyn voi myöskin tehdä englanniksi. Englanninkieliseen kyselyyn pääsee alla olevasta linkistä.

Ensimmäinen osa – Yleiset kysymykset (Jossa saamme perusasiat pois alta.)

1. Sukupuoli

- a. Mies
- b. Nainen

2. Ikä

- a. 15-19
- b. 20-24
- c. 25-29
- d. 30-34
- e. 35-39
- f. 40-44
- g. 45-49
- h. 50+

3. Kuinka usein käytät Internetiä?

- a. Useita kertoja päivässä
- b. Päivittäin
- c. Viikoittain
- d. Kuukausittain

4. Mihin käytät Internetiä?

- a. Tiedonhaku
- b. Uutisten lukeminen
- c. Ostostenteko
- d. Sähköposti
- e. Sosiaalinen media (esim. Facebook, Twitter, MySpace, ym.)
- f. Verkkopankki
- g. Sijoittaminen verkossa
- h. Työskentely
- i. Bloggaus
- j. Muu tarkoitus, erittelisitkö alla olevaan kenttään?

Toinen osa – Kysymykset verkkomarkkinoinnista (Jossa sukellamme hieman syvemmälle.)

5. Kuinka usein etsit verkosta tietoa yrityksestä tai tuotteesta nähtyäsi tai kuultuasi mainoksen perinteisessä mediassa? (Televisiossa, lehdessä, radiossa, ym.)
 - a. Useita kertoja päivässä
 - b. Päivittäin
 - c. Viikoittain
 - d. Kuukausittain
 - e. En koskaan

6. Asteikolla 1-4, jossa 1 on alin ja 4 ylin, kuinka arvioisit nämä verkkomarkkinoinnin hyödyt?
 - a. Helppo tavoitettavuus
 - b. Nopea tavoitettavuus
 - c. Kaupallisten ja epäkaupallisten tiedonlähteiden saatavuus
 - d. Kulujen vähentyminen
 - e. Mahdollisuus kanssakäymiseen palveluntarjoajan kanssa
 - f. Tilausten räätälöinti (Esim. tuotteen ominaisuuksien muokkaus, ym.)
 - g. Asiakaslähtöisesti kohdistettu markkinointi (Esim. markkinoinnin kohdistus mieltymysten mukaan)
 - h. Mahdollisuus saada räätälöityjä viestejä henkilötietoja luovuttamalla

7. Asteikolla 1-4, jossa 1 on alin ja 4 ylin, kuinka arvioisit nämä verkkomarkkinoinnin haitat?

- a. Yksityisyysongelmat
- b. Tietojen kerääminen markkinointiin ilman selkeää tiedottamista ja mahdollisesti vasten tahtoa
- c. Lapsille ja nuorille markkinointi
- d. Verkon jumiutuminen, esim. sivustojen virhetoiminta liiallisesta käyttäjämäärästä johtuen
- e. Epäjärjestys, esim. saman kaltaisten tuotteiden liiallinen markkinointi
- f. Verkkohuijaus ja -vilppi
- g. Tietomurtoriskit
- h. Luottokorttihuijaukset

8. Asteikolla 1-4, jossa 1 on alin ja 4 ylin, kuinka arvioisit näiden verkkomarkkinoinnin tapojen tehokkuudet?

- a. Yrityksen verkkosivut
- b. Yrityksen Sosiaalisten Verkstopalvelujen sivut
- c. Banneri-mainokset
- d. Sponsoroidut sivut
- e. Esiin ponnahtavat ikkunat (pop-upit)
- f. Sähköpostiviestit
- g. Ilmoitukset (saman kaltaisia, kuin sanomalehdissä)
- h. Rikas media (esim. pop-upit, joissa on liikkuvaa kuvaa, ääntä ja joiden kanssa voi olla vuorovaikutuksessa)
- i. Hakusanamainonta (esim. hakukoneiden tulosten yhteydessä esiintyvät mainokset)
- j. Suositukset (esim. muiden käyttäjien suositukset kaupallisilla sivustoilla)
- k. Sijoittelu (esim. mainos tai tuote on sijoitettu näkyvämpään paikkaan sivustolla)
- l. Mainospelit

Kolmas osa – Kysymykset kulutus- ja verkko-ostoskäyttäytymisestä (Jossa opimme asian tai pari sinusta.)

9. Kun olet ostamassa tuotetta, miten arvioisit seuraavien seikkojen tärkeyden asteikolla 1-4, jossa 1 on alin ja 4 ylin?
- a. Tuote itsessään
 - b. Hinta
 - c. Sijainti
 - d. Tuotteen markkinointi ja mainostus
 - e. Yleinen talouden tilanne
 - f. Tuotteen teknologinen edistyksellisyys
 - g. Tuotetta tarjoavan yrityksen ympäristövaikutukset, ammatillinen etiikka ja yhteiskunnalliset säännöt
 - h. Tuotteeseen liittyvä jäsenkunta
 - i. Viiteryhmän vaikutus
 - j. Perheen, ystävien ja muiden läheisten vaikutus
 - k. Tuotemerkin logo
 - l. Sosiaalinen arvostus
 - m. Yhteiskuntaluokka johon kuulut
 - n. Tiedon saatavuus
 - o. Tuotteen sijainnin läheisyys
 - p. Tuotteesta saatavilla oleva kaupallinen tieto
 - q. Tuotteen kosketeltavuus ennen ostoa
 - r. Käytön jälkeinen jätteiden hävittäminen

10. Kun teet ostoksia verkossa, mitkä piirteet kuvaavat sinua parhaiten?

- a. Tietyt tuotteet, markkinat tai vapaa-aika. Erittäin tottunut käyttämään hakukoneita ja eri hakemistoja. Verkon käyttö on keskittynyttä ja tarkkaa.
- b. Sivustojen selailu satunnaisesti linkistä toiseen. Taipumus klikata mainoksia ym. Ei kovin kokenut Internetin käyttäjä.
- c. Siirtyminen verkkoon tietyn tuotteen tai palvelun löytämiseksi. Välittäjä sivustojen käyttö hankittavan tuotteen hintojen, tiedon, ym. vertailemiseen.
- d. Metsästä erinäisiin tuotteisiin liittyviä tarjouksia ja muita palkintoja. Taipumus tehdä ostopäätös mahdollisten alennusmyyntien perusteella.
- e. Käytät Internetiä löytääksesi viihdettä, kuten erilaisia pelejä, kilpailuja ja kyselyitä.

11. Kun teet ostoksia verkossa, mitkä piirteet kuvaavat sinua parhaiten?

- a. Käytön helppous, käytännöllisyys, tiedon saatavuus ja riittävä valikoima. Kyky hallita ostotapahtumaa. Internetin käytön avain on käytännöllisyys.
- b. Etsit tietynlaisia tuotteita ostoksien yhteydessä. Surffaillet mm. huutokauppasivustoilla, sekä harrastuksiin ja kiinnostuksiin liittyvillä sivustoilla. Internetin käytön avain on nautinto.

Neljäs osa – Kysymykset Facebookista

12. Kuinka usein käytät Facebookia?

- a. Useita kertoja päivässä
- b. Päivittäin
- c. Viikoittain
- d. Kuukausittain

13. Mitä laitteita käytät päästäksesi tai lähettääksesi sisältöä (ml. viestejä) Facebookiin?

- a. Tietokonetta
- b. Älypuhelinta tai kännykkää
- c. Pelikonsolia
- d. Muuta kannettavaa laitetta (esim. iPod Touch)

14. Kuinka tärkeäksi koet nämä Facebookiin liittyvät asiat? (1. Erittäin tärkeäksi, 2. Tärkeäksi, 3. En kovin tärkeäksi, 4. En lainkaan tärkeäksi)

- a. Turvallisuus
- b. Yksityisyys
- c. Hallittavuus
- d. Käytön helppous
- e. Selkeä ulkoasu
- f. Sinulle tärkeisiin asioihin liittyvät päivitykset
- g. Järjestelmällisyys (esim. liiallinen epäolennainen mainonta)
- h. Mahdollisuus kanssakäymiseen yritysten kanssa

15. Kuinka hyvin edellä mainitut asiat ovat toteutettu Facebookissa? (1.

Erittäin hyvin, 2. Hyvin, 3. Ei kovin hyvin, 4. huonosti)

- a. Turvallisuus
- b. Yksityisyys
- c. Hallittavuus
- d. Käytön helppous
- e. Selkeä ulkoasu
- f. Sinulle tärkeisiina sioihin liittyvät päivitykset
- g. Järjestelmällisyys (esim. liiallinen epäolennainen mainonta)
- h. Mahdollisuus kanssakäymiseen yritysten kanssa

16. Kuinka tärkeäksi koet nämä asiat jakaessasi sisältöä, jota et ole itse

tuottanut? (1. Erittäin tärkeäksi, 2. Tärkeäksi, 3. En kovin tärkeäksi, 4. En lainkaan tärkeäksi)

- a. Lähteen luotettavuus
- b. Sisällön viihdearvo
- c. Sisällön tietoarvo
- d. Mahdollinen palkinto

17. Mitä olet tehnyt säätääksesi käyttäjätilesi turvallisuutta ja yksityisyyttä?

Voit valita niin monta vaihtoehtoa kuin haluat.

- a. piilottanut käyttäjätietojani
- b. antanut väärää tietoa itsestäni
- c. rajoittanut pääsyä itseeni liittyvään sisältöön
- d. rajoittanut muiden käyttäjien oikeuksia jakaa itseeni liittyvää sisältöä
- e. rajoittanut kolmansien osapuolien (esim. mainostajien, sovellusten ja verkkosivujen) saatavuutta itseeni liittyviin tietoihin
- f. rajoittanut kolmansien osapuolien pääsyä tietoihin, jotka liittyvät aktiviteetteihini
- g. rajoittanut sovellusten ja/tai sivustojen lupaa jakaa sisältöä puolestani
- h. aktivoinut salatun selailun

18. Mitä olet tehnyt säätääksesi itsellesi tulevaa sisältöä? Voit valita niin

monta vaihtoehtoa kuin haluat.

- a. piilottanut sisältöä "Uutiset"-sivulta
- b. estänyt käyttäjiä
- c. ilmoittanut viestejä roskapostiksi
- d. poistanut mainoksia
- e. rajoittanut tai estänyt sähköposti-ilmoituksia
- f. eronnut ryhmistä, tapahtumista tai muista Facebook-Sivuista

Viides osa – Facebook-markkinointi (Jossa pääset ilmaisemaan mielipiteesi Facebook-mainonnasta. Olet jo loppusuoralla!

19. Kuinka usein käytät Facebookia näihin kaupallisiin toimintoihin? (1. Erittäin usein, 2. Usein, 3. Joskus, 4. Hyvin harvoin, 5. En lainkaan)
- Saadakseni tietoa yrityksestä
 - Saadakseni tietoa tuotteesta tai palvelusta
 - Saadakseni tietoa tapahtumista
 - Pelaan pelejä, joissa on mainoksia
 - Viihtymiseen (esim. teen visailuja, katson videoita, ym.)
 - Jaan mielenkiintoisia linkkejä (esim. uutissivustoille, videoita, kuvia)
 - Ostosten tekemiseen
 - Klikkaan mainoksia
 - Hankin Facebook-krediittejä tai ostan jotain niillä

20. Mitkä näistä sanoista mielestäsi kuvailevat lueteltuja Facebookin mainostyypppejä? (1. Miellyttävä, 2. Luotettava, 3. Viihdyttävä, 4. Valaiseva, 5. Myyntiä edistävä)
- Suorat mainokset (esim. Facebook-sivuston oikeassa reunassa esiintyvät)
 - Sinulle kohdistetut suorat viestit sivuilta, joiden jäsen olet.
 - Joukkoviestit sivuilta, joiden jäsen olet.
 - Viestit sovelluksista (ml. pelit)
 - Mainokset sovelluksissa tai jotka ovat lähtöisin sovelluksista (ml. pelit)
 - Muilta käyttäjiltä saadut viestit
 - Muiden käyttäjien jakamat linkit

21. Kuinka tärkeitä ovat seuraavat asiat kun liittyt ryhmään tai muutoin sallit yrityksen ottaa sinuun yhteyttä? (1. Erittäin tärkeää, 2. Tärkeää, 3. Jokseenkin tärkeää, 4. Ei lainkaan tärkeää)

- a. Lähteen luotettavuus
- b. Viihdearvo
- c. Tietoarvo
- d. "Upeus/heinous/viileys"
- e. Mahdollisuus kanssakäymiseen lähteen kanssa
- f. Ajan tasalla pysyminen

22. Kuinka usein olet tehnyt ostopäätöksen nähtyäsi mainoksen Facebookissa?

- a. 0
- b. 1-3
- c. 4-6
- d. 7-9
- e. 10+

23. Jos valitsit edeltävässä kysymyksessä minkä tahansa muun vaihtoehdon kuin "0", mitkä asiat vaikuttivat päätökseesi?

- a. Mainoksen aiheuttama miellyttävä kokemus
- b. Mainoksen houkutteleva kuva
- c. Mainoksen houkutteleva teksti
- d. Tuotteen onnistunut kohdistaminen.
- e. Viihdearvo
- f. Facebookin luotettavuus markkinoijana
- g. Tiedon saatavuus tuotteesta

Loppu (Jossa haluamme tietää vielä pari asiaa ja sitten olet valmis päättämään kyselyyn.)

24. Ja lopuksi, jaoitko tai aiotko jakaa linkin tähän kyselyyn Facebookissa?

- a. Kyllä. Tukeakseni hyvää tarkoitusta ja auttaakseni teitä.
- b. En. Säästäakseni ystäviäni turhalta roskapostilta.