The Facebook logo, consisting of the word "facebook" in white lowercase letters on a blue rectangular background. This logo is centered within a larger, light blue vertical bar that runs down the left side of the page.

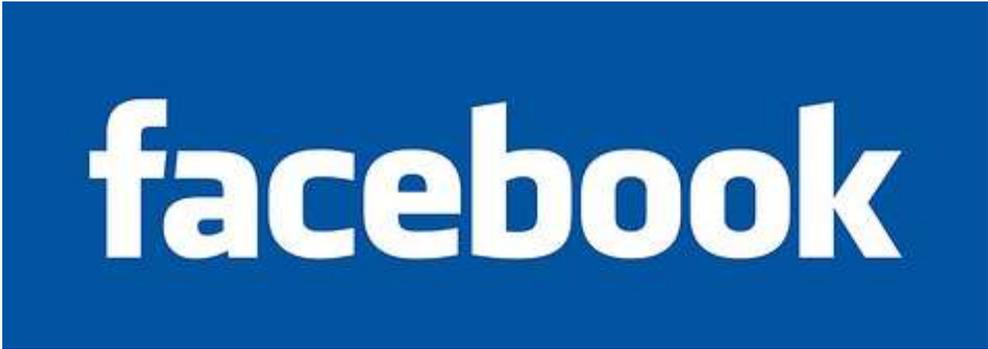
facebook

101 for the Executive Suite

Your new employee, customer CRM tool!

Don Philabaum,
President/CEO
Internet Strategies Group



The Facebook logo, consisting of the word "facebook" in white lowercase letters on a blue rectangular background.

- Are you puzzled why Facebook is getting all the press and attention it is?
- Does this whole social networking thing seem confusing?
- Are you having trouble identifying how your company can play in this space?
- Would you be interested in learning the basics of Facebook and gaining a high level overview on how it and other social media can drive your business in the coming decade?

Do yourself a favor and take the time to reading this.

You'll take away 4 fundamental changes in consumer behaviors you need to be aware of. Plus:

- 4 ways your firm can tap into an anticipated 300 million user base
- 5 ways your firm will benefit by developing a Facebook strategy
- 12 best practices and proven Internet strategies
- How various departments in your firm can benefit by participating in Facebook

And we'll share with you powerful reasons why your executive suite should be evaluating your company's internet strategy and why integrating Facebook as part of your "*new media*" strategy is vitally important in the coming year.



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Executive Summary

What we're trying to do is just make it really efficient for people to communicate, get information and share information. We always try to emphasize the social utility component.

Mark Zuckerberg, Founder, Facebook

Facebook is a social utility platform.

Facebook is no longer your kid's social community. In fact, they no longer refer to themselves as an online community but as a social utility.

In just 5 years Facebook has morphed into a business platform that corporations, non profits, religious organizations, government agencies and others are using to tap into the enormous data flow updated by its users. Organizations are using Facebook to acquire, retain and engage customers.

We like to think of Facebook as the world's largest phone book that includes not only physical and virtual contact information; but includes hobbies, interests, demographic and behavioral data that your organization can tap into as often as you want and at no cost.

Consider these facts:

- 250 million registered users (as of August 2009)
- 600,000 new members per day
- 20 million people update their status each day
- 4 million people become a fan of a Public Profile Page each day
- The largest and fastest growing age brackets are over 25
- 70% of users are from outside the United States
- Second fastest growing age group is woman over 55



In May 2007, Facebook announced the Facebook Platform, a business strategy and tool box that enabled any organization to write a program that could incorporate current corporate data and Facebook data in order to generate leads, increase revenue, cut costs and better serve customers.

Facebook's business strategy was simple. Get tens of thousands of organizations driving people to their site - then show them ads! To entice organizations to do that, Facebook offered any organization the ability to tap into the data shared by those users for free. Your organization for example could use the data to develop customized information and marketing promotions.

You could create an application to:

- Automatically send birthday cards to prospective and current customers
- Drive news and information through customers Facebook Newsfeeds
- Sell more products and services through your customers network of friends
- Survey and take polls of customers
- Use the "wisdom of the crowds" to develop better products and services

The strategy has worked as Facebook has grown from 20 million users to an anticipated 300 million in just 2 years!

If your firm believes it's important to have a presence in the phone book, then you need to take a look at why your organization should have a presence on Facebook. This is a once in a lifetime opportunity to move ahead of competitors. But you will need to act quickly.

Facebook is your new marketing, PR, advertising and customer service channel

In the old days, to reach customers, all you had to do was hand a check to a firm that had an established advertising channel. You had your choice of radio, TV, newspapers, direct mail, magazines and billboards. But things are changing out there. Traditional marketing channels are reeling from the effects of changing behaviors and the disintermediating effect of the Internet.

The old way to reach prospects and customers is falling apart:

- Newspapers are cutting positions, laying off employees, closing their doors, losing subscribers or filing for bankruptcy, (i.e. Seattle Post Intelligencer, Denver Post, Chicago Sun Times, Tribune, Boston Globe)
- Magazines are losing subscribers (have you seen how few ads in Business Week?)
- Radio no longer is listened to by youth (due to iPods, phones, streaming music and satellite radio)
- TV is struggling to keep advertisers due to TiVO allowing viewers to skip commercials
- The movie industry is fighting to maintain market share with the popularity of "On Demand" and internet viewing on the rise.



Yet on the Internet Facebook and other online communities continue to grow at unprecedented rates. In just 5 years:

- YouTube has over 150 million users
- LinkedIn has 43 million business users (ave. age 41 earning \$105,000)
- MySpace has over 300 million users
- Facebook anticipates 300 million users by the fall of 2009

Yet it took the New York Times 168 years to reach a little over 1 million subscribers.

This should be ample evidence to you that the behavior of your customers have changed.

This enormous shift in behavior will have a huge impact on your business. Your customers are learning to connect, engage and consume content online. Nearly 20 percent of online community members are participating in the online communities by via their mobile phones. It's clear this experience is built into their daily routine, no matter where they are at.

Facebook is your new customer engagement platform!

You need to help lead your organization into the Online Community/Social Media era. To help you get started, we'll give you a firsthand look at Facebook and provide you ample evidence on why and how you should be developing Facebook strategies.

We'll show you how Facebook is emerging as a platform that businesses and organizations are creating marketing strategies around, developing product sub communities and engaging customers.

By the time you finish reading this report, you'll have a better idea why Facebook is rapidly becoming:

- The world's largest phone book that is inviting you to tap into a mountain of data for free
- A news and information delivery platform (It's your future of newspaper)
- A marketing channel as big and broad as traditional marketing channels (except it's free)
- A CRM and customer service platform
- Source to learn more about prospects in order to close deals
- A way to reach a global audience
- Cheap product research and marketing tool

Your organization needs to be identifying how you are going to use this business tool, before your competitors do!



Online communities in the pioneer days

In 1995 I founded a firm to create online communities. I registered the URL's www.onlinecommunity.com and www.onlinecommunties.com and set off to create an online community for college students.

At the time AOL had 3 million members and we felt that a niche community targeted for college students was needed. So we decided to create a community that provided students with a free home page, email address and provided them the ability to customize their home page. We didn't have access to email addresses marketing services that are available today and concepts such as SEO/SEM/PPC advertising techniques didn't even exist. This was even before Google was incorporated; so we took the traditional route and placed ads in magazines geared to the college student.

Within weeks of the magazines getting into students hands - nothing happened!

Nobody was visiting the website and taking advantage of our free offer, except pornographers from a variety of European countries who somehow found us!

It didn't take long for us to realize that students were not interested in our online community so we shut it down. We had no investors and no VC money, so we had to create a business model that generated cash. We decided to repurpose the programming code to create private password protected alumni online communities. We went on to build over 300 alumni online communities for organizations like London School of Economics, The Former FBI Association, Exxon Mobile Corporations and others around the world.

It was evident to alumni professionals that online communities were an excellent way to communicate, engage and gather data about alumni, however, few alumni were registering in the online communities and worse when they did, they didn't return. Surveys of users confirmed our suspicions. The sites didn't offer much value to them and with so few people registering the online communities were more of a ghost town than "the place to be found".



Web 2.0 and Social Media

Now let's fast forward to late 2003 when a group of Harvard students led by Mark Zuckerberg created a website they called www.thefacebook.com to connect students at Harvard to each other and the events happening around campus and the town. (for the geeky programmers the real reason was to have an alternative way to meet girls!)

Membership in the online community was by invitation only. You had to be a student or individual with a college/university email address specifically and solely ending in *.edu*.

There are over 40 colleges in the Boston area. Students were connected and friends with other students from different colleges. So, it didn't take long for students on other campuses to hear about Facebook. By the end of their first year Facebook had attracted a million members.

Recognizing they were onto something new, Mark Zuckerberg and his team made the decision to expand their online community to High School students and within a short period of time to anyone who wanted to participate. Growth came rapidly.

2004	1 million
2006	12 million
2007	20 million
2008	130 million
2009	300 million (estimated by end of 2009)

The Buffalo Springfield wrote a song in the early 70's titled, "For What it's Worth". The lyrics of the song start off:

*There's something happening here
What it is ain't exactly clear*

To business executives who are working long hours leading their firms through the day to day challenges they face, these lyrics resonate. They know something is happening, but just what *IT* is, isn't exactly clear! They haven't had the time to play in new media properties like Facebook. My goal is to give you an opportunity to sit back and gain a broader understanding of Facebook and how it can help all departments in your firm acquire, engage and retain your customer base. But don't delay. This train is leaving the station. You need to get your organization on it, or you could be left behind.



- *“A new digital divide is developing and it’s not represented by economics but by mindset. Today a legion of executives are deliberately deciding not to experiment and/or use Social Media tools. Little do they realize, they risk leaving a legacy in their organizations as the ones that “missed” the Social Media revolution!”*

Robert Scoble
Blogger, Former Microsoft Corp



Four significant changes in consumer/customer behavior

Now that the Internet has reached its teens, its maturing and beginning to blossom in every direction imaginable. The crazy business plans written on napkins in coffee shops all over the country back in 1998 are beginning to see the light of day.

Why?

In 1998 when nearly everyone wanted to take their idea public, the cost to ramp up was enormous. Technology had to be created from scratch. There wasn’t an effective way to reach prospective customers and new startups spent an enormous amount of money on advertising to build awareness and a customer base.

The problem was that the commercial Internet was barely 4 years old and consumers behaviors had not changed. They still relied on traditional news outlets; they still went to the bank to check their balance, visited their financial advisor to get portfolio advice, stopped in at their travel agent to pick up tickets, shopped for books at the mall and went to the library to search for information.

A lot has happened in the past decade. The Internet has swept the world and broadband now reaches over 75% of the homes in America.. There are now 4 billion mobile phones with 1.5 billion being sold last year. Of those, 15% are SmartPhones owners who are accessing the Internet and online communities multiple times per day.

The Internet has changed your customer’s behavior in ways your strategic planning never imagined. Let’s look at the 4 fundamental ways their behavior has changed.





1) Community

The theory of “*Online Community*” is nothing new.

In the mid 1980’s bulletin board online communities formed that connected people with similar interests, hobbies and philosophies. The Well was one of the better known bulletin board communities and although it never got past 10,000 users, it set the stage for the next generation of online communities pioneered by AOL. In 1995, when AOL had about 3 million members (prior to the days when you received an AOL sign up CD every other week in the mail) other online communities like GeoCities and Tripod were being introduced.

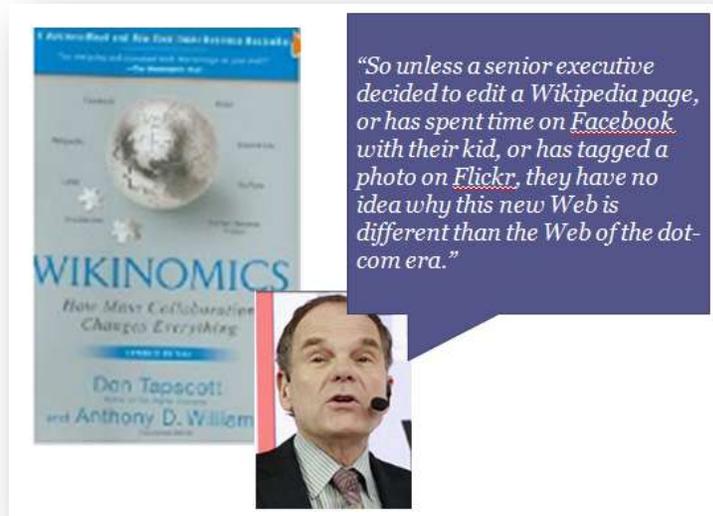
This was the era of early adopters; those individuals who loved technology and were looking for new ways to use this emerging technology. The general public was content with the communication and information tools those businesses provided. After all, you can’t miss what you have never had

Web 2.0 and changing behavior explodes

Soon after the dot com bust, surviving companies began developing innovative new services and software. While the early web allowed you to surf and communicate with others, the new web or Web 2.0 allowed people to interact with each other using text, video and audio.

Websites that are now familiar to you were founded or just being launched only 5 or 6 years ago in 2003 and 2004; sites like Friendster, YouTube, MySpace, Facebook and LinkedIn. Collectively these sites have a total of over 700 million members. Granted, all of these are not necessarily unique members and individuals are known to have accounts in multiple social media platforms. These numbers are too huge to ignore. Your organization needs a strategy to understand how every department in your firm can use these New Media outlets to actualize your business strategy.





2) Collaboration

Web 2.0 introduced a number of new ways to let people engage and interact. As mentioned earlier, first generation websites allowed individuals to view but provided limited to no interaction.

A good example would be the Kodak's Gallery. Kodak offered customers the ability to upload their photos to their website and show them off to friends and others.

Then along came Flickr which allowed people to **1) tag** photos with terms so others could find them, **2) rate** photos **3) comment** on photos and **4) build** a small community around those photos.

Flickr started to attract a loyal following of people serious about their photography. A photographer who presented images of barns in Ohio could now tag his photographs and be found by anyone, anywhere in the world. By simply doing a search for barns, someone from Texas could find the images and comment on the photos. Then, they could add some of their own photos and further add to the "barn" search community.

Soon, a thriving community of photographers and enthusiasts were gathering to share tips, ideas about best photo locations, equipment combinations/gear bags, harrowing photography experiences and much more. Connections were made and those friends began to bring others like them into Flickr. While Kodak had a mountain of money to throw at marketing channels to promote their Kodak Gallery site, Flickr - with NO advertising - quickly eclipsed them in the number of users, photo uploads and participation.

Today authors and writers reach out via Twitter, Facebook, LinkedIn and other social media tools to ask what article they should be writing, inquire about possible sources to substantiate a story and gather feedback.

Don Tapscott, in his book, “*Wikinomics*” shares a great story about his neighbor, then the President of Goldcorp which a Canadian gold mining firm.

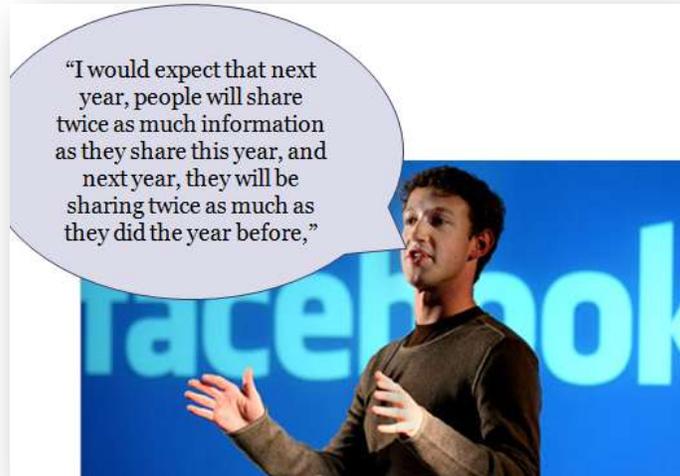
According to Don, the company geologist had hit a wall and were unable to find any more locations to mine gold on their property. As a result the firms’ valuation had slipped to only \$80 million and their president, Rob McCullum , was seriously considering throwing in the towel.

However, while at a Young President’s Club meeting, Rob learned about the collaborative capabilities of the Internet. He came home and, despite generations of protective and secretive control over their geological data and information, Rob told his team to put the information on the web and offered a \$500,000 prize for substantiated suggestions of where on their huge property they had the highest probability of finding large deposits of gold. It didn’t take long for mathematicians, chemists, retired professors and others to begin analyzing the data. Not only did the 77 submissions locate an additional \$3.4 BILLION in gold but the company, but the company’s value vaulted to \$80 Billion!

Business leaders of the future will learn how to tap into the collaborative nature of their consumers to help make important decisions. Leadership in the past has been characterized by the brilliant leader assimilating a mountain of materials and using their instinct and gut to help move the company in the right direction.

In this fast paced global world where your industry can get disintermediated literally overnight, there is evidence that this old leadership model **no longer works**. The new leader will be someone who can use the collaborative tools available and gain the insight and advice from the “wisdom of the crowds” to steer the firm in the direction they need to go. Think of it as American Idol for your business.





3) Content

Web 2.0 HAS changed the behavior of consumers.

Prior to that, there was a great deal of caution and resistance by consumers and business leaders to post information and content on the web. With the introduction of social media and the emerging online communities it seemed like all caution was thrown to the wind.

Each day over 20 million members of Facebook are updating their status and spending a total of 3 billion minutes on the website. Within the 15 minutes the average user spends on the website, they are viewing their Newsfeed, uploading photos/videos and commenting on others sites. The aggregated amount of content is staggering:

- 850 million photos are updated each month
- 8 million videos are updated each month
- 1 billion pieces of content (links, news stories, blog posts, etc.)

Mark Zuckerberg suggests, *"I would expect that next year, people will share twice as much information as they share this year, and next year, they will be sharing twice as much as they did the year before."* This prediction is backed by a great deal of data that Facebook has used to develop their business strategy and is proof that your customer has changed. It's proof that you need to begin changing the way you market to, connect with, and communicate with them.

Facebook's user agreement gives it the ability to share the aggregate information with marketers who can then use the information to target individuals. This gives advertisers a way to market to us both online and offline using information gleaned from our profiles. Marketers will be able to identify and deliver offers based on:



- Sex
- Age,
- Location
- Education
- Interests
- Hobbies
- Books, Movies, Music liked

And dozens of other data sets. Organizations that create API's will be able to grab additional data sets to provide a 360 degree view of their prospects then hyper-target information to them.

According to Sree Nagarajan, founder, president and CEO of Colligent, (a firm that uses online information to market to people), *“If you think about your Facebook profile, 95 percent of what you describe there is not about your online life, even though it is online. You’re talking about your hobbies, your interests, your favorite TV show or your favorite band.”*

Many of the successful companies in this Internet era are using “other people’s content” to build a business model, marketing program or to expand their brand and product penetration. How will your firm develop a strategy to use the content of your current customer base and engage prospective customers?





4) Communication

If you are like me, there are times that I wished I did not have to deal with email.

It's the first thing I see in the morning (along with my oatmeal and coffee) and it's one of the last things I check before I go to bed. I'm a slave to my email and by my estimation I spend at least 7 hours a week handling it.

At the same time, email has made me and my organization more efficient and effective at what we do. What used to require phone calls, phone tags, and voice mail messages is now accomplished while we multitask. So as much as I'd like to complain, it's one of the most valuable business inventions since the typewriter and personal computer.

However, as important as email is, new modes of communications are being introduced that will fundamentally change the way your organization communicates with people. The 2 principal areas are:

1. Mobile phones
2. Online community

Mobile phones



There are currently 4 billion mobile phone subscribers around the world. That represents 59% of the world's population. In 2008, the industry sold a staggering 1.15 billion phones. Only 15 percent of them were SmartPhones.

As more SmartPhones are introduced, a growing percentage of subscribers will be able to access their Facebook profile page more frequently. Today, 30 million Facebook users are already accessing Facebook via their SmartPhones. The others are texting each other and by passing email communication.



The changing behaviors here are enormous. The mobile phone texting is a 71 billion dollar industry. While the Internet has been said to be converging, radio, TV, newspaper, magazine and communication channels; in the end, it's going to be the mobile phone that will be the single device that will deliver the changes, not the PC.

Online Community

As technology offers new communication channels and tools we see all generations now begin to use email and IM less as they use online communities more.

Facebook and Twitter are offering users an opportunity to instantly communicate with whomever they want. I saw this first hand the other day when my son found out he was needed to photograph a college graduation ceremony in Buffalo and he needed an assistant. Instead of calling his friend, he accessed Facebook via his iPhone and sent a NewsFeed message inquiring if he was available. Within 2 minutes he had his yes!

Facebook has become the *Intra-net* inside the internet. Many no longer see a need for IM programs, blogs, picture posting sites, or email. It is all right there inside Facebook.

We are not suggesting that email will go away, but it will and is going to become more of a niche tool in your businesses tool kit to communicate and connect with prospective and current customers.

Our firms will not only need to learn how to join our customers in this arena, but begin to change our business systems and culture to match their behaviors and expectations.

And as valuable as it is today, there is a glimpse on the horizon that the previous three behavior changes, Community, Collaboration and Content are going to change the way we will communicate with each other and our customers.





Four Ways Your Organization Benefits

We believe your firm should have a comprehensive Internet strategy incorporated in your business plan. In the dozens of organizations we talk to each month, virtually none are developing a definitive, targeted and pointed Internet/Social Media strategic plan. All are adopting a piecemeal strategy that is born from limited knowledge and understanding. In the end, the strategies and projects that result end up underfunded, understaffed and delivers results that are less than sensational

In the same manner, a very limited number of the firms we talk with are incorporating a Facebook strategy. In nearly every case, we have found that they just didn't understand the opportunities and possibilities available to them. Although they are at least making an effort, they are using Facebook on its very basic, day-to-day consumer level and utilizing no better tools than you and I as individuals have at our disposal.

So, we thought we'd take a moment to share with you how your firm can benefit from adopting a Facebook strategy. (Contact us later and we'll help you develop a comprehensive Internet strategy!)

You can use Facebook to:

1. Build your brand
2. Engage & Retain customers
3. Generate leads
4. Learn what customers want



1) Build your brand

You can build your brand on Facebook by adopting a Public Profile Page, start a Group, advertise, join other groups, become a fan of other Public Profile Pages and develop an API that engages your customer and drives news and information into their newsfeeds.

Non profits, Celebrities, Businesses and Brands are creating Public Profile pages to increase awareness and connect with their audience.

Pringles has one of the more popular Profile pages with over 3 million fans. Pringle periodically sends messages to these fans to keep them engaged and informed. Think about the ease of sending a short 50 to 100 word message to 3,000,000 individuals. It's the most powerful way to keep your brand and build interest in your products and services. And the nice thing about this is; it costs nothing!

Asher Chocolate shop has been in business since 1892. Their 259 fans leave glowing comments in their Public Profile Page Newsfeed. They talk about the chocolate covered pretzels, swoon over the cream filled candies and lament that they don't have a store around them. By adopting a Facebook Public Profile Page, Asher is able to use these testimonials to reinforce their strong brand of quality and great taste.

It doesn't matter if you have an accounting firm, law firm, national or multinational business; by adopting a Facebook strategy today, you'll be ahead of your competition and one step closer to keeping up with your customers.

The Internet is giving your customer an opportunity to share their experiences 24/7 on Twitter, Facebook and bulletin boards. This information can be positive or negative. A negative comment by a customer can haunt you for months or even years by showing up in a Google search; possibly, right next to your multimillion dollar new product launch.

In order to minimize these situations you need to give your customers an opportunity to connect with you where ever they are before one customer uses the amplified power of social media to affect your brand image to the hundreds of people within their network.

The Akron Canton Airport has moved from offering a Group Page to a Facebook Public Profile Page. Kristie VanAuken the Director of Marketing and Communications has been an early adopter of blogs and other social media to build their brand and maintain mindshare of their customers. The 737 fans of ACK Public Profile Page get updates on special fares and to keep their customers thinking about them. As a benefit, they offer a free luggage tag to any of their fans.



2) Engage & Retain Customers

In today's hyper competitive environment you have to continually find ways to serve customers that is faster, cheaper and more effective for them.

Facebook Public Profile Pages, Facebook Connect and Facebook API's offer sundry ways your organization can engage and retain customers.

Actor Vin Diesel's Public Profile Page for his newest edition of "Fast & Furious" gained nearly 1.5 million fans in just one week. His fan base is going wild in anticipation of the upcoming release of his movie and are burning up the Newsfeeds leaving their thoughts and comments.

Just one post from his page resulted in 19,000 people commenting that they liked the post and 4,900 comments. That's a whole lot of engagement with his fans. Keep in mind too, that his team has the ability to send a message that will show up on the 3,000,000 people who are now fans of his page and that each of those fan's "friends" will be exposed to the communication.

Vin Diesel can use his page to post photos from the filming of the movie and fans can make comments, rate and or share the photos with others. Oh did we mention how much Vin Diesel is paying for his page? ZERO, nada, nothing

Health.com has successfully used Facebook Public Profile Pages to engage and retain customers. Their page now boasting over 116,500 fans gives their readers an opportunity to ask questions about articles and connect with others who are health conscious. It's an incredible FREE way for them to build a sub community on the Facebook Platform to increase loyalty and mindshare. Plus it's an incredible way to reach out and find new fans through their fan's network of friends like Vin Diesel is doing.

Newsfeed comments range from, "I love Health Magazine", to "Anyone know how to lower cortisol levels?" Individuals can participate in a discussion board and see an extra set of photographs that could not be included in the magazine.

The magazine provides RSS links to the top stories from Health.com. The entire page is designed to use –user generated content to connect with and engage users making it easy to administrate and manage.



3) Generate Leads

Gary Vaynerchuk was a second generation son involved in a sleepy family wine business. Gary became an early advocate of the Internet, blogging and particularly podcasting to educate and share his knowledge about wine. Gary produced a series of weekly podcasts that were far from professional and as low budget as “free”. His approach was straight forward, off the cuff and he told it like he tasted it.

His following exploded and before long, he was not only sought after for his knowledge of wine but for his social media experience. With a strong loyal following already, Gary did not need to set up a Public Profile Page but he did. And he didn’t stop there. Because he has become a personality [a brand if you will] for his company, he set up a Public Profile Page based on himself. The results? WineLibrary.TV Facebook page has 20,000 fans and his Personal Public Profile Page has over 26,000 fans.

Now he can repurpose his blog articles and 673 videos through the huge 200+ million Facebook user membership. Gary understands that Facebook is the world’s largest phone book and it only makes sense to build a page and generate new leads for his company there.

His Winelibrary.tv website gives his daily 80,000 listeners the ability to Twitter their comments to their friends about the latest wine video review and update information in the viewers Facebook NewsFeed. He’s doing a great job using both channels to increase leads. Vanynerchuk has been quoted as saying, “Social business is the future of our society”.

John Jantsch, founder of Duct Tape Marketing has a huge following. His blog is one of the most popular sources for social media and online marketing tips. John is an early adopter of any technology that will generate additional leads for him. He set up a new Facebook Public Profile Page for his followers and like Gary, connected all of his media channels. Additionally, he took advantage of the special capabilities Facebook has provided in the Boxes section to add FBML (Facebook Markup Language) to include a newsletter signup to grab new leads, provide links to videos and register for events and activities.

Facebook and Salesforce have partnered to help organizations and sales professionals develop a more intimate relationship with the leads generated. Salesforce an online Customer Relationship Management tool enables customers to create an email campaign that draws prospects to a landing page. All information updated by a prospect on the landing page will go right into the Salesforce CRM tool and be automatically assigned to a salesperson. When the salesperson makes contact with the lead, they can first check to see if they are connected with the prospect on Facebook so they can learn about their interests, hobbies and passions. Organizations who use this technique will find themselves closing deals faster with less effort.



4) Learn what Customers want

Dell has created a Public Profile Page entitled, “Social Media for Small Business” They understand something that we’ve heard time and time again from small business owners, that they want to do something on the Internet but they just don’t know what to do. The nearly 34,000 fans, access the page to find information, guides and participate in discussions. They use the boxes tab to repurpose small business videos they already have on YouTube. Now business owners could watch videos on how to motivate employees, adopt social media information and handle difficult employees.

More importantly, through their Public Profile Page, they hold discussions and offer polls. The company is using the discussions to not only provide a resource to answers for business leaders but to learn what they want and what they need. The polls act as mini focus groups to help their product development team assess market place needs.

This is part of Dell’s strategy; to listen to the customers and develop products around their needs.

Alicia Rockmore had recently landed a large account with Target for a product her company, Buttoned Up, Inc. distributed. Knowing she had a great opportunity if she could keep her new client happy, Alicia approached a friend for advice on how she could learn more about what Target looks for in their vendors and products. Her friend recommended that she join Facebook and look for groups that might be able to help her. Within moments of signing up she found an existing group of Target customers. “They talk about what they like, what they hear is coming from Target” says Rockmore. “It’s like free market research”.

Armed with that knowledge she adjusted the product line of her \$1 million company to match Targets tendency to stay with brands with sharp looks and guest designers.





5 Facebook Tools to Acquire, Engage & Retain Customers

1) Facebook Public Profile Page

The Facebook Public Profile Page is now easier for organizations to adopt, modify and use. It is becoming apparent that organizations need to have more than just their company website. They will need to engage multiple Social Media/Networking marketing channels to reach their customers in the communities they frequent. We are seeing organizations and brands adopt Twitter accounts, Facebook Public Profile Pages and LinkedIn Company profiles.

The new Public Profile Page provides a great deal more flexibility for companies to customize. Included are the Wall which features the Newsfeeds, information, fan listing, RSS feeds, photos and video links. The boxes area enables a business to add up to 10 different elements that could include photos, ecommerce, sign up for newsletter and links.

The Facebook Public Profile Page has become a powerful alternate to a webpage. Once you set up your page, you'll need to develop some strategies to maximize the participation. Here are 5 ideas to get you started:

- Provide exclusive behind the scenes content or interviews
- Highlight users/fans by running promotions such as creating your own video
- Offer the Facebook fans special promotional or discount products
- Assign someone to recruit from the Facebook fan page
- Set up promotional days, like a "fan day" where all the fans change their status to "I love (product)"
- Ask the community for feedback on new product ideas or promotions



- Evaluate and look at the discussions to see what your fans are talking about
- Ask the community for help to spread around the news of a new product/feature

Your Public Profile Page is a valuable free tool that, with effectively developed strategies, will become a powerful branding, lead generating, engagement, retention and survey tool.

2) Facebook Connect

Facebook Connect is an excellent way for organizations to increase traffic from and to their website. Today, consumers do not like to have to remember 12 different user names and passwords. Facebook Connect gives any website owner the ability to connect with Facebook users that visit their site to become a “registered member” by simply using their existing Facebook login information. If you are already logged into Facebook, it is as easy as clicking and you automatically become a member of the community.

Once you are into the website, Facebook Connect will also check to see if any of your friends are there and automatically give you the option of connecting with them. Now users can take their friends with them, no matter where they go.

CitySearch was one of the first websites to use Facebook Connect. Not only did they see a dramatic increase in membership traffic, but the increase of existing customers coming back brought new friends!

3) Facebook API

Genbook is a firm that provides small business owners an online appointment tool making it easy for customers to self schedule themselves for appointments. The tool eliminates phone calls and saves time for both the customer and the company. Now their clients can simply schedule an appointment while they are on Facebook. It’s turning out to be a great strategy to retain customers and increase revenue. By adding a Facebook API, your firm can increase the convenience for their customers and clients as well as increase employee efficiency.

In June of 2008, Visa unveiled a new marketing and Facebook strategy designed to reach small business owner and help them increase revenue. They developed an API that will bring business experts to business owner’s right on Facebook.

To get a quick uptake and participation, Facebook struck a deal with Visa that offered \$100 in advertising credit to the first 20,000 businesses that sign up. Their goal was to tap into the already 80,000 small businesses on Facebook to develop a relationship with them.

The API enables small business owners to network with each other and compares ideas, solve pressing business issues and reach out to experts via the resources provided. The sub community within Facebook also provides opportunities for the owners to manage their businesses more efficiently. Content partners including Google will give small businesses access to Google



Docs, Calendar, and other Google tools. A partnership with the Wall Street Journal will give business owners further access to their “Ask the Experts”. Additional partnerships with All Business, Forbes.com, Fast Company and Microsoft will ensure a steady flow of valuable content to keep business owners coming back.

Visa created a comprehensive Facebook strategy that provided a content kick start and by using other peoples content it is designed to be an automatic and maintenance free strategy. It’s a win/win strategy. Business owners got a chance to test out the Facebook advertising system to generate sales, Visa builds their brand and attracts customers for business services and Facebook educates business owners by showing them how to use both Facebook Public Profiles and advertising to generate leads.

Coffee to Clients is a small business that provides specialty coffees to customers nationwide. They created a special API that enables customers to order coffees and have it white labeled with their business name or the name of a person they want to give the coffee too. It’s a perfect example of how a business can now create an ecommerce center right within Facebook. Coffee to Clients tripled their sales since they created the application. With more users recommending this application to their Friends over Facebook every day, the product is experiencing viral growth. As Cousin Eddy says in the movie, Christmas Vacation, “Clark, it’s a gift that keeps on giving”

4) Facebook Open Stream

The Facebook Open Stream is a brand new strategy to help Facebook to continue to reach their goal of being a social utility platform. They want to be able to provide the data anyone needs anyplace, anytime. Now an organization can literally stream the newsfeeds, photos and other data from Facebook directly into the organizations website AND, at the same time, allow users to update their Facebook account status and newsfeed from their website.

One of the first companies to take advantage of this was Plaxo. Plaxo is an online networking tool with 24 million contacts. Now a Plaxo user can experience nearly everything they experience on Facebook while they are on Plaxo. Further evidence of Facebook’s desire to be a Social Utility and let others build on their platform and take the data back out to their websites.

5) Facebook Advertising

Right now it’s the bargain of the century. Facebook ads are as low as 6 to 25 cents per thousand impressions and or an average of 25 – 50 cents per click.

With an anticipated 300 million people using Facebook by the end of 2009, any organization, church, nonprofit, corporation or organization has an incredible opportunity to reach prospective customers. Facebook will enable you to hyper target individuals based on their interests,



hobbies, educational background, music/movie/book preferences, location, age, sex and or how many friends and connections you have.

Additionally, at no extra charge they will throw in social recommendations. For instance, let's say that you click on one of the ads in the far right column of your Facebook Page that has been presented by a mountain biking firm. That ad was directed specifically toward you 1.) because you indicated in your profile that you "enjoy mountain biking" and 2.) the company presenting the ad has a Public Profile Page on Facebook. Assuming I'm your friend, within the ad you will see that it says, "Don Philabaum is a fan".

We're assuming that will get your attention!

As a part of your overall Facebook strategy, you will need to spend some time thinking about who you want to reach, what you want them to do and how you can use the viral nature of friends inviting friends to increase participation on your Facebook page.



Summary

What else can I say! I think we've said it all.....

But just in case, I'd like to take this last moment to encourage you to act on the information you now have. Not knowing the opportunities available to you is no longer an excuse to not act.

We've shown you:

- 4 fundamental changes in consumer behaviors you need to be aware of
- 4 ways your firm can tap into an anticipated 300 million user base
- 5 ways your firm will benefit by developing a Facebook strategy
- 12 best practices and proven Internet strategies
- How various departments in your firm can benefit by participating in Facebook

Now you need to act!

And if you are not sure which foot to put in front of the next, call me at 800-805-9413 or drop an email don@internetstrategiesgroup.com



Definitions

Personal Profile Page

The Personal Profile Page is a page that an **individual** creates to share with others who they are. Profile Pages provide an opportunity for an individual to share the status of their relationships, demographic, geographic, education, interests, hobbies and favorite books, movies, music and much more. Individuals can control to a great degree who contacts them and who has access to their information. Consider this your personal “address book” or network of friends and family.

Newsfeeds

The Newsfeed is the core engagement engine on Facebook. Friends share with others what they are doing, interesting articles, videos they found funny, product information, updates on people, purchases or simply how they are feeling. When a customer/prospect/fan becomes a “friend” of your Public Profile Page, they will receive in their Newsfeed, any updates you put on your Newsfeed.

Public Profile Page

You might hear others refer to the Public Profile Page as “fan pages”. Facebook has made major improvements in their PPP to give businesses, organizations and non profits the opportunity to build a relationship with their customers. The new PPP enables firms to create a page with greater flexibility and a growing number of tools. For many organizations the PPP is becoming more important than their website.

Facebook Platform

The Facebook Platform was announced in May of 2007. Using the Facebook Platform, any group or organization would be able to tap into the data of members on Facebook to communicate and engage them.

Facebook Connect

There are literally tens of thousands of online community and member sites around the world. Avid online community members and those involved in social networking have had to keep track of login information for each site. Now with Facebook Connect, they can use their Facebook login information to login at any participating site. In addition, Facebook Connect automatically looks to see if any members on the new site are friends of the person logging in and if there are, it automatically connects them in the new online community too.

This is increasing participation on sites that are adopting it.



Facebook API

API is a synonym for Application Programming Interface. An organization could use the Facebook Platform to create a program that would interface with Facebook data and or the organizations data. Your organization can literally tap into the data provided on Facebook to send birthday cards to supporters, sell products and services or use their network to expand your brand. By allowing other organizations to tap into Facebook

Facebook Open Stream

In an interest to encourage Facebook to become the standard social utility, Facebook continues to open up and offer access to the data and information on their site. While an API allows an organization to build an application to engage and involve their target audience within Facebook, Open Stream will enable organizations to take data and information out of Facebook and integrate it with their website.

Viral Marketing

Facebook enables friends to invite friends to check out events, products and services. Facebook users are able to quickly click on any of their friends they want to share information with. Facebook, like other social media, amplify word of mouth marketing and provide a way to measure it too.

Transitive Trust

Research is showing that people trust things their friends, colleagues, family members or neighbors share with them 2X more than they do from other sources. Facebook provides marketers the ability to give the right tools to people who are using their product and or service to share their opinions with others.

Social Utility Platform

The founder of Facebook, Mark Zuckerberg refers to Facebook as a social utility platform. What does that mean? Think of Facebook as a worldwide phone book or a directory. Their goal is to be the single source for people and organizations to build their “address” on.

Social Graph

The Social Graph is the collection of people and organizations that an individual connects and engages with. The Social Graph is a collection of people, data and information they share about themselves that allows individuals to interact, engage and communicate. Within the Social Graph

Social Recommendation Ads



Research has shown that people trust information from friends, neighbors, family members and colleagues more than any other source. Facebook and any API your organization might create will place ads that show a friend who is a users or fan. For example, if Don Philabaum became a friend of your organizations PPP and you ran an ad to announce an event, activity or sale, the ad would show up on Don's friends profile page with, "Don is a fan" next to the ad

Behavior based sharing

Facebook has opened an opportunity for organization to use the behaviors of their customers to influence their friends. For example when I download an API, my friends will see in my Newsfeeds what I did. If their curiosity is peaked, they'll follow the link to see what they are missing out on!

Ambient Awareness

Facebook is providing brands, organizations and marketers with the ability to send information, reminders and make requests through their Newsfeeds and Notifications. Your friends also see a steady stream of what their friends are doing through the Newsfeeds and Notifications. With the average person spending 15 minutes per session on Facebook, they are being exposed to this stream.



Resources

<http://clips.ksl.com/ Use-Social-Media-to-Market-Your-Business-Learn-How-Facebook-Can-Make-a-Huge-Impact-to-Your-Bottom-Line-WPYP-19/video/414413/5124.html>

<http://www.slideshare.net/mattgranfield/how-social-media-has-changed-word-of-mouth-marketing-using-the-internet-to-build-longlasting-buzz-about-your-brand>

<http://www.involver.com/pages/gallery.html>

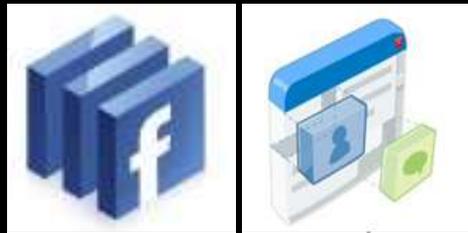
<http://www.hubspot.com/marketing-webinars/facebook-for-business-webinar-archive/>



About Internet Strategies Group

Internet Strategies Group helps organizations worldwide to create comprehensive Internet strategies using social media, online community, mobile phone and emerging Internet strategies.

Expert implementation consultants of the Facebook and Open Social Platforms



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