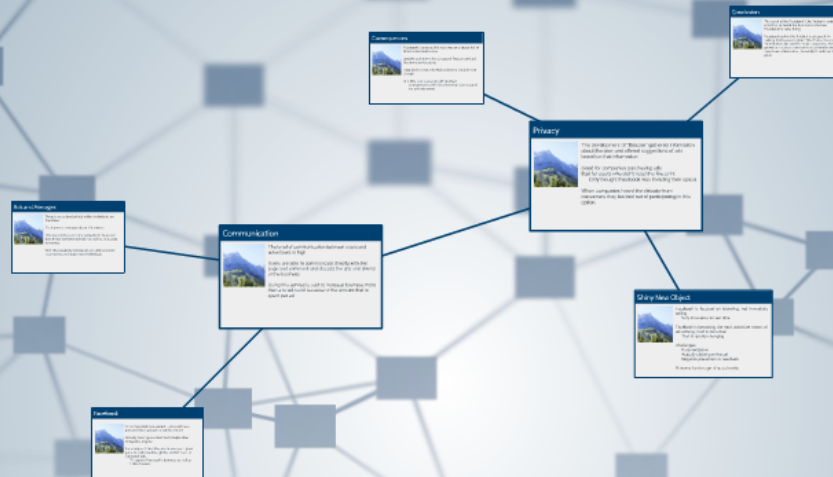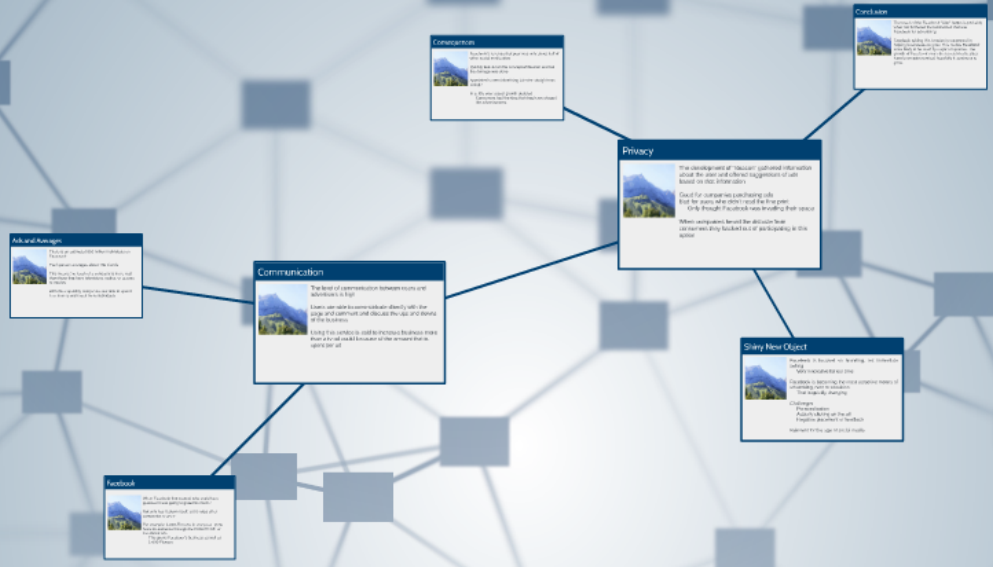# Facebook Case Study

Chelsey J

Thecasesolution:com
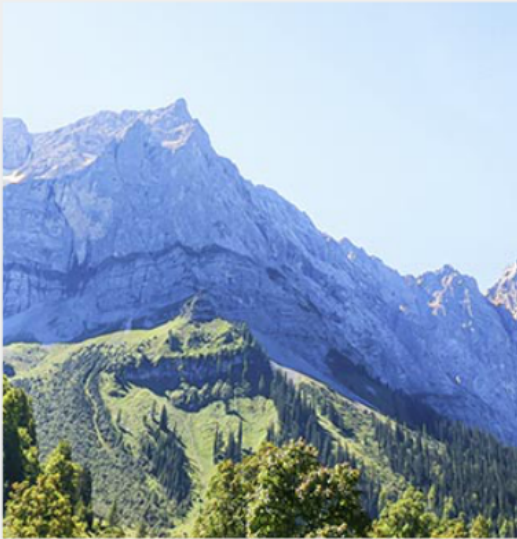
Facebook Case Study

Chelsey J

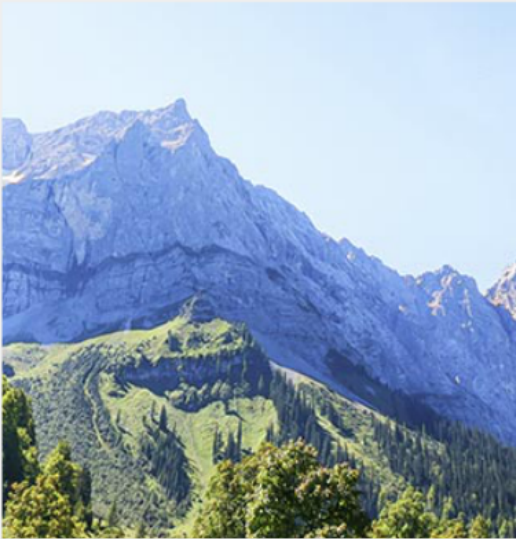Thecasesolution:com

Facebook

When Facebook first started, who could have guessed it was going to grow this much?

Not only has it grown itself, but it helps other companies to grow

For example, 1-800-Flowers, in one year, grew twice its audience through the PURCHASE of Facebook ads.
    This grows Facebook's business as well as 1-800-Flowers
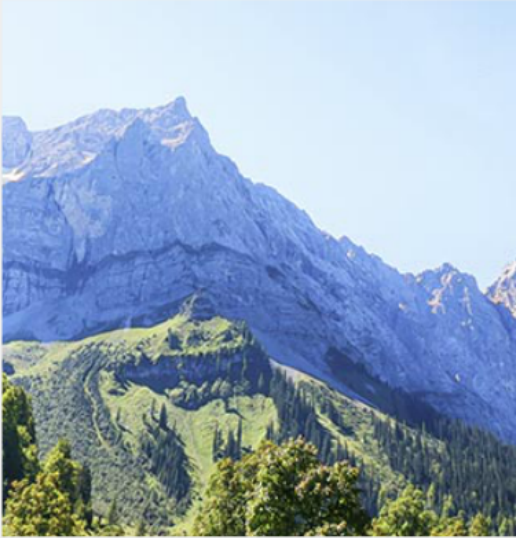
Ads and Averages

There is an estimated 600 million individuals on Facebook

Each person averages about 130 friends

This means the reach of a company is more vast than those that have televisions, radios, or access to movies

With this capability companies are able to spend less money and reach more individuals
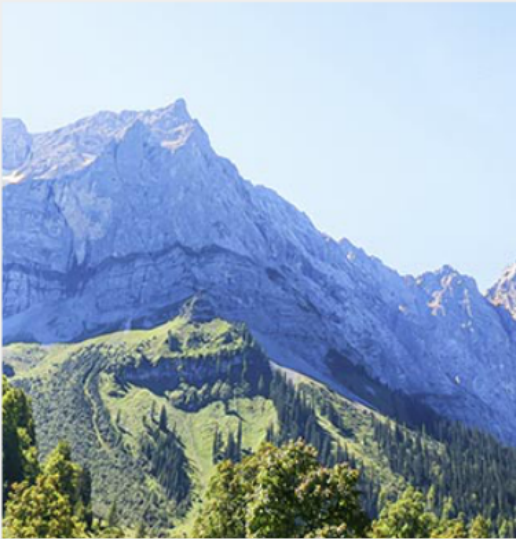
Communication

The level of communication between users and advertisers is high

Users are able to communicate directly with the page and comment and discuss the ups and downs of the business

Using this service is said to increase business more than a tv ad could because of the amount that is spent per ad

Shiny New Object

Facebook is focused on branding, not immediate selling
   Very innovative for our time

Facebook is becoming the most attractive means of advertising, next to television
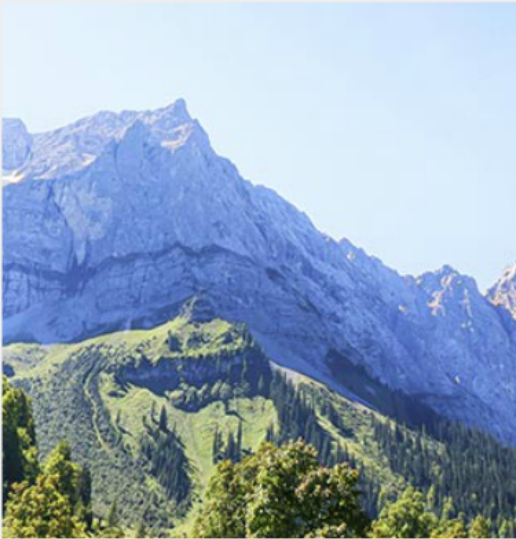   That is quickly changing

Challenges
   Personalization
   Actually clicking on the ad
   Negative placement or feedback

Reinvent for the age of social media

Privacy

The development of "Beacon" gathered information about the user and offered suggestions of ads based on that information
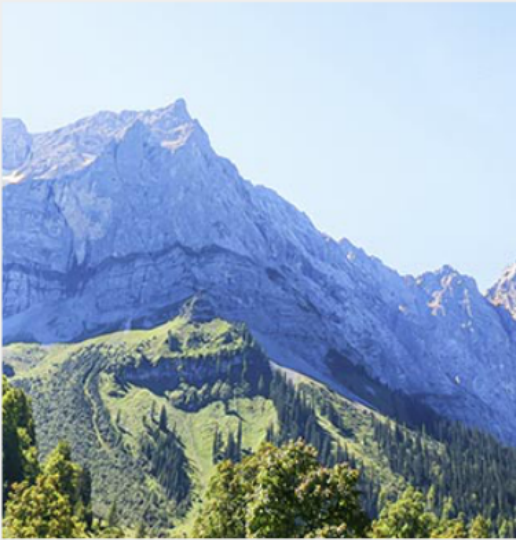
Good for companies purchasing ads
Bad for users who didn't read the fine print
    Only thought Facebook was invading their space

When companies heard the distaste from consumers they backed out of participating in this option

Consequences

Facebook's revenue that year was only about half of other social media sites

Quickly took down the concept of Beacon and but the damage was done

Appointed a new Advertising Director straight from Google

In a little over a year growth doubled
   Consumers had the idea that they have shaped the advertisement