

Facebook fan pages make a marketing impact - new study

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Research published in *Harvard Business Review* this month says that Facebook fan pages are an effective marketing tool. Companies that use the fan page module to market themselves to customers can increase sales, word-of-mouth marketing and customer loyalty.

The first-of-its-kind research from Rice University's Jones Graduate School of Business surveyed customers of Dessert Gallery (DG), a popular US-based café chain. Prior to the study, DG did not have a Facebook presence.

The study, covering 1 700 respondents over a three-month period, found that compared with typical DG customers, the company's Facebook fans: Made 36 percent more visits to DG's stores each month; Spent 45 percent more of their eatingout dollars at DG; Spent 33 percent more at DG's stores; Had 14 percent higher emotional attachment to the DG brand; and Had 41 percent greater psychological loyalty toward DG.

According to Dave Duarte, Programme Director of the Nomadic Marketing course run by the UCT Graduate School of Business (GSB) - a course which offers the latest know-how in online and mobile marketing - the survey is the first to offer evidence that Facebook fan pages are an effective and low-cost way to market.

He adds that the finding comes at an opportune time as more and more South African companies are wising up to the power of Facebook and other social media as a marketing tool.

"Despite some early movers, the vast majority of SA businesses have to date been under-prepared to capitalise on these new marketing possibilities. There is now, however, a growing eagerness to find out more and integrate online and mobile into their existing marketing activities," said Duarte.

To use the terminology of Forrester - a leading global market research company - many South African companies are fast moving away from being Sceptics and Experimenters, and moving into the Practitioner and Conductor stage. The Forrester's model has four levels of online marketing maturity - sceptics being least mature and conductors the most.

"We are now starting to become more capable to take advantage of this new wave in marketing. On the GSB Nomadic Marketing course, for example, we have seen an increase in the numbers of businesses ready to step up to become effective practitioners."

Duarte's course at the UCT GSB is a unique digital marketing programme offered by the Executive Education unit of the business school - it runs in Cape Town this May.

Keeping abreast of the latest technological developments, the course focuses on topics such as internet and mobile marketing strategies, augmented reality, location-based targeting of consumers, engaging in blogs and social networks, branding across multiple media channels, and measuring the efficacy of online and mobile campaigns.

Duarte adds that what is promising with regards to social media in South Africa is the use of mobile phones to participate in social networks. "A significant proportion of the 2.6 million Facebook users in South Africa access it with their mobile phones, but local social-media player Mxit is larger still with over nine million local users," he said.

The GSB course is kept vibrant and practical through the involvement of industry professionals who share their insights gained from not only great success in the digital world, but occasionally, failure too.

Sam Wilson, the Editor-in-chief of the Women's Lifestyle brands at Media 24.com, guest lecturing in Cape Town, echoes this sentiment, and will be sharing the insights that she has gained from nurturing a passionate women's community using an editorial style that makes the most of online participation culture.

For details on the course Nomadic Marketing contact Mario Pearce on (021) 406 1268 or SMS "Nomadic" to 31497.

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