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SUCCESSFUL FACTORS IN INCREASING CUSTOMER ENGAGEMENT FOR BRANDED FACEBOOK PAGES IN HO CHI MINH CITY

Case industry: Beverage industry

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2019
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ABSTRACT

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The thesis aims to determine successful factors that marketers shall acknowledge in order to effectively increase beverage branded pages’ engagement with the customers. The case scenario is to increase customer engagement for a newly-established branded page for a beverage business, whose target customers are the millennials in Ho Chi Minh City, Vietnam. The studied literatures regarding the topics in the theoretical study of the thesis were used as secondary information source. In the empirical study, the qualitative methodology was implemented. Through interviews with experts, the author withdraws insights and opinion which serve as the primary information source of the thesis.

The results of the thesis determine the important necessity of the four researched factors, which are the social media content, the virtual brand community, the advertisement, and the engagement metrics. The experts’ industrial insights and the theoretical background were integrated, in order to certify four factors that contribute effectively to the increase in customer engagement of a branded page for a beverage business.

Indicating keywords: increase customer engagement; Facebook; beverage branded pages; the millennials; Ho Chi Minh City.
1. INTRODUCTION

1.1. Background

The thesis discusses how a beverage business can increase customer engagement on Facebook. The researched geographic area is specified into Ho Chi Minh City (HCMC), Vietnam, and the selected business model is a coffee shop. Millennials will be the target customer for the empirical study of the thesis.

1.2. Current situation

Thanks to the habit of hanging out in coffee shops, or coffee houses of the millennials, the beverage industry is booming in HCMC. There is one coffee house established every four days in HCMC. The highest beverage-focused areas, for instance Nguyen Hue walking street, have of at least three beverage restaurants on every 100 meters (VTV, 2017). In 2017, VTV estimated the value of the beverage in HCMC to be over 200 million USD, and expected to increase by 20% in 2018.

1.3. Research question and objectives

With the impact of Facebook on the daily lives of millennials in HCMC, it can be considered a loss for firms, especially the ones in the customer service sector, to not showcase their own features on this social media platforms. However, creating and nurturing a successful Facebook page, with the content that ignites engagement and conversation around it, requires logical and demanding efforts (Hayden et al., 2017). With eagerness to determine how to tell the story of a beverage business in such a busy social media world in HCMC, this thesis carries the following questions: How can a beverage business in HCMC increase customer engagement on Facebook?

Following the thesis question, the thesis will study the effective content writing method and content delivery for a branded page on Facebook. Secondly, research on the benefits of Facebook advertisements, as well as how marketers can provide values to the customers through virtual the brand community. Lastly, the thesis
thrive to determine precise metrics of engagement performance for branded pages. These four issues will be analysed in order to contribute for the objective of determining the effective methods for a coffee shop to gain customer engagement on Facebook.

1.4. Thesis structure

After the introduction, the second chapter will provide a general point of view on the impact of Facebook on everyday life of millennials in HCMC. The demographics of Facebook users, as well as examples of actual giants in food and beverage industry investing strongly into social media marketing in HCMC will also be presented. In the theory study, the thesis will firstly discuss content marketing on social media networks, its real-time property, and benefits. The concept of brand communities on social media networks, and how it contributes to the overall customer engagement will also be mentioned. Secondly, the necessity of utilizing Facebook paid marketing tools, and its benefits will be discussed with example pictures. Thus, Facebook’s algorithm will also be studied to determine criteria of an eligible post. Finally, customer engagement metrics will be presented with describing pictures and numbers.

In the empirical study, qualitative methodology will be implemented. Marketing experts with more than five years of industrial experience with Facebook marketing in HCMC will be interviewed. The expected number of interviewees is three, however, the interview process will continue until the results start to show similar points. Besides, the practical study also includes detailed description of the interviewing process, the result withdrawn from the interviews, and the result analysis. More in-depth details will be stated in the practical study of the thesis.

Finally, the study ends with the conclusion, as well as limitations and further research possibilities. Besides, list of references and appendices can be found at the end of the thesis report.
2. FACEBOOK

Facebook is a social networking website where its users can create a profile, communicate with other active profiles, and interact with the content that appears on their newsfeed. Facebook has 1.52 billion daily active users and 2.32 billion monthly active users worldwide on average for December 2018 (Facebook Newsroom, 2019). Facebook offers marketers numerous tools to promote their products, as well as ways to interact with their customers. Moreover, Facebook community features pages and groups, which are free to access for all users. Facebook pages and groups have the capability to share content across over 2 billion users, among those who share common interests, or habits. This allows marketers to connect with their audience, as the way they connect with their friends, and transform the way companies, or shops market themselves (Hayden et al., 2017).

2.1. Facebook in Ho Chi Minh City

In 2017, Vietnam occupied 4% of Facebook’s global population, with more than 40 million active users, and was ranked 7th among top 10 countries with most active Facebook users (VNExpress, 2017). At the end of 2017, Vietnam ranked fourth among countries with most Facebook active monthly accesses (Internet World Stats, 2018). Ho Chi Minh City alone presented 14 million active users, which accounted for approximately 35% of the nationwide statistics, and this number will just increase continuously over time. Kenneth Bishop - managing director of Facebook in Southeast Asia, said in an interview in March 2018 that Facebook is thriving to establish a representative office in Vietnam. Furthermore, human resources and investment will soon be made into Vietnam, where Facebook receives 60 million active accesses every month, in order to support Facebook’s partners in Vietnam and the social media community in general (Kenneth Bishop, 2018). All of the mentioned statistics share one common point of view on Facebook’s potential in HCMC that it will continue to grow strongly in the near future.
2.2. The important marketing benefits that Facebook brings

Facebook has surpassed way beyond just a social networking platform. “To help build communities and help build common ground”, Mark Zuckerberg - Facebook’s co-founder and CEO, stated when he updated the company’s new purpose in 2017. Facebook has the combination of various communication channels’ advantages, especially email (texts and audio), but was executed with much more direct manner (Miller via Pedro et al., 2011). Companies shall focus on promoting their products on Facebook since customers tend to consider the social network as the convenient source of reference to analyze products, services and to cross-check prices. A successful promotion campaign on the social media network should generate a positive financial impact in return for the business (Zarella via Pedro et al., 2010).

The marketing benefits that Facebook offers are tremendously great, especially in HCMC where the social media marketing segment has proved to be the most active place of the country. Numerous giant beverage chains have noticed the opportunity, and made considerable investment on the platform. For instance, GongCha, a Taiwanese bubble tea chain with 20 stores in HCMC, owns a Facebook page with over 400,000 subscribers (Gongcha Vietnam, 2017). KOI Thé, a milk tea chain from Singapore with 20 stores in HCMC, has over 100,000 Facebook users watch their activities daily (KOI The Vietnam, 2019). Cong Caphe, a Vietnamese retro-styled coffee chain followed by approximately 137,000 users on Facebook (Cong Caphe, 2019). It can be learnt from the already popular franchises that Facebook provides a significant mean of marketing and communication, which allows beverage firms to increase the customer engagement effectively.
3. THEORY

3.1. Marketing in general

Throughout the years, the definition for marketing in business has been released by the Chartered Institute of Marketing UK (CIM) and the American Marketing Association (AMA) as follows: “Marketing is the management process responsible for identifying, anticipating, and satisfying customer requirement profitability” (CIM, 2015); and “Marketing is the activity, set of institutions, and processes for creating, communicating, delivering, and exchanging offerings that have value for customers, clients, partners, and society at large” (AMA, 2013). Philip Kotler and Gary Armstrong (2011) develop the obsolete definition of marketing as “telling and selling”, into “the new sense of satisfying customer needs”. It is safe to conclude that the definition modern marketing centralizes customers as its core value. In the following topic, the thesis will firstly examine the definition of content marketing, and then explain how content marketing can contribute to brands’ Facebook marketing campaign.

3.2. Content marketing on Facebook

“Content marketing is about delivering the content your audience is seeking in all the places they are searching for it. It is the effective combination of created, curated and syndicated content” (Brenner via Pulizzi, 2012). Conducting marketing on social media is to provide promoting information to the customer in the direct manner. Besides tangible offers such as products and services, information also attracts customers. The core value of Facebook marketing is to publish valuable and interesting information to the customers, which can be considered as social media marketers’ new currency (Krueger et al., 2012). Furthermore, Facebook offers marketers with real-time customer engagement, customer interaction, and active participation thanks to its property of delivering information in real-time manner. However, such instant information-sharing requires social media marketers greatly demanding efforts to monitor their business online 24 hours a day, on weekly basis (Garner, 2013). Another important aspect of content marketing on
social media is the real-time publishing. The term “real-time publishing” refers not just how fast the content can be created, but also how direct can the marketer spread it globally, share it across the social media networks with common interests, or interests (Garner, 2013). The real-time existence plays as a key advantage on social media platforms where marketing depends on locating a piece of information at the correct place, and at the exact moment that customers are looking for it. Marketers shall be in a proactive position on Facebook to take advantage of the platform’s real-time property, which will result in effective and valid customer engagement.

3.2.1. Renovated content marketing

The marketing technique was described by Pulizzi in 2010 as a tool to craft and deliver valuable content to attract the audience’s awareness, as well as virtually define their interest. However, the role of content marketing has gradually exceeded way beyond the obsolete definition stated in 2010. The old-fashioned point of view can prevent practitioners from fully exploiting content marketing’s actual capability.

Plessis (2017) believes that content marketing has become a leading marketing technique in digital marketing world. These days, marketer can identify customers’ point of view through social media, in order to build relationships by creating and sharing highly engaging content (Plessis, 2017). Instead of the informative property, the conversations, and the capability to trigger following conversations shall be the core value of the content marketing. Content marketing should be customer-centered, and content marketing on social media should be able to trigger conversations, from which marketers can identify customer’s concerns (Kus, 2016). While content marketing is just creating and spreading stories, social media content communities trigger conversations around those stories, and maintain the viral property of the campaign sustainably. Thanks to social media’s tremendous connection capability, marketers can now nurture these conversations with relevant and compelling content, and engage with a large amount of members within the community, and spread the content virally, instead of just among the
loyal audiences. By successfully igniting and nurturing conversation on social media, content marketing can reflect on the audience’s interest through natural messages across the social media network, where users usually express their opinion in a warmth and private tone (Plessis, 2017).

3.3. Brand communities on Facebook

Brand communities on social media networks are non-geographically bound communities, which offer both marketers and customer new way to engage each other (Weman et al., 2012). These groups consists social network users whose relationships are formed through shared admires to a specific brand (Muniz via Plessis, 2017). Thanks to the emergence of social media, customers can directly interact with firms with purchasing and non-purchasing activities (Libai via Wemen et al., 2012). It is defined as a behavioral manifestation (Bolton, 2011) and involves brands-to-customers and customers-to-customers communication and relationship that go beyond transactions (Wemen et al., 2012).

Within the social media brand community, an emotional connection is built toward the brand; due to the unity sense of being in an online, yet private community (Zhou et al., 2012). Brands should strategically approach their own brand community, and continuously nurture the relationship within it, in order to engage proactively with their audience. Thus, being a part of a community where members share similar interest can enhance individual admirable feelings, which lead to robust brand loyalty through the tight contact with the community, and also other members (Moorman et al. via Plessis, 2017). Besides identifying themselves with the brand and providing concerns to the marketers, customers can also benefit from being a part of a brand community. Customers can also search for informative content, legitimate opinions and advice, and exchange information from each other (Smit et al. via Plessis, 2017). Loyalty can also be nurtured thanks to the participation of a brand community, and it has been considered as a fundamen-
nal reason for a customer to join a brand community (Mc Alexander et al. via Weman, 2012).

### 3.3.1. Customer engagement in brand communities

The thesis discusses customer engagement in Facebook brand communities, and its benefits for both the customer and the brand itself. Brand communities offer 4.0 web customers increasingly active participation in intensive feedback loops, and instant communication with brands (Prahalad via Brodie, 2013). Online brand communities create a platform in which customers’ needs are satisfied through non-purchasing activities such as sharing interests, and exchanging information with brands. From the firm’s perspective, brand communities can be integrated into their brand management strategy (Arnone via Gummerus et al., 2013), in order to strengthen their brand-to-customer relationship. Moreover, brand communities on Facebook are characterized by three unique elements, comparing to other online brand communities (Kaplan et al. via Wemen, 2011). Firstly, they allow social presence in the form of physical and visual communication, which emerges between brands and customers while using the platform. Secondly, they enable holistic communication between parties. According to the “theory of media richness” (Daft and Lengel, via Kaplan et al., 2010), it is essential for an effective communication method to eliminate uncertainty and ambiguity. Finally, they are tightly integrated with the concept of self-presentation (Goffman, via Kaplan et al., 2010). The concept states that on social network sites, individuals desire to control their impression in other’s eyes, and Facebook allows them to do so in its brand community forms.

There are various motivations, or benefits that encourage customers to join a brand community. Customer engagement is believed to be related to the brand relationship outcomes, nurtured within brand communities such as satisfaction, trust, and loyalty (Brodie et al., 2013). Customers are likely to quickly build brand loyalty during the participation of a brand community, in which they can share their admiration to a specific brand with others (Gummerus et al., 2013). Non-economic satisfaction triggered by psychological enablers such as promise ful-
filling, or loyalty recognition. Thus, communication is an essential perquisite factor for the existence of successful online brand communities. The communication between involved parties shall be effective and valuable for the customers, which mean the quality of communication shall be prioritized over the quantity (Wemen, 2011). By understanding the customer’s motivations for joining their Facebook brand communities, marketers can effectively design and govern their brand communities and offer the customers benefits that they are looking for.

### 3.3.2. Electronic world-of-mouth (eWOM)

Facebook, and its brand communities in the form of pages and groups, have the capability to develop sufficient internal referral marketing campaigns online, or in the other word, the electronic version of world-of-mouth marketing. Social media users’ access to interactive features, such as to like, share, and recommend on posts can be considered as a digital world-of-mouth within brand communities (Plessis, 2017). Customers aged from 21 to 34 have the highest levels of trust in online and mobile advertising formats, and more than a half of millennials respondents have faith on online advertisement formats (Nielsen Global Survey of Trust in Advertising, 2015). Moreover, 92% of millennials candidates seek for opinions or recommendations from their trusted ones, such as family members and friends during their decision-making process. 67% of the candidates say that they are likely to purchase a product if which has been obtained by their family or friends before (Nielsen’s Harris Poll Online, 2015). The statistics present a vast marketing opportunity offered by social media world-of-mouth for firms whose key target customer are millennials. In addition, customers who are referred to the brand through world-of-mouth stay with that brand 18% longer, thanks to the strong attachment to an organization, if their family, friends or acquaintances share a similar bond to the same establishment (Van den Butle via Forbes, 2010). There is a 4-time higher chance to purchase if were recommended through world-of-mouth interaction (GetAmbassador, 2015). There is a necessity for establishments to focus on nurturing Facebook’s brand communities as a digital form of
world-of-mouth, especially if the main target customers are millennials. The opportunity to develop customer engagement is important to benefit from, thanks to the trustworthy reputation social media earns from millennials customers.

3.4. Facebook’s paid marketing

In this topic, the platform’s perspective on distributing organic reach for branded pages will be proven with figures throughout a period of Facebook’s algorithm development. However, the main aim is to study its algorithm, in order to consolidate Facebook posts’ prioritized variables and winning criteria, from which marketers can create qualified and relevant content.

3.4.1. The necessity of paid marketing on Facebook

The organic reach of Facebook pages has been restricted strongly over the past few years. According to Ogilvy Consulting, Facebook has reportedly limited the organic reach of content published by branded pages to about 16% in 2012. By 2014, in a report published by Marshall Manson – Ogilvy’s Managing Director, this number has been cut to half, reaching the averaged drop of 6.15% on the total amount of the page’s followers. Moreover, pages with over 500,000 likes witnessed this number to plummet to only 2.11%. Such devastating drop of organic reach was caused by Facebook’s algorithm called EdgeRank. Through EdgeRank, Facebook curate its content flow; ensure that the majority of the content featured on users’ News Feed is filtered and relevant. According to Al-greene from Mashable – an international digital marketing company owned by Ziff Davis LLC, EdgeRank’s framework includes three key variables:

- Affinity: the relationship between the publisher/ content creator and the audience/ viewing user, which means the closer the relationship, the higher the preference score. For instance, the algorithm is likely to prioritize posts from long-term social media friends/ brands, or family members, instead of accounts that have just been added for a few weeks.
- Weight: Different media types come with specific electronic weight ranges; and the heavier the weight, the higher the preference score. A post associated
with photo or videos is more likely to be featured, since Facebook believes these two media types strongly enhance audiences’ experience.

- Time – decay: The recent aspect of the post. As the post ages, EdgeRank tends to stop featuring it, in order to keep users’ News Feed always refreshed.

Interactions on posts such as likes, shares, comments and reactions are called “edge”, and will be constantly monitored during users’ time on the network. Facebook will analyze audiences’ habits while using their website, track all of the engagements with other people’s or brand’s content (Vaynerchuck, 2014). In other words, every engagement, whether between friends or customer-brands, will be recorded as an analytical foundation for EdgeRank to prioritize appropriate contents to be featured on Facebook users’ News Feed.

The renovated algorithm called Ranking, decides the order of appearing posts on one’s News Feed, based on what the algorithm expects to be the most relevant (Hull, 2018). The highest boost in preference score is still accounted to the person-to-person relationship. Lauren Scissors – Facebook’s Head of News Feed Research, emphasizes on the importance of users’ meaningful interaction. According to Paul Armstrong from Forbes, the meaningful interactions that Facebook’s webinar measures and records from the users include:

- The amount of core interactions such as likes, shares, comments, and reactions.
- The average time spent on posts/ content.
- The amount of second-layered interactions such as replies to the comment on posts/ content.
- The amount of people shares the post/ content through Messenger – a multi-channel communication application from Facebook (Facebook, 2011).
- The non-appearance of interaction baiting property, for instance, “like if you agree…”

“Facebook’s greatest priority is making the platform valuable to the consumer, not to you, the marketer. What it cares about is whether people are interested in the
content they see on Facebook” (Vaynerchuk, 2014). It is essentials for marketers to pay careful attention on Facebook’s algorithm framework, the key variables, as well as its newly-updated criteria. Besides these two factors, paid marketing tools offered by Facebook are also recommended methods in creating relevant content, which receives a higher chance to be qualified and featured by Facebook algorithm. These paid marketing tools are essential for marketers whilst Facebook are continuously restricting organic reach from pages. The property of paid Facebook marketing and how to effectively utilizing the investment will be discussed further in the following part.

### 3.4.2. Benefits of paid Facebook marketing

**Reached audience boosting**

Facebook restricts the number of organic view of branded pages’ content to only 3 – 5% of the total amount of their follower (Vaynerchuk, 2014). In 2016, Facebook published an article “Building a Better News Feed for You” on its Newsroom, claiming that the News Feed would be expecting more changes in its algorithm, which highlighting the priority for contents from friends and family. According to Adam Mosseri – Facebook’s Head of News Feed in 2016, after the two mentioned highest prioritized content distributor groups, the informative and entertaining property will be the following expectations for the algorithm to rank and feature contents. Consequently, the remarkable changes in the algorithm led to a steep downfall for pages’ organic reach. A research conducted by SocialFlow analyzing 3,000 publishers/ companies’ Facebook pages concluded that there was a significant decrease of 52% of organic reach between January and July 2016. “We've always put friends and family at the core of the experience.” – Mr. Zuckerberg said in his Facebook post on January 2018, “you'll see less public content like posts from businesses, brands, and media.” Since the beginning of 2018, Facebook has been reinforcing their commitment to the “friends and family come first” philosophy by making more changes to the algorithm, which led to an even less focus on the content published by branded pages.
However, Facebook still allows branded pages to show their content to their mass audience, by paying for the boosted outreach. The boosted amount of content views will be greatly larger than the organic ones, and can even exceed the page’s amount of followers, if the marketers are willing to pay premium. Bellows showed an example of boosted Facebook content. If the content is highly engaging, associated with high quality media, Facebook is likely to raise the number of organic reach, regardless of the fact that the post is boosted or not (Vaynerchuk, 2014). Shown bellows is the difference in the amount of reached audiences and engagement turns between boosted and un-boosted branded post. Thanks to the interesting content, the un-boosted post in Figure 1 reaches 9,003 audiences, approximately 1,400 people more than their total followers. On the other hand, the boosted post, associated with carefully designed pictures, shown in Figure 2 reached an audience of 59,115, accounting for over 750% of the page’s total followers.

*Figure 1* Example of a post’s organic performance (Wheysaigon, 2019)
The boosted reach number depends on the scope of the target audience that the marketer set during the ad creating progress, and the end results will be charged in a cost-per-click method. The charged amount depends largely on the chosen scope of target audience, can vary from 0.1 euro to a few euros per click. However, if marketers study their file of audience carefully, and create highly interesting content, a click often cost from 0.5 euro to 1.5 euros. Since the C-P-C charging method is implemented for Facebook ads, the more engaging the content is, the more audience Facebook allows it to reach, the less marketing budget for the ads creator (Vaynerchuk, 2014).

Such pay-to-play method shall not be considered as unfair, since both the marketer and the platform can benefit from the paid marketing tools. By charging fees for mass content distribution, Facebook can restrict the unsupervised flow of con-
tent in the Newsfeed. There is a specific amount of quality processed prior when the ads is successfully created and published on the Newsfeed, depending on the quality of the post’s content. The platform’s algorithm utilizes this time to evaluate the content, which enhance the quality of shown posts on users’ Newsfeed. From the marketer’s perspective, paid marketing tools allow them to specialize and boost the amount reached audience. Moreover, Facebook will not charge more than the content deserves to (Vaynerchuck, 2014). After evaluating the content, Facebook will offer the amount of charged fees associating with potential reach. The offer heavily depends on the content’s quality, the scope of target audience set during the ads creating process, and also the industry. If the content is more engaging comparing to other similar brands in the same scope of target audience, Facebook is likely to charge that post less than the page’s competitors. On the other hand, it will also offer a reasonable boosting limit, in order to protect the Newsfeed’s quality (Vaynerchuk, 2014).

*Specific audience targeting*

Facebook Ads allows marketers to narrows down their target audience based on filters such as demography, or geography. Thanks to the centralized filtering system, marketers are able to focus heavily on their resources into their potential customer groups (Hayden et al., 2017). Facebook proves to be a selective marketing tool, allowing campaign creators to customize their target audiences, or subset of their page’s audiences (Vaynerchuk, 2014). Facebook’s paid tools allow marketers to filter their potential customers based on three criteria:

- **Targeting by Locations:** Facebook offers location targeting through search functions similar with the “Audience Insights” tab, yet more precise area. Marketers can also modify the pin on the map next to the search bar, which will increase or decrease the geographical scope of aimed audience. Moreover, Facebook obtains IP address of the ads creator’s computer where it was log in with; set the computer’s location to be the centre of the surrounding bulk target circle for the campaign (Hayden et al., 2017).
Targeting by Detailed interests: Facebook defines the target audiences based on their profile. There are three major terms that the platform expects marketers to select accordingly to their customer target, which are demographics (education, work, or relationship); interests (entertainment, food and drinks, or business and industry); and behaviours (purchase behaviour, expats, or consumer classification). These terms can be shown by clicking the “browse” button in the search bar, and are aimed to provide Facebook a specific scope of one’s target audience.

“So sometimes, though, you don’t want everyone to see the same information. On Facebook, however, you can be extremely selective” (Vaynerchuk, 2014). Going through all three key terms to create a Facebook advertisement campaign enables marketers to maximize the total audience reach. By starting with a wide and general targeting scope, then adjusting it accordingly to Facebook’s estimated reach capability, which is shown at the end of each term as expected result, marketers can reach an optimal balance between the targeting specifics, and the number of targeted audiences (Hayden et al., 2017).

3.5. Customer engagement metrics

Firstly, the thesis will discuss on the definition of customer engagement on social media and the general point of view it offers. After that, the metrics used to measure customer engagement on Facebook will be studied in detail. Finally, engagement-proving interactions types on Facebook will be presented in the last heading.

3.5.1. The concept of online customer engagement

“Customer engagement can be denoted as the holistic form of loyalty” (Bowden, 2009). There are various definitions of online customer engagement throughout the years. Online engagement can mean publishing informative and entertaining content on social media platforms, having conversations with the followers for instance, replying to comments or asking questions, and understanding followers’ interests (Haydon et al., 2017). To others, online customer engagement presents an effective relationship with a branded website, generated by customers’ cogni-
active commitment to the brand, with the purpose of communicating brand value through the electronic site (Mollen and Wilson via Brodie et al., 2016). Customer engagement with brands’ content on social media sites was classified by Men and Tsai (2012) as follows:

- Passive message consumption: e.g. watching videos and pictures, reading previews, posts.
- Active message consumption: involves actions that trigger two-way conversation, and online recommendation such as responding to a post, uploading pictures/videos into the brand community, or posting product review.

Moreover, Moorman et al. (2012)’s COBRAs consumer typology classifies customer engagement on social networks based on the contribution of audiences to the content of branded pages:

- The lowest level: passive content consumption (e.g. reading articles, watching videos and pictures)
- The moderate level: contribution to the page’s content (e.g. posting comments, and replying to comments)
- The highest level: content creation (e.g. creating user-generated content like product reviews)

By successfully attracting active message consumption, business can receive benefits that customer engagement offers, which cause customers’ behaviors beyond simply purchasing a product or service (Van Doorn et al. via Moliner, 2018). Brand loyalty is one the benefits, which leads to effective cost reducing. It costs firms 40% more costs to attract a new customer, than to retain current one, and the increase of 5% in customer loyalty produces 25% profit development (Reichheld, 2001). Moreover, existing customers have 50% higher chance to test new products, as well as spend 31% more purchasing money, comparing to first-time customers (Saleh via Cullierier, 2016). Thus, busy activity frequency in one’s Facebook page can generate high customer engagement. The more stories happening on customers’ News Feed, “the more awareness to the original actions and create
viral marketing affects” (Haydon et al., 2017). The relationship with customers will also be developed through discussions (Haydon et al., 2017), which are a key delivery mean for an active customer engagement.

3.5.2. How to measure customer engagement on Facebook

It is challenging to exactly determine the result of a marketing campaign, especially when the campaign is conducted on social media platforms like Facebook. Because engagement is generated from feelings, and it is illogical to determine whether the campaign is a success, or failure based on feelings (Haydon et al., 2017). One detail that should be high-lightened is that sale revenue does not totally reflect branded pages’ customer engagement on Facebook. Firstly, sales revenue falls under only one among other eleven objectives that Facebook specialized in its Facebook campaign objectives selection panel (Facebook Business, 2019). Secondly, Facebook’s priority is to create a valuable platform for its users. Purchases, or click rate of click-through links do not prove interest, yet likes, shares, and comments do (Vaynerchuck, 2014).

Facebook offers an analytics tool, which is included in all Facebook pages, which can be accessed free-of-charge through the “Insights” tab. This tab presents numbers that tell story beyond clicks and visits to a click-through website (Hayden et al., 2017). Firstly, in the “Like” tab, the page’s detail information and statistics, both organic and paid can be found. The amount of total page likes, net likes (calculated by the subtraction of the likes from the un-likes), and where are all the “like” interactions are generated (Figure 3). Marketers can compare the results over a period of time by clicking on a metric point in the benchmark box (Figure 4). Specific times of the day, in which the page is most likely liked, are also shown.
**Figure 3** Example of a branded page's likes overview (Wheysaigon, 2019)

**Figure 4** Example of a branded page's likes performance in detail (Wheysaigon, 2019)
Secondly, the “Reach” tab is the key tab in showing the customer engagement overview for the page. The “Reaction, Comments, Shares, and More” chart shows total interaction turns in a specific period of time on one’s Facebook page. Marketers can also access to detail numbers in the similar benchmarks function in “Like” tab. Other data such as negative feedbacks can be found in the Hide, Report, and Un-likes section. It is advised by Facebook that content creators should pay careful attention to the comment and share turns, since the boost in these two actions is important for the audience engagement. Thus, negative feedbacks are also be recorded by News Feed to adjust content distribution, so these should be kept at low rate to maintain the page’s health (Facebook for Media, 2019).

![Reach Overview](image)

**Figure 5 Example of a branded page's reach overview (Wheysaigon, 2019)**

Finally, the “Posts” tab tells the performance detail of each post featured on the page. In the “All Post Published” view, information about reached audiences, impressions, engagement rate, as well as negative feedbacks can be found. Posts’ information and numbers will be shown in deep detail in the “Post Detail” section, accessible by simply clicking on the post’s description in the overview tab. It is advised that marketer should study the insights of both negatively or positively
outstanding post. Especially, the “on shares” rate of likes, comments, and shares, which is likely to represent for the viral capability of the post (Facebook for Media, 2019).

![Graph showing post overview](image)

**Figure 6** Example of a branded page's post overview (Wheysaigon, 2019)

Besides these three essential tabs, there are ten other tabs, among which should also be paid attention to. The “People” tab, which shows demographic of pages’ follower demographic, both paid or organic, and the amount of people reached and engaged with posts. By understanding aspects like genders, where most of the followers come from, or their interests, marketers can identify the potential audience targets for their page, and maximize the customer engagement for the coming posts. For instance as shown in Figure 7, 83% of the page’s followers are male, and 53% of which are from 18-24 years old.
Figure 7 Example of a branded page's audience demographic (Wheysaigon, 2019)

“The more active Facebook users who are around your Facebook page, the more they view your post” (Haydon et al., 2017). It is important for marketers to should have a habit of reviewing the statistics presented in the “Like”, “Reach”, and “Posts” tabs, in order to identify which opportunities, or resources they have to increase their page’s engagement. The interaction types which will be put under analysed by Facebook will be study further in the next chapter.

3.5.3. Actions that prove engagement on Facebook

It is believed by many researchers such as Vaynerchuk (2014), Haydon et al. (2017), and Oviedo-García (2014) that Facebook’s Ranking algorithm tends to determine the experience of the audiences while using the platform based on physically generated (clicking on the button) interactions such as likes, comments, shares, and other clicks, or reactions. Besides the mentioned traditional interactions, there are also less indicating actions, yet will also be recorded by Facebook
algorithm, such as clicks on the content creator’s profile name, clicks on posting dates (Oviedo-García et al., 2014), time spent on a post, or the number of people replying to each other comments (Navara, 2018). In their paper, Oviedo-García et al. (2014) established a formula regarding the engagement on Facebook of a brand’s page. This formula was finalized and implemented in order to find out how brands shall measure the customer engagement on their Facebook page. The formula appears as follows:

\[
\text{Engagement on Facebook} = \frac{\text{likes} + \text{comments} + \text{shares} + \text{other clicks}}{\text{number of posts}} \times \frac{\text{average impressions}}{\text{average reach}}
\]

**Figure 8** Oviedo-García et al.’s suggested ”Engagement rate” formula.

Kolev et al. (2017) have researched on marketing strategies that produce successful public outreach on Facebook. The paper collected and compared insight statistics of three Bulgarian companies’ Facebook pages, Mobiltel, Vivacom, and Samsung Bulgaria. The two researchers also established a formula and implemented it to process the gathered statistics, before comparing the results. The formula appears as follows:

\[
\text{Facebook}_{\text{AAP}} = \frac{\text{Average monthly fan activity per post}}{\text{total number of posts by the organization (for a month)}} \times 100
\]

**Figure 9** Kolev et al.’s suggested ”Engagement rate” formula.
The thesis will not discuss in detail these two formulas, or their results, only their shared elements. These two formulas both consist of similar parts of the fraction: the amount of physically generated interactions such as likes, comments, shares is divided by the total amount of published posts. Besides believing that actions with posts of branded pages prove customer engagement, these two formulas’ creators also claim that the total amount posts, or fans, has the invert relation with the reflection of customer engagement on Facebook, let alone making any contribution to it. It appears that Facebook has been well-known for its viral capability to share viral contents, not to gather as much as possible people, without being able to produce engaging contents. On the contrary of the combination of like, share, and comments, posting contents in a negligent manner may effect negatively on not just the page’s customer engagement, but also the relevance evaluation from Facebook algorithm.

However, it is challenging to identify which actions weighted most in Facebook’s algorithm. There are mixed opinions from many researchers on this question. Oviedo-García el al. (2014) believe that the weight of actions in the formula of Ranking is classified in the descendant order as: sharing, commenting, liking, and clicking on the post. Olczak et al. (2013) argues that comments shall not be taken seriously while measuring customer engagement on Facebook, since a Facebook account can leave multiple comments on one singular post, while one can only press like once. Thus, the nature of the comment may also influence the measurement. If the comment’s content is negative, then it shall not be considered as a plus to the page’s customer engagement. Vaynerchuk (2014) makes a statement about the complicate action weighting system of Facebook algorithm “For a moment, Facebook may decide that sharing is a much stronger call to action and brand endorsement than liking. But then they could change their mind and decide that likes are actually as valuable, if not more so than shares.” It can be concluded that instead of identifying which actions contribute the most to the customer engagement of the page’s content, marketers shall focus on attracting all three essential actions as a whole, in order to effectively boost customer engagement with branded pages.
4. EMPIRICAL STUDY

4.1. Research methodology

Qualitative methodology produces non-numerical data, or un-quantified data which determines social significances such as interactions, behaviours, and perceptions. Quantitative methodology mathematically processes and statistically interprets numerical values, in order to produce meaningful result from withdrawn data (White et al., 2018). Moreover, Saunders et al. (2009) identify three main differences between qualitative and quantitative methodology as follows:

![Figure 10 Saunders et al.'s distinctions between two methodologies.](image)

The qualitative methodology will be implemented for the empirical study. The selected methodology’s motive is because the thesis aims to understand how a social phenomenon, Facebook’s marketing influence in HCMC, can be utilized effectively. Instead of statistics or figures, the main purpose of this research is to determine suitable methods, and realistic suggestions (Burns via White et al., 2018). The thesis targets to gather non-numerical answers, which provides in-depth opinions and descriptive comments (White et al., 2018) on how a beverage business can increase customer engagement on Facebook. Besides previous experiences, the knowledge shared by experts is also drawn from their current daily works, which can be produced in open answers. In order to collect and analyse
opinions expressed in words, the qualitative methodology is suitable for this research, as well as this thesis.

4.2. Research design

The chosen research tool is to conduct individual interviews. In order to produce contextualized descriptions, the aim is to investigate experts’ industry experience, how they integrate Facebook into their brand building management, through individual interviews. Individual interviews allow researchers to adapt with the conversations, and flexibly adjust the questionnaires during the interviews (White et al., 2018). Due to the geographical obstacles (the author/interviewer is in Finland and the experts/interviewees are in HCMC, Vietnam at the time this thesis is written), the interviews will be conducted virtually. The recommended interview channel to interviewees is through voice call. However, if the interviewee does not manage to schedule for the interview, the questionnaire will be communicated between emails of the researcher and the expert. Otherwise, the questionnaire will be sent to interviewees as reference for advance preparation. The interview time will be agreed by the author and the experts, and the interview will be conducted accordingly through voice call. The voice interview will be recorded under the consent of the interviewee.

The questionnaire is designed based on the thesis’s purpose and scenario, which is to effectively increase customer engagement on Facebook for a beverage business in HCMC. The questionnaire’s content is centralized with following indicating keywords: increase customer engagement; Facebook; beverage business; the millennials; and Ho Chi Minh City. The questionnaire is structured with six topics, consisting of one general information topic and five empirical topics. Within topics, there are questions that go into details and seek for deeper information. This structure is designed with the idea of firstly noticing the interviewees which topic they are approaching, before going into detail. The purpose is to maintain the flow of the questionnaire’s progress, and to prepare the interviewees for the upcoming topic, in order to adapt with the topic and, to avoid providing mixed answers.
The questionnaire thrives to include open questions, or open questions associated with supporting closed question. The most commonly used form of question is “What is your perception on...” The reason for the prioritized type of question is to determine experts’ industrial opinions and concepts on the researched topic in the literature review, instead of to simply decide whether the written theories are correct or incorrect. Moreover, the number of questions assigned for each topic discussed in the theory part is not divided equally in the questionnaire. There are key topics with this thesis will be assigned with more questions than others, for instance the “Facebook paid marketing” topic. Thus, there is also a “Scenario” part, written based on the mentioned indicating keywords, in order to provide interviewees the overview of the questionnaire.

4.3. Collection of data

The questionnaire was firstly created in English, in order to maintain the content integrity between the literature review of the thesis and the questions. The questionnaire was later translated into Vietnamese for the sake of ease for the experts, whom are all Vietnamese. However, in the Vietnamese version of the questionnaire, the original content, which was firstly written in English, is also included as note for the experts. The purpose is to preserve fully the idea that the author wished to express to the experts, and to avoid misunderstanding that the translation might cause.

The interviews could be conducted through two channels, audio calls and email. Four experts were invited to participate in the empirical study of this thesis as interviewees. Three of them managed to conduct their interviews through audio call. After receiving the questionnaire through email, time for the interview call was scheduled, and then the interview was conducted accordingly. Thus, all three first experts agreed to support the study with further answer after the interview, in case of any vague viewpoints. The fourth interview has to be conducted through emails, because both the author and the expert were not able to schedule the call. The questionnaire was sent in Word file to the personal email of the fourth expert, and then the filled questionnaire was sent back two days later.
Audio calls were recorded under the acknowledgement of the interviewee. Specialized recording software was installed and utilized during the interview call, instead of already integrated one in the audio call software, in order to maintain the high quality of the audio. Besides, the researcher also took notes during the interview call. The records were exported into two types of file, .mp3 and a specialized one, for rehearsing purpose. Right after the call, a transcript was created based on the record and the note in Word file. With the fourth interview that was conducted via email, the answers in the filled Word file were translated into English, while preserving the interviewee’s key messages and insights. The content of the four transcripts withdrawn from the interviews will be the foundation for the following data analysis.

5. DATA ANALYSIS

Introduction

Four experts agreed to participate in the empirical study of this thesis, whom will be introduced with their title, years of industrial experience, and previous projects related with marketing on Facebook. Thy Nguyen is currently the head of marketing in Le & Associates Joint-stock company, the leading HR agency in HCMC. She has over six years of industrial experience, with in-depth understanding in social media campaign management and KOLs relationship management. Thy Nguyen took part in marketing campaigns for “Hai Phuong” (Vietnam’s highest gross movie in history), the launching of “Samsung S8”, and numerous promoting campaigns for Mercedes Vietnam, and Mediheal Vietnam. The second expert, Phuong Tu is senior marketing manager at Lacoste Vietnam, with over five years of industrial experience and has been partnered in promotion project for Highland coffee – one of the most popular beverage brands in Vietnam. Ngan Tran is the digital media manager at CleaverAds, Google’s premier partner in Vietnam, and Facebook’s first authorized distributor in Vietnam. With over six years of industrial experience, Ngan Tran was in charge of digital promotion campaigns for Brother Vietnam, and two of the largest coffee brand in Vietnam, Trung Nguyen
coffee and Phuc Long. Dung Thai is the digital marketing manager at Hotdeal.vn - the leading e-commerce website in Vietnam, whose key products are coupons and promotions in food & beverage field. With over seven years of industrial experience, Dung Thai’s expertise in designing communication plan on Facebook for Nike Vietnam, Dulux, and Adayroi.com - VinGroup’s e-commerce website. In the analysis, all of the experts will be addressed with full name, with the purpose of showing respect for their contribution to the thesis.

The data analysis will be divided according to the questionnaire. Each topic studied in the theoretical study will be reserved a heading in the analysis. The purpose is to separately analyse and conclude each question, which, at the same time, determine experts’ insight on the analysed topic. The analysed heading will initiate with the list of consisted questions, then the interpretation of experts’ insight, and the author’s analysis.

**Topic 1: Facebook in Ho Chi Minh City**

**What is your perception on the importance of Facebook marketing with a beverage business in HCMC?**

Firstly, the thesis starts with stating figures about the impact of Facebook on the daily lives of people in Vietnam, specifically in HCMC. This topic aims to determine the experts’ opinions on the importance of establishing and managing a Facebook page for a beverage business. All four experts gave the same viewpoint on the important degree for a beverage business to have a Facebook page, which is utterly necessary. Thy Nguyen thinks that it is necessary to have a branded Facebook page, especially if the business’ aim is to reach and spread the content to a vast audience. Even though Facebook has lost its dominant position a few years ago, Facebook still accounts for approximately 50 – 60% of the beverage industry’s social media traffic. Especially if the millennials are the main target audi-
ence, then this number can be beyond that average number. Ngan Tran shares the same perspective about the general impact of Facebook on the overall social media traffic in HCMC. Moreover, the millennials spend a significant amount of time a day on interacting actively on this platform. They consider Facebook to be a platform to not just simply entertain, but also connect where all of their family members and friends are active users. In other words, Facebook shall be the easiest channel for approaching and engaging with customers aged 18 -25. Thus, content from branded pages tend to receive greater engagement if the aimed customers are the millennials. Phuong Tu also agrees that Facebook has a tremendous impact on the marketing outcome of a beverage business, especially those whose target customers are millennials. Based on his industrial experience, Dung Thai claims that Facebook is not just a marketing channel. With the F&B industry in general, Facebook can be considered as an important communication channel. Thus, Facebook can produce high digital marketing conversion rate for F&B businesses such as beverage and food delivery. It can be concluded that it is necessary for a beverage business in HCMC to establish and manage a Facebook page, especially those whose target audiences are the millennials.

**Topic 2: Content in Facebook marketing**

- What is your perception on the importance of the content in increasing a Facebook post’s engagement?
- What are types of content that a beverage business should focus on, and their purpose? Which type is the most likely to be boosted with Facebook ads?
- With other types (which are not prioritized to be boosted), how can marketers ensure their viral property?

Secondly, the thesis discusses the impact of the content on the success of a Facebook post. The second topic aims to generate experts’ opinions on the post’s con-
tent, and how it can contribute to the branded page’s capability to engage with the target customers. The first question about the expert’s perceptions on the importance of the content in increasing a Facebook post’s engagement, receives similar questions from all four experts. The statement “Content is the king” is mentioned by both Thy Nguyen and Dung Thai. They claim the post’s content is always utterly necessary, regardless of the associated marketing technique of the post, for instance to run Facebook ads. Dung Thai believes that in the beverage business in HCMC, distributing appropriate content to the correct target audience will generate high conversion figures. Ngan Tran adds that the creativity in the content is also very important. On Facebook, the millennials are probably the most active users, yet they might lack of customer loyalty. This explains why creative types of content and flexible content structure on the beverage branded page is critical, especially if the target customer is aged between 18 – 25 years old. For instance, besides informative content, the beverage business can retain loyalty from young customers by publishing promotions, discounts, or by hosting small games with prizes of bonuses (which is believed by Ngan Tran to be widely used by numerous beverage brands in HCMC).

Moreover, Phuong Tu states that not just the content of a singular post is important, but also the key message running throughout the whole campaign. Marketers shall focus on preserving the key message throughout the whole campaign on Facebook, in order to maintain the unity of information. In the beverage industry in HCMC, a brand’s unique features are essential, and must be reminded continuously (Ngan Tran and Thy Nguyen). For instance, the unique feature of a beverage business is the contemporary atmosphere. Then in almost every post that the branded page produces, sentences or pictures relating to the contemporary atmosphere shall be mentioned. Thy Nguyen also agrees on this, as not just Facebook, but also other social platform is very likely to be utilized to approach millennials in HCMC. By tightly attaching to the key message and exploiting content in a centralized manner, marketers can ensure the information integrity throughout multiple social media platforms, such as Facebook and Instagram.
There are three main purposes for a Facebook post: to provide audience with brand’s information (new product, events, or discounts); to create brand story (behind the scenes, brand insights); and to trigger debate (Thy Nguyen, and Dung Thai). Regardless of the undeniable need for entertaining property, all four experts believe that the most important type of content for a beverage brand is the informative content, such as promotion for a new item or seasonal items. Thy Nguyen strongly believes that informative posts are most likely to be allocated with budget, and considered as key factors while evaluating the marketing performance of a branded page. Dung Thai and Phuong Tu believe that the most commonly exploited type of media associated in a post is a picture, then videos. It is safe to conclude that posts with solely informative promotion, associated with one expressive picture, or a video of the brand’s product are most likely to be boosted with Facebook ads by beverage brands in HCMC (Figure 11).

**Figure 11** Example of the two highest-engaged types of media (Wheysaigon, 2019)

Besides informative content, there are two other secondary content types that are often exploited by beverage brands in HCMC: (1) posts with an album of vivid pictures to showcase products and trigger the customers’ desire to try products (Dung Thai and Thy Nguyen); and (2) mini games for customers to engage with
the branded page’s content for prizes or bonuses in return (Ngan Tran and Phuong Tu). Marketers can maintain the viral property of these secondary types of content, which are not prioritized with budget allocation, by subtly trigger conversations within the comment sections, or encourage the shares from customers. For instance, posts that consist of questions that ask for customers’ opinions such as “What do you think about the new espresso drink for this summer?” (This question aims to receive peer overview on the upcoming product); or “Who do you think would enjoy our upbeat contemporary music?” (This question aims to increase the post’s engagement through customers tagging their friends or family members). By integrating counter-action content into secondary posts, they can initiate the viral property themselves (Thy Nguyen, Phuong Tu, and Ngan Tran). Besides, a marketer can also post content that relates to the current trend (for example, to quote a sentence from the recent hit song), which can also increase the customer engagement of the post without the boost of Facebook ads (Dung Thai). Moreover, marketers must thrive to create posts that offer valuable information to the customers according to Facebook algorithm, in order to be eligible to appear on users’ Newsfeeds (Thy Nguyen).

**Topic 3: Facebook page**

- From a business owner’s perspective, what are the benefits that a branded Facebook page brings?
- From a customer’s perspective, who actively engage with a branded page’s content, what are the benefits that a branded Facebook page brings?
- Is there any relation between customer engagement on Facebook and revenue at shops?

Thirdly, the thesis discusses virtual brand community of Facebook, or in other words, Facebook pages. This topic and its questions aim to determine experts’ in-
sights on the benefits that a Facebook page can offer, as well as its realistic impact on the actual sales revenue. From the beverage business owner’s perspective, Thy Nguyen claims that beverage brands in HCMC can still generate benefits from their Facebook page. The most important perk is to be able to have an overview on their amount of followers on social media, since becoming a Facebook follower does prove one’s interest toward the brand. However, due to the recent changes in algorithm, a Facebook page does not contribute to a brand’s engagement with its customers as greatly as it used to. Ngan Tran also mentioned about this concern, in which marketers also do not have full control on their page’s engagement with customer, because the effort does not lie singly on their hands anymore. With the new algorithm, customers must constantly engage with the page’s content, in order to see them on their Newsfeed in the future. To conclude, the most important asset that a Facebook page offers is still contributing to a brand’s marketing strategy, just not as significant as it used to. However, Phuong Tu and Dung Thai still have a positive viewpoint on this matter. Dung Thai considers a Facebook page to be a sales channel, and a customer service channel which if conduct precisely, can be the most convenient and cost-saving one. Customer can text their concerns directly to a brand’s inbox, and will receive the answer conveniently from the brand’s representative. Moreover, by observing customer’s behaviours and conversation on their branded page, marketers can withdraw key learning about their target customers’ interests and expectations. Phuong Tu thinks Facebook is the most effective communication channel between a customer and a brand. Comparing to email, or hotline, the responding speed of Facebook private inbox exceeds the others remarkably. Moreover, besides communication, Facebook brand community also enhances customer loyalty. For instance, millennials customers tend to pay close attention to a branded page of a beverage business for bonuses, discounts and vouchers, which in turn, increase customer retention for the Facebook page.

From the customer’s perspective, Ngan Tran describes the benefits of following the Facebook page of favorite beverage brand as an informative and selective experience while using social media. Customers are more likely to interact with
posts that are published by a liked page, and they feel more comfortable to receive information from the official branded Facebook page. Thy Nguyen and Dung Thai also add opinions to this matter, claiming that an official Facebook page is where customers can receive brands’ informative updates or promotions, from which they can benefit from, for instance to acknowledge that a popular artist is going to perform at one of the brand’s shops. By successfully nurturing a brand community, or a Facebook page, customer engagement with its followers will be increased within it. In addition, building a brand image about the key values (for example, to be always responsive on Facebook), and conversed sale can also be enhanced thanks to an effective brand community building (Phuong Tu and Ngan Tran).

According to her experience, Phuong Tu believes that there is a proportional relationship between customer engagement on Facebook and revenue at shops. The higher the customer’s engagement to a branded page’s content, the higher the likelihood that the customer will purchase the brand’s product at shops of that beverage brand. However, on the opposite direction, Phuong Tu states that even if the sales revenue at shops reduces, customer engagement of the platform cannot be blamed totally. Thy Nguyen and Ngan Tran also share common insights that even if the customer engagement on the branded Facebook page decreases, the sales revenue does not necessarily reduce with it. There are other social platforms that a beverage business utilizes to approach their target customers; and Facebook only accounts for 50 – 60% of the brand’s total conversion from online engagement into actual sales (Thy Nguyen). Moreover, there are other factors such as the current weather, the shop’s location, or the product itself that impact on customers’ final purchase decision (Ngan Tran). Besides high customer engagement, Dung Thai believes that developing trust between the brand and the customers on Facebook also plays key impact on the purchase decision at shops. In order to initiate a purchase decision, marketers shall firstly align the product’s key values with the customer’s needs, and then distribute them comprehensively on their Facebook brand community (Dung Thai). Phuong Tu tips that cameras installed at beverage shops in HCMC are not the typical ones, but people-counting cameras. Marketers often compare the customer engagement of the recent posts and the
number of customers that present at their shops, in order to evaluate the branded page’s engagement performance (Phuong Tu).

**Topic 4: Facebook ads**

- What is your perception on the importance of paying for Facebook ads these days? Is it the fastest and most effective method to increase engagement for branded pages’ content?
- What are the benefits of paying for ads on Facebook?
- How should a newly-established Facebook page of a beverage brand run Facebook ads at first? What is the relationship between the content quantity and the budget to run ads?

Fourthly, the thesis discusses Facebook ads, its necessity and benefits for marketers. All four experts share the same perspective on the importance of integrating Facebook ads into their marketing strategy. Thy Nguyen assures that marketers must pay for Facebook ads, especially after new changes in the algorithm two years ago. It is highly challenging to reach expected amount of audience due to the new Facebook algorithm without paying for ads (Thy Nguyen). Phuong Tu and Ngan Tran also claim that paying for Facebook ads is essential while conducting marketing on the platform, especially when the page is newly established, with flat audience awareness. Dung Thai explains the current situation on the platform by simply stating the result comparison between selling organically (1 – 2 closed deals per day) and selling with Facebook ads (50 – 100 closed deals per day). However, due to the remarkable impact of Facebook into the digital marketing overview, the increased budget allocated into Facebook ads is acceptable with many firms. Thus, if the purpose is to spread content to the millennials, then Facebook ads is still the most cost-saving channel, comparing to other digital marketing channel such as television advertisement (Ngan Tran).
Thy Nguyen believes the most important benefits that Facebook ads offer is the capability to modify target customers that the campaign will emphasize. Being able to specify the scope of the target customers allows marketers to reduce marketing costs and deliver centralized customer services (Thy Nguyen). Phuong Tu considers Facebook ads to be the most cost-effective tool to widely reach customers on social networks. Comparing with other platforms’ CPC range, such as Instagram and Youtube (0.5 – 1 euro per click), Facebook offer the most favorable CPC range (0.1 – 0.3 euro per click) thanks to its significantly wide customer folder (Phuong Tu). In the beverage industry, Dung Thai claims Facebook ads to be the most effective sales channel. Besides, running advertisement campaign on Facebook also allows marketers to pilot test their upcoming products, and receive peer overview on the customers’ reactions. Marketers can analyze the reach overview of boosted posts and comprehend their target customers in order to precisely conduct cost-effective re-marketing campaigns in the future (Ngan Tran). Thus, the “Lookalike” feature can automatically create a customer folder that acts based on branded pages’ original folder’s behaviours, and provide marketers with preference of potential target customers (Ngan Tran).

Instead of ads budget, Phuong Tu and Dung Thai advises that when the branded page is still at its newly-established stage, to build image and to increase the amount of followers shall be the two prioritized concerns. Dung Thai believes that it is essential for beverage branded pages to firstly educate their target customers about brand’s core products, or services. Marketers shall be generous with ads budget at first and run ads on a daily basis, with the core purpose of promoting the key message and recruiting fans (Dung Thai). According to Phuong Tu, Facebook pages with over 10,000 followers are considered to be developed ones in the beverage industry in HCMC. Until the brand’s fan base is considered large, and the organic reach of branded content is assured, then the ads budget can be allocated heavily for the core contents (Phuong Tu and Ngan Tran). It is also important to create content complying with Facebook algorithm’s criteria, in order to ensure the post’s effective organic traffic (Thy Nguyen, Ngan Tran, and Phuong Tu).
About the relationship between content quantity and the advertisements budget, Thy Nguyen claims that marketers are focusing resource into running ads and boosting posts. However, this does not mean that the decrease in content quality is tolerable. Content is created more subtly and selectively, and only the core content is boosted with generous ads budget (Thy Nguyen, and Ngan Tran). Dung Thai believes that this relationship depends on the branded page’s customer journey. At each phase of the journey that marketers shall decide whether content quantity or Facebook ads is necessary for the brand. In general, Facebook algorithm usually offers interesting content with reduced CPC ranges (Dung Thai).

**Topic 5: Engagement on Facebook**

- Are “reactions”, “shares” and “comments” the most important indicators for customer engagement on Facebook? Besides those, are there any other engagement indicators?
- According to yours industrial experience, what are the factors of the “Engagement rate” formula? With a newly-established beverage branded page, what is the goal that marketers should aim for, in order to evaluate the page’s engagement?
- Besides paying for ads, are there any other methods to produce Facebook posts with high engagement?

Lastly, the thesis discusses the metric of Facebook customer engagement. This topic aims to determine experts’ insights on evaluating the engagement performance of beverage branded pages’ content. All four experts agree that “reactions”, “shares” and “comments” are the most important indicators for customer engagement on Facebook. However, the opinion on which action is the weightiest varies. Thy Nguyen considers “comments” to be the strongest action that customers can engage with a post, since it requires them to spend time and type texts into the comment section, while other interactions only inquire quick clicks. Ngan Tran
and Phuong Tu believe turns of “share” present customers’ highest form of interaction. In order to share a post on their timeline, one must feel a strong relation with the post’s content, and the eagerness to express their idea with others through that post (Ngan Tran). Besides those three most important reactions, Dung Thai suggests “post clicks” and “post reaches” statistics are also essential to evaluate beverage branded pages’ customer engagement. Moreover, Phuong Tu thinks marketers can also study the “post clicks” number in the post’s overview tab for precise post performance, since other interactions can be infiltrated with auto-bots.

About the “Engagement rate” formula, Thy Nguyen suggests the formula with similar factors with the ones stated in this thesis’ theoretical part. The “engagement rate” formula consists of the total amount of interaction, which is the sum of “reactions”, “shares”, “comments” and “clicks”, divided by the total amount of posts in a specific period of time. The “engagement rate” formula recommended by Ngan Tran and Phuong Tu consist the same denominator with the first formula, yet different numerator as the total number of page’s followers (Phuong Tu) and the total number of reached audiences (Ngan Tran). When the last interviewee – Dung Thai, was asked about varied answers for this question, he thinks the different answers are understandable, since marketers often have their own formula, which is consolidated throughout their years of industrial experience. The key value is to precisely evaluate the performance of the beverage branded Facebook page. “There is no right or wrong answer for this question” (Dung Thai). Phuong Tu claims that a newly-established branded page in the beverage industry shall aims for “3%” as the value of the “engagement rate” fraction, while Ngan Tran’s number ranges from “3 – 5%”. Thus, Ngan Tran also mentions that it is normal for a beverage business in HCMC to reach far beyond this averaged number. For instance, one of her clients - Phuc Long coffee’s Facebook page generates over a 15% engagement rate per post (Figure 12).
Experts concluded their interview with suggestions of effective methods to increase customer engagement on Facebook, besides paying for Facebook ads. Thy Nguyen thinks brand stories that cover unique offers of a beverage business, for instance its core concept, should be emphasized heavily. Phuong Tu suggests that partnering with key opinion leaders (KOLs) is also commonly practised in beverage industry. Marketers can approach KOLs’ audiences, whose behaviours shall relate with the brand’s product and image, and re-direct the customer awareness to the branded page (Phuong Tu). For instance, to partner with a singer whose key audience is the millennials in a photo-shoot, in which the KOL interacts with the brand’s upcoming drink. The photos will then be posted on both the branded page and the KOL’s page, and increase the viral property of the campaign (Phuong Tu). Dung Thai mentions the importance to post content that relates with the current

**Figure 12** Example of a beverage branded post's successful engagement performance (Phuc Long, 2019)
trend on the social media. Besides, if the content is valuable and interesting, Facebook algorithm will allow higher organic traffic to the post (Dung Thai). Instead of suggesting new insights, Ngan Tran reimburses the importance of maintain the subtle resource balance between Facebook ads and the content quality. If only one factor is satisfied, the campaign can be either ineffective or highly expensive (Ngan Tran).

6. CONCLUSION

Through the thesis’s theoretical and empirical study, the objective is to answer the thesis question with four key aspects that a newly-established beverage business shall focus, in order to approach the millennials in HCMC effectively. Firstly, regardless of the campaign’s objective, the content quality will always play essential role in the success of the engagement performance of a branded page. Secondly, nurturing a Facebook page as a communication channel from which both brands and customers can benefit from is strongly necessary in the beverage industry. Thirdly, after new changes in Facebook algorithm, allocating a budget for Facebook ads into the marketing strategy is a critical integration. Thus, the strategy of maintaining a subtle balance between the budget for Facebook ads and the content quality is continuously emphasized by experts. Lastly, the “engagement rate” formula to evaluate the performance of beverage branded pages’ content may vary, yet the core withdrawn insights are to focus on the content quality, and avoid posting in an unmonitored manner. Moreover, besides paying for Facebook ads, there are other methods to naturally increase branded pages’ engagement rate, such as to post content relating with current trends, to partner with KOLs, and exploiting brand story around the key message.

Currently, digital marketing techniques are changing continuously, along with the evolvement of customers’ demand and behaviours. There are viewpoints which were advised by experts to be potentially different in practices, in case of specific scenarios. However, the studied theory’s key findings are mostly agreed and reimbursed by the experts. The answer for the thesis question is reinforced by both
theoretical background from researched literatures and industrial insights from the experts.

7. VALIDITY, AND RELIABILITY

Validity of a thesis involves the coherent connection between the research objectives and the studied researched literatures. Reliability of a thesis concerns the sustainability of the thesis’ content and observation; in case of similar exercise (Saunders et al., 2009). The author will firstly argue about the validity of this thesis. The primary information source of the thesis is the industrial insights, withdrawn from the interviews between the researcher and the experts and displayed in the empirical study. The in-depth industrial experiences of experts whom participate in the interview also enhance the validity of the thesis. The secondary information source in the published books, and articles related to the topic, which are researched, utilized, and cited in the theoretical study. The implemented literature was mostly published recently (within the past ten years) which provide rather up-to-dated information. Moreover, the validity of this thesis lies in the integration between the two literature sources. In order to maintain the attached logical bonds between the researched theory and practical viewpoints, the questionnaire creation was conducted under careful manner, which was associated by numerous post-creation pilot tests with experts’ feedbacks.

The reliability of this thesis lies in the withdrawn insights from experts, which contributed effectively to the purpose of determining the answer for the thesis question. Thus, most of the previously researched literatures meet positive recognition from the experts, which testifies for the precise alignment between the initial objectives of the research. Moreover, the four experts’ answers are relatively similar; especially on the closed questions, of which purpose is to determine their opinions on a specific topic researched in the theoretical part. According to the repetition in experts’ personal opinions, it is safe to expect that studies in the future would produce the same results, if the same research techniques were implemented to study the identical research object and field.
8 LIMITATION, AND RECOMMENDATION

The thesis focused strictly on the area Ho Chi Minh City, Vietnam. Thus, the experts participated in the empirical study are also work in the same marketing community of HCMC, which may lead to similar opinions. Due to restricted geographical area, the finding of this thesis may not be valid if implemented on the international level. The scope of the thesis is to determine successful factors that increase the customer engagement for a beverage branded page on Facebook. In order to fulfil the research objective, the thesis focused on proving the factors’ necessity by researching literature background, and producing industrial insights. However, the factors’ mechanisms have not been studied in an in-depth manner yet. Those who are interested in researching in the similar field shall conduct developed investigation, based on the findings of this thesis. On the other hand, due to numerous indicating keywords in order to centralize the scope of research, the author has approached various challenges selecting suitable interviewing candidates for such specified topics. A study in the similar field yet broader scale, for instance to determine successful factors for a digital multi-channel campaign would perhaps not need to overcome such obstacles. Those who are interested in researching in the similar field yet in a more expansive extent, experts with years of industrial experience in managing multi-channel campaigns shall be able to provide more in-depth insights, comparing to ones solely related to one platform, such as Facebook in this thesis.

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