FACEBOOK MARKETING IN THE FASHION INDUSTRY

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Abstract:
Social media platforms like Facebook, YouTube and Twitter, etc… are fundamentally changing the way business and consumers behave. It has created chances and challenges for the marketers. The main objective of the study is to figure out whether Facebook can be used to create brand awareness in the fashion industry. It also finds out methods and tactics of Facebook marketing. Moreover, it aims to explore the benefits and pitfalls of using Facebook marketing compared to traditional marketing. A critical literature review was carried out and qualitative and quantitative research methodology were used. The research revealed that traditional marketing is still crucial. Facebook is a useful tool in the way that it can help marketers understand their customers’ behaviour. Essentially, brand in the fashion industry is earned through creativity management. The tactics are: taking advantage of word of mouth, mutual interest, hyper-segmentation, engaging consumers in emotional and personal conversation, providing discount and promotion in Facebook. Moreover, photos, videos, tips about fashion should be added there. Banners and displaying advertisements on Facebook should be unique and artistic. Another technique is to give consumers chances to express themselves and make them get the feeling of a part of community.

The downside of Facebook marketing is that it can only reach particular consumers. Also, it takes time to update. Moreover, in some situation, Facebook marketing has no point since consumers do not express their opinions there. Furthermore, Facebook can become less popular or it is replaced by another social media.

Keywords:
- social media
- fashion industry
- Facebook marketing

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## CONTENTS

**FOREWORD** .................................................................................................................. 6

### 1 INTRODUCTION ......................................................................................................... 7

1.1 Motivation for the choice of research topic ............................................................... 7
1.2 Aim of research ........................................................................................................... 7
1.3 Problem and hypothesis ............................................................................................ 7
1.4 Description of methods ............................................................................................ 8
1.5 Limitation .................................................................................................................. 8

### 2 LITERATURE REVIEW ................................................................................................. 9

2.1 Traditional marketing ............................................................................................... 9
2.2 Segmentation ............................................................................................................ 9
2.3 What's a brand? ........................................................................................................ 10
2.4 How a brand is created? .......................................................................................... 10
2.5 How the definition of a “brand” has changed in social web? ..................................... 10
2.6 Brand management in creativity industry ............................................................... 11
2.7 Social media landscape .......................................................................................... 11
2.8 Social media marketing .......................................................................................... 14
   2.8.1 Social media marketing v.s traditional marketing .............................................. 14
   2.8.2 Passive Word of Mouth .................................................................................... 16
   2.8.3 Using Facebook for Marketing ....................................................................... 17

### 3 RESEARCH METHOD .................................................................................................. 20

3.1 Research approach and strategy .............................................................................. 20
3.2 Designing the sample ............................................................................................. 21
3.3 Reliability, Validity and Generalization .................................................................. 21
   3.3.1 Reliability .......................................................................................................... 21
   3.3.2 Validity ............................................................................................................... 22
   3.3.3 Generalizability ................................................................................................ 22

### 4 DATA COLLECTION METHOD ..................................................................................... 22

5.1 Survey ...................................................................................................................... 24
   5.1.1 Demographic information ................................................................................. 24
   5.1.2 Facebook Usage ................................................................................................ 26

### 5 EMPIRICAL RESEARCH ............................................................................................... 24

5.2 Analysis of participation observation ...................................................................... 35
   5.2.1 H&M overview .................................................................................................. 35
   5.2.2 H&M Facebook campaign .............................................................................. 35
5.3 Analysis of qualitative method ................................................. 40
  5.3.1 Interview result ............................................................... 40

6 DISCUSSION AND RECOMMENDATIONS ........................................... 42
  6.1 Can Facebook be used to create brand awareness in the fashion industry? ............ 42
  6.2 Communication methods and tactics used ............................................... 43
  6.3 Benefits and pitfalls of Facebook marketing compared to traditional transaction marketing in fashion industry? ................................................. 46
    6.3.1 Benefits of Facebook marketing .................................................. 46
    6.3.2 Pitfalls of Facebook marketing ...................................................... 46

7 CONCLUSION AND SUGGESTIONS FOR FURTHER RESEARCH ..................... 47

GLOSSARY .......................................................................................... 49

REFERENCE ...................................................................................... 50

APPENDIX .......................................................................................... I
  Appendix 1: Facebook fact ................................................................. I
  Appendix 2: questionnaire ................................................................. II
  Appendix 3: expert interview .............................................................. VI
    Interview result ............................................................................ VI
List of figures

Figure 1. Gender 24
Figure 2. Age 25
Figure 3. Marital status 26
Figure 4. How often consumers use Facebook 26
Figure 5. Reasons consumers use Facebook 27
Figure 6. Fashion Facebook Fan Page usage 28
Figure 7. Attitude about fashion brand on Facebook 28
Figure 8. Reasons to become a fan on fashion profile 29
Figure 9. Attitude about banners or displaying advertising on Facebook 30
Figure 10. Elements of the ad banners or displaying on Facebook page 31
Figure 11. Attitude about Facebook inbox message 32
Figure 12. Media that interests consumers to hear about their fashion brand 33
Figure 13. Simple question to generate the emotional engagement with consumers 36
Figure 14. Consumer expresses her feeling about H&M 37
Figure 15. Your H&M 38
Figure 16. H&M Poll 39
Figure 17. H&M Event 40
FOREWORD

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1 INTRODUCTION

1.1 Motivation for the choice of research topic

The information technology era has changed the way people communicate, work and play. Social media has become a phenomenon and one of the most popular and fashionable tools with which people to communicate. The development of Facebook, Twitter, and other social media websites allow people to access, connect and share information freely. In the business world, social media has a great influence on the economic activities and communication. Thanks to social media, companies can advertise product and listen to customer feedback and ask for ideas. As for the marketers, social media has created a new realm of marketing. Traditional marketing is now challenged by the thriving of social media because consumers are more likely to consult the products based on the conversations and comments on the social web. Therefore, social media has opened a huge opportunity for business to create brand awareness among consumers. Nowadays, the fashion industry has also adopted social media as one of its strategic marketing tools to create brand awareness among customers.

1.2 Aim of research

The research is aimed to investigate how social media, particularly Facebook is used to create brand awareness within the fashion industry.

1.3 Problem and hypothesis

1.3.1 Can Facebook be used to create brand awareness in fashion industry?
1.3.2 What kind of communication methods and tactics are now used when creating brand awareness in fashion industry through Facebook?
1.3.3 What are the benefits and pitfalls of using Facebook compared to traditional marketing in fashion industry?
1.4 Description of methods

The qualitative and quantitative research methodologies are applied. The reasons why those research methods are used will be explained in the research method and approach section.

1.5 Limitation

The research has coped with the limitations. Social media marketing is quite a new field so there is not much material and research available. It is a new tool for marketing, especially in the fashion industry marketing, thus not so many companies are expert in it. Therefore, it was difficult to find a company to investigate. Many companies use Facebook but they just apply it in a spontaneous way. Moreover, company usually approach integrated marketing strategy. For that reason, it is hard to measure how successful marketing through Facebook is. Furthermore, since social media is constantly updated all the times, therefore, the research result can also be outdated in near future because of the rapid development of technology.
2 LITERATURE REVIEW

2.1 Traditional marketing

Marketing is a process by which companies make individuals and groups interested in their product so that it can attract people to buy. The process can be sales techniques, business communication, and business developments or integrated marketing process. (Kotler, 2005, p.6)

2.2 Segmentation

In traditional marketing, companies segment market based on demographics such as age, gender, education, and income. However, with the advent of internet and social web, segmentation has changed. People spend more time on websites from Internet rather than on traditional communication media such as newspaper, radio or television like before. They have chance to get access to huge source of information, entertainment, news, movies, communication, etc… there. They enjoy the information technology not only as a passive viewer but also content generator. As a result, companies can be aware of consumer’s behaviour, attitude and interest based on the information provided by social media. Therefore, it is more efficient to identify groups of customers within the larger market according to very particular criteria. This technique is called hyper segmenting. Advertisers can reach target consumers profiles, registration and behavioural history about location, gender, age, education, workplace, relationship status, interests. Hyper targeting is feasible because users are willing to share their information to build their relationship, show their presence and connect with friends and express their feeling. Because of its ability to reach specific consumers and reduce the undesirable consumers, hyper targeting is quite precise and efficient. Advertisers can adapt and customize their ad to accurate customers since before that advertisers uses the same ad for everybody. Therefore, consumer feel more personal and relevant to ad (Shih, 2009, p.82-84).

Hyper segmenting is also very useful for measuring campaign performance because advertisers can know to whom they deliver ads. Thus, they can continually adjust the ad so that it can become attractive for consumers. (Shih, 2009, p.85)
2.3 What’s a brand?

Brand is a crucial factor of marketing. It refers to a symbol, words, or mark that can differentiate a product or company from its competitors. In order to prevent copying from other organisations, brands are registered (trademarked) with a regulatory authority. (Investorwords, 2010 [www])

A brand is the collection of all the feelings, perceptions and experiences a person has through the process of communicating and getting in touching with a company and its products and services. (Okonkwo, p.103)

2.4 How a brand is created?

Brand is earned best through efficient product, service and relationship management (Haaranen 2010)

2.5 How the definition of a “brand” has changed in social web?

Agresta (2010) argues that brand today is different from brand in the past: “they harness people’s passions”. This means that instead of depending on contrived messages and commercials, brands today rely on the passions of their customers to generate content. This makes the pressure for marketers to create brands which align with the needs and demands of the customers. (Agresta, 2010, p.11). Moreover, Bough (2010) argues that emotional connections are the most important ever to create a strong brand. And these connections should be maintained by giving value and a real value equation for consumers. Also, at the same time, the brand values should be expressed more across channels, spokesperson and mind spaces compared with the past. In other words, the value of a brand will less rely on brand itself but more associated with the people who stand for them and consumers who are involved with them. For example, PepsiCo has established a project to make employees, partners and stakeholders to join and engage in conversation on global level. It is started with simple things, for example, to encourage people to change their profiles to show that they are PepsiCo employees. This engagement is one of the actions indicates the association of brand with people. Apart
from, there can be getting feedback, suggestions, comments, insights and so on. (Bough, 2010, p.12-13).

2.6 Brand management in creativity industry

Creative organisations such as architectural practices, design consultancies and advertising agencies seldom use formal marketing communication tools for brand management. It has been acknowledged that creativity is an important source of competitive advantage in the creative industry (Cook, 1998) and the main determinant for developing successful brands (Sutton and Kelley, 1997). Therefore, they mainly involve in more informal, internal organisation for enhancing creativity in order to build reputation and thus reinforce brand. Creativity must be considered as the first step towards achieving innovation, which is critical for the long-term company success. It is necessary for creative organisations to invest in increasing their employees' creative thinking so that they approach and solve their works creatively. (Andriopoulos and Gotsi, 2000, p.1).

2.7 Social media landscape

“Social media refers to activities, practices, and behaviours among communities of people who gather online to share information, knowledge, and opinions using conversational media. Conversational media are Web-based applications that make it possible to create and easily transmit content in the form of words, pictures, videos, and audios.” (Brake, p.6). The advent of social has resulted in four major transformations. First, there is a shift in trust from advertising to word of mouth within consumers. Secondly, the technological development has created the formation of What You See is What You Get (WYSIWYG). (Bough, 2010, p.6). This means that in social web, information creation is very democratic. Users are not only content readers but also content publishers. It is the shift from the system in which audience serves a passive role to the active role. The audience can engage directly in broadcasting, generating conversations and content. In social media, the” wisdoms of crowds” is to connect information in collaborative manner. (Evans, p.33). Thirdly, the influence of traditional journalists has decreased. Last not least, there is “the disruptive proliferation of media
channels”. In the past, people approached information from networks such as radio, television and newspaper and shaped the emotional connections based on those. Recently, the media sources have risen with hundreds of cable channels and even more online sources. This leads to the change in audience fragmentation and segmentation which depend on behavioural transformation such as interest, hobbies, relationship status, etc. (Bough, 2010, p.7).

Nowadays, social media has become one of the most significant phenomena in the way people exchange information. According to The Nielsen Company research, the time spending on social networking sites has risen 82%. In the last three years, it has increased from 3 hours per month to 5.5 hours. And Facebook is one of the most popular social media sites.

“Are you on Facebook?” is the popular questions that people usually ask other person when they meet for the first time. It is like people use the word Google as a verb - google it- they begin to say ” Facebook me or send me a Tweet”. Instead of exchanging email, people are more likely to exchange each other’s social media information. In many situations, people no longer give out their email addresses, and if they still want to get in touch, social networks have inboxes that can substitute email. Email which used to be the most common social contact might not be the first tool of digital communication as before. Message is easier to connect through social media because it can bring real conversation among friends. Open conversations are easier and convenient. People just simply update their status in order to stay in touch with their friends. For example, whenever people log into Facebook, they are shown News Feed updates such as new status messages, profile pictures, friend connections, videos, gifts, etc. Compared with the past, communication is more quick, easy and convenient. People can search contacts in one network because social net have functions to help users to search and filter contacts according to different criteria such as name, employer, school, city, hobbies, gender, relationship status, and other profile information (Qualman, p.45-48). Moreover, the capacity to post, share, and tag photos on social networking sites is one of the improvements of communication. In the past, if people want to share digital photos, they had to use email. Nowadays, people can post new photos on Facebook, and it will be automatically notified in their New Feed. People can also see photos on Facebook wall and “photo album” when they visit profile. (Shih, 2009, p.46-48).
Online social networks have shaped a new kind of relationship. It is more casual thus, enables to retain a large number of connections. Thanks to Facebook, Myspace, and LinkedIn, people can maintain the lower-commitment relationships. It can be a person people met at a party, a conference or on a plane, and then they can establish relationship through social network which might become valuable and helpful later. (Shih, 2009, p.45)

Another important factor of social media is the visual aspect. Because most people usually don’t remember names the first time, especially if they just meet in a short time. However, once people become friends on social network, they can remember name clearly from profile picture. Then it is easier to know each other better from seeing photos and videos in their daily life. Through social networking sites, people can also get useful information, for example common background, mutual friends or interests. (Shih, 2009, p.46).

Another advantage of social networking is that it can decrease the cost of interaction and the cost of maintaining a relationship. (Shih, 2009, p.46-48).

Furthermore, companies can easily find suitable employees on social network based on their information from member profiles. Also, users can realize the working opportunity or useful information by seeing the updates from profile or status message. (Shih, 2009, p.44)

According to the” Young Adults Revealed”, a global survey was to find how much young adults engage online with brands every day. The research was carried out on 12603 people from 18 to 24 years old among 26 countries. It shows that 28% talked about brand on a discussion forum, 19% added brand-related content to their homepage or favourite social sites. The research indicated that young adults are more likely to use their instant messenger services, Web homepages, and social networking sites. Also, they are openly and eagerly engage online with brands. They feel their opinions about brands are important and want to associate themselves with their favourite brands. (Qualman, 2009, p.55-56).
2.8 Social media marketing

2.8.1 Social media marketing v.s traditional marketing

With traditional and media, the interaction is generally one way: the customers have no engagement in the communication process. People receive the message passively because they cannot participate in creating the message or content. With social media, it’s truly participative: the consumers can involve in forming or sharing the content. Through engagement and response, social reputations are created which is the result of collective action. Therefore, the value of brand will expressed through these context. A community which is established around a particular interest, cause, or casual connections is the central core of the social web. (Evans, p.80). On the social web, it’s collective – not just the individual - that is actual concern to marketers. This is because individual takes the collective as reference for their decision. By affecting the collective, companies can tap into the individual. Therefore it is the active participation that contributes to success, not message saturation. In traditional marketing, they are “push” and “tell” oriented. The marketer is the one who control and dictate the message and consumer can hardly to participate. Thus consumers will depend on fancy marketing when considering buying products. In contrast, on social web, both the consumer and the marketer have an equal right in expressing and speaking their attitude about products. Thus on social Web, the participation and engagement is considering very important (Evans, 2008, p.81).

Social media marketing also means to understand the online consumer behaviour. Print, radio and television advertising are no longer the most important channel of marketing campaign. Today, consumers communicate in social networks and blogs, where peer reviews and recommendations are influential. Consumers are more likely to look for blog reviews and Amazon ratings and follow the like and dislikes of their friends via Facebook, Myspace and so on. (Agresta, 2010, p.8). Thus, social media marketing is implemented based on the effect of social capital among friend groups, and stimulating word of mouth marketing across their customers. (Shih, 2009, p.81-82). Trust in advertising is no longer considered the most important; instead, it gives the way for trust in individuals. Peers trust peers. Top-down messaging is losing its attraction, while
bottom-up buzz is now priority. Word of mouth is now public conversations, generated in blog comments and customer reviews, endlessly collects and measures. And in the future, people will no longer search for products or services; rather they will automatically seek consulting through social media. (Qualman, 2009, p.89).

Social networks sites provide marketers new kinds of sophisticated marketing channels to advertise their products. Marketing is becoming precise, personal, and social. In social web, hyper target campaigns can be used by taking advantage of profile information and engaging community members. Social network advertisers will able to provide a direct, customized message for each member. Thus, the content they see is specific just for them, and there is more trustful. The challenge is that social networking is aimed for communication, not for advertising. (Shih, 2009, p.81-86)

Banners and display advertising will play essential role in social media, but it is somewhat different from traditional banner approach. Because companies can obtain the information through users’ demographics and psychographics. Therefore, whenever users update their status, the marketers also adjust their advertising message to adapt with their situation and lifestyle. For instance, when people change their relationship status from “in a relationship” to “engage” in Facebook, companies can begin to deliver advertisements which is related and interested such as wedding photographer services, stationery options, wedding dress or music providers. Then, if consumers agree to buy, company can reduce or remove advertisement. Also, the banner expressing “social actions” will be more effective than a general banner because it is one of the values and character of social media. (Qualman, 2009, p.209-210).

In addition to ads and communities, social network marketers can take advantage of platform apps to make people get involved in their brands. Because people are more likely to spend more time using platform apps like games, slideshows, and polls. Moreover, apps have other benefits: they are inclined to be more active and engaging than ad clicks and impressions. (Shih, 2009, p.95)

It is necessary to communicate information throughout the whole organization. Particularly, company should interact with production and marketing department to
update situations together. In other words, in one side, companies need to answer consumers’ complaints and on other side, company has to check trends in product and cooperate closely with production to develop solution. Marketing therefore will be likely to manage the ongoing external conversations with customers/prospects and at the same time having ongoing internal conversations with operations, customers care, and product development. In turn, production and development will be less about being “behind doors” but will be more engaged with marketing; even they will be involved in interaction with customer. (Qualman, 2009, p.126).

### 2.8.2 Passive Word of Mouth

“*Word of mouth is the most effective and least expensive kind of marketing that exists* (Shih, 2009, p.97).”

As for the consumers, they will not feel like spams if the consultant originates from the person they know. For people who give advices or recommendation, they have chance to express their experience, knowledge, expertise and value. However, before the advent of online social networks, word of mouth marketing was a proactive, inefficient effort. People should be so satisfied about product that they can give compliments about it. Even when they recommend about product, they might not have told many people. (Shih, 2009, p.97).

From the marketer’s side, “trust” is a critical factor to embrace word of mouth and now social media. Trust itself has been very important part in marketing. (Evans, 2008, p.20). Nowadays, word of mouth marketing become easy and spontaneously via Facebook friend updates. People can seek other people’s opinions about product through Facebook updates, walls, gift exchange, RSVPs for an event, comment, fan pages, or playing branded games. This highly contributes to return on advertising and community initiatives because when advertisers engage one person, later the effect can spread among many people. When delivering an ad to a Facebook member, brands can utilize the social capital between friends to gain notice and interest from new audiences. (Shih, 2009, 97-99)
2.8.3 Using Facebook for Marketing

2.8.3.1.1 Facebook marketing

1. The campaign should start with clear strategy and objectives. Then it is necessary to know what success companies wants to get in order to determine the suitable level of investment. (Shih, 2009, p.146-147).

2. Then, the next step is to explore and analyze the people’s viewpoint about company’s brand and who is talking (Shih, 2009, p.148). The more companies know the culture and viewpoint of audience, the more company can catch their attention and deliver the message. (Dunay & Krueger, 2010, p.78)

3. After that, a new Facebook Page should be registered. Photos, videos, biographical information, company’s website, and any other relevant information should be put there. (Levy, 2010, p.127).

4. Choose media strategy: there are four aspects of Facebook ads: targeted ads, advertising, social actions, and engagement ads.

- **Target ads**: including a heading, body text and an optional picture. They perform in two positions: designated ad space in the right column of the Facebook screen and New Feeds. (Shih, 2009, p.167). Facebook ads can be used in various ways depending on the aims of company such as product launches, Facebook Marketing, recruitment, branding awareness, event marketing. (Levy, 2010, p.90)

- **Brand advertising**: Apps can be ads to stimulate audiences to involve in brand. (Shih, 2009, p.167). It provides brands a lot of opportunities to create interaction with consumers on Facebook. The most popular ones are social games which users can play or share with their friends such as photos, polls, quizzes, birthday cards, horoscope and donations, etc… The tactics for successful apps are to participate in a way that enriches the user experience and is consistent with what the user is looking for from the apps. Moreover, the apps
should be iterated times to times based on response, input and feedback from users. (Bough, 2010, p.198-199). Agresta (2010) argues that creativity is the factor to drive the awareness among consumers when using apps. Apps that are entertaining or useful or contain viral component to it are likely to attract notice from consumers. (Agresta, 2010, p.198)

- Social action and social stories: News Feed broadcasts provide a strong effect for target ads and brand advertisements. Whenever a member participates, it can create chances for other to involve as well. It is easier to get attention from people by this way. First, people usually feel curious about what attracts their friends. Second, people might decide to join in the ad as a way to communicate with their friend. If that is an event ad, people might choose to RSVP because they can see it from their friend’s Facebook page. Advertiser can take advantage of the social capital between friends and friend groups to raise participation. Thus, word of mouth marketing to ad campaign is automatically brought by social action. Moreover, social stories can be created from external apps that plug into Facebook using Facebook Connect. With Facebook Connect, users have to provide explicit permission for any action from external Web sites to be published back to Facebook (Shih, 2009, p.173-176)

- Engagement ads: there are four models in Facebook: in-line video commenting sponsored virtual gifts, in-line event RSVP, and in-line becoming a fan of a Facebook page. (Shih, 2009, p.177-179)

2.8.3.1.2 FACEBOOK MARKETING TACTICS

- Be real and transparent. A logo should be put in profile picture so that consumers know clearly what Facebook page is. (Agresta, 2010, p.200)

- Don’t be a spammer. Consumers want to become fans to have updates and communicate with brands. They don’t want their personal walls to be occupied with a lot of promotions ovetimes. (Agresta, 2010, p.200)
Lightweight and simple interactions can generate greater engagement. The more direct, simple, and compelling engagements are created, the more effectively company uses Facebook. (Bough, 2010, p.196). Apart from relying on the automatic updates’ from RSS feeds, YouTube, or Flickr applications. Company should spend times to communicate and use status update to address its member’s simple questions such as how their day is going or their feelings and feedbacks about products or services, or give comments back to the people who are engaged in community on Facebook. (Levy, 2010, p 64).

Make sure to put real, relevant and valuable content so that people can have chances to communicate and interact with brand on Facebook. (Agresta, 2010, p.200).

Run Contests. An effective ways are to encourage responses to a particular question or discussion topic. Offering free service or a discount on online store can also get attention from consumers. (Levy, 2010, p 62).

Share Specific Content: sharing unique content can encourage consumers visit and engage Facebook page again. (Levy, 2010, p 62).

Leverage media to grow scale and reach: media executions which can be integrated into Facebook platform are the potential tool for marketers to create brand awareness. Social games are the largest Facebook media and powerful Facebook ads when helping companies to build and enlarge its community. (Bough, 2010, p.201-202).

Create Specific Content: there are many ways that company can create content on Facebook such as:

Create a couple of photos: photos not only help companies to keep updated on Facebook but also humanize brand because they can show the real information such as people, physical office spaces, shop, products. Moreover, company can
give a short description of each photo. Thus, consumers feel more informative and trustful. (Levy, 2010, p.48-49).

- Upload videos: videos about client testimonials, product demos, and behind-the-scenes videos of your operations, commercials, or interviews can be uploaded on Facebook in order to share with consumers. (Levy, 2010, p.145).

- Activate the Discussions tab—a customized forums board which can create conversations, provide information and ask for feedback and recommendation from consumers. Communicating directly on the Wall is also helpful but putting questions on discussions board makes consumer easier to join. (Levy, 2010, p.53).

- RSS: company blog, news can be put on Facebook through notes sections or one of many RSS applications available to keep Facebook presence on a regular base. (Levy, 2010, p.147)

3 RESEARCH METHOD

3.1 Research approach and strategy

This research is combination of induction and deduction approach. The induction focuses on obtaining a close understanding of the problem and research context. The aim of induction is to get what is going on; in order to know better the character of the problem and therefore the collection of qualitative data is required in this research. Particularly, in this research the author aims to make sense of the collected interview data by analyzing them. The result of this analysis would develop a theory. (Saunders&Lewis&Thornhill, 2003, p.87).

The usage of Facebook as a marketing tool is quite new, still debating and on which there is not so much existing literature, it may be more appropriate to generate data, analyse and reflect on what theoretical themes the data suggesting. Moreover, the nature of topic is to investigate the tactics and challenges of Facebook in marketing. Therefore, it is suitable to use induction approach: building theory. Besides, the deduction
approach is also adopted in order to get insight into and also the general habit and behaviour of consumers so that company can adjust their tactics to suit with their tastes. Thus, a collection of quantitative data is used.

3.2 Designing the sample

Sampling techniques is the methods that researchers use to choose suitable or presentative sample to decrease the number of data researcher need to collect. (Saunders, Lewis and Thornhill, 2003, p.150). There two types of sample techniques: probability and non-probability. In probability samples, the chance to be selected is equal for every individual. The benefit of this technique is that it can avoid systematic and sampling bias. (Castillo, 2009). In contrast, for non-probability samples, the probability of sample selecting is not equal for everyone. Thus, non probability sampling is often carried out for case study research.” (Saunders, Lewis and Thornhill, 2003, p.152). Because one of the aim of this research is to explore about Facebook as a tool for marketing and there is also a need to create generalizations for the research, therefore non probability sample is chosen. Non probability sample is people who use Facebook and are potential fashion consumers, particularly the students in Arcada, customers in shopping malls, Facebook users, etc… Moreover, the fashion shop owners in Helsinki also are chosen for this research.

3.3 RELIABILITY AND VALIDITY AND GENERALISATION

3.3.1 Reliability

Reliability refers to the fact that whether the research is trustworthy or not. In terms of qualitative research, reliability means that whether the same resulted is revealed if it is carried out by another author or not. (Saunders et al., 2007) The respondent was informed before carrying out the interview those issues such as objective research, confidentiality, issues related to research so that they can be prepared and give the most accurate and authentic information. Moreover, the questions were designed clear and transparent in meaning and vocabulary so that respondent can understand them easily and avoid response bias. The research questions are all pretest before are officially used.
Also, the questions were designed so that they can be applicable to all respondents in the sense that they can reply based on their own experience or conditions. Furthermore, the questionnaire is designed in the way that the respondent’s information is put in the end of questionnaire so that respondents can give authentic and true response.

3.3.2 Validity

Validity refers to the “extent to which the researcher gains access to their participants’ knowledge and experience, and is able to infer a meaning that the participant intended from the language that was used by this person” (Saunders et al., 2007, p. 319). In this research, the chosen samples are not random but actually relevant to the objective of research as described above. The respondents for qualitative research are fashion designer and shop owners. And the respondents for quantitative research are Facebook user and those who are interested in fashion. Therefore, the respondent can provide the experience and knowledge that is valid for this research. Moreover, in the interview, the author uses some supporting questions to help the interviewer understand more about the topic.

3.3.3 Generalizability

Generalization refers to what extent data from this case can represent a large number of cases. The data in this research can stand for the large case because the data is collected from the respondent who worked in the same field of the research objective.

4 DATA COLLECTION METHODS

This research is based on three research methods as followings: Quantitative involves in measuring numerical data to build statistical information to explain what is observed. And it is often implemented by using a questionnaire. Questionnaire is used for descriptive or explanatory research. (Saunders.M, Lewis.P and Thornhill. A, p281-282). Because one of the main objectives of this research is to understand the customer behaviour and attitude about social media marketing on Facebook, therefore the questionnaire is suitable in this research. The questionnaire questions were designed base on the literature the author has collected from social
media books, journal and Facebook marketing article from internet sources. They are all used to test the hypothesis in real context.

Participation observation is also used in this research in order to follow the activities and happenings in H&M Facebook page. Participation observation is where “the researcher attempts to participate fully the lives and activities of subjects and thus becomes a member of their group, organization or community. This enables the researcher to share their experiences by not merely observing what is happening but also feeling it” (Gill and Johnson, 1997:113). (Saunders.M, Lewis.P and Thornhill. A, p222). In this research, the author herself is a member of some fashion Facebook fan pages. Therefore, it is easy to keep track of what is happening there and how Facebook is used to create brand awareness among consumers.

Qualitative research is used to interpret, describe and make sense the meaning of phenomenon. Using qualitative can provide more detailed and in-depth understanding about the subject. The methods used in qualitative are in-depth interview, participation observation, semi structure, etc (Miles & Huberman, 1994, p. 40). The qualitative is suitable because it allows to get insight the tactics and challenges, the benefits and pitfalls between traditional marketing and social media as the main objectives of this research. In depth interview method is chosen in this research.

When considering the research’ objectives, the author decided to use three methods (questionnaire, in-depth interview and participation observation methods) at the same time. Questionnaire is to get insight into the consumers’ behaviour. The in-depth interview and participation observation methods are to explore the tactics when using Facebook for marketing. And the author decide to choose H&M and fashion shops in Helsinki because she wants to investigate the Facebook marketing techniques in both big and small fashion brands. Therefore, they are meant to “examine and explain the relationships between variables, in particular cause and effect relationships”. (Saunders.M, Lewis.P and Thornhill. A, p281-282)
5  EMPIRICAL RESEARCH

5.1  Survey

In this research, about 200 questionnaires were sent out by email, Facebook email and print out paper. For the respondents who were sent by email and Facebook email, they were chosen because the author knows that they have fashion Facebook fans page according to the information provided by their profiles. Moreover, the author also put the link of the survey in some fashion Facebook pages such as H&M, Zara, L’Oreal and Mango. And the author decides to use print-out paper survey because the author wants to get the respondents who use Facebook and are interested in fashion. Among 200 questionnaires, the author receives 94% response from the respondents. The questionnaire was conducted from the start of August to the end of October 2010. This questionnaire is designed based on the literature about Facebook marketing and social media. It is included 14 questions in total. Among them, there are 13 structures questions and 1 unstructured question (open question).

5.1.1  Demographic information

1.  Gender

![Gender](Figure 1. Gender)
As the graph shows above, the number of women who use Facebook is larger than number of men which is 65% and 35% respectively.

2. **Age**

![Age Graph](image)

*Figure 2. Age*

According to the figure, respondents with the age of 18-21 is the largest group which occupies 81 percent. The next is the groups of respondents who are from 22 to 25 years old which has the figure of 63 percent. The respondents who are at the age from 26 to 29 are 25 percent. And the respondent group of 30-33 ages has only 4 percent. And there is no respondent who is 34 years old. Thus, the result shows that people who are between 18 and 25 are mostly active on Facebook rather than other group. However, as the survey is to target the people including mostly students and young fashion consumers, therefore, it is impossible to give any conclusions about the older respondents.

3. **Marital status**
Figure 3. Marital status
The figure states that the respondents who are single (including people in relationship) are more likely to engage in Facebook rather than those are married. Again, since this questionnaire is aimed to students and young people, therefore, it is hard to draw conclusions about those who are married.

5.1.2 Facebook Usage

1. How often consumers use Facebook?

Figure 4. How often consumers use Facebook
The graph shows that 84% respondents use Facebook every day. And 14% people are involved in Facebook weekly. Only 1% people are in Facebook monthly and less than monthly. Thus, conclusion can be seen is that Facebook becomes very popular and a part in people’s daily life.

2. Why do you use Facebook?

![Why do you use Facebook?](image)

*Figure 5. Reasons consumers use Facebook*

The chart indicates that most respondent use Facebook to connect with friends, colleagues, family and business associates. The next purpose of using Facebook is for fun and entertainment, for example share and look at photos and videos or generate content, etc… Following up on events is the next aim. The number of people who use Facebook for self expression, marketing and look for information about products/brands is not so large, about 3%, 2% and 1% respectively when referring to 5 scales.

3. Do you have fashion Facebook Fan Page?
Figure 6. Fashion Facebook Fan Page usage
As the information showed above, 89% respondents do not have fashion Facebook fan page. There are only 11% respondents who are active in fashion Facebook fan page.

4. What do you think about fashion brands that are active on Facebook?

Figure 7. Attitude about fashion brand on Facebook
About the attitude about fashion brand on Facebook, the data shows that 65% of respondents have neutral feeling about it. And 15% of respondents consider fashion
brand on Facebook as cheap and commercial advertisement. The respondents who feel annoyed because of a lot of spams and damage privacy occupy 12%. The number of people who think that fashion brand on Facebook is useful and interesting is quite small, only 6%. The least portion of the graph is 3% indicating the respondents who regard it as lack of engagement conversation and content.

5. For what reasons would you become a Facebook fan of some fashion profile? Please rank according to (1=not important, 2=not very important, 3=somewhat important, 4=important, 5=very important)

![Reason to become a fan on fashion profile](image)

According to the graph, the highest reason people become a fan of fashion profile because they expect to receive information on special promotions, sales and discounts.
The number of respondents who want to be informed about fashion style, taste and tips and upcoming events are approximate. The respondents who are interested in seeing pictures, videos or application of fashion trend are quite close with the previous respondents. The number of respondents who join fashion fan profile because their friends invite them and they want to see creative advertisement is quite the same. The figure of respondents who participate in fashion fan profile because so many of their friends are the fan of that page is the lowest.

6. **Do you often click banners or displaying advertising on Facebook?**

![Pie chart showing 10% of respondents click banners or displaying advertising on Facebook, while 90% do not.](image)

*Figure 9. Attitude about banners or displaying advertising on Facebook*

The graph shows that there is just 10% who are interested in clicking banners or displaying advertising.

And 90% of respondents who don’t click banners or displaying advertising on Facebook. The reason is probably because the users can be threatened by virus or they think that the advertisement and banners are for commercial purpose which is not
suitable in Facebook environment which mostly aims for communication and interaction.

7. What are the most important elements of the ad banners or displaying on fashion Facebook page?

![Elements of the ad banners or displaying on Facebook page](image)

Figure 10. Elements of the ad banners or displaying on Facebook page

The chart shows the most important elements of the ad banners or displaying on fashion Facebook page. The information expresses that the most critical factor is that it should have unique, stylish and artistic content. Entertainment content is the next important that the ad banners or display should possess. The next level is emotional and creative appeal content is another element which can attract people. Engaging community and social action content get the lowest suggestions among the respondents.

8. What is your attitude toward advertisement Facebook inbox message?
The majority of people consider the Facebook inbox message as annoying makes up 62%. And 16% of respondents reply that Facebook inbox is useful. The percent of people who feel interested in Facebook inbox is 15%. There is a little portion of respondents who do not bother noticing Facebook inbox message is 7%.

9. Through which media do you usually hear about fashion brand that interests you? Please rank according to (1=not important, 2=not very important, 3=somewhat important, 4=important, 5=very important)
From the graph above, it is evident that most people get attention about fashion brand from magazines and newspaper. The next is the respondents who get interest from radio, television and friends and relatives. In addition, internet is also a source to create brand awareness. The other sources such as direct email, Facebook and flyers and posters are not so high.

1. **Please recommend how to fashion brand can attract people to become friends on Facebook? (Open question)**

In terms of this question, there are only 60 feedbacks received.

There are 13 respondents who recommend that fashion Facebook page should offer information regarding low price, discounts, bonus ticket, special offers, promotion appealing (banners, coupon) and free samples. Also, when a person invites to the site (like 5-6) should get prize.

There are 5 respondents suggest that they do not like to be forced to become friend with Facebook Fan page. The customers themselves will decide if they are willing to join it.
or not. Thus companies should let them free to choose to get involved. Furthermore, companies should reduce spam and advertisements, the information should be high quality and does not contain much commercial aim.

There are 3 respondents replied that fashion Facebook page should create stylish advertisements which can stand out from the crowd.

4 respondents told that images, photos, slideshows or music regarding products or advertisements should be funny and exotic.

10 respondents revealed that they are interested in fashion Facebook if companies invite people in different fashion events, competition and contests. It would be more fantastic if there is popular and well known promoter participating in these activities.

4 respondents said that in order to get attention from the Facebook users, companies should establish friendly and social environment. This means that companies should create chances for consumers to easily connect and share information about interest and taste of clothes style together. Furthermore, companies should build the emotional engagement with consumers by participative communication.

There are 13 respondents who think that fashion Facebook pages should continually update interesting happening, news, information, big font words about latest fashion. And information should be clear, simple, interesting, useful and unique in order to get more people involved in Facebook.

12 people suggest that consumers are easy to join the Facebook page by word of mouth which comes from their friends or if they realize that other people have mutual interests. Therefore, companies should realize those who have the same interests and hobbies with their current friends or companies also should join in other Facebook pages which are involved in fashion industry. Then, if people who are interested in fashion brand, they will seek for the same fashion pages and they can notice company Facebook and join later.
3 respondents told that companies should send invitation to people you think might be interested.

2 respondents suggest that Facebook should include the space so that consumers can express themselves. For example, it could be personal "blog" where some personal women could try on the clothes and tell about her own ideas. Moreover, it would most interest of a brand that has got to know from some blogs. Furthermore, consumers would like to be able to comment and have conversation with the person who is behind the brand.

5.2 Analysis of participation observation

5.2.1 H&M overview

H&M was established in Västerås, Sweden by Erling Persson in 1947. The company sells clothes and cosmetics in around 2,000 stores around the world. H&M has about 16 production offices around the world, mainly in Asia and Europe. The collections are created centrally by around 100 in-house designers together with buyers and pattern makers. It also sells own-brand cosmetics, accessories and footwear. The turnover in 2009 was SEK 118,697 million. (Fact about H&M, 2010, [www])

5.2.2 H&M Facebook campaign

By joining as a friend on H&M Facebook Fan, the author was able to follow the activities happening in H&M Facebook. Also, the author has chance to have real time experience and better comprehension about the respondents and their concerns.

By starting a Facebook account H&M can create an open social communication platform for its consumers and partners to participate in the conversations every single minutes. Currently, H&M possess 4,794,729 fans.

**H&M Facebook Wall** is the platforms to have personal and emotional conversation with consumers. It continuously updates its news, happenings, event and videos
regarding the stores and fashion style. Moreover, it also encourages consumers to express their feedback, wishing and recommendation through posting the questions to customers. H&M put questions regarding fashion style to encourage thought-provoking conversations among consumers. H&M has constantly asked their fans what the fashion style or criteria should be. And it has received recommendations, suggestions, and feedback directly from users. For example: “The latest H&M Style Guide features smart, sporty inspiration from the 80s. Check it out at hm.com/style guide. Which former trend would you like to see make a fashion comeback?” Or” The latest campaign featuring Daria and Jon Kortajarena starts today on hm.com and in stores. We love the trench coat! Which pieces are your favorites?” Or “What will you be up to this weekend? If you are planning to go on a shopping spree, don't forget to use your iPhone offer as it is only valid until Sunday!”

![H&M Facebook](www)

By this ways, the consumers think that they are a part of communities due to their contribution and also have the feeling that they are a fashion expert. It shows that H&M does not choose to talk and advertise much about itself but it expresses concern and caring in customers from their updating. Thus, consumers feel more connected with H&M. Furthermore, it is the place where consumers themselves can deliver and
exchange their knowledge, experience, ideas, photos, videos and fashion tastes and interact with other customers. Facebook also a channel for employee recruitment because it provides more direct and insightful connections between the employers and employee.

**Rama Diouf** I have disheveled hair and I put my H&M dress. The light is low but you can recognize the dress! Going out with my boyfriend for the weekend ^_^ LOVE H&M!!!!

![Image](image1.png)

5 hours ago · Like · Comment

 đo 14 people like this.

**Federica Cavaliere** it look great on you ^^
5 hours ago · Like · 1 person

**Alexandra Klein** you got awesome shape!!! :))
5 hours ago · Like · 1 person

Write a comment...

**Figure 14. Consumer expresses her feeling about H&M**

*(H&M Facebook, 2011, [www]*)

**In the H&M profile:** it provides brief description about the company. Also, it adds an H&M logo in profile picture, company websites, other social media pages such as Twitter and Youtube and H&M iphone application.

**Your H&M:** in this section, it shows the information regarding fashion and stores such as “Get Warm”, “LanVin For H&M”, “Style Guide”, “In-Store Now”, etc… so that customers can always stay informed and feel attracted with its page. For example, the style guide is added in Facebook page to instruct and give hints and tips on how the clothes are combined to meet with different situations and various styles. Besides, other useful information such as fashion studio, fashion video, fashion against AIDS,
customer services and store location are put in Facebook page so that customer feel easy and convenient to approach the company.

![H&M Facebook Page](image)

**Figure 15. Your H&M**
*(H&M Facebook, 2011, [www])*

**H&M Youtube:** updates the styles, trends and fashion show and report of H&M around the world.

**H&M Poll:** has carried out a way to get close with the trend and tastes of consumers by adding the Poll section in Facebook. It just simply put short multiple choice questions but easy to collect ideas and feedbacks directly from its customers. Customers also share information and ideas on how to dress well.
Notes, event and discussion board are also added instantly and innovatively so that fans can get updated, discuss their love, share feedback, requirements, questions and find related events and discounts or promotion on clothes and different styles.

**H&M Facebook events:** it endlessly informs about its events concerning Fashion Show, H&M Grand Opening in certain place. Moreover, there are also interesting competitions, promotion events such as “Find a bunny, take him HOME - receive a Home gift card!”

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*Figure 16. H&M Poll (H&M Facebook, 2011, [www])*

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**What type of charity would you support?**

- Animal welfare charities
- Health-related charities
- Children’s charities

6,299 people voted.

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**What type of charity would you support?**

- Animal welfare charity
- Health-related charities
- Children’s charities

2,009 people voted.
5.3 Analysis of qualitative method

5.3.1 Interview result

The interview is aimed to explore methods, benefits and problems when using Facebook for fashion marketing. Moreover, its purpose is to take a deeper look in the role of Facebook in marketing management. Furthermore, it aims to find out what are critical elements in brand management for fashion brand. The in-depth interview was carried with Johanna Vainio and Jukka Pesola, the owners of the two fashion shop in Helsinki – Liike and Leputiikki. And the interview process and details are attached in the Appendix. Initially, the author contacted the shop owners and received the answer through email. However, after this interview, the author realized that interview face to face is more effective and flexible than receiving the answer from email although it take more times to ask for the appointment. It is very helpful and active much more than communicating by email. First, if there are some questions in the email the interviewee feel confused, they will not have chance to ask for more information. Thus, they just leave it blank or answer it very poorly. However, in face to face interview, the author can explain them more so that it is easier to answer. Secondly, the author also has more
chance to ask some sub questions or make it more specific to facilitate the interview. Usually people will not be able to answer the questions of tactics and challenges clearly. But in face to face interview, the author can ask more questions to lead them to concrete answers. Also, there might have some issues which happen to emerge in the interview and then the author can manage to make it become clearer. Moreover, from the author’s experience, there is also more information to receive by interview face to face interview rather than by email.

The interview’s result shows that Facebook is a useful tool to create brand awareness. However, as the response from Jukka and Johanna, it is still very new and potential field for companies to explore. From the interviews, some techniques can be withdrawn as followings.

First, about forming community for Facebook, both Jukka and Johanna agreed that it should be established based on the willingness and eagerness of members themselves. It is not to push people to engage in Facebook Fan Page but consumers decide to participate and from that it can reach other customers. Therefore, it can be seen that the effect of the influential members is very important since they can attract other people to join and get involved in Facebook community and other events or activities. Thus, marketers should realize these kinds of people, learn to establish good relationship with them so that marketers can tap and exploit their reputation. In addition, both people suggested that word of mouth is crucial factor to create the spreading among Facebook community. However, as the result shows that inbox message has not been used but email is still used to inform upcoming events, information regarding products.

Furthermore, Facebook is a good channel to inform news, happenings, events and campaigns; providing tips about how to wear and combine clothes for the two shop owners. Moreover, communication in Facebook is more interactive because everyone can join the conversation and share their ideas, feedback and suggestions. Furthermore, Jukka and Johanna considered photo and videos as good tools to show fashion pictures and upcoming products so that customers can be easily aware of company’s products and designs. Moreover, events concerning fashion shows or anniversary are also put so
that people can be involved and spread the words

However, both shop owners admitted that the downside of Facebook using is that it only reaches a certain kind of target group because not all customers are active on Facebook. Also Jukka said that it takes time to update it and if the companies fails to keep it updated it is not interesting to your customers. Moreover, the technical problem is occasionally creating obstacle for users since Facebook is continually updated.

Essentially, in the fashion industry, success of a brand does not depend on normal and traditional marketing like other industries. However, creativity is no doubt the core value and long term strategy in order to build a popular brand. Creativity will reflect in product, and thus it can attract customers. In the interviews, the shop owners told that they don’t use any marketing strategy apart from using email list, brochure and participating in travel magazine. For example, the owner of Liike, Johanna thinks it is based on ideology because all fashion products in her shop are Finnish brand which consists 6 different labels consisting Muka Va, Tikit, Dusty, Haaksiluoto, Miun and Vainio.seitsonen. The two owners emphasized that style and creativity are the most essential factor for their shop’s brand because when consumers know and satisfy products, they can spread by their word of mouth to other people.

6 DISCUSSION AND RECOMENDATIONS

6.1 Can Facebook be used to create brand awareness in the fashion industry?

The result shows that most of consumers have neutral feeling about fashion Facebook. The number of people considers it as useful and interesting is quite small. Meanwhile, the others regard as annoyed and commercial are large. Moreover, it is indicated in the survey and interview result that consumers mainly hear about fashion brand through radio and television. Bough (2010) claims that the advent of social web will decrease the role of traditional media. However, in reality, it is evident that in Finland, traditional
media is still vital. Therefore, it can be concluded that traditional marketing is still the main tool to create brand awareness among consumers.

However, Facebook is a potential tool to create brand in the way that it can provide a good channel to understand and listen to how and who consumers respond to the brand, what and where they express their attitude about the brand. Then what marketers should do with Facebook marketing is to follow, acknowledge and react in order to meet with consumers’ demand. Thus, brand should be created associated with consumers’ need and demands. In order to leverage Facebook to create brand, company should rely on the passions of their customers to generate content. (Agresta, 2010, p.11).

Companies should understand that these impacts are earned from the whole process from marketing to management and producing. The interview result which is the same argument of Cook (1998) and Sutton & Kelley (1997) suggest that creativity and internal management is core value and long-term strategy in fashion industry. Thus, Facebook marketing it is not the technique that is used in isolation.

### 6.2 Communication methods and tactics used

When taking all results, analysis and theory review into consideration, there are common tactics which marketers have used when carrying out social media marketing as followings:

Shih (2009), Anderson (2006) and Agresta (2010) suggest that word of mouth is critical element to spread the popularity of Facebook. Those arguments are basically similar to the findings of the result. The result shows that people use Facebook mostly to connect with their friends and relatives; therefore they are more likely to rely on their friends’ words, activities and recommendations for their decision. The result also indicates that mutual interest among members in Facebook community is the thing that companies should take advantage of. Those who share the same interests and hobbies are more likely to interact together. For example, if three of friends’ member clicks a Like button in one fashion Facebook page, other members might soon find the ad on the Facebook page. Therefore, when establishing Facebook community, it should be based on the voluntary. Pushing is considered not to be effective when making people to join in Facebook. And word of mouth is the important factor in Facebook marketing. Company
should be aware and take care the influential members because those people can create
the impact on others and thus can attract more members to participate in the page.
The result shows that consumers feel annoyed and bothers with spam and
advertisements. Especially in banners or displaying in fashion Facebook, it is not
recommended to have commercial characteristics because many consumers don’t want
their privacy space to be annoyed and interfered by business orientation. These findings
are almost the same as Agresta’s suggestion. Therefore, in order to avoid frustration
among consumers, company should cut down spams or commercial advertisement.
Instead, they should have unique, stylish and artistic or entertainment content that is
related to the customer’s aspirations. Moreover, hyper targeting can be applied as a
technique in Facebook marketing to create more awareness and reduce spams feeling in
consumers’ minds. For example, inbox message can be an efficient tool to inform and
advertise consumers as long as their messages are customized according to consumers’
interests, hobbies, and tastes, etc… via their profile or their communication in Facebook
community. Otherwise, customers will not bother noticing it because they regard them
as spams or commercial advertisement.

Result reveals that discount, bonus tickets, promotion events, free sample, coupons and
special offers information are the most popular factors to create interest among
consumers. Moreover, content with fashion tips and guidance on how to dress and
combine clothes is another factor that can interest consumers. This is generally true
when compared with the argument of Levy suggesting sharing specific content can
encourage consumers visit and engage Facebook page again.

Agresta (2010) suggests tactics for marketing in Facebook is real and transparent. The
observation from H&M shows that H&M uses its logo for profile picture.

Bough (2010) argues that the interaction should be simple and direct. Also, Levy (2010)
suggests that using questions and status update to communicate consumers is an
effective ways to engage with consumers. The theory is the same as finding from
interview and observation result. Jukka suggests that the message should be simple,
clear and short because people don’t have much patience to read the long and
complicated text. Moreover, the observation shows that H&M it usually asks questions
about feedback, recommendation regarding fashion style and criteria. For example: The latest campaign featuring Daria and Jon Kortajarena starts today on hm.com and in stores. We love the trench coat! Which pieces are your favorites?" Or “What will you be up to this weekend? If you are planning to go on a shopping spree, don't forget to use your iPhone offer as it is only valid until Sunday!” Thus, it can be concluded that it is quite effective to engage consumers in emotional and personal conversation because they feel more concerned. Company should open and transparent to discuss with their consumers. It is important to understand their tendency, tastes and behaviours.

Moreover, by giving immediate customer service such as providing clear channel for customers to express their complaints, concerns and suggestions. Use Facebook to update news events, topics or joining conversation relating to their business rather than boasting about how great company is. The content and conversation should be aimed to create awareness, not advertising.

Levy (2010) claims that creating specific content such as photos and video uploading is also a ways to get interest from customers. This theory is once again confirmed by the findings from the research result. The consumer survey shows that most of the time people spend on Facebook is to look at photos and videos. Moreover, it also indicated in interview and observation results. Thus, photos, pictures and videos about fashion shows and upcoming clothes are the good tools to draw attention from consumers.

Agresta and Bough (2010) state that brand value today is expressed by the passion of consumers and how they show their emotion on it such as content generation. And this theory is also reflected by H&M Facebook observation and survey result. Consumers are more likely to share their ideas and feeling toward their favourite brand. Therefore, company should encourage customers to bring the solutions and experience to products so that they have the sense of being a part of community. For example, it could be personal "blog" where consumers try on clothes and express their own ideas. Poll section or discussion board is good tools to receive ideas and feedbacks directly from its customers. By this way, problems are solved more often. Furthermore, it also increases trustful and real feelings among consumers.
6.3 Benefits and pitfalls of Facebook marketing compared to traditional transaction marketing in fashion industry?

6.3.1 Benefits of Facebook marketing

The interview result and Shih’s theory show that Facebook helps company to enhance the customer service due to the fact that it can distribute information and react with consumers rapidly. Moreover, companies can benefit from cost effective for using Facebook than traditional marketing because it is mostly free. The observation from H&M Facebook and Evan’s argument shows that Facebook create personal, emotional, interactive and two way communication between consumers and companies. Therefore, Facebook can provide trustful and participative environment.

And the analysis from participation observation from H&M Facebook indicates that it enables companies to realize frustrated customers timely through instant post, critical feedback so that they can address and solve problems in time. Moreover, through comments and reviews, etc…, companies can measure consumer satisfaction because consumers feel less awkward to express their true feeling about products in Facebook rather than by face to face complaints. Thus, company can improve their product, service or brand management in time to satisfy their customers. (Qualman, p.86)

6.3.2 Pitfalls of Facebook marketing

There are downsides of Facebook as followings. As the result shows it can reach only particular kind of target group since not all customers are active on Facebook. And it takes time to update. If companies fail to participate, then it is not interesting to customers any more. Moreover, the technical problem is sometimes creating obstacle for users since Facebook is continually updated. Another is that when bad news emerges, it rapidly spreads in community that companies cannot control. In some cases, Facebook marketing doesn’t make sense because people are not likely to express their affection for product, especially male character.

Another problem is that in a certain time Facebook era becomes stable and probably people start to feel tired of Facebook. Also, there might be other social networks that can compete with Facebook.
7 CONCLUSION AND SUGGESTIONS FOR FURTHER RESEARCH

The thesis topic is about Facebook marketing in fashion industry which provokes a lot of interest for the author. In order to approach this topic, the author decides to explore three main themes. Firstly, the author aims to answer whether Facebook can be used for marketing strategy in fashion industry or not. Secondly, if Facebook can be present, what tactics and methods should be applied in order to create brand awareness. Lastly, the research concerns about the benefits and pitfalls of Facebook marketing.

The empirical research was done by carrying out questionnaire, in-depth interview and participation observation. The questionnaire was sent to 200 respondents including Arcada students, people in shopping malls, via emails and Facebook emails. The in-depth interview was conducted with Liike & Leputiikki fashion shop owners in Helsinki. And participation observation was done through investigating H&M Facebook.

The main findings of the thesis are that traditional marketing is still crucial role to create brand aware in consumers. Facebook is a good tool to understand and communicate personally and emotionally with consumer. Based on the feedback and comments of consumers from Facebook, companies can adjust their products to meet their demands. The thesis also reveal the tactics and methods when using Facebook marketing including word of mouth, hyper-segmentation, creating specific content, engaging consumers in emotional and personal conversation, providing discount and promotion in Facebook. Another technique is to give consumers chances to express themselves. Facebook provides some benefits such as cost effectiveness and responding quickly to consumers ‘complaints. The main disadvantage of Facebook marketing is that it can only reach specific target groups. Also, it can happen that Facebook phenomenon become stable and is replaced by other social media.

During the time of research, the author realizes that Facebook is a potential tool for managing customer relationship. Therefore, further research can be suggested how Facebook can be used for consumer relationship marketing. It can also explore whether
there is difference in relationship marketing and relationship management in Facebook and social media. Also, further research can be the connection of connection of social media/network marketing with viral marketing, buzz marketing, guerilla marketing and consumer to consumer marketing. Moreover, as mentioned in limitation, it is difficult to measure the success of Facebook marketing. Thus, another further research is to figure out how social media or Facebook marketing is measured. Furthermore, the author finds that social games become more and more popular on Facebook, thus, next research can be how to utilize social games such as FarmVille, Texas Holdem Poker, etc to create brand awareness in consumers.
GLOSSARY

Facebook: is a social web tool that can make people connect and communicate each other. 
(Dunay & Krueger, 2010, p.55)

Facebook Fan page: is the business similar to a Facebook member’s profile where members can become a fan on Facebook Page, write on Wall, know about special promotions, put photos, and participate other members in discussion, share status updates to keep other people stay informed. (Dunay & Krueger, 2010, p.55)

New Feeds: is a data format used for giving users with constantly updated content. (Web feed, Wikipedia, 2010, [www])

RSVP “is a request for a response from the invited person”. (RSVP, Wikipedia, 2010, [www])

Youtube “is place to discover, watch, upload and share videos” (Youtube, [www])

Blog: is a kind of website or part of a website. It is created by an individual with usual entries of commentary, descriptions of events, or other contents such as graphics or video. Entries are often showed in reverse-chronological order. (Blog, Wikipedia, 2010, [www])

Social capital refers to the relationship, trust and networks that people earn from social interaction and cooperation for mutual benefits. (Social capital, [www])
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APPENDIX

Appendix 1: Facebook fact

7.1.1.1 Statistics

People on Facebook

- More than 500 million active users
- 50% of our active users log on to Facebook in any given day
- Average user has 130 friends
- People spend over 700 billion minutes per month on Facebook

Activity on Facebook

- There are over 900 million objects that people interact with (pages, groups, events and community pages)
- Average user is connected to 80 community pages, groups and events
- Average user creates 90 pieces of content each month
- More than 30 billion pieces of content (web links, news stories, blog posts, notes, photo albums, etc.) shared each month.

Global Reach

- More than 70 translations available on the site
- About 70% of Facebook users are outside the United States
- Over 300,000 users helped translate the site through the translations application

Platform

- More than 2.5 million developers and partners from more than 190 countries build with Facebook Platform
- People on Facebook install 20 million applications every day
- Every month, more than 250 million people engage with Facebook on external websites
- Since social plugins launched in April 2010, an average of 10,000 new websites integrate with Facebook every day
- More than two million websites have integrated with Facebook, including over 80 of comScore's U.S. Top 100 websites and over half of comScore's Global Top 100 websites (Facebook, 2011, [www])
Mobile

There are more than 200 million active users currently accessing Facebook through their mobile devices. People that use Facebook on their mobile devices are twice as active on Facebook than non-mobile users. There are more than 200 mobile operators in 60 countries working to deploy and promote Facebook mobile products.

Appendix 2: questionnaire

I. Facebook usage

1. Do you have Facebook account?

Yes
No

2. How often do you use Facebook?

Daily
Weekly
Monthly
Less than monthly

3. Why do you use Facebook? Please rank according to
(1=not important, 2=not very important, 3=somewhat important, 4=important, 5=very important)

1 2 3 4 5
a. To connect with friends, colleagues, family and business associate
b. For marketing purpose
c. For fun and entertainment (share and look photos and video or generate content, etc…)
d. Facebook is a good tool for self expression
e. Follow up on events
f. Look for information about products/brands
  h. Something else, what?

4. **Do you have fashion Facebook fan page?**

   Yes
   No

5. **What do you think about fashion brands that are active on Facebook?**

   I find it
   a. Annoyed because of a lot of spams and damage privacy
   b. Cheap and commercial advertisement
   c. Lack of engagement conversation and content
   d. Have neutral feeling about it
   e. Useful and interesting

6. **For what reasons would you become a Facebook fan of some fashion profile? Please rank according to (1=not important, 2=not very important, 3=somewhat important, 4=important, 5=very important)**

   To receive information on special promotions, sales, discounts
   To follow up on status updates and news and join conversation
   To be informed about and invited to upcoming events
   To get knowledge about fashion style, taste and tips
   To see the creative ad
   To see pictures, video or application of fashion trend
   Because so many of my Facebook friends are ‘fans’ of that profile
   Because a friend invited me

7. **Do you often click banners or displaying advertising on Facebook?**
   a. Yes
   b. No
8. What is your attitude toward advertisement Facebook inbox message?
   c. I think it is
   d. I find it
   e. a. as annoying
   f. b. as unnoticeable
   g. c. as useful
   h. d. as interesting
   i. e. something else, what?

1. What are the most important elements of the ad banners or displaying on fashion Facebook page? Please rank according to (1=not important, 2=not very important, 3=somewhat important, 4=important, 5=very important)

   Entertainment content
   Engaging community and social action content
   Unique, stylish and artistic content
   Other?

9. What is your attitude toward advertisement Facebook inbox message?
   I think it is
   I find it
   a. as annoying
   b. as unnoticeable
   c. as useful
   d. as interesting
   e. something else, what?

10. Through which media do you usually hear about fashion brand that interests you?
    Please rank according to
1 2 3 4 5
A. Radio and television
b. Magazines and newspaper
c. Flyers and posters
d. Facebook and other social media
Other social media (MySpace, Twitter, Blogs, LinkedIn, etc.), please specify which one(s):
f. The Internet (companies’ web sites, etc.)
h. Direct mail (email and/or text messages from the company)
g. From friends and relatives
Something else. What?

11. Please recommend how fashion brand can attract people to become friends on Facebook?

I. General Information

1. Gender

Male
Female

2. Age

18-21
22-25
26-29
30-33
34+
3. What is your current marital status?

- Single
- Married

**Appendix 3: expert interview**

**Interview result**

I. Interview with Jukka Pesola, the owner of leputiikki, one fashion shop in Helsinki

The interview was carried out at 6.15pm on 26th Oct 2010 at a café in Itakeskus shopping mall. And it last about 45 minutes.

1. **Does your company use Facebook as one of marketing tool to create brand awareness?**
   
   Yes, we have already used it for 2 years.

2. **Do you think Facebook is an effective channel for marketing strategy?**
   
   Yes and I think that it will grow in future.

3. **What is the role of Facebook in marketing strategy for your company? Is it the main channel or just a supporting channel or do you use other marketing channel such as advertisement on radio, newspaper, etc…?**

   We don’t have any marketing strategy at this moment. Our marketing relies mainly on word of mouth that customers feel satisfied with our products, they will recommend to other people. And creativity management is the main thing for long-term. In fashion industry, fashion tastes and style change from time to time so we continually update in order to meet the consumer trend.

   Besides, we mostly use marketing in internet. We update our company webpage where e-shop page also was built there. In e-shop, we continually update fashion items, prices, product description and discount so that consumers can easily browse and buy electronically. Moreover, we also have email list of loyal customers to inform our campaign, discount, product information to them. We also sponsor on radio in
exchange for our company advertisement. About Facebook in marketing, now we just test and use it as a tool to deliver information. However, we hope to use it as a main channel.

4. **How do you gather member in your company Facebook pages? Do you add them or are they themselves adding you as a friend? Do you just add people who are considered potential for your company or you add all of people as much as possible?**

   At first, we add our friends. Then from that, our friends invite their friends. Besides, we also organize different kinds of competition to get more members. For example, we had a campaign that the one who invite 5 more members will be rewarded 10% discounts when buying our products or receiving free fashion items depend on the number of members they invite. The old member who managed to get more members has to send the new member’s emails to us so that we know who and who invites. Apart from our current friends, we don’t add new members by ourselves because we don’t want to force them.

5. **Do you have any customer target segmentation in Facebook?**
   
   No, we don’t.

6. **Do you use different message for different kind of customers?**

   We didn’t notice about that.

7. **Do you use Facebook inbox as a means of advertising your company products or informing your company? If so, do you think is it effective? Do you send the same advertising message to every member in your Facebook page or do you use different advertising message according to their specific interest?**

   No, we never use message through Facebook. Instead, we use email list to inform about our campaign. However, when I worked in another company, I used to send message about sample, discount, event, etc…through Facebook and it worked very well. We use the same message to all members in Facebook page so I can’t compare which one is more efficient. However, it is a good point to classify the message according to customers’ interests.

8. **How do you see the word of mouth affect in Facebook marketing?**

   Yes, I think word of mouth works has effect in Facebook because so far I notice that there are more and more members join in Facebook through this way and so do as the events.
9. Do you usually keep aware of and interest the influential member in Facebook community?
We have not yet analyzed this situation but it is good to collect and consider the information about these people.

10. Do you use Facebook inbox as a means of advertising your company products or informing your company? If so, do you think is it effective? Do you send the same advertising message to every member in your Facebook page or do you use different advertising message according to their specific interest?
No, we never use inbox message for advertising.

11. Which platform do you think it is effective in Facebook? Targeted ads, advertising (application, etc...), social actions (when one person decides to join in one event and it makes other people interested in), and engagement ads (event, videos, etc...?)
It is hard to assess which platform is the most efficient since we use different kinds of platforms at the same time. We spend time to add new things and happening; answering customers’ questions; providing tips about how to wear and combine clothes; photos about coming clothing; information about new events and campaigns. About creating environment so that customers themselves can share ideas, feedback and suggestions together, we didn’t try it because we think that they will not have time to generate content. Actually, we already tried to get customer’s feedback and suggestions through emails but it is not so efficient since we just received 10% out of it.
In my opinion, photos and event invitations can interest consumers. Moreover, short and quick news also beneficial. In contrast, long stories tend not so effective because customers don’t have time to read them.

12. What are the pitfalls and benefits of using Facebook marketing compared to traditional marketing in your company?
It's free and you can offer as much information as you want. The downside is that it reaches only certain kind of target group, about 40 to 50 percent and most of them are young people. Also it takes time to update it and if you won’t keep it updated its not interesting to your customers. Moreover, I also faced with the technical problem since
Facebook is continually updated. Traditional marketing will be still important, but part of it could be done through the Facebook.

13. Please tell the vision for Facebook marketing in the future? Do you think where is Facebook marketing heading in fashion brand?

I think it will grow much in the future and will be important part of marketing / information channel for a fashion brands. All information will be in internet and social media is one way to deliver and market the information.

However, in a certain time, it will become stable since Facebook is a kind of trend for social networking at this moment because there will be coming other Facebook competitors, for example, in some countries such as Netherlands or Belgium, people have their own social networking pages.

II. Interview with Johanna Vainio, Liike shop owner.

The interview was carried out with a designer whose name is Johanna Vainio. She owns a fashion a shop in Helsinki. The name is Liike.

The date of interview is on 7th Oct and it lasts about 30 minutes.

1. Does your company use Facebook as one of marketing tool to create brand awareness?

Yes, we have, to create brand awareness.

2. Do you think Facebook is an effective channel for marketing strategy?

Yes, I guess so. We have just created Facebook Fan Page last summer.

3. What is the role of Facebook in marketing strategy for your company? Is it the main channel or just a supporting channel or do you use other marketing channel such as advertisement on radio, newspaper, etc…?

Facebook is tool to keep people updated about news, information, happening about Liike. We don’t use any marketing strategy here. I think it is based on ideology because all of fashion products in our shop are Finnish brand consisting 6 different labels consisting Muka Va, Tikit, Dusty, Haaksiluoto, Miun and Vainio.seitsonen. We have our loyal customers email list, this is important, then we put our company’s name
in “WE ARE HELSINKI”, a city, travel guide about Helsinki. Moreover, we have Liike brochure, leaflet and magazine that provide information about Liike products and information. Moreover, we also participated in fashion exhibition last year but it was not so effective so we will not invest for it. Also, we join in fashion show to promote our brand. Furthermore, the style and creativity is the most essential factor because when people know and satisfy our products and they can spread their word of mouth to other people.

4. How do you gather member in your company Facebook pages? Do you add them or are they themselves adding you as a friend? Do you just add people who are considered potential for your company or you add all of people as much as possible?

   We create the Facebook fan page and most of the fan members on Facebook are from my friend, loyal customers. Moreover, it spreads among other members and they automatically add by themselves.
   No, I don’t push people to add my shop Facebook. I always respect their opinion; they find and add my Fan Page by themselves.

5. Do you have any customer target segmentation in Facebook?

   No, we don’t.

6. Do you use different message for different kind of customers?

   We didn’t notice about that.

7. How do you see the word of mouth affect in Facebook marketing?

   Well, yes, for example the event or fashion show we put on Facebook can spread in Facebook community easily and quickly. But there are also a large amount of consumers who join our fashion event did not get the information from Facebook.

8. Do you usually keep aware of and interest the influential member in Facebook community?

   I did not notice about it honestly...

X
9. Do you use Facebook inbox as a means of advertising your company products or informing your company? If so, do you think it is effective? Do you send the same advertising message to every member in your Facebook page or do you use different advertising message according to their specific interest?

No, we never use inbox message for advertising.

10. Which platform do you think it is effective in Facebook? Targeted ads, advertising (application, etc...), social actions (when one person decides to join in one event and it makes other people interested in), and engagement ads (event, videos, etc...?)

We continually update news, information, fashion show and happening about Liike. Photos and videos about our products also usually uploaded there so that customers are easily aware of our products and designs. Moreover, events concerning Liike are also put there, for example Liike 10th Anniversary. I think that is picture, video, event and fashion show that can attract people.

11. What are the pitfalls and benefits of using Facebook marketing compared to traditional marketing in your company?

The challenge is that it just can reach particular consumers since not all of our consumers are active in Facebook

12. Please tell the vision for Facebook marketing in the future? Do you think where is Facebook marketing heading in fashion brand?

I don’t have much experience for that. But I will use Facebook more in the future.