

SOCIAL MEDIA PLAN – FNAC

João Pedro Rafael Marques

Project submitted as partial requirement for the conferral of

Master in Marketing

Supervisor: Hugo Faria, Assistant Professor

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Abstract

The paradigm has shifted. Consumers now have different behaviors from the ones they used

to have. The old consumer was easily influenced by a mass-market communicated message

and was less informed, while nowadays, the new consumer seeks for information on his own

(Lewis and Bridger, 2003), not waiting for, and sometimes not even listening to, the

company's message. In fact, studies show that often consumers trust other consumers'

opinions more than the Brand's message (Nielsen Consulting, 2009).

Nowadays, the power switched places. It moved from the companies to the consumer. Given

some specific features of the online environment, consumers are all connected with each

other, talking about brands. So, conversations are occurring. Conversations that can have an

impact on a Brand's reputation (Kim and Ko, 2010), and brands do not control what is being

said about their business. Yet, Brands can join the conversation. Brands can even promote the

conversation in order to engage their fans in followers in subjects that are of its interest.

This is where the brands' strategy sometimes fails, usually by continuing to address their

clients as end receivers of a marketing message instead of participants in a dialogue. Thus,

this thesis comes as contribute towards that, under the form of a Social Media plan for FNAC,

a retailers of cultural and technological products. FNAC's current Social Media presence will

be analyzed, and there will be suggested measures to capitalize it.

Keywords: Social Media; Word-of-Mouth; FNAC; Digital Marketing

JEL Classification System: M37; M39

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Resumo

O paradigma mudou. Agora, os consumidores têm comportamentos diferentes do que

anteriormente. O "consumidor antigo" era facilmente influenciado por uma mensagem

transmitida em massa e estavam, em geral, mal informados. O "novo consumidor" procura

informação de uma forma independente (Lewis e Bridger, 2003), sem esperar que a

mensagem da Marca o aborde, podendo nem dar atenção a essa mensagem (Nielsen

Consulting, 2009).

O poder mudou de sítio. Mudou das empresas para os consumidores. Devido a algumas

especificidades do meio online, os consumidores estão interligados e a comunicar entre si.

Estão a ter conversas sobre as marcas. Conversas que podem ter impacto na reputação da

marca (Kim e Ko, 2010), sendo que as marcas não têm controlo sobre o que está a ser dito

sobre a sua actividade. No entanto, as marcas podem juntar-se ao diálogo. Podem até

promover esse diálogo, com o objectivo de interagir com os seus fãs e seguidores e, de certa

forma, influenciar os temas em discussão.

Mas este, por vezes, é o ponto em que as marcas não costumam concretizar isso,

essencialmente porque muitas continuam a dirigir-se aos clientes como receptores da

mensagem de Marketing, em vez de interlocutores de um diálogo. Este tese vem, então,

contribuir para o esforço enriquecer esse diálogo, através de um plano de Social Media para a

FNAC, a retalhista de produtos culturais e tecnológicos. A actual presença da FNAC nas

redes sociais será observada e analisada, e serão sugeridas medidas para a capitalizar.

Palavras-Chave: Social Media; Passa-palavra; FNAC; Marketing Digital

JEL Classification System: M37; M39

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Executive Summary

Social Media já não é um meio só para pessoas. As marcas já perceberam a importância de estar presentes nas redes sociais, de forma a interagir com os seus clientes (e possíveis clientes). A FNAC já está nas redes sociais, porém há aspectos do diálogo que decorre em torno de si nos quais a FNAC não está envolvida. Tendo em conta a importância do Word-of-Mouth, qualquer diálogo negativo poderá ganhar proporções virais e ter um grande impacto nas percepções dos consumidores em relação à própria marca, é, portanto, importante gerir convenientemente essas interacções.

Para melhor entender todas as vertentes da presença da FNAC nas plataformas de Social Media em que está presente e para compreender todas as possíveis direcções por onde a sua estratégia para elas poderá enveredar. Em primeiro lugar, será analisada a audiência da FNAC nas suas contas nas redes sociais com o objectivo de descrever a relação que presentemente têm com a FNAC, no meio online, e o que estão, ou não, prontos para aceitar da parte da FNAC no contexto de Social Media. Considerando essa análise e os presentes objectivos da FNAC, serão então definidos os objectivos para o plano que será elaborado. O passo seguinte, será definir, de uma forma mais concreta, o que irá mudar na presença nas redes sociais da FNAC, portanto, o estado inicial da relação com os seus fãs e seguidores e o ponto de chegada desejado. Por fim, serão estruturadas as acções na vertente tecnológica da presença da FNAC em Social Media, ou seja, que aplicações serão utilizadas, e de que forma o serão.

Com este projecto, espera-se que a FNAC consiga criar um maior envolvimento entre a FNAC e a sua audiência, detectar os diálogos negativos sobre a marca, sempre com vista a reduzir o *buzz* negativo sobre a marca e criar um sentimento positivo em relação à marca, fruto de uma melhor relação com os clientes, com vista a um aumento de confiança e, subsequentemente, das vendas.

Introduction

Social Media is all around us. In Portugal, more than 83% of the online population actively uses Facebook (comScore, 2013), and Brands are also on Social Media engaging with their fans, although one must acknowledge that some brands do it better than others.

To master that, it is necessary to understand the characteristics of the online world. That world is made of millions of users sitting at home behind their laptops, walking the streets with their smartphones and so on. And every single one of those users has a voice and will not hesitate to use it. The problem is: those individuals may have good things to say about a brand, and they may not. And those conversations cannot be shut down. Li and Bernoff (2011) reported that referring to the *Streisand Effect*, a term used for events when efforts trying to get content out of the internet end up making it spread faster. That term came from singer and actress Barbra Streisand, who attempted to remove a picture of her house from a website with very counter-productive effects. Summing up, brands can no longer control every detail of the communication, as a large chunk of the power slipped to the consumers' side.

In the first part of this thesis, there will be a theoretical framework from which the thesis will grow. There will be approached important subjects for the theme of Social Media, such as Viral Marketing and Word-of-Mouth, and also try to illustrate some of the specifics of the online and social environment, understanding that there are always conversations going on, many of them about brands and not all of them flattering.

Of from there, starts a thorough analysis of FNAC. Where is the brand online, how does the brand engage with fans and followers, who exactly are those fans and followers and so forth. To provide greater accuracy to this analysis, an interview with FNAC's Communication Department took place, and the field word was completed with a descriptive study.

To complete this study, there was made a proposal containing some measures that would hopefully improve FNAC's Social Media presence.

1-Social Media

"Social media are online applications, platforms and media which aim to facilitate interactions, collaborations and the sharing of content" (Richter & Koch, 2007), and acts, not as a driving force, but as an enabling force for companies, as Euan Semple stated, quoted by Barlow and Thomas (2011). Semple went further, stating that Social Media is not just an emerging useful business tool, but a feature of an Evolutionary – or perhaps de-evolutionary – trend in which people are discovering their personal and economic fragilities gaining a new perspective on their responsibility

As it can include organizations, Trey Pennington concluded that Social Media is the media channel that relies on listening and conversation, as opposed to a monologue, to get your point across, make a connection and build a relationship and it can have a dramatic influence on a brand's reputation (Kim and Ko, 2010), therefore it should capture the interest of companies that operate online (Kaplan and Haenlein, 2010)

To sum up, it is only fitting to pin a definition of Social Media captured on a Social Media platform, in this case, Twitter: (Social media is) "A place to hang out and communicate with your own networks of contacts, friends and peers about stuff that interests you", @rumbels. It is also important to differentiate Web 2.0 and Social Media (Berthon, Pitt, Plangger and Shapiro, 2012). Social Media applications/tools (referred to as social media, for short) run or function on computer network-based platforms, under the influence of Web 2.0, a term first used in 2004, by Tim O'Reilly, which defines a set of principles that sum up a new way in which software developers and end-users started to use the World Wide Web, as a platform (O'Reilly, 2005) whereby content and applications are no longer created and published by individuals, but instead are continuously modified by all users in a participatory and collaborative fashion (Kaplan and Haenlein, 2010), being the first state of affairs Web 1.0. (Weinberg and Pehlivan, 2011),

1.1-The History

Social Media is a deeper subject than it seems at a first glance. Going back to the beginning, only a few years after the delivery of the first e-mail in 1971, two friends invented the Bulletin Board System (BBS) to schedule meetings, make announcements and share information by posting it. It happened in 1978, and it was the inception of Social Networks.

In 1997, as the internet reaches the one million website landmark, Blogging begins and SixDegrees.com, a social network based on a model of web contacts, was launched.

Along with the new millennium, came uncertainty regarding the online world, as the Dot-Com Bubble burst, but Social Networks kept on going, as in 2002 Friendster was launched, and grew to 3 million users in only three months, and a year later MySpace and LinkedIn were launched.

In 2004, Facebook, the biggest player in Social Media with more than 900 million active users today, was launched, Youtube started storing and retrieving videos a year later and Rupert Murdoch's News Corporation purchased the three year-old MySpace for a staggering \$580 million. In the following year, Twitter, a Social Network based on microblogging, was founded (UNCP – University of North Carolina at Pembroke, 2012).

As Falls and Deckers stated, "Social Media is going to become like ocean: you never want to turn your back on it" (2012).

1.2-Why Should Brands be on Social Media?

Many Brand strategists assume their brand has to be online, has to have a social media strategy, has to have something to do with Web 2.0, but they don't know why and some feel nervous about it (Li and Bernoff, 2011). Nowadays, online content reaches the entire world in the very moment it is posted and it is free (Kotler, 2009), also the information accessed gains more value, given the filters of interest (Anderson, 2007). So, given the access to information is easier and quicker than in traditional media, the Web 2.0 context is highly interactive, so consumers are no longer merely passive recipients in the marketing exchange process (Berthon, Pitt, McCarthy, & Kates, 2007), while a message delivered through traditional media is perceived as being delivered directly from a marketer in their own, unedited voice (Weinberg and Pehlivan, 2011). And on top of that, people are more likely to switch behaviors as soon as they see something better when they are online, while offline they are more stable, so companies can develop loyal customers (Li and Bernoff, Groundswell, p.12).

If you are a company using social media, its usage can benefit greatly from a personal touch that is relationship (Weinberg and Pehlivan, 2011). From their perspective, the main advantages of doing so are the convenience, the small amount of time required, the comfort and privacy (Dionísio et al, 2009).

Nevertheless, as Li and Bernoff stated (2011: 68), the global objectives of being online can be directly linked to those of the traditional Marketing functions: Research to listening, by monitoring ongoing conversations among your fans, promoting surveys or focus groups online, marketing to talking, by stimulating conversations among your fan base, sales to energizing, allowing your customers to be enthusiastic about you, thus selling your products, support to supporting, enabling the customers to support each other, and development to embracing, allowing the fans to participate in the making of a new product (Li and Bernoff, 2011).

In the end, as Tom Funk wrote (2011: 15) Social Media platforms are for businesses that behave like people, explaining that it is a great place for businesses that care about their customers and what is said about them, and not for faceless corporate behemoths, only trying to spread a message.

1.3-Why are consumers on Social Media?

As Internet continues to spread through our society, consumers are no longer passive recipients in the marketing process, adopting increasingly active roles in co-creating marketing content (Hanna, Rohm, Crittenden, 2011). But what drives consumers to be online?

Gangadharbhatla (2007) stated that by joining Social Media, people fulfill their need for belongingness and for cognition and, Schau and Gilly (2003) quote Arnould and Price (2000, p. 140) when they have concluded that consumers who are online are engaging in what call "authenticating acts," or "self-referential behaviors actors feel reveal the 'true' self' and frequently multiple true selves and Hoffman and Novak (2012) found it seemingly reasonable that online use might generally be expected to contribute to well-being because it satisfies basic needs for relatedness, as users find it easier to keep in touch with their acquaintances, or, as Granovetter (1973), called them, "weak ties" and also to strengthen the bonds underlying their close friends, or "strong ties".

Ultimately, the key reason as to why people decide to create a personal webpage is, for example, the wish to present themselves in cyberspace (Schau & Gilly, 2003).

In fact, research conducted by Schau and Gilly (2003) supports the existence of initial impetus towards having a presence online, such as a triggering event, the desire for personal growth or even advocacy, deepened into evolving motivations, as the exploitation of other

selves, and the desire to meet expectations, based on feedback given on Social Media applications. That is possible because, usually, the presence in Social Media is done through self-disclosure; that is, the conscious or unconscious revelation of personal information (e.g., thoughts, feelings, likes, dislikes) that is consistent with the image one would like to give (Kaplan and Haenlein, 2010).

Hoffman and Novak also state that different motivations drive the pursuit of different social media goals, and users with different primary social media goals differ in perceptions of well-being. Yet, the same authors (2011) argue that there are 4 major Social Media goals - connect, create, consume and control – and later (2012) managed to group them in pairs:

- **Connect consume:** the primary intention is to connect with other users; the primary direction of the interaction is to consume content
- **Connect create:** the primary intention is to connect with other users; the primary direction of the interaction is to create content for other users to consume
- **Control consume:** the primary intention is to control Social Media applications/environment; the primary direction of the interaction is to consume content
- **Control create:** the primary intention is to control Social Media applications/environment; the primary direction of the interaction is to create content for other users to consume

1.3.1-Why do consumers follow brands on social media?

It is supported that customers follow brands in order to be identified as having an appropriate self-identity (Laroche, Habibi, Richard, Sankaranarayanan, 2012). In other words, consumers search for elements to help them decipher who they really are and how they want to be perceived by others (Laroche, et al., 2012)

Nielsen, in its Nielsen Global Online Survey, researched about the motives for users to follow brands on Social Networks, and found that the most important of the reasons for people to follow brands, companies or celebrities on Social Networks is to receive discounts and special offers (2011). That conclusion is backed up by other study lead by Edison Research's Social Habit study (2012), as we can witness in the following figures (1.1; 1.2; 1.3)

In the end, Social Media empowered consumers and granted them the authority to speak up. Consumers want companies to give them a seat at the table (Chaney, 2009).

Reason	Number of Mentions*
Sales/Discounts/Coupons	56
Don't Know	47
Like The Product	45
Content/Ideas	43
Keep Informed On New Products	35
Favorable Opinion of Company	29
News/Information	28
Humorous/Entertaining	18
Work There	18
Current Customer	17
Other	16

Figure 1.1 - Primary reason to follow a Brand, Company, or Celebrity on Social Networks. (Source: Edison Research)

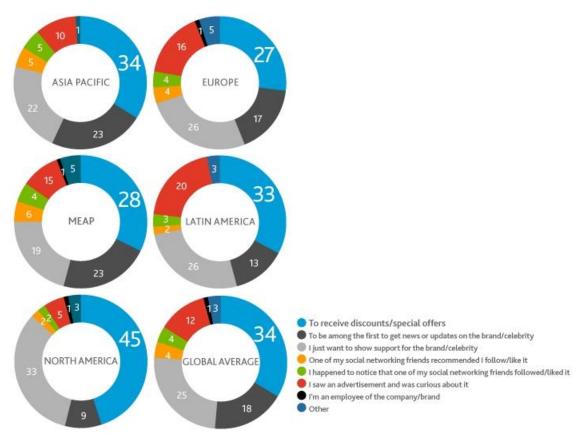
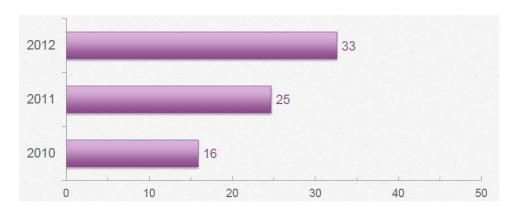


Figure 1.2 – Primary reason to follow a Brand, Company, or Celebrity on Social Networks. (Source: Nielsen Consulting



 $\begin{tabular}{ll} Figure~1.3-Percentage~of~Social~Networks~users~following~brands~on~Facebook~or~Twitter.\\ (Source:~Edison~Research) \end{tabular}$

2-Social Media Marketing Plan

Planning is, in every area of expertise, fundamental. Quoting Antoine de Saint-Exupéry, "*a goal without a plan is just a wish*". Social Media is no exception to it (Barlow and Thomas, 2011).

To lay down a Social Media plan, it is important to focus on people, the customers, instead of the technology itself, only because technology never stops changing and focusing on it would mean that the manager would end up on a never-ending chase (Li and Bernoff, 2011). With this idea in mind, Li and Bernoff suggested a method to build an online strategy, which they have named POST method (2011), being POST an acronym for People, Objectives, Strategy, and Technology, and should be considered in this same order.

2.1-People

What are your customers ready for? How will they engage? This information can be based on what they are already doing. Monitor their activity to gather the most information possible (Li and Bernoff, 2011).

In fact Weinberg and Pehlivan (2011) point out that the action of identifying your target in Social Media bares a great difference from traditional marketing, where organizations first segment the market, then target a segment and select a vehicle to deliver the message and finally fuel the consumer towards the purchase. In the Social Media context, those authors state that first you monitor all vehicles for content of interest, trace that content back to the individuals that are related to it, and only then target them and funnel them towards evangelism.

2.1.1-In Portugal

53% of the individuals living in Portugal access weekly to the internet, roughly amounting **5,3** million users. That is under the European Union (EU) average, which is of 65%. Yet, **94%** of the Portuguese internet users access Social Networking sites, and 63% do so weekly, both figures above of those of the average verified in the EU, of 79% and 44% each (IAB Europe Mediascope, 2012). We can jump to the conclusion that Portuguese internet users are prone to Social Media usage, given that 75% of them use Social Media to post messages, second in Europe, only behind Montenegro's internet users, with 77% (Eurostat, 2012).

Of those 94% of social networkers, **4.795.480** have accounts on Facebook, **2.353.880** of which are interested in fields FNAC is present on, such as gaming, literature, photography, technology or TV and movies (Facebook, 24/04/2013), while Twitter counts **382.000** users in Portugal, at the end of March 2013 (comScore). As to YouTube, reliable figures related to the number of users were not found. Nevertheless, IAB found that **82%** of the Portuguese internet users watched video clips online (IAB Mediascope, 2012).

2.2-Objectives

What is the brand's goal to being online? As John Lovett stated, "Prior to formulating your social strategies, it's a good idea to confirm what you're working towards" (2011). Lovett advocates that objectives should be set top to bottom, in what he named Waterfall Strategy (2011), starting out by identifying Corporate Goals, which provide a common direction for each member of the organization to stride towards. On the next level, the organization should look into the Business Objectives, which align the pre-defined goals with management strategies to build a solid framework. Downwards the Waterfall come the Measures of Success, to set the appropriate metrics to their strategy in order to gauge the organization's performance. In the lower level there are the Operational Tactics, the actual plan of actions of it all (Figure 2.1).



Figure 2.1 – Waterfall Strategy

Based on the observation of organizations that have implemented Social Media strategies, Li and Bernoff have defined five possible objectives that can be pursued in such environment (2011). Each one of those objectives can be linked to a Traditional Marketing business function.

- **Listening** equivalent of Research; the objective is to research and better understand your customers
- **Talking** equivalent of Marketing; the objective is to spread messages about your company

- **Energizing** equivalent of Sales; find your most enthusiastic customers with the purpose of maximizing their WOM
- Supporting equivalent of Support; help/enable customers to help each other
- **Embracing** equivalent of Development; Integrate the customers into your business; help them to work with each other to come up with new ideas for your business

2.3-Strategy

As Tom Funk stated, looking at Social Media for immediate sales generation is shortsighted (2011). In the author's opinion, the principal value in Social Media is strengthening the customer relationship (2011). So, how should the relationship between the organization and their consumers change? After figuring that out, the organization can plan what to do, and how to measure it (Li and Bernoff, 2011).

Going deeper on the issue of planning, this is the step where roles are defined, also responsibilities and expectations, and all other rules that will make a consistent playbook to engage with a brand's community (MacLean, 2012).

According to Lon Safko, the first step to take is to analyze what the company or brand is already doing (2012). By that, it is meant that one should at the company's/brand's Social Media presence and figure out in which platforms it is, what are they supposed to do, what are they doing and how are they doing it (Safko, 2012).

Also, this is the appropriate time to plan how the future performance will be measured (Li and Bernoff, 2011; MacLean, 2012; Safko, 2012).

2.4-Technology

What applications should the organization have built, or what platforms should it resort to in order to better implement what was previously planned? (Li and Bernoff, 2011). Kaplan and Haenlein (2010) created a classification scheme based on what they have considered to be key elements of Social Media, the field of media research and the field of social processes.

The authors (2010) resorted to the research done by Short, Williams, and Christie (1976) to support that media differs in the degree of social presence, defined as the acoustic, visual and

physical contact that they enable to exist between communication partners. Those kinds of contact are affected by the medium's intimacy, negatively if it is mediated and positively if it is interpersonal, and by its immediacy, negatively if asynchronous and having a positive impact if it is synchronous. Kaplan and Haenlein (2010) linked social media presence with the media richness theory (Daft and Lengel, 1986) that, based on the assumption that the goal of communication is to reduce ambiguity and uncertainty, media differs on the amount of information a medium allows to be transmitted in a given period of time, thus, differing in their effectiveness to reduce ambiguity and uncertainty.

To analyze the field of social process, Kaplan and Haenlein have also taken in consideration (2010) the concept of self-presentation, which states that people have the desire to control the impression others have of them (Goffman, 1959) in order to get rewards and to create an image consistent with one's personal identity, and the concept of self-disclosure, the conscious or unconscious release of information consistent with the image one has of oneself, considered to be vital to build a relationship (Kaplan and Haenlein, 2010). The classification scheme Kaplan and Haenlein proposed can be seen in figure 2.2.

		Social Presence / Media Richness		
		Low	Medium	High
Self-presentation / Self-disclosure Low	Blogs	Social Networking sites (e.g.: Facebook)	Virtual Social Worlds (e.g.: Second Life)	
	Low	Collaborative Projects (e.g.: Wikipedia)	Content Communities (e.g.: Youtube)	Virtual Game worlds (e.g.: World of Warcraft)

Figure 2.2 - Classification of Social Media by social presence/media richness and self-presentation/self-disclosure

2.4.1-Collaborative projects

Kaplan and Haenlein defined them, are platforms enabling joint and simultaneous creation of content. Can operate as **Wikis**, websites that allow users to add, remove or change text-based content, or **Social Bookmarking Applications**, that enable group based collections and rating of internet links and media content

2.4.2-Blogs

Resorting to OECD (2007) the authors defined blogs as websites that displayed date-stamped entries in reverse chronological order. Users can interact with the managers through comments to the entries.

2.4.3-Content communities

Kaplan and Haenlein support that the main objective of a content community is to share media content among users, whether it is text (Bookcrossing), photos (Flickr), video (Youtube) or presentations (Slideshare)

2.4.4-Social Networking Sites

Also known simply as Social Networks (Safko, 2012), are applications that enable users to connect by creating personal information profiles and connecting with friends and colleagues (Kaplan and Haenlein, 2010)

2.4.5-Virtual Game Worlds

According to Kaplan and Haenlein (2010), are online platforms replicating an environment where users may appear as custom avatars and interact with each other. The authors consider this to have the highest level of social presence and media richness. Users must behave according to strict rules in the Massively Multiplayer Online Role-Playing Game (MMORPG) context

2.4.6-Virtual Social Worlds

Allow users to choose their behaviors and live a virtual life similar to their real one. Similarly to Virtual Game Worlds, users may appear as avatars, but in this Virtual World there are no rules to restrict interactions, except for basic laws of physics (Kaplan and Haenlein, 2010)

2.5-Monitoring

Social Media is a diversified world. Each platform has specific rules of utilization and functionality, as well as specific analytics (Weinberg & Pehlivan, 2011), therefore the objectives defined for different ones will not be the same. As Bernoff and Li stated, not all Social Media are the same (2011).

As to the differences among platforms, Weinberg and Pehlivan (2011) came up with two factors to explain them, half-life and depth of information. The half-life of information is defined by Weinberg and Pehlivan as the longevity of the information, the time span it remains available, or in which it appears to the user, while the depth of information is essentially the richness of the content. Therefore, there are some transversal features when it

comes to measure a social performance, as Lovett (2011) pointed out: collecting data, performing analysis, reporting results and driving actions, because making decisions based on data saves time and increases your credibility (Paine, 2011).

Turner has stated that "When used properly, monitoring tools can do more than just give you a snapshot of who is talking about your product or service. Instead, they can help you monitor whether your social media campaigns are actually driving revenue for your business" (2012). In fact, that author has defined two separate types of monitoring:

- Quantitative, based on metrics or analytics that involve specific numbers
- Qualitative, measuring the sentiments behind comments and other interactions

2.5.1-Quantitative:

Also referred to simply as **Measurement**, Social Analytics and so forth, this is a relatively new doctrine, derived from Web Analytics, that makes it possible for managers to quantify social media behaviors, helps them to understand social media's effectiveness and to discern the impact social media has on their businesses (Lovett, 2011).

Lovett has also stated (2011) that the analysis is crucial, in order to transform data into information and then information into insights, to drive premeditated actions carefully planned ahead, and to do this human intervention is required. Furthermore, Paine (2011) has also stated that "measurement gives insight into competitive strengths and weaknesses".

To measure the online performance of a platform, the manager should define Key Performance Indicators (KPI). KPI's are a way to measure the state of a business and are used in business intelligence to appraise its progress (Clifton, 2011), or a set of measures focusing on those aspects of organizational performance that are the most critical for the current and future success of the organization (Parmenter, 2007). Also according to Clifton (2011), "any metric, percentage, ratio or average that can help your organization quickly understand visitor data and is in context and temporal should be considered a KPI" and if a 10% shift in a KPI does not worry the manager it is not properly defined, which means that KPI's should be relevant.

2.5.2-Qualitative

Other than analyzing performance analytics, it is of utmost importance to actively listen what people are saying about your brand in Social Media. Tom Funk (2011), states that on top of it

all, listening should be the attitude to be adopted by brands, when communicating with customers online, valuing their opinions and learning from them. Barlow and Thomas (2011) have even concluded that listening is more important than talking, because customers and prospects share potentially useful information

One way of doing this is implementing Social Media "Mission Control" centers, in order to engage with and analyze the social space, and then share the outputs with the organization (Weinberg & Pehlivan, 2011).

In fact, according to a community eBook from Radian6, a provider of monitoring services, a Brand is the sum of conversations about it and monitoring provides unique information about you (2012). And that act, of gauging the health of your brand, is suggested to be the first step on your qualitative monitoring strategy, also by Radian6 in the same Community eBook. Other provider of monitoring services, Synthesio, has defined 4 profiles of brands online (2012) (Figure 2.3):

- Boring brands: a brand that fosters no spontaneous interest, leaving customers indifferent. Their goal, in the social environment should be to develop engaging, innovative social media communications to generate emotional ties and differentiate their brand. 70% of the brands fit in this profile
- Functional brands: Brands that heavily rely on customer-service to establish superior reputation, customer satisfaction and sales. Essentially focused on the product or service rather than on the brand name. Their monitoring goal should be to provide real-time insight into public conversations and direct engagement capabilities to interact with customers when necessary.
- Vital brands: affects the consumers' primary sources of concern. Their monitoring goal should be to understand the emotions fueling the online public discourse, to create better offerings and enhance corporate communication
- Exciting brands: generate high levels of online buzz and appeal to the human desire to belong. Their goal is to target communities and influencers, listen to discourse, and measure the impact of campaigns

	Boring Brand	Functional Brand	Vital Brand	Exciting Brand
Social Media Presence	Low	High	Very High	High
Mainstream Presence	Average	High	Average	Average
Brand Emotional Level	Low	Average	High	High
<u>Engagement</u>	Low	Low	Very High	High

Figure 2.3 – Synthesio's Brand profiles; features

Synthesio has also created a quiz to determine in which profile a brand fits (Figure 2.4):

1- What Level of emotion does your brand trigger?

- ▲ We don't have any emotion tied to our brand
- Low, people tend to prefer our brand if the price is right
- High, our brand is usually among the top choices in the industry, regardless of price
- Two years are concerned about the topics pertaining my brand
 - 2- Why do people discuss your brand online?
- They are looking for answers to product-specific questions.
- ▲ They hardly ever discuss your brand
- They are looking to find advice and share their concerns with the community
- They love the brand and gather in communities of fans.
 - 3- Where is your brand mentioned the most?
- On Facebook, Twitter and Social Networks
- 🛕 On mainstream media and financial websites
- On forums and blogs
- All of the above

Figure 2.4 – Synthesio's Brand profiles; quiz



Afterwards, Radian6 (2012) suggest that the manager should look for customer service opportunities, given that nowadays, customers will sooner complaint on Facebook or Twitter than wait on a support line. If the Brand locate and solves those problems, it will gain credibility near its customers. As stated in that eBook, "Your customers are not asking you to be perfect, they are asking you to pay attention" (2012).

The third priority is the proper handling of a crisis, due to timely listening. Brands have to listen before the crisis, paying attention to Facebook, Twitter, forums, blogs, and so forth. Brands also have to listen during crisis, to measure the volume and sentiment behind them,

and to locate the source of the crisis, and after the crisis, to find out if there the sentiment towards itself has shifted or not. It is also OK to ask the customer if the problem that originated the crisis was properly solved. After mastering those steps, comes the generations of leads, to avoid flooding your potential customers with unwanted sales pitches, only approaching them when someone has a desire that your problem could fill. By actually listening to your fans, you will identify that moment. By listening, a manager can come across opportunities to help by offering information or expertise.

Through this kind of monitoring, a manager should also keep tabs on the competitors, to gather competitive intelligence, about what they are doing (how are they positioning themselves, are they launching new products or services) and, as much as important, about what are they not doing. With the information gathered, opportunities may be identified, for instance if the prospects express a need for something neither the brand nor their competitors are providing.

Consumers are also bound to share their experience with products or services online, therefore brands can also take truthful feedback about it. Brands can also resort to monitoring to keep up with what is going on in their industry, when it comes to trends, crisis and so forth, and also locate advocates and detractors among their audience.

3-Viral Marketing

On July 14, 2010, Procter & Gamble uploaded a 30-second video spot via the social media application YouTube, to promote its Old Spice brand. This video, entitled The Man Your Man Could Smell Like, was viewed 23 million times in 36 hours —representing 15 million 'infections' per day. Kaplan and Haenlein compared that event with the bubonic plague, considered to be the deadliest pandemic in human history, to illustrate the concept of Viral Marketing (2011). Then, they concluded that Viral Marketing is WOM combined with exponential growth, usually through Social Media applications (2011).

To assure that exponential growth, there are two key moments in the Viral Marketing dynamics. First, an individual is presented with the message. At that step, he will decide whether or not he will watch. If the individual watches it, then he will decide whether or not he will share it with other Social Media users (Camarero and San José, 2011). As said before, for the message to be viral, its spreading must grow exponentially, therefore an individual

who decides to share the message, have a reproduction rate higher than 1, which means he must reach more than one user (Kaplan and Haenlein, 2011).

As Viral Marketing goes hand-to-hand with WOM, the viral content might not be brand-sourced. Therefore, the outcome may not be positive. Kaplan and Haenlein predicted four possible outcomes a viral initiative (2011):

- Nightmares: started by customers / bad outcome
- Strokes of luck: started by customers / good outcome
- Homemade issues: started by the brand / bad outcome
- Triumphs: started by the brand / good outcome

4-Word-of-Mouth

Word-of-mouth (WOM) was acknowledged long before it became a scientific term, after the rise of positivist communication research in the US following World War II (Nyilasy, 2007). Which defined it as: "Oral, person-to-person communication between a perceived non-commercial communicator and a receiver concerning a brand, product or a service" (Arndt, 1967).

Subsequent investigations have defined word-of-mouth as "conversation about a product" (Cox, 1967), "hearing about a product or service from friends" (Traylor and Mathias, 1983), "interpersonal information exchange about a product, service or retailer" (Higie et al., 1987), "interpersonal communications in which none of participants are marketing sources" (Bone, 1995) and "the act of telling at least one friend, acquaintance or family member about a satisfactory or unsatisfactory product experience" (Halstead, 2002).

Given the shift in Consumer Behavior that Lewis and Bridger (2003) pointed out, WOM has conquered an even more central role as a consumer driver. They have stated that the Old Consumer, often influenced by mass-market communication means, sought convenience, were synchronized and less often involved, were also conformists and less well informed. They have also stated that the New Consumer seeks authenticity, acts individually and is involved, independent and well informed. This shift leads the traditional communication channels to be regarded as neither credible nor trustworthy, as 78% of consumers trust recommendations from other consumers other than the messages conveyed through mass-market communications (Nielsen, 2009), making WOM seven times more effective than, for

instance, traditional print advertising in impacting brand switching decisions (Katz & Lazarsfeld, 1955).

Although it resembles an informal interaction, there are advantages for both ends. For senders, WOM is an opportunity to help others and to improve their self-confidence in doing so (Phelps, Lewis, Mobilio, Perry, & Raman, 2004; Smith, Coyle, Lightfoot, & Scott, 2007). For receivers, it reduces decision-making time as well as risk (Chiu, Hsieh, Kao, & Lee, 2007), as friends tend to be perceived as unbiased sources of information (Smith et al., 2007).

WOM is particularly important in service marketing due to the heterogeneity of service quality, the higher associated risk, and the intangible nature of services (Bansal and Voyer, 2000; Jolson and Bushman, 1978), which elevates its subjectivity.

In recent years, with the expansion of the online environment, there has been significant research regarding electronic WOM (Kaplan and Haenlein, 2011). Electronic WOM (eWOM) is similar to WOM, apart from the fact that it takes place online, or as Litvin, Goldsmith and Pan stated, eWOM is perceived as any informal communication using IT concerning the usefulness of certain goods or services, as well as sellers or suppliers. Therefore, its basic difference from WOM is that the message circulates through a purely digital channel which also enhances the scope, spread and ease of spreading a message (Camarero and San José, 2011). That interaction, such as WOM, may have higher credibility, empathy and relevance than marketer-generated sources of information (Bickart and Schindler, 2001).

Electronic WOM - such as book reviews exchanged on pages like Amazon.com - has been shown to influence purchase behavior (Chevalier & Mayzlin, 2006) and to lead to the acquisition of higher value customers (Trusov, Bucklin,&Pauwels, 2009).

5-Methodology

According to Saunders, Lewis and Thornhill, research is a **systematic process** towards the increase of knowledge about a particular subject (2009), which can end up being all sorts of things, such as describing, explaining, understanding and analyzing (Ghauri and Grønhaug 2005). Bearing in mind that this is a business related research, there was analyzed information from a different fields of expertise in order to gather insights that could not be obtained if they were studied separately (Saunders, et al., 2009).

With that present, **Literature** was researched, throughout scientific articles, books, e-books and white papers, all related to Social Media and the online general environment. Yet, the information gathered from that literature approach Social Media from different perspectives, to provide a complete overview to the review.

Also, further research was necessary in order to **analyze** the current situation of FNAC. Data was collected regarding background information, such as FNAC's concept or its values, and regarding FNAC's online and Social Media presence to allow that analysis. That research was based on the information that was available **online** about FNAC, both disclosed, by either **FNAC or by Pinault Printemps Group** (the owner of FNAC), and reported on online **articles and news**. To add consistency to the analysis, an **in-depth** interview took place, with Sara Pataco, the person from FNAC's Communication Department in charge of Social Media (Appendix 1). To complete the information needed about FNAC, the brand's Social Media presence was **observed**, in order to get some insights that were necessary to the analysis.

To define a proper plan, I will resort to the **POST Method**, a planning process formulated by Li and Bernoff (2011) which I have previously introduced, as a basis, backed up by further literature from other authors, related to the four steps of that method.

First and foremost, FNAC's existing **audience** will be analyzed, as well as FNAC's **current relationship** with the fans, both the relationship FNAC aims to have and the relationship the brand actually has with fans. Afterwards, FNAC's Social Media presence will be described in terms of which **platforms** it is currently present and what potential those platforms have, also approaching what is technologically possible for brands to do there.

The information gathered in these stages will be subdued to a crosscheck in a **critical analysis.** The conclusions drawn from that critical analysis will be used to define the areas that would require an intervention, and a **quantitative study** was conducted to confirm some of the insights hereby produced, in order to proceed to the Social Media Plan.

In that plan, the Objectives, Strategy and Technology will **once more** be approached, in order to define the future orientations in these areas.

The conceptual approach to the plan is systematically defined on the following figure (5.1).

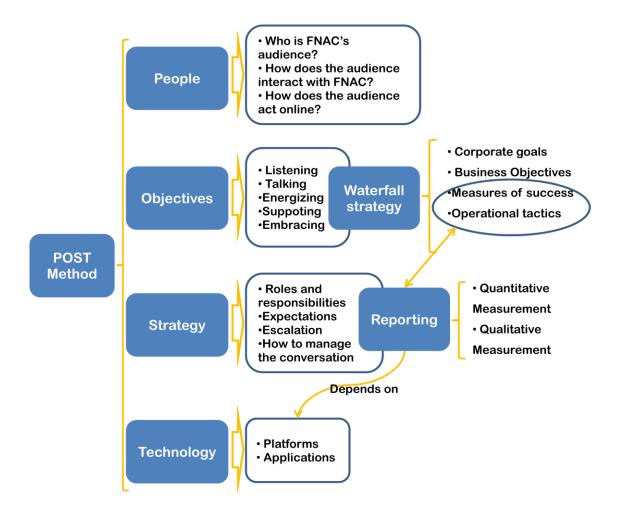


Figure 5.1 – Conceptual Framework

5.2-Field Study

The Field Study in this research had two parts, a qualitative on and a quantitative.

The qualitative was an in-depth interview with Sara Pataco, from FNAC's Communication Department, while the quantitative part was made of an online questionnaire

The in-depth interview took place on the 3^{rd} of April, 2013, and its goal was to gather information about FNAC's strategy online, that were not possible to perceive only form observing its Social Media presence. The script of the interview, as well as the answers, are in Appendix 1.

5.2.1-Quantitative

This study was thought with the purpose of being a **descriptive study**, carried on to provide consistency to the Critical Analysis of this research, namely, to understand which the **motivations** for Facebook users to follow FNAC are.

The study is based on an online questionnaire (Appendix 2), divided in three parts, the first to gather socio-demographic data about the respondents, the second to gather information about the subjects that the respondents try to be informed and how they do it, and the third and final part to get a glimpse of the respondents' online relationship with brands, with a focus on FNAC and on why the respondents follow FNAC on Social Media

The sampling method used the **Convenience Sampling** method (Saunders *et al.*, 2009), given that it was not an exploratory study, nor were the individuals difficult to locate and the variation in the population was little. The individuals were located among the researcher's contact network, and there were answered 65 questionnaires. 1 questionnaire was considered to be invalid, so **64 questionnaires** were analyzed.

The analysis of the results will is located in the Critical Analysis (7.2)

6-FNAC

FNAC (Fédération Nationale d'Achats des Cadres), brand of the Pinault Printemps (PPR) group, provides customers with a wide array of cultural and technological products, and its distinguishing features are reckoned to be its unequalled selection of books, CDs, DVDs and video games, as well as the unique expertise of its sales force (source: ppr.com, PPR Group, at 01/02/2013).

FNAC's history started in 1954 from Max Théret's and André Essel's effort to bring to light a different kind of commerce, accessible to a wider audience and not only targeted to the elites. The founders' intention was to have a kind of commerce that valued consumers' rights, based on freedom and responsible salesmanship (source: FNAC.pt, at 01/02/2013). It is operating in Portugal since 1998, with 17 stores open. It is also established in France (81), Italy (17), Switzerland (4), Belgium (9), Spain (20), Morocco (1) and Brazil (29).

Overall, FNAC's revenue in the first half of 2012 (PPG, 2013) amounted 1772,8 million Euros, less 1,15% than the same period in the year before. In 2011, 7% of that revenue came from Portugal (approximately 291,55 million Euros), and breaking that revenue down in product categories, more than half (54%) comes from Home Electronics, 22% from CD/DVD and Gaming, while Books and Stationery amounts only 19% of the total revenue of FNAC (source: PPR Group).

6.1-Origins and concept

Before FNAC, their founders, Max Théret and André Essel, were both members of France's left-wing political group, Young Socialists, and shared Trotskyist ideals.

Their left wing views allied with France's growing middle class, who had more financial power and higher education than the previous generation, led Essel and Théret to come up with a way to enhance that new consumer's access to cultural goods while also fighting competitor retailers' abuses in terms of price and quality of the product (source: booksandideas.net, 06/02/2013).

Therefore, the main pillars on which FNAC's operation is based on are the wide range of products with guaranteed high quality, the quality of the staff, and an ongoing innovation, always having the latest products available to customers (source: FNAC.pt, at 04/02/2013).

- Wide range of products: diversity of choice with guaranteed product quality, providing more than 400,000 different products online. Furthermore, customers can order non-listed books, or music albums, or even the delivery of the products at home
- Guaranteed quality of the products: FNAC operates a Laboratoire d'Essais (testing laboratory) to evaluate new products for technical quality, ease of use and price/quality ratio (source: ppr.com and fundinguniverse.com, 06/02/2013). If the product being tested does not succeed, FNAC is known to point out its deficiencies and, in extreme cases, blacklist the product (fundinguniverse.com, 06/02/2013)
- Quality salesmanship: high quality, independent and un-biased in store assistance to the customers guaranteed by not including commissions over specific products in the staff's salary
- Ongoing innovation: customers can always find the latest products

Also, being culture at the genesis of FNAC, it has an important role on what FNAC is nowadays. Thus, FNAC promotes cultural diversity and art creation by organizing free admission cultural events, which were called "Forums FNAC" (source: FNAC.pt, at 04/02/2013), as an effort to boost creation in a wide range of areas, such as music, books, movies, or political debates (source: culturaFNAC.pt, at 04/02/2013).

6.1.1-Values, Mission and Goals

Analyzing FNAC's concept, one is able to clearly identify underlying signs of its mission, which is an assumed responsibility of the company born from its social goals (Bratianu and Balanescu, 2008), of providing their customers with quality products at fair prices, based on its historical values of consumer defense by capable and independent salesmanship and culture.

To abide by that philosophy, FNAC's main goals are to train a competent staff, to always be in the cultural frontline and to encourage techno-convergence by acting towards the adoption of digital equipments by consumers.

6.2-Online Presence

As the majority of brands, FNAC is already online. It has a website (www.FNAC.pt), a Facebook page (www.facebook.com/FNACPortugal) and multiple Twitter accounts, one for each store (a total of 18), and a YouTube channel. Apart, of course, from the online presence of CulturaFNAC, which is managed separately, as stated before.

FNAC's website was, during the second trimester of 2012, the one with the most unique visitors among all e-commerce sites in Portugal (Marketest Net Panel, 2012), getting to amount 654.000 unique visitors in January of 2013 (ComScore, 2013). Looking into it, Marketst Net Panel also concluded that, during the last trimester of 2012, roughly 3,8 Million users have visited e-commerce websites in Portugal (Marketest Net Panel, 2012).

6.2.1-FNAC on Social Media

FNAC is also present in the Social Media context. Not only it was the most mentioned brand of 2012 in Portugal, according to a study led by Marktest (2013) as it is also present on some Social Media platforms. FNAC is on Facebook, Twitter and YouTube. While FNAC has only got one Facebook page in Portugal, the same thing does not happen with Twitter, where FNAC has an account for every store and for FNAC Cultura, amounting 15 different **FNAC** YouTube accounts, for only 14 stores. Also, has account (http://www.youtube.com/user/wwwFNACpt).

FNAC's Facebook page has 431.323 fans at April 11th (Facebook, 2013), ranking as the 37th overall page with more fans and the 14th among brand pages, 13th considering only Portuguese

fans (socialbakers.com, 11/04/2013). At this date, the page's audience was growing 8.463 fans by month, at a rate of 2% (Facebook, 11/04/2013). According to the information gathered near FNAC Portugal, the main objective for this Social Media platform is to engage its audience, forging a solid relationship with the fans. (Appendix 1).

As to Twitter, FNAC has an account for each store. Those accounts are managed locally, as their objective is to promote Forums FNAC, the local cultural events hosted by each FNAC store (Appendix 1). Yet, there can be identified some issues regarding the management of those accounts. For instance, FNAC Guimarães has two different accounts (@FNACguim and @FNACGuimarães), only using one of them, while the other is inactive since 2010 alongside FNAC Porto's account (@FNACStCatarina), which is still since 9th July 2011. One can witness that fact and some others in the next table, with the user names, number followers, and the dates of the last tweets of every FNAC Portugal's Twitter accounts.

	@	Followers	Last Tweet
Alfragide	@FNACAlfragide	281	27-03-2013
Almada	@FNACAlmada	1248	12-11-2011
Algarve	@FNACAlgarve	692	27-03-2013
Braga	@FNACBraga	1045	07-03-2013
Chiado	@FNACChiado	1007	26-03-2013
CascaiShopping	@FNACCascais	483	29-03-2013
Colombo	@FNAColombo	1113	12-04-2013
Coimbra	@FNACCoimbra	1373	24-11-2012
Madeira	@FNACMadeira	3594	11-04-2013
Gaia Shopping	@FNACGaia	1594	09-04-2013
Santa Catarina	@FNACStCatarina	679	09-06-2011
Norte Shopping	@FNACNorteSh	548	08-03-2013
Viseu	@FNACViseu	1846	10-04-2013
Vasco da Gama	@FNACVascodaGama	1625	24-11-2011
MarShopping	@FNACmarshopping	373	10-12-2010
Cuimanãa Champira	@FNACGuimaraes	78	29-07-2010
GuimarãeShopping	@FNACguim	102	07-03-2013
Leiria Shopping	@FNACLeiria	141	05-12-2010

Figure 6.1 – FNAC's Twitter accounts

FNAC's YouTube channel is only used to store content, for posting on other platforms. There is no major concern or urgency to gather subscribers to the channel. Nevertheless, FNAC managed to amount 919 subscribers to the channel and, a total of 4.579.303 views for all the videos uploaded.

The current objectives FNAC has defined for the platforms it presently is can be synthesized in the following (appendix 1):

• Facebook: Build a relationship and promote engagement

• Twitter: Promote Forums FNAC

• YouTube: store videos to display on other platforms (such as Facebook)

6.2.3-Competitors

Given the diversified range of products FNAC offers its clients, their competitors are also diverse. They range from bookstores, to technology-only chains. The ones that are considered by FNAC to be their main competitors will now be presented, and their Social Media presence analyzed

6.2.3.1-Worten

Worten is a retail chain of electronic, house appliances and entertainment owned by Sonae Group (Sonae, 10/04/2013). Worten is operating in the whole Iberia Peninsula, with over 135 stores in Portugal and through Boulanger and PC City in Spain, under the motto "our strength is the price" ("o nosso forte é o preço") aiming to make available a wide range of products and brands, never overlooking the main breakthroughs in the market.

As to their Social Media presence, Worten is on:

• Facebook: https://www.facebook.com/wortenpt

• Twitter: https://twitter.com/WortenPT

• Youtube: http://www.youtube.com/user/CanalWorten

As to Worten's Facebook page, according to the information available, it amounts 576.143 fans, 20.435 People Talking About it, meaning that 3,55% of the brands fans are talking about it, although that is influenced by a sudden growth of the number of fans talking about the page between the 28th of March and the 7th of April. That may also have affected the growth in the number of fans, that reached 4,12% in March of 2013 (Facebook, 10/04/2013). On Twitter, Worten counts 1172 followers, while on YouTube, 296 subscribers and 850.289 views of their videos.

6.2.3.2-Staples

Staples is an United States of America-based retail chain specialized in office supplies, but their offer also includes technological products. Staples operates in North and South America, Europe and Asia and aims to position as specialists when it comes to the offer of innovative office and teaching products and services (Staples, 10/04/2013). On Social Media, Staples Portugal makes its presence felt on:

- Facebook https://www.facebook.com/staplesportugal
- Twitter https://twitter.com/StaplesPortugal
- Youtube http://www.youtube.com/user/Staples757

At the date of this analysis, Staples had 129.711 Facebook fans, 3726 of them were talking about it, meaning that 2,87% of their fans were talking about it. Also, the number of fans has grown 8,03% in the previous month (Facebook, 10/04/2013). On Twitter, Staples has 346 followers (Twitter, 10/04/2013) as on YouTube amounts 81 subscribers and 75.698 total views (Youtube, 10/04/2013)

6.2.3.3-Radio Popular

Radio is a Portuguese home appliances retail chain, operating since 1977. It claims to have a wide range of products available in its stores, over 50.000 products, allying low prices with a customer focus ("we see a friend in each Portuguese") (Radio Popular, 10/04/2013). On Social Media, Radio Popular is the brand present on the most platforms, among the ones analyzed:

- Facebook https://www.facebook.com/RadioPopular.PrecosdeAmigo
- Twitter https://twitter.com/radio_popular
- YouTube http://www.youtube.com/user/RadioPopular
- Google + https://plus.google.com/+radiopopular/posts
- Pinterest http://pinterest.com/radiopopular/

On its Facebook page, Radio Popular has 60287 fans, 251 if which are talking about it, representing the lowest interaction among the analyzed brands (0,42%). Their Facebook audience has grown 2,80% in the last month (Facebook, 10/04/2013). On Twitter, Radio Popular has 869 followers (Twitter, 10/04/2013), while on YouTube can count on 84 subscribers, yet reaching 124.033 total views (YouTube, 11/04/2013). On Google+ they have 234 followers (Google, 10/04/2013), while on Pinterest, Radio Popular only has 25 followers (Pinterest, 10/04/2013). The majority of the content generated is product related.

6.2.3.4-Media Markt

Founded in Germany in the seventies, Media Markt operates under the concept of an electronics superstore with a "generous floor space, a wide range of products, narrow profit margins, but great turnover" and an unconditional focus on the customer (Media Markt, 11/04/2013). Their focus on the customer is visible in their Portuguese strapline, "Implacáveis por ti", or "relentless for you" (MediaMarkt.pt, 11/04/2013). As to their Social Media presence, they have accounts on:

- Facebook https://www.facebook.com/MediaMarktPortugal
- Twitter https://twitter.com/MediaMarktPT

Media Markt has 42.011 Facebook fans, at this date (10/04/2013), and its audience nearly doubled in the previous month (growth of 90,69%), although the page was lauched in the end of 2010. The page has 1178 people talking about it, every 2,8% of the fans (Facebook, 10/04/2013). Media Markt's Twitter account has 314 followers (Twitter, 10/04/2013).

6.2.3.5-Bertrand

Bertrand bookstores are an historic brand, operating since 1732 (Facebook, 10/04/2013). The first store was in Lisbon, but they now have stores in 17 Portuguese cities. On Social Media Bertrand is on:

• Facebook: https://www.facebook.com/bertrandlivreiros

Bertrand's Facebook page has 19.720 fans, thus having the smallest audience of the ones analyzed. Nevertheless, it has 802 fans talking about it, 4,07% of the total audience, making it the one with the most engagement of the analysis. The page's audience has grown 2,98% during March of 2013.

	Fans	PTA	PTA/Fan	Monthly growth
Worten	576143	20435	3,55%	4,12%
Staples	129711	3726	2,87%	8,03%
Rádio Popular	60287	251	0,42%	2,80%
Media Markt	42011	1178	2,80%	90,69%
Bertrand	19720	802	4,07%	2,98%
Fnac	431123	3677	0,85%	2%

Figure 6.2 – FNAC and competitors: Facebook comparison

6.3-People

Again, as Weinberg and Pehlivan (2011) pointed out, the action of identifying the target in Social Media is about monitoring all vehicles for content of interest and trace that content back to the individuals that are related to it. The objective of this approach is to get familiar with the FNAC's customer profile, gauge their general sentiment regarding the brand, and also check whether or not FNAC's customers are already asking for something.

6.3.1-Demographic

A good indicator of who engages with FNAC online is who visits its website, <u>www.FNAC.pt</u>. To analyze its audience, it was analyzed data present in reports from comScore, an internet analytics and insights provider (January 2013).

According to that report, FNAC.pt had been visited by 654.000 unique visitors (average of January with the three previous months). In that report, it is evidenced that the age groups more represented in the website's audience are those between 15 and 24 years old and also 25 to 34 years old, with consistently small differences between them.

As to FNAC's Facebook page, it has 431,095 fans (Facebook.com/FNACPortugal, 10/04/2013 at 16h25m). Those fans are mostly females (56.8%) and the most represented age group among fans is from 18 to 24 years old, with 33.7%. More detailed data can be seen in the following figure (Figure 6.3), extracted from FNAC Portugal's Facebook insights report, from March 2013.

1,1% 0,5% Feminino 56,8% 13-17 18-24 25.34 35.44 45-54 55-64 65+ Masculino 42.7% 14,8% 6.4% 0.5% 0,7% 2.2% Países? Cidades? 393.724 Portugal 74.264 Lisbon, Lisboa 377.177 Português (Portugal) 5.174 Brasil 30.527 Porto, Porto 21.435 Inglês (EUA) 4.531 Reino Unido 13.769 Coimbra, Coimbra 11.935 Português (Brasil) 11.853 Inglês (Reino Unido) 3.686 França 10.525 Braga, Braga 3.225 Estados Unidos da América 7.883 Funchal, Madeira 3.305 Francês (França) 2.701 Angola 6.410 Vila Nova de Gaia, Porto 1.312 Espanhol 2.411 Suíça 6.030 Leiria, Leiria 930 Espanhol (Espanha)

Figure 6.3 – FNAC's Facebook page fans demographics

According to the same report, FNAC Portugal's Facebook followers are essentially located in Portugal (393.724), but there are fans located in many other countries, the main ones being Brazil (5.174), the United Kingdom (4.531) and France (3.686). In Portugal, the top 3 cities represented in FNAC Portugal's Facebook page are Lisbon (74.624), Porto (30.527) and Coimbra (13.796).

6.3.2-Behavioral

According to the same source (comScore, 2013), a user has an average of 9 page views when visiting FNAC.pt, spending 3:00 minutes in the website, and each unique visitor visits the site, in average, 2,2 times per month. Furthermore, FNAC.pt is the most visited e-commerce website in Portugal (Marktest NetPanel, 2012,).

As to Facebook, the page has 3677 People Talking About it (PTA), according to the insights displayed on the page (10/04/2013). Users who are considered to be People Talking About it are users who actually engage with the page, namely with the posts. They do so by liking, commenting and sharing those posts. According to FNAC, 5 types of posts are shared on its Facebook page:

- Status updates
- Links
- Videos

- Photos
- Shares

Apart from engaging with posts, users who choose to interact with FNAC through its Faceook page by posting themselves (Posts By Others) do so mainly for three reasons:

- **Service** To question/complain about doubts related to the usage of the website, the discounts, launching and availability of products, and other commercial matters
- Pastimes To ask questions about ongoing pastimes and contests
- **Complaints** To question/complain about FNAC's customer service, based on late orders, delivery problems, and general bad experiences

6.3.2.1-Interaction between FNAC and its fans

Analyzing FNAC Portugal's Facebook page can give you an idea of how the dynamic between those two counterparts is. In the time scope analyzed, between 12/2/2013 and 19/2/2013, there were a total of 50 posts by other users on FNAC's Timeline. According to the kinds of interaction previously defined, the majority of those posts are Service related questions, 21, and 80.95% of those questions were answered by FNAC. The percentage of answers rises when we analyze the questions about Pastimes and Contests, as in a total of 14 questions, none was left unanswered. There were 11 Complaints, including two recurring issues of delivery problems. The approach to these situations differs from the approach to other kinds interactions, as only 36.36% of them had an answer. There were also four posts by others that could not be grouped into any of these groups, which were essentially complimentary or even suggestions. 50% of those were answered.

Figure 6.4 – FNAC's Facebook page: Posts By Others

	Total	%	Answer	Answer %
Service	21	42%	17	80,95%
Pastimes	14	28%	14	100,00%
Complaints	11	22%	4	36,36%
Other	4	8%	2	50,00%
Total	50	100%	37	74,00%

Given that this platform is often used as customer support, attending to only 65.63% of the issues presented (considering both Service Questions and complaints), can be considered a

poor performance, bearing in mind that there are answers to questions posted only minutes after.

Approaching FNAC's engagement with fans, on Facebook, based on a report that describes December of 2012 (Appendix 3), the most usual type of posting used by FNAC is the Link, which is also the one with the fewest Prints, or Impressions per post. Impression, or print, describes the download of an advert, in this case a post, by a user when viewing a web page (AdBalance, 2013). Status updates are the type of posts averaging the most Likes and prints per post, while videos have the highest average of Shares among all types of posts. All this information is available on the following figure (6.5).

Figure 6.5 – Facebook Virality per type of post (January 2013)

	Comment	Like	Share	Prints	Count
Photo	48	141	20	34.598	23
Status Updates	44	318	13	213.175	8
Link	14	35	9	45.162	29
Share	4	73	5	95.745	1
Video	21	132	21	48.716	17
Total	30	117	16	60702	78

6.4-Objectives

As it was seen before, the method for setting objectives that Lovett called the Waterfall Method (2011) works top-to-bottom, starting from Corporate Goals, ergo, the high quality salesmanship, innovation that are the cornerstones of FNAC, and also the wide range of quality products that are always available should be present on every step of the way.

Thus, minding the **corporate goals** to be assuring their customers' rights by providing them with quality culture and tech goods, at a good price/quality ratio, and training a high qualified staff, it is only logical for the business goals to be related to assuring the quality of the service.

The current objectives FNAC has set for its Social Media presence are **talking and engaging** with their audience. Creating engagement is meant to strengthen their relationship with the fans, and talking derives from the need to promote "Forums FNAC", releasing information related to them (Appendix 1).

6.5-Strategy

As said before, designing your strategy is all about how you want your **relationship** with your audience to be, and what you have to change to achieve that (Li and Bernoff, 2011). But, first of all, one must gauge the current situation of FNAC's Social Media presence (Safko, 2012). Summarizing what was said previously, FNAC already has accounts on some Social Media platforms:

- Facebook, in which the objective is to build a relationship and promote engagement
- Twitter, in which the objective is to **promote Forums FNAC** locally

YouTube, in which the objective is to **store videos** to display on other platforms Yet, consumers seek FNAC with other purposes. As seen before (6.3.2.1) FNAC's Facebook fans approach FNAC with customer support issues, and those situations are often mishandled (36,36% of complaints are answered), and some customers even approach FNAC more than once with their problems as we can witness in the following figure.



Figure 6.6 – A stream of complaints on Facebook

That may generate negative buzz, as this was already generating a conversation.

Based on the information previously gathered, I was able to proceed to a SWOT matrix (Figure 6.7), an analysis focuses on both, the internal and the external environments of the strategic planning, based on strengths, weaknesses, opportunities and threats (Bohm, 2008).

Figure 6.7 – SWOT analysis

Strengths	Weaknesses
Large audience on Facebook Twitter segmented geographically Wide range of products allows a wide range of publishble, engaging content Brand with more online mentions in Portugal FNAC hosts engaging pastimes on Social Networks	Quantitative measuring only based on Facebook Insights Cultura Fnac's communication is managed separately (and differently) from the rest Customer service cases are not managed outside the Facebook account's management Some of the Twitter accounts are inactive
Customers approach Fnac with their questions/complaints Customers are prone / already have na online relationship with the brand	E-commerce related issues may generate complaints on social media, resulting in a negative buzz The nature of the complaints (many related to the suppliers) may result in long streams of complaints, aggravating the negative buzz Dilluting FNAC's Twitter audience into many accounts
Opportunities	Threats

6.6-Technology

As Li and Bernoff stated, when the subject is Social Media, "technology is just an enabler. It's technology in the hand of almost-always-connected people that makes it so powerful". Nevertheless, technology has a part to play.

As stated before, FNAC is already present in some Social Media applications, which will now be introduced:

6.6.1-Facebook

Was founded in 2004, with the mission of making the world more open and connected. It is based at Menlo Park, CA, although it was born in Harvard and it had 3976 employees, at the end of June 2012. At the same date, Facebook had more than 955 million of monthly users (at least one login in the past 30 days), approximately 81% of them outside the U.S.A and Canada. 552 million users login to Facebook daily and 543 login from a mobile device. (Facebook news). This makes Facebook the biggest Social Network in the world.



Figure 6.8 - FNAC's Facebook page: Cover print

6.6.1.2-Facebook for Companies

When people like a Facebook page, they are connecting with a given business and they expect to know what is going on about it. Posting relevant content is the most important thing you can do to keep them interested (Facebook, 2013).

Facebook provides pages with more tools than simply posting content. It allows brands to advertise on Facebook, with **Facebook Adverts**, paid messages that can include social context about the users' friends (Facebook, 2013). The main difference between this and Google Adwords is that Facebook Ads targets **potential clients** in earlier stages of the

purchasing process, while Adwords target consumers that are already researching about a given kind of products (Gallaher, 2013).

Choose the page you want to promote and decide whether the objective is to **get more fans**, so the advert will reach users that are not within the page's reach, or to **promote page posts**. By promoting post, it is more likely for users to see the page's message in their news feed, or respond to a discount or sales promotion (Facebook.com, 25/04/2013). Yet, as Jon Loomer advised, promoted posts should be carefully used, because they can be perceived as spam if a brand uses them too much (Loomer, 2012).

6.6.2-Twitter

According to Twitter itself, it is "The fastest, simplest way to stay close to everything you care about" (https://twitter.com/about, at 19/9/2012). Twitter, amounting 382.000 users in Portugal in March 2013 (comScore, 2013), is a real-time information network, that allows users to follow other user accounts they might find to have compelling content, thus reading their posts enabling one to be connected with stories, ideas, opinions and news one is the most interested in. The content base on Twitter is the *tweets*, limited to 140 characters, and can also contain images and videos. Users can mention other users in their tweets and give direct or private replies to them. *Tweets* relating a particular matter can be aggregated using *hashtags* (Tech For Luddities, 2009), whose usage doubles engagement (Buddy Media, 2013).

6.6.2.1-For Companies

Although the content basis of Twitter is 140-charactered messages, there are more actions that can be done with it. **Promoted Tweet**, for instance, is simply a Tweet targeted using the interest graph formed from public user signals like follows (Twitter, 2013). It is important for the manager to select which post to promote, because Twitter's algorithm will choose the most popular based on retweets and clicks (Buddy Media, 2013). These are paid on a CPE basis (Cost-Per-Engagement)

Embedded Tweets make it possible for you to take any Tweet and embed it directly in your website or blog, just to name a few (Bodnar, 2011), displaying expanded media like photos, videos, and article summaries, and also include features, such as retweet and favorite counts, enable your readers to follow the Tweet author, and reply, retweet, favorite all directly from the page (Twitter, 2013).

Promoted Accounts simply puts you in front of more people who are just like them. To promote an account is a quick, easy way to grow a community (Twitter, 2013). Managers should define a daily budget and Twitter will charge for each new follower (Buddy Media, 2013).

6.6.3-YouTube

Is a video-sharing website that lets registered users upload and share video clips online. To watch those video clips, it is not even required a registration process (Webopedia.com, 2012). YouTube describes itself as an enabler for millions of users to discover, watch and share original videos, also providing a forum for people to connect, inform and inspire each other, all around the world. It was founded in 2005 (Webopedia.com, 2012), and it experienced such a growth that, only in YouTube's first year online, Google acquired YouTube for \$1.65 billion (Arrington, 2006).

7-Critical Review

Critically reviewing a research helps to develop a good understanding and insight into what is relevant in it and trends that have emerged and should be followed (Saunders, Lewis and Thornhill, 2009). The same authors state that "the purpose of your literature review is not to provide a summary of everything that has been written on your research topic, but to review the most relevant and significant research on your topic", thus it is necessary to crosscheck the info **obtained** from FNAC with the info **gathered** from the analysis that FNAC's Social Media presence underwent, and align that fact check with the **theoretical framework**, in order to define the domain in which this social media plan will function.

7.1-Current Scenario

According to the information provided by FNAC, its Facebook audience is mostly between **18** and **24** years old (**33,8%**) but if we consider the ones between **25** and **34** years old, we can notice that more than 60% of FNAC's audience is in those two age groups (**61,5%**) (Figure 6.3). As to Twitter, no data related to this subject was made available.

As to Facebook, the goal is to **strengthen a relationship** with fans, interacting and engaging them with posts and pastimes. But by analyzing the posts made by fans, a **need for customer**

support arose, as customers approach FNAC with their problems. That fact supports the literature research, in which was found that consumers will sooner complaint on a brand's Facebook timeline or Twitter than call to a support line (The Guide to Social Media Monitoring, 2012).

As seen previously, Viral Marketing goes hand to hand with Word-of-Mouth and 78% of consumers trust it more than brand-produced messages. Being online reviews a form of Electronic Word-of-Mouth (Kaplan and Haenlein, 2011), the negative feedback on the complaints can be considered as such, and bring a negative impact to FNAC, what Kaplan and Haenlein called "Nightmares" (2011), because of their negative outcome and their origin on the consumers. It is necessary to intervene and turn those events around and make "Triumphs" (Kaplan and Haenlein, 2011) out of them. Also, the engagement procedures FNAC has need to be revisited, because FNAC is underperforming in this field, when compared to their main competitors (Figure 6.2), as the brand has shown the second least amount of People Talking About it (calculated with likes, comments and shares).

According to FNAC, there were published 78 posts during the January, 2013 (the most updated data provided by FNAC), and those posts are grouped as **Photos**, **Status Updates**, **Links**, **Shares and Videos**, as we have seen previously, averaging 60.702 prints, 16 shares, 117 likes and 30 comments per each of those posts. As prints stand for the number of times that a post appears in news feeds, thus a post's reach, we can see that **status updates** and **shares** are the types of posts with the **widest reach**, managing to do so while being under the average of shares of all of FNAC's posts in that month. On the other end, **links underperform** in every aspect of engagement and virality when compared to other types of posts. Yet, FNAC posted Links more often than any other type of post in January 2013. (6.5).

7.2-Insight review

To better engage with fans, brands must understand the reasons to why they are following them. Laroche, Habibi, Richard, Sankaranarayanan, stated that one motive for it is to be identified as having an appropriate self-identity (2012), and further research pointed to having access to special offers and discounts to be the top reason (Nielsen, 2007; Edison Research Social Habit, 2012). The research hereby conducted has shown that the majority of the respondents that follow FNAC on Social Media do so to get to know, or even to have access,

to **discounts and special offers**. The motivation second to that is to be among the first to get **news and updates** on the brand (Figure 7.1).

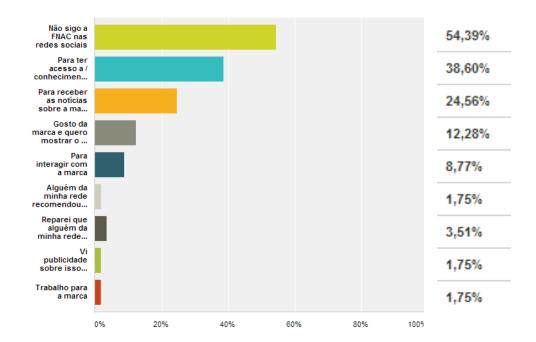


Figure 7.1 – User's motivations to follow FNAC on Social Networks: Field work findings

These motivations should be considered when planning the future strategy.

Also, FNAC operates under the logic of **independent salesmanship** and respecting **consumer's rights**, therefore it is only fit that the maximum amount of information possible should be available to their customers, in order to allow them to make the best choice among the products he may be scouting. In fact, as previously shown, FNAC's has a **test lab**, in France, in which products are tested before being available on French stores, and has a specific space on FNAC.com with customer's reviews of some products. Again, as Chevalier Mayzlin stated, electronic WOM - such as book **reviews** exchanged on pages like Amazon.com - has been shown to influence purchase behavior (2006), as WOM is seven times **more effective** than traditional means in impacting brand switch decisions (Katz & Lazarsfeld, 1955).

As Li and Bernoff suggested, a brand can look for its most enthusiastic customers and **enhance their WOM** power (2011). In FNAC's case, given the nature of the products and the level of detail and accuracy expected from the reviews, in addition to being enthusiastic customers it is necessary for them to be **experts in the areas** they will be reviewing.

As to which platforms FNAC should have a presence on, given the **audience** FNAC already has there and its **engagement capabilities**, **Facebook** is certainly one platform that should be used. On **Twitter**, FNAC also has an audience already, with the advantage of already being geographically segmented. Adding to that the possibilities for engagement in Twitter, namely promoting local Forums FNAC and other local events, FNAC should also keep its Twitter presence. It is also relevant to point out that one of the findings of the Field Work is an overview of the **subjects that interest** FNAC's followers the most, which came out to be **Music and Movies / TV Series** (7.2). That information is of utmost importance to guide the **creation of content** of the engagement strategy.

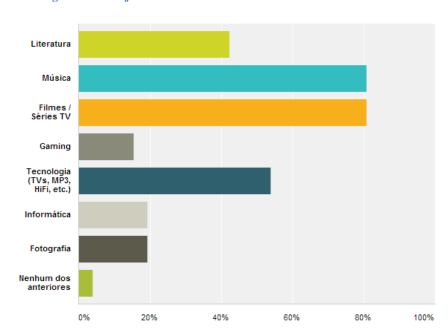


Figure 7.2 – Subjects of interest of Social Media users who follow FNAC

8-Objectives

In the Critical Review, it was concluded that the engagement procedures should be reviewed. That is an objective for this project. But as FNAC already lists engagement as an objective, that will be renamed as "**Promoting the conversation**", adding to it some other objectives, all based on FNAC's corporate goals, of **independent salesmanship** and respecting **consumer's rights.**

Given the activity in FNAC's social media platforms, **supporting** should be a concern. As stated before, FNAC's customers use Social Media to post their complaints and in the analyzed period the answer rate for complaints was the lowest among all the types of

interaction FNAC's Facebook fans have with the page (36,36%). That fact is bound to create dissatisfaction among FNAC's audience, propelling a negative buzz (Figure 6.6).

And, considering that the objective of engaging is already in action, **energizing** the audience should be added to it as an objective for FNAC's Social Media presence. Energizing was defined by Li and Bernoff as "making it possible for your enthusiastic customers to help sell each other" (2011), thus having an important Word-of-Mouth component, given that Word-of-Mouth influences nearly 70% of all buying decisions, as de Angelis et. al. stated, quoting Balter (2012).

9-Strategy

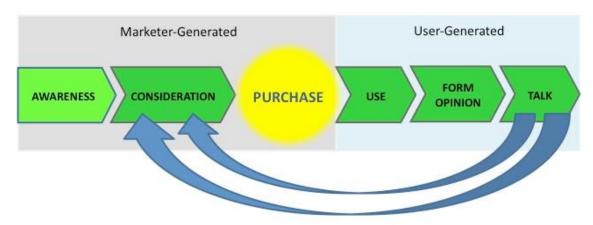
In this stage, there will be defined the ways in which the previously defined objectives will be put to work, one by one. **What** will be done, **how** it will impact the relationship with fans and followers and how should that impact be **measured.**

But before going further, one to figure must figure out where to go on the web to do the qualitative measurement, or **monitoring**, because that will be necessary from here on. As seen before (2.5.2), Synthesio built a quiz for profiling brands (Figure 2.4) and the result was that FNAC's profile is essentially that of an **Exciting Brand**, a brand that generate high levels of online buzz. Exciting Brands' goal is to target communities and **influencers**, **listen** to discourse, and **measure the impact of campaigns**. That should be present in any eventual monitoring initiative.

9.1-Promoting the conversation

As Bunzel stated, the way brands present themselves went from broadcasting or dumping data on the consumer, to including **interaction and dialogue** with a community of interest (2010). Also, according to Facebook, people who like a page spend an average of **2 times** more as a customer than people who are not connected to it (2013). To explain the basics of the impact the internet-based publishing and social technology has on a business, whether it is B2B or B2C, Dave Evans (2010) recalls the **Social Feedback Cycle** (Figure 9.1).

Figure 9.1 – Social Feedback Cycle



According to Evans, Social Technologies' content sharing has **exposed information**, which used to be available only to individuals with privileged access to it, to the average user (2010). Apart from the generation of content, engaging related with the conversations about the brand (MacLean, 2012). If there is a conversation about the brand, should the brand jump in without being solicited? To that question MacLean answered "No. Let the conversation continue without jumping in. If however, there is a question about your company, product or service, then that could be a good point to introduce yourself" and identified **good opportunities** for brands to engage (2012):

- **Mentions** of your company participation in industry events or presentations
- Compliments of your product, service or people
- **Recommendations** or referrals of your products and/or services
- **Customer service/support** issues or enquiries
- Sales leads or product enquiries
- Product **requests**

The same author (2012) also that determining what to respond and what not to respond is of utmost importance, because there will be users that will try to publicly interact with the brand in order to cause embarrassment, referring to those users as *Trolls*, advising not to respond to those attempts ("*Do not feed the Trolls*"). Thus, the author has also identified situations in which the brand should avoid jumping in the conversations:

- Generic mentions among a sea of competitors, without commentary that's positive or negative
- Sarcastic, snarky or potentially **inflammatory comments**

- Straight shares or re-tweets of company content or company news without any additional commentary
- Peer-to-peer conversations that mention your company in passing, in which your involvement could be perceived as **intrusive**
- Posts/forum threads that require membership to respond to, unless it's a customer service issue, negative post or misinformation you need to correct

Rumors

As stated before, FNAC already strides towards this objective. The engagement of fans and followers is essentially being done through Facebook and Twitter, and as we have seen before, it is a specific objective for FNAC's Facebook presence.

Mainly, FNAC produces content for its Social Media platforms, instead of jumping into preexisting conversations. One reason for that to happen is the lack of monitoring of the online environment, making it virtually impossible to find conversations about the brand that were not promoted by it.

So, with that understood, FNAC tries to engage through numerous ways. FNAC promotes events - although Forums FNAC are managed by Cultura FNAC, those events are also promoted through Facebook and, locally, Twitter – and posts content, about the products FNAC provides (the wide range of products allows great diversity of content. Eg.: movie trailers, music videos), sales and discounts (eg.: "Black Friday") and also commercial info, for instance, releasing information about products that are now available for sale on the website. Again, fans sometimes approach FNAC, through Social Media, to complaint about any unpleasant event they might have experienced. Those are also conversations that must be dealt with

9.1.1-Actions

One must re-define the **ground rules** for the department managing the Social Media presence to abide by.

The first to consider, according to Bluegrass (2012), is that "you can't build an audience without providing value." Bluegrass (2012) actually proposes that a good way to provide that value is through informative posts. News about the Portuguese cultural context; music shows, album releases, movie premiers, movie fests, summer fests and so forth are subjects of

interest of FNAC's audience. In fact, FNAC is even likely to have a commercial interest in news about those subjects, because they are probably available in a FNAC store.

Also, a brand in the Social Context should **share** content posted by other brands. For instance, if a news agency tweets content suitable for FNAC to tweet, FNAC should re-tweet it. And the same goes for Facebook. Therefore, FNAC should follow the major generators of cultural content and influencers on Social Media, in order to scout for what is new. Every post that fits in this description should have an additional short comment by FNAC.

Regular **posts** about products will continue to exist, with extra content; photos or videos related with the product, for instance. That extra content enhances the engagement those posts can attain. Nevertheless, there should be text content and that text content should be concise (Buddy Media, 2011). Following a research targeting over 600 clients, Buddy Media advises to ask questions on your posting, assuring that is bound to grant you higher engagement (2011). Followers tend to answers to "when", "where" and "would" questions. Still, "why" may be a tricky question that should not be brought up, as it can lead to unpredictable outcomes.

In general, the same research by Buddy Media shown that off-business hours have 20% higher engagement and, in retail brands, Sunday is the week day with more engagement, therefore these periods should be capitalized. There should be more than 3 posts per day.

As to joining pre-existing conversations, FNAC should monitor the Social environments it is present, always looking out for conversations where it is mentioned. In the event of finding those conversations, FNAC should only intervene in the conversation if a question that fits in the previously define class "service", including doubts about the launching of a product, the conditions of Cartão Fnac, or the date of a specific event, to mention a few. In these situations, FNAC should jump in only if some misinformation is about to occur.

As to what not to respond, based on the observation that FNAC's Social Media presence underwent, there are scarce examples of situations that talking is not the best solution, nevertheless:

- **Generic** mentions without clear sentiment, positive or negative
- **Inflammatory** comments
- Peer-to-peer conversations that mention your company in passing, in which your involvement could be perceived as **intrusive**

- shares or re-tweets of company content or company news
- Rumors

9.1.2-Performance Measurement

By doing this, it is expected that the relationship FNAC currently has with its audience to be impacted. The engagement is expected to be heightened, the page reach to be deeper, the post's virality bigger. Thus, the objectives to be met are:

- A growth rate, on Facebook, averaging 10% in the first 6 months and 5% in the following 6 months
- Facebook posts' organic reach growing at a higher pace than that of the audience's
- Facebook posts' viral reach increasing 60% in first two months
- Duplicate the number of "People Talking About This" on Facebook within the first month
- Increase the number of followers in every Twitter account by 30% within the first year

9.2-Supporting

According to Li and Bernoff, to the typical company "supporting consumers is a burden", because once the sale is complete if they hear from the customer again it is because something went wrong, also the costs of keeping call center support are high (2011). Still, research conducted by Zendesk, a social customer support vendor, concluded that when a customer has a problem, the experience of solving it has a profound impact on future purchases, and 88% of the participants on the research were positively influenced by a customer service online review when making a buying decision, and ranked customer service as the number one factor for trusting a vendor (2012).

Yet, Fnac has a low response rate to customer service complaints, as seen before, risking the creation of negative buzz that may impact online sales. In Goldman's words, "you're not just selling your product; you're selling the combined perceived value of your product and your service" (2013).

Li and Bernoff (2011) stated that there are three questions that should be asked before taking measures relating support, bearing in mind that the main priority goes beyond cutting costs; it is all about customer satisfaction:

- 1. What problem will you solve?
- 2. How will you participate in the conversation?
- 3. Create a support community or join an existing one?

Answering the first question, as seen before, e-commerce (<u>www.fnac.pt</u>) is a major sales channel for FNAC, and most of the complaints are generated by difficulties related with the deliveries of the products, most of the times caused by problems on the suppliers end, (Appendix 1). That constitutes a problem because if the supplier is not able to solve the problem right away, the complaint is bound to escalate publicly, generating negative buzz around FNAC. Therefore, the implementation of Customer Support on FNAC's Social Media presence aims to better, or soften an unpleasant experience and build trust among its audience.

9.2.1-Actions

In the period between 12/2/2013 and 19/2/2013 there were 50 posts by others on FNAC's Facebook page. 22% of those posts were classified as "complaints", yet less than 40% of them got an answer.

The reason for this to happen is that the department that manages the Social Media presence is not properly assisted by the Customer Support department (Appendix 1). It is, above all, necessary to integrate those two departments in order to reduce the negative impact caused by the whole situation, turning an unhappy customer into a brand advocate.

Most of the customer service issues that were observed are related to problems with the delivery of items purchased on FNAC's website. Therefore, the first routine question to be asked is for the customer to send the number of the order through private message, so the page's manager can gather information about the process near the Customer Service Department. Also, customers resort to private messages to solve any problems those problems, and the same thing happens.

Ultimately, the customers that posted the complaint are advised to contact FNAC's Call Center and, if the problem persists and the same customer posts another complaint, the Call Center pro-actively contacts him (appendix 1).

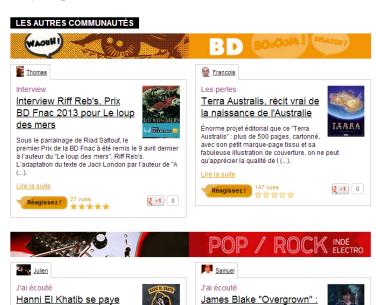
There is a need to bypass that step, integrating Customer Service personnel in the Social Media department. This initiative aims to reduce the answer time of those questions and enhance the response rate, in order to control the negative buzz generated by customer service problems.

9.3-Energizing

Energizing your audience is essentially propelling the Word-of-Mouth about your brand (Li and Bernoff, 2011). According to Silverman, a brand does not "need better messages that push their hot buttons. You don't need to refine your message. You need to stop talking at" customers. They already have dozens of ways of getting product information and recommendations that they are not listening to a brand's speech about a product (2011).

This comes across as an opportunity, as FNAC values the quality of the products and promote consumer defense. In fact, FNAC already promotes tests to some of the products they have on stores (FNAC Labs) in other countries, but in Portugal those reviews are not available to the users. The idea is to recreate that sort of Consumer-to-Consumer know-how sharing in Portugal.

Fnac.com actually has consumer feedback on several kinds of products, as we can see in the following figure (9.2), and they resort to bloggers of those given areas to create that content.



laissez vous envahir

Après un très remarqué premier album, James Blake revient et confirme avec Overgrown tout le bien que l'on pensait de lui. Les artistes majeurs de ce

Figure 9.2 – "Nos conseils" (User generated reviews in www.fnac.com)

Dan Auerbach... Et s'offre

Cette sorte de Jon Spencer californien livre ce mois-ci un deuxième album nettement moins "dirty" que le

une bonne conduite

By promoting WoM through reviews to products available in stores, FNAC would benefit in terms of the value of its offer and customer loyalty (Gruen, Osmonbekov and Czaplewski, 2005) and also try to increase sales, because, as stated before, 78% of consumers trust recommendations from other consumers other than the messages conveyed through mass-market communications (Nielsen Global Report on Trust in Advertising, October 2007).

9.3.1-Actions

To generate these in-depth reviews, FNAC must find customers that are active in the Social Media world and, of course, know what they are talking about when it comes to the products they are reviewing. Therefore, the people FNAC must search for are bloggers of the given areas. It is preferable that they are already bloggers, because the independence of their opinion is assured at the eyes of the general public, and they possess the necessary expertise to test and review the desired products.

In order to find the reviewers, strategic keywords related to the products will be monitored, in order to find the needed experts and then invite them to participate in this initiative. These reviews would not cover the whole range of products available on FNAC's stores, covering only Gaming, Computers and Software, Movies and TV Series, Music, and Mobile Phones.

There are hazards involved with this. As it is necessary to provide real feedback, some of the reviews might not be positive. That should not be looked upon as a negative outcome, but as value to the consumer. Again, in Goldman's words, "you're not just selling your product; you're selling the combined perceived value of your product and your service" (2013).

10-Technology

After defining which are the platforms that are going to be used by FNAC, back in the Critical Review, and laying the ground strategic rules, there comes the time for defining the tactics in a **technological context**.

Those measures will include **examples** of posts and other practical actions, as well as **measurement** KPI's and their respective goals.

10.1-Promoting the conversation

FNAC's Facebook will continue to be the main channel to promote the conversations and engagement. The types of posts will remain the same, as:

- Status Update
- Photo
- Link
- Share
- Video

As we have seen, **Shares** (Figure 10.2) have been underused considering the amount of prints in the period of time analyzed, as only one was published. Therefore, it is strategic for engagement to shares more content from other pages. Also, more **Status Updates** (Figure 10.3) are in order, given the high engagement performance (Appendix 3). At least 15 posts of these kinds per month should be in order. **Links, Photos and Videos** are already being posted with the due timeliness, so as to the rhythm of posting there should not be any changes. As to the **subject of posts**, they should be about culture and technology in general (FNAC's range of products), but mostly focusing in those subjects that were identified as being of interest to followers (Figures 10.2 and 10.3; Critical Review - 7):

- Music
- Movies / TV Series

Twitter is geographically segmented, so it will continue to have a local scope. The tweets will continue to be about Forums FNAC, adding to that tweets about shows or other cultural initiatives occurring in a nearby location (figure 10.1).



Figure 10.1 – Twitter post; Example

Figure 10.2 – Facebook share; Example

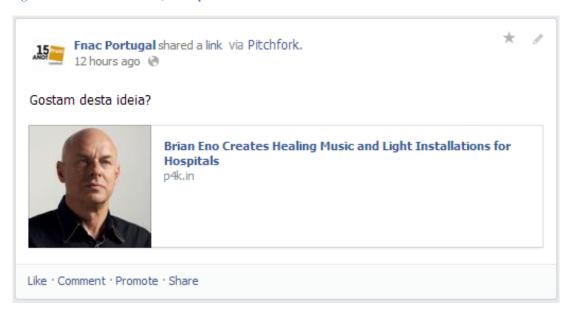


Figure 10.3 – Facebook status update; Example



On both applications, FNAC should follow worldwide cultural content creators, in order to have access to material it can share on its accounts, for instance:

- Pitchfork: https://www.facebook.com/pitchforkmedia and @pitchforkmedia
- NME magazine: https://www.facebook.com/nmemagazine and @NME
- Wired: https://www.facebook.com/wired and @wired
- IMDb: https://www.facebook.com/imdb and @IMDb

10.1.1-Performance Measurement:

Based on the data provided by FNAC related to its Facebook page's engagement in the month of January 2013, the following goals were established:

• Average prints per post over 100.000 in a month

- Averaging 50 comments per post in a month
- Averaging 150 likes per post in a month
- Average 25 shares per post in a month

10.2-Supporting

Supporting is necessary when a customer has a problem, therefore in order for FNAC to find that out it is necessary for the customer to reach out to FNAC. Thus, there should be created a **helpdesk app** for Facebook with. The main concern with the current situation is the negative buzz generated by unhappy customers, thus the main concern will be the time necessary to attend to the issues that caused the complaint.

Yet, it is likely that some complaints still end up on the page's timeline. On those cases, the response rate should be a concern.

- Average problem solving time under one week on helpdesk App
- Response rate to Timeline complaints over 80%
- No complaint relapses
- If any of this parameters happen not to be according to planned, at the end of each month **monitor** the blogs related to the area of the product that generated the problem(s) for negative buzz; keywords should be defined according the problem.

10.2.1-Performance Measurement

The main purposes of Supporting are to increase the response rate to complaints and avoid the relapse of complaints:

- **Response rate** rate of complaints posted on the timeline that were answered by the page manager
- Average **problem solving** time average time from the complain to the point it is considered to be solved by Customer Service
- Relapses when a customer does not have his issue solved and posts another complaint on the page's timeline

10.3.1-Energizing

To complete this objective, it will be created a **blog**. This blog will feature the reviews the selected experts will write. Each one of them will test one item a week, provided by FNAC. The users will be able to express their opinions on the reviews, through a comment space.

Given that the reviews are all about the posting of honest opinions regarding certain products, those recommendations are expected to influence the sales of those products in the first place.

Blogs of the areas to be reviewed will be monitored, with the objective of finding suitable reviewers for this initiative. Each review should have an **evaluation feature**, so that the users can evaluate reviews according to their experience with the product being reviewed. That evaluation will be made in a scale from **1** to **5** stars

- 10% Increase on the sales of a product with positive reviews
- Average of 5 customer evaluations per post, in each area
- At the beginning of each month, monitoring will occur on blogs, regarding the previous month; the keywords should be a combination between the name of the products reviewed and "FNAC"

11-Limitations

The limitations hereby exposed are not meant to diminish the scientific accuracy of the research, but as aspects that should be taken in account by future researchers.

First of all, the analysis that FNAC's its competitors' Social Media presences underwent is restricted in time. Therefore, in the event of a future research related to this, the conditions in which that observation took place may not be recreated.

All the applications used throughout this research were free. Including the one used to collect the answers to the questionnaire in the descriptive study. Given that all the features were not available in the free version, the script of the questionnaire had to be altered, although its main purpose was not affected.

We must also consider that most of the researches that were used on the literature review did not take place in Portugal. Little literature related to Portugal, suitable to this research, was found, so future researchers should mind eventual background cultural differences.

12-Conclusion

As supported throughout this project, Social Media is already used by a significant amount brands. FNAC is no exception to it.

Despite of it, there was identified potential in FNAC's Social Media presence that was not being considered thus far. There opportunities for engagement, also there were threats of negative buzz that could be harmless to the perception of value towards FNAC.

Therefore, the main outcome of this research, for businesses in general, is that Social Media is an incredibly dynamic environment that cannot, under any circumstance be neglected. If a brand does not have a voluntary on Social Media, their clients are there talking about it. And if a brand is not on Social Media, it cannot have any influence over it. Li and Bernoff have even identified what they called the "Groundswell approach-avoidance syndrome" (2011), consisting on a manager knowing that the company needs to get involved in Social Media but not knowing how to, thus, feeling defensive about it. This research can most certainly contribute to bypass that *syndrome*, as it constitutes a set of good practices to other businesses (Figure 5.1).

Specifically to FNAC, this thesis is a possibility of bettering the relationship with their fans and followers. Fans are approaching FNAC with customer service problems that are not being timely solved (6.3.2), which can be mitigated as it was elaborated with the objective of *Supporting* (9.2). Most of FNAC's competitors have higher engagement than FNAC and most of their audiences are growing faster than FNAC's (6.2.3), which can be reversed by promoting the conversation, creating greater engagement and more virality (9.1).

Summing up, this research has identified the main challenges that a brand with many followers in the Portuguese panorama faces when joining Social Media, coming to show that not only small companies can benefit from Social Media, and can serve as basis for future researches in the area to add value to this field of expertise.

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Appendix

1-Meeting with FNAC (translated to English)

1.1-Basic info

Q: Which are the values, mission and vision of FNAC?

Q: What is FNAC's concept? How does it manifest in FNAC's activity? Which are FNAC's business goals?

(These 2 questions were answered later on, by e-mail)

1.2-Website (not the same department)

Q: Who visits the website? Who buys? How often?

A: The website is not managed by the same department Social Media is, therefore I do not have that kind of info on the moment. But we only obtained that sort of data about the consumer through the usage of Cartão FNAC. For instance, I can tell you that the average FNAC client is 40 years old.

Q: Cultura FNAC appears separately from FNAC. How does it work? (Different sites, even with different layouts?)

CulturaFNAC is managed by an Institutional Communication Department. There is a complete separation between that department and FNAC's Communication Department

1.3-Social

Q: What are the objectives for Facebook, Twitter, Youtube and Vimeo?

A:

- Facebook: build a solid relationship and promote engagement. Referring to the website is not strategic
- Twitter: promote local events (16 accounts, including CulturaFNAC)
- Youtube: store content, embed videos
- Vimeo: CulturaFNAC

Q: Is it strategic to refer traffic from Social networks to the Website?

A: The strategic priority is to create engagement and the followers are less likely to engage with a post that is related to a specific product

Q: Were there any other platforms/strategies considered or experienced?

A: FNACLabs, like FNAC does in other countries, allowing some selected customers to test some products and then evaluate them. This idea was dismissed because Worten is already doing this

Integrate customer support in Social Media by connecting the call center to social media management. This was dismissed due to the high costs it would imply.

Q: Why are there so many Twitter accounts (one for each store)? What is the purpose of it?

A: The purpose of having so many Twitter accounts is to promote local events (ForumsFNAC). Managing those accounts in such fashion intends to segment that cultural offer according to geographical location

Q: Why direct Customer Support to Call Center (most of the times)? Is Private Messaging a solution for customer support problems on Facebook?

In most cases, the Facebook page's manager is not able to deal with, or solve the problems the customers present them, and it is more likely that the quality of the service will be assured if the call center deals with them. Usually, complaints are related to problems with deliveries so, when it is the complaints are recurring (if it is, it is likely that the problem is driven by FNAC's suppliers), FNAC pro-actively contacts the client that issued the complaint to solve the problem.

Private messages are only used as a reply to private messages sent by customers.

Q: Why the Vimeo Account is specifically registered to Cultura FNAC?

A: It is managed by a different department.

Q: Who is FNAC's target online? Who is its audience? (demographics and more, if possible)

A: The typical client is 40 year old.
Q: How is the measurement being done? What is important, which KPIs, is there any monitoring?
A: Facebook insights for quantitative measurement and they monitor qualitatively the posts with the most engagement (monthly).
Q: Do you look for brand advocates by monitoring?
No, usually the posts with most engagement generate negative feedback.
2-Questionnaire Script (English version)
2.1-1st page
Q1 - Gender:
(M)(F)
Q2 - Age:
[]
Q3 - Education:
(None) (Elementary) (High School) (College)
2.2-2nd page
Q4 - Which of the following subjects do you try to always be informed
[] Literature
[] Music
[] Movies / TV Series
[] Gaming
[] Technology
[] Computers

[] Photography

[] Other _____

$\ensuremath{Q5}$ - In the event of using the internet to look for information about those subjects, what do you resort to?
[] Social Networks
[] News sites of that subject
[] Communities / Forums
[] Opinion leaders websites /blogs
[] Brand websites / Blogs
[] Social Bookmarks
[] only use offline methods
2.3-3rd part
Q6 - Tem perfil / Conta em que Redes Sociais?
[] Facebook
[] Twitter
[] Google +
[] LinkedIn
[] Pinterest
[] Instagram
[] I do not use social networks
[] Other
Q7 - Which of the following brands do you follow on Social Media?
[] FNAC
[] Worten
[] Staples
[] Rádio Popular
[] Media Markt
[] Bertrand Livreiros

[] None of the above
Q8 - If you do follow, in which Social Networks? (if you have answered "none of the above" on the last question, move straight to the next question)
[] Facebook
[] Twitter
[] Google +
[] LinkedIn
[] Pinterest
[] Instagram
[] Other
Q9 - If you follow FNAC on Social Networks, why do you do so? (If on Q7 you answered that you do not follow FNAC, choose the first option)
[] I don' follow FNAC
[] To receive discounts / special offers
[] To be among the first to get the news or updates on the brand
[] I just want to show my support for the brand
[] to interact with the brand
[] One of my social networking friends recommended I follow / like it
[] I happened to notice that one of my social networking friends followed it / liked it
[] I saw an advert and was curious about it
[] I work for the brand
[] Outro

3-Facebook Posts' Engagement Data (January 2013)

Tipo	Publicado	comment	like	share	Número total de impressões da publicação
Foto	1-31-13 9:53 AM	43	104	23	27254
Ligação	1-31-13 7:01 AM	22	44	38	37988
Actualização de estado	1-31-13 5:43 AM	97	182	59	204130
Vídeo	1-31-13 3:35 AM	16	53	7	27810
Vídeo	1-31-13 1:45 AM	5	129	12	32239
Foto	1-30-13 10:30 AM	10	60	16	27407
Ligação	1-30-13 9:11 AM	61	60	25	61581
Vídeo	1-30-13 8:27 AM	79	73	22	78827
Ligação	1-30-13 7:07 AM	8	22	9	92551
Actualização de estado	1-30-13 6:26 AM	5	27	3	211858
Vídeo	1-30-13 3:01 AM		62	5	31162
Vídeo	1-29-13 10:25 AM	14	84	14	93380
Vídeo	1-29-13 3:02 AM	3	66	11	35419
Ligação	1-28-13 11:20 AM	13	95	9	43740
Foto	1-28-13 9:31 AM	40	125	37	17129
Vídeo	1-28-13 2:00 AM		34	2	20778
Vídeo	1-27-13 3:30 AM	2	41	3	32823
Vídeo	1-26-13 3:30 AM	3	44	7	31458
Partilhar	1-25-13 10:52 AM	4	73	5	95745
Foto	1-25-13 7:50 AM		18	1	22659
Vídeo	1-25-13 6:22 AM	76	338	70	73336
Foto	1-25-13 4:09 AM	2	26	10	35548
Vídeo	1-25-13 2:20 AM	15	137	22	43005
Ligação	1-24-13 1:30 PM	3	56	4	49867
Foto	1-24-13 7:07 AM	23	85	4	34204
Foto	1-24-13 4:50 AM	34	32	3	19870
Vídeo	1-24-13 3:45 AM	11	178	15	51784
Foto	1-24-13 2:18 AM	18	107	29	21088
Actualização de estado	1-23-13 4:39 AM	9	32	3	183796
Foto	1-23-13 3:43 AM	5	25	6	17680
Ligação	1-22-13 1:10 PM	1	26	2	37933
Ligação	1-22-13 10:05 AM	2	11	3	43412
Ligação	1-22-13 9:03 AM		12		39724
Actualização de estado	1-22-13 2:20 AM	12	48	4	185661
Foto	1-21-13 10:23 AM	13	63	8	18130
Ligação	1-21-13 7:20 AM		14	1	31251
Ligação	1-21-13 4:49 AM	9	24	3	34793
Ligação	1-21-13 2:44 AM		16		21593
Foto	1-19-13 6:30 AM	33	137	31	26561
Foto	1-18-13 9:54 AM	75	608	57	50471
Ligação	1-18-13 8:31 AM		12	1	29911
Ligação	1-18-13 8:00 AM		10	1	37526
Ligação	1-18-13 2:53 AM	2	17	2	28621
Foto	1-17-13 8:40 AM	227	299	13	74015
Ligação	1-17-13 4:47 AM		18	1	24646
Vídeo	1-17-13 1:49 AM	4	40	7	22008
Ligação	1-16-13 8:11 AM	3	34		29289

Ligação	1-16-13 6:29 AM	2	29	5	39567
Ligação	1-16-13 3:08 AM	1	16	3	32272
Ligação	1-15-13 6:40 AM	8	22	5	39993
Ligação	1-15-13 4:52 AM	10	44	4	46858
Vídeo	1-15-13 2:30 AM	15	140	20	36046
Ligação	1-14-13 7:01 AM	1	34	1	55753
Ligação	1-14-13 4:50 AM	2	26	6	31546
Foto	1-14-13 2:19 AM	22	148	10	27290
Ligação	1-12-13 6:20 AM	30	29	13	47492
Foto	1-11-13 9:53 AM	4	100	10	27553
Ligação	1-11-13 8:59 AM	1	16	4	29029
Foto	1-11-13 4:49 AM	3	33	12	24214
Ligação	1-10-13 6:40 AM	43	147	28	97271
Ligação	1-10-13 4:12 AM	70	85	53	42616
Foto	1-10-13 2:51 AM	109	394	50	36003
Foto	1-9-13 6:38 AM	32	43	4	33538
Vídeo	1-8-13 9:28 AM	17	206	62	80735
Foto	1-8-13 8:45 AM	32	46	10	45955
Foto	1-7-13 9:24 AM	307	402	109	49747
Ligação	1-7-13 3:42 AM	23	15	6	45427
Vídeo	1-4-13 10:44 AM	40	424	46	71742
Ligação	1-4-13 7:22 AM	3	21	2	63287
Actualização de estado	1-4-13 3:16 AM	31	148	25	300847
Ligação	1-3-13 6:39 AM	12	65	6	94173
Vídeo	1-3-13 2:19 AM	22	197	32	65617
Foto	1-2-13 10:41 AM	6	50	15	52214
Foto	1-2-13 8:27 AM	3	66	9	79467
Actualização de estado	1-2-13 3:31 AM	116	165	2	228491
Actualização de estado	1-1-13 5:44 AM	52	432	2	202627
Actualização de estado	12-31-12 12:33 PM	32	1507	3	187992
Foto	12-31-12 2:04 AM	12	272	2	27750