Facebook and College Students: Is Marketing Effective

Kelsey Craig

University of Tennessee, kcraig4@utk.edu

Follow this and additional works at: https://trace.tennessee.edu/utk_chanhonoproj

Part of the E-Commerce Commons, Entrepreneurial and Small Business Operations Commons, and the Marketing Commons

Recommended Citation

https://trace.tennessee.edu/utk_chanhonoproj/1468

This Dissertation/Thesis is brought to you for free and open access by the Supervised Undergraduate Student Research and Creative Work at TRACE: Tennessee Research and Creative Exchange. It has been accepted for inclusion in Chancellor’s Honors Program Projects by an authorized administrator of TRACE: Tennessee Research and Creative Exchange. For more information, please contact trace@utk.edu.
Facebook and College Students: Is Marketing Effective?

By: Kelsey Craig

Advisor: Mark Collins

ABSTRACT: With the revolution of marketing from print to digital media, internet marketing and advertising continues to evolve. Social media marketing on social networking communities creates the ideal environment for marketers to target particular markets. Facebook provides many modes and resources for marketers to use its rich database. This study focuses on how marketers should use Facebook and if college students are worth marketing to. The study uses a sample of one hundred college students from a large, public university through a survey as well as six individual interviews to assess marketing’s effectiveness during their Facebook use. Suggestions for marketing through Facebook to reach college students and how to determine success are discussed.
Close your eyes and imagine the world just twenty years ago before the age of such incredible technology. Landlines were the norm form of communication. Cell phones were for business professionals only. Computers did not live in every home and office. Internet was not something to be browsed. The Yellow pages were used as a daily resource. In just twenty short years, the way our society acquires information and how that information is transmitted has been completely revolutionized. Today, in the age of smart phones and global positioning systems, people depend on technology for day-to-day activities. It is part of our culture. Since Netscape’s launch in 1994, companies and individuals continue to develop more and more uses for the internet, and businesses notice.

Many common activities conducted via the internet include e-mail, instant messaging, blogging, social networking, using search engines, sharing media and information and gaming among others. Furthermore, the conversion from print to electronic media has been on the incline for years, and this trend will not stop anytime soon. Due to the internet’s various uses, internet marketing and advertising on the internet is an ever-increasing form of marketing. Throughout the life of the internet, many different methods have been developed to market to consumers via the internet as shown in Figure 1.

Of all activities conducted on the World Wide Web, social networking websites interest marketers most because they are created to connect people to people oftentimes with a specific purpose. Moreover, developers recently discovered their ability to connect people to products, brands, companies and organizations resulting in a marketing frenzy. Though every activity performed on the internet holds the capacity to include marketing and advertising in some way whether it be through banners or pop-up windows, social networking sites’ structures require people to submit certain personal data to become users (e.g. name, gender, location, age, etc.),
which provides rich databases for marketers to access target markets. Social networks also use the ability of “real-time Web content” for interactive marketing (Morrissey 2009), which disregards simple content delivery and focuses on instant feedback and direct interaction with the consumers resulting in customer experiences.

Of the numerous social networking sites, Facebook currently provides the most innovative opportunities for internet marketing thanks to its founder, Mark Zuckerberg, and highly qualified Chief Operating Officer, Sheryl Sandberg (Facebook 2009). Since its launch in February 2004, Facebook has gained more than 550 million users, which is quite a phenomenon. In the past few years, Facebook launched numerous channels for marketing and advertising
through their website such as Pages\(^1\) and sponsored ads. They also provide the resources needed to create ads, target particular market segments and analyze ad and user statistics for reference purposes.

Utilizing Pages, which act as public profiles, creates awareness, builds support and provides information about a particular person, organization, company, campaign or more directly to Facebook users. Businesses often use these to connect people not only to their brand or products but also to people with similar interests or ideas. Users can “Like”\(^2\) a Page allowing them post on the Page wall\(^3\) and connect with others who may “Like” the same thing.

Facebook also implements other marketing opportunities for advertisers allowing companies or organizations to easily target a particular market segment. A sponsored ad banner appears on the right side of the screen when users are looking at any Facebook page other than their home page\(^4\). Marketers can specify who they want to see the ads and how often it appears. The ads displayed utilize a pay-per-click billing feature, so advertisers are only charged when and if someone clicks on their ad. Still, Facebook provides different levels and types of ads and offers specific ad types to promote an external website, Facebook Application\(^5\), Facebook Page

---

1 According to Facebook, a Page is a Facebook public profile providing free, customizable presences for bands, sports teams, artists, films, brands, non-profits and businesses to join the conversation with Facebook users.

2 According to Facebook, “Like” is a familiar action Facebook users use to attribute value to various objects on the site - photos, wall posts, status updates, and notes. By clicking on the “Like” link, users are able to express their sentiment for a Page and share this expression with their friends.

3 A wall acts as a user’s public profile and provides a place for friends to “write” short messages or post links that are visible to the user’s friends depending on privacy settings.

4 A home page consists of links for applications, a user’s news feed and other links that are particular to that user based on settings.

5 According to Facebook, applications on Facebook are designed to enhance your experience on the site with engaging games and useful features like events and photos. Some applications are built by Facebook developers, but most applications are built by outside developers.
or Facebook Event⁶. These ads also have the ability to utilize the “Like” feature and make connections among members if the ad promotes a Facebook object. For example, beneath an ad it may display a “Like” button and say “5,000 people like this.”

Facebook’s methods attract businesses because Facebook provides not only the data to reach a target market but also ads’ performance metrics. Ads and posts can be tailored to people in a particular area, at a certain school, with a specific level of education, of a certain gender, with particular interests and more. If a company knows who they want to reach, they can easily do so on Facebook since users represent just about every demographic with internet access. With so many millions of users, there are people of all different walks of life with all different interests who engage in the world’s most successful social network. Furthermore, there is no need to learn the technicalities of advertising on Facebook before creating an ad plan because they lay out the process step by step from identifying goals to creating an ad to setting a budget to tracking ad performance to improving an ad through creativity, reach and targeting.

Facebook and the Future of Marketing

New marketing concepts are presented regularly, but not all concepts prove to be successful. Internet marketing is one concept that has not only been successful within a relatively short time frame but also has created a whole new world for marketers. The possibilities online are endless. As previously mentioned, there are infinite marketing and advertising opportunities on the web through a plethora of different online channels such as email, pop-up ads, banners, blogs, social websites and more. Though the audience is not quite as diverse online as it may be for mass print media or other traditional media forms due to

---

⁶ The Events application allows users to organize gatherings and parties with friends, as well as let people in the community know about upcoming events.
accessibility restrictions, it has the advantage of being able to be tailored to a specific audience and customized more so than ever before. Marketing changed from product driven for the masses to customer driven for target segments and now to values driven for individuals (Kotler 2010). Mass marketing no longer cuts it online.

Facebook customizes ads well and proves extremely important to the revolution of marketing and the evolution of the ever-expanding internet marketing because it employs multiple methods through a single social networking site. Studying marketing concepts on Facebook grants a better understanding of current online marketing concepts and where they may be headed in the future. Facebook’s innovative ideas pave roads for interactive marketing in the future because developers constantly find new ways to reach consumers promoting the evolution of social media marketing. With over 550 million users worldwide, Facebook has a global impact.

Marketing on social networks such as Facebook is wildly popular for all industries due to demographic accessibility. The power to have real-time campaigns and interactive capabilities gives Facebook and similar sites an edge over boring print ads or monotonous banners and pop-up ads. A customer’s direct interaction with a company or product representative creates a more personal experience for the consumer, which allows the brand to build consumers’ trust resulting in a boost of brand loyalty (Morrissey 2009). Social media interaction is a “bottom-up activity” because it cannot use planning methods like traditional marketing concepts (Francellla 2011), reason being that social media advertising, especially on Facebook, involves high levels of interaction and real-time responses from unpredictable consumers. It starts with the consumer and companies must react, which is opposite of traditional marketing in which consumers react to companies or their marketing campaigns.
In 2004 when Zuckerberg introduced the Facebook platform on Harvard’s campus, he intended to keep the website exclusive to college students as a means of connecting students on campus. He did not anticipate the growth it experienced, and as it expanded, it only made sense to introduce marketing and advertising options. As portrayed in *The Social Network*, Zuckerberg knew students did not want to see advertisements because they are “not cool.” Regardless, Facebook developed many ways for companies to connect to consumers and still continue to do so. The interest lies in whether or not marketing through Facebook effectively reaches students since they prefer it not be there. According to more than one student, Facebook’s ads are “annoying.”

This study will focus on college students, but also expand ideas beyond those suggested by college students to gain a better understanding of the Facebook marketing model and if businesses using Facebook are effectively reaching college markets or not. By studying the aforementioned Facebook marketing tools, I believe I will provide valuable information regarding the effectiveness, or lack thereof, of Facebook marketing among college students as well as the most effective tactics to use this fairly new concept of marketing within one website. Since interactive and social marketing are such new concepts, it is important to understand how they can be utilized to their full advantage and how the advantages affect consumer attitudes about a product, company, brand, organization etc. From this study we will learn not only why Facebook marketing is so trendy but also how to effectively utilize the tools Facebook provides for marketers to appeal to users and generate involvement. My research questions are as follows:

1. Why is marketing on Facebook so popular? Is the creation of Facebook Pages comparable to the dotcom boom?
2. Does marketing on Facebook effectively reach the college student demographic? And if so, what is considered effective marketing to college students on Facebook?

Methods

To better understand how to be effective when marketing on Facebook and if it works for the college student demographic, I collected secondary data from sources such as Facebook, Business Source Premier, the Journal of Interactive Advertising and other scholarly journals and articles, which is outlined throughout my study. My findings failed to reveal sufficient data pertaining to college students. On the contrary, the research generated a lot of questions and pertinent information.

Next, I conducted six individual grand tour interviews with college students who are involved in varying activities and groups across campus. In the interviews, I asked interviewees to walk me through how they use Facebook and made deeper inquiries throughout the interview to better understand what value they placed on Facebook and what is important to them when using Facebook. I intentionally avoided asking about marketing until the end of the interview unless they brought it up to prevent skewed responses. After interviewing participants, I transcribed the conversations and studied the response to find parallels and differences among the different students.

Lastly, an internet survey was sent via email to students across campus, posted on Facebook and posted in a tweet on Twitter with the purpose of gaining an understanding of how much time people spend on Facebook and how that time is used. The survey also included

---

7 A mini-blogging social media site
questions pertaining to how frequent participants visit company/brand Pages and if they engage with or Share the content. It sampled 100 students\(^8\) on a large, public university campus. With the resources provided on the survey website, I examined the responses and analyzed the data to draw conclusions.

**What’s the big deal about social media marketing?**

Before focusing on Facebook, it is imperative marketers understand the idea behind social media marketing. As previously discussed, marketing constantly evolves to reach more consumers, which is why marketing on the internet attracts so many. According to “The Next Generation of Direct Marketing,” online marketing enables businesses to “track results in real-time, create more messages in a given time, and reach a specific set of consumers with ease.” Social media marketing takes it one step further by incorporating user generated content (UGC), which is content generated by end users or ordinary people who are not trained marketers. A study conducted among college students at a large, public university concluded that, in general, students trust and deem UGC more credible and reliable than product generated content (PGC), or content created by marketers or producers, based on a) the assumption that UGC was not produced by marketers or planted sources and b) PGC has the motive to sell a product or gain business which may skew the claim (Cheong 2008). This suggests that what people post online via social media, whether positive or negative, can affect others opinions and decisions when looking for information about products or services. The electronic word of mouth has potential to help or hurt a business just as much as traditional word of mouth.

---

\(^8\) Almost 200 students responded to the survey, but not all data was retrieved due to resource constraints.
Regardless of positive or negative discussions, marketers need to be involved in these conversations. It builds brand credibility and shows consumers they care. If the conversation reflects poorly on a brand, marketers have the power to respond and guide the conversation in a more positive direction.

Engaging consumers through social media is easier said than done, especially when they have something positive to say. Marketers must remember that the consumer cares about himself or herself, so if a consumer does not get anything out of it, they are less likely to engage. For example, OfficeMax sponsored “Elf Yourself” during the holiday season engaging customers in a feel good holiday campaign allowing them to put actual faces on dancing elves. Though the campaign did not sell anything, it provided entertainment to consumers, generated website activity and built brand awareness, which should be a goal for all companies engaging in social media marketing (Sheenhan 2009).

So why is Facebook better than any other social media marketing? Facebook may not be any better than another social media site for all industries or product groups; yet, they provide a plethora or resources for marketers unparalleled by any other social media site. In short, marketers should consider using Facebook for three reasons: immense size, provided resources and metrics for continual improvement.

First and foremost, Facebook is the biggest website in the world according to Nielsen, a renowned measurement company (Young 11). It reaches people on a global scale and covers all demographics with internet access enabling marketers to pinpoint their target markets essentially serving as a rich data mine. Facebook collects invaluable data about its users including specifics like personal interests, sexual orientation, favorite books, movies and music, religious views and so much more. Brand presence on Facebook can connect a brand directly to its target consumers
and, when targeted to the correct market, increase website traffic and brand awareness at little to no cost.

More specifically to the study, of the 550 million users on Facebook, the age 18-24, or college age, demographic represents 45.5 million users as of January 2011 and the highest growth rate of any other age demographic over the past year (Corbett3000). College students’ access to the internet in unparalleled by any other demographic since they use computers religiously for school work and lack restrictions to social websites that others may have in different age demographics when using computers at work. In today’s world, most campuses have wireless internet access creating ease of use for most students with laptops allowing students to have access anywhere and anytime. According to the survey, 52% of students spend more than four hours on Facebook per week with 16% spending over eight hours on the website. Though significant, these findings are assumed to be consistent with The Economists report that people typically under-report time spent watching television due factors such as multi-tasking. As a result, it is strongly suggested that these results underestimate time spent using Facebook per week.

The resources Facebook provides also create an advantage for marketers. Beyond walking marketers step-by-step through the ad creation process and allowing them to custom select who they want to see their ads, Facebook supplies many other tools that are more focused on the social aspect of social media too. The “Share” feature lets users literally share a post of any sort with all of their friends9 by posting it to their personal profile which in turn creates a post in friends’ news feeds10 or on others’ walls if specified.

9 People a user is directly connected to on Facebook.
10 A news feed is a list of a user’s friends’ Facebook activities and appears on a user’s home page.
This UGC can work wonders for a brand if others find interest in what is posted because it can generate “Likes” and website or Page traffic. Based on survey results, only 11.5% of college students are unlikely or very unlikely to pay more attention to items in their news feed if one of their friends “Likes” it, meaning that the more friends who “Like” a post, the more likely others are to notice it and “Like” it creating a ripple effect. Additionally, Facebook implements a tool referred to as “Facebook Connect,” allowing advertisers to post a Facebook icon directly on their external website. This icon allows users to Share the website in one easy click, a convenience adding extra incentive to Share content. Beyond these tools, businesses may also use Applications, Events and other tools to market themselves to Facebook users or fans on their Page.

Last but not least, Facebook rewards marketers by providing methods to monitor ads. In 2009 Facebook announced its partnership with Nielsen that allows advertisers to gain a better insight into how ads on Facebook correlate to consumer behavior (Facebook, Nielsen team up 2009). Through this partnership Facebook provides ad performance metrics as well as social metrics such as reports on friends of people who “Like” your Page, use your Application or are attending your Event. In a platform called the Ads Manager, Facebook supplies real-time statistics and inline editing features, facilitating marketers’ needs to “quickly identify successful campaign and ad attributes, create new campaigns and ads, adjust existing campaigns and ads, and reallocate your budget - all in the simple to use web interface” through table, graph and report formats (Facebook 2011). Still, many argue that it is difficult to determine the effect on the bottom line and if using Facebook and establishing direct connections with customers is worth the time involved.
**How do you utilize Facebook to its fullest potential?**

So you are a marketer and you have all these tools provided to you, but what will make your Facebook marketing successful and better than your competitors? “Building a reputable Facebook page will take time, effort and money” says Thomas Pardee, a writer for *Advertising Age*. He further argues that “Though the Like button appears all over websites and Facebook pages, the number of fans a page has does not indicate its success…it is better to have half as many fans and twice as much interaction on the page” (2011). All possible metrics are listed in Appendix A, but many reveal no real value to marketers. To determine what metrics best fit a particular brand, realistic goals must be established. Goals should focus in utilizing all resources to create the most interaction. To maximize all Facebook has to offer and create a worthwhile campaign, marketers must focus on three things.

1. **Content**
2. **Engagement**
3. **Connections and Sharing**

First and foremost, content is crucial to get users’ attention. Ads need to relate to users and lure them in. It must be relevant to the target consumer and include something that encourages them to return to the site whether it is product or brand information or press releases relating to the industry or market. Based on the “Levels of Involvement Pyramid” in Figure 2, this includes seeing the content and reading the content. Considering the number of impressions a post receives based on statistics, it only reaches about 20-50% of the fan base after factoring in how many people hide posts, miss them in the clutter of the news feed or do not see them at all (Pardee 2011).
StorQuest, a storage leasing company, hired research company G5 to create a campaign targeting college students on 21 campuses across the nation using ads linked to their external website. Rentals increased 50% over the previous year. Though the increase in sales may be influenced by multiple factors, Facebook ads had some contribution (Flexible 2009). There is no way to measure exactly how many actual ad impressions are made. This makes it that much more important to catch a user’s eye, be pleasing to see and demonstrate user friendliness (Pekala 2010). In addition, if a user does not find what they want on a Page, they will not visit it again, so think about what they want to see and why they come in the first place. According to the survey, over 80% of college students never or rarely visit pages they “Like,” which may be attributed to not seeing what they want to see or not considering Pages a reason to use Facebook. Consider what can be offered to users such as coupons, exclusive deals, pictures and links. Content must lead to user engagement.

Engaging users once they get to the Page is often extremely difficult. The “hits” on a Page only tell that someone visited a piece of content but does not reveal if they did more than take a quick glance, which is why users need to be engaged. Based on the pyramid, this includes commenting, clicking, interacting on Page or website and potentially purchasing an item or service. The traditional ways to engage users on Facebook such as writing on a wall or making simple posts no longer works, so businesses now think outside.

Figure 2. Levels of Involvement
the box. Refrain from considering a Page a one-way, free marketing site because it no longer works. Instead encourage users to share stories, utilize discussion boards for customer service purposes or others, host contests, create and brand Applications or use already existing Applications to do things like set up a consumer shopping tab or publish an Event. Based on survey results, students typically reply to Event invitations, but mixed responses reveal that the responses may or may not indicate their intention to attend or not. Still, Facebook offers a plethora of opportunities for a business to engage users. If users enjoy their experience on the Page, they have a higher chance of Sharing a post from the Page, “Liking” a post or Sharing the Page with friends creating posts in friends’ news feeds. On average, college students spend almost 40% of their time spent on Facebook browsing their newsfeed making the news feed the number one opportunity to reach users.

Getting users to Share your content with their friends exhibits the nirvana of Facebook marketing. Sharing creates posts in various places depending on where the user specifies, but it most likely appears in friends’ news feeds. Since Sharing is UGC, people are more likely to respond to the content and generate interaction (Daughtery 2008). When browsing news feeds, 53% of college students are likely or very likely to pay more attention to posts if a friend “Likes” it while only 11% are unlikely or very unlikely to pay more attention. This proves UGC’s impact. The interaction creates a ripple effect exposing the content to more and more people. When a user Shares content related to a brand or company, they show their personal stamp of approval which is electronic word of mouth and can draw new people to your Page or website. Only 14% of college students are very likely to Share a link they like so it needs to be unique. Whether it is a link to a Page, external website or a video, craft something that stands out so users cannot help but Share it with friends.
Conclusions

The causes behind the Facebook marketing frenzy stem from Facebook’s immense size, provided marketing resources and metrics in the Ads Manager used for improvement. With so much data available, Facebook allows marketers to hone their customization skills. In spite of this, using the resources effectively proves more difficult. With such simplicity, it is easy to see how creating Facebook Pages and ads has a bandwagon effect. Much like the “dot com” boom of the 1990s, businesses create Pages simply because they think they need to be on Facebook. Many marketers believe that lacking Facebook presence can seriously hurt a business in this digital world. Conversely, there is no use in creating a Page if it is not used effectively. Though Facebook is the most popular social networking site in the world, it is far from a one-size-fits-all solution. While it is theoretically a cost-effective way to reach consumers, investing time and effort into a Page and/or ads makes no sense without proper knowledge of how to utilize it to effectively interact with consumers. On average, college students spend less than 2% of their time spent on Facebook looking at Pages. This statistic indicates that marketers are not being effective in engaging students. College students do not view Facebook as a resource to connect with companies or brands.

Though some companies utilize Facebook well, many do not. This study focuses on the college student demographic and may or may not be able to be extrapolated over other demographics. Based on research, marketing reaches the college student demographic but is not effective. The general consensus reveals that marketing on Facebook is “annoying.” One student states that she “steer[s] clear of [Applications] because updates are incredibly annoying and they update too often.” When discussing ads posted on the side of Facebook another student
said “They’re really obnoxious and they seem to know all about me and my personality…so it’s obvious that they’re trying to market towards people that will be interested in specific ads;” yet she falls in the 73% of students who never click on ads, many of whom do not trust the ads.

Based on the interviews, it is apparent that college students notice the ads on Facebook, but most do not engage. Pages seem to fall into the same rut. Many people “Like” Pages, but never or rarely visit the actual Page. One student suggested that he tries to avoid “Liking” Pages to prevent clutter in his news feed. He also explained students’ view of Pages well when he said, “I ‘Like’ Pages to convey my interests, but [I] do not visit the Pages.” If students do not do more than add a brand or company to a list, Facebook marketing fails to reach its goal of engagement.

Engaging users presents a huge bump in the road for marketers. If they can get over the bump and engage users who Share with others, they can be effective. As a social networking site, users main purpose is to connect with friends (Survey). When content is Shared by friends and not to the mass Facebook market, it creates a more personal connection often resulting in engagement, which is how success should be measured. Utilizing Facebook as a means to gain ROI will leave a company at a loss. Marketers need to base success on relationships with customers. The number of impressions and people who “Like” a Page suit brand awareness metrics, but engagement involves length and relevance of reviews, impression-to-interaction ratio, frequency of interaction and more. To truly achieve a social marketing victory on Facebook it needs to be social, meaning friend involvement, and yield electronic word of mouth. Though not always measurable, it concentrates on building the brand rather than focusing on the bottom line.

Limitations and Further Research
This study examined a limited sample of college students from one large public university. Though it is a large enough sample to draw conclusions, the sample may not be representative of the university as a whole or large enough to extrapolate over all college students using Facebook.

Limited resources prevented further analysis of survey results. Further research should investigate correlation between many groups including those who “Like” Pages often and very often and how frequent they visit Pages. Other research direction might examine specific industries that experience the greatest success from marketing to college students. It may include but is not limited to college students’ most important interests and measure what type of post is Shared most frequently and why.

Further research may also involve an experiment that puts all aforesaid suggestions into action after establishing a product, service or campaign to promote on a campus or across multiple campuses. Use Facebook’s Ad Manager and other metrics to determine whether or not Facebook marketing is effective. Depending on the product or service, ascertain if the campaign only generates brand awareness or if students engage and Share content with friends. Putting Facebook marketing into action through isolated channels will help establish a more concrete claim on Facebook marketing effectiveness for college students.
REFERENCES


