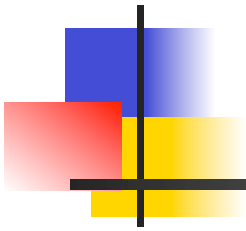


Facebook: An Advertising Juggernaut?



Taken from Bloomberg's Sept. 27 - Oct. 3 article: "Sell your friends"

By Rohun Ati



A new kind of marketing?

- Facebook has been able to put together a more personal and social kind of advertising.
- “...everything is more valuable when you have context about what your friends are doing” - Zuckerberg.



Why Facebook?

- The “social” facet offers what Yahoo and AOL cannot.
- Nielsen: Facebook users average about six hours a month on the site, as opposed to two hours spent on Yahoo and AOL.



How does Facebook enhance advertising?

- Marketers can utilize Facebook's automated ad system, using the user's likes and preferences to advertise products and services the user may be more inclined to buy.
- "Engagement ads" - play a video, "like" a page, etc.



How does Facebook enhance advertising cont'd...

- Nielsen: 30% more likely to recall ad.
- Enough “likes” and the ad will jump from right side advertising to main page feed, at no cost to the advertiser.
- The “like” button is powerful.
Advertisers can use this to create digital profiles to find potential customers.



Proposal

- Develop a quantitative method of tracing (perhaps in a cognitive or neurological fashion) a user's inclination to buy a product/service/good when seen on a social networking website.