

A Facebook Marketing Communication Plan for Luha Reality

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ABSTRAKT

Tato bakalářská práce podtrhuje důležitost využití Facebooku a identifikuje jeho aktuální možnosti v online marketingu. Teoretická část se zaměřuje zejména na plánování marketingové komunikace na Facebooku a posouzení její návratnosti. Praktická část představuje realitní kancelář Luha Reality a uvádí důvody, proč by kancelář měla používat Facebook jako marketingový nástroj. Na základě teoretické části je potom vytvořen plán marketingové komunikace na Facebooku, který je následně realizován a vyhodnocen.

Klíčová slova: Facebook, sociální sítě, marketing, internet, realitní kancelář, fan page

ABSTRACT

This bachelor thesis emphasizes the importance of Facebook and identifies its actual real potential in online marketing. The theoretical part focuses on planning a marketing communication strategy on Facebook and measuring its return on investment. The practical part introduces the real estate company, Luha Reality, and points out why it should establish Facebook as a marketing channel. Based on the theoretical part, a plan of marketing communication on Facebook was created, implemented and evaluated.

Keywords: Facebook, social media, marketing, internet, real estate, fan page

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INTRODUCTION

We live in an era in which the internet is considered an absolutely common part of our lives and social media such as Facebook has more power than ever. This state of affairs is due to the significant development in technology, especially of cell phones, computers and tablets. Therefore, social media are all around us whether we like it or not. In the last decade Facebook in particular has experienced serious expansion and gained a leading position among social media with the most users world-wide. Businesses should not underestimate this fact and should incorporate Facebook into their marketing communication strategy. Thanks to the possibility of creating a Facebook fan page, even small and medium locally based enterprises can benefit from it by spreading positive word of mouth, increasing brand awareness and increasing customer loyalty.

The main aim of this bachelor thesis is to identify current possibilities of Facebook marketing, to create a preliminary form of fan page for the real estate company, Luha Reality, to implement it and to evaluate the results.

This thesis is divided into the theoretical part and practical part. The theoretical part will provide knowledge about the fundamentals of marketing and its main tools as marketing mix and marketing communication. Furthermore, online marketing will be described and the importance of marketing communication on social media. Also provided will be a complex and flexible scheme for measuring the return on investment from the social media. The further chapters of the theoretical part will also introduce a model of marketing communication on Facebook and its possible practical usage. The practical part will be focused on a small real estate company, Luha Reality. The thesis will underline why Facebook for Luha Reality should be beneficial based on the SWOT analysis and the assessment of the competition. Furthermore, Facebook marketing strategy will be provided which the firm is going to use. The strategy was also implemented and at the end of the thesis will be evaluated from various points of view.

I. THEORY

1 MARKETING

Marketing is the scientific field which is a part of Management. The key purpose of marketing for the enterprise is comprehension of the needs and wants of its customers and fulfilling those needs and wants in a better way than the competition. Further purpose is then to ensure stable demand for the company's product or services thanks to satisfied customers. Marketing is important for any kind of corporation which is operating on the competitive market (Kotler and Keller 2012, 5). Definition, by Philip Kotler states that "Marketing is an art and a science of the selection of the right target markets and acquisition and preservation of the customers by a creation and provision of a better value for the customers" (Kotler 2001, 7). Additionally, Kotler also provides a social definition of marketing "Marketing is a social process in which individuals and groups achieve what they want and what they need. We also create, offer and freely exchange valuable products or services within this process." and further, Kotler also provides a management definition of marketing, which states that "Marketing is a process of planning and realization of certain concepts, determination of prices, advertising and distribution of ideas, products and services in order to generate exchanges which would fulfill aims of the individual and the aims of the company as well" (Kotler 2001, 7).

Strategic marketing is "a sequence of strategic marketing activities as strategic marketing analysis, formulation of marketing strategy, implementation of marketing strategy and checking of the results of marketing strategy." This sequence should be an ongoing and never-ending process in which these activities overlap each other. Marketing strategy should be one of the long-term aims of the company (Hanzelková and others 2009, 2).

1.1 Marketing mix

Marketing mix is a set of marketing tools which can help a business increase its revenues. This concept was developed by Neil Borde in 1949 and it is used in companies in several modifications till nowadays. Essentially, marketing mix is divided into 4 tools which are commonly known as 4P's of marketing:

- Product
- Price
- Place
- Promotion.

These 4 elements should be mainly considered while launching a product into the market (Kotler 2003, 108). Therefore they will be described in the following paragraphs.

1.1.1 Product

The product is understood as either a tangible subject or a service. The company should consider various features of the product before it is launched at the market, especially: name, use, quality, style, security, support, repairs, warranty and accessories. All of these features should coincide with the needs of the targeted customer (Kotler and Keller 2012, 26).

1.1.2 Price

Furthermore, the company should decide about the price of the product based on the targeted customer (Kotler and Keller 2012, 26). Price is the only part of the marketing mix which has direct influence on the economic indicators of the firm, therefore managers should determine the price carefully (Hesková and Štarchoň 2009, 14). Higher pricing can be considered and addressed as Skimming or lower pricing called Penetration. Also, further pricing techniques are: usage of the suggested retail price, bundling, volume discounts, wholesale pricing, seasonal pricing and discounts for early payments and cash payments (Kotler and Armstrong 2012, 52).

1.1.3 Place

Place can also be referred to as distribution. Basically, the way the customer will be able to get the product (NetMBA 2010). The decision about distribution can be based on the level of market coverage, inventory management, warehousing, centers of distribution, processing of the order, transportation and also logistics (Kotler and Armstrong 2012, 52).

1.1.4 Promotion

Regarding a marketing mix, promotion focuses mainly on communicating a message to the customer for the purpose of getting a positive response (NetMBA, 2010). The main aspects of promotion are creating all together the Promotional mix which consists of 5 parts:

- advertising
- personal selling
- direct marketing
- sales promotions
- public relations

Each of these five parts has various forms of approaching the customer (Kotler and Armstrong 2003, 408). Advertising can be any type of ad material in magazines, newspapers, journals, television or on the internet. Personal selling is one-on-one communication between the seller and customer. Direct marketing is any type of advertising which is

targeted on a specific customer. Examples of direct marketing are phone calls, emails or mails via post. Sales promotions are materials which are supposed to motivate customers to buy a product based on the cheaper price. Public relations are activities of the company with the purpose of creating a positive image of the company via media or public events. This positive intent is focusing non-directly on the increase of sales (Edward Lowe Foundation 2017). The Promotional mix itself is tightly connected to the Marketing communication which will be described in the next paragraph (Kotler, Armstrong 2003, 408).

1.2 Marketing communication

A Marketing communication is a communication between a firm and a customer and it is the most visible part of the firm's marketing. Nevertheless, the term "communication" is quite extensive and therefore liable to complex impressions which are obtained by a receiving party and happen even if it is not planned. For instance, the firm communication are not considered just catalogs which are promoting the price of the product, communication also considers the salesman's dress code and the interiors of offices (Kotler 2003, 18). Thus companies should be organized and deliver to the public sustainable meaning of the brand. Recalling the marketing mix, "communication" is covering the 4th P called Promotion. The Promotion is a part of communication which is responsible for informing and building of interest in the customer's mind which leads to a purchase (Eagle and others 2015, 2-3). A marketing communication has two main objectives which are:

- creating preference
- shortening of the sales cycle.

Creating preference means concretely creating preference of a certain product or a service in the mind of a customer. This preference is created by marketing communication tools which were mentioned in the paragraph above. The creation of preference is usually a long-term process and needs to be done with a certain consistency regarding the main aspects of product, price and distribution. The second objective of marketing communication is to shorten the sales cycle. The figure below describes the process through which a customer goes while buying a product.

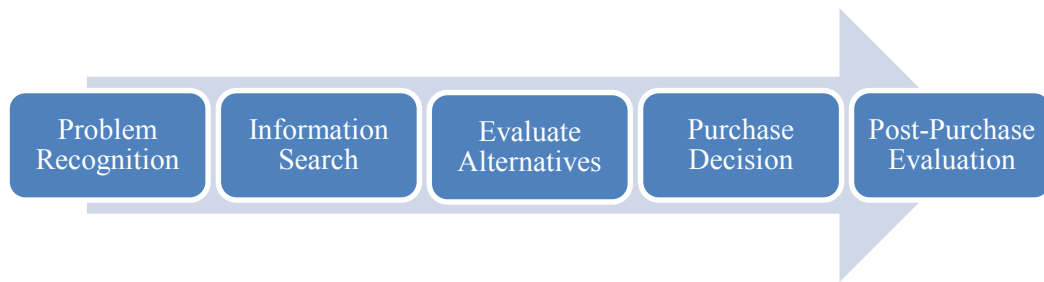


Figure 1. Buying process

Source: MaRS 2013

The objective of the marketing communication is to possibly make this process quicker. The key aspect of speeding-up this process is the comprehension of the buying process from the customer's point of view. Thanks to this knowledge, marketing communication can assist in sales with determination, engagement and acquisition of customers (Wiefels 2002, 226). For instance, in the case of high-technology products, customers need to have appropriate knowledge in the early stages of the buying process. Therefore marketing communication's main aim would be the creation of relevant information and then further spreading of this information through the packaging, printed materials and the other communicational channels in order to provide this information to the customer and speed-up the buying process by it. However, both of the objectives of the marketing communication must be balanced in order to avoid issues with legitimacy of the strategy. This balance is achieved by a close collaboration of sales departments and customer-facing partners (MaRS 2013).

2 ONLINE MARKETING

The internet is a world-wide computer network which has dozens of millions of participants and provides various services, especially access to the hypertext documents (World Wide Web), electronic post (email), audiovisual broadcasts, transmission of data files, programs, etc. The Internet is an international and freely organized cooperation of connected networks which allows a communication of the connected computers thanks to voluntary acceptance and compliance of standardized protocols and procedures (Kotler Armstrong 2012, 508-509). Based on the evidence the number of internet users worldwide in 2016 was 3,5 billion which is about half of the world's population (Statista 2017). Furthermore, the number of internet users in the Czech Republic in 2016 was 9,3 million which is 88,4% of the population (Internet Live Stats 2016). These statistics show that the internet is ubiquitous and therefore it creates a must for the firms to be present online in order to keep up with today's innovative world. For companies, being online is not a competitive advantage anymore, it is rather an essential aspect of their marketing because the firms should be promoting themselves where their audience is and the audience is nowadays likely on the internet. This marketing on the internet is called Online Marketing. Online Marketing covers especially a creation of WWW (World Wide Web) sites but also advertisements on the internet, marketing research on the internet, sales on the internet and other activities. Online Marketing requires in many cases a different approach than traditional marketing (Blažková 2005, 30).

2.1 World Wide Web

As was stated in the previous paragraph, creation of WWW sites is one of the main features of Online Marketing therefore this paragraph is going to further introduce World Wide Web sites. WWW is a hypertext document with links to the other hypertext documents within the internet and was initially created for an easy exchange of information between scientists. When the internet became more commercialized, people also started to think of the possibilities of using WWW sites for marketing purposes and began with the creation of WWW sites which represented firms (Blažková 2005, 34). Nevertheless, at this time, the internet was still just a tool for searching information and most of the users were passive. The breakeven point in the evolution of the internet was the so-called Web 2.0, which was the upgrade of web sites which converted them from just a static tool to the dynamic tool which enabled the users' interaction. This improvement led to the boom of the social media which allowed people to share their information, experiences and opinions in real time.

Social media also encouraged people to create communities with common interests and beliefs (O'Reilly, 2006).

2.2 Social Media Marketing

First of all, it is relevant to mention that the advertising done on social media brings to the marketing campaign added value thanks to the interaction between people. Social media are created to share people's points of view and to shape communities. Nevertheless, companies are not completely in charge of this interaction, therefore it is necessary for the companies to use an appropriate approach and tools in order to shape this communication. The most popular social media are currently Facebook, Instagram, Twitter, YouTube, Snapchat, LinkedIn and Google+. All of these platforms allow companies to create their business profile which can generate likes, followers and comments among the users. Based on the evidence, these activities of the companies increase the shareholder's value in the long-term (Bekoglu 2016, 263). Furthermore, social media are also popular due to the constituent rise of smart phone usage. Currently, the number of smartphone users worldwide is 2,6 billion and is expected to grow to 6,1 billion by 2020 (Shemenski 2016). Social media should therefore experience massive growth because already 80% of its users are accessing social media via smartphone and for every 5 minutes spent on digital media is 1 minute spent on social media or on social media apps (Sterling 2016).

2.3 Return on Investment from Social Media

Regarding the fact that the popularity of a business promotion on social media constantly raises, the need for measuring its effectiveness, in turn raises, as well in order to keep the performance high (Bekoglu 2016, 266). However, the research reveals that many of the companies are not measuring this effectiveness. One of the reasons why they do not do so is that a process of measuring is quite complicated and does not always have clear results. Many people also argue that "Social media platforms are not about money but about people." (Taylor 2011) therefore it is not possible to come up with clear results of the return on investment. Nevertheless, there are ways to measure the return on investment from social media. It is just important to use a different approach than the traditional marketing channels such as face-to-face or online communication (McCann and Barlow 2015, 275). A common way to calculate a return on investment is:

$$ROI = \frac{\text{Investment gain} - \text{Investment cost}}{\text{Investment cost}}$$

Equation 1. Calculation of return on investment

Source: McCann and Barlow 2015, 275

Due to this, the value of the gain and the value of the cost, needs to be set as a gain can be considered a cost deduction or increased revenue. Investment cost consists of four parts: human resource, technology, time spent and “the other” (McCann and Barlow 2015, 276).

While the investment cost into a social media is clear, the gain of this investment is harder to determine. In the common way of calculating return on investment, only financial gains are supposed to be considered into the final sum of an investment. However, a social media also brings a lot of non-financial gains such as brand awareness, good relations with a customer or better customer service. These non-financial gains have a high potential of becoming financial gains in the long run, for example familiarity with a brand which comes from social media can cause a shift in consumer buying behaviour and therefore increase sales non-directly. Due to a complexity of such slight nuances and hinges it is not simple to measure a return on investment from any social media (Blanchard 2011, 226). Therefore, companies should adopt a “transparent, standardised and flexible measurement framework” along with suitable planning of social media strategy in order to prove efficiency of a social media campaign (Mangiuc 2009, 86).

2.4 Social media planning model

As it has been said in a previous paragraph, social media planning is a key factor in measuring the return on investment from a social media. McCann and Barlow introduce a 3-stage-flexible planning model which is easily adopted even by small and medium enterprises. The first stage includes planning, the second stage covers implementing of the actual strategy and the third stage is evaluating the benefits gained by the campaign (McCann and Barlow 2015, 284).

The first question that every company has to face at the beginning is what are the objectives they want to achieve through a social media. The objectives can be; for example, improvement of customer service, increase of sales, improvement of brand awareness, reduction of cost of the promotion, improvement of promotion, building a relationship with

customers or increasing traffic to a web site. Furthermore, the company should also choose metrics of a certain objectives in order to be able to measure the performance on social media. The metrics can be; for example, tracking of positivity or negativity of comments, monitoring click-through rates that lead to purchase, analysing a number of mentions across channels, observing a change in cost, assessing the number of page views or assessing the ranking in search platforms. Once the objectives of the company are set they should be linked with specific metrics. In order to avoid any misunderstandings of the measured performance only a few metrics should be chosen for specific objectives (McCann and Barlow 2015, 284-287).

Once a company has set the objectives and suitable metrics they are able to choose which social media is the most appropriate for them (Bernoff and Li 2008, 37). Furthermore, the company should pick a tool by which they are going to analyze the metrics chosen in the first stage. Social media usually have their own tools for metrics. For example, Facebook has Facebook Analytics or Google has Google Analytics. These tools can precisely measure the metrics which were mentioned in the paragraph above. Included in the metrics should be quantitative and qualitative data of the promotion as well. In the case of social media, quantitative data are; for example, the number of likes or the comments. The qualitative data would be; for example, a positivity or negativity of those comments. Quantitative insights could be measured by the tools offered by the social media itself. For a measuring of the qualitative data, there are tools developed as well and those tools are even able to collect the insight from more than one social media. Some of these tools are Radian6 or SAS. On the other hand these tools are not completely infallible regarding the assessing of the qualitative data, therefore a company should assess the qualitative data personally as well (McCann and Barlow 2015, 273-287).

The last stage of this model is evaluation of a social media strategy. Evaluated first are short term benefits, then long term benefits and, thereafter the long term return on investment is assessed. This model is quite simplified and therefore suitable even for a small business. The process of the evaluation should be ongoing and the insights found should be used for improving all the stages of the model to get the return on investment even higher (McCann and Barlow 2015, 273-287).

2.5 Google Analytics

This tool developed for tracking traffic on the web page. Google Analytics help developers or owners of the web page with finding out how people found their page, how long they stayed, what they clicked on or what they did not click on. All these insights might be valuable in terms of finding out how successful, for example, online advertisements were or how beneficial their social media campaign was and it helps with finding out how high the return on investment was as well (Google Analytics Guide 2017).

Google Analytics are provided by Google for free. The only thing that one needs for establishing his Google Analytics account is to have a Gmail account through which he can sign in to the Google Analytics. One Google Analytics account can manage insights from a 100 of websites and more people can have access in case that it is desired by the one who established the account (Get started with Analytics 2017).

Google Analytics must be connected with a web page by inserting a link to the every part of the website which is desired to be tracked. Thereafter it takes 24 hours for the links to be activated and Google Analytics can start to track them. The outcome of tracking is the number of visitors per certain time, average time spent on the site, number of page views, bounce rate and number of new visitors. Further information about visitors can be found under the section “Demographic” where it is reflected in percentage points their age, their gender, and even their interests. In the section “Behaviour” it shows how many of the new visitors came back on the page, how long they spend there and if they engaged somehow. The section “Geo” shows where the visitors are located and what language they speak. Moreover, there is also an “Acquisition” section which reflects from which pages people moved to the page or what they typed into the web browser in order to find the page. Google Analytics also has a specific section which tracks people who land on the page through a social media and it can also generate a number of likes, comments and views on social media (Google Analytics Guide 2017).

This paragraph is going to describe one possible way in which it is possible to find out whether the online advertising campaign is successful or not. Google Analytics has a tool called “Goal” (Get started with Analytics 2017). If the goal of the campaign is increment of sales, the sign from a web page which would indicate a success of the campaign would be a high number of visitors on a page which thanks the customers for the purchase. This page is called “Thanking page” and it would be a “Goal page” for Google Analytics. Another example of a “Goal page” could be the page with contact information of the agent who is

offering some service which is done personally. These “Goal pages” are connected with Google Analytics by a certain link and therefore it is possible to track how many users reached this “Goal page”. Furthermore, a monetary value if one reaches a Goal page can be set up as well. Therefore, a user of Google Analytics can have a good overview of the gain from the investment in a certain campaign, thus it simplifies the calculation of the return on investment as well. If the goal of the online campaign was an increment of a brand awareness, a “Goal page” would be, for example, a website with a promotional video. In this case it is even possible to set a specific duration of time that visitors have to spend on the page with the video in order for the “Goal” on Google Analytics to be achieved. Therefore, it helps the owner of the website to track how many people have seen the whole video, thus he can have an overview of how successfully he increased the brand awareness (Hines 2015).

2.6 Facebook Marketing

Based on the evidence, Facebook is the most popular social media in 2016 (Statista 2016). The number of active Facebook users is constantly growing. The quantity of active Facebook users rose from 1 billion in 2012, to the current 1,79 billion in the 3rd quarter of the year 2016 (Statista 2016). Facebook is probably the most suitable social media for marketing purposes due to its ability to segment the customers by location, demographics, interests, behaviour, connections and partner categories. Along with this, it is possible to create a Facebook page of a business which helps to connect with the customers and increase sales of the business (Kudeshia and others 2016, 258) And last but not least, Facebook is encouraging firms to use Facebook Insights which can show how long people stay on the page, what kind of action they take and what type of device they use (Abram 2016, 275). By knowing this information, it is possible to convert a Facebook page to an even more suitable tool for customers. By applying the data from Facebook Insights one can also improve the effectiveness of the Facebook marketing campaign which can consequently increase the Return on Investment from the campaign (Canada NewsWire 2015).

2.6.1 Facebook Marketing for a real estate company

A real estate company is a personal business where trust and relations with customers is important. Clients are more likely to engage with a real estate agent recommended by their friends. Setting up a Facebook business page can create a network of clients which can further spread good word of mouth. By posting photos from certain surrounding areas, the real estate agent can show the customers passion, experience and knowledge which builds

more trust among the customers as well (Wishpond 2016). Moreover, advertising of real estate should be mainly visual; therefore, Facebook appears to be a good marketing channel. In addition to that, one of the best advantages of Facebook are the ads. They can be targeted to a specific audience based on the gender, age, location, level of income, interests and other demographics which can be a useful tool for a local real estate agent (Doherty 2016).

2.6.2 3M-Model for Facebook

Social media are offering various tools which should be combined accordingly. This combining is supposed to be based on company's corporate strategy and as well on the target group of customers. Furthermore, it is important to mention that social media marketing is very similar to regular communication channels and should comprise reminding, informing and convincing. The big difference between regular communication channels and social media is customer engagement. Potential customers can give to the firm valuable feedback and also spread the content further by liking, commenting or sharing. Thus the firm should be also aware of the negative impact which can be extended as well (Bekoglu 2016, 265).

One of the most successful models is the 3M model based on the experience Starbucks's Facebook marketing strategy. The 3M model is basically an adjusted version of Push and Pull marketing strategy. This model is focused on communication of the firm to the customer, then on the communication from the customer back to the firm and afterwards observation of the communication between the customers. Therefore these 3 M's stand for:

- Megaphone
- Magnet
- Monitor

At the first stage which is called Megaphone, the firm should communicate the message to as many people as possible. This promoting message should be clear and allied with a corporate culture. The message can even be recruiting by means of the partners, customers or employees. It is important to mention that the firm should have as wide a portfolio of marketing channels as possible (Gallaughier, Ransbotham 2010, 199).

At the second following stage called Magnet the firm should take advantage of customer's feedback by either just observing the conversation or even better by being an active participant in the conversation. It is beneficial to have a person who is observing and communicating with customers and it helps to build customer service as well. This communication can work also as marketing research and be favourable for building further

marketing strategy. The worst possible case is not to respond to the customers' questions and requests inasmuch as this can lead to a creation of the communities which are not accessible for the firm, for example, closed Facebook groups or forums. Social media are built to be interactive and it engages users to share their experiences through the conversations, comments or wall posts (Bekoglu 2016, 266).

The third step of the 3M model called Monitor is about tracking those conversations between customers and about taking part in it if necessary. The firm's engagement in the conversation can be with the purpose of correcting the facts, supporting customers or even extended promoting of the first message. Another benefit from monitoring these conversations is the safety that customers will not spread the misunderstood messages further. Secondly, another part of the Monitoring step is to watch the competition's activities and posts on social media and react to them in their own marketing strategy (Gallaughier, Ransbotham 2010, 200).

2.6.3 3M-Model in Practice on Facebook

The 3M-Model can also be described in a more practical way in connection with tools which are offered on Facebook. Considering especially the first stage called Megaphone, Facebook offers various tools to bring potential customers to the firm's fan page (Gallaughier, Ransbotham 2010, 199). The essentials are, of course, a well picked name of the page, appropriately chosen images, having a suitable description in the 'About section', having aptly selected a category of business, having a catchy pinned post which is the first post that people will ever see (Abram 2016, 276). All these mentioned above are important because statistics show that most people visit certain business fan page just once; therefore, it has to look perfect. Furthermore, the content shouldn't be just simply promoting text or a link to the firm's web site, it should rather be a story which catches the user's attention. Statistics show that the most successful content in these terms were videos. The schedule of the posting is important as well. A firm should post on their fan page throughout the day when most of their customers are online. Secondly, the firm should find the right balance of shared posts through the week, as the most successful amount of posts is between 5 and 10 per week. Moreover, the firm can take advantage of the paid advertisements to increase the number of followers and make insight analyses more indicative. One of these tools is the so-called; "Post boosting" which can spread the post beyond the followers of the page. The users who are supposed to see the post can be targeted by various options. The other options are the "Promoted posts" which are targeted even more and are created by Facebook Ad Creator.

Furthermore, here is an option to use single ads which can either be added to the news feed or right columns of the targeted group (DeMers 2016).

At the stage of Magnet, the firm can get the customers' feedback, for example, by allowing them to share their ideas on the Facebook page. The firm can use these ideas as feedback or even use the most creative ideas in their strategy. Furthermore, the firm can let the customers comment on their posts in the new feeds. Moreover, part of this stage is also capturing fake Facebook pages created by the customers or excessively radical fans (Gallaughier, Ransbotham 2010, 200).

The stage of Monitor also has various possibilities to be used on Facebook. Included in this stage, is monitoring of likes on the Facebook page and its posts as well as checking the user's demographics by Facebook Insights. Furthermore, part of this stage is also monitoring of users who followed the page or ignored the content on the page. Moreover, this stage includes encouraging users to conversations, influencing these conversations and promoting these conversations. In these conversations employees could be allowed to react and also apologize to the unsatisfied customers which could convince those customers to have a better opinion about the firm (Gallaughier, Ransbotham 2010, 200-201).

2.7 SWOT Analysis

SWOT Analysis is basically monitoring the internal and external marketing environment. This analysis has a further purpose of formulating a goal which the company will achieve by its marketing strategy. Concretely, the abbreviation SWOT stands for Strengths and Weaknesses of the company's internal environment and Opportunities and Threats in its external environment (Kotler and Keller 2012, 48).

The external environment should be analyzed for the sake of finding new opportunities as, for example, innovation of products, increment of effectiveness of buying process, faster delivery or offering a product at a lower price if possible. On the other hand, not keeping up with a market innovation which would lead to lower sales or lower profit could be a main threat. Another threat could be, for instance, an economic depression. The company should have developed a contingency plan for such threats in order to avoid them if they come (Kotler and Armstrong, 2012, 53).

The internal environment should be analyzed in order to build up the strategic goal of the company. The company should at this point consider if they have sufficient strengths which would enable them to achieve the goal or whether they have weaknesses which would hold them down in efforts of achieving the goals (Kotler and Keller 2012, 48).

II. ANALYSIS

3 OBJECTIVES AND METHODOLOGY OF THE ANALYSIS

The practical part of this thesis is based on the characteristics and analysis of the real estate company, Luha Reality. The primary research was done through a personal interview with the owner of Luha Reality, Karel Adámek. The interview covered questions about the main activities of the company, its position in the market and duration of its presence in the market. Further questions focused on the structure of the supply and demand of real estate in the area. The main goal of the interview was to find out information which could introduce the company and its position in the market.

The secondary research focused primarily on the competition in the area and on the performance of the Facebook marketing strategy which Luha Reality, itself, implemented based on the plan which was developed in this thesis.

The assessment of local competitors' online promotion was done by the observation of their online presence. Especially assessed was their number of online marketing channels and the quality of their websites. The quality of websites was assessed based on the time needed for finding a property, number of properties advertised and the graphic design. This assessment of the competition's online promotion should emphasize that Luha Reality can distinguish itself from its competition by Facebook marketing.

Another part of the secondary research was done by SWOT analysis of Luha Reality's online marketing. The aim of the SWOT analysis was to formulate the goal of the company based on its opportunities and its strengths. Therefore, this analysis should show how Facebook marketing for Luha Reality can be beneficial and what weaknesses need to be eliminated in order to achieve a good performance on Facebook.

The last part of the secondary research was comprised of measuring the performance of Luha Reality's Facebook marketing communication after its implementation. The measurement was done by metrics which were picked for specific objectives. The objectives were: increment of brand awareness, spread of positive word of mouth, increment of traffic to the website and increment of sales. Metrics for these objectives were assessed by Facebook Insights and Google Analytics. The achievement of objectives was evaluated at the end of the thesis.

4 LUHA REALITY

4.1 Introduction of Luha Reality

Luha Realty is a real estate business based in the spa town, Luhačovice. The firm comprises selling apartments, houses, lands, non-residential buildings and commercial properties. Furthermore, the firm mediates a renting of flats, houses and non-residential buildings. Included in the main activities is also estimation of price of the property by a clerk, creation of documents with experienced lawyers, negotiating with cadastral offices, finance and tax consulting, insurance of the properties and the possibility of a quick resale of the property. The firm focuses mainly on properties in Luhačovice but operates in Zlín, Uherský Brod, Slavičín and the surrounding area as well (Luha Reality 2017).

The office of Luha Reality is located in the centre of the spa town, Luhačovice, at the main street, Masarykova, which is a great advantage because of the accessibility and availability of the customers. Luha Reality has just one office with only one employee, Karel Adámek, who is also the owner. The other co-workers, lawyers and clerks are external. The office was opened in the year 2006, thus it has been in the market 10 years and has strong relations with customers. The office also offers side services such as insurance from Allianz and mortgages from various Czech commercial banks. Both services are mediated by Karel Adámek. These additional services are valuable because they bring more customers into the office and make extra profit.

Real estate market in Luhačovice

The town, Luhačovice, is situated at the southeast of the Czech Republic and has approximately 5 000 inhabitants. However, Luhačovice has a lot of healthy mineral springs, interesting architecture and beautiful nature which brings a lot of tourist into the town, especially through the summer season. Through tourism Luhačovice becomes a town with nearly 20 000 inhabitants if all the hotels and pensions are full through the summer season (Kudlák 2016).

4.1.1 Buyers

Considering the group of buyers, we can find 3 main segments. In the first segment are wealthy investors who are interested in the purchase of a hotel, pensions, flat or villa. The second segment includes people who want to buy or rent a property for regular living. A big part of this segment are people who move to Luhačovice because of their jobs in tourism. In

the third segment, the clients are investors who are interested in buying land. Luhačovice is situated in the area of the Bílé Karpaty, which are rich in forests with high quality wood. Therefore, there are a lot of firms and individuals who are enthusiastic about buying a forest in this area. Furthermore, this segment also includes farmers who are interested in purchasing a field or a meadow because they are granted for owning such a property annually by the state and the European Union if they fulfil all the requirements (Eagri 2017).

4.1.2 Sellers

Regarding the group of sellers, the range of segments is not that wide, which is caused by a higher demand than supply for properties in this area generally. Therefore, Luha Reality's core promotional strategies are focused on acquiring new sellers. The most important segment of sellers are the construction companies which are constructing residential houses and want to have all the flats sold by the time the building is built. Other segments of sellers consist of the individuals who want to sell their property because they are moving out of Luhačovice, are in need of money or have a different reason to sell a property.

4.2 Assessment of competition's online promotion

4.2.1 Assessment of competition's online promotion in Luhačovice

Luha Reality is obviously not the only real estate company in Luhačovice and its surroundings. There coexist 4 more real estate companies. These are: JH Reality, Dům Realit, Reality Luhačovice and Fico Reality. The table below describes their online promotion with a comparison to Luha Reality.

	WWW	Social media	Blog	Videos
Luha Reality	✓	×	×	×
JH Reality	✓	×	×	×
Dům Realit	✓	×	×	×
Reality Luhačovice	✓	×	×	×
Fico Reality	✓	×	×	×

Table 1. Assessment of competition's online promotion

(Author's creation)

They do not have any profiles on social media, blogs or videos, which underlines the fact that Facebook can be a valuable marketing channel for Luha Realty which would help to differentiate it from the competition.

Another table evaluates the quality of website of the competition in Luhačovice in comparison with Luha Realty. The first metric was set to count the amount of time used to find a house for sale. The second metric was set to count the number of properties advertised. The last parameter was set to count the suitability of the design of the websites. Design was rated on the scale 1 to 5, where 1 was suitable and 5 was not suitable.

	Finding house	Number of properties	Design
Luha Realty	16s	21	3
JH Realty	29s	11	3
Dům Realit	22s	15	1,5
Reality Luhačovice	12s	11	3
Fico Realty	15s	52	2

Table 2. Assessment of competition's websites

(Author's creation)

Considering the amount of time used for finding a house on each website, Reality Luhačovice was the best and JH Realty the worst. Regarding the number of properties, Fico Realty was significantly the best, on the other hand JH Realty with Reality Luhačovice were the worst. The design of all the websites was mostly very old with a lack of quality, and the only website with a satisfactory design was Dům Realit (Luha Realty 2017; Horňák 2017; Fico Realty 2017; Štěpán 2017; Toboláková 2017) .

To conclude this assessment of the competition's online promotion, real estate companies in Luhačovice are in general not investing much in their online promotion which underlines the fact that Luha Realty can benefit from a new and modern presence online.

4.2.2 Assessment of the competition's online promotion in the Czech Republic

If we compare Luha Realty with some of the successful real estate companies, for example, in Prague it comes up that Luha Realty does not have very good internet promotion either.

These well-promoted real estate companies have much more modern web sites, many more promotion channels and well-handled social media. Specifically, the real estate company “Makléři na doporučení” is obviously one of the most successful real estate companies in Prague thanks to their innovative marketing and social media communication. One of their biggest attractions is that they publish videos of properties they have for sale on their Facebook which differentiates them from their competition because other real estate companies just post regular photos of their properties with comments or-links. The benefit of these videos is that it is much easier for potential clients to watch a video where everything is provided instead of looking at the photos and reading-long comments. Furthermore, these videos do eliminate so-called “Real estate tourists” who are people who just contact a real estate agent to see the property but would never buy it, which is very time-consuming process for a real estate agent because they have to show the property to these clients in person (Makléři na doporučení 2017). Moreover, nowadays promotional videos are a trend in the real estate business. In these videos the owner of the firm or the person who is in charge of the firm is usually filmed. This video is either a dialog or monolog and the person is telling the story about a particular real estate company. Furthermore, he is giving an account of all the activities covered by their real estate company and also describes the process of selling properties with their real estate company and generally gives direction to their office. This video is beneficial for various reasons. One of the reasons is that it educates potential clients about the process of selling a property through a particular real estate company. Further, it builds trust among the clients, which is extremely valuable in real estate business. Additionally, videos are interactive and therefore can catch the attention of more people.

Based on the evidence, Makléři na doporučení generated 4952 views on their promotional videos and achieved 2322 likes on their Facebook fan page which is considered a very good result of the online promotion. (Makléři na doporučení 2017)

4.2.3 Assessment of online promotion of real estate companies outside the Czech Republic

Further assessment was done with the purpose of bringing new ideas to the marketing communication on Facebook for real estate. The markets chosen for assessment were physically, demographically and economically close to the Czech Republic and have a similar language.

The assessment showed that some of the real estate companies in Poland use a GoPro camera for videos to show how a real estate agent arranges a property before he starts taking

photos or videos of the property. This process of arranging a property is important for every realtor so the visual aspects of the property are pleasant for the potential buyers. It is also convenient for the people who are selling a property that this process is well-handled (Freedom Nieruchomości 2017). Another interesting idea is used by a realtor from Bratislava who 360 degree photos of properties on Facebook which gives the clients an option to move the view around a photo and helps them imagine that they are actually standing inside (Pegas Real 2017).

The assessment of the competition showed that establishing a Facebook page as a marketing channel was quite beneficial for many Czech or foreign real estate companies and it did encourage clients to interact with a realtor or agency. Therefore, Luha Reality decided to use some of the Facebook strategies which were used by those successful real estate companies, mainly videos used as promotion, videos of the properties and a video of arranging a property.

4.3 SWOT Analysis of Luha Reality

Based on the information provided in the theoretical part about SWOT Analysis, this method shows how to access a complex overview of the analyzed company. SWOT stands for Strengths and Weaknesses which analyze the internal environment and Opportunities and Threats which analyze the external environment. The purpose of SWOT Analysis is to create a goal of marketing strategy as a result of embracing opportunities, using strengths, eliminating weaknesses and avoiding threats (Kotler and Keller 2012, 48). The SWOT Analysis of Luha Reality was done based on the interview with Karel Adánek, the owner of the company and also on the benchmark of the competition.

4.3.1 Strengths

- Strong position in the market
- 10 years' experience
- Outstanding customer care
- Well-based office
- Offering of mortgages
- Offering of insurance
- Free service for sellers

The most important strength of Luha Reality is definitely its strong position in the real estate market in Luhačovice which was shaped by 10 years of experience, the location of the office

and outstanding customer care. Furthermore, by offering free services for sellers, which is more than fair, it has created a higher standard than anywhere else in the Czech republic, because in the other real estate agencies the seller is usually obligated to pay for the services. Moreover, the additional services of mortgages and insurance increases the brand awareness of Luha Reality and shows the complexity of the office.

4.3.2 Weaknesses

- Old Website
- Low quality visual materials
- Lack of innovation marketing
- No social media
- No measuring of effectiveness of the website

All the weaknesses are visible for the customer when he gets to the website. The design is old, quality of photos is not appropriate, there are no links to the social media and it is not improved because Luha Reality is not using any analytics for measuring effectiveness.

4.3.3 Opportunities

- Viral marketing
- Blog
- Social Media
- Augmented reality
- Google Analytics

As was mentioned in a previous part of the thesis, viral marketing is currently very popular among real estate promotion. Furthermore, social media are for real estate companies a great advantage thanks to positive word of mouth. Google Analytics can improve any kind of web site thanks to the insights which it generates. Moreover, the augmented reality would take the whole promotional process a step further thanks to authentic visualization of the properties.

4.3.4 Threats

- Decreasing number of customers
- Better awareness of competitive real estate companies
- Increases in the price of properties
- High interest for mortgages

- New real estates on the market
- Economic crisis

Luha Reality in Luhačovice currently has 4 competitors. The threat is that the competition will increase the number of their clients and their brand awareness by, for example, upgrading their online marketing. Other threats such as increment of prices of properties or economic crisis are less important because Luha Reality cannot directly influence them. The only protection against such a threat is the creation of a contingency plan as it is stated in the theoretical part about a SWOT analysis.

4.4 Conclusion of SWOT analysis

Based on the statement from the theoretical part about SWOT analysis, this analysis should develop the goal of the marketing strategy based on the opportunities and strengths of the company. After consideration, Luha Reality's manager decided that making an augmented reality would be too costly and too time consuming. Nevertheless, creation of social media channels, videos and Google Analytic was found to be a good opportunity for the company in order to innovate marketing and differentiate from the competition. However, in the theoretical part about a SWOT analysis is stated that the weaknesses which can negatively affect the marketing strategy should be eliminated. In the case of Luha Reality, it is the old website which would not make a very good impression on the clients who would get there through social media. Furthermore, Luha Reality decided to hire a professional graphic designer who would innovate the logo in order to eliminate the weakness of low quality of visual materials. Therefore, the final decision of Luha Reality was first to completely change the website and, then establish a Facebook profile as a social media channel and then create promotional videos which could be shared on Facebook. Moreover, Luha Reality decided to connect the website to the Google Analytics in order to be able to measure the return on investment from this whole process and also be able to improve the process based on the Google Analytics insights. All of these decisions are not that expensive and can underline Luha Reality's strengths which are strong position in the market, well based office, service for seller for free and especially the outstanding customer care which is well promoted on Facebook which is also stated in the theoretical part about Facebook for real estate.

4.5 Luha Reality's 3M-Model

The 3M-Model is a flexible model for a marketing communication on Facebook or any other social media. The abbreviation of 3M stands for Megaphone, Magnet and Monitor. The

model has 3 stages and focuses on the communication from the firm to the customer then on the feedback from the customer to the firm and finally observes a communication among the customers (McCann and Barlow 2015, 284).

At the first stage of Megaphone Luha Reality will set up a business Page on Facebook. The name of the page is going to be “LUHA Reality realitní kancelář Luhačovice”. This name will show the audience the name of the business and the category of business as well. The profile picture will be the symbol of Luha Reality which is used on the website and also on the other advertisements so people who knew Luha Reality before, can easily relate to it.



Figure 2. Symbol of Luha Reality

Source: Luha Reality 2017

Cover photo will be done by a graphic designer and will include the picture of the owner Karel Adámek, contact information and names of cities in which Luha Reality operates.



Figure 3. Luha Reality's Facebook cover photo

Source: Luha Reality 2017

The “Category” of business will be chosen as “Realitní kancelář” (Real estate). In the “About section,” the main services of Luha Reality will be mentioned and will underline the personal approach of this firm. The preferable location of people who are supposed to see the page will be set for Luhačovice and a circle of 40 kilometres around it. The preferable age of the people will be set from 18 to 65 and above for both genders. Another preferable sign for targeted people will be if they had ever shown an interest on Facebook in a house, flat, land, luxury properties, investing in properties, real estate agents or consulting of property taxes. This interest could be shown by liking of pages or statuses with similar content. Furthermore, the preferable language will be set as Czech and Slovak. Moreover, the Facebook business page will be providing a link to the main website of Luha Reality, telephone contact, email and also a location on the map of the office of Luha Reality (DeMers 2016).

The first step of the propagation of the page will be sharing the page among the friends and family of the real estate agent mainly in Luhačovice. This is a good start because those people are located in Luhačovice or its surroundings; therefore, their friends on Facebook will be able to see the page as well. Furthermore, those first likers and followers will add more trustworthiness to the page. Regarding the content on the page, Luha Reality decided to use the 80/20 rule for social media sharing. This rule means that there will be just 20% of the content for promoting and branding. The other 80% will be the content in which the audience is interested, for example some news from the industry, news from Luhačovice, photos of nice interiors and exteriors of houses and also the competitions which will encourage users to interact and generate feedback. The rule of 80/20 is important because the audience is never just interested in the sales post. Therefore, shared sales posts should be lowered in order to keep the followers on the business page (De Beule 2017).

In the following stage of Magnet, Luha Reality will observe the conversation created on the page. Furthermore, the conversation will also be further encouraged or corrected if necessary. The followers will also be allowed to post on the timeline, rate the quality of Luha Reality services and share the fan page on their own profiles.

Finally, the stage of Monitor will include observing the conversation among the Facebook users on the fan page or elsewhere on Facebook. Luha Reality will observe this conversation in order to be able to step in and encourage it or correct it. Furthermore, the number of likes will also be assessed, page views shared and comments through Facebook Insights. Moreover, the stage of Monitor will include assessing competition’s Facebook sites so the Luha Reality can react to them in its own marketing strategy (Gallaughier, Ransbotham 2010, 200).

4.6 Social Media Planning Model for Luha Reality

As it has been said in the theoretical part which covered the social media planning model, following the social media planning model is a crucial factor for being successful on social media and also for measuring the return on investment from it. Therefore, Luha Reality will use the 3-stage flexible planning model by McCann and Barlow which includes a planning stage, implementing stage and evaluating stage.

4.6.1 Planning stage

The company needs to set the objectives which they want to achieve on social media and also the metrics which will evaluate how well the objectives were achieved. Thus Luha Reality will choose as the main objectives:

- Increment of brand awareness
- Positive word of mouth
- Increment of sales
- Increment of traffic to the website

Furthermore, the company needs to set a metrics for specific objectives. Therefore, the indicator of increment of brand awareness will be the number of likes on the social media fan page. The indicator of positive word of mouth will be the number of positive references on the fan page. As the indicator of sales, the number of people who employed the service of Luha Reality will be used and confirmed to the agent that they know Luha Reality from a social media. Increment of traffic to the website will be demonstrated by the number of visits generated from a social media measured by Google Analytics.

Objectives	Metrics
Increment of brand awareness	Number of fans
Positive Word of Mouth	Number of positive reviews
Increment of sales	Use of Luha Reality's services
Increment of traffic to the website	Visits to website from social media

Table 3. Objectives and Metrics for Luha Reality's Facebook marketing

(Authors creation)

4.6.2 Implementing stage

Once the company has chosen objectives and metrics they can also pick an appropriate social media. Luha Reality decided on Facebook because the required metrics are easily measured by Facebook Insights. Furthermore, Facebook is currently the most popular social media and there is a high presence of people from the target group of Luha Reality. Therefore, Luha Reality will establish a Facebook Business page and measure its performance by quantitative aspects from Facebook Insights and Google Analytics. The qualitative aspects will be measured by the personal assessment of the owner of Luha Reality.

4.6.3 Evaluating stage

Once the campaign on the social media starts, the company needs to evaluate its short term benefits, long term benefits and the return on investment. Luha Reality will evaluate the short term benefits based on the increment of sales. Furthermore, the long term benefits will be evaluated based on the increment of brand awareness and positive word of mouth. In the end Luha Reality will evaluate the return on investment based on the financial input and the income from the campaign.

4.7 Cost of Facebook Marketing Plan for Luha Reality

As was stated in the conclusion of SWOT analysis, before Luha Reality establishes a Facebook business page, certain weaknesses need to be eliminated. These weaknesses are old website and old graphic design. Moreover, Luha Reality wants to exploit another opportunity which is sharing videos on Facebook. The creation of the Facebook account itself is for free but additional costs will appear.

4.7.1 Explicit costs and Implicit costs

Explicit costs are those costs which appeared and are clearly defined as the amount of money spent. In Luha Reality's case it was supposed to be 50 000 CZK for a new website, nevertheless this cost was significantly lowered thanks to a friend who developed the website for only 15 000 CZK. Furthermore, Luha Reality was supposed to pay 5 000 CZK for a promotional video and new graphic design on the website. This cost was also lowered thanks to another friend who is a professional photographer and was able to make a video for only 1250 CZK and new design for 1250 CZK. Based on that, Luha Reality lowered its target costs from 55 000 CZK to 17 500 CZK, that is only 31,81% of the estimated price.

The implicit costs are those which occurred but were not really paid. These costs can be considered rather as opportunity cost. In case of Luha Reality, those costs were the wages per hour which could have been earned by Karel Adámek and Jakub Adámek who were cooperating on the project. The time spent on developing the new website was 20 hours per both and the time spent on the filming of the promotional video was 15 hours per both. The time spent on the new graphic design was 3 hours per both. The wages per hour are:

- Karel Adámek – 300 CZK
- Jakub Adámek – 150 CZK

	Explicit costs	Implicit costs
New website	15 000 CZK	$(300+150) * 20 = 9000$
New graphic design	1 250 CZK	$(300+150) * 3 = 1350$
Promotional video	1 250 CZK	$(300+150) * 15 = 6750$
Total:	17 500 CZK	17 100 CZK

Table 4. Initial cost of Facebook marketing plan

(Author's creation)

The implicit costs are mentioned because they help managers to count the economic profit. Nevertheless, they were not payed, therefore the total cost of the campaign consists only from explicit cost and is 17 500 CZK. This cost was completely covered by the owners' equity Luha Reality.

4.8 Analysis of Facebook Marketing Communication Plan for Luha Reality

Based on McCann and Barlow's model of social media planning, the performance of Luha Reality on Facebook will now be evaluated. The objectives which were set in the planning stage will now be analyzed with corresponding metrics. The Facebook page of Luha Reality was set up on the 13th of March 2017. This analyzes is due on the 1st of May 2017, therefore it covers 49 days.

4.8.1 Increment of the brand awareness

The increment of the brand awareness was measured by Facebook Insights. As the specific metric for this objective, the number of likes on the page was chosen. Luha Reality achieved 324 likes, so far.



Figure 4. Number of likes on the fan page

Source: Luha Reality 2017

4.8.2 Spread of positive word of mouth

As the metric for this objective was the number of positive ratings. Facebook has rating models with stars, the best rating is 5 stars and the worst rating is 0 stars. Luha Reality achieved 16 ratings with 5 stars out of 16.

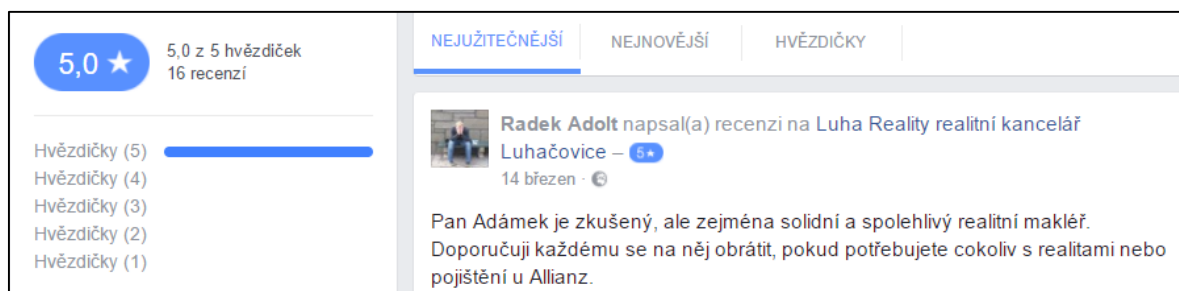


Figure 5. Number of positive ratings on Facebook

Source: Luha Reality 2017

4.8.3 Increment of traffic to the website

As the metric of the traffic to the website, the number of users who used the link on the Facebook page and reached web site of Luha Reality was set. This number was assessed by Google Analytics. Luha Reality's website achieved 75 visits from Facebook, that is 6,3% of all the visits on the website in the period measured.

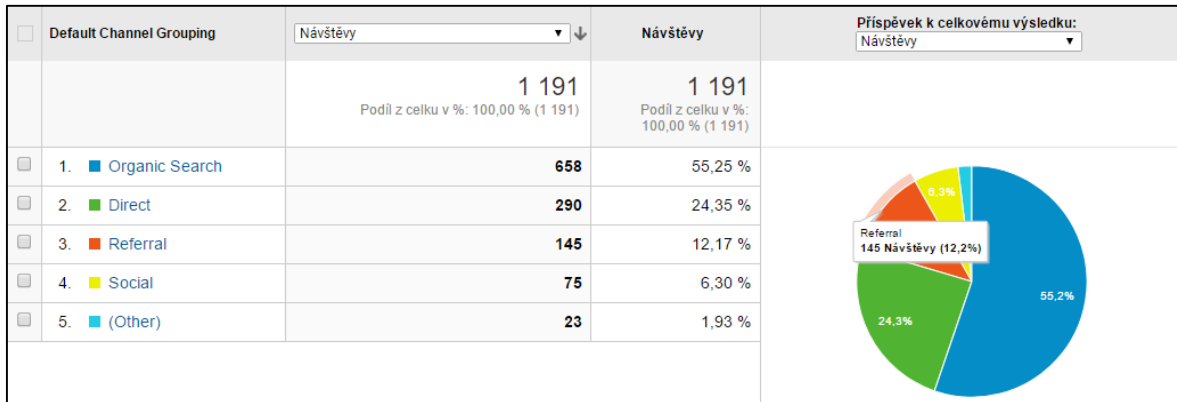


Figure 6. Number of visits from Facebook to website

Source: Luha Reality 2017

4.8.4 Increment of sales

As the metric of increment of sales, the actual use of Luha Reality’s services and the profit from it was set. Unlike the other objectives, the increment of sales requires more time in order to be achieved. This applies especially to the real estate business because its clients need a long time for such a decision as a sale of their property. The increment of sales was not yet apparent. Nevertheless, the sales are expected to be increased in the long-term based on the increment of brand awareness, positive word of mouth and the increment of the traffic to the website. Furthermore, for Luha Reality to find just one client is enough and the initial investment to Facebook is covered.

4.8.5 Evaluation

Facebook marketing communication of Luha Reality can be evaluated based on the above demonstrated results. It is possible to say that regarding the fact that Luha Reality is a firm run by a sole trader, its performance on Facebook is more than fair. The firm achieved 324 likes, 16 five-star ratings and 75 visits to the website in only 49 days and the numbers are expected to grow even more. All of these achievements are valuable and could be turned into profit in the long-term. Furthermore, the initial investment of the campaign was significantly lowered and could be returned by just one client who would use the services of Luha Reality.

4.8.6 Recommendation

As was stated in the SWOT analysis, one of the other opportunities for Luha Reality could be advertising of the properties through the augmented reality application. This type of advertising would allow the real estate agent to create an interactive, lifelike 3D model of

the properties. Clients could see the property and even be able to change the colors of walls or try out different furniture. The application also has its own analytics and real estate agents can monitor how many people used it. The firms in the U.S. which already used augmented reality demonstrated a significant return on investment (Augment 2017). However, this type of advertising for Luha Reality is not currently actual but it could be used one day in the future.

CONCLUSION

Nowadays businesses are getting most of their customers online and competition in the online world is tougher than ever before. The firms which are not keeping up with the trends may be losing their customers in behalf of their competition. The firms marketing communication should be present where their target audience is, which at this time, is likely on Facebook or some other social media. Companies with a relevant audience should therefore incorporate Facebook in their marketing strategy in order to keep up with this actual innovative era. Facebook can be beneficial for much more than just increasing profit. Thanks to the possibility of customer's engagement Facebook can improve customer's relationship and spread a positive word of mouth which is highly valuable for a company, especially in the long term. Furthermore, Facebook marketing communication strategies are easily evaluated based on the quantitative and qualitative output generated on the fan page.

The aim of my bachelor thesis was to provide a way to plan a marketing strategy on Facebook supported by a real world case which was implemented and also evaluated. The theoretical part provided the most essential background for my thesis as marketing, marketing communication, internet and online marketing. The theoretical part was further built up by introducing social media and marketing strategies which can be applied to them. Evaluation of its performance and the measuring of the return on investment from it was also assessed. At the end of the theoretical part, a model for Facebook marketing was also introduced and supported with practical examples. Practical part introduced the firm, Luha Reality, its main activities and the environment in which it operates. Moreover, the significant opportunity of using Facebook was pointed out as a marketing tool based on the assessment of the competition and SWOT analyses of the firm. Then, a strategy was developed which Luha Reality could use on Facebook supported by analysis of the initial cost. The strategy was also implemented and evaluated. The results of the campaign can be considered quite fair regarding the size of the company, initial costs and brevity of the time period evaluated. At the end of the thesis recommendations were made which Luha Reality could use in the future.

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ABBREVIATIONS

CZK – Czech Koruna

ROI – Return on Investment

WWW – World Wide Web

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