

Facebook users hit 'like,' stores jump into action

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This undated screenshot of Macy's online shopping website made available to the Associated Press shows how social media is integrated into their online store. Whether shoppers know it or not, their actions online help dictate what's in stores during this holiday season. (AP Photo/Macy's)

(AP)—Facebook isn't just for goofy pictures and silly chatter. Whether

shoppers know it or not, their actions online help dictate what's in stores during this holiday season.

After polling customers on the [social media](#) site, Macy's decided to carry denim jeans in bright neon hues rather than pastels. Wal-Mart for the first time decided to let customers vote on which toys they want discounted. And to better plan orders for the decorative flags she sells, a small business owner in Mississippi is running a contest that encourages customers to chime in about how they're decorating their homes this winter.

The impact of social media on a company's bottom line is tough to quantify, with no hard data on how millions of [Facebook](#) fans and Twitter followers translate into sales for stores. But during the [holiday shopping](#) season, a roughly two-month period when retailers can make up to 40 percent of their annual revenue, stores are uncovering a valuable use for all the seemingly useless online muttering: market research.

The result is that whenever folks press the "like" button to give their seal of approval for a particular company's page or make a comment on how much they like the leather boots they just bought, they're helping everyone from independently-owned small shops to the biggest U.S. retailers make decisions about what products to stock up on, what to play up on the sales floor and what promotions to offer online.

For the first time this year, one of Macy's Inc.'s apparel buyers suggested the company solicit feedback on Facebook on which colors it should stock for "Else" brand jeans in the fall ahead of the holiday shopping season. Several weeks later, with about 2,500 "likes" and 750 comments, "Very Vivid" colors in bright blue, orange and red were declared the victor over softer shades such as baby pink and baby blue.



In this Friday, Nov. 23, 2012, file photo, Tashalee Rodriguez, of Boston, uses her smartphone while shopping at Macy's in downtown Boston. Facebook isn't just for goofy pictures and silly chatter. Whether shoppers know it or not, their actions online help dictate what's in stores during this holiday season. (AP Photo/Michael Dwyer, File)

The company, which has more than 9 million "likes" on Facebook, followed up with another poll in July on whether it should carry a "Kensie" brand dress in a bird or floral print. About 4,000 people issued their verdicts within 48 hours, and the department store plans to carry the floral print this February.

Rather than simply using social media to tout promotions and new products, companies are just now realizing the value of making customers feel as though they're part of the decision making process,

said Jennifer Kasper, who heads digital media at Macy's. In addition to making customers feel like insiders, she said it helps businesses better tailor their offers as well.

Matt Cronin, a founding partner of Web Liquid Group, a digital marketing agency, agreed that companies are still in the early stages of figuring out how to put their social media profiles to use. Until now, he noted that social media strategies have primarily been about capturing as many followers or fans as possible without really knowing where to go from there.

One hurdle for major retailers is that it's difficult to take the information they learn online and put it to use while the trends are still relevant, said Nicolas Franchet, head of retail e-commerce at Facebook.



In this Thursday, Nov. 22, 2012, file photo a shopper uses her smart phone at the Pembroke Pines, Fla. Best Buy. Facebook isn't just for goofy pictures and silly chatter. Whether shoppers know it or not, their actions online help dictate what's

in stores during this holiday season. (AP Photo/J Pat Carter, File)

That's one of the trickier aspects of Wal-Mart Store Inc.'s new "Toyland Tuesday" contest, which lets fans vote on which of two toys will be discounted on the following Tuesday. Once a winner is declared on Thursday, the retailer acts quickly to inform its 4,000 stores of how to adjust pricing and displays, says Wanda Young, senior director of social media for Wal-Mart, which has more than 25 million likes on Facebook.

Although it's the first time Wal-Mart is letting shoppers have a direct say in what merchandise gets discounted, the retailer is learning to use social media in more discreet ways as well. Last year, Wal-Mart, based in Bentonville, Arkansas, acquired an analytics company called Kosmix that monitors online chatter to try and predict what products might suddenly become popular.

The unit, now called (at)Walmartlabs, suggested that the retailer give juicers prominent display for the holidays last year, after a movie about an obese man who lost weight on a juice diet started trending online. Wal-Mart declined to give examples of how it used online chatter this holiday season but said it's slowly playing a bigger role in product decisions.

That's critical because companies are realizing shopping behavior is often more influenced by what's happening in pop culture, rather than their own past shopping patterns, said Shernaz Daver, a spokeswoman for (at)Walmartlabs.

"Social media has enabled us to understand intent," she said.

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