

Retailers on Social Networks

Maria Halkias, “Retailers Find Facebook Friends in Hopes of Finding Sales,” *Dallas Morning News*, December 16, 2008.

The key for retailers experimenting with different ways to interact with customers through social networks has been engaging them with humor or interesting content, and then encouraging these customers to spread the word to others.

JCPenney’s recent viral ad campaign received more than 1 million hits. The five-minute video on YouTube tells the story of a man who gives his wife a bad present and winds up in the doghouse—an underground prison in which he is forced to fold laundry and listen to relationship tips until he realizes what constitutes an acceptable gift, namely, according to JCPenney, jewelry. Along with the video, the retailer created a Facebook application that allows users to put their friends into a virtual doghouse. So far, more than 3,000 people are in the virtual doghouse—most of them men.

Victoria’s Secret Pink brand has been active enough on Facebook to attract millions of fans. Currently, it is polling these fans to vote for which college Pink should emblazon on its merchandise, in addition to the 31 universities already in use. Its sweatpants drive collects donations to send to battered women’s shelter, which of course enables the company to hint that fans should purchase new sweatpants for themselves.

Sephora’s makeover interactive application allows users to add makeup and fake eyelashes to a photo and then send it to friends. Dell, Sephora, and eBay all sell virtual gifts, like a virtual computer, to send to friends on their Facebook pages.

The interactions created from virtual gifts, viral videos, or community campaigns strengthen the brand by creating chatter about the topic. Virtual gifts may be a good option for some retailers, but polling interested customers about new product development ideas may be an even better way to engage customers.