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Why Facebook Still Wins When We Use Facebook Less

Dr. Gannage

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Article 1 Review

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**Article**

Why Facebook Still Wins When We Use Facebook Less
Parmy Olson
December 3, 2014

<http://www.forbes.com/sites/parmyolson/2014/12/03/facebook-mobile-advertising-apps/>

**Summary**

This article discusses how Facebook is able to stay successful even as the use of Facebook declines. Over the past few years, Facebook’s target audience has been less engaged on the website itself, no longer visiting and posting daily. Instead, more and more internet users are switching to mobile applications like Instagram and Snapchat. For many websites, this could lead to a drastic decrease in revenue and overall relevance in the social media market; however, Facebook is able to stay powerful and gain tremendous amounts of advertising revenue due to the fact that many popular mobile applications utilize Facebook Login. This way, advertisers can identify specific users and obtain information about their likes and interests across many different platforms. Today, more than 12% of all popular mobile apps use Facebook Login. (Olson, 2014) Because Facebook is the leading social media platform to offer this function, it is well ahead of its competitors in advertising revenue, in spite of the way internet users are shifting their social media use.

**Relation to Marketing Concepts**

This article examines the ideas of consumer behavior and marketing strategies of social media websites. Consumer preferences are changing and social media giants must adapt their marketing strategies accordingly. In the case of Facebook, it has adapted to the decline in consumer engagement by implementing a convenient tool to reach users who are not active on the website. Of the four P’s of marketing, placement is represented in this case by the change in how advertisers reach their target audience. Instead of relying on Facebook’s website alone to advertise to potential consumers, companies can place customized advertisements in a wide variety of mobile applications based on consumers’ Facebook data, thus extending their reach dramatically.

**Interpretation**

 Facebook has revolutionized the way free social media sites gain revenue. The concept of Facebook Login keeps Facebook relevant while it provides a strong marketing advantage to countless advertisers. The decision to implement such a tool as early as 2008 (Olson, 2014) provided Facebook with a wonderful opportunity to account for dwindling engagement from users, as well as an advantage over other social media websites that did not implement an application login system until years later. This is because millions of users are accustomed to Facebook Login and prefer it to similar features later implemented by other websites. Due to their timeliness in developing this application login system, it is likely that Facebook will remain a social media giant for years to come, even as consumer preferences change.

**Recommendations**

While Facebook is the current leader in application login systems, it is possible that competitors like Google and Yahoo! might implement more efficient ways of tracking consumer data and making it available to advertisers. In order to stay in the lead, Facebook would likely benefit from aggressively vying for more applications to use its login system as the only means of using those applications. This way, more users will be compelled to utilize their Facebook accounts even when not posting to the website itself.

**References**

# Olson, P. (2014, December). Why Facebook Still Wins When We Use Facebook Less. *Forbes.Com*, 23*.*