



## Introduction

*Do you think from the purge moment of Facebook that social media and business leaders are finally starting to understand the importance of real relationships with fans? Companies, organisations and brands are still willing to risk their reputation, (financial) value, integrity, ethics, trust, clients and relationships for a few hundred or thousands of 'questionable fans' on Facebook.*

As a company, organisation or brand you are part of the entire internet ecosystem. Even more so when you wish to have a better chance of being embraced by the end user or the (future) fan or client. In addition, as a company, organisation or brand you must realise that you exist thanks to content (intellectual property) and that you offer functionality and that you are data.

Building a community takes time and investment. Purchasing fans is short sided when you understand social media. By the way, for those who do not know, it is in direct violation, for example with Facebook terms and conditions. These *'questionable accounts'* could be defined as *'questionable data'* which also depreciates the financial value of a company. Further to using Facebook Ads when you are not injecting your cash in the right places you will be wasting money. This means in terms of metrics and demographical targeting you are trying to reach *'questionable fans'*.

This paper helps to identify if a specific Facebook fanpage has a human following and to help you to understand that you will depreciate the financial value of your company and don't waste the Facebook Ad spend when working with '*questionable fans*'.

Based on and inspired by the three ways which Pam Moore of Social Media Today described '*questionable fans*', Belgian festival brand Tomorrowland, a festival that has only taken place in Belgium so far, has been examined.

### **Game change**

In the past decades, marketers overestimated the value of entirely measurable factors with regards to emotional factors. This resulted in the marketer losing the emotional connection with their fan or client. A company, organisation or brand that does not create a positive connection with its clients becomes exchangeable for any other company, organisation or brand that does.

The comprehensive internet landscape has changed and the rules of the game changed in accordance. Fans and clients would rather listen to each other than to the communication messages from companies, organisations or brands. A logical consequence, because whom should you listen to with such a wealth of choice for providers where the products and services are barely distinguishable. Fans and clients integrate the new rules into their daily lives while companies, organisations or brands still stubbornly steer clear from it. It is clear that the fan or client has become more assertive and powerful.

*Nowadays fans and clients will need a 'Likeable' company, organisation or brand. Fans and clients wish to be seen and heard. Dialogue is the key word and connection is the key. The fan, the client wants to be treated as a 'human' again. Establishing an actual connection and 'speaking or talking' with the fan or client is what it is about.*

Inventory, hardware, stock and debtors. These are less and less important in the valuation of a company. The approach and the behaviour of banks, valuers and investors endorse this. But what does increase the value of your company? While historical value will not continue to play the biggest role in determining the value, data primarily will concern future cash flow.

By making advanced and careful use of the own domain (.com for example) and social media networks, new and digital marketing profiles can be created from data gathered. So it can be determined that the value of companies, organisations or brands which carefully organize and ensure the capture of data increases.

## Facebook

When a user looks at his news feed in Facebook, he does not see a chronological order of all posts from his friends and pages he is following. Facebook filters and sorts the posts to match the interest of each user. That is why we see some friends all the time and others never appear in the news feed. Which posts are shown to the user depends on his or her interaction with the administrator or the author of the post.

Only fan pages with good fan interaction are shown frequently in the news feed. If Facebook recognizes that the posts of a fan page never trigger any interaction with likes, comments and shares it concludes that the page is not very interesting. And Facebook will show the posts less and less.

Facebook has an incredible reach. Across the globe there are more than 1 billion active users and a majority of these people log in several times per day and spend a lot of time on the network. He or she likes different pages, has different interests and is part of a network of friends, all of which is vital information when you plan to advertise on this social network.

This information allows you to target exactly the right people and advertise the product or service to the right demographics. The best Facebook ads always have a well thought-out plan starting with the design of the ad, via which demographics to approach, to the best way to analyze and take care of the traffic once people start clicking through on the ad.

However, the massive reach isn't what makes Facebook a unique advertising platform, it's rather the opportunity to approach exactly the people you want – your target group, your audience.

## Creating value

Name, address, town/city of residence, telephone number and e-mail. Can these people be reached and will they allow this via the same social media? If a comprehensive profile can be gathered from the connection via social media, this will result in a standard value. So how to define new form of valuation?

*'Creating value with content (intellectual property) by using internet and social media concerns being able to, in the basis, establishing, distributing, maintaining and optimising current and new digital relations on the various internet platforms where (in)directly and in a demonstrable way additional and future net cash flows can be generated'* (ed. *The Voice – A supplementary earning model* (Denis Doeland/Pim van Berkel)

The words *'establishing, distributing, maintaining and optimising'* refer to the costs of work and means. In addition it concerns the *'digital relations'* on multiple *'platforms'*. Digital is a key element with this, in view of the fact that this makes it clear that it does not concern a whole stack of addresses or other traditional marketing activities.

The rise of social media gives companies, organisations and brands such as a festival brand an extra possibility to reach and follow their current and future fans. A direct relationship can be made, which was not the case with traditional off-line marketing.

The step which companies, organisations and brands must make is to collect and analyse the data to subsequently implement a follow-up strategy or entirely new (marketing) strategy, with the objective of increasing future revenue.

### **Questionable fans = questionable data = questionable value**

In March 2012 Facebook claimed about 5% to 6% of its accounts — or 40.3 million to 50.7 million — were *'questionable'*. The company also stated that it bans at least 20,000 accounts daily and estimates about 600,000 accounts per day are compromised.

The number of *'questionable accounts'* on Facebook is roughly the size of Egypt's population and larger than most of the world's countries, the company disclosed at the time. Facebook finally acknowledged a total of 8.7% — or 83 million — accounts on the network were *'questionable'*. Of that 8.7%, 4.8% are duplicate accounts, 2.4% are user-misclassified accounts and 1.5% are *'undesirable'* accounts or so-called spam.

These accounts could be defined as *'questionable data'* which depreciates the value of a company. In September 2012 Facebook began a purge of so-called *'fake accounts'* and *'fake Likes'* as part of a set of site improvements announced a month earlier. The program was called *'Operation Unlike'* by many bloggers. The result was lower numbers on fan pages, including some of the site's most popular ones, but no actual loss of real followers for Facebook.

### **Case Study**

How do you determine a Facebook page has *'questionable fans'*? While not quite as simple, but when you put multiple data elements together you are able to create a clear picture on the authenticity of a proclaimed community. To get a better understanding we looked into the data of the Belgian festival Tomorrowland.

#### *1.) Verify source city, location and age of fans*

With this step you are checking if it is possible the brand's Facebook *'likes'* are coming from a foreign country for which the brand has purchased fans. The purchase of fans can be done via paid services through agencies who offer such services.

Click on the number of 'likes' on the page via the big box underneath the Facebook page cover photo. You may need to click the arrow to show the box if the brand ordered the number of 'likes' to be shown lower in the list.

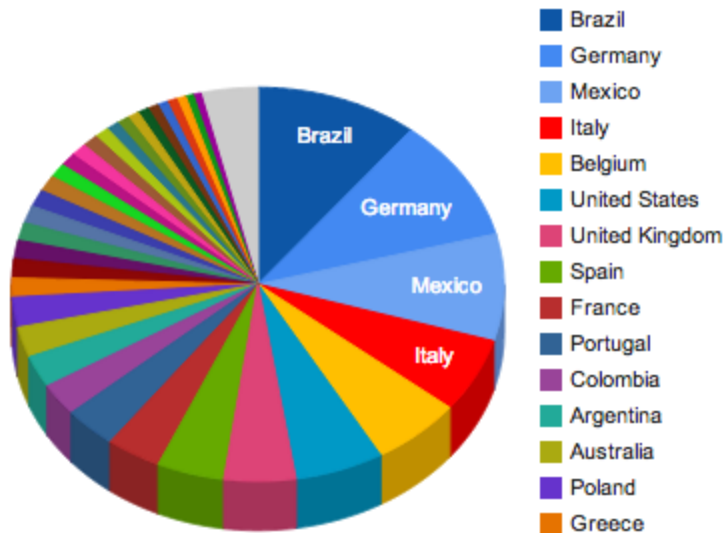


Assess the results. Next you will then see the above figure of Tomorrowland which highlights the following information:

- Most popular week.
- Most popular city.
- Most popular age group.

Is the popular city a city the brand does business in? Or is it a far-off country? Does the brand do its business in that country? Does the brand have a large following in that country? Or is it a foreign country which the brand does not do business in and does not have a valid following from that country? What is the most popular age of the fans? Are they 18-24 yr olds? Are they 35-44 years of age or older? Or a different age category? Does the age match the brand's target demographic?

Does it make sense that this age group would be so engaged with their content and services? Red flags show when the answers are positive to these questions. See the country graph of Tomorrowland below.



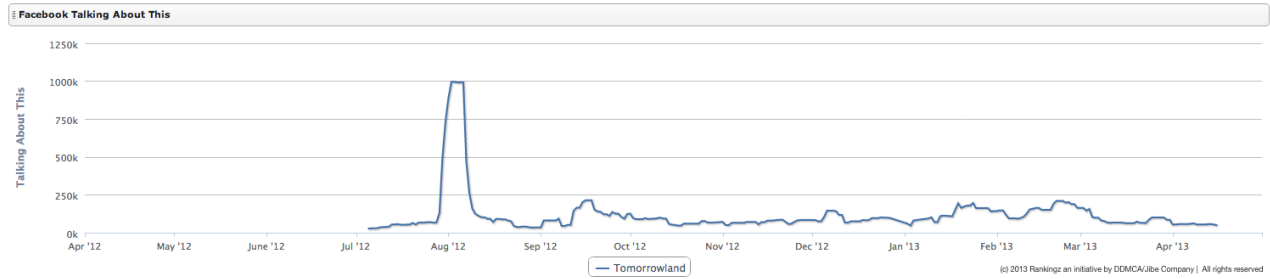
2.) *How many people are talking about the brand on Facebook?*

When a brand has 35,000 fans/likes but only 50 are talking about the brand, a red flag will appear. Are they posting content daily? If yes, either *a.) they are not effective at engaging their fans* or *b.) their fans are not real so they can't engage.*

Number of Fans/Likes and the Average Engagement Rate (AER) according to Socialbakers.

- 0 -10k (AER: 0.96 %)
- 10k – 20k (AER: 0.29 %)
- 20k – 50k (AER: 0.21 %)
- 50k – 100k (AER: 0.19 %)
- 100k – 200k (AER: 0.16 %)
- 200k – 500k (AER: 0.13 %)
- 500k – 1000k (AER: 0.11 %)
- 1000k - (AER: ~ 0.09 %)

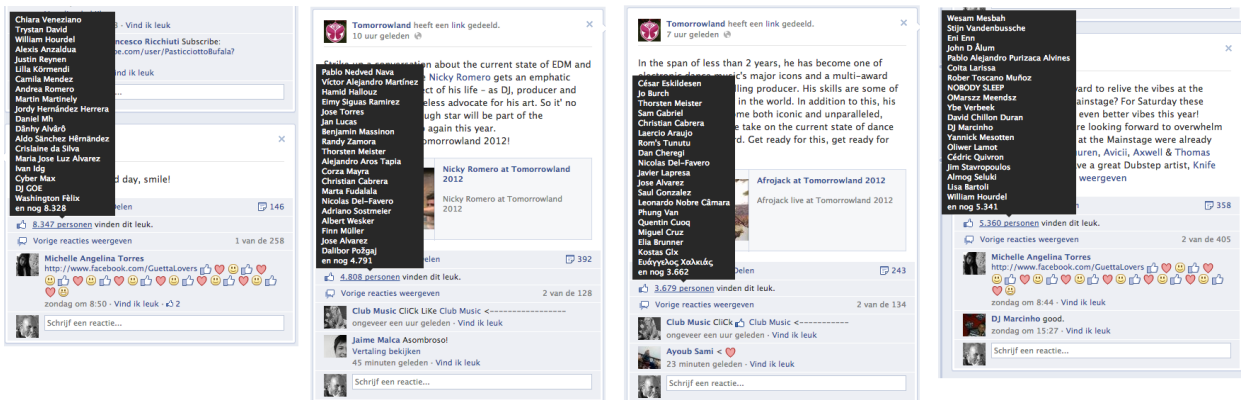
These averages are based on analytics from over 9,000 active Facebook pages monitored. This average is of a significant weight.



In the case of Tomorrowland, 56,822 fans out of over 3.2 million fans talked about the brand on 10th April which is about 1.8% of the community. When you examine the graph above it seems as if Tomorrowland is outperforming the above Average Engagement Rates examined by Socialbakers.

### 3.) Who is “liking” the daily posts and content?

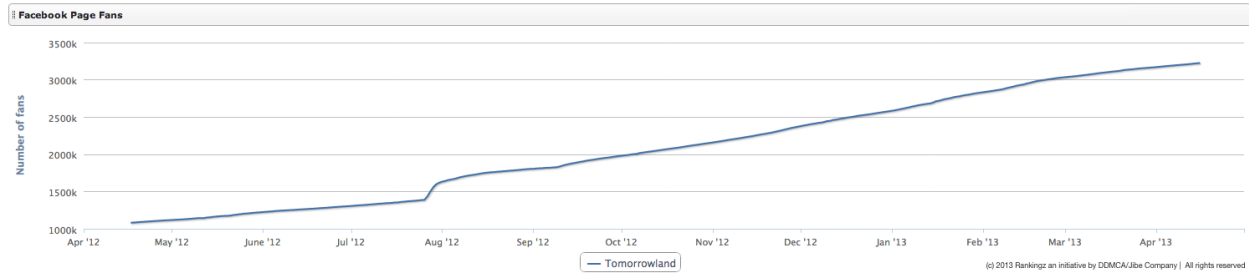
How many likes are those posts getting? Is there an equal distribution of likes? Or are there tons of likes on one day and zero engagement on other posts. It could be the posts were more engaging or the brand just rocked the ‘Facebook Edge Rank’ that day. However, you should be able to see any trend.



When you click on a number of likes under any post that seems to have a substantial number of likes, it will take you to a page where you can see the profiles of the likes. Are they real accounts? Or are they robots? Do they appear to be from a same foreign country for which their most popular city is in the Facebook insights? It appears that Tomorrowland has complied with all of the above. Another red flag shows up.

4.) *When did the brand's fans become fans?*

On most fanpages you see the monthly activity within the timeline. Did the brand jump from 1,000 fans to 20,000 fans in one month? If yes, the brand may have had a very successful campaign, became an overnight success online and offline. This is possible. However, when data analysis above shows red flags and the brand's Facebook page shows an unrealistic jump in any given single month, the chances of whether these are 'questionable accounts' just increased.



**Overview**

To understand better the results based on the signals of Pam Moore a sanity check has been conducted. A sanity check is a basic test to evaluate whether a claim or a result of a research can possibly be true. It is a simple check to see if the produced material is rational. The point of a sanity test is to rule out certain classes of obviously false results, not to catch every possible error.

The columns in the table below show 'Red Flag' and 'Sanity Check'. When Y is noticed in the 'Red Flag' column it means that this is in accordance with the signal of Pam Moore, when Y is noticed in the 'Sanity Check' column it means that the outcome is in accordance with the expectation of what is rational or this could be true.

The figures (in superscript) in the table are referring to the subsequent paragraphs above in which the signals of Pam moore are explained.

When you look at 9 of the signals defined in the 4 paragraphs above by Pam Moore the following table for Tomorrowland will appear.



Signals defined by Pam Moore	Red flag	Sanity check
Fans from far away countries <sup>1</sup>	Y	Y
Most fans are not from the country of origin <sup>1</sup>	Y	Y
Specific popular age group <sup>1</sup>	Y	N
No demographic match <sup>1</sup>	Y	N
Engagement rate <sup>2</sup>	Y	N
People talking about is an equal average <sup>2</sup>	Y	Y
Same people which like the posts <sup>3</sup>	Y	N
Equality in distribution of likes <sup>3</sup>	Y	N
Jump in fan growth <sup>4</sup>	Y	Y
No engagement from the administrator <sup>5</sup>	Y	Y

## Advice

It is time for some advice about community management and how to retain company value. Community managers normally are great listeners, constantly in tune with what people are saying and where they're saying it online. But what good is that feedback if it's not being turned into action? Establish a system to inform the stakeholders who are making your products, content or whatever you create.

While understanding your fans is the first rule of community management, understanding the specific platform you use to communicate is second. Know what communities exist on each of your platforms and what type of communication works best for them. Track how fans are responding to your brand in terms of likes, retweets, sentiment analysis or whatever makes most sense for your brand's business. Use this data to help make decisions about how you want to interact with your community.

The beauty of social networking is that it gives everyone a voice. This means your community members are constantly bombed with updates from not only brands but also friends, family, celebrities, schools and more. Offer your community valuable and a variety of updates and content.

Something that might pop up as a trend in a timeline could be non-existent to others. Speak to your community as humans, but don't be condescending. Consider the way you feel about the brands you follow and how they to speak to you.

## Summary

Have you ever looked at a Facebook page of a company, organisation or brand which recently augmented really quickly? You checked out their Facebook page and found that they gained thousands of fans in a short amount of time.

At first you may think to yourself this brand must really know how to play the social media game and build a community. However, when you double check you will see that the engagement of the brand (see table above), itself is non-existent, even when the brand has thousands or millions of fans. You checked on some of the 'likes' the brand received on recent posts and it's obvious they are from a country foreign to the brand. It's likely to determine these likes are robots.

The case study has not been conducted to judge the way Tomorrowland operates its social media strategy or to judge if Tomorrowland is cheating or not. But this study provides some lessons from which you might benefit when you operate your social media strategy and build your company value.

### *Accuracy means better understanding and real value*

Lower but more accurate 'Like' counts actually help a brand's Facebook page. Administrators might not be able to tout the brand's Facebook pages' size the same way, but they'll be better able to assess what content is resonating with their audiences.

If a brand's Facebook page has 10,000 fans but 4,000 are 'questionable' and the administrator publishes an update that got 2,500 'Likes', the administrator might think only a quarter of the fans are interested in that content. But with an accurate fan count of 6,000, the administrator would know nearly half the fans enjoyed the specific post and that they should post more with a similar vibe.

Meanwhile, on the user side of things, purging of 'questionable accounts' means fewer spam friend requests and comments, and a reduced risk of being scammed. Investors will also get a better idea of your real financial value of your data because numbers would not be inflated by 'questionable accounts'. For sure it is good to conduct a due diligence on your brand's Facebook page numbers once in a while when the aforementioned red flags show up.

### *Invest in real fans*

The best and only way to see success in social media is by investing in real fans. Invest in real people, real relationships, not in robots. At the end of the day those are the fans you develop your products and services for. They are a company's or brand's real assets, the business model and the financial value.

4 aspects to take into consideration while managing your community:

- *Consider the way you feel about the brands you follow and how they to speak to you.*
- *Offer your community valuable and a variety of updates.*
- *Establish a system to inform the stakeholders that are making your products, content or whatever you create.*
- *Use data to help make decisions about how you want to interact with your community and build your company value.*

Since Facebook users fill in a lot of information about themselves – starting with basic information such as where they live, their gender and their age etc. – an advertiser can be quite specific when deciding who to buy Facebook Ads for. For advertising on Facebook *‘questionable data’* means wasting money on demographics which are corrupt.

Building a community takes time and investment. Listening to, participating in and anticipating on the data which is created in so-called *‘conversations’* and *‘interactions’* is what it’s all about. The generated data must be stored, analysed and related to the data which you (possibly) already have. Keep in mind *‘questionable accounts’* will be defined as *‘questionable data’*.

Purchasing *‘questionable fans’* is short sided when you understand social media. By the way, for those who do not know, it is in direct violation with Facebook terms and conditions. And finally, not to forget it is also a waste of money. At the end of the day Facebook will purge these bought robots and your community will devaluate in the broadest sense of the word. So your brand will be depreciated financially and will lose in fan trust...

## About DDMCA

DDMCA assists brands, companies and organisations to apply internet and social business to meet the new expectations of fans, clients, staff members and other involved parties. DDMCA helps give their voice a place in business and in the internal organisation.

In the combination of development of knowledge, sharing of knowledge and consultancy in the area of deployment of internet from the organisation and social business sees DDMCA taking its place as a leader in it's field. DDMCA offers its services in the form of, among other things, consultancy, analysis, lectures, valuation, training, social media monitoring and internet monitoring.

DDMCA is specialised in internet and technology strategy, execution of a strategy and determination of the value of data. Clients of DDMCA are both major organisations as well as smaller ones who are aware that communication and conversation will continue to play an even greater role in and outside the organisation. DDMCA clients include Marlies Dekkers, 22tracks, JoinFeedBack, Dance Therapy, Armada Music, Extended Music, Eurosport, B2S, 2-Dutch Agency, 8ballMusic, Whoopaa, HRMatches, Werk en IK, Muziek Centrum Nederland, Herome, Amsterdam Dance Event, Oger and JunkieXL.

## Note | Disclaimer | Copyright

DDMCA will not be liable in respect of any business losses, including without limitation loss of or damage to profits, income, revenue, business, contracts, commercial opportunities or goodwill.

This article is issued under Dutch copyright law and may not be reproduced, distributed, transmitted, displayed, published or broadcast without the prior written permission of DDMCA the owner of the issued content. You may not alter or remove any trademark, copyright or other notice from copies of the content without prior written permission.

Need a strategy, an execution plan, a financial valuation report or need an assessment? Please do not hesitate to contact. An offer for a strategy, an execution plan or a full complete valuation report provided with a fairness opinion of a register valuator can be required via [denis.doeland@ddmca.com](mailto:denis.doeland@ddmca.com)

## Contact

DDMCA - Attn. Denis Doeland - Mobile: +31 6 13520250 - Mail: [denis.doeland@ddmca.com](mailto:denis.doeland@ddmca.com)

## Sources

- Paper: The Internet Ecosystem (Denis Doeland)
- Paper: The Voice: an additional earning model? (Denis Doeland/Pim van Berkel)
- Paper: The Valuation of Data: What's the financial value of an European Football Club (Denis Doeland/Pim van Berkel)
- Pam Moore:  
<http://www.pammarketingnut.com/2013/03/how-to-determine-if-a-facebook-business-page-has-fake-fans/>
- Socialbakers: <http://www.socialbakers.com/blog/114-what-is-a-good-engagement-rate-on-a-facebook-page>
- Mashable: <http://mashable.com/2012/08/02/fake-facebook-accounts/>
- Techcrunch: <http://techcrunch.com/2012/09/26/facebook-fake-accounts/>
- Frankwatching:  
<http://www.frankwatching.com/archive/2013/03/13/tomorrowland-hoe-engage-je-3-miljoen-facebookfans/>
- Mashable: <http://mashable.com/2013/01/28/community-management/>
- Qwaya: Advertising on Facebook

## Data

- Social Brand Builder
- Fanpage Karma
- Rankingz