

AAMC 2019
The 13th Asian Academy of Management International
Conference 2019

EXPLORING FACEBOOK MARKETING STRATEGY IN
HEALTHCARE RETAILER: CASE STUDY OF WATSON
MALAYSIA

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Abstract

The use of social media in marketing has been growing significantly, as the business brands' presence in social media has become critical to connect, communicate and engage with consumers through business page such as Facebook Page. Facebook takes the traditional marketing strategy a step further by moving the passive customer to interactive customer engagement by users' reactions on posts. The purpose of this study is to investigate the Facebook Marketing Strategy used by a well-known e-commerce key player in health and beauty retailer in Malaysia, AS Watson. The data was gathered based on the messages posted on AS Watson Malaysia's official Facebook page. In total, 255 posts were analysed according to seven classifications of Facebook Marketing typology: Brand Awareness, Corporate Social Responsibility, Customer Service, Engagement, Product Awareness, Promotion and Seasonal. The findings showed that brand awareness, product awareness and promotion are the main strategies used by this company. For the customer engagement, the promotional and brand awareness related posts gained the most Likes, Comments and Shares on the Watsons Facebook page posts. Customer engagement could be the result of a strategic move by Watsons, where massive promotions were done every weekend. The findings have several practical implications for effective marketing strategy in posting a wide range of type of contents that could drive user engagement.

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Keywords: Facebook, marketing strategies, customer engagement, healthcare retailer, e-commerce, social media.



1. Introduction

Social Media (SM) is online communication platforms by allowing users to create, publish and share content with others. According to Kaplan and Haenlein (2010), social media is “a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0 and allow the creation and exchange of user-generated content” (p. 61). In recent years, social media is growing fast to gain popularity in business. Social media plays a vital role in transforming the way business connect, communicate and engage with customers. The example of a popular social media platform is Facebook, Twitter, Instagram, Google+, LinkedIn and Pinterest. The Internet Users Survey 2018 released by the Malaysian Communications and Multimedia Commission (MCMC) 24.6 million out of 32 million Malaysia population use social networking. Social media marketing has been grasping considerable attention from Malaysian which 97.3% owned a Facebook, followed by Instagram account (57.0%) and YouTube (48.3%), Google+ (31.3%), Twitter (23.8%) and LinkedIn (13.3%).

Social media takes the traditional marketing a step further, from restricted customer participation to greater customer participant by the interactivity action via social media posts and comments. Many evidences have indicated that effectively incorporating with social media into business activities enable to improve their business performance in general (Alarcón-del-Amo et al., 2017; Tajvidi & Karami, 2017) and marketing in particular (Kumar et al., 2017; Rapp et al., 2013). Social media in marketing is used to promote their products or services, develop brand awareness, create customer engagement, and enhance customer loyalty. As such gaining insights from what the most popular brands on Facebook are posting is crucial to learning how to effectively use the post for marketing with users on Facebook.

2. Problem Statement

The marketing is found as the biggest reason for the adoption and use of social media strategy among various kind of business. This strategy is often associated with social media with advertising, branding and customer service as a new interactive channel of sharing and communication opportunities between businesses and customers. For the social media channels, it was found that the most important objectives are to increase sales to existing customers, facilitating communication, enhancing customer service, strengthening the brand, facilitating dialogue with customers and less in advertising. This study adopted social media strategy from Coursaris et al. (2016) they have to list out seven categories of the social media marketing strategy of Brand Awareness, Corporate Social Responsibility, Customer Service, Engagement, Product awareness, Promotional, and Seasonal. This strategy helps business to understand the range of marketing strategy available so that they could trigger the engagement behavior among consumer.

3. Research Questions

There are two research questions:

- What type of message do the healthcare retailer employ to create the post on its Facebook account?
- Which message will generate the most user engagement?

4. Purpose of the Study

The marketing is found as the biggest reason for the adoption and use of social media strategy among various kind of business. This strategy is often associated with social media with advertising, branding and customer service as a new interactive channel of sharing and communication opportunities between businesses and customers. For the social media channels, it was found that the most important objectives are to increase sales to existing customers, facilitating communication, enhancing customer service, strengthening the brand, facilitating dialogue with customers and less in advertising. This study adopted social media strategy from Coursaris et al. (2016) they have to list out seven categories of the social media marketing strategy of Brand Awareness, Corporate Social Responsibility, Customer Service, Engagement, Product awareness, Promotional, and Seasonal. This strategy helps business to understand the range of marketing strategy available so that they could trigger the engagement behavior among consumer.

5. Research Methods

This research involved a content analysis of Watson Malaysia’s Facebook post as show in Table 01. The Web browser extension “NCapture” tool from the qualitative data analysis software NVivo Pro 12 was used to extract the Facebook post. Facebook posts were collected from the official Facebook page of Watson Malaysia www.facebook.com/watsonsmalaysia. The data captured involving 255 of Facebook posts covering a month period from 1 August to 31 August 2018 were analysed. The first step, relating the coding procedure draws on content analysis based on Pre-existing seven themes of marketing strategy: Brand Awareness, Corporate Social Responsibility, Customer Service, Engagement, Product awareness, Promotional, and Seasonal (Coursaris et al., 2016). A single content post could include more than one theme.

Table 01. Watson Malaysia Facebook’s Information (as Feb 2019)

Company	Year of Joining	Follower	Total Likes
Watson (Malaysia)	2010	1,100,000	1,100,000

The second step involving the information used for analysis included the number of “likes,” “comments,” and “shares”. The number of “likes”, “comments,” and “shares” were found by manually recording the following line of each post. The analysis number of “likes”, “comments”, and “share” provide as a means of engaging behaviour with Watson’s followers, fans, and consumers.

5.1. Background Watson Malaysia

In Malaysia, retail healthcare is currently dominated by international brands such as Watson and Guardian. In addition, there are several competitive local retailers such as Caring Pharmacy, Tigas Pharmacy and Aeon Wellness. AS Watsons Group was established in Hong Kong in the year 1841 is the world’s largest international health and beauty retailer with over 14,400 stores in 24 markets. Among them, Watsons is Asia’s leading health and beauty retailer, currently operating over 6,800 stores and more than 1,500 pharmacies in 12 Asian and European markets (aswatsongroup.com). Watsons continually sets the

standards in the health, wellness and beauty market. In March 2109, AS Watson open its 15,000th store in Central I-City shopping mall Selangor Malaysia.

AS Watson has been actively expanding its efforts to boost its e-commerce initiatives in Asia including Malaysia since 2012, as the company looks to better compete with other local and international health and beauty retailer. The company has invested some US\$130 million in technology, to be sure to be competitive in the online era and maximise sales, both online and offline (Stockdill, 2019). In 2018, Watson Malaysia is acknowledged as the top key player in business-to-customer (B2C) of e-commerce healthcare retailer industry in Malaysia (EC Insider, 2018). The rank was based on the involvement in the e-commerce activities of directly, or indirectly in applying the online transactions of physical goods. The concept of B2C anticipates the selling and buying of goods or services over the internet between online stores and customers. As a result, AS Watson’s global e-commerce businesses delivered a 47% increase in health and beauty sales in 2016.

6. Findings

Findings in the form of descriptive statistics for the content and engagement analysis are presented in this section, which includes the post popularity derived from user click behaviour. This study collected 255 posts in August 2018. The empirical evidence shows that posts made by Watsons on the Facebook page have various elements as depicted in Table 02. All the posts seem to contain the element of brand awareness. The second highest element focused was product awareness, where 106 out of 255 posts contains this element. Next, 36 out of 255 posts were focused on providing customer service information to the users. The element of engagement, promotional, seasonal and contest was highlighted in a certain number of posts which are 74, 79, 9 and 25 respectively. None of the posts has the element of corporate social responsibilities. The analysis of media content format shows that images, notable photographs, were the most commonly posted format with 158 out of 255 posts. Thirty-seven of the posts includes photo albums in which multiple images were uploaded at a time. In addition, 46 of the posts were in the form of videos, and only 14 of them were Graphic Interchange Format (GIF), which are animated images.

Table 02. Facebook Marketing Strategy for Watson Malaysia

Brands	Categories									
	Brand Awareness	Corporate Social Responsibility	Customer Service	Engagement	Product Awareness	Promotional	Seasonal	Contest	Total Frequencies	Average post per month
Watsons n %	255	0	36	74	106	79	9	25	584	255/30
	43.66	0	6.16	12.67	18.15	13.53	1.54	4.29	100	~8-9

6.1. Watson Facebook Strategy

Watsons Facebook posts include several marketing strategies. In this study, a single post could be categorized under more than one marketing strategy. Figure 01 summarizes the frequency of each marketing strategy used in Watsons Facebook posts.

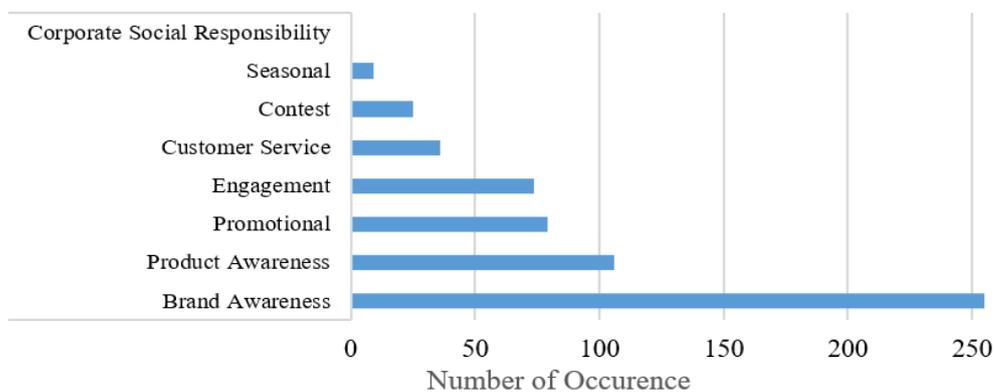


Figure 01. Summary of Watson’s Facebook Marketing Strategies

The most frequently used marketing strategy by Watsons in their Facebook posts is brand awareness. All of the posts identified over the sampling period, which are 255 posts, satisfies these theme. Brand awareness relates the posts made to gain customers’ attention towards their brand in the digital consumer market. It relates in a way that a company seeks to foster customer awareness and familiarity with its presence. Posts classified under brand awareness not necessarily need to have any actual product information. It is adequate to insert the #WatsonsMalaysia tag in a post for it to be classified as brand awareness. Post that was posted on August 30th 2018 were classified under brand awareness as depicted in Figure 02. The use of the hashtag in all the Facebook posts to make a connection with customers and business partners has created brand awareness among the users. The eye-catching logos of Watsons make people acquainted with the brand. The hashtag used in every post makes it easier to share and discover the posts on the Facebook platform. In addition, the hashtag allows Watsons to connect with the users based on a common theme. This study found that Watsons had used hashtags in their posts to signal a keyword or phrase to describe a topic such as news, brandings, trends and campaigns. For example, hashtags such as #WatsonsMalaysia and #WatsonsRewards found to be included in their posts in August 2018, which works as their branding device. Other popular hashtags included #KonfirmGood to represent an excellent Malaysian and #SayangiMalaysiaKu which related to Malaysia’s Independence Day, #buy1free1 for post aiming to inform customers about the promotional activities, #WatsonsBrand to show the products produced by Watsons itself and #WatsonsMember or #MembersGetMore tags which were to inform customers about the benefits that they could perceive in being Watsons member.

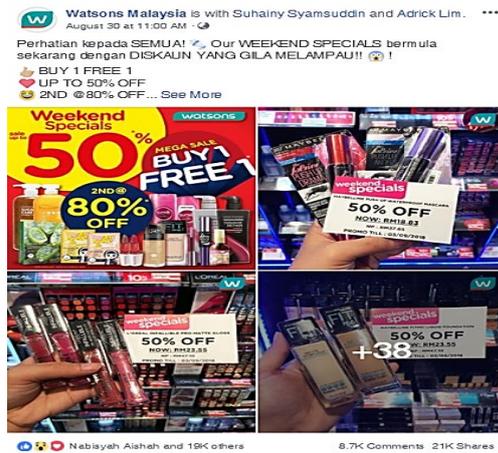


Figure 02. Facebook Post 1



Figure 03. Facebook Post 2

Posts that expose product information and their presence in the market are known as product awareness related posts. These posts usually inform customers about the products available in-store as depicted in Figure 03. Wide variety of brands' product awareness was established under the Watsons umbrella. By listing products under Watsons's page, the participating brands such as Silkygirl, Maybelline, Revlon, Nivea, Kinohimitsu and many more could become a part of Watsons's multitude of promotions and campaigns in social media. Sales of a particular brand's product could be increased when a massive number of Facebook users views the effort showed by participating brands. Our findings revealed that approximately 18.15% (n=106) of posts in Watsons's Facebook page were about exposing product awareness in some form, thus making it the second frequently used marketing strategy.



Figure 04. Facebook Post 3



Figure 05. Facebook Post 4

On the other hand, promotional posts are created to trigger immediate or future purchases through monetary incentives. Posts that include instant rewards such as cash backs, discounts and free gifts could attract more potential customers to purchase a particular product. The post showed in Figure 02 Figure 03 are the example of a promotional post. Watsons has a strategic marketing technique in which promotions are made for a different type of product at a time. Watsons has unlimited promotion period such as

'Weekend Specials' where promotional activities are conducted every weekend but for a particular type of product and these will differ every week. About 13.53% (n=79) of all posts are categorized as promotional posts.



Figure 06. Facebook Post 5



Figure 07. Facebook Post 6

Customer engagement activities occur when Facebook users engage in specific posts. Some posts with customer engagement element will encourage the consumer to follow other social media of the brand. Customer engagement built through the polls made that prompts answer from the consumer through their posts as depicted in Figure 05. Posts that directs the customer to like, share or tag users' friends also considered as customer engagement posts. Customers could stay active in the process of adding value to marketing activities rather than just being a passive customer. This activity shows up in about 12.67% (n=74) of Watsons Facebook posts.

Besides that, posts related to customer service aim to create customer awareness about their product, industry and brand changes. Posts that were posted by another source that has consumer notice which is reposted by Watsons to be considered as customer service posts. These posts usually provide information, notify or remind customers about activities conducted by Watsons. Post made on 2nd August 2018 as demonstrated in Figure 05, shows that Watsons creates awareness about their membership privileges provided for Watsons' virtual members. This study categorized 6.16% (n=36) of all posts during the study period as customer service-related posts. An activity where the users engage in a platform to win something valuable is usually carried on in posts related to contests. The participants compete for prizes by fulfilling certain tasks that require skills and knowledge in winning it. The winners will be chosen online by the Watsons administrator. For example, a post in Figure 06 might ask the user to answer several questions and tag more of their friends in that post which eventually help to spread the message to more Facebook users. Contest posts are used to create more awareness of the brand since more people engaged in it. This element revealed in about 4.29% (n=29) of all posts.

Posts that mentions about a particular event that relates them to a product or brand can be categorized under seasonal. These posts used to remind customers about specific holidays or any special events. During the data collection period, Watsons was focused on Malaysia's Independence Day with

#NationalDay, which falls on 31st August 2018, as depicted in Figure 07. However, Watsons made a lot of other posts that are related to special occasions such as #InternationalLazyDay, #MiddleChildDay and #WorldPhotographyDay and #HariRayaHaji. All these seasonal posts were related to customer engagement and promotional based posts. About 1.54% (n=9) posts only contained a seasonal element from a total of 255 posts. Such seasonal posts are perhaps the least frequent of all types of posts that reflect the organization’s marketing strategy. Among the 255 posts, none of them was categorized under corporate social responsibilities (CSR). Posts that could gain support for nonprofit organizations raise awareness or shows support for charity fundraisers are would be considered as CSR related posts.

6.2. Customer Engagement Analysis

The popularity of particular posts is measured through the number of Likes, which works as an indicator. The data shows that 100% (n=255) of the posts liked by users with a total of 130,002 clicks as shown in Table 03. There are 27.4% (n=71) posts have no comment, and 11.76% (n=31) posts have no share, whereas about 72.16% (n=184) of all posts have been commented and 88.24% (n=225) of all posts shared by Facebook users. The table below shows the average number of *Likes*, *Comments* and *Shares* for one post. This indicates that a single post could be Liked, Commented and Shared approximately 510 times, 104 times and 207 times respectively.

Table 03. Summary of Customer Engagement Analysis

Total Posts	Total Likes on All Posts	Total Comments on All Posts	Total Shares on All Posts
N= 255	130,002	26,576	52,803
Mean= Total Engagement/ total posts	509.81	104.22	207.07

This section illustrates the customer engagement analysis in Watsons Facebook posts. Figure 04 shows the patterns of *Likes*, *Comments* and *Shares* about Watsons Facebook posts over the one-month study period. The total number of *Likes*, *Comments* and *Shares* indicates popularity or how it triggers a customer to react to the posts.

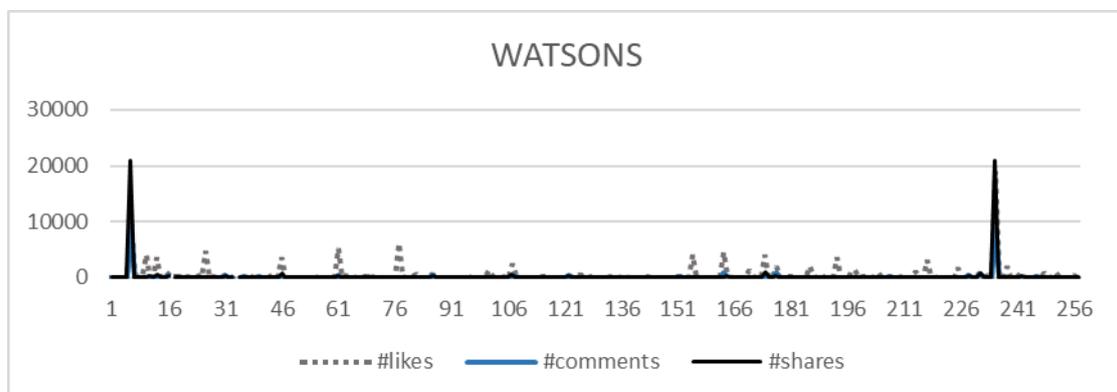


Figure 08. Trends in Customer Engagement with Watsons Facebook page

This study found a promotional and brand awareness related post gained the most *Likes*, *Comments* and *Shares* on the Watsons Facebook page posts. The engagement could be the result of a strategic move

by Watsons where massive promotions were done on the eve of Malaysia's Independence Day. However, posts made on 2nd August 2018 also received the same highest number of *Shares* as of Figure 02 posts with 21,000 shares. These findings show that posts with massive promotional deals gain the most attention from Facebook users. Discounts as high as 50% and sales such as buy one free one deals gains serious attention from customers (as shown in Figure 09) and this could be the reason for Watsons's promotional marketing strategy, as depicted in Figure 08.



Figure 09. Facebook Post 8

Further analysis of Facebook user actions under the category of customer engagement shows that activities such as commenting and sharing gained less customer interest. Most Facebook users prefer to view an image or to simply click like as they scroll down the page. However, by posting related to marketing activities alone would not help a company to stay unbeaten in their industry. It is necessary for the companies to stay updated with their posts and respond to followers' questions and feedback as quick as possible. The feedback will help the followers to gain the necessary information and lead the companies to create customers' satisfaction as well. The effective approach in sustaining the followers and gaining new followers' attention is by staying active in the social media networks and give outposts that are needed by customers. It is necessary to determine the best type of content strategy on Facebook post to engage with Watsons's followers and customers.

7. Conclusion

Marketing information is now shared through Facebook, which has become an open channel on social media. The findings of this study show that brand awareness is a primarily focused marketing strategy by Watsons. Hashtags like #WatsonsMalaysia and #WatsonsBrand as a type of brand awareness strategy used to ensure that Watsons remains as a shareable and searchable brand in the Facebook platform. The frequent and consistent use of this hashtags persuade customers, and they become attached to this brand.

When a specific customer uses Watsons brand product and shares the feedback of the product with the hashtags included in their posts, this eventually contributes to expanding the market in the online world.

Watsons is now well known for its online retailer in the healthcare industry, where it is actively engaging and interacting with customers on social media platforms. Watsons has changed the role of customer to actively interacting with the brand compared to the previous old traditionally passive recipients of information about its products and services. Besides that, Watsons proved that it has good engagement on the Facebook page with their online customers. The high frequency of Likes, Comments and Shares shows that Watsons has high engagement and interaction with their Facebook followers. This study shows that Watsons has used appropriate marketing strategy in their posts, which could attract users to focus and encourages them to share with their other friends. Posts such as P1, P2 and P4, which contains the element of brand awareness, product awareness, promotional and engagement shows to reach more users in the Facebook platform. When a post is shared among the users and more friends being tagged in posts, it will automatically notifies the other users while scrolling down their news feed. All the comments, include positive or negative comments, should be given attention, which can be used as customers' feedback. These feedbacks could be used to improve Watsons's online strategy and gain people's trust. The attractive customer service will attract more new customers as the seller are reliable.

Other than that, Watsons's post that gained highest likes, comments and shares contain the element of product awareness and promotional too despite brand awareness. In that case, Watsons should come up with such posts even more to attract more followers. Posts for product awareness always comes together with promotions. As for the promotional related posts, Watsons always focus on having great promotional activities with 50% discounts, including buy one free one deals. Despite running promotional activities during particular season or festivals, Watsons consistently satisfy its customers through massive promotion every weekend and sometimes it is unpredictable. This is an excellent move by Watsons, which is very hard to be imitated by its competitors. Massive promotion every week for different category of products makes the users stay alert on social media updates by Watsons Facebook page. Limited-time deals urge customers to purchase the product without any delay.

There are only a few customer service-related posts, which means Watsons use Facebook mainly to increase sales. However, when customers shoot their question over the comment in any of Watsons's post, Watsons must reply and solve the issue immediately. The feedback eventually will increase customer loyalty and return customers. Watsons could learn about its strength and weaknesses through the online reviews, which satisfies or disappoints a customer and improve their strategies for future sales. Next, Watsons post little about seasonal and contest-related post and none of the corporate social responsibilities (CSR) related post. This might be different for any other months in the year. This result obtained might vary depending on the months being studied.

Acknowledgments

Financial support for this study was provided by the Universiti Sains Malaysia for Research Universiti Incentive Grant (1001/PMGT/8016032).

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