

Singapore Management University

## Institutional Knowledge at Singapore Management University

---

Perspectives@SMU

Centre for Management Practice

---

3-2015

### Facebook: The power of leverage

Singapore Management University

Follow this and additional works at: <https://ink.library.smu.edu.sg/pers>



Part of the [Entrepreneurial and Small Business Operations Commons](#), [Social Influence and Political Communication Commons](#), and the [Social Media Commons](#)

---

#### Citation

Singapore Management University. Facebook: The power of leverage. (2015).

Available at: <https://ink.library.smu.edu.sg/pers/214>

This Journal Article is brought to you for free and open access by the Centre for Management Practice at Institutional Knowledge at Singapore Management University. It has been accepted for inclusion in Perspectives@SMU by an authorized administrator of Institutional Knowledge at Singapore Management University. For more information, please email [cherylids@smu.edu.sg](mailto:cherylids@smu.edu.sg).

# FACEBOOK: THE POWER OF LEVERAGE

Published:

25 Mar 2015



*Entrepreneurs like Suria Mohd have gained a large following of Facebook users that enables her to enjoy a thriving business and celebrity status in Singapore's television scene. Here's how.*

Consider the viral effect of a network of friends and contacts on social media platform Facebook – Mary's 500 friends will each receive a notification whenever she posts her favourite quotes, pictures of her family outings and videos that she finds entertaining on her wall.

Some of Mary's five hundred friends may click 'like' or 'share' with others in their network of friends, and comment on a picture of Mary's cat climbing a tree, where more friends, perhaps hundreds of them, would know her pet, even though they may not know Mary personally. That picture may have potentially been seen and commented by thousands of people on Facebook.

This was what **Suria Mohd**, celebrity weight loss nutritionist, bestselling author, speaker, as well as life and business coach has found when she entered the Facebook world in 2011 to set up her business running nutritional courses.

After attending short courses on Internet marketing and mind setting in the US, she found that Facebook was potentially a powerful and free tool to get clients and generate income. "I returned to Singapore from the US very excited about Facebook, which was the only capital I had besides time.

"I was working on Facebook and lacked sleep. I branded myself online and became an authority in the area of nutrition by writing a book. You do not ask how. You just need to have the 'why' that makes you cry and you will have a way that makes you fly," said the former school teacher and single parent of two school-going children.

To realise the marketing power of Facebook, Suria says the Know, Like and Trust principle is of utmost important for entrepreneurs.

## GET PEOPLE TO KNOW YOU

To get people to like her posts and become her friends on Facebook, Suria created her profile page where she posts quotes and pictures of her family and life for others to know her as a person. She sent numerous friend requests and liked posts of friends on social media. Next, she created fan pages where she posts customised information pertaining to nutrition, wellness and parenting.

“A fan page, which is different from a profile page, attracts more people to read my posts. It is easy to do that and you need not attend a course for it. You can learn by watching YouTube videos or if you have a young neighbour, just buy him a pizza and he can whip up a fan page for you in five minutes. If you are technically challenged, do not worry about it. You can outsource it to your neighbour.

“Today, I have a fan page that has close to 100,000 fans. Fan pages are like shops and ATM machines that spit out money every day. Fans are people with Facebook profiles who have decided to follow me and read my posts. They have their network of friends too,” says Suria.

“I have an average of 1,200 people who like each of my posts and they may like to befriend me on Facebook. By the end of the year, I would have about 60,000 new friends and 300,000 fans in five years. Internet marketing gurus tell me that 2% of friends will buy and I will potentially have 6,000 customers.

“Through the Insights function on Facebook, I found out that my followers are mainly women, aged 35 and above. Imagine I have a product that will help keep their skin firm and fair and I have customers who would each spend S\$70 (US\$50.43) a month on it. In 10 months, I will get about S\$700 from each customer and S\$4 million in total sales.”

## THE POWER OF A LIKE AND TRUST

“When you pose a picture of a cat and people click ‘like’, they are unconsciously saying that they like you. If that action is repeated, unconsciously, there will be a strong liking. This is a precursor to a sale,” says Suria.

“The people will trust you and this factor increases when they see photos of you with your family to understand you as a person. When I started out on Facebook, I use the KLT principle to build relationships with people without selling anything. This is a slow process because I did not place advertisements online. With Facebook adverts, you can pay for people to like you.”

With an advertising budget of S\$5, S\$10, S\$50 or even S\$200 a day on Facebook, entrepreneurs can promote their products and services to the online community based on demographics. They can evaluate the effectiveness of their advertising budget against the number of likes or shares and plan for the next branding or advertising campaign that would lead to personal contact and actual sales.

“While I consider online as high technology, there must be a high touch as well. After using technology to generate sales leads, you will need to follow up with the customer in person, either face-to-face or through a phone call,” says Suria.

When she posts nutritional tips on her fan page, she would add a few lines on an upcoming nutrition course. Fans would click on the link and sign up for the course or a preview session by providing their personal and contact information on an online form. “When people sign up for my course and attend it, that’s where I convert online interest into sales,” says Suria.

## THE POWER OF INFLUENCE

For corporations and business-to-business establishments, Suria suggests using social media as a platform for them to attract, engage and retain customers. They can run contests to get more attention online and as thank-you gestures to loyal customers.

To create an online presence, they can work with centres of influence – people who have a huge following of friends, such as celebrities, popular bloggers and influential people.

“A person may have one million fans and one post from him/her can easily reach more than a million people immediately. This works more effectively than advertising as the fans are more focused on certain interests for an entrepreneur to conduct a target marketing campaign with this COI.”

## WORK WITH EXPERTS, MEASURE RESULTS

For those new to using Facebook and social media, Suria says they can work with people who are savvy on social media. However, business owners need to know the objectives of using the platform and understanding how the system works before outsourcing tasks.

“I have to learn one thing at a time and understand the principles before I outsource work to social media experts. If I outsource without understanding, I would not know what I am doing. I'm influenced by industrialist Paul J Getty who said he would rather have 1% of the effort of 100 men than 100% of his effort. It is about the power of leverage.

“If you do everything yourself, you will not get to where you want to be and it's not productive. If you outsource and get 50% of the work done, it would be better than not having achieved anything on your own,” she says.