How to Successfully Launch a Facebook Store – *Lillians Case Study*

**Facebook Store Rings the Cash Register**

**PROBLEM:** A specialty retailer desired to increase store sales with the addition of an online selling solution for each of their 30 franchises.

**SOLUTION:** Create a store solution inside of Facebook to leverage the large social following of each local franchise.

**RESULTS:** A Facebook Store from ShopTab was successful in driving early online sales, dramatically increasing in-store foot traffic, and raising the average ticket amount of each in-store purchase.

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The Lillians Story

Started in 2005 by sisters Cindy Deuser and Sue Olmscheid, Lillians created an immediate impact on their suburban Minneapolis community. Their unique approach of providing an unforgettable shopping experience was coupled with limited store operations from Wednesday through Saturday. This model had immediate appeal to shoppers and other potential store owners. They began a franchising process that has fueled fast growth in over 30 locations.

The Lillians team was quick to recognize that their customers’ purchasing process was changing. They felt they had to start offering their items online to help their customers do product research and to drive shoppers into their stores. Since almost all of their locations were actively managing a Facebook Fan Page, a Facebook Store for each location was a logical first step to enter into online selling. Cindy and Sue recommended ShopTab’s Facebook Store application to their franchisees since it provided an ideal marketing platform for their communities.
Our profile client, Lillians of Dickinson, is a dynamic and creative franchisee located in Dickinson, North Dakota, with a population of just over 20,000 people. Cami Havelka is the store owner and she started her business in April of 2012. She had been using Facebook to connect and communicate with her clients with approximately 3,000 fans prior to the Facebook Store launch. Cami was excited to get started. She quickly designed the store and listed the most popular products. Prior to the launch of the store, Lillians of Dickinson began to tell their fans about the “Grand Opening” of their Facebook Fan Page (example FB post below).

Here’s one of Cami’s pre-launch posts. Note the 73 likes – these were potentially seen by the friends of the “likers” exposing them to Lillians as well.

Some of the page comments as it relates to products in the news feed prior to the launch of the store. Here is a fan’s comment regarding a product.
This shows great fan engagement, but it is also proof that Cami’s customers were trying to research, view and buy products online. A Facebook Store gave her fans that opportunity.

**LAUNCH**

The store was launched at 5pm on Monday, October 13th with a news feed post. Cami’s fans could click the link generated by ShopTab to automatically enter the store. The online store layout is automatically optimized for the user’s device – desktop, tablet or mobile phone.

The initial launch post is shown here in a mobile phone. This post received over 100 likes from existing fans.

**NOTE:** Facebook users are moving quickly to mobile device access – over 50% of all Facebook traffic is mobile. Since you should anticipate that a majority of fans engagement will be via mobile devices, incorporate posts and promotions optimized for mobile viewing and the convenience of mobile product research and purchase.
Immediately, Lillians began to intersperse posts in the news feed about the products in the Facebook Store. Using ShopTab’s promotion tools, Cami was able to directly post from the application or post a picture manually and then insert one of ShopTab’s links within the post. Lillians of Dickinson focused on presenting popular items and responding quickly to any fans that had questions or comments.

The client in this post wanted to order the blouse for an upcoming trip. The store directs the user to come in to the store and provides a link to buy the item immediately online. This buyer is very excited about the potential to purchase the product. The store response provides the option to buy immediately online or hold it for store try on and pick-up.
The team at Lillians of Dickinson did a great job of promoting their Facebook store both before and after the launch. Once the online store was launched, they used high-quality product images and product placements in the Facebook news feed to highlight the online store and specific items. By consistently engaging their fans with interesting posts and new fashion options, Lillians of Dickinson was able to further build their social community, educate their fans and drive both online and in-store sales.

The graphs below outline the impact of the first week of their Facebook Store operation. Engagement:

**BUYER ENGAGEMENT**

- New Likes: 183
- New Fans: 86

**ITEMS SOLD**

- Online Sales: 2
- FB Influenced Sales: 35

**AVERAGE TICKET VALUE**

- Prior: $60.00
- Post: $70.00

- Up 22.7%

**FACEBOOK STORE PAGE VIEWS**

- 1297 views

**Engagement:** The ultimate determination of success with most marketing efforts is increasing audience reach and spurring customer interest. In the first week of use, the Lillians of Dickinson Facebook page added 86 new fans and close to 200 new product Likes (Facebook Insights data below) which demonstrated interest by their fans and extended reach to their fans’ network of friends.
The high number of store page views in the Facebook Store (over 1,200) means there was intense review of products in the first week.

Revenue: The first few weeks or even months of an online store may yield limited sales. In this early phase, clients are being introduced to the virtual store, need to gain confidence in the online commitment, and are just starting to understand the support options for the store. They may not be aware of an ability to purchase within Facebook.

In this first week, Lillians experienced online Facebook Store sales but attributed over $2,500 of revenue from in-store retail purchases where buyers noted Facebook and the online store as the driving source. The influenced in-store sales were much higher than anticipated and had the added value of impacting the increase in average ticket amount (up over 22%), since many clients made impulse selections while in the store.

“According to the girls who worked last week, they said that almost everyone commented on seeing the online store and then mentioned a product that they were coming in for.”

Cami Havelka

Conclusion
It is important to remember that online sales still only account for approximately 10% to 15% of all retail spending. The vast majority of sales are completed in a physical store. However, Deloitte’s Retail Practice research noted in April of 2014 that 75% of all buyers indicated information in social channels influenced their buying behavior and loyalty. Savvy marketers will use a Facebook Store application and its unique promotional capabilities to drive large volumes of influenced in-store sales.

Important lessons from this launch for sellers:

1. **Create Awareness** – Facebook is a perfect platform to keep your products in the minds of your customers and their friends. The visual presentation of your products will spur fan interest and social sharing, which will extend your market exposure, increase foot traffic and drive sales.

2. **Support the Buyer Process** – Once you create product awareness, make it easy for your buyers to learn more about your products. The Facebook Store product pages provide additional images, size availability and other details important to advance the sales process. Many times a discussion will occur within the Facebook Fan Page to help guide the client along the purchasing process. Be timely and interested in responding to these discussions to build your brand and your sales.
3. Provide Convenience – Buyers expect simple options for product purchases. While they may purchase online once they have confidence in your store, many times they will require a visual and physical interaction with the product inside of your store. Providing options that will work for them is critical for creating purchase loyalty.

Social marketing has become an extremely important activity for most sellers. The integration of social commerce into these activities is an essential way to engage fans and find new customers. Use social conversation, just like your in-store interactions, to educate, excite and ultimately allow your customers to experience the value of your products through an online or in-store purchase.

“We worked for a long time to find the right online solution and partner for our franchises. The Facebook Store application and personal support from ShopTab showed itself to be an ideal solution for our organization.”

Cindy Deuser, CEO & Co-Founder, Lillians