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ADVERTISING

## Facebook Is Marketing Your Brand Preferences (With Your Permission)

By [LOUISE STORY](#)

[FACEBOOK](#) wants to put your face on advertisements for products that you like.

Facebook .com is a social networking site that lets people accumulate “friends” and share preferences and play games with them. Each member creates a home page where he or she can post photographs, likes and dislikes and updates about their activities.

Yesterday, in a twist on word-of-mouth marketing, Facebook began selling ads that display people’s profile photos next to commercial messages that are shown to their friends about items they purchased or registered an opinion about.

For example, going forward, a Facebook user who rents a movie on [Blockbuster.com](#) will be asked if he would like to have his movie choice broadcast out to all his friends on Facebook. And those friends would have no choice but to receive that movie message, along with an ad from [Blockbuster](#).

Facebook says that many of its 50 million active users already tell friends about particular products or brands they like, and the only change will be that those communications might start to carry ad messages from the companies that sell them. Facebook is letting advertisers set up their own profile pages at no charge and encouraging companies like Blockbuster, Condé Nast and [Coca-Cola](#) to share information with Facebook about the actions of Facebook members on their sites.

As eager as advertisers are to tap into the rich trove of information that people freely offer about themselves on sites like Facebook and [MySpace.com](#), there are nevertheless growing concerns about the privacy issues raised by such tactics. Facebook’s announcement yesterday came just a few days after a Federal Trade Commission hearing in Washington about online privacy and customized ads. The F.T.C. expressed concern that advertisers may have access to too much information about people’s online activities.

Facebook says it is using only information that its members choose to share. And, while the site is using the information on behalf of advertisers, Facebook is not giving it to marketers, said Chris Kelly, Facebook’s chief privacy officer.

Facebook’s much-anticipated plan — which the company calls “social advertising” — was revealed yesterday at a gathering of advertising executives and reporters in New York. Mark Zuckerberg, Facebook’s chief executive, spoke in grand terms about the death of mass advertising and said that in the future, ad messages would increasingly be conveyed from friend to friend through online networks.

“Nothing influences a person more than a recommendation from a trusted friend,” Mr. Zuckerberg said.

Facebook users will not be able to avoid these personally recommended ads if they are friends with participating people. Participation can involve joining a fan club for a brand, recommending a product or sharing information about their purchases from external Web sites.

Mr. Zuckerberg said he thought this system would make the site feel “less commercial,” because the marketing messages will be accompanied by comments from friends. When asked about people who might not like ads, Mr. Zuckerberg shrugged and said, “I mean, it’s an ad-supported business.”

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While Facebook executives said that the ads would feel more like content because they would be yoked to a friend’s comments, some analysts said the approach could backfire.

“Just because you like Reebok doesn’t mean I am going to like Reebok,” said Jeremiah Owyang, a senior analyst at [Forrester Research](#).

Facebook has 60 advertisers already signed up as partners, and last night 100,000 new profiles were added to the site to promote products, bands and other interests. Condé Nast will ask visitors to its [Flip.com](#) and [Epicurious.com](#) sites if they would like to send information back to Facebook, and will later expand the option to its other sites.

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The New York Times Company will also allow visitors to its newspaper Web sites to zap information about their visits to those sites back to friends on Facebook.

Executives from consumer brand companies attending the announcement said they viewed ads on social networking sites as a priority in their ad spending. At Facebook, “the numbers speak for themselves — their numbers are staggering,” said Babs Rangaiah, [Unilever](#)’s director for media and entertainment.

Mr. Zuckerberg said that Facebook had discussed the new program with [Microsoft](#) before signing a \$240 million deal that allowed Microsoft to sell display ads on its site. The new breed of recommendation-related ads are not a part of that deal, he said.

Facebook’s program will compete with MySpace for advertisers’ dollars. MySpace, which is owned by the [News Corporation](#), said Monday that it was trying to expand its ad targeting system to local advertisers. MySpace and Facebook scan their members’ pages to try to figure out what sort of ads the people who posted them might be interested in.

“On Facebook, we know exactly what gender someone is and exactly what age they are,” Mr. Zuckerberg said.

Some privacy experts applauded Facebook for letting people choose whether or not to make product recommendations. But they also expressed concern that Facebook might one day change its policy of not sharing data with marketers.

“That’s been one of the historical problems in this field — the shifting promises,” said Chris Hoofnagle, a senior lawyer at the Samuelson Law, Technology & Public Policy Clinic at the University of California in Berkeley.

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