

# Social Media Strategies in Small Businesses

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# NEMODE

New Economic Models in the Digital Economy

# Contents

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## Executive Summary

An exploratory project has been carried out with a number of small-to-medium enterprises (SMEs) to investigate the use of social media by SMEs. Previous research has highlighted the need for more investigations into the strategies used by businesses in implementing and using social media and in finding out how firms monitor the impact of social media on their business.

The objectives of the research were:

- To review the literature and existing survey data to develop a framework for understanding strategic approaches to social media use in small businesses, from the perspective of the business owner-manager;
- To gain further insights through interviews into social media strategies developed by small businesses;
- To examine the extent to which small businesses using social media are monitoring the impacts of social media use on their business;
- To investigate the evolution of attitudes and strategic approaches to social media in the new digital economy.

A literature review was carried out and is detailed in the Background section below.

The project used mixed methods by first analysing secondary data on social media use in SMEs in the West Midlands, obtained in 2003. This was used to generate questions for semi-structured interviews.

Six semi-structured interviews were carried out with SMEs, based in the North West of England. The interviews took place in small businesses with less than 50 staff and were taken from a range of business sectors. The interviews explored four subject areas:

- Use of Social Media
- Social Media Strategy
- Champions of Social Media
- Impacts of Social Media

The results of the interviews are summarised and discussed below:

## **Use of Social Media**

Twitter was the most widely used form of social media, used by all the businesses in this survey and for a variety of purposes including making customers aware of technical issues, provision of knowledge to clients, marketing and networking. Twitter was valued for its highly interactive nature.

Facebook was not widely used by business-to-business based sectors as it was seen as too social and consumer focused. However, it was widely used by those businesses which sell products and services directly to consumers such as those in the Food & Drink sector.

All the businesses interviewed had adopted a strategy of carrying out at least daily updates on social media.

The interviews also found that participants appreciated the benefits of using social media for a range of business purposes and not purely for sales and marketing. Some activities discussed included the use of Twitter for networking with businesses, use of LinkedIn for recruitment of staff and the use of Twitter to make customers aware of service interruptions.

There was some interest by participants in social media sites, which focused on photos such as Pinterest and Tumblr as these were seen as a useful way of promoting businesses. Several businesses had started to use Google+ and identified this as useful due to the associated reviews and search engine optimisation. Other participants were interested in Google+ as an opportunity to use a new platform.

In the majority of the organisations interviewed, all of the staff did not have access to social media for business purposes. Several reasons were identified for this and included other work requirements preventing staff from actively participating in social media use. Other suggestions were reluctance of staff to use social media for fear of saying something inappropriate about the business and lack of familiarity with social media in some staff members.

## **Social Media Strategies**

All of the participants in the research had adopted a strategy of devoting time to making regular posts on social media with tailoring of the content of posts to suit the social media platform and the target audience.

The quality of posts on social media was important to participants. All the participants felt that it was important to offer clients free knowledge and expertise through social media e.g. provision of white papers and technical

articles that might be of benefit to clients. Two of the participants also highlighted the need to be able to offer informed opinions to clients on developments and activities within their sector.

The importance of a two-way dialog between the business and their clients was discussed and businesses often mentioned the need to avoid using social media for material, which only promoted their organisation and did not allow discussion with clients.

Two of the participants described the importance of using social media for networking and for gaining knowledge.

Advertising on social media was viewed with some suspicion by several respondents and most had not developed any strategy of using social media for advertising.

It was recognised that an investment of time was required to support social media strategies but with only one exception none of the businesses were able to appoint a full-time member of staff to carry out duties relating to social media. The need to have a strategy of monitoring social media outside of regular office hours was also highlighted by two of the participants. Time saving strategies such as scheduling a program of Tweets on Twitter during the day were often used to reduce the time required in managing social media.

In half of the six organisations interviewed, managing social media use was the responsibility of the marketing manager.

Despite trying to adopt strategies for social media use, two of the businesses identified that a degree of experimentation with social media was useful. This allowed participants some flexibility to try new or different social media platforms and determine which platforms worked best for the business.

## **Champions of Social Media**

The three interviewees in the role of marketing manager considered themselves to be formal champions of social media within their organisations. One of the businesses interviewed made use of an informal champion in the form of a colleague with a greater knowledge of Twitter. The other participants in the study made use of other methods for advice and support in using social media such as working with a consultant, formal training courses and studying reports posted on social media.

## **Impacts of Social Media**

Most of the businesses in the survey made use of analytics tools to track whether social media resulted in conversions to customers. However, three of the businesses described the difficulty of effectively monitoring how social media interaction converts to value for the business.

## **Introduction**

It is widely accepted that more research into the use of social media technology by businesses is needed (Andzulis et al., 2012), (Aral et al., 2013), (Kim et al., 2013).

Social media offers an opportunity for an unprecedentedly high number of social interactions for a business or individual (Fischer & Reuber, 2011). However, businesses have been found to be slower than consumers to adopt social media. This is found to be the case, despite the high growth in consumers using social media and the identified advantages of using social media e.g. strengthening of customer relationships (Andzulis et al., 2012), (Ashworth, 2011).

This project explores an under-researched area of social media use in small to medium enterprises (SME), namely development and implementation of a social media strategy, together with systematic monitoring of the outcomes (Aral et al., 2013). In this report the use of social media in small businesses, based in the North West will be examined particularly the strategies used by these organisations, use of champions to promote social media in the business, and their monitoring of the outcomes of using social media.

The structure of this report is as follows: The next section reviews the literature on social media adoption and strategies by small businesses, including discussion on the influence of champions. The sample selection and methodology is then described, followed by discussions of the findings from the research. Finally, conclusions, recommendations and identification of future research topics are outlined.

## **Background**

### **The move from Internet use to use of Social Media.**

There has been an evolution from the use of a simple web page to provide information about a business or product, to the use of the Internet for commerce. In recent times the development of Web 2.0 technologies have enabled the creation of social media content (Kaplan & Haenlein, 2010), (Berthon et al., 2012). Kaplan & Haenlein (2010) define Web 2.0 as the technological platform for social media. Web 2.0 is not a specific set of technological advancements but certain technologies such as Adobe Flash and Really Simple Syndication (RSS) are required to facilitate the creation of social media.

The term Web 2.0 describes the technological advances in computer hardware and software that have allowed computer users to create content, interact with other users and facilitate interoperability. For example, user-friendly interactive

websites provide richer content to users and encourage participation. There is a shift in the role of the computer user from a passive role such as retrieving information from the Internet to a role that involves interacting as part of a community, information creation, design and collaboration (Berthon et al., 2012).

Social media applications such as YouTube, Facebook, Twitter, Flickr and Wikipedia are used to carry social media content. The content of social media consists of text, pictures, videos, networks (Berthon et al., 2012). The term User Generated Content (UGC) is often used to describe the content that has been generated by users using the various social media applications available (Kaplan & Haenlein, 2010). Social media is easy to access and accessible for large numbers of users (Berthon et al., 2012).

### **Classification of Social Media**

There is no definitive way to classify social media (Fischer & Reuber, 2011). Fischer & Reuber (2011) have classified social media by application type into social networking applications such as Facebook, social bookmarking, video-sharing e.g. YouTube, picture-sharing e.g. Flickr, professional networking such as LinkedIn, user forums, blogs and microblogging applications such as Twitter. Several authors have made use of the classification proposed by Kaplan & Haenlein (2010). Kaplan & Haenlein (2010) classified social media into six categories: collaborative projects, blogs, content communities, social networking sites, virtual game worlds and virtual social worlds.

The social media within the categories described by Kaplan & Haenlein (2010) offer potential opportunities for businesses with some disadvantages. The benefits and threats of social media for businesses will be described in more detail below.

### **Social Media Research – Strategies and Impact Measurement**

Aral et al. (2013) suggest a research framework for future research into the application of social media in firms and industries (Table ). Their framework breaks the research into the areas of Design and Features, Strategy and Tactics, Management and Organisation and Measurement and Value. Aral et al. (2013) highlight several areas, which would benefit from further research and further research in Strategy and Tactics and Measurement and Value are described below.

One area highlighted by Aral et al (2013) is the lack of measurement methodology for monitoring the impact of social media use on a business. Barnes (2010) plans to measure the return on investment of implementing social media in future longitudinal surveys. In her survey most of the businesses had measured the success of social media using the number of hits on the social media site, comments on the site, leads or sales as measurement indicators.

Fischer & Reuber (2011) also state that there has been limited research to measure the impact of the use of social media on a business. The limited research available is mainly in the business area of marketing. These authors provide evidence that entrepreneurs are making increasing use of Twitter and highlight the need for further entrepreneurship research to identify the impacts of this.

There is a lack of research on firms' social media strategies and how these fit into the overall strategy of a business. Aral et al. (2013) state that this is an area that should receive more research focus as there is currently a low understanding of how companies should manage their social media. This view is also supported by Ashworth (2011) who highlights the lack of research into SME e-business and social media strategies. Aral et al. (2013) found a lack of industry specific best practices available for companies. They suggest that strategies are required to provide a more interdepartmental approach for customers, with attention to contributions from customers and handling of negative perceptions of a company by customers. Fischer & Reuber (2011) also suggest that social media expertise should be viewed as a subset of business expertise. However, they also find a lack of guidelines available for firms and feel that expertise in social media is not yet fully developed in businesses because social media has only been available for a limited time period and social media continues to evolve.

Table An Organizing Framework for Social Media Research (adapted from (Aral et al., 2013) to show research relating to Firms and Industries only)

	Design and features	Strategy and tactics	Management and Organization	Measurement and value
Firms and Industries	How should firms interact with specific platform features to maximize their benefit? What features should firms design into their home-grown social media initiatives?	What types of social media initiatives work best for what firms? How should firms interact with public social media? What combinations of home-grown and public social media initiatives	How should companies organize, govern, fund, and evolve their social media capabilities? What skill and culture changes are needed to best adapt to a social world? Which skills, talent, or human	How do we measure the short- and long-term bottom line and intermediate outcomes of social media for firms? How do social media add value to firms? What industry-wide efficiencies have been (can be)

		should firms pursue? How should firms respond to social media crises?	resources should firms develop? How should firms create incentives to guide social media activities?	attained via social media?
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### Use of social media in businesses

Research often focuses on use of social media in sales (Andzulis et al., 2012) and marketing (Berthon et al., 2012), (Ashworth, 2011), (Barnes, 2010). Often one department e.g. marketing within a firm is responsible for implementing and use of social media but Aral et al. (2013) state that customers do not view firms in terms of departments and expect responses to a range of comments and enquiries raised using social media such as technical enquiries, ideas for improving a product and expressions of support for a product. Kietzmann et al. (2011) suggest that “customer service is the new marketing” and propose that firms should focus their social media strategy on customer satisfaction through processes such as customer complaint resolution and responding to customer suggestions for product or service improvements.

Research by Fischer & Reuber (2011), examining the use of Twitter by entrepreneurs, demonstrates the potential for social media to be used in many more contexts within a business than purely in marketing.

In her research into the use of social media by SME fashion e-retailers in Greater Manchester, Ashworth (2011) found that motivation to implement social media technologies was high among the retailers with benefits such as building stronger relationships with the customer, and being able to gather intelligence about customers cited as benefits of using social media. The inhibitors found in this study were the lack of staff resources available to implement a social media strategy and also the unknown potential of social media when starting to implement this into a business. Staff resources were also cited as a barrier to using social media in a longitudinal survey of top US businesses conducted by Barnes (2010). This study also found legal restrictions presented a barrier to some of the US businesses in using social media. Small businesses in Malaysia feared cybercrime from doing business using social media Kahar et al. (2012). These barriers to the use of social media may be culture and country specific.

### Factors affecting the use of social media

The widespread use of social media by the public can have implications for the organisation structure of a business as social media has allowed a shift to a

consumer driven environment (Berthon et al., 2012). Anzulis et al. (2012) report that customers now demand instant responses and contact from those businesses that they use. Customers demand a forum to deal with multiple requests such as customer concerns, loyalty rewards for customers continued use of a business or brand, special offers not available to the public or other businesses, updates on why products or services may be changing and additional information on products. Customers now demand immediate responses with no international boundaries or consideration of time zones (Berthon et al., 2012). Some larger businesses have made changes to their organisational structure to accommodate these new requirements for customer interaction (Fischer & Reuber, 2011). This may be more difficult for a smaller business to incorporate into their operations.

Kaplan & Haenlein (2010) and Barnes (2010) state that using social media can be low cost and have higher levels of efficiency than using traditional communication methods. This could make social media an effective tool for small to medium enterprises (SMEs). Kaplan & Haenlein (2010) predict a move to mobile social media in the future with the majority of users accessing social media through mobile devices. This is likely to increase public access to social media.

It can be difficult for companies to manage the use of social media as this is a fast-moving environment with social media applications becoming popular but then being replaced by new products (Kaplan & Haenlein, 2010). This paper highlights the importance to businesses of developing a strategy when using social media.

There is also potential for damage to a company's reputation due to the shift in power from the company to an individual using social media. Kwok & Yu (2013) state that consumers of tourism and hospitality products often rely on online reviews from other customers e.g. reviews of restaurants, hotels or holidays before making bookings. Consumers believe that reviews from other customers are more trustworthy than those posted by a business. Berthon et al. (2012) and Kietzmann et al. (2011) provide the example of an instance where an unacknowledged customer complaint was given international exposure by a consumer using social media in the form of a YouTube video. The firm involved was not adequately prepared for this situation. Products which have been alleged to be poorly performing or dangerous can be highlighted by consumers using social media. Several large companies have implemented organisational changes to manage this threat by employing staff to monitor social media and respond instantaneously to customer complaints (Fischer & Reuber, 2011). Unsustainable or unethical practices carried out or alleged to have been carried out by a company can also be exposed by campaign groups and consumers using social media such as blogs and wikis (Berthon et al., 2012), (Kaplan & Haenlein, 2010). Social media also presents the risk of copyright violations, for

example, users may share copyrighted materials on content community sites such as Flickr, YouTube and Slideshare (Kaplan & Haenlein, 2010). There is also some risk to a company's reputation from staff members use of social media, for example if there is conflict in a firm between staff and management (Barnes, 2010). An example of this is damage to an organisation using social media occurs when dissatisfied members of staff promote a negative image of a company using blogs (Kaplan & Haenlein, 2010). However Kaplan & Haenlein (2010) have also found cases where staff are blocked from accessing the social media that their company uses whilst at work. Barnes (2010) found that some US businesses had implemented a formal policy to give staff guidelines on the use of company blogs.

Fischer & Reuber (2011) found in their research into Twitter use by entrepreneurs that moderate use of Twitter for social networking benefitted entrepreneurial outcomes. However, many of the respondents felt that overuse of social connections on Twitter led to feeling overwhelmed by the information received and could lead to being distracted from their work.

Carmichael & Cleave (2012) also suggest a worst case scenario that use of social media for advertising by firms may be seen as an intrusion for users of social media sites and reduce the value of these sites to participants. This was not found to be the case in their small case study of Facebook users. In contrast, Fischer & Reuber (2011) confirmed this possibility as they found that blatant product promotion was not acceptable in social media communities of entrepreneurs using Twitter and could result in loss of social contacts on Twitter. The use of this social media by entrepreneurs was more focused on relationship building rather than on advertising.

## **Champions**

Schon (1963) described resistance to change within an organisation when faced with a new innovation. He found that a champion was key to the success of a new idea. Fichter (2009) described promotor theory, which describes the need for innovation projects to overcome barriers and the requirement of a promotor to help to overcome these barriers. In this theory barriers to innovation can occur due to several factors such as lack of knowledge in a firm, resistance to the innovation, administrative barriers and lack of co-operation. It is possible to have several promotor roles within a firm to overcome these barriers. A "universal promotor" or champion takes on multiple roles to overcome barriers to innovation.

Rogers (2003) described innovation champions as risk takers and innovators, possessing people skills and negotiating skills. Whilst champions were identified as influential people in an organisation, Rogers (2003) found that champions were not always the most senior members of staff within the organisation. Schon

(1963) found that champions were mainly existing staff in an organisation rather than staff recruited specifically to champion a product or innovation.

Bayo-Moriones & Lera-López (2007) highlighted a lack of research into technology adoption in small firms. They found, through case study based research, that adoption of new technology was often driven by the growth of the firm and found that a champion was in place in many small firms.

## **Aim, Objectives and Scope**

The aim of this project is to develop an understanding of strategic approaches to social media use in SMEs by exploring the experiences of businesses in the North West of England. The objectives are:

- To review the literature and existing survey data to develop a framework for understanding strategic approaches to social media use in small businesses, from the perspective of the business owner-manager;
- To gain further insights through interviews into social media strategies developed by small businesses;
- To examine the extent to which small businesses using social media are monitoring the impacts of social media use on their business;
- To investigate the evolution of attitudes and strategic approaches to social media in the new digital economy.

## **Methodology**

### **Secondary data from Advantage West Midlands (AWM)**

Secondary data was available from a survey on social media use in small businesses conducted in the West Midlands in 2011. This survey explored the use of social media in 271 small businesses during 2011 and included data about attitudes and approaches to implementing its use. Secondary data can often be of benefit to researchers, for example use of secondary data can result in a reduction in the time required to gather data (Saunders et al., 2007), (Hakim, 2000). However, secondary data can often only partially address research objectives and may no longer be current. It is often beneficial to combine the use of secondary data with primary data (Saunders et al., 2007) This survey data was analysed to provide information on social media use in small businesses examining the data using SPSS. The themes from the secondary data and from the literature described above were revisited in developing the interview themes for the semi-structured interviews described below. These provided more up-to-date data on the use of social media in small businesses.

## Semi-structured interviews with six businesses in the North West.

Qualitative research in the form of semi-structured interviews was carried out with small-to-medium Enterprises (SMEs) using methodology similar to that used by Sang et al (2014) in their research into gender in the architectural profession and Sayah (2013) on work-life boundaries in ICT. An interview schedule was constructed based on the existing literature and covered several themes chosen to explore experiences of small firms in using and implementing social media (Appendix 1: Interview Guide) . At the start of the interviews, participants were asked about their choice of social media platforms. The next question set related to social media strategy, followed by a set of questions on social media champions and a final set of questions on the impact of social media on the organisation. The interview schedule was flexible, allowing participants to raise other issues relating to social media, which were felt to be of importance and the interviewer to explore themes in more detail and explore new themes emerging from the interviews. All participants were informed of the purpose of the study by email prior to the interviews and verbally before the interviews. The respondents were guaranteed anonymity and were informed of their right to withdraw from the research at any time without explanation. Names and business identities have been anonymised. Six interviews were conducted in January and February 2014 with SMEs from a range of business sectors (Table ). The research was not limited to specific sectors as the secondary qualitative data used as the starting point for the research was obtained from a range of sectors. Three of the six participants came from IT related sectors. This is consistent with the research of Kiron et al. (2012), which found that the entertainment, media, IT, technology and publishing sectors were most likely to see social media as being important for their business. The businesses included businesses trading business-to-business (B2B) and those that were consumer focuses business to consumer (B2C). The interviews lasted around 30 – 45 minutes and were recorded. The majority of the interviews were conducted at the client’s premises or a nearby café with one interview taking place at Manchester Metropolitan University.

Table Participant Profile

<b>Business</b>	<b>Participant Role</b>	<b>Business Sector</b>	<b>Business Size (employees)</b>	<b>Social Media used</b>
Business 1	Marketing Manager	IT/Digital media	36	LinkedIn Twitter

Business 2	Marketing Manager	IT/Digital Media	15	Company Blog Facebook Google+ LinkedIn Pinterest Twitter
Business 3	Marketing Manager	IT	12	Facebook Google+ LinkedIn Twitter
Business 4	Owner/Manager & Social Media Consultant	Food & Drink	8	Facebook Tripadvisor Twitter
Business 5	Owner/Manager	Professional Services – Training & Development	Sole trader	Facebook Google+ Pinterest LinkedIn Slideshare Twitter YouTube
Business 6	Owner/Manager	Food & Drink	5	Facebook Pinterest Tumblr Twitter

The interview recordings were transcribed and analysed thematically using template analysis. Template analysis has been recognised as a method to provide structure to the analysis of the qualitative interview data (Waring & Wainwright, 2008), (King, 2004). King (2004) describes the benefits of using template analysis as a flexible technique with fewer formal procedures than other theories. Template analysis has been widely used in fields such as sociology and health (Waring & Wainwright, 2008), (Reynolds, 2003). Template analysis following a procedure described by King (2004) was carried out using the initial interview schedule themes as base codes and developing codes for sub themes to produce a final coding template. This hierarchical code structure allows similar codes to be grouped together, with the highest order codes giving an overview of general themes within the interview and the lower order sub-codes allowing finer distinctions to be made within and between participant interviews (King, 2004). The interview schedule is shown in Appendix 1:

Interview Guide and the final templates used are shown in the Discussion section below.

## Discussion

### Secondary Data Analysis

The secondary survey data contained the results of surveys with 271 small businesses in the West Midlands from 2003. All of the businesses had less than 50 staff and were based across a range of industry sectors. 185 (68%) of the participants were using social media in their business.

The survey looked at the business activities in which social media was used and the presence of a champion within an organisation.

### Business Activities

The survey included questions on the business activities for which social media was used for those businesses using social media. The results are shown in Table . The greatest use of social media was to contact businesses. The majority of the businesses completing the survey did not use social media for connecting with customers and suppliers, marketing products and services, brand support, cost reduction and online services.

Table Business Activities from the 2003 Advantage West Midlands Survey

<b>Use of Social Media</b>	<b>Yes (% of respondents)</b>	<b>No (% of respondents)</b>	<b>No. of respondents (N)</b>
Contact businesses	150 (81.5%)	34 (18.5%)	184
Marketing Products & Services	65 (35%)	120 (65%)	185
Connecting with customers and suppliers	58 (31.5%)	126 (68.5%)	184
Brand support	55 (30%)	129 (70%)	184
Reduce costs	51 (28%)	133 (72%)	184
Online sales	70 (36%)	123 (64%)	193

### *Presence of a Champion and the Use of Social Media*

A highly significant association was found between the use of social media and the presence of a champion in this data sample (Table ).

Table Business Activities from the 2003 Advantage West Midlands Survey

<b>Test</b>	<b>Cramer's V test statistic<sup>1</sup></b>
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1 \*\* highly significant -  $p < 0.01$ , \* significant -  $p < 0.05$

Chi-squared analysis of the use of social media and the presence of a business champion.	0.249, p<0.001**, N = 271
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It was decided to expand this basic data by conducting interviews to gain more insight into strategies in social media use and the presence of a champion in an organisation.

## Semi-Structured Interviews

In this research, the interviews were limited to one member of staff within each organisation and the responses do not necessarily reflect the views of all staff within each business. This did not allow for development of full case studies for each business. The discussion below surrounds recurring themes in each of the interviews. Templates were constructed for each theme in the interview and these were refined as further themes were identified in the text. The final templates for each section of the interview are shown in the tables below (Table - Table ).

### Use of Social Media

Table Template Analysis – Theme: Use of Social Media

<b>1. Use of Social Media</b>
1.1 Twitter
1.1.1 Twitter – source of knowledge
1.1.2 Twitter – appropriate platform to offer clients knowledge and opinions
1.2 Facebook
1.2.1 Differences in approach for businesses dealing mainly with other businesses, businesses dealing mainly with consumers. Facebook not seen as suitable for B2B communications, too consumer focused, too social Facebook useful for B2C interactions
1.2.2 Facebook offers chance to show social side of business
1.3 Social Media used for photos e.g. Pinterest /Tumblr
1.4 Google+
1.4.1 Google+ - reviews, search, SEO functions
1.4.2 Google+ - new platform, try something new
1.5 Need to use social media frequently.
1.5.1 Daily use
1.6 Not all staff within organisations using social media
1.6.1 Reluctance to use social media amongst staff due to fear of saying something company does not like
1.6.2 Time constraints
1.6.3 Staff not familiar with using social media
1.7 Networking with other businesses/clients

The interviews opened with a general discussion on the use of social media, including the platforms used, frequency of use and the staff in the organisation who used social media for business purposes. The themes and subthemes identified using the interview guide and following analysis of the interviews are shown in Error: Reference source not found.

Social Media Use for each participant is shown in Table . All of the businesses interviewed made use of Twitter and this was the social media platform that most of the businesses preferred.

*“Facebook builds on who you know and Twitter can reach out to new people, effectively strangers can be customers. They’ve both got their benefits, if I had to choose one, I’d choose Twitter.” (Business 4)*

Twitter was preferred for a range of reasons including the potential for using regular tweets to provide information to clients, the highly interactive nature of twitter, use to express opinions on industry developments, as a tool to research information on other businesses and for carrying out market research. This will be discussed in more detail in the strategy section below.

*“I quite like Twitter for keeping up to date with what is going on, it’s very immediate. So for news, for finding out what people Tweet from conferences, not being there you can still find out what is going on.” (Business 5)*

There were mixed responses on the use of Facebook in a business. For businesses which interacted mainly with other businesses, using Facebook was often seen as inappropriate as it was viewed as too social and consumer focused.

*“I think a lot of people work very hard and don’t want to think about business when they go home and that’s when they use Facebook. “ (Business 5)*

*“We don’t use Facebook, with us being a B2B agency we find that Facebook is very consumer facing and not really that relevant.” (Business 1)*

However, one participant in a B2B focused business, used Facebook to project an approachable and social image of their business.

*“Facebook shows our personality a bit more...we sell ourselves as a bit of a friendly, approachable agency.” (Business 2)*

For those businesses targeting consumers directly, in this research this was Food & Drink sector based companies, Facebook was found to be a valuable

communication method as, along with twitter these were identified as the main social media platforms that customers (members of the public) used.

Although the literature in the Background section found that social media is often seen as been primarily for sales and marketing, this study found that participants appreciated the benefits of using social media for a range of other business purposes, including customer satisfaction as specified in Kietzmann et al. (2012). Some examples given in the interviews of the use of social media outside of sales and marketing was the use of LinkedIn for recruitment and Twitter for networking to make new business contacts. Business 2 made use of social media to release software applications. Two participants (Businesses 3 and 6) described the use of twitter to make customers aware of service interruptions such as computer system problems or postal delays and to give updates on the resolution of these issues.

Two of the participants discussed the value of using social media platforms such as Pinterest and Tumblr for photos.

*“It’s very easy to take photos whilst I’m out and about and immediately pin it so it’s quite immediate. I quite like Pinterest for the visual side, I think that a lot of the others are not very good with images.” (Business 5)*

This was thought to be useful in the food and drink sector as photos of food products and customers enjoying food products were seen as valuable in promoting the businesses.

Several businesses had started to use Google+, in two cases this was identified as being useful due to the associated reviews and SEO functions. Examples of the other reasons for using Google+ were that businesses wanted to try a new platform for social media and that Google+ might be useful in delivering online seminars.

All of the businesses interviewed highlighted the importance of regular use of social media with the majority of businesses suggested that daily use of social media was important.

*“We’re on social media every day. Our workload dictates how often but we manage it every day looking for content, try to make a daily update, at least one update per day.” (Business 2)*

It was evident from the interviews that in most organisations all of the staff did not use social media for business purposes. There were several reasons identified in the interviews for this, including the other work requirements of members of staff prevented them from having time available to participate in social media use, fear of saying something on social media that the business did not like and lack of familiarity with social media. Despite the small numbers of

staff actively participating in social media use, Two participants (Businesses 1 and 6) identified the need for input from other members of staff to provide opinions and ideas required to produce quality in social media content, with Business 6 using team meetings to obtain ideas from other members of staff. The problem with many staff within an organisation not using social media was also highlighted as a problem by one respondent in trying to contact the right people within other organisations to make them aware of business products.

*“...sales and marketing people use it rather than the business development people. In small firms, I have had contacts with them, but then they’re not the sort of people who end up buying my services.”  
(Business 5)*

## Social Media Strategy

Table Template Analysis – Theme: Social Media Strategy

<b>2. Social Media Strategy</b>
2.1 Quality of social media content
2.1.1 Need to offer opinions
2.1.2 Offer a (free) service to clients
2.1.3 Two way dialog
2.1.4 Avoid being seen as overly promoting own company
2.3 Use of social media to update own knowledge (e.g. following other organisations)
2.4 Use for networking
2.5 Advertising on social media
2.6 Need to tailor the content of each platform
2.7 Time Required/Full time nature of role
2.7.1 Need for regular posts
2.7.2 Scheduling of social media posts
2.7.3 Monitoring outside of working hours
2.7.4 Client Expectations
2.8 Marketing/Sales mainly responsible for social media use in an organisation
2.9 Experiment with social media

The need to make regular posts on social media, described in Use of Social Media above was also re-iterated by all participants. All of the participants had tried to implemented a strategy of devoting time to making regular posts on social media.

*“Having no strategy in place whatsoever doesn’t work. Social media is a whole other realm and a role in itself if you are going to do it properly.”  
(Business 1)*

All had a strategy of tailoring the content posted on each platform to suit the style of the social media platform and the target audience.

All the participants in the interviews noted that the quality of the content which they posted on social media platforms was of high importance. All stated that it was important to offer free services to clients using social media such as white papers and technical articles which would be of benefit to clients.

*“...one thing that’s important is that we are trying to promote things that give a benefit back to the reader, so not kind of shouting about ourselves but giving them something back and giving them something interesting to look at.”  
(Business 1)*

*“It’s not just buy my product it’s giving away lots of free information because then people think that they can trust this person.” (Business 5)*

Two participants mentioned the need to offer opinions on their sector to clients through social media.

*“The strategy is just regular updates and making sure that you’re not pushing just junk out to your audience, we’re actually providing value and have an opinion on the technology that you’re talking about.” (Business 2)*

This is linked to the requirement discussed in Use of Social Media for staff within a business being required to provide expertise for the content of social media posts.

The importance of having a dialog with clients through social media and the need to avoid being seen as overly promoting their own business was also stated. This result is consistent with the findings of Fischer & Reuber (2011) from their investigations of entrepreneur communities using Twitter as described in the literature review. A high level of product promotion was seen as unacceptable in entrepreneur social media communities.

Two participants described the use of social media to update their own knowledge and the benefits of social media for networking with other businesses. This was felt to be particularly important for the business operated by a sole trader. In research into social media use by small retailers Ashworth (2011) found that gaining knowledge through gathering information on customers was seen as beneficial.

None of the businesses interviewed had made extensive use of advertising on social media but two were considering trying social media advertising. However, many expressed a dislike of seeing adverts themselves when using social media.

*“I’m not sure about Facebook ads, I hate them for a start, and I think that if I hate them then people of my generation hate them, they’re the sort of people that I’m focusing on, therefore if a put a little ad up it will just annoy people. “ (Business 5)*

This dislike of advertising on social media is an agreement with the research described by Carmichael & Cleave (2012), in which advertising on social media was seen as intrusive.

Two of the participants stated the benefits of using social media as a means to network with businesses and clients as part of their business strategy. This is a potential area for increased research as most research into networking e.g.

Watson (2012) has looked at face-to-face networking rather than business networking through social media.

*"I have met new contacts, entirely through this who have then made an effort to meet in person." (Business 5)*

*"...for us it's just been a really good place to network as well and also sometimes if you've just got a question." (Business 6)*

It was widely recognised that an investment of time was required, with some of the businesses seeing the management of social media as a full-time role. With the exception of Business 2, none of the businesses were able to appoint a full-time role to manage social media. Lack of staff resources was found to be a barrier to social media use in businesses by Ashworth (2011) and Barnes (2010). Business 2 was the exception due to the business operating in the IT sector and providing social media services to clients. This business could then employ a social media manager in a creative role managing both clients and the business's own social media content.

*"A lot of companies don't have the resources to employ someone to look after this, I suppose it depends how big the company is. We certainly couldn't employ someone purely to manage social media." (Business 1)*

The need to ensure that social media is monitored outside of office hours was highlighted. The expectation of customers of an immediate response to questions and comments posted on social media as identified in research by Andzulis et al. (2012) was also noted as being an area that businesses need to manage.

*"... basically my phone or my laptop will send a notification to say that you've been mentioned on a tweet, I'll have a look at it and if it looks like something that needs replying to I'll reply straight away. If it looks like something that can just wait, I'll leave it until the next day. It kind of comes on a case by case basis that one. It depends on the nature of why they are mentioning us and whether it's worth responding or not." (Business 3)*

Some of the businesses described scheduling social media e.g. scheduling Tweets on Twitter to reduce the time required in disseminating content on social media.

*"I'll schedule several tweets for throughout the day and then I don't need to worry about it. It's all organised at the start of the day. It's only then responses and people sending messages to us that we have to look at but the kind of planned ones, we get out of the way at the start of the day." (Business 3)*

In three of the organisations interviewed, social media was the responsibility of the marketing manager.

*"...naturally as I'm marketing manager I've taken it on." (Business 1)*

*"The MD does one of the posts on Twitter each week and the engineers look after their own twitter feed, in terms of posting updates, but everything else is me, it comes under the marketing area." (Business 3)*

This confirms research by Aral et al. (2013) showing the one department in an organisation usually manages social media but this research suggested that there is an expectation from clients for cross departmental posts on social media.

Two of the businesses interviewed identified a degree of experimentation with social media in their strategies. It was thought useful to try different platforms or new platforms as an experiment to determine which ones worked best for the business. The quote below suggests that SME businesses are making use of social media as an effective low cost tool as proposed by Kaplan & Haenlein (2010) and Barnes (2010).

*"...marketing costs so much money. If you don't know what you're doing with it in the first place you could just spend a lot of money whereas social media is free. You can experiment a bit more and even if you mess it up it doesn't really matter so long as you're not a big company."(Business 6)*

## Champions

Table Template Analysis – Theme: Champions of Social Media

<b>3. Champions of Social Media</b>
3.1 Formal Champions
3.2 Informal Champions
3.3 Other Sources of Support
3.3.1 Training Courses
3.3.2 Friends/Family
3.3.3 Consultants
3.3.4 Resources available on social media/online
3.3.5 Expertise of staff members

The three interviewees who were in the role of Marketing Manager considered themselves to be the formal champions of social media within their organisations. One of these felt that he had made the transition from an informal champion of social media, based on his interest in social media to formally championing social media as part of his marketing manager responsibilities.

*“I’m certainly like the formal champion in work, but that kind of comes out of the fact, that informally, I use social media anyway.” (Business 3)*

Another marketing manager made use of the knowledge of an informal champion in the form of a colleague with a greater knowledge of using Twitter.

*“I don’t use Twitter so much personally but she uses it a lot personally... It’s not her formal job role but she’s partner-manager here and she’s just so good at it personally that she took it on.” (Business 1)*

The other participants in this study made use of other methods of support in trying to implement or improve their use of social media. These included attending formal training courses for businesses in the use of social media, obtaining expertise and ideas from other staff to improve the factual content of posts on social media, obtaining help from friends and family. Others made use of information available online or on social media.

*“I did look for reports that I thought were quality reports rather than a bunch of tips from someone sitting in an office tweeting about it.” (Business 5)*

Business 4 made use of an external social media consultant to help them implement social media.

*“He knows such a lot about my business, if he’s not sure about something then he’ll ask us and I’ll get back to him. There’s a good working relationship...he’s like part of the team.” (Business 4)*

## Impact Monitoring

Table Template Analysis – Theme: Impact Monitoring

<b>4. Impact Monitoring</b>
4.1 Use of analytics based applications to monitor social media
4.2 Difficulties of monitoring
4.3 Reputation
4.3.1 Use of client feedback to enhance reputation
4.3.2 Ensure reputation not damaged through posts on social media

Whilst some of the businesses had carried out informal monitoring of the impact of social media such as logging the number of followers for the business on Twitter, most of the businesses in the survey made use of analytics tools to track whether social media had resulted in conversions to customers.

*“We measure some of that engagement in Google analytics and we also use sprout to give us reports on engagement, interaction, retweets etc. That’s how we measure and report on our social media.” (Business 2)*

Three of the businesses highlighted the difficulties of monitoring the impact of social media postings. One of the reasons identified for difficulty in monitoring the impact of social media were the fact that potential clients often had several sources to gain information about a business and its products and services, it was then difficult to determine which method had started the clients initial interest in the business.

*“In fairness it’s very difficult because someone can see us through social media but then come to our website directly because they know us.” (Business 6)*

*“I could say, ‘this worked for me’, but maybe they would have found me anyway so how can I tell whether or not that was the most effective way of reaching them or the quickest way of reaching them or approaching them.” (Business 5)*

The difficulties experienced by the businesses interviewed confirms earlier research by Aral et al. (2013) and Fischer & Reuber (2011) showing that there is a lack of guidance available to businesses such as industry specific best practice in monitoring the impact of social media.

Four of the participants discussed monitoring their reputation on social media. Business 4 was able to make use of positive feedback from clients on TripAdvisor. Their high ratings on this site had lead to increased interest in the business. This confirms the research of Kwok & Yu (2013), which showed that consumers of

hospitality services often relied on customer reviews for booking hotels or restaurants and thought of these reviews as being more trustworthy than material posted by businesses .

Four of the participants discussed the need to manage negative posts on social media as these had the potential to damage the firm's reputation. The negative posts given as examples were from customers and often the circumstances that resulted in the negative post was beyond control of the firm. It was recognised that there was a need to respond to these both politely and in a timely manner to avoid damage to the businesses reputation as described in Berthon et al. (2012) and Kietzmann et al. (2012).

*"Using social media you can listen to that, whether it's Facebook, Twitter or TripAdvisor you can check whether you get good feedback, look at it, listen and improve it. If you're not on social media you won't see the feedback but people may still say it and you won't know about it."*  
(Business 4)

*"For companies that need to protect their reputation you should be searching for your company name and I do but there's never anything on, which is good. There's never anything that I might need to control, there may be good comments but nothing bad."* (Business 5)

## Conclusions

This key findings from this research are described below:

### Use of social media

Twitter was the most widely used social media platform in this research.

There were mixed responses to using Facebook and whether this was preferred was dependent on the nature of the business, with Facebook generally not been seen as useful in business to business sectors but being made use of in the food & drink sector as this is a business to consumer based sector.

All the businesses interviewed recognised the importance of social media and used social media at least daily, with many making more than one update on social media per day.

Participants appreciated the benefits of using social media for a diverse range of purposes other than sales or marketing.

Most staff within in each business did not use social media for business purposes. Reasons identified for this included lack of time due to other work commitments and lack of familiarity with social media applications.

## Strategy

All of the businesses interviewed here had tried to implement a strategy which for all the businesses included making regular posts on social media and provision of knowledge and information that would be attractive to clients and was available free of charge. The importance of a two-way dialog with clients rather than a one way provision of information about the business was identified.

Some of the businesses in this study also adopted a strategy of using social media for updating their own knowledge and for networking with other businesses and clients.

None of the businesses had made extensive use of advertising on social media and many did not like to see advertising on social media.

It was recognised that an investment of time was required to manage social media adequately but few of the businesses were able to employ any staff in a full time capacity to manage social media. It was recognised that there was a need to monitor and respond to posts from clients on social media outside of office hours. Scheduling of social media posts was often used as a time saving method of putting out posts on social media.

Although all the businesses had tried to adopt a strategy for social media use, it was identified that some degree of experimentation with social media was often useful to try out new platforms and determine which worked best for the business.

## Champions

The research confirms the use of champions as an effective means to facilitate the use of social media in a small business.

The role of champion was found to be a flexible role with champions being in a formal post in some organisations, often part of the role of the marketing manager. In other organisations an informal champion with a general interest in social media had taken on an unofficial role of promoting social media use in the business. Those businesses without an individual to promote social media use had sought external help, either through a consultant, seeking training and advice from friends and family and seeking online reports which offered expertise in using social media.

## Impact/Monitoring of Social Media

Many of the businesses had carried out formal monitoring of social media using analytics software but many of the businesses found it hard to make the connection between gaining a customer and interactions on social media due to use of multiple media to investigate the business by prospective clients.

Many of the businesses were aware of the need to monitor social media and respond to any negative posts by clients to avoid damage to the businesses reputation.

### **Limitations of the Research and Suggestions for Further Research**

The pilot project was limited to a small number of interviews across several business sectors in the North West. Further research is required to expand the number of businesses studied to include other sectors and geographical locations. It would also be useful to examine variations between sectors more closely.

There were ideas that were only raised by one participant, which it might be of interest to explore with a larger sample of participants. For example Business 6 raised the idea of an optimum number of followers on Twitter, with too few followers meaning that Tweets had limited coverage and requiring action to locate new followers but too many followers resulted in reduced interaction.

The secondary data for the initial survey data used in the project and the interview data are limited to selected regions (Hakim, 2000), the West Midlands for the survey data and the North West for the interview data. The opinions expressed in the interviews may not reflect the national trends. It would be advantageous to conduct a larger scale survey or conduct interviews over a wider geographical range.

## **Glossary**

B2B – Business-to-Business

B2C – Business-to-Consumer

ICT – Information and Communication Technology

RSS – Really Simple Syndication

SEO – Search Engine Optimisation

SME – Small-to-Medium Enterprise

SNS – Social Networking Site

UGC – User Generated Content

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## **Appendix 1: Interview Guide**

### **Theme 1: Use of Social Media**

Which social media do you use?

Why did you choose these?

How often do you use social media?

What purposes is social media used for?

Examples of use of social media? – when it worked/when it didn't

Do all staff use social media or is this limited to one/group of staff?

### **Theme 2: Social Media Strategy**

Did you have a strategy when you decided to start using social media?

Examples of strategy?

What worked/what didn't work with strategies?

Do you plan to use/expand use social media in the future?

Do you have a future strategy for social media use?

Did staff require training?

### **Theme 3: Champions of Social Media**

Do you have an individual (or group) in your firm who champions social media use in your firm?

Is this a formal role or did someone who was interested in this area take on the role of a champion informally?

How did your staff feel about using social media?

Any resistance to change within the organisation?

### **Theme 4: Impact of Social Media**

How has social media use benefitted your company? – Examples?

Have you measured the impact of your use of social media? – Examples?

Monitoring of the impact of social media on your organisation? – Examples?