

Effective Communication on Social Media Can Drive the Relationship with the Aware Customer: A Theoretical Perspective

Dr Swapna Datta Khan

(Assistant Professor, Army Institute of Management, Kolkata, India)

Abstract

Social Media has encompassed a substantial part of the literate and semi-literate populace. Thus it has emerged as a reckonable medium of communication in all walks of life, including marketing communication. Organizations create easily navigable web pages and strategically position themselves in Social Media as Social Media Marketing takes centre stage. This paper aims to identify the attributes of Social Media that could be used towards building a positive relationship with the customer, study customer behaviour and emphasize the brand.

Keywords: Social Media, Firm Generated Content, User Generated Content, Customer Intelligence, Customer Intelligence

I. Introduction

Recent technology has enabled real-time accessibility to the Internet with the advent of smart mobile telephones and tablets. It is thus imperative for the organization to create a sustainable approach to engaging customers towards a positive relationship with them, thus gaining much required Customer Intelligence (CI) and emphasizing its brand value.

II. Social Media

Recent technology has enabled real-time accessibility to the Internet with the advent of smart mobile telephones and tablets. Thus, information gets integrated and propagated digitally, socially and virally over digital networks, creating Social Media, which is the flow of information using a digital network. Powered by Digital Social Networks (DSNs) and Web Services, Social Media is participative, enabling real-time conversation and building communities. [1] DSNs and Web Services allow individuals to construct a semi public profile, share ideas on a network of contacts promoting communication which may be recreational (E.g.: Facebook, Hi5), professional communication (LinkedIn, Xing) and supporting information sources such as YouTube. Web2.0 or Web3.0 enables multiway communication and sharing of information thus creating User Generated Content (UGC). Using Social Media, a customer may voice opinions thus generating Collective Intelligence (CI). [1] Figure 1 depicts the Web 2.0.

Virtual communities are built in Social Media, wherein Social Capital is the glue that connects members of such a community facilitating relationship building among customers and creating peer-to-peer problem solving groups. [15] Social Media Platforms serve specific audience for specific reasons. E.g.: Facebook enables casual social interaction and LinkedIn links professionals. [16]

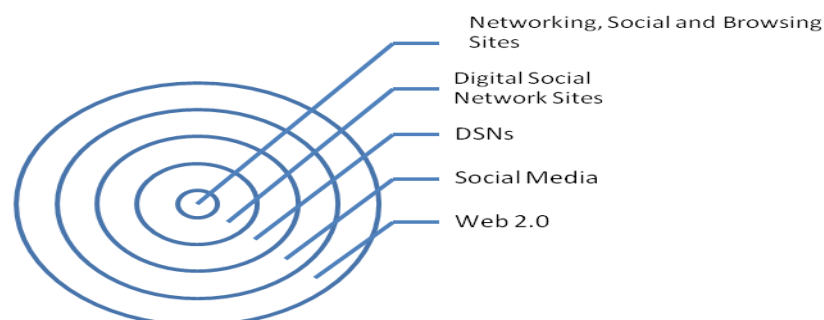


Figure 1: Web 2.0;[1]

III. Connecting with the customer and Social CRM

To connect with the customer, the organization needs to personalize marketing efforts, thus ensuring the relevance of the brand and its marketing in the customer's mind. This is a challenge as no two customers are exactly alike. Besides, the organization needs to holistically collect, arrange and distillate customer information from as many touch points as possible, generating Customer Relationship Management (CRM), which enhances excellence in real-time customer service, by enabling the customization of market offerings, services, programs and marketing communications. [6] Thus, the organization needs to employ the appropriate technology to aid relationship marketing in addition to facilities like emails, call centres, data bases. Social CRM is CRM that uses social media and its built-in services, technology and technology to enable organizations to connect with the individual customer, linked to a smart device. [6]

Social CRM has the following applications in marketing: [6]

- Engaging with prospects by recording sentiments about products and services. Marketers help customers get more involved in brand promotion by engaging them in to give ideas as to how to modify products and services and providing them with resources to demonstrate their passion, thus creating evangelists for brands by empowering customers. [6]
- Responding to in-bound customer queries, thus allowing meaningful points of engagement and customer-advocacy. It may also be noted that online customer reviews and recommendations play a vital role for retailers like Amazon and Flipkart and travel Websites like MakeMyTrip.com. [6]
- Enabling precise and dynamic audience segmentation by granting access to reliable qualitative social user data [6]

IV. Social Media Marketing and its attributes

Social Media Marketing is the process of gaining website traffic through Social Media sites. Social Media Marketing programs create content about brands and encourage users to share the same on their pages and feed, resulting in powerful Electronic Word of Mouth (EWoM) marketing communication. The underlying message thus spreads through the media and resonates as it appears to come from a trusted third party source. [3]

The three major attributes of Social Media that affect the understanding of customer needs are as follows: [7]

- Participation of the Customer: Social media provides a platform to the customer to air his views. The organization could invite the participation of interested customers to heighten their sense of bonding with the organization, thus increasing CRM
- Firm Generated Content (FGC) could be used to amplify the brand message. Organization could facilitate and speed external communication by creating offline and online buzz through brand advocates and user communities
- Customers could collect as much information about the complete range of product categories and offerings as they want

V. Objective and Scope of the paper

This research examines how Social Media Marketing contributes towards stronger Customer Relationship Management (CRM), a deeper understanding of customer needs and desires and emphasizes the brand. It shall enable organizations to direct and target their Social Media Marketing strategies towards higher customer satisfaction.

The research has however not considered rapid technological progresses and is not based on a particular sector or type of industry.

VI. Methodology

This research is entirely qualitative and exploratory and dependent on available literature sources To research on the attributes of Social Media Marketing that contribute to stronger relationships with the customer and a clearer understanding of customer needs, we examine relevant literature in the format of a the five interrelated features, which are integral to Digital and Social Media Marketing: [9]

- a. Engaging customers to generate User Generated Content (UGC)
- b. Using audience creation and branding to attract customers
- c. Retention of customers through the creation of virtual communities
- d. Using UGC to learn about customer behaviour
- e. Provision of personalized real-time interactions to the customer

Apart from this, the research examines how issues regarding Social Media Marketing could be addressed to appropriately connect with the customer.

At each stage of research, post listing and study of literature, the findings are discussed.

VII. Review of Literature and Discussions

a. Engaging customers to generate UGC

Marketers feed information and updates to customers through online methodology such as blogs, chats and social media, support online communities and create their own stops on the internet super highway. [7] FGC is the organization-initiated marketing communication on its official social media pages. FGC enhances the transaction and relationship sides of customer–organization interactions (measured by customer-spending and cross-buying, respectively) and also impacts customer profitability positively, besides generating substantial UGC. [8]

However, there are extraneous factors that affect the creation of UGC using effective FGC. The organization needs to understand customer demographics and have an insight into consumer behaviour to connect with the customer through Social Media and understand customer needs [21]. Research has shown significant differences in social media motives for sustainability among different customer segments and from different countries and type of social medium. Thus, organizations must target distinct sets of motives based on demographic profiling of customers and type of social media used. [11]

FGC working in synergy with television and email based marketing communication works positively for those customers who have had longer relationship with the organization and use social media comfortably, and special product-focused “interaction forums” could be created for such customers. By administering surveys, a firm can identify technologically confident and social network frequenting customers and encourage them to join the organization’s social media page. Thus, we can develop brand communities that are beneficial for the organization’s long term interest by synergizing FGC with other marketing communications for customers who use social media frequently.

Discussion:

- *Organizations must generate FGC by feeding information to customers on Social Media. This in turn generates UGC*
- *FGC is more effective in creating and sustaining UGC*
 - *After an organization has demographically profiled the customers and gained an insight into their behaviour*
 - *By working in synergy with other marketing communications*
 - *By connecting more with customers who have had a longer relationship with the organization*
 - *By connecting with customers who are comfortable with social media*
- *It may be noted that FGC and UGC enhance each other*

b. Using audience creation and branding to attract customers

Prior to the creation of a Social Media page regarding a product, the organization must harbour careful considerations regarding the following: [16]

- Goal (what is it trying to accomplish?)
- Strategy (ensure content and consistency for the audience, so that the brand and/ or organization has a continued positive image)
- Tools (the availability of adequate resources and tools)
- Risks (a knowledge of the threats and costs of usage of Social Media)

The employees of the organization need to be educated on the etiquettes of putting forward the brand and organization in social media especially in terms of customer behaviour analysis by promoting using the qualitative and ethnographic dimensions of customers. They should be trained to handle the social media pages in coordination with the other web presence of the brand. [1] Queries regarding products and brands should be addressed in all transparency. [14] (There exists research that advocates the evolution of the Social Media and Marketing Course in a Business Management programme. [2])

FGC should be directed at keeping users and potential customers close to the brand name. FGC should also introduce activities revolving around the brand as well as special offers and other information. Customers with a positive experience of the brand become ambassadors for the brand and may refute or corroborate the experience of others. Organizations must encourage active commentators and “likers” on their page so that it leads to purchase behaviour. Active users on an organizational Social Media page need to be rewarded and encouraged to receive maximal benefits. Organizations need also to connect with the customer through multiple types of Social Media. [17]

Discussion

- *The organization should use its Social Media page to create awareness about its brand and engage users and potential customers in the creation of positive UGC around its brand rather than push sales*
- *Prior to embarking on a Social Media page to encourage a brand, the organization needs to strategically plan its communications so that communities may be generated subconsciously promoting the brand*
- *The employees handling the Social Media pages and also on Social Media themselves must be educated to be sensitive about the way they handle the UGC*
- *FGC should focus on keeping UGC revolving around the brand by creating activities, conversation and communities and relevant UGC*
- *Customers who advocate the brand to their peers should be rewarded*

c. Retention of customers through the creation of virtual communities

Traffic maintenance is takes priority over the building of traffic in Social Media Marketing. [19] Social Media marketing is characterized by UGC which is driven by the participation of the customer in the co creation of promotions of brand, exchange of product information and resolution of issues regarding product. The consumer evolves into the prosumer and thus, generates UGC to give more precise and detailed CI. Also the regular use of Social Media by the organization could promote the relationship with the prosumer. [1] Fostering and sustaining customer engagement in virtual communities takes place under three stages: [15]

- **Understanding Customer Needs and Motivation:** Social capital emerges from the need of a member to help another member by sharing information. Thus the organization needs to always acquaint itself with the idea of specific customer needs and desires, prior to and during generation of FGC.
- **Promote participation of members in the Virtual Community:** The organization could encourage member participation by enabling blogs, offsite meets, social tagging focussing on specific common interest.
- **The organization could embed the more active prosumers by giving them access to certain information and the power to influence decisions as a privilege.**

The organization should invest in developing a Social Media community with a dedicated fan-base (E.g.: A Facebook page) to strengthen customer-organization relationship. Also, FGC could encourage customers to buy across product categories, thus also offsetting costs. (The return on investment in Social CRM is determined by FGC and UGC both). [8] Also it is noted that the empowerment of users to engage in co-creative activity could positively impact CRM. [12]

Customers’ active engagement in Social Media is influenced by attributes such as personality dimensions, motives, involvement, content preferences and usage. Also, marketing efforts are

better off targeting relational-oriented customers as they are more likely to engage other customers in their interaction.[21] There is a strong relationship between the perceived usefulness and the continued intention of the customer to use a social networking site. Thus, prior to the construction of a social media page, it would be imperative to know the attributes of the Social media users find useful.[14] Effective CRM and UGC generate each other and retain customers connected on Social Media. CRM may also include value adding services to customers such as e-newsletters, customization and special offers. Thus, a successful digital marketing to understand and serve customer needs would require that Website Features, Website Promotion Techniques and CRM software are closely interwoven to get best results.[19], [4]

Web presence enables the organization to educate and inform its audience as well as initiate conversation within the virtual community. It maintains records of posts and messages, ensures compliance to regulatory bodies and with an editorial schedule, ensures consistency and focus in FGC. The organization must add video and host guest bloggers, increasing key words and links (and thus increasing the chances of making it to the top of Search Engine Optimization (SEO) results). It must host a Website which should load quickly and be supported on a mobile device or tablet, be attractive and easy to navigate and make links to organizational contacts and Social Media presence obvious. [16] Customer Experience Management enabled by effective knowledge management techniques drives customer engagement. [9]

Interpersonal trust is generated by marketers by constant and transparent communication. Branding by emphasizing the integrity of social networking sites shall go on to build such interpersonal trust and retaining customers. [14]

Retention of customers and their continued involvement on the organization's social media pages could also be done in the following ways: [14]

- By adding online help facilities such as a “help” tab or a Frequently Asked Questions (FAQ)
- By adding games and applications for users to enjoy, generating much perceived enjoyment

Discussion

- *Traffic maintenance takes priority over traffic creation in Social Media*
- *Customers should be encouraged to co-promote brands and exchange positive information regarding the same, thus evolving into prosumers.*
- *The organization needs to foster customer engagement in the following stages:*
 - *Take cognizance of customer needs and motivation*
 - *Promote customer participation in virtual communities using various tools and activities on Social Media*
 - *Empower active prosumers as a privilege*
- *Customer engagement in Social Media is influenced by demographic profile*
- *The organization should target marketing efforts at regular prosumers as they are more likely to influence the occasional visitor to a Social Media page*
- *In order to enhance involvement of customers in virtual communities, it is required to synergize the other part of marketing communications, especially Website Features, Website Promotions, CRM software with the Social Media activity*
- *Web presence enhances customer engagement. Thus the organization should attempt to increase the same make it to the top of SEO results*
- *The organization must maintain transparency in all possible FGC and response to UGC*
- *To engage customers online, the organization could add an online help facility or an FAQ tab or some games for customers to enjoy and frequent the Social Media pages*

d. Using UGC to learn about customer behaviour

Customer participation, coupled with FGC generates a large volume of UGC from users with diverse knowledge and creativity. Effective data mining from such a large volume of UGC generates Customer Intelligence (CI) which could provide important insights enabling enhanced understanding of customer needs. Efficient knowledge management incorporates Big Data, Social Media, Mobile Technology and traditional Customer Relationship

Management (CRM) into smooth customer-centric process. Thus an organization must integrate Social Media Sources into traditional systems. [9]

Social Tagging is a way to categorize online content through User Generated Keywords or tags, thus, providing easily searchable information. Social Tags could be a valuable source of information regarding customer preferences. [13]

Discussion:

- *Effective FGC generates UGC, which in turn provides the organization with Big Data*
- *Social Tagging enables the categorization of online content using User Generated Keywords*
- *Such data (Big Data or data obtained from Social Tags) comprise, after distillation, CI which may be used generate valuable insight in customer needs and approaches*

Provision of personalized real-time interactions to the customer

Real-time communication on Social Media is available to customers through affordable smart mobile telephones and tablets. Organizations are putting Quick Response Codes (QR Codes) on their products for individuals to access their organization website with their smart phones. Promotions of a product are done by Consumer's Online Brand Related Activities (COBRAs). Consumer's Online Brand Related Activities (COBRAs) Also Electronic Word of Mouth (e WOM) enables recommendations and appraisals in a convenient manner and promotes a product via consumer-to-consumer digital interaction. [5]

Facebook accounts for 90% of all time spent on Social Media sites. Thus organizations must ensure Facebook presence by them with shared and reshared content. [10]

Discussion:

- *Affordable smart gadgets have made real-time communication with customers conceivable. eWOM is encouraged through the same.*
- *Facebook accounts for maximum presence in Social Media and it is thus imperative that the organization should have a Facebook presence and real time interactions on the same.*
- *The organization needs to keep abreast with technology, the use of QR codes, promotions using COBRA and keep in touch with prosumers real time.*

e. Addressing Issues related to Social Media Marketing

Some of the issues that relate to Social Media Marketing are:

- *Often, in Social Media Marketing clutter negatively affects the ability of a brand to cut through. [20]*
- *Brands grow by market penetration and an attempt to drive loyalty only through Social Media is an unsound strategy. [20]*
- *Often respondents do not demographically represent the organization's target customers and demographics and geographic location is difficult to trace. [18]*
- *A damaging post has an immeasurable impact on a brand. [16]*
- *Changes in Social Media outpace technology solutions set in place to meet regulatory obligations. [16]*
- *There needs to be a social media policy for the employees of the organization listing approvable conduct on Social Platforms. [16]*
- *Since Social Media drives traffic to a firm's Website, it should be up-to-date and optimized for viewing 24x7. [16]*

Discussion:

- *The tools of data mining should be used to analyse UGC and CI must remove clutter and bloat to understand customer needs effectively*
- *Social Media leaves the organization with limited information on customer demographics and the geographical location of the customer. However, the organization should attempt to understand customer needs on Social Media after assessment of relevant customer demographics from other sources*

- *The organization must keep all regular marketing channels open to effectively enhance CRM using Social Media Marketing. The Social Media page needs to be up-to-date, real time.*
- *The organization should use Social CRM linked to its website to ensure proper conduct of employees on Social Media and keep the organization Social Media active and real time, thus enabling effective CRM*
- *The organization should deal with grievances and respond to a damaging post to effectively enhance CRM*
- *The organization needs to work continuously on its Social Media reputation by responding to negative posts promptly, proactively and preferably offline. Also the organization should avoid engagement with people whose only goal is to be negative. Regulatory requirements of the usage of Social Media by the employees should be made around the preferred mode of handling of a post. [16]*

VIII. Conclusions

An organization wishing to embark on the Social Media platform and connect with its customers must first analyze the demographic profile of the target audience. It should identify its goal, the range and depth of FGC, tools to be used such as specialized software and Social CRM software. It should also take cognizance of the risks and threats thereafter.

The organization must synergize the activities on its Social Media pages with its other Web presence as well as integrate the FGC with all other marketing communications, thus speaking the same language on all platforms. To strengthen the traffic on the Social Media page, as many key words as possible should be used to maximize SEO results. The organization could use a Social CRM software integrated with its other marketing communications.

The employees dealing with the Social Media pages must be adequately trained to handle different types of UGC to further the brand and the cause of the Social Media page. They should also be aware of the regulatory needs of Social Media Marketing. Customer grievances should be addressed promptly and, if possible, offline.

Once the FGC is created, there has to be a sustained effort to maintain and increase the traffic and generate UGC. Customers need to be engaged creating positive UGC advocating the brand. The organization may have various tabs on the Social Media page such as “Help” and “FAQ” and interesting games to engage customers. There could also be connected blogs and other similar web pages. The organization should use QR Codes and COBRA to promote its brand real time.

A successful FGC and sizeable UGC could be the source of immense data, which if efficiently managed, could lead to insightful CI, thus guiding the organization towards efficient CRM and also Customer Experience Management. Efficient Knowledge Management on the part of the organization should sustainingly and proactively ensure that data mining tools remove clutter and bloat ion the data.

In the time of smart gadgets, it is imperative for an organization to connect to individual customers real time. “Presence in Social Media” could be explored as the fifth “P” of contemporary Marketing Mix.

References

- [1] Erragcha, N., & Romdhane, R. (2014). *Social Networks as Marketing Tools. Journal of Internet Banking and Commerce* , 19 (1).
- [2] Faulds, D. J., & Mangold, W. G. (2014). *Developing a Social Media and Marketing Course. Marketing Education Review* , 24 (2).
- [3] http://en.wikipedia.org/wiki/Social_media_marketing. (n.d.). Retrieved Sep 09, 2014, from <http://en.wikipedia.org>.
- [4] https://en.wikipedia.org/wiki/Social_CRM. (n.d.). Retrieved Nov 11, 2017, from <https://en.wikipedia.org>.
- [5] https://en.wikipedia.org/wiki/Social_media_marketing. (n.d.). Retrieved Jan 26, 2018, from <https://en.wikipedia.org>.
- [6] Kotler, P., & Keller, K. L. *Customer Relationship Management. In P. Kotler, & K. L. Keller, Marketing Management (2012 ed., pp. 135 - 142). Pearson Education, Inc., publishing.*

- [7] Kotler, P., & Keller, K. L. *Understanding Marketing Management*. In P. Kotler, & K. L. Keller, *Marketing Management* (2012 ed., p. 36 to 42). Pearson Education, Inc., publishing.
- [8] Kumar, A., Bezawada, R., Rishika, R., Janakiraman, R., & Kannan, P. K. (2016). *From Social to Sale: The Effects of Firm-Generated Content in Social Media on Customer Behavior*. *Journal of Marketing* , 80, 7 - 25.
- [9] Lamont, J. (2014, Jan). *KM past and future: It's about the customer*. *KMworld* , pp. 8 - 9.
- [10] Lipsman, A., Mudd, G., Rich, M., & Bruich, S. (2012, Mar). *The Power of "Like" How Brands Reach (and Influence) Fans Through Social-Media Marketing*. *JOURNAL OF ADVERTISING RESEARCH* , 40 - 52.
- [11] Minton, E., Lee, C., Orth, U., Kim, C.-H., & Kahle, L. (2012). *SUSTAINABLE MARKETING AND SOCIAL MEDIA*. *Journal of Advertising* , 41 (4), 69 - 84.
- [12] Mount, M., & Martinez, M. G. (2014). *Social Media: A TOOL FOR OPEN INNOVATION*. *CMR.BERKELEY.EDU* , 56 (4).
- [13] Nam, H., & Kannan, P. K. (2014). *The Informational Value of Social Tagging Networks*. *Journal of Marketing* , 78, 21 - 40.
- [14] Nelmapius, A., & Boshoff, C. (2016). *A motivational perspective on the user acceptance of social media*. *S.Afr.J.Bus.Manage* , 47 (4).
- [15] Porter, C. E., Donthu, N., MacElroy, W. H., & Wydra, D. (2011). *How to Foster and Sustain Engagement in Virtual Communities*. *CALIFORNIA MANAGEMENT REVIEW* , 53 (4), 80 - 110.
- [16] Schlinke, J., & Crain, S. (2013, March). *Social Media from an Integrated Marketing and Compliance Perspective*. *JOURNAL OF FINANCIAL SERVICE PROFESSIONALS* , 85 - 92.
- [17] Tsimonis, G., & Dimitriadis, S. (2014). *Brand strategies in social media*. *Marketing Intelligence and Planning* , 32 (3), 328 - 340.
- [18] Veeck, A., & Hoger, B. (2014). *Tools for Monitoring Social Media: A Marketing Research Project*. *Marketing Education Review* , 24 (1), 37 - 42.
- [19] Wang, Y., & Fesenmaier, D. R. (2006). *Identifying the Success Factors of Web-Based Marketing Strategy: An Investigation of Convention and Visitors Bureaus in the United States*. *Journal of Travel Research* , 44, 239 - 249.
- [20] Wind, Y. (., Sharp, B., & Nelson-Field, K. (2013, Jun). *Empirical Generalizations: New Laws for Digital Marketing How Advertising Research iVlust Change*. *Journal of Advertising Research* , 175 - 180.
- [21] Yeo, T. D. (2012, Sept). *Social-Media Early Adopters Don't Count: How to Seed Participation in Interactive Campaigns by Psychological Profiling of Digital Consumers*. *JOURNAL OF ADVERTISING RESEARCH* , 297 - 308.