An Emerging Method of Communication: Social Media Marketing and It’s Social and Managerial Implications

Saadia Shabnam¹, Afreen Choudhury² and Muhammad Intisar Alam³

The next global communication boom is going to be with the social media where the use of social media between individuals, between individuals and organizations and between organizations for personal and professional use would be widespread. The existence of social media and its increasing use for social networking offers enormous chances for marketers to advance personalized relationships and sharpen targets for their brands. Marketers’ target youths and ‘innovators’ adapt and use social media successfully since it can be reached ‘effortlessly’. This research-based article generates the insights of both marketers and targets on this new horizon of integrated marketing communication. With the help of a broad range of different perspectives such as qualitative and descriptive studies, we can explore what is going on in the social media environments including consumers’ primary reactions after being exposed to the corporate messages in their social networking sites, weblogs and wikis. Along with a systematic review of available secondary information on the social media description, performance measurement through klout scores, in-depth interviewing was conducted to explore the marketers view towards social media usage for brand building and challenges for them; a primary survey- based research was also conducted on campus youths about their networking behavior. Findings of the study identify the recent trends in the use of social media interaction between corporate marketers and communication prospects of today’s marketers, information-sharing and collaboration for the marketing activities. There are some deeper insights as the food for the manager’s thoughts. The article would surely be a valuable contribution to the existing body of knowledge on newly explored area of personalized marketing.

Keywords: Social Media, Social Media Marketing, Networking, Personalized Marketing, Integrated Marketing Communication.

1. Introduction

As the 21st century is witnessing an explosion of internet-based messages transmitted through social media, it has a spillover affect on influencing various aspects of consumer behavior including awareness, information acquisition, opinions, attitudes, purchase behavior, and post-purchase communication and evaluation. But, many managers lack full appreciation for social media's role in the company’s promotional efforts. The opposition is also having their own and valid arguments for these. Even though social media is magnifying the impact of consumer-to-consumer conversations having in the marketplace, methods for shaping those conversations have not yet been articulated. Capitalizing on this point can be the major means for the marketer too spread ‘word-of-web’ to the new generation of consumers and prospects.

¹ Senior Lecturer, Dept of Business Administration, East West University: saadiashabnam79@yahoo.com / saadia@ewubd.edu
² Senior Lecturer, Dept of Business Administration, East West University
³ Senior Lecturer, BRAC Business School, BRAC University
Social media marketing strategies permit interaction, connection, conversation, community building and a sense of belongingness among consumers. Consumers trust their online network and share with friends for seeking advice on a particular product or brand and as a means of socializing. Thus, managing brands with its intangible properties, now-a-days are more conveniently done by today’s marketers with the social media representation. It’s not just a question of understanding their immediate needs and preferences, also a question of understanding what they value and how they would behave in future.

The purpose of this article is to explore recent trends of social media and its use by today’s marketers and at the same time understanding consumer psychology on how they accept and use this new trend. The first phase of this article explored the existing theory, concept and practices related to social media and summed it all together to understand the existing body of knowledge. Based on this enriched knowledge as well as through in-depth interviewing article’s next section focused on the emerging possibilities of social media in Bangladesh and discovered how the companies are grabbing those unlimited opportunities. In addition to exploring marketers’ outlook a pilot study on the youth was also conducted to gain the insight on consumers’ response toward the social media.

The last phase of the article highlighted the findings of the study will help both the companies and the customers to determine the various vital issues that they usually consider while choosing each other to do business with and the factors that are most influential on their minds to form attitude towards both.

Since today’s companies have very wide range of business operations and large number of products, it is both effective and efficient for them to sell directly to the final consumers. For these reasons they have to depend heavily on the social media which plays a vital role in adding value to the products and selling the products to the final consumers.

This is especially true for those organizations who always try to be in touch with their customers 24/7. Therefore the main intention of the paper is to demonstrate that the companies will be able to underline those factors that customers usually consider in choosing a specific company to do business with, sort out the influential or promising ones, check out their performance on those criterions and improve their performance on those dimensions to retain and attract more retail customers in different industries.

2. Objective

The study was conducted to gain insight into the newly emerged promising area of marketing communication and personalized marketing- the social media, its use by the marketers, consumers’ responses and reactions toward such medium, marketing benefits of using such method along with cautions to adopt such medium.

More specifically, the studies have the objective to:

- Explore the social media networking platforms and the trends in Bangladesh as a medium of communication in marketing.
- Identify consumers’ responses toward the social media as a marketing
communication option through a pilot study considering brand image, association, awareness, loyalty and consumer experience as independent variable and social media effectiveness as the dependent variable.

3. Methodology

This is an exploratory research study to understand the social media trends in the areas of marketing of corporations along with uncovering underlying factors of young users’ use of social media. This paper is the result of extensive desk research. This systematic review of recent literatures dated from 2000 to 2011 was included. Selection of materials was done by three of the authors which followed specific criteria containing relevant definition and concepts, theoretical model or current practices in the area of social media marketing. The exploratory research methods involves collection of relevant literature like published articles, seminar proceedings, websites, write-ups in blogs, books and some unpublished research based working papers. There was all possible effort for assimilation and synthesizing of the information to make a coherent whole. The systematic review took eight months- from month of April to November of the year 2011 with the help of MBA students of East West University of Bangladesh. Secondly, in-depth interviewing was conducted on some marketers including some employees of Unilever, Standard Chartered Bank and Double A Pulp & Paper Company Ltd. to discover different techniques and practices of social media platforms for brand building.

In the next phase, a pilot study on the youth was carried out to gain the insight on consumers’ response toward the social media. It totals 50 internet users; accounted for the study having at least one social networking account in any of the networking sites or blogs. The study considered brand image, association, awareness, loyalty and consumer experience as independent variable and social media effectiveness as the dependent variable. A structured questionnaire (Malhotra, 2009) on variables identified earlier from literature on social media use and its influence on branding. The use of SPSS gave the outcome that is discussed in the later part of the article.

4. Ongoing Discussion of Existing Literatures

4.1 Evolution of Social Media

Nowadays technology is constantly changing, and when your brand is a part of the social networks it is obvious that it be able to change with it. Social networks have become an increasingly important part of the online experience and are used daily by millions of people. Perhaps it could be so basic definition that social media is people having conversations online. However, with the basic definition, social media is an umbrella term that identifies the different activities that integrate technology, social interaction and the construction of videos, texts, audios and all types of pictures. These social media sites can be classified into three main areas: These are multimedia, communication and entertainment (Boyd and Ellison, 2007). In the subject of describing social media, McConnell and Huba (2007) suggest that it is ‘the sum totals of people who create content online, as well as the people who interact with it or one another’.
Social media are tools that provide people with the ability to collaborate and communicate with one another online. Social media tools facilitate the creation and sharing of knowledge, information, media, ideas, opinions and insights, and allow people to actively participate in the media itself. This signals the move from passive consumption of marketing messages to facilitating interaction with messages. Online tools include social networking sites, blogs, wikis, podcasts, content aggregators and content communities. Of these social media tools, social networking sites (SNSs) and blogs have experienced the most prolific growth. SNSs account for nearly 17 per cent of total internet time. People are spending more time on SNSs and do so at the expense of traditional media (McGiboney, 2009). Hailed as a prospective new means of reaching and engaging consumers, Nielsen (2009: 1) highlights that ‘the social networks and advertising industry haven’t yet found that magic formula to make this happen’. Despite the increasing amount of time people are spending on SNSs (McGiboney, 2009), these sites have yet to be harnessed as a successful marketing tool for reaching and engaging consumers (Nielsen, 2009). SNSs enable their users to create, build and maintain relationships that were not previously possible with a large and extended network of contacts. They can also provide a company with the potential to reach this large network of contacts (Enders et al., 2008). As a medium that centres on communication between individual users, companies must employ a different approach if they are to engage consumers effectively via SNSs (Gillin, 2007), as consumers are essentially using SNSs to be social and to make themselves heard (McKinsey & Co., 2006).

Kaplan and Haenlein (2010) defined social media as “a group of internet based applications that build on the ideological and technological foundations of web 2.0, and that allow the creation and exchange of user-generated content”. Social media can take many different forms, including social networks, Internet forums, weblogs, social blogs, micro blogging, wikis, podcasts, pictures, video, rating and social bookmarking (Kaplan and Haenlein, 2010; Weber, 2009). Weber also includes search engines in the definition of social web, and describes them as reputation aggregators with the task of aggregating sites with the best product or service to offer and usually put things in order of reputation (Weber 2009).

In terms of the above mentioned definition, Wikipedia defines social media as: “media designed to be disseminated through social interaction, using highly accessible and scalable publishing techniques. Social media use web-based technologies to transform and broadcast media monologues into social media dialogues. They support the democratization of knowledge and information and transform people from content consumers to content producers”. (Wikipedia, 2011)

4.2 Social Media and Marketing

The evolution of social media marketing was determined in terms of an effective and efficient way of interactive communication. Keller (2009) states, “Interactive marketing communications allows consumers to learn from and teach others about a brand, as well as express their commitment to a brand and observe the brand loyalty of others”. Social media plays a vital role and has already left an ever lasting impact in terms of brand equity.
Weber (2009) has approached the question of branding in the social web. He also defines this as the dialogue you have with your customer, and claims that the stronger the dialogue is, the stronger the brand is, and vice versa. Actually, he questions the very core concept of traditional marketing and branding, and means that rather than broadcasting messages to audiences and target groups, in the era of social web that we live in today, branding and marketing is about participating in social networks to which people want to belong, where dialogue with customers and between customers can flourish.

According to Weber (2009), marketing to the social web means to adopt a completely new way of communicating with an audience in a digital environment. Instead of continuing as broadcasters, marketers should become aggregators of customer communities. It is not about broadcasting marketing messages to an increasingly indifferent audience. Instead, when marketing to the social web marketers should participate in, organize and encourage social networks to which people want to belong. Rather than talking at customers, marketers should talk with them.

The task of aggregating customers is done in two ways: by providing compelling content on your web site and creating retail environments that customers want to visit, and by going out and participating in the public arena (Weber 2009). Marketing to the social web is not only for the largest multinational corporations; it may be easier and more effective, argues Weber (2009), for a relatively small or medium-size company to take maximum advantages of the social media. Also the way of segmenting changes radically with the advent of the social web. Demographics like gender, age, education and income, lifestyle factors have become less relevant, and what really counts is segmenting according to what people do and feel- their behaviour as well as their attitudes and interests. The goal for the marketer is to identify groups of customers within the larger market that can be reached and affected through the marketing.

**Social Media Instances**

- PepsiCo’s Doritos brand asked fans to create and vote on 2010 Super Bowl commercials, while monitoring their online visitors and comments
- A large U.S.-based industrial production management company launched a blog to gain more visibility for its experts who install and optimize products in plants. The program has now expanded to include LinkedIn, Facebook, and Twitter. Email exchanges between experts and customers with problems are regularly posted in the social media channels.
- A major publishing and training company uses social media for recruitment by posting interviews of employees on YouTube. The company also uses Twitter and Facebook for marketing and generating PR about new books and other products, and has launched internal blogs to keep employees connected to each other.
- A European company, with supermarkets as well as food and beverage manufacturing operations, focuses social media efforts around Facebook. Some pages focus on the company; others, built by customers, discuss specific products.
- Product /concept testing online like new Gap logo, recent redesign of Tropicana orange juice

(Weber 2009).

### 4.3 Social Media Platforms

According to the Merriam-Webster dictionary the definition of social media is “forms of electronic communication through which users create online communities to share information, ideas, personal messages, and other content”. Social media tools may be
stated by some unique creative principle make easy contributing, but they take a wide array of modes. Well-known social media tools are counted as platforms of Web logs, or blogs, which are websites that are like user based diary or e-journals. Wikis, websites or special platforms are special social media environments, which are authored by a community of people. They are used for effective information getting. Podcasting is a form of audio blog allowed for the uploading and syndication of audio files. Online social networks are also hearth of social media tools. Virtual worlds, including online games, are counted as other forms of online social networks. (Skog, 2005: 464–474). Social media tools means a proper of technologies that have crucially lowered the interaction costs of two-way communication over the World Wide Web, which has socialized the production of information and applications across the internet. With the social media tools people did not just communicate more, they began communicating in qualitatively different ways than before. Very huge numbers of new media instruments give a serious opportunity to express them, collaborate with others for people and especially for the young people who using these effectively and predominantly (Buckingham, 2008). Social medias is really transforming our society in terms of firms’ business, politicians’ relationships with their voters, teachers’ education styles on students, friends’ relationships with each other (Li and Bernoff, 2008).

Johansson (2010) claimed that social media are distinct from industrial or traditional media, such as newspapers, television, and film. They are relatively inexpensive and accessible to enable anyone (even private individuals) to publish or access information, compared to industrial media, which generally require significant resources to publish information.

Social media technologies include: blogs, picture-sharing, vlogs, wall-postings, email, instant messaging, music-sharing, crowdsourcing, and voice over IP, to name a few. Many of these social media services can be integrated via social network aggregation platforms like Mybloglog and Plaxo (en.wikipedia.org/wiki/Social_media. Retrieved 100420).
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Weber (2009) uses the term “social web” instead of social media, and defines the social web as “the online place where people with a common interest can gather to share thoughts, comments and opinions. It includes social networks such as MySpace, Gather, Facebook, BlackPlanet, Eons, LinkedIn, and hundreds more. It includes branded web destinations like Amazon, Netflix and eBay. It includes enterprise sites such as IBM, Best Buy, Cisco and Oracle. The social web is a new world of unpaid media created by individuals or enterprises on the web and they include:

- Reputation aggregators: search engines such as Google, Yahoo!, Ask and Live. They aggregate sites with the best product or service to offer and usually put things in order of reputation.

- Blogs: online journals where people can post ideas, images, and links to other web pages or sites. Some appear on personal or corporate sites, while others are hosted on Blogger, BlogHer (for women), Weblog, Tumblr, and other blogging sites. (Weber 2009)

- Microblogs: Twitter is a social networking and microblogging service that enables its users to send and read messages known as tweets. Tweets are text-based posts of up to 140 characters displayed on the author’s profile page and delivered to the author’s subscribers who are known as followers. Senders can restrict delivery to those in their circle of friends or, by default, allow open access. Topic-specific e-communities are generally advertising supported although some are free. Hewlett Packard for example has communities on its website, and there are communities involving sports such as KayakMind for people who enjoy kayaking. Password-protected e-communities are growing especially quickly.

Social networks are places where people with a common interest or concern come together to meet people with similar interests, express themselves and communicate. In addition to the ones abovementioned are also for example Xanga, Stumbleupon. Some sites are devoted specifically to image-sharing, such as Flickr, and some to video-sharing, YouTube serves 10 billion videos a month to U.S. viewers alone (Weber 2009).

4.4 Recent Trends in Social Media Use

Keeping pace with the ever-changing dynamics of the online marketing space is no easy task. New technologies and tactics seem to crop up daily and evolve so rapidly that marketers often have difficulties deciding where to focus their efforts. Findings from IBM showed that in the next three to five years, 82% of CMOs surveyed worldwide will increase their technology investment in social media and 81% plan to focus on customer analytics and customer relationship management (CRM) solutions, two technologies designed to help them address the impending issues and concerns surrounding the growing amount of available marketing efforts for consumers.
4.5 Marketing Implications of Social Media

Given the level of connectedness facilitated by SNSs, Enders et al. (2008) highlight the potential these sites offer in terms of reaching a greater number of consumers. Building upon Anderson’s (2006) model of the ‘long tail’, the authors propose the model shown in Figure 1.

As depicted in Figure 1, traditional social networks, i.e. those maintained offline only, are limited. The figure also illustrates the prolific network of contacts a company has the potential to reach through the use of online social networks.

Barabási and Bonabeau (2003) explain that the concept of ‘scale-free’ networks can also be applied in terms of the internet and SNSs. These networks contain nodes with a number of links that can spread to other nodes in many areas, i.e. networks linked to one another through common members. These networks work on the principles of growth and preferential attachment, and highlight the importance of connectedness and critical mass within SNSs. Where a member, or what the authors refer to as a ‘node’, is highly connected, they will have many friends and will be likely to develop relationships, links and more friends. This connectedness, in turn, will increase the likelihood of connections to other networks and thus increase communication capabilities and reach, increasing the size of the overall network. These networks can provide an ideal medium for marketers to generate word-of-mouth in relation to products and services (Barabási and Bonabeau, 2003).

Source: IBM: From Stretched to Strengthened: Insights from Global Chief Marketing Officers
Gladwell (2000) categorised influencer groups into mavens, connectors and salespeople. Eccleston and Griseri (2008) then found that these influencer groups could also be applied in an online context. Eccleston and Griseri (2008) further build upon these categories, applying them in the context of consumer behaviour. Mavens are people who gather product and service information and are asked by others to provide information in relation to these products and services. Connectors are those who essentially ‘connect’ to others and connect those they know to one another. This category of influencer is one who has discussed products and services with at least two other individuals. Salespeople are those who influence others to buy or refrain from buying products and services. Eccleston and Griseri (2008) explain that the majority of SNS members behave as connectors do. However, in exhibiting this behaviour, they are lacking a key element of Eccleston and Griseri’s (2008) influencer types – they are not discussing products and services with each other via SNSs. Therefore, how to integrate themselves into these conversations and turn consumers into connectors is now the issue facing marketers.

MacKelworth (2007) outlines the need for a different approach to reaching and engaging customers in online social networks and the subsequent power that has been bestowed upon consumers as the result of these networks. He finds trust and tie strength are essential factors influencing consumer purchasing decisions. In addition, a two-way dialogue between the source of information and the consumer will be of more influence than one-way communications. A survey conducted by MacKelworth (2007) with 899 business professionals in the business-to-business sector found respondents’ professional contacts from their SNS were ‘most worthwhile’ or ‘very worthwhile’ (73 per cent) in terms of the level of influence their recommendations would have on respondents,
although they did not often use their professional contacts as a means of acquiring recommendations. Business professionals surveyed did outline that their most trusted sources of information were friends and professional contacts. MacKelworth (2007: 30) states: “What is important for the marketing paradigm is to dedicate resources to engaging with them to lower the reception threshold of marketing communications by encouraging influencers external to the company to promote and evangelize new service and product offerings.

Furthermore, Urban (2005) argues that given this increase in the power of consumers, customer advocacy should be at the forefront of marketing strategy. Consumers can source information to aid the decision-making process and purchase products from a variety of sources, much of which have been provided by technologies, in particular the internet. As a result, control is increasingly in the hands of the consumer. Urban (2005) reports that, traditionally, if consumers were dissatisfied, they may tell a few of those close to them, and, at worst, a company would lose only a small number of customers. However, the internet has enabled dissatisfied customers to tell numerous friends, the effects of which can be detrimental for a company. The potential advantages of this communication in terms of positive word-of-mouth, and the extent to which this consumer communication can reach, can also provide many opportunities for a company. Urban (2005: 157) states that customer advocacy signifies a move away from the traditional forms of marketing to that of a company providing ‘open, honest, and complete information’ to consumers. Rather than pushing messages onto consumers, it involves a dialogue between a consumer and a company based on trust. This is the future of marketing as it recognizes that the consumer is in control.

In accordance with Clarke (2008) and Rust and Oliver (1994), Lewis and Bridger (2004) argue that information technology has led to the development of a consumer–producer collaborative relationship. The authors highlight that as consumers become less trusting of companies, the trust which does remain will be invested in those companies that collaborate with them regarding products and services. The network value of consumers and their subsequent potential to pass on messages to numerous individuals should not be ignored. It must be remembered that a person’s online social network may not just end with their immediate network, but messages can pass from one network to another based on members who are common to two or more networks (Domingos, 2005).

Consumers have trust in one another and SNSs hold potential as a word-of-mouth communications medium regarding products and services. The question facing marketers and companies is how to create this trust and dialogue with members and encourage them to become those connectors proposed by Eccleston and Griseri (2008) and pass on company messages and recommendations to one another.

Essentially, consumers primarily use SNSs to be social. They view SNSs as their own private spaces where they can broadcast and share their opinions, beliefs, insights, media and more with those who share the same interests. This ability to become broadcasters in their own right and share important information with one another has enabled consumers to become more powerful and dictate exactly what they want and expect from a company. This prosumer expects their demands to be met. With the right approach, SNSs can provide a means for companies to engage consumers and encourage them to pass on
company messages throughout the extended network of contacts they have established on-site. Consumers have trust in one another on SNSs and companies must also be viewed as consumers’ friends and garner their trust. As consumers spend more and more time on SNSs, engaging consumers in marketing on-site has become essential.

4.6 Social Media Contribution towards Society

Communication and relationship maintenance are cited by Dwyer et al. (2007) as the main motivating factors for participation in SNSs. These motivating factors are reinforced by an Ofcom (2008) study of SNS users in which the primary reason for using these sites was to communicate with those people a person sees often and with those people they rarely see, and to rekindle old friendships. Social capital refers to connections within and between networks. SNSs help users to maintain and develop relationships with strong ties (those with whom they are close) and weak ties (those with whom they are less close), i.e. build their social capital. Developing and maintaining relationships with weak ties is known as bridging social capital and arises from the ability of SNSs to provide users with multiple means of maintaining more distant relationships (Steinfield et al., 2008).

Haythornthwaite (2005) reports that where people have access to devices that allow them to connect to the internet, they are presented with the opportunity to communicate with individuals previously unknown to them, known as latent social network ties. This latent tie development is possible since the internet facilitates connections that were not previously possible. The internet was at times seen as a medium that diminished social capital (Kraut et al., 1998). However, Wellman et al. (2001) outline that more recent studies have shown it maintains and supplements social capital when used in a social context. Friendships constitute an important role in SNSs by allowing users to find friends within a network and to discern the fabric of the community. Friendship in online social networks is stretched in a sense. Anyone can be a ‘friend’ by simply sending an invitation, regardless of whether they are known to members or not (boyd, 2006). This development and maintenance of weak ties in online networks is important as this is where new information is most likely to be attained by members (Haythornthwaite, 2005).

4.7 Consumers’ Attitudes towards Social Media

According to Eastin and Daugherty (2005), consumer media consumption are purposive and involve active behavior in which consumers seek media content based on their internal motivations. These internal motivations are to meet consumers’ specific needs and serve as the basis of attitude formation (O’Keefe, 2002, Daugherty et al., 2008). Eagly and Chaiken (1993) also claimed that a person’s attitude signifies the individual’s psychological tendency that is expressed through a particular object that serves the consumer’s various motivations. Mangold and Faulds (2009) mentioned that social media have been acclaimed for having dramatic influences on every stage of the consumer decision-making process as well as influencing general opinions and attitude formation.

In justifying social media adoption and consumer willingness to choose social media, attitude towards the selection of media first needs to be analyzed (Daugherty et al., 2008, Fischer and Reuber, 2011). Due to this, consumer needs towards consuming traditional media is on the decline and have gradually gravitated towards online media and
eventually culminated in the usage of social media which is more personalized and user-controlled (Bhagat et al., 2009). Consumers consistently demand for more media consumption that could support immediate access to information at their own convenience (Rashtchy et al., 2007, Vollmer and Precourt, 2008). Hence, the media control changes in consumer behavior and their pattern of adoption as consumers perceive the importance of the technology system offered by this type of media. This has led consumers to adopt social media effortlessly (Mangold and Faulds, 2009). They also added that social media has made it possible for businesses to communicate instantaneously and simultaneously with consumers (B to C) and consumers to communicate with other consumers (C to C) regarding products, brands and services continuously. Social media has become a mass media vehicle for consumer-sponsored communications that represent a number one source of media for consumers at work and the number two source of media for consumer at home (Rashtchy et al., 2007).

An interesting study by Zeng et al. (2009) focused specifically on social factors relating to user perceptions and responses to advertising via social networks, finding that responses to advertising in this context depended on perceptions of advertising relevance and value, as well as being influenced by social identity and group norms. Social media’s rapid and widespread growth does not need to occur at the expense of traditional media. From the consumers’ perspective, this enhances and reinforces communications and provides much needed credibility for the brand in an online environment (Bond et al., 2010).

Today’s youth is one of the market’s most powerful consumer groups. Young people are nowadays progressively able to affect the purchase and decision making of others (Loudon and Bitta, 1983; Zollo, 1995). The youth market can be seen as an indicator of social change in terms of their impact on society and surrounding culture (Widdicombe and Woffitt, 1995). In fact they can be called as the change makers of the society. Therefore, youth market is asserted to be shaping future marketing trends. Youth is now excessively difficult to reach with mass messages, thanks to a complex media landscape and competition in media also. It is easy to claim that the augmentation of young people using social networks brings about marketers a wide new ways through which to target them. Nevertheless, this demographic remains a vital, influential market.

4.8 Klout Score: A Measure of Social Media Influence

According to Klout Inc, the Klout Score measures influence based on your ability to drive action. Every time you create content or engage you influence others. The Klout Score uses data from social networks in order to measure: True Reach: How many people you influence; Amplification: How much you influence them; Network Impact: The influence of your network. Klout.com is a site that measures the company’s overall online influence using over 35 variables (See Table 3 at Appendix) across Facebook, Twitter and more recently, LinkedIn; scores on Klout range from 1 to 100 (the higher the better).

4.8.1 Exploring Different Sites with High Klout Scores

Based on the theory that the higher Klout Scores mean more successful websites, we have explored the web pages of most preferred companies’ with high Klout scores. Here the bar chart reflects the accessibility, interactivity and availability of necessary
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information in those websites.

In Appendix, Table-2 represents the availability of different sorts of information and interaction options in social web pages provided by high Klout scored companies; especially based on- Customer Query, Request, Updates, Discussion and Other features.

The ration reflects that the most of the pages are dealing successfully with Queries & Updates, whereas some have their online discussion options.

At the same time there are some customized options that have been marked as “Others” in the table; which include contests, quizzes, puzzles, games, videos etc. These options are very important and highly interactive. Most technology based brand has their expert team for these pages to communicate with the users regarding their products. On the other hand, the innovators have their innovation center online to get ideas from the users.

5. Social Media: Possibilities for Bangladesh

Media consumption in Bangladesh is rapidly increasing via internet. Recent advancements such as new fiber cables, WiMax and the Wireless Internet USB devices have lead to an explosion in the proportion of the Bangladeshi population that are ‘connected’ to the web. There are already an estimated 4 million people with internet access in Bangladesh and this is predicted to grow to 20 million by 2020 reflecting the tremendous popularity of the internet at present and the potential for future.

<table>
<thead>
<tr>
<th>Table 1.1: Internet Usage and Population Statistics</th>
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<td>Bangladesh</td>
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5.1 Current Scenario of Social Media Consumption in Bangladesh

Bangladesh Facebook Statistics

Facebook monitoring helps to improve your business and social media marketing strategy in every country. Currently, there are 2798360 Facebook users in the Bangladesh, which makes it #51 in the ranking of all Facebook statistics by Country. Our social networking statistics show that Facebook penetration in Bangladesh is 1.77% compared to the country’s population and 453.32% in relation to number of Internet users. The total number of FB users in Bangladesh is reaching 2798360 and grew by more than 436120 in the last 6 months.

The following two tables (Table 1.2 & Table 1.3) are representing the top 5 brands and the top 5 media in Bangladesh and also highlighting there number of Facebook users,
referring to the increasing dependence of companies and marketers on social media in Bangladesh.

### Table 1.2: Top 5 brands in Bangladesh

<table>
<thead>
<tr>
<th>Brands</th>
<th>Facebook users</th>
</tr>
</thead>
<tbody>
<tr>
<td>Grameenphone</td>
<td>164704</td>
</tr>
<tr>
<td>Fortuna Fried Chicken</td>
<td>160537</td>
</tr>
<tr>
<td>FFC</td>
<td></td>
</tr>
<tr>
<td>Qubee</td>
<td>155681</td>
</tr>
<tr>
<td>Fortuna</td>
<td>69141</td>
</tr>
<tr>
<td>Samsung Mobile</td>
<td>42197</td>
</tr>
</tbody>
</table>

### Table 1.3: Top 5 media in Bangladesh

<table>
<thead>
<tr>
<th>Media brand</th>
<th>Facebook users</th>
</tr>
</thead>
<tbody>
<tr>
<td>Pothiq</td>
<td>458165</td>
</tr>
<tr>
<td>Prothom Alo</td>
<td>239386</td>
</tr>
<tr>
<td>bdnews24.com</td>
<td>203465</td>
</tr>
<tr>
<td>The TechJournal.com</td>
<td>22262</td>
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<td>News Booth 24</td>
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</table>

### 5.2 Findings and Analysis

In this era of social media to be highly interactive the industries are relying more and more on different social networking sites, as it is believed that the faster the company responds the better brand image the company will receive. A socially devoted brand has to respond to its customers fast, especially brands that offer services from the telecom, airlines, electronics and automobile industries should have a high response rate and response time (Figure 2). The customer care department is also progressively moving from traditional media to social networks, for this reason companies need to focus on their Facebook Page and make sure that they are available and helpful at all times for their customers.

Social Media Marketing is done by the world’s FMCG giants Unilever, Double A, Pepsi, P &G, Coca Cola as this is profoundly changing people’s communication and connecting behavior. These companies see their business potentials in people plus technology. The web sites are containing Social Websites Tag in this way-

follow us on [Twitter](#), [Facebook](#), [LinkedIn](#), [YouTube](#)

To check out the social media dependence of different industries in Bangladesh in this research study we have selected and explored three specific companies to identify how fast they are responding towards social media.
5.2.1 In-Depth Interviewing

**Case: Leader is on the move**

*Unilever* dealing with more than 400 brands worldwide uses different social media in terms of their brand positioning. Such as in Facebook, it creates like pages for the advancement of their newer consumer promotion, organizes competition on behalf of any of their brands, and explores puzzles solving to help people to find out how they along with their various brands can help the consumers. In addition to these, they provide several health and home tips for their globally scattered consumers to improve health and well-being, to increase sustainable sourcing followed by reducing environmental effects.

*Standard Chartered Bank Bangladesh limited* is using the most popular social site Facebook for their Bangladeshi users. Here viewers will see an electronic ad banner in the Facebook Home Page, whenever a generic user login to his/her Facebook account they will find the promotional banner which is linked with SCB official site that offers their products. Here Facebook users will be able to know the SCB products at a glance. This is the shared cooperation between Facebook and Standard Chartered Bank in Reach & Awareness Co-branding exercise and its objective is to rapidly increase the awareness of the brand through each other's strength in the respective domains.

*Double A Pulp & Paper Bangladesh Limited* used Facebook, Hi5 and Bdjobs as a mode of promotional tools. When double a launched TVC for the very first time in Bangladesh, as a 360 degree promotional tool to support that TVC, they used these social sites to create more awareness among the Bangladeshi users. The offer was valid only for the users of Bangladesh region. The maximum number of forwarder of TVC would get certain gift items. The promotional offer proceeded through the following steps:
Step#1: Double A pulp & Paper Thailand office proposed Facebook and Hi5 about the promotion and their Bangladesh office made an arrangement with Bdjobs to forward the message to the Bangladeshi users. Step#2: Whenever a user login the site there would be a flash add line with Double A logo and a slogan “one click and you will be a owner of a laptop”. Once the user clicked on the link there would be another window to forward the TVC. Step#3: Central marketing team from Double A would track the first, second and third most forwarder on daily basis. As a result Double A website hit rate went higher with this offer and it created a buzz among the internet users.

5.2.2 A Pilot Study

A pilot study especially on the youth was conducted to gain the insight on consumers’ response toward the social media. We collected responses from 50 Internet users, having at least one social networking account in any of the networking sites or blogs and they were accessing the Internet from one to one-half years. The respondents were between 18 and 40 years of age. Their educational levels were: HSC 04%; undergraduate 60%; and post graduate 36%. Their professional distributions were: students 22%; private worker 42%; public worker 16% and business person 20%. The income levels of the sample group were- above 25,000: 32%; 20,000-25,000: 20%; 10,000-20,000: 32%; and 0-10,000: 16%.

Regression Analysis

Pilot study conducted show that there is the direct relationship of brand image, association, awareness, loyalty, consumer experience; and social media exposure. The value of R square (.456) is 45.6% indicating quite substantial impact of independent variables (brand image, association, awareness, loyalty and customer experience) on the dependent variable (social media exposure), whereas the rest of the 54.4% of the variance in the dependent variable is explained by the other unidentified variables. The results of the study definitely play a vital role, but even after that further exploratory studies are needed to identify other unidentified variables.

Table 2: Multiple Regression Coefficients, Standard Errors in parenthesis, t-values in brackets, p-values and F-statistics in italics

<table>
<thead>
<tr>
<th>Predictors: (Constant), Brand Image, Brand Awareness, Brand Loyalty, Brand Association, Customer Experience</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dependent Variable: Social Media Exposure, Level of Significance at p &lt; 0.05</td>
</tr>
</tbody>
</table>
By considering the Multiple Regression analysis results mentioned in Table-2, it is identified that the partial regression coefficient for Brand Image is .095, for Brand awareness is -.554, for Brand Loyalty is .318, for Brand Association is -.438; and for Customer Experience is .014.

Therefore, the estimated regression equation is:

\[
\hat{Y} = 6.023 + .095 (X_1) + (-.554) (X_2) + .318 (X_3) + (-.438) (X_4) + .014 (X_5)
\]

Here,

\[
\hat{Y} = \text{Social Media Exposure}; \text{ while,}\\
X_1 = \text{Brand Image}\\
X_2 = \text{Brand Awareness}\\
X_3 = \text{Brand Loyalty}\\
X_4 = \text{Brand Association}\\
X_5 = \text{Customer Experience}
\]

Social Media Exposure = 6.023 + .095 (Brand Image) + (-.554) (Brand Awareness) + .318 (Brand Loyalty) + (-.438) (Brand Association) + .014 (Customer Experience)

According to this equation Social media exposure is expected to change very insignificantly .095 unit by one unit change in Brand Image when the rest of the variables (Brand Awareness, Brand Loyalty, Brand Association and Customer Experience) are held constant or otherwise controlled. Customer Experience also has an insignificant influence (.014 unit) on Social media exposure.

On the other side Social media exposure is expected to change .318 unit by one unit change in Brand Loyalty when the rest of the variables are held constant or otherwise controlled. In case of Brand Awareness and Brand association the result shows that both are inversely related to the Social media exposure; which represent customer social media exposure does not depend on brand awareness or brand association; rather they may divert customers experience to somewhere else rather than social media experience.

As it can be observed from the table that one independent variable “Brand Loyalty” has significant positive influence; also significant at 0.05 level and useful for the measurement of the dependent variable, “Social Media Exposure”.

5.3 Social Sites with Brand References

From some recent study it has been observed that higher Klout Scores mean more successful websites. Brands with higher Klout scores tended to get more visitors and more links. And when they have really high Klout scores (like above 70) they get far more traffic and links than other sites. This is not causation, but correlation. It means that Klout is an effective measure of overall online marketing success. After checking and exploring the list of most preferred brands in social sites it is quite easier to understand that the brand preference is changing day by day and the list is updating in every minute. After observing this list consistently 2 weeks, we have prepared the preferred list of the brand
involved in Bangladesh attached in Appendix (Table-1). The table includes the Klout score of the most favored brands to represent their social media success.

5.4 Impact of the Social Media in Bangladesh

The availability of online Social Media is making significant positive changes in our country. Large organizations, business houses and entertainment stars are gradually coming to accept the social sites as their ultimate communication tool. The ISPs are carrying out special promotional activities to provide web services. A new social class has been cultivated, mainly among the young generation who use Internet as an effective tool for their career development and the globalization of their thoughts and creativity. Many Social media users have stated that a whole new world has been opened to them, they are getting a new source of knowledge, and they are also making relations with many good friends and organizations worldwide. A group of young, affluent section of the society is adversely receiving the Social media exposure by using it mostly for unnecessary or needless entertainment, obviously not a healthy practice for a country Bangladesh.

6. Marketing Gains from Social Media

In addition using external social media sites such as Facebook, Twitter, LinkedIn and YouTube— are popular choices for business managers in companies to run public and private online communities to help create a more collaborative experience. This is part of Customer Collaboration Management (CCM), an important pillar of customer-centric thinking.

**Improve Marketing Effectiveness**
Establishing direct contact with the customers to influence their thinking without any communication intermediary, which can interrupt and dilute the interactivity, is one major opportunity to use social media for marketers. Using social media can facilitate the product and message testing for new options. Online conversation with consumers through blogs and networking groups can monitor how effectively a campaign is running.

**Generate Customer Insight**
Hunting customer thirsts, understanding their unmet need, their language and preference can be tagged well through the social media. Millions of consumers express their purchase intentions, mention brand names, communicate their product or service use experience, and expose their dissatisfaction in various stages in the purchase process in a spontaneous, real time environmental setting- is the gold market researchers opt for.

**Increase Customer Satisfaction**
Interactions through social media can generate immediate and personalized response from the customers. Combination of both of the traits can enhance brand loyalty of those customers who were originally hard to reach by other conventional means of marketing communication. Particularly for dissatisfied customers, facing them online can be better option to handle complaints since it can reduce failure due face-to-face conversation.
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Reduce Customer Search Cost
Interacting through social media platform enables customers to search out their desired product or solution more conveniently from web catalogues, having answer of their queries from FAQs (Frequently Asked Question) documents or discussion boards that in turn deflate lengthy future calls to the company call centers. From the company side, it is also efficient to handle thousands of customers and prospects silently at a time in a standardized way of service at a minimum of cost than to make phone calls to the customers and mailing directly.

Improve Brand Reputation
A business of tangibles largely depends on intangible brand reputation to the brands’ stakeholders. Social media representation of the company can reach to its numerous stakeholders in an instance. ‘The snowball effect’ and ‘word-of-web’ can be used efficiently to generate positive articulated brand information to the concerned community. At the same time, an attack on the brand can come out of nowhere and can crate havoc very quickly.

Newer Avenues for Marketing Research
Reaching customers electronically is enhancing chances to earn information for conveniently and economically. To gain insight through consumer research, techniques like focus group discussion, feedback monitoring, filling out questionnaires are becoming easier to conduct. Easier application, widespread use in consumers’ daily life, personalization of messages etc makes social media a popular platform for marketing research. No other existing combination of research and survey methods can create such close-up interaction with minimum of error.

7. Managerial Implications

In this paper, we have talked about the fact that social media has changed marketing forever. It is sure that mass media and traditional forms of marketing are inevitably prominent forms of marketing. A company or a personal brand (celebrity) interacts with the consumer or fan. This means that there is an occasion for stronger connection between the consumers and brands. Social media provides the perception of a closer connection between the target market (e.g. a consumer) and the marketing items (brand, celebrity, athlete etc.). Moreover, it is assured that it is a type of word of mouth marketing form in many cases and relatively low cost touch point. It is true especially for young and young adults who are nowadays progressively able to affect the purchase and decision making of others. Social media has quickly become a crucial means for companies to reach consumers. This creates an excellent short- and long-term opportunity to add value to customer experiences while also making wise use of internal resources.

Despite the vast potential social media brings in the area of establishing consumer contact, many companies seem to be focused on social media activity primarily as a one-way promotional channel, and have yet to capitalize on the fullest of its ability to make consumer conversations and active advocacy input and turn the information into insights to generate tangible outcomes in building consumer relationship. Outcome of the pilot study indicates that people believe there is the strong relationship between social media
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effectiveness and brand awareness, image, association, loyalty and consumer experience.

8. Scope of Future Research

Insights developed through this study can be important to conduct primary research survey on consumers and corporate marketers. Influencers of consumer adoption of social media, level of their social media exposure can be the future consumer research agenda in this area. For marketing strategists, nature of their social media presence, collection of consumer feed back and reactions, effectiveness of social media, comparison and harmonization of social media activities with existing tools of communications. Limitation of the current study generates some of the important avenues for future research. Future research can look into cross-cultural studies, for different consumer segments, for SME businesses.

9. Conclusion

Social media initially changed how we communicate with friends and family, but now it’s becoming very clear that it also affects how we interact with customers. But as social media creates new opportunity, it also demands a shift in thinking about marketing and the measures of success. Those companies who are most effective in social media now are not only experimenting with multiple channels, but also creating metrics to measure impact and using new tools to understand how to enter into a new conversation with their customers. In the future, effective use of social media will be led by these organizations that are able to enter into this new relationship with customers, employees, and partners.

References


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Zollo, P 1995, ‘Talking to teens – the teenage market is free-spending and loaded with untapped Potential, A veteran of the teen market research explains what’s cool, what’s not and how to tell the difference’, *American Demographics*, vol. 17, no.11, pp.22-28.
## Appendix

### Table 3: Klout Score: Social Sites with Brand Reference

<table>
<thead>
<tr>
<th>SL NO.</th>
<th>BRAND NAME</th>
<th>FACEBOOK</th>
<th>TWITTER</th>
<th>PEER INDEX</th>
<th>KLOUT SCORE</th>
</tr>
</thead>
<tbody>
<tr>
<td>#4</td>
<td>YouTube</td>
<td>42,143,670</td>
<td>3,572,627</td>
<td>68</td>
<td>100.0</td>
</tr>
<tr>
<td>#12</td>
<td>Coca-Cola (Coke)</td>
<td>32,580,233</td>
<td>327,992</td>
<td>59</td>
<td>77.0</td>
</tr>
<tr>
<td>#41</td>
<td>Red Bull</td>
<td>21,409,383</td>
<td>254,278</td>
<td>66</td>
<td>74.8</td>
</tr>
<tr>
<td>#60</td>
<td>PlayStation</td>
<td>16,450,750</td>
<td>1,023,852</td>
<td>71</td>
<td>77.5</td>
</tr>
<tr>
<td>#71</td>
<td>Pringles</td>
<td>14,891,657</td>
<td>1,996</td>
<td>0</td>
<td>46.8</td>
</tr>
<tr>
<td>#106</td>
<td>Xbox</td>
<td>10,559,820</td>
<td>216,100</td>
<td>27</td>
<td>72.6</td>
</tr>
<tr>
<td>#107</td>
<td>Adidas originals</td>
<td>10,501,096</td>
<td>100,310</td>
<td>33</td>
<td>62.1</td>
</tr>
<tr>
<td>#165</td>
<td>Subway</td>
<td>7,848,023</td>
<td>77,250</td>
<td>48</td>
<td>48.0</td>
</tr>
<tr>
<td>#193</td>
<td>National Geographic</td>
<td>6,782,415</td>
<td>814,168</td>
<td>79</td>
<td>81.9</td>
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<td>#223</td>
<td>Levi's</td>
<td>6,142,491</td>
<td>8,149</td>
<td>48</td>
<td>53.2</td>
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<td>#226</td>
<td>BMW</td>
<td>6,117,548</td>
<td>37,065</td>
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<td>53.9</td>
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<td>#249</td>
<td>History</td>
<td>5,523,506</td>
<td>116,719</td>
<td>58</td>
<td>74.7</td>
</tr>
<tr>
<td>#261</td>
<td>Sony Ericsson</td>
<td>5,282,904</td>
<td>10,613</td>
<td>20</td>
<td>55.3</td>
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<tr>
<td>#271</td>
<td>ESPN</td>
<td>5,078,201</td>
<td>1,475,440</td>
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<td>84.3</td>
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<tr>
<td>#292</td>
<td>American Eagle Outfitters</td>
<td>4,900,602</td>
<td>74,179</td>
<td>34</td>
<td>64.6</td>
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<td>#300</td>
<td>Discovery Channel</td>
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<td>509,936</td>
<td>74</td>
<td>69.3</td>
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<td>#305</td>
<td>Pepsi</td>
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<td>100,384</td>
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<tr>
<td>#307</td>
<td>Monopoly</td>
<td>4,742,919</td>
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<tr>
<td>#310</td>
<td>Nike</td>
<td>4,711,426</td>
<td>50,046</td>
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<td>#312</td>
<td>Mozilla Firefox</td>
<td>4,644,837</td>
<td>530,954</td>
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<td>76.5</td>
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<td>#369</td>
<td>Yahoo!</td>
<td>4,085,547</td>
<td>113,712</td>
<td>76</td>
<td>72.2</td>
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<tr>
<td>#375</td>
<td>HBO</td>
<td>3,978,271</td>
<td>244,063</td>
<td>68</td>
<td>77.8</td>
</tr>
<tr>
<td>#380</td>
<td>Cartoon Network</td>
<td>3,915,279</td>
<td>46,149</td>
<td>32</td>
<td>61.3</td>
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<tr>
<td>#382</td>
<td>Skype</td>
<td>3,905,568</td>
<td>178,638</td>
<td>59</td>
<td>73.0</td>
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<tr>
<td>#384</td>
<td>Sprite</td>
<td>3,894,113</td>
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<tr>
<td>#393</td>
<td>Gatorade</td>
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<td>35,158</td>
<td>31</td>
<td>67.6</td>
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<tr>
<td>#395</td>
<td>Pizza Hut</td>
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<td>60,636</td>
<td>28</td>
<td>64.8</td>
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<td>#396</td>
<td>Nokia</td>
<td>3,837,252</td>
<td>103,185</td>
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<td>#411</td>
<td>Mercedes-Benz</td>
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<td>Google</td>
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<td>3,357,406</td>
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<td>Need for Speed</td>
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<td>KFC (Kentucky Fried Chicken)</td>
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<td>Store Name</td>
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<td>-----</td>
<td>------------------</td>
<td>---------</td>
<td>---------</td>
<td>--------</td>
<td></td>
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<tr>
<td>463</td>
<td>Domino's Pizza</td>
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<td>500</td>
<td>Baskin-Robbins</td>
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<td>20,519</td>
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