

Social Media Marketing (SMM) and Business Organizations: Findings from the Latest SMM Survey (2012)

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Abstract

The role of Social media marketing to optimally achieve organizational objectives has been received momentum in the modern days. A huge number of people use social media in their routine life which benefits the Business Organizations (BOs) and Marketers to easily interact with their clients utilizing this platform for commercial activities. This paper attempts to dig out policy implication from the latest social media marketing survey (2012) for business organizations. The policy implications have been suggested fewer than four main headings of the survey; Use of Social Media for Business Expansion, age factor, benefits of SSM and community used social media marketing tools. This study uses social media marketing survey report 2012. This report comprises of 3800 marketers' responses. The objective of this survey was to comprehend that how the marketers/ business organizations were using social media to grow and promote their businesses? The study reveals that Social Media Marketing (SMM) is an important tool for today's all kind business. It helps in organizational goals such as increasing market shares, identification of loyal clients, minimization of cost and maximization of profit. Facebook is the top social media network used by marketers for their business promotions. Marketers at the age of 20-30 spending more time on social media as compared to other groups representing the ideal age group for BOs for marketing on social media.

Key Words: Social Media Marketing, Business Organization, Community, Face Book.

Introduction

Social media marketing refers to the process of gaining website traffic or attention through social media sites (Heymann-Reder, 2011). Social media marketing using online communities, social networks, blog marketing and many more (Neti, 2011). Modern era has changed organizational cause into the social cause as companies seek to engage with their audience via the online platforms. Global companies have recognized Social Media Marketing (SMM) as a potential marketing platform. they utilized them with innovations to power their advertising campaign with social media marketing (Neti, 2011).

Social media marketing represents a marketing opportunity that exceeds the traditional middleman and connects companies directly with customers. Every business, irrespective of its size, is relying on social media. Social media is becoming a main source of marketing for business around the globe (Evans, 2012; Heymann-Reder, 2011).

There are many ideas about the first occurrence of social media. "Throughout much of human history, we have developed technologies that make it easier for us to communicate with each other" (Carton, 2009). The earliest information found on social media is the use of the telegraph to transmit and receive messages over long distances (Edosomwan, Prakasan, Kouame, Watson, & Seymour, 2011; Zarrella, 2010). Some sociologists like Emile Durkheim, known as the father of sociology, and Ferdinand Tones are considered pioneers of social networks. The existence of social media is the outcome of sharing of informs by members belong to same groups and sharing common values or because of conflict they have (Evans, 2012;

Tönnies, 2011). The late 1800s, the radio and telephone were used for social interaction, albeit one-way with the radio (Edosomwan et al., 2011; Zarrella, 2010).

Social networks have progressed over the years to the modern days, variety which uses digital media. During the 1960s, the public saw the advent of email (Briggs & Burke, 2010). However, the internet was not available to the public until 1991. Email was originally a method to exchange messages from one computer to another, but both computers were required to be online. Today, email servers accept and store messages which allow recipients to access the email at their convenience.

In 1969, ARPANET, created by Advanced Research Projects Agency (ARPA), a U.S. government agency, was developed. ARPANET was an “early network of time-sharing computers that formed the basis of the internet.” CompuServe, the third development of the 1960s, was also created in 1969 with a mission to provide time-sharing services by renting time on its computers. With very high fees, this service was too expensive for many (Edosomwan et al., 2011). Some popular social media sites are: Facebook, YouTube, Twitter, Digg, Myspace, tumble Upon, Delicious, Scribed, Flickr etc.

Social media represents low-cost tools that are used to combine technology and social interaction with the use of words. These tools are typically internet or mobile based like Twitter, Facebook, Myspace and YouTube; there are two benefits of social media that are important to businesses. These are; cost reduction and increase of probability. The benefits of social media include: brand reach and awareness, consumer interactions through transactions, referrals and reputation management etc.

This paper aims to highlight the implications of the latest (2012) social media marketing survey for business organizations. This paper will help the business organizations to know current scenario and understand future trends.

Data and Material

This study uses social media marketing survey report, 2012. This report comprises of 3800 marketers’ responses. The objective of this survey was to comprehend that how the marketers/ business organizations were using social media to grow and promote their businesses?

The data in the survey has been collected across the globe, across the nature of the business and business sizes. Various social media sources have been used to collect the information from the marketers.

The data have collected through the following commonly used social media links;

1. Facebook
2. Twitter
3. LinkedIn
4. Blogs
5. YouTube
6. Google+
7. Photo sharing sites
8. Forums
9. Social book marking sites
9. Geo-location
10. Daily deals

Diagram 1 represents popular social media networks across the globe. These are networks used for various purposes of social media marketing

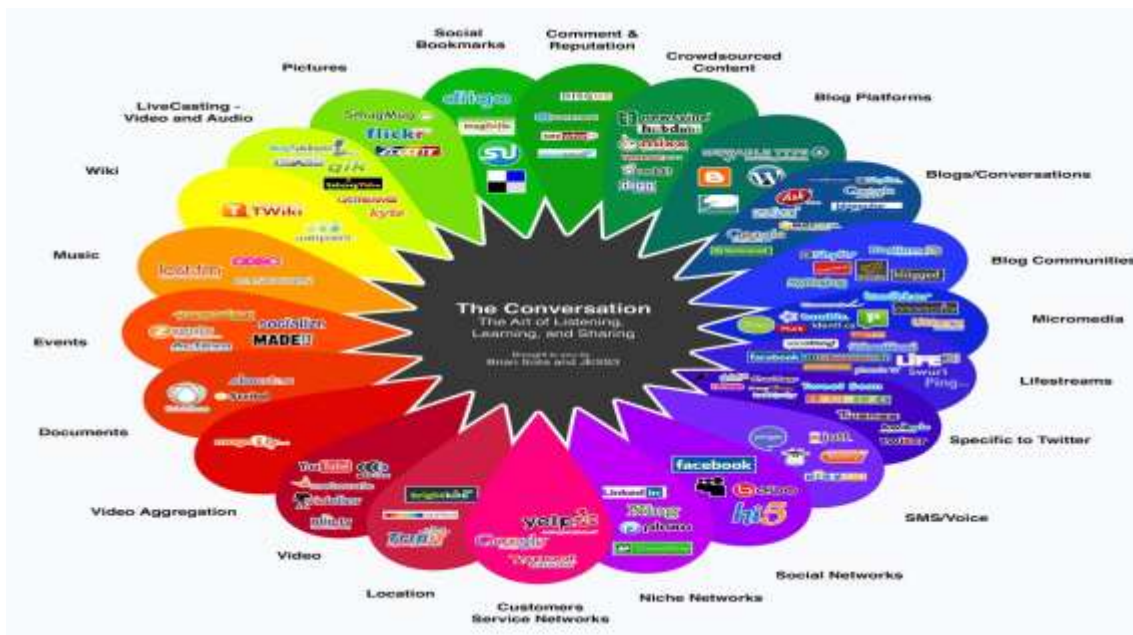


Diagram 1: Social media marketing prism¹

Strategies and Policy Implications for Business Organizations (BOs)

The paper attempts to highlight key information used in the survey and to propose policy implications for the business organization and marketers. Policy implications have been suggested as per the survey asked questions.

Use of Social Media for Business Expansion

An overwhelming majority (94%) of the marketers using social media for marketing purpose, this explicitly indicates the importance of social media for business promotion, this represents the perceptions of the marketers regarding their sale. This perception is empirically supported for Business Organizations (BOs) which are using SMM technique for at least three years.

Lesson learned 1:

Business Organizations must use SMM as a tool to achieve organizational objectives such as maximization of profit, minimization of cost, maximum market shares and efficient utilization of resources.

Age Factor

Age of marketers make a significant difference in hour spent on social media marketing. The age of marketers is inversely related with SMM. The younger the marketer the higher time spent on SMM and vice versa. Now, the next relevant question may be how young or what age group on average spent more time on using SMM? The survey shows that People aged 20 to 29 years spend more time than other age groups using social media marketing (with 43% spending 11+ hours weekly, up from 41% in 2011), followed by 30- to 39-year-olds (35% spending 11+ hours per week, down from 37% in 2011).

¹ The figure has been borrowed from <http://socialmediamarketingmadeeasy.co.nz/>.

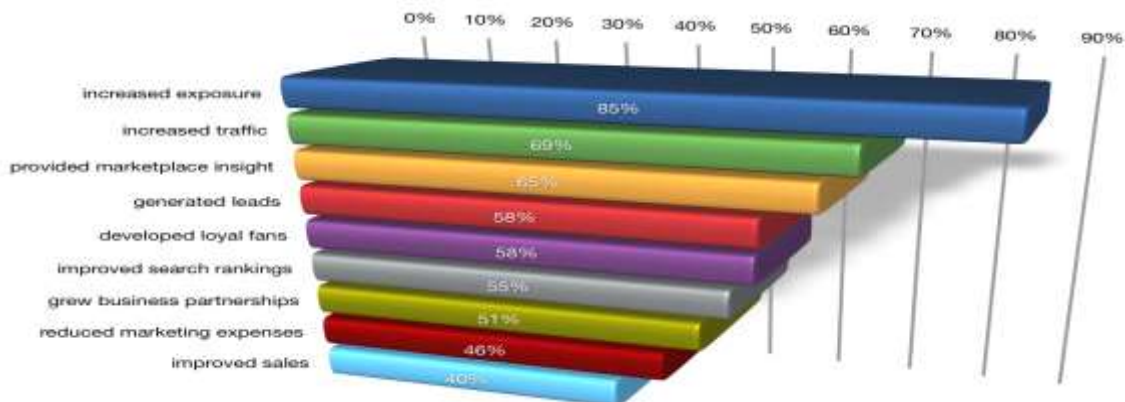
Lesson learned 2:

Keeping into consideration the survey report, Business Organizations (BOs) should hire people of age around 20-30 years to enhance the social media marketing for their business.

Benefits of Social Media Marketing (SMM)

The organizational benefits of SMM have been categorized according to the marketers' opinions. The top most benefits of SMM are revealed as increased exposure, increased traffic and market place insight (Stelzner, 2012).

Chart 1: Benefits of Social media marketing



Source: social media marketing survey 2012

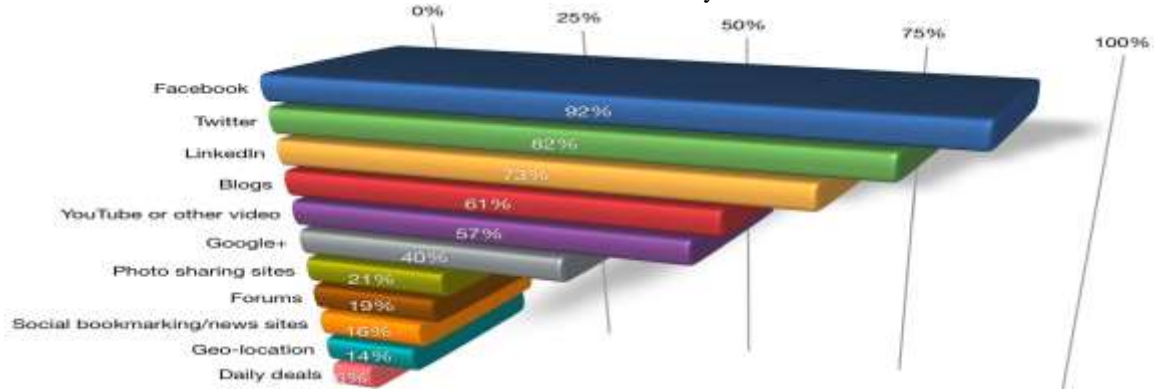
Lesson learned 3:

Social media marketing has the potential to help BOs to achieve their organizational goal in terms of the above objectives. SMM survey reveals that SMM particularly help those BOs who are interested in exposure and high traffic. Social media is the best practice to enhance sale and develop loyal relationship with the customers.

Community Used Social Media Tools

The survey has ranked social media tools according to the use of marketers. The survey reveals that Facebook is the most commonly used social network followed by Twitter, LinkedIn, blogs and YouTube.

Chart 2: Social media tools used by marketers



Source: Social Media Marketing Survey 2012

Lesson learned 4:

As per survey report a huge majority uses Facebook, Twitter and LinkedIn as SMM therefore; business organizations should particularly concentrate on these major sources of social networks as SMM accordingly.

Conclusion

This paper attempts to dig out policy implication from the latest social media marketing survey (2012) for business organizations. The policy implications have been suggested under four main headings of the survey; Use of Social Media for Business Expansion, age factor, benefits of SSM and community used social media marketing tools.

Social Media Marketing (SMM) is an important tool for today's all kind business. It helps in organizational goals such as increasing market shares, identification of loyal clients, minimization of cost and maximization of profit. Facebook is the top social media network used by marketers for their business promotions. Marketers at the age of 20-30 spending more time on social media as compared to other groups representing the ideal age group for BOs for marketing on social media.

Social media helps in two-way communication between brands and the customers and enabled customers to react to the concerns of the customers. As a result, if there was no response from the business about the concerns, the customers would consider the company as not reliable. Moreover, the company would lose the brand loyalty and credibility. Social media is not only a place to market the products and services of a company, but also a place to interact with the customers to try and solve their problems.

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