

# The Role of Social Media as Key of Business Development

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## Abstract

Social media has changed the way the world communicates, creating real time interconnectivity between people, businesses, and geographies. As social media continues to grow in popularity, brands are looking for ways to increase their fan base and leverage their social presence to increase sales and brand affinity.

Social media is a powerful tool for engaging your customers and fans in a conversation. Open up two-way communication between your business and your consumers to provide a way to stay connected with your fans and to introduce your brand to those who are less familiar. Interact with your fans and reply to what they have to say. By engaging in conversation, you'll gain exposure on social channels and increase credibility by getting your customers to refer your brand or talk about their experience with your company.

In dynamic market environment, distribution channels, marketing activities, diversification strategies, and food quality are increasingly important. Innovation in social networking media has revolutionized the world in 21st Century. Social networking media presents potentially opportunities for new forms of communication and commerce between marketers and consumers. As advertisers typically want to find some way to follow their target audiences, many new media opportunities are presented to advertisers. Communication through social networking media is more specified, with effective interactive strategy among its users. In recent days, internet advertising has taken new forms which have more advantages over the traditional mediums like print media, TV and radio. Marketing communication is becoming precise, personal, interesting, interactive and social.

Dialogue between consumers and the brand is presented in the paper on the case of a leading brand in the category of fast moving consumer goods on market. The paper presents internet marketing activities that have contributed to building a relationship with the brand. The main thesis of present case was an effectiveness of communication and strategy done through social networking media could increase brand relationship with young people.

**Keywords:** Internet, Social networking media, Fast Moving Consumer Goods.

## 1. Introduction

**Social media** are [computer-mediated](#) tools that allow people to create, share, or exchange information, career interests, ideas, and pictures/videos in [virtual communities](#) and [networks](#). *Social media* is defined 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](#)." Furthermore, social media depend on mobile and [web-based technologies](#) to create highly interactive platforms through which individuals and communities share, co-create, discuss, and modify user-generated content. They introduce substantial and pervasive changes to communication between businesses, organizations, communities, and individuals. These changes are the focus of the emerging field of [technoself](#) studies. Social media differ from traditional or industrial media in many ways, including quality, [reach](#), frequency, usability, immediacy, and permanence. Social media operate in a dialogic transmission system (many sources to many receivers). This is in contrast to traditional media that operates under a monologic transmission model (one source to many receivers). "*Social media has been broadly defined to refer to 'the many relatively inexpensive and widely accessible electronic tools that enable anyone to publish and access information, collaborate on a common effort, or build relationships.'*"

There are many effects that stem from Internet usage. According to Nielsen, Internet users continue to spend more time with social media sites than any other type of site. At the same time, the total time spent on social media in the U.S. across PC and mobile devices increased by 99 percent to 121 billion minutes in July 2012 compared to 66 billion minutes in July 2011. For content contributors, the benefits of participating in social media have gone beyond simply social sharing to building reputation and bringing in career opportunities and monetary income, as discussed in Tang, Gu, and Whinston (2012).

Everyone has experienced the amazing ability that word-of-mouth has to spread a message instantly and to a large amount of people. Social media does exactly that. It acts as a catalyst of word-of-mouth, making it easy for your fans to recommend your brand to their peers. Social media is a vehicle that allows and encourages your customers to connect and interact with each other, sharing details about your company and products. Statistics show that 53% of active social networkers follow a brand on social media, and 60% of those who use digital methods to research about the products they intend to buy, learned about it on social media sites. Get your fans

talking about your brand and you'll be rewarded with better brand awareness and sales. The Internet is transforming the business environment, creating new challenges and opportunities. This chapter provides an overview of the Internet and its defining characteristics, highlighting the key developments that have contributed to its explosive growth and its impact on the business environment. In its current form, internet is primarily a source of communication, information and entertainment, but increasingly, it also acts as a vehicle for commercial transactions. Since the explosion of the web as a business medium, one of its primary uses has been for marketing. Soon, the web could become a critical distribution channel for the majority of successful enterprises. One among them is marketing and spreading brand communication through Social networking sites (Thompson, 2002). The Internet provides the opportunity for companies to reach a wider audience and create compelling value propositions never before possible (e.g. Amazon.com's range of 4.5 million book titles), while providing new tools for promotion, interaction and relationship building. It is empowering customers with more options and more information to make informed decisions. The Internet also represents a fundamental shift in how buyers and sellers interact, as they face each other through an electronic connection, and its interactivity provides the opportunity for brands to establish a dialogue with customers in a one-to-one setting. As such, the Internet is changing fundamentals about customers, relationships, service and brands, and is triggering the need for new brand-building strategies and tools (Cleland, 2000). Data from 2011 indicate that the world is currently over 2.4 billion Internet users. Visible increase in the number of users detected in 2011, when the number of Internet users increase for 37 percent on the previous year (2010).

### **1.1 The Social Media.**

Over the last decade, social networks have changed communications, shifting the way we consume, produce and interact with information, based on explosive migration to the web. Social media websites like Facebook (FB), Twitter etc. have created huge impetus on the communication platform with the end customers of different products and services that was lacking in the traditional medium. Social networking sites are used as marketing tool by marketers in creating brand relationship. Huge growth of customer base enables marketers to explore social media networking sites as new medium of promoting products and services and resulting in reduction in clutter of traditional medium advertising of reaching the mass customers and not realizing the actual ROI. Social networking sites are more collaborative and interactive in comparison to traditional media followed by marketers.

Social media advertising is a paid form of brand, service or business promotion and requires a proper and planned communicative message and budget. Advertising is customer centric in nature. Customers play an important role in any major or minor communication because they are the one who are going to decide the fate of the advertising communication. Some benefits of social network advertising include (Jothi et al., 2011): 1. Popularizing your brand, idea or service to the target group. 2. Informing target audience about your brand or service's presence in the market. 3. Encouraging healthy competition in the market. 4. Providing social benefits for the brand. 5. Making the audience to interact and keep them intact with the brand. Advertising on internet provides a major contribution to brand competition in the market. Advertising here not only provides information about a product or service but also promotes innovation. Besides it also facilitates customer satisfaction. Big and small companies, individuals of all walks of life, major and minor events, concepts, etc., nowadays lay their base on social network advertising to get recognized in the market (Zarrella, 2010). Facebook, Twitter etc. have become a personal, product and corporate branding hub in the world. Every brand that exists on social networking sites has the same core features and benefits, such as the ability to create a page, share resources, add multimedia and much more (Eric, 2008). The effective brand communication strategies are analyzed to find the impact among the users.

### **2. Building successful brand on the internet**

Not only is social media a great tool for allowing your audience to get to know you, it is also a way for you to get to know them. Social media can be used as a way to gather consumer research. Many of your fans are using social media as a way to show the world who they are. Observe what information your fans put out there and use that information to get to know them and their expectations in regards to your brand or products. Consumer research can be used in every aspect of your marketing efforts; it is imperative to know who you are marketing to and what they anticipate. By listening to your fans, you'll have a better understanding of how to be successful marketing to them.

The Internet is changing the brand environment or "brandscape". This chapter explores new strategies and tools for building brands on the Internet, including the interactive approach to attracting customers and building loyalty. Building a strong brand is a complex task. The brand building process starts with the development of a strong value proposition. Once this has been established, the next step is to get customers to try the brand. If the offering is developed properly, it should provide a satisfactory experience and lead to a willingness to buy again. To entice trial and repeat purchase requires triggering mechanisms, which are created through advertising,

promotion, selling, public relations, and direct marketing. The company needs to communicate the values of the brand and then reinforce brand associations to start the wheel of usage and experience, and keep it turning. Traditionally, in addition to providing added value, brands were a substitute for information - a way for customers to simplify the time-consuming process of search and comparison before deciding what to buy. However, the Internet makes search and comparison much easier. This threatens to undermine the value of brands. On the other hand, the logic of the Internet cuts another way. Transactions on the Internet require customers to provide detailed personal information - names, addresses, credit card numbers, etc. Generally, people have concerns about sharing personal information. In addition, the intangible nature of the Internet, and the fact that customers are buying goods that, in most cases, they have never handled or seen (except on-screen), has placed greater importance on trust and security. People only tend to transact with sites they know and trust - sites that provide a wealth of information and make comparison shopping easy, where the user feels a part of, and sites that understand the user's needs and preferences. This highlights the surfacing of information and relationships as key sources of added value in the Internet economy. Customers derive added value through the provision of information on the products or services they buy, as well as on topics of interest related to the brand and product characteristics. Traditionally, brands have been developed in an environment whereby a company creates a brand, and projects it onto a third party intermediary (the media). In response, many unnamed customers develop a "relationship" with the brand. The Internet, on the other hand, offers interactivity, whereby the company can establish a dialogue and interact with individual customers on a one-to-one basis. In doing so, a company can listen, learn, understand and relate to customers, rather than simply speaking at customers. This creates the opportunity for companies to build stronger relationships than previously attainable. However, this also poses a challenge as these relationships may take on a life and character of their own (Cleland, 2000). The Internet gives companies control over all their interactions with customers and therefore, brandbuilding must focus on the end-to-end customer experience - from the promises made in the value proposition, to its delivery to the customer. In maximising the customer experience, companies have to find innovative ways of leveraging the information and relationship building characteristics of the Internet.

### **3. Provide customer service**

Before the boom of social media, customers would have to write a letter or call the company's customer service line if they were unhappy with a product or service. Today, with the growth and pervasiveness of social media, these customer service complaints can be resolved online almost instantly. Customers can access the Internet everywhere and at anytime, therefore making it easier to communicate and receive responses to their questions in a more efficient manner. Immediate response through social media is the kind of service customers are beginning to expect and demand. This is an example of how social media marketing can help increase brand loyalty and customer retention. If you provide excellent customer service, your customers will be more likely to buy from you in the future.

### **4. Embracing Empowered Consumers**

More than 60 percent of Internet-connected individuals in the US now engage on social media platforms every day. The speed and access to information that they've come to appreciate has made them more demanding customers. For example, many now expect real-time customer service recovery and quick responses to their online feedback. Hyper-connected individuals regularly broadcast their opinions. And they rely on their friends and social networks for news, reviews and recommendations for products and businesses. Social media leaders understand and appreciate the magnitude of the shift in customer empowerment and the opportunities and risks that these tools create. As a result, they approach their social media efforts differently. While the average company may maintain Facebook and Twitter accounts and have other discrete programs run by their marketing or customer service teams, in our experience, these efforts tend to be uncoordinated, with different business units, brands or geographies conducting their own social media experiments.

Social media is one area in which everybody is learning in real time. Just as companies need to continuously experiment to determine what works for them and their customers, they also need to negotiate an increasingly crowded playing field, with newcomers always joining the game. The companies that succeed will be those that are flexible and adaptable. They'll be able to quickly try new approaches and just as quickly adjust— or abandon them. They'll listen to social consumers and relay their findings back to product and service teams to strengthen the company's underlying value proposition.

### **5. Use of social media in businesses**

[E-commerce](#) businesses may refer to social media as [consumer-generated media](#) (CGM). A common thread running through all definitions of social media is a blending of technology and social interaction for the creation of value. People obtain information, education, news, and other data from electronic and print media.

Social media are distinct from industrial or traditional media such as newspapers, television, and film as they are comparatively inexpensive and accessible. They enable anyone (even private individuals) to publish or access information. Industrial media generally require significant resources to publish information as in most cases the articles go through many revisions before being published.

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

### **6. Factors affecting the use of social media.**

The widespread use of social media by the public can have implications for the organisation structure of a business as social media has allowed a shift to a consumer driven environment (Berthon et al., 2012). Anzulis et al. (2012) report that customers now demand instant responses and contact from those businesses that they use. Customers demand a forum to deal with multiple requests such as customer concerns, loyalty rewards for customers continued use of a business or brand, special offers not available to the public or other businesses, updates on why products or services may be changing and additional information on products. Customers now demand immediate responses with no international boundaries or consideration of time zones (Berthon et al., 2012). Some larger businesses have made changes to their organisational structure to accommodate these new requirements for customer interaction (Fischer & Reuber, 2011). This may be more difficult for a smaller business to incorporate into their operations. Kaplan & Haenlein (2010) and Barnes (2010) state that using social media can be low cost and have higher levels of efficiency than using traditional communication methods. This could make social media an effective tool for small to medium enterprises (SMEs). Kaplan & Haenlein (2010) predict a move to mobile social media in the future with the majority of users accessing social media through mobile devices. This is likely to increase public access to social media. It can be difficult for companies to manage the use of social media as this is a fast-moving environment with social media applications becoming popular but then being replaced by new products (Kaplan & Haenlein, 2010). This paper highlights the importance to businesses of developing a strategy when using social media.

### **7. Conclusion**

Today we live in fast move age. The live and social media are very important.

Use of social media Twitter was the most widely used social media platform in this research. There were mixed responses to using Facebook and whether this was preferred was dependent on the nature of the business, with Facebook generally not been seen as useful in business to business sectors but being made use of in the food & drink sector as this is a business to consumer based sector. All the businesses interviewed recognised the importance of social media and used social media at least daily, with many making more than one update on social media per day. Participants appreciated the benefits of using social media for a diverse range of purposes other than sales or marketing. Most staff within in each business did not use social media for business purposes. Reasons identified for this included lack of time due to other work commitments and lack of familiarity with social media applications. Strategy All of the businesses interviewed here had tried to implement a strategy which for all the businesses included making regular posts on social media and provision of knowledge and information that would be attractive to clients and was available free of charge. The importance of a two-way dialog with clients rather than a one way provision of information about the business was identified. Some of the businesses in this study also adopted a strategy of using social media for updating their own knowledge and for networking with other businesses and clients. None of the businesses had made extensive use of advertising on social media and many did not like to see advertising on social media.

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