

Role of Social Media Marketing On Organisational Performance in Kenya

Ednah Kimani

I. Introduction

The purpose of this research is to identify and analyze the role and impact of social media marketing and to analyze to what extent it has an impact on business performance. Social media have become a major factor in influencing different aspects of consumer behavior including awareness, information acquisition, opinions, attitudes, purchase behavior, and post-purchase communication and evaluation.

The study is set out to investigate the role of social media on organizational performance and the main objectives are to establish the effect of brand awareness on the performance of an organization to establish the effects of real-time updates on the performance of an organization, to establish the effects of repeat exposure on the performance of an organization and to establish the effects of Competitive Advantage on the performance of an organization.

II. Social Media Marketing

Competition for customers has greatly increased with marketers looking for new ways to attract and retain customers. Companies are now looking to social media as a competitive way to market their products and increase their sales volumes. Having a strong social media presence in business is no longer a plus but a requirement. The days are gone when a business organization could advertise solely via the media, such as radio, TV, billboards and newspapers.

Our study is based on social media marketing and in order to understand what social media marketing is, we first need to understand what social media is and what marketing is. Kaplan and Heinlein (2010) have formulated 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”. Web 2.0 refers to Internet platforms where users can interactively participate in and user generated content encompasses the possibilities in which people may use social media (Chan, et al., 2010). Some of the popular social media pages are Facebook, Twitter and You tube.

Social media marketing allows companies to create new connections with customers and communicate with them, instead of sending one-way messages to people. Social media is based on a natural, authentic conversation between people about a subject of mutual interest. (Scott, 2010).

III. Social Media Marketing In Kenya

Globally, social media marketing is very popular and is commonly used in western countries. A lot of organizations have embraced social media marketing and they employ people whose work is to make sure that their pages are always up to date and that their clients are happy with all their queries responded to immediately. In Kenya, social media marketing is not very popular as most companies tend to keep off social websites as they are viewed only from a negative perspective. Very few organizations have included social media as a marketing tool. This comes as a shock since social media is a free marketing tool and can manage to reach millions of Kenyans in a short span of time. Most organizations stick to common modes of marketing like television, newspapers and magazines, and radio.

This is mainly because people are afraid of change and where there is a form of uncertainty, no one wants to be involved. They tend to see social media only from its social perspective, but not from how they can gain from it. They tend to discourage their employees from using social media during working hours as it is viewed as a social platform where the employees will waste a lot of company's resources posting updates and chatting with their friends.

A few companies however have welcomed social media marketing and have their Face book and Tweeter pages available to the public. This is very useful for these companies because they are able to keep up with their client's 'likes and dislikes', they manage to communicate with their clients in real time where a client may post a complaint on one of their social pages and they will be able to communicate with the client and take care of the problem immediately. Companies are also able to get different views and opinions from their clients, which enables them to be able to improve on a product or service depending on what their client wants.

This study targets organizations in Kenya; especially the Small and Medium enterprises who would gain so much from using social media marketing for the merits it will give the company. Only a few companies

locally have managed to use Social Media Marketing successfully to keep in touch with their clients and keep their clients up to date with their new or improved products and services. Most companies in Kenya have not been able to use social media marketing successfully, as they have no idea as of where to start, what content to share, when to share the content, who to target and many other things. Many companies will register on a social website but will then leave the pages dormant and some clients may even place enquiries with no response, the pages have no information and are not up to date with the company's products and services.

The study will focus on Wananchi Cottages in Kilifi, which is a restaurant located in Kilifi county. Wananchi cottages is a relatively new restaurant but has not yet become as popular as it should have as they do not take advantage of the free social media marketing. Wananchi cottages has a general website which has no detailed information about the restaurant, the availability of rooms where clients can place their inquiries. They have also registered on social media sites but the pages are dormant and lack detailed information about the facilities and events at Wananchi cottages. The restaurant mostly depends on word of mouth and use of brochures to advertise which may not be as effective as SMM.

The study will show all the positive roles that social media marketing plays in organizations and why Wananchi Cottages should make use of the social media to market their company and keep in touch with their clients in real time. The Social Media and Mobile Communication platforms can be extremely useful for marketing as they are easiest and free platforms through which organizations can do product launch, campaigns, advertising, contests and brand positioning. The platforms help organizations reach and engage with their current clients and also potential further consumers.

IV. Statement Of The Problem

Many organizations do not take full advantage of Social Media Marketing because they don't see SMM making a lot of impact on organizational performance. A lot of people are still new to the social media concept and they therefore do not understand how it works and they tend to undermine the kind of impact SMM can have on the organization. Social media has from time to time been viewed negatively and this makes many companies avoid using the channel as a means of marketing their organization.

Many employers think that social media marketing should be avoided because employees will goof off, they see social media as having no business purpose, and they highly believe that employees can't be trusted. Social media marketing is also popularly seen as a fad and a waste of time, but let us keep in mind that everything starts off as a fad. The question is whether this particular fad has any value to us today. Management also asks the question, if competition isn't using it, why should they?

All these are misconceptions and should be ignored. Done right, social media is more than a buzz and will produce winning results (Goldner, 2010). Social media marketing has a lot of value to us because it allows employees to connect to the clients, especially the ones in different geographic zones. Social media allows firms to engage in timely and direct end-consumer contact at fairly low cost and higher levels of efficiency than can be achieved with more traditional communication tools. This makes social media not only relevant for large multinational firms, but also for small and medium sized companies, and even nonprofit and governmental agencies. (Kaplan & Haenlein, 2010).

One may be wondering what the advantage is of having a presence on a social networking site like Facebook when the business already has a regular website. The answer is reach. You want your message and story to reach as many people as possible. To maximize your reach, you need to have a presence where people are 'hanging out' and increasingly they are hanging out on social networking sites. (Halligan & Shah, 2010).

Wananchi cottages only have a very general website that has no detailed information about the restaurants facilities and events. It only informs the clients about the location of the restaurant and about the company that established the restaurant. It has no information that allows a client to make bookings, make enquiries or view the restaurants facilities.

Social media is becoming more crucial to hospitality businesses, due to the intangibility and experiential nature of hospitality products and the lowered technological barrier for average travelers to contribute information online. Different from the one-way communication in most mass media channels, social media represents two-way communication between consumers.

If Wananchi cottages made use of Social Media Marketing, they would be able to attract a larger mass of clients from all around the country who are looking for a place to spend on holiday or while on business. They would be able to communicate with clients and answer their queries immediately they are placed on the social media sites and also make bookings online for customers who can then come and spend at Wananchi cottages. Wananchi cottages would also be in a position to advertise their new products and services or special offers so as to attract more clients to visit the place. Wananchi cottages is missing a lot of opportunities by not using social media marketing as using social media marketing would add so many advantages and sales opportunities.

V. Role Of Social Media Marketing

Social media marketing is very important to organizations and plays an unlimited number of roles in an organization that help in improving the performance of an organization. We will look at some of the roles of social media marketing; but we need to stress that these aren't the only roles of social media marketing.

5.1 Brand awareness

Brand awareness is the extent to which a brand is recognized by potential customers, and is correctly associated with a particular product. Carol Tice, (2012), a contributor with Entrepreneur Magazine, states that one of the most powerful ways to use social media is as a brand-building tool. With social media, you get to decide how you want to position your company and what you want people to know about what you do. With consistent effort and great content, you can build a reputation for your brand around your company's values, benefits, and advantages.

Expressed usually as a percentage of the target market, brand awareness is the primary goal of advertising in the early months or years of a product's introduction. The ultimate goal of most businesses is to increase sales and income (Carol, 2012). Ideally, you want to attract new customers to your products and encourage repeat purchases. Brand awareness refers to how aware customers and potential customers are of your business and its products. Within a week after its introduction, surveys found that more than 90% of US consumers had heard about the iPhone as a result of advertising and news reports. This is exceptionally high brand awareness. Ultimately, achieving successful brand awareness means that your brand is well known and is easily recognizable. Brand awareness is crucial to differentiating your product from other similar products and competitors Gustafson and Chabot (2007). Increasing Brand Awareness can have many benefits for a company's short and long term goals.

In a nutshell, if your brand is more easily recognized than your competitors then you will stand a better chance of prospective customers contacting your business, buying your products etc. Social media marketing influences brand awareness and recognition by giving exposure to an organization products and services. Exposure is measured by the number of followers/fans and subscribers.

5.2 Real-time communication

Social media tools provide an effective communications medium. By using social media within your support organization you can increase consumer engagement and feedback, as well as decrease the response time in solving customer support issues. A quicker response rate helps to improve customer satisfaction and retention rates. Communication is the process by which individuals share meaning. It is necessary, therefore, that participants are able to interpret the meanings embedded in the message they receive, and then, as far as the sender is concerned, able to respond coherently. (Baines et al 2011).

Social Media and Mobile Communication platforms can be used for studying and collecting information on problems and issues faced by customers and consumers (Shih, 2009). This when combined with market intelligence data, will help create value proposition for an organizations' future direction as well as products and services. The organization can then act fast to solve the problems faced by consumers before they get out of hand and bring bad image to the organization.

5.3 Repeat Exposure

There is an old marketing adage that says it takes six to eight exposures to a product before a customer decides to buy. A clear benefit of social media is repeat exposure with your network. You have the opportunity to remind them over and over again about what you have to offer, which can shorten your sales cycles dramatically (Tice, 2012). Social Exposure is a good starting point for measuring the scope of social media activity. Social exposure is measured by the numbers of followers / fans, impressions and subscribers an organization manages to get on their social pages. The exposure is necessary to build a community that can spread the company messaging. You want your message and story to reach as many people as possible. To maximize your reach, you need to have a presence where people are hanging out and increasingly they are hanging out on social networking sites (Halligan & Shah, 2010). Having a larger exposure will essentially widen the potential for people to view your brand.

Exposure is very important in the hotel industry. The more your restaurant is seen on the social sites, the more the restaurant becomes popularly known and therefore, the more clients are going to trust your products and services.

It is very important for an organization to be very honest about everything they put out there. It is better to limit the information that can be accessed by clients than to put up too much information that may end up misleading and later on frustrating your clients (Halligan & Shah, 2010).

5.4 Competitive Advantage

Competitive advantages are company assets, attributes, or abilities that are difficult to duplicate or exceed; and provide a superior or favorable long term position over competitors (Faulkenberry, 2012). It's the ability of a company to deliver products, services or benefits, either at a lower cost or an improved level than other players in the same industry. These two main types of competitive advantage determine whether your company succeeds by being a cost leader or by differentiating its offering. Businesses typically pursue either one or the other competitive advantage, because unless you have a monopoly it is almost impossible to achieve.

The reality is that most of your competitors aren't likely doing a very good job with social media (most companies aren't), which gives you the chance to stand out. Also consider the flip side. If you avoid social media, you leave a big opening that allows your competitors to capture your audience. Social media gives organizations a competitive edge by giving real-time response to customers. This gives an organization an advantage over another organization which has not invested in social media marketing. Social media activities take place in real time. With little or no delay between receiving information and disseminating it, your company can provide rapid social media responses to customers and gain an advantage over competitors who don't respond as quickly or have not invested in social media (Baines et al 2010).

Another competitive advantage social media offers is brand monitoring. Monitoring and measuring your brand via social media enables you to track what your customers are saying online about your company and products. It offers a competitive advantage by providing information on comparisons customers draw between you and your competitors, which helps you to make decisions about pricing and customer preferences. By using tracking programs such as social plug-ins from Google Analytics or RowFeeder, you can identify the demographic profiles of your followers, customize your products and market them accordingly (Mangold & Fauld, 2009).

VI. Critique Of Existing Literature Relevant To The Study

Most of the research done concentrates on how to the medium used for social media as a marketing tool affects the interpretation of the message, but they do not focus on the media transformed. Many of the theories focus on advising organizations on how medium used will affect the organization, but not on the impact that social media has on the performance of the same organizations.

Research on the field of social media marketing is not very extensive but has been done since 1976 by Short, Williams, and Christie in their social media presence theory and continues to date. Short, Williams, and Christie (1976) have used 'social presence theory' to establish the fact that the higher the social presence, the larger the social influence that the communication partners have on each other's behavior. And in that regards we are able to see how social media is highly influential due to its high social presence.

McLuhan (1995) the author of the famous quote "the media is the message argued that the media itself, rather than its actual content, will transform people and society. The actual messages people are communicating won't be any different on the new media; the interactivity and frequency of new communication patterns will change our behavior forever. Thus, the media's effects on society are much greater than their content.

Carlene Li and Jeremiah Owyang (2010) from Altimeter Group are the major contributors to the social graphics framework of the pseudo theories. The pseudo theories suggest that marketers should switch focus from effects of mass media on pre-purchase decision-making to post-purchase word-of-mouth; one needs to study the different levels of engagement by customers in order to adopt different strategies for encouraging the spread of social media and influence the direction of consumer conversation.

There are lots of different theories that tell us about how companies should use social media in their marketing and it can be really hard to know which one to focus on. We therefore believe that the theories we have chosen are worth considering when creating a social media marketing strategy.

VII. Conclusion

Competition for customers has greatly increased with marketers looking for new ways to attract and retain customers. Companies are now looking to social media as a competitive way to market their products and increase their sales volumes. We know you have heard this before, but we will say it again: Having a strong social media presence in business is no longer a plus but a requirement. The days are gone when a business organization could advertise solely via the media, such as radio, TV, billboards and newspapers.

It is important to understand the specific impact that social media have on business process performance (Wetzstein et al, 2011). The identification of a direct connection between the two will support the shift towards a new business environment in which companies will maximize the benefits they can obtain by integrating social media suites into their daily operations. Many employers think that social media marketing should be avoided because employees will goof off, they see social media as having no business purpose, and they highly believe that employees can't be trusted. Social media marketing is also popularly seen as a fad and a waste of time, but

let us keep in mind that everything starts off as a fad. The question is whether this particular fad has any value to us today. Management also asks the question, if competition isn't using it, why should they?

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VIII. Recommendations

Social Medias have become a part of our daily lives and most of the people with internet enabled phones have signed up to at least one of the social Medias. It is important for companies to take not of that and take advantage of social media being that it is a cost effective way to advertise, where signing up a new account is absolutely free of charge. No organization should have an excuse as to not having a social media platform to communicate with their target clients.

Social media marketing is a very effective way of advertisement and communication and each and every organization should take advantage of the real time communication it gives, repeat exposure to the mass, a competitive advantage over their competitors and last but not least, superior brand awareness. Wananchi cottages should always supervise their social medias and keep them up to date as they will be able to update their current offers, main events taking place, advertise their facilities, allow clients to make online bookings and make payments before they even reach Kilifi, they will be able to manage their clients queries and complaints and advise interested clients on current offers they may be able to take advantage of. This will lead to improvement on customer satisfaction, and hence organization effectiveness.

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