The Attributes of Social Media as a Strategic Marketing Communication Tool*

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New digital trends are transforming the media industry landscape, modifying elemental characteristics and attitudes of companies as well as of consumers. Firms often claim that their presence in social media (SM) is a key element to success. SM helps companies rethink the traditional one-way flow of their marketing messages and to incorporate a new interactive pattern into their communications. Nevertheless, these tendencies involve problems of strategic myopia for firms that do not structurally integrate these tools. One main problem is that institutions can rarely differentiate between the various types of SM and the attributes thereof, while the literature equally reveals a number of contradictions in the subject. The present conceptual paper lays the foundations of a strategic approach to SM and discusses its theoretical implications. Following an overview on the concept of SM, through a content analysis of the specialized management literature (n = 14), we present various best practices and reflect on the apparent lack of strategic thinking in using SM as a marketing application. Then, we compare these practical examples with general marketing strategy theory. By merging theory and practice, we aim to provide an insight towards a well-founded application of SM as a genuinely strategic marketing tool.

Keywords: social media (SM), web 2.0, marketing communications strategy, functional blocks of SM

Introduction

It is reasonable to say that social media (SM) equally represents a new trend for companies that are willing to communicate efficiently with their consumers in the online or offline media space. Global Fortune 500 firms are increasingly using SM tools in their communication campaigns. According to Burson (2011), 25% of these companies actively use all four major SM platforms (Twitter, Facebook, YouTube, and Corporate Blogs were investigated), and 84% use at least one of them. These SM applications are great opportunities for companies who intend to embrace the new communications paradigm of interactivity (Cheung & Lee, 2012) to work together with their customers, business partners, and suppliers. Previous research shows that companies that embrace SM do allocate an increasing part of their marketing budgets to this latter: data shows that SM spending represents nowadays 7.4% of marketing budgets (Moorman, 2012). And advertisement spending on SM will likely reach up to 10.8% over the next year and will be almost tripled (i.e., reach 19.5%) in five years (Moorman, 2012). To sum up, SM can now no longer be considered an innovation and has become a significant marketing tool for companies in everyday business life and an inevitable tool for marketing practice.

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THE ATTRIBUTES OF SOCIAL MEDIA

In conventional media, the information is generated mainly by companies and flows in one direction that messages are broadcast from the company to the target audience (one-to-many). In the SM environment, the information is generated by users and it is disseminated to multiple directions (many-to-many). Consumers use SM platforms as information sources, and they trust in these devices (Lempert, 2006; Vollmer & Precourt, 2008). By not only including information but also adding the context of a given online community, SM provide an appropriate environment for the presence and spreading of (electronic) word-of-mouth (hereinafter: e-wom). At the same time, this process supports the phenomenon described as the democratization of information and knowledge (Evans, 2008) by transforming content consumers into content producers (Botha, Farshid, & Pitt, 2011): users themselves create or exchange information, including that about products, services, or companies making online communities full-fledged e-wom networks (Cothrel, 2000; Kozinets, 1999; Hoffman & Novak, 1996). Therefore, e-wom as a social phenomenon becomes an important aspect in the era of the free diffusion of information.

In this many-to-many context, anyone can be the user, and the company is only one of these information producers (Smith, 2009), and it is therefore more faced to a communication clutter than ever. In short, SM is a new medium for companies to interact with consumers but it mainly enables customers to interact directly with other customers. This not only affects the way companies need to communicate with their customers but also has a notable influence on the way information is acquired and business gets done as a whole. In the context of the new SM marketing paradigm, brands’ ultimate aim is to become a natural part of consumer conversations (hence: e-wom) (Kozinets, de Valck, Wojnicki, & Wilner, 2010). A self-generated consumer community in turn can lead to building and enhancing consumer loyalty (Armstrong & Hagel, 1996). In sum, e-wom, as a marketing concept, refers to positive or negative statements about products, services, or companies. It can be created by former, current or potential consumers, but also by non-consumers (e.g., anti-brand advocates) during consumption-relevant conversations on the Internet (Hennig-Thurau, Gwinner, Walsh, & Gremler, 2004). While “the single most powerful impetus to buy is someone else’s advocacy” (Edelman, 2010, p. 65), the question how to implement two-way communications into corporate marketing processes is becoming a major issue on a strategic level.

It is indispensable to clearly define the phenomenon of SM itself. Thus, the paper first collects and structures different perspectives on the phenomenon to then aggregates them. A clear definition of SM leads to a possible differentiation of the categories within and their marketing implications which is also inevitable for companies to be able to use the platform in a strategic manner. In the second part, various company practices from different sectors are shown to illustrate the missing strategic concept of SM use in day-to-day business decisions. Next, the theoretical implications of marketing strategy building are compared with these practical manifestations in order to support the main claim of the article on existence among practitioners of a so-called strategic myopia, manifesting itself in the lack of applying SM as a strategic marketing tool. Finally, the article provides a set of suggestions for a so-called “social strategy” for companies as well as for academic researchers to better understand SM and its relevance for everyday business and for global marketing knowledge.

**Definition and Classification of SM**

One of the new trends that affect the media industry today is the internet becoming a full-fledged mass medium and the spread of user-friendly online applications, one group of which is SM. Although the popularity and usage of these tools are increasing continuously, it is still difficult to give an exact definition of SM and its
elements. The academic context equally lacks of a unified definition, nearly each definition that can be found delineates the phenomenon from various perspectives and highlights different aspects thereof.

First, it is important to make a distinction between web 2.0 and SM. While “social media are not primarily technical matters” (Bottles & Sherlock, 2011, p. 70), web 2.0 as such is a technological infrastructure with a main focus on cooperation and mutual exchange of values (O’Reilly, 2005). Web 2.0 technologically enables and diffuses the social phenomenon of collective media, i.e., the creation, distribution, and exchange of content, and that itself is going to become SM (Berthon, Pitt, Plangger, & Shapiro, 2012, p. 262). In other words, SM consists of internet-based applications and core concepts that build on (but are not exclusive to) web 2.0 and allow online interaction among users to communicate with each other to create, transform, and share content, opinions, perspectives, insights, media, relationships, and connections (all generated by the users themselves) (Montoya, 2011; Johnston, 2011; Kaplan & Haenlein, 2010; Nair, 2011).

As interactions among users are based on the free exchange of content, as opposed to traditional media, SM can be considered as “a give-to-get environment” (Uzelac, 2011, p. 46). Stemming from the technological background of web 2.0, one can characterize SM by being global, open, transparent, non-hierarchical, interactive, and real-time (Dutta, 2010). Simply put, “social media is anywhere people are conversing and sharing information in a two-way platform” (Johnston, 2011, p. 84), which therefore is a broader category than the sole technological platform provided by web 2.0 applications. SM in its broadest sense can be considered a “variety of new and emerging sources of online information that are created, initiated, circulated, and used by consumers intent on educating each other about products, brands, services, personalities, and issues” (Blackshaw & Nazzaro, 2006, p. 2). Thus, in a marketing perspective it can be noted that users’ “main goal on the SM platforms is to connect with other people, not with companies” (Piskorski, 2011, p. 118). Bottles and Sherlock (2011) go as far as to note that SM “are not marketing platforms. As recently as just a couple of years ago we spoke of ‘SM marketing’, but no more, because that phrase sends the wrong message” (p. 71).

As a result, SM is a highly audience-focused medium: As brands are a part of a conversation, people wish to hear solutions to their problems instead of product offers, even when it involves to have recourse to counseling to use of a competitor’s product (Urban, 2004; Bottles & Sherlock, 2011) for showing a maximum of genuine corporate interest (Bottles & Sherlock, 2011) toward users’ problems and fulfilling at best their needs. Companies’ marketing communications efforts in SM should therefore be meticulously planned just as any other corporate strategy (Cohen, 2009).

Hereinafter, SM is interpreted as a pool of various two-way communication platforms that enables the free flow of ideas, information, and values on the internet. Therefore, we refer to SM as a collective term that itself embraces different types of applications and use SM as a singular noun.

After defining the phenomenon, we can subsequently characterize the different types of SM tools. Despite the common belief that SM can be simplified to a few of its concrete manifestations like Facebook, Twitter, or blogs (Fields, 2012; Hershberger, 2012; Quinn, 2011), or that it is quite easy to use these tools (Bottles & Sherlock, 2011; Lee, 2010; Uzelac, 2011) are probably the consequences of a strategic myopia among practitioners, as looking at the elements of SM as a whole is indeed quite complex. One main problem in this area is that business actors can rarely differentiate the various types, aims, or usage potential of these tools and the related strategic myopia implies an impotence to implement SM as a tool into supporting the general marketing strategy of the firm.
Before tying up practitioners’ perceptions of SM usage in a strategic approach and its relevance to general marketing strategy as defined by academic researchers, it is advisable to shed new light upon the main problems arising from looking at SM tools in a short-sighted perspective. The concept of “myopia” in the marketing discipline was first established as early as in the 1960s, in connection with service firms mainly concentrating on selling their products instead of meeting customer needs (Levitt, 1960). One main presumption that leads to marketing myopia is that business success is assured by an increasing and gradually more affluent population. This problem is very similar to the SM practitioners’ misbelief that embracing SM is in itself a guarantee for success. The second important factor of SM practitioner myopia is the over-simplified definition of the concept and its narrowing to its most popular platforms (i.e., Facebook, YouTube, or Twitter), ignoring the possible and notably different aims, usage and strategic opportunities (see Figure 1). The last problem of implementing SM into marketing strategy is to be under the delusion of applying these tools as an easy-to-use kit, forgetting to implement them into the general, company-wide marketing strategy.

There exist several characterizations of the main categories of the umbrella term “SM”. Based on the extant literature, in the present article we distinguish the following strategically determining groups of SM: blogs, microblogs, collaborative projects, content communities, social networking sites, social news websites, and virtual worlds (see Figure 1). These tools can and ought to be used for different aims (for example, business networking sites like LinkedIn are very useful for establishing and maintaining formal relationships, while writing or maintaining institutional blogs are rather for promotional goals on behalf of a company) with different efficiency.

![Figure 1. The components of SM—A conceptual framework. Source: own elaboration, based on Mangold and Faulds (2009), Botha, Farshid, and Pitt (2011), and Kaplan and Haenlein (2010).](image_url)

**The Growing Relevance of SM in Corporate Marketing Communications**

As a new media vehicle, SM enables the extension of marketing communications opportunities. The shift from a one-way communication model to a more complex, two-way model is a direct effect of the
democratization of information, where not only companies talk to their customers, but customers talk directly to one another (Parsons, 2011). Thus, SM becomes a new, hybrid element of the promotion-mix (Mangold & Faulds, 2009). In traditional marketing communications, the content, frequency, timing, and medium are controlled by organizations and the basic elements of the promotion-mix—advertising, personal selling, public relations, direct marketing, sales promotion—are the tools through which control is assured. The flow of information outside of this paradigm is peripherical, without any serious presumed impact on the dynamics of the marketplace (Mayzlin, 2006). With the advent of SM, control over content, timing, frequency, and medium itself has seriously decreased. Namely, companies have less power to affect consumer choices, as there exist various SM platforms, which are totally independent of the producing organization or of its agents. While traditional marketing communications can be divided into (paid) advertising tools and directly controlled (owned) tools, these platforms enhance consumers’ ability to communicate with one another, thus lodging consumer-generated (earned) media into the promotion-mix. Generated discussions lead to a large amount of information being disseminated via SM channels towards a potentially infinite number of persons about given firms’ products and services among individual consumers to other consumers. While companies have a wider scale for listening to their customers, talking to them, making them enthusiastic, letting them support each other and work together to improve products and services (Stokes, 2011), they also have to learn how to monitor, react to, and potentially “shape the discussion” (Mangold & Faulds, 2009, p. 365). This change is reflected in the spreading marketing communications practice involving the distinction between paid, owned, and earned media (Corcoran, 2009).

On the other hand, as stated beforehand, SM can be an opportunity for firms as it can increase consumer loyalty through community building. Parent, Plangger, and Bal (2011) took into consideration the effect of conversations, sharing, content, and the importance of SM usage. According to the authors, a firm is able to trigger user participation in SM through content; hence, content here can act as a catalyst for the customer. This way, company-created or company-initiated content is ultimately drawn out of the organization’s sphere of direct control as it is “consumed” by the community: It is not only simply received, but can also be acquired, transformed, diverted, rejected, etc.. In this sense, following the initial trigger of communication (i.e., sharing of content), the communication becomes bi-directional, (preferably) a multitude of conversations appear around the phenomenon, which will become the expression of consumer participation (Nyirő, Csordás, & Horváth, 2011) thus transcending the issue for the firm of limited consumer presence.

By virtue of its innate characteristics, SM has brought extensive changes to communication among organizations, communities, and individuals (Kietzmann, Hermkens, McCarthy, & Silvestre, 2011). However, one has to note that the majority of customers are still those who only give feedback to the company through their purchases or lack theory (Hirschman, 1970). Even in this bi-directional communication context and that of engaged customers, companies still need to be aware of their passive customer base as well (Van Dijck & Nieborg, 2009). Hence, the amount of consumers willing to participate in “firm-established” online groups of their own free will can become a corporate core competence, as this willingness to participate directly reflects their active involvement in company-related activities (Nyirő, Csordás, & Horváth, 2011).

**Classification of SM: The Basic Attributes of SM**

In order for an organization to establish a presence in SM, it first has to understand the nature of each of its components in order to be able to most match them to the corporate objectives. A primary mapping of the
different types of SM to be used ought to be based on dimensions that most characterize each type and at the same time differentiates it from the others. According to Kietzmann et al. (2011), there exist seven functional blocks in SM, which can contribute to understanding its working mechanism. These elements are as follows: (1) identity, (2) conversations, (3) presence, (4) groups, (5) relationships, (6) reputation, and (7) sharing.

Identity describes how consumers reveal themselves on a SM platform. This functional block can include various types of information (e.g., name, age, gender, profession, or location). Kaplan and Haenlein (2010) showed that during the presentation of their identity, users also often self-disclose deeper information such as thoughts or feelings. The importance of identity is analyzed by Bagozzi and Dholakia (2002), who suggest that internalization and identification are significant predictors of participation in a virtual community. Dholakia, Bagozzi, and Ppearo (2004) extended this direction: Identification and internalization are considered as the two salient social influences of the virtual community on member-participation.

Conversations are the way of consumers’ communication, including motivations, frequency, and content. Multiple SM types have, for primary objective, to facilitate the communication among individuals and groups hence this block may seem as the most unambiguous element. One fundamental implication for firms is the necessity to integrate bi-directional communications into their marketing processes, i.e., to engage, on a strategic level, to start conversations with their customers and take into account the contents thereof (feedback).

Identity and conversation lead to what can be referred in theory to social presence. In accordance with social presence theory (Short, Williams, & Christie, 1976), different types of media have dissimilar degree of social presence (acoustic, visual, and physical contacts that can be achieved). This phenomenon is determined by the intimacy of the medium. In this perspective, communication can be interpersonal (e.g., face-to-face discussion) or mediated (e.g., telephone conversation). By the immediacy of the medium, one can distinguish asynchronous (e.g., email) and synchronous (e.g., live chat) communications. In conformity with this theory, the level of social presence is expected to be lower for mediated and asynchronous communications; while the higher the level of social presence, the larger the social influence of partners on each other’s behavior. According to media richness theory (Daft & Lengel, 1986), the aim of any communication form is the resolution of ambiguity and reduction of uncertainty. The degree of richness corresponds to the amount of information transmitted during a given time interval. We can assume that some types of media are more effective from the viewpoint of diminishing ambiguity and uncertainty.

Presence delineates the reachability of the users on the SM platforms. Two main dimensions of presence and identity on SM are related to the social processes of self-presentation and self-disclosure. A number of social challenges can directly influence one’s presence or non-presence on a social medium: connecting with strangers, interacting with strangers, reconnecting with friends, interacting with friends (Piskorski, 2011). The more a firm can identify and respond to these challenges of the participants to a given SM platform and online community, the more active their expected presence will be. Indeed, the participants of any type of social interaction have the desire not only to impact on others in the process but to control the impressions that others form of them (self-presentation) (Goffman, 1959). Self-disclosure is a critical step in the interpretation of social processes: It allocates the development of close relationships, which can be a desired objective in the connection between firms and consumers. Moreover, according to Kaplan and Haenlein (2010), intimacy and immediacy of the medium influence SM presence. For instance, “by allowing users to share their own (…) experiences (with the brand), the (company) effectively engages customers on a very personal level and in the
process, creates brand loyal fans” (Laduque, 2010, p. 24).

Presence is a necessary but not sufficient condition for participation. Indeed, consumer engagement related to corporate marketing (communications) efforts remain limited, even in the presence of appropriate incentives, and (at this point, similarly to the unidirectional way of functioning of traditional mass media marketing communications) inactive and/or passive spectators still outnumber customers willing to feedback or contribute directly to the sake of the company (Van Dijck & Nieborg, 2009; Li & Bernoff, 2008).

Groups are the communities or sub-communities, which are the building elements of SM. There exist two main types of groups: The first is open to anyone (e.g., blog responses, message boards), whereas the user type enables users to manage their own existing relationships and create groups of them (e.g., social networking sites). According to Culnan, McHugh, and Zubillaga (2010), organizations need to build communities and learn from interactions within. Besides, Dholakia, Bagozzi, and Pearo (2004) suggest that, among other group norms, mutual agreement and social identity influence users’ participation behavior in a virtual community.

Relationships outline the ties between participants of a community. The mode of users’ connections often determines “the what-and-how of information exchange” (Kietzmann et al., 2011, p. 246). There is a strong connection between identity and relationship: The higher the identity is valued by a SM community, the higher the relationship is valued. Reputation is the measure of consumers’ identifying themselves, mainly relating to others in the community. There are several metrics in connection with this block: strength, sentiment, passion, and reach.

Relationships and reputation highly relate to the role of opinion-leaders (i.e., individuals with the highest reputation within a community). These influencers can affect the adoption and diffusion of innovations (Richins & Root-Shaffer, 1988; Valente & Davis, 1999) and are able to influence other community members’ choices through various types of media (Chan & Misra, 1990; Goldsmith & De Witt, 2003). An important implication for companies is the possibility to take up personalized communications through SM (i.e., one-to-one communications) with those individuals of a community identified as particularly influential. If this one-to-one dimension of firm-customer relationship (identity block) is managed, then it facilitates in turn the management of further interrelations between the remaining participants of the given community (relationship marketing). Moreover, in this new context of online value creation, the traditional one-sided business market environment is affected. Just like traditional media having two-sided markets, businesses present in SM and harnessing information or intelligence from SM might develop a similar type of two-sided market structure, with a “media audience” interested in the contents the company shares on SM, making the company itself a sort of “broadcaster”, and its “target audience” made up by the consumers of the firm’s products or services. As these two audiences only partially intersect, there appears a new category of consumer value with which the firm has to deal: this is the audience’s social value. This latter takes a role in diffusing (or damaging) the firm’s good reputation. In this new market situation, a new stakeholder appears that the firm needs to consider that of the non-consumer opinion leader manifesting themselves about the company. While important customers that bear a high business value—be they involved or not in the firm’s (social) media activity—remain important accounts (i.e., in the short tail of a company’s income curve), opinion leaders so far uninvolved in the given firm’s activities might become important for taking part in online conversations concerning the firm.

Sharing relates to the process of content exchange between the different participating actors. There are two fundamental implications for corporate communications in connection with users’ willingness to share. First,
the object of user shares (i.e., what types of content are they willing to share, even more that these are most probably not directly related to the product or company in question, therefore, a dematerialization and abstraction from the original product will likely be required in SM communications); and second, their propensity to share (i.e., how willing are they to share content originating from the given company).

One can classify SM according to their information attributes. Weinberg and Pehlivan (2011) defined two information-related phenomena in connection with the different types of SM. The first factor in their interpretation is the half-life of information. The concept, derived from physical sciences, designates the time interval during which a piece of information loses half of its value (Burton & Kebler, 1960). In other words, it refers to the availability and appearance of information on the screen or in the line of interest of users (e.g., Twitter-comments move quite fast on and off the screen). As a general rule, one can state that content is worth less as it ages, though its value decays at different rates, depending on its value for users. Half-life equally varies for different content categories, i.e., information about a company or a funny advertising video will have a different half-life of information. The second factor influencing sharing is the depth of information: the richness of content and the related diversity of perspectives (e.g., a Facebook community can bring together rich and comprehensive information on a topic). The sharing factor is thus directly related to a firm’s SM content management strategy.

The above dimensions all can help in characterizing the different types of SM (Markos-Kujbus & Gáti, 2012). One possible clear classification scheme of SM can be based on participants’ expected social presence (Kaplan & Haenlein, 2010) and the depth and half-life of content to be published (Weinberg & Pehlivan, 2011). Table 1 gives an overview of the main types of SM along their characteristics regarding social presence, media richness, self-presentation, self-disclosure, half-life of information, and depth of information. We emphasize some implications for companies based on these classifications, using these tools in their marketing communication activities.

Table 1

<table>
<thead>
<tr>
<th>Corporate Implications of a Possible SM Classification</th>
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<td>Blogs</td>
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<td>Social presence</td>
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<tr>
<td>Media richness</td>
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<tr>
<td>Self-presentation/ self-disclosure</td>
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<tr>
<td>Half-life of information</td>
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<tr>
<td>Information depth</td>
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<tr>
<td>Examples of implications for companies</td>
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*Note. Source: own elaboration, based on Kaplan and Haenlein (2010) and Weinberg and Pehlivan (2011).*

**SM Common Practices and Strategies**

SM practitioners are keen on using platforms like Facebook, Twitter, YouTube, and Second Life for their businesses, as SM allows firms to engage directly with end-consumers at lower cost and higher efficiency
rather than more traditional tools (Kirtis & Karahan, 2011). At the same time, SM requires new ways of thinking. Success is not assured by a company simply being present on a social network with an account or by having tweeted once in a year. SM practices and commonplaces are already being caricatured by a number of enthusiastic amateurs of advertising using the very platforms and tools companies use to target their new audiences (e.g., Facebook and the spoof brand page entitled “Condescending Corporate Brand Page” (https://www.facebook.com/corporatebollocks)), showing that the audience itself is aware of the common and manifestly misleading techniques brands try to engage them with. That is why there is an urgent need for a new view concerning the wider implementation of SM into marketing strategy. As stated before, corporate communications have entered an era where they are only part of a cloud of democratized communications, and companies need to realize the power but also the risks of SM, as this platform follows a substantially different set of rules from traditional advertising.

Although, many managers and company executives show reluctance and are unable to allocate resources and to develop strategies to engage effectively in SM (Kietzmann et al., 2011). In the practical review of the article, 14 recent professional articles about SM management in various business magazines were content analyzed in order to reveal what published professionals counsel to practitioners of a specific business branch (e.g., financial, insurance, or medical sectors). The quantity of articles was found sufficient to reach theoretical saturation (Sandelowski, 2008). In the selection process, we followed the guidelines of the conventional systematic review (Sussman & Siegal, 2003) and applied both inclusion (recent managerial/practical articles available in a major academic database dealing directly with SM) and exclusion criteria (articles that do not consider SM from a business point of view (e.g. academic articles) were excluded). The articles were content analyzed (Glaser & Strauss, 1967), coded, and aggregated based on the three main aspects of similarities, contradictions between the articles as well as of logical (in)consistencies found within.

Two main questions arise when talking about SM usage for companies: (1) How to use SM in a way relevant to businesses? (Uzelac, 2011; Fields, 2012), and (2) How to use it without “getting into trouble” (Uzelac, 2011, p. 45). In a practical approach to SM, Table 2 gives an overview of the general advices reviewed articles give to practitioners about managing their SM surfaces, that will further be analyzed in the following.

Most sources agree on the fact that SM should indeed be considered a strategic tool, stating, among others and that “SM is a long-term strategy that requires sustained effort” (Hershberger, 2012, p. 27) and it is rather “a marathon, not a sprint” (Fields, 2012). In this spirit, firms have to plan and set rules before implementing and applying themselves with SM.

Another common points in these sources, though, is that they treat SM primarily as a brand-building tool where traditional advertising (that can in this case be dubbed as “self-promotion”) as well as hard selling are ineffective (and eventually destructive) on these platforms. This does not mean, however, that traditional advertising cannot appear in SM: If presented properly, a unique product feature can respond to a specific need, or an advertisement can resemble to entertainment content. In this sense, these materials corresponds more to content (i.e., useful and/or entertaining information) than to a mere product presentation. As such, according to Lee (2010), SM can be used as a marketing tool in the following ways: as a direct sales channel (e.g., tweet/post about major/exclusive discounts and other sales promotion), a tool for customer contact (e.g., one-to-one communication), as an amplifier of word-of-mouth and as a social commerce channel.
### Table 2

**A Practitioners’ Approach to SM: Dos and Don’ts of SM in the Management Literature**

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<th>Dos</th>
<th>Source(s)</th>
<th>Don’ts</th>
<th>Source(s)</th>
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<td><strong>Target the audience; differentiate / tailor content (different type of SM = different relevant type of content); Use the right tools</strong></td>
<td>Johnston (2011) Hershberger (2012) Fields (2012) Armelini and Villanueva (2011)</td>
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<tr>
<td><strong>Be proactive (post updates if a problem arose and has been fixed meanwhile; if aware of a malfunction in advance: inform)</strong></td>
<td>Hershberger (2012) Dutta (2010)</td>
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<tr>
<td><strong>Continuously re-evaluate position</strong></td>
<td>Hershberger (2012)</td>
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As a consequence, traditional ROI measures can be misleading in comparing various SM actions’ results. While the other tools within digital marketing like search engine advertising (SEA) and other online display...
advertising (PPC, pay-per-click advertising):

are focused with the single intent to drive the customer to a single product or offering (…) to quickly convert (…),
SM marketing is more about interacting with new and existing customers on a personal level to build brand awareness and inspire brand loyalty (Laduque, 2010, p. 23).

At last but not least firms have to be relevant, unique and creative (Laduque, 2010) in their use of SM platforms. Relevance and creativity apply as much for the use of each SM tool as intended (i.e., complying to the terms of use thereof) as for the capability to trigger positive user responses (user involvement; e.g., liking, sharing of content). For the category of relevant content, the sources mention tips, advices, giveaways, promotions (Fields, 2012), information worth noting (even if it concerns competitors) (Bottles & Sherlock, 2011), assistance, solution to a problem (Fields, 2012), and, in more abstract terms, addressing users’ unmet social problems then connecting the solutions to the firm’s business goals (Piskorski, 2011). Corporate control is narrowed to content broadcast by the organization—thus making it a substantial part of a SM strategy. Instead of willing to control or have an influence over the audience, the company cannot but provide a corporate response to the feedback (e.g., the reactions, etc.) thereof (Fields, 2012).

Although managerial articles highlight the strategic importance of SM, there are also a number of inner contradictions with the logic of their strategic view of the tool. For instance, sources advise as a possible goal for SM usage—even though (completely) opposing the logic of their strategic view— to attract customers (e.g., Armelini & Villanueva, 2011). Some sources equally advise to use sales promotion techniques, contests, etc. to boost likes (e.g., twitter and coupons/deals to be retweeted/reposted; extra rewards for joining company SM pages (e.g., access to promotion or sweepstakes)) (e.g., Laduque, 2010; Hershberger, 2012) while it is a long-known rule in marketing that sales promotion has no long-term effects and therefore its use is counterproductive for loyalty building (Brown, 1974; Vakratsas & Ambler, 1999). In addition to that, mentioning charity (Hershberger, 2012) or “like contests” (Armelini & Villanueva, 2011) as SM best practices for quickly collecting additional likes are equally impetuous in a strategic thinking: these likes are not entirely autonomous (as they are derived from the direct goal of liking the brand) and can moreover be considered as unethical.

Sharing entertaining content (e.g., videos) will trigger people to share it (Laduque, 2010). At the same time, the question of targeting arises, i.e., to what extent this secondary or tertiary reach (Lipsman, Mudd, Rich, & Bruich, 2012) covers a brand’s target audience. While content in its entertainment function reaches a user as a media audience, if this user is outside what could be referred to as a marketing target audience, they still will account as a scattering loss.

There also seems to exist a thin line between pull and push media, as well as push and push away. Quinn (2011) advised to send personal messages to those a firm has connected to in order to “break the ice” (p. 26). However, the question arises whether the audience uses this forum to talk to (or about) the firm without wanting it to talk to them when not asked to. That is, whether the strategy to follow is only to respond, or to address. In the new communication paradigm, customers do not want to be talked at. Instead, they seem to expect companies to listen, engage, and respond to them which leads to require proper adaptive tools from firms. “Broadcasting commercial messages and looking for customer feedbacks” (Piskorski, 2011, p. 118) is only one column of existing in the SM space. In the SM sphere conversations (including brand-related interactions) mostly arise through organic user connections (Lee, 2010), and it is indispensable to respect these
“volunteered” brand messages. It is also important to recognize users’ need to build and develop relationships and to establish a marketing strategy upon these very relationships, respecting and appraising their voluntary work for the company (Piskorski, 2011; Laduque, 2010).

Moreover, articles lack of common stance in the case of several topics. One of these is the idea of lead generation. As Montoya (2011, p. 124) puts it, “probably the primary reason most (companies) jump into SM, but possibly the least likely to happen, is to add new clients”, while, according to Laduque (2010), lead generation is one of a firm’s main focuses with SM, along with customer engagement and brand promotion.

Another issue is targeted SM presence. According to Montoya (2011), firms should be present on all main SM platforms, whereas Armelini and Villanueva (2011) or Johnston (2011) advised a targeted presence on platforms corresponding to the target goals and audience.

A third matter of discord in the sample of articles is the way to respond to negative or untrue feedback and comments. While all articles that address this question deem it a “cardinal sin” (Herschberger, 2012, p. 28) to delete any feedback, and in Uzelac’s (2011) opinion, these necessarily ought to have legal aspects and consequences, whereas in accordance with Johnson (2011) or Herschberger (2012), firms rather need a response strategy and evaluate case by case the amount of damage caused by these and act accordingly. For instance, Quinn (2011) recommended an instant response, and, in case of a negative comment, taking it out of the public sphere by following up with a personal message to the sender. Whereas, if a consistent pattern of consumer criticism or discord is discovered, the author recommends to equally address it as a general online social communiqué in order for it to be known to those who faced the problem but did not manifest about it (Quinn, 2011). “Brands do not exist in a void. Regardless whether or not a company participates online, consumers are constantly talking online about companies and services” (Johnston, 2011, p. 84), even if the intended marketing message itself was produced in a black box (Sheehan & Morrison, 2009). By not adequately evaluating the necessity for being present and active in SM, the advantages and the opportunities it carries, as well as the disadvantages and threats it poses, in short, the opportunity cost of staying away, firms can unintentionally do more harm than good to their brand reputation. First, by staying inactive, instead of bearing the costs of engagement (Johnston, 2011), and second, by using a so-called “shotgun approach”, where firms jump in every SM they know of (Hershberger, 2012).

What SM does involve, however, through the necessity of extended planning and coordinating efforts (i.e., time) is an additional (and substantial) allocation of human resources (i.e., staff). This is required, among others, to develop a SM strategy and a comprehensive corporate marketing strategy which incorporates SM and new media; to develop and monitor a response strategy; to gather a HR ability to address and/or cope with any types of questions arriving through SM. This latter equally involves the function of a SM manager that relates to that of an internal organizational expert and that of a high trustee) (Bottles & Sherlock, 2011). It also involves a more extensive process of content production and generation, which equally bear costs (creativity, time, qualified talents). As a result, all the above can appear as hidden costs (e.g., Armelini & Villanueva, 2011) and ought to be dealt with in advance, thus reinforcing the idea of SM management being a strategic element.

**Effects of the SM Common Practices**

Table 3 introduces the main effects related to the common practices of firms in SM as described within the sample of articles.
Table 3

*A Practitioners’ Approach to SM: Effects of the Dos and Don’ts.*

<table>
<thead>
<tr>
<th>Dos</th>
<th>Source(s)</th>
<th>Don’ts</th>
<th>Source(s)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Further loyalty</td>
<td>Quinn (2011)</td>
<td>Saturation</td>
<td>Armelini and Villanueva (2011)</td>
</tr>
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As mentioned beforehand, a self-generated consumer community in turn leads to building and enhancing consumer loyalty (Armstrong & Hagel, 1996). Authors of the articles in the sample writing to practitioners of a particular field do support this result, by stating that, among people who are already brand advocates and therefore followers of an organizations’ SM channels, a thorough and successful SM strategy leads to further loyalty (Quinn, 2011) and trust (Hershberger, 2012).

The majority of the analyzed articles agree on the fact that SM is primarily a brand-building tool. Parallel to this, certain authors equally mention that even a thorough SM strategy, in itself, is hardly able to make any direct effect on those who are not already brand advocates (Johnston, 2011). In order for new brand advocates to enter into the circle of company-related SM channels (i.e., to build brand recognition), they either still need to be reached through traditional advertising efforts (Armelini & Villanueva, 2011) or get into contact with a brand through (electronic) word-of-mouth. Positive e-wom or friend-to-friend advertising (Piskorski, 2011) can be triggered by the effects of a successful SM strategy (Armelini & Villanueva, 2011), e.g., through visible brand-related activities of influential acquaintances on SM channels (e.g., opinion-leaders). Through this latter, beyond their own fans (primary target groups), brands are equally able to generate a secondary reach to their SM appearances by reaching friends of fans (Lipsman et al., 2012).

The presented effects of positive activities on SM platforms imply disparate advantages for companies using these tools. Contrary to the dos of SM activities, companies must take into account the possible saturation of consumers (Armelini & Villanueva, 2011) in the sense of their limited reception capacity (e.g., by the selective perception of overwhelming information flow). When precise audience needs are not taken into consideration, company-originated messages overflow, and therefore consumer attention is reduced by information saturation, which in turn can lead to alienation (Hershberger, 2012) (e.g., disliking a brand on Facebook).

As advocated by several authors in our sample, a SM presence alone does not suffice, and therefore complementary marketing communications activities are still required (e.g., cross-media presence) through a more global, integrated marketing communications approach (Quinn, 2011; Hershberger, 2012; Fields, 2012; Lee, 2010; Armelini & Villanueva, 2011).

During the application of SM there can exist more challenges and potential problems. Sheehan and Morrison (2009) outline four key challenges of corporate communications within SM: (1) engagement challenge, (2) SM challenge, (3) consumer-generated media (CGM) challenge, and (4) training challenge.

The engagement and SM challenges involve the firm’s capability to reinvent itself on a communications market that is no longer unidirectional and no longer involves a mass message, while the firm equally needs to perform in a new advertising landscape. In this landscape, where “the brand becomes the base for the creative product” (Sheehan & Morrison, 2009, p. 41) that users create in relation to the brand, its products or services.
THE ATTRIBUTES OF SOCIAL MEDIA

In this sense, entering SM is just like entering a new product market that, by definition, involves a process of strategic marketing planning and therefore supports the main argument of the present article about the strategic role of SM.

The CGM challenge lies in adding value to users by being able to letting them express themselves about the brand and to managing and learning from the either positive or negative feedback. A firm by being relevant and by taking a step backwards from promoting its concrete products and services might be able to meet its audience’s social needs and therefore come by further trust and loyalty among its followers and new followers through the positive word of mouth generated by these latter.

Not only a company-wide organizational change and education are required to adopt a social (media) philosophy, but the firm as a whole is required to develop new capabilities (organizational learning) (e.g., data mining) in order to be able to perceive, extract, and apply bottom-up (i.e., user-led) intelligence.

A Practical Review of Building SM Strategy

To the authors’ knowledge, no earlier theoretical article has analyzed in depth the problem of SM strategy building in the specific context of its practical aspects. Therefore, after a general overview on the role of SM in a practical concept, we proceed in the endeavor to delineate its embeddedness into communications and marketing theory by integrating the practical advices present in our sample of articles and academic literature on marketing strategy building.

When one is to plan a social (media) strategy, they need to be aware of the fact that full-fledged social strategies do not match and are neither a part of the company’s digital advertising strategy. Digital advertising, as a follow-up to traditional mass media advertising, is about “broadcast(ing) commercial messages and seek(ing) customer feedback in order to facilitate marketing and sell goods and services” (Piskorski, 2011, p. 120). Therefore, its simple integration into social space might prove wrong, as the main goal of SM audience is “to connect with other people, not with companies” and to “help people improve existing relationships or build new ones if they do free work on the company’s behalf” (Piskorski, 2011, pp. 118, 120).

According to Piskorski (2011), the possibilities of SM of various firms and therefore the corporate goals for a social strategy can be rather diverse.

For instance, a company might seek primarily business impacts: to reduce the marketing costs for the company through consumer contribution or to increase consumers’ willingness to pay.

A more global SM strategy would include a consumer-focused view and would aim to make a social impact by establishing and strengthening company-consumer relationships and increasing customer satisfaction. A successful social strategy implies that companies first think through how to address unmet social needs and then connect the proposed solutions to business goals (for instance, by answering the questions what can the company offer to its customers through SM and why would an individual befriend a company? (Fields, 2012)). Indeed, people are inherently social and look to create and maintain relations (Sheehan & Morrison, 2009, p. 41), with people but equally with their lovebrands. By combining the first two most obvious goals, i.e., an innate business output and a logical use of SM, a social strategy can aim to “reduce costs or increase customers’ willingness to pay by helping people establish or strengthen relationships if they do free work on a company’s behalf” (Piskorski, 2011, p. 118).

Moreover, SM can be integrated into a firm’s marketing communications strategy as a full-fledged brand-building tool by letting consumer contributions (e.g., reviews) define the brand, users (e.g., bloggers)
discuss the brand and therefore aiming a bottom-up impact on brand perception (M. Barker, D. Barker, Bormann, & Neher, 2012). Users’ “free work on a company’s behalf” (Piskorski, 2011, p. 118) might consist of the above-mentioned positive wom-generation and acquisition of new potential brand advocates.

At the same time, a firm can also have recourse to more active forms of crowdsourcing within SM by letting users generate concrete corporate inputs, such as new product ideas (R & D), thereby gaining valuable insights from them.

By being present and engaging in a conversation with its consumers through SM and thereby trying to drive the conversation around itself. Supposedly, 95% of Facebook wall posts of firms go unanswered by brands (Hershberger, 2012) even though “interactive communication can eliminate misunderstandings which can occur during unilateral communication” (Lee, 2010, p. 115). A brand is more likely to gain recommendations and therefore positive e-wom on social sites (Barker et al., 2012). This is all the more the case with brands that are struggling to involve their consumers through traditional channels, for instance, low-involvement (e.g., FMCG) products. As people seem not to be are attracted to firm-hosted commercial online community sites out of a desire to build communities (Wiertz & Ruyter, 2007), this activity needs to be related to external (i.e., SM) sites and to be in connection with users’ everyday subjects of interest and take place within users natural online communities. In these cases, consumer-generated content in SM is abstracted from the product itself and is rather associated to users’ revealed hobbies in relation to the product (e.g., fashion industry-related content used to communicate a detergent) in order to generate an indirect, but existing wom (Fagerstrøm & Ghinea, 2010).

While a problematic element (and a matter of discord among the authors of the selected sample of analyzed articles), a firm might try to directly generate leads through SM by acquiring email addresses or any other contact detail enabling them the chance to sending marketing messages.

A strategy in a SM context means choosing the right SM mix and find the right balance between the elements. For the elaboration of a SM strategy, the practitioners’ literature recommends wholly or partially the following five-step approach (Fields, 2012).

1) Prepare the elaboration of a strategy. Perceive, listen and monitor online conversations about the brand but also about competitors, consumption context, etc. (Johnston, 2011; Fields, 2012; Quinn, 2011). Here, a firms’ data mining capacity (i.e., the capacity to filter the feedback to retain the “few gems” (Dutta, 2010, p. 129)) becomes a new corporate asset.

2) Develop the strategy. During this step, the organization has to assess its current state in relation to SM (e.g., what its customers or its target audience do in SM in relationship with the company or its products or services, and what kind of general topics exist in customers’ top-of-mind). The next step is to specify and set purposes, goals (e.g., the firm aims to use SM for reputation management, to increase positive sentiment, to improve customer service, etc.), as well as objectives to accomplish them (Fields, 2012; Johnston, 2011; Uzelac, 2011; Armelini & Villanueva, 2011). The organization then needs to proceed to the targeting of its audience (Johnston, 2011). As a general rule, “the more narrow (the targeted) niche, the stronger the messaging can be” (Johnston, 2011, p. 84) to engage and incite action. Based on the stated goals and the targeted audience organizations can determine the circle of appropriate social technologies, platforms, and tools to use (Fields, 2012; Uzelac, 2011). A targeted presence avoids a “shotgun approach” (Hershberger, 2012), i.e., to jump in every SM with an undifferentiated approach, and leaves space to introducing the firm
step-by-step to SM (Hershberger, 2012). During the development phase, the strategy equally needs to be tested. Three perspectives are identified by Piskorski (2011): social utility, social solution, and business value. Social utility refers to analyzing whether the chosen strategy “helps customers solve a social challenge they can’t easily address on their own” (Piskorski, 2011, p. 121). That is, the firm ought to consider how the brand or the product can contribute to users’ and brand advocates’ online social activity (e.g., shopping with friends; invitation-only events to users/fans/contributors with shared interests and/or consumption patterns) by revealing and complying to “unmet social needs”. The social solution tests whether the strategy will “leverage the firm’s unique resources and provide a differentiated, hard-to-copy social solution” (Piskorski, 2011, p. 121). The business value test evaluates whether the chosen strategy will lead to improved profitability (Piskorski, 2011). In this sense, a social strategy carries an added business value if it offers better-than-alternatives options and a clear social USP (unique selling proposition) and a reason-to-like or reason-to-follow for users.

(3) Implement the strategy. For a successful implementation of a SM strategy, the entire management’s commitment is fundamental (including that of the CEO, the buy-in or support departments, etc.) (Fields, 2012; Hershberger, 2012) for it might necessitate an overall and fundamental change in the corporate structure as a whole. Besides, as a part of a thorough SM strategy and a corporate “culture of communication”, employees throughout the entire organizational chart are equally required to follow pre-established SM guidelines (education) (Fields, 2012; Hershberger, 2012). Moreover, guidelines should be available concerning brand voice (i.e., in what consistent way (tone, vocabulary, style, etc.) a brand will manifest itself online on the long run (Quinn, 2011; Bottles & Sherlock, 2011; Dutta, 2010)), a content calendar (i.e., what types of content will be developed then published and when). A responsibility policy and a response plan (Johnston, 2011; Uzelac, 2011) are equally advised by the authors to manage company-user interactions. A responsibility policy determines which types of content need to be reviewed before publication and how fast, while a response plan can include a response matrix (when and how to respond in a variety of situations) and/or an escalation plan (when does a response need to include further-specific personnel from the company, who to call), and it should equally accept and prepare for the possibility of negative feedback. Thus, the challenge of a properly executed SM strategy is to be well-prepared and—planned and at the same time suitably adaptive to the dynamics of the audience. This implies that a company ought not to outsource neither automate the execution of a SM strategy (Bottles & Sherlock, 2011; Dutta, 2010).

(4) Integrated marketing communications. Several sources (e.g., Quinn, 2011; Hershberger, 2012; Fields, 2012; Lee, 2010; Armelini & Villanueva, 2011) advise in some way to use complementary communications surfaces beyond SM. In order for the company to be able to profit from the synergies that the joint use of media implies, a carefully planned strategy is in order. SM cannot be seen and used as standalone thus an integrated presence in offline and online, owned-paid-earned media is required. First, for the reasons mentioned beforehand, content transmitted in SM is more likely to reach a broader public when it is previously broadcast or published in other forms of (traditional) media (Lee, 2010). In this case, SM is there to harness and amplify (e.g., through wom) the effects of traditional advertising (Armelini & Villanueva, 2011). Moreover, cross-promoting SM presence through other forms of corporate communications (e.g., traditional advertising, in-store communications, etc.) can lead to synergies with the same subsequent effect.

(5) Metrics and reporting. Unlike traditional advertising, and in the lack of common grounds as to a unified online measurement system, a SM strategy and its effects need to be evaluated by the firm using
proper metrics (Hershberger, 2012; Fields, 2012; Laduque, 2010; Armelini & Villanueva, 2011), that in every case depend on the goals and objectives that were set before proceeding to the implementation of a SM strategy. The elaboration of these metrics can be based on a prior benchmarking and competitive analyses. For a SM strategy being a lot more complex than traditional advertising, a complex metrics system is required to add context to the results (Piskorski, 2011). For example, it is technologically possible to link detailed transaction data and purchase history to SM presence and use, i.e., to merge direct marketing communications to a firm’s advertising efforts to map which of the firm’s communications actions lead to added consumer value (e.g., gift suggestions to friends, according to their own purchase data—if user authorized data use). Moreover, new metrics such as the measurement of the impact of SM (e.g., by monitoring the number and quality of engaged discussions, the number of returning users to corporate SM sites or the travel “distance” of company messages) can be elaborated, that equally take qualitative factors as much into account as quantitative factors (Hershberger, 2012; Johnston, 2011). These together can be used to evaluate SM performance. Thus, a company is advised to elaborate its own personalized metrics, which are able to assess the performance of a given firm activity (e.g., a SM marketing communications campaign) compared to the previously fixed goals of that activity. These specific metrics can be the key performance indicators (KPI) of a SM marketing communications campaign, enabling the clarification of a company’s own performance and the forecasting of consumers’ response to a given marketing communications activity (Lautman & Pauwels, 2009).

Summarizing the above-mentioned steps, one can state that SM strategy can be seen as a long trust-building process (making people to follow/like a brand by talking at first stance to only those who already are advocates and/or connected to the brand on SM, that is, with whom there is a possibility to directly communicate).

The statement that the application of SM requires a strategic treatment is supported by Culnan, McHugh, and Zubillaga (2010), who suggest that companies need to implement and follow strategies in the case of applying SM elements. Wilson, Guinan, Parise, and Weinberg (2011) identified four different types of SM strategies that will largely affect the ways the above five steps will be weighted by managers: (1) predictive practitioner, (2) creative experimenter, (3) SM champion, and (4) SM transformer. The predictive strategy is typical to firms that avoid uncertainty and want to measure results with established tools. Creative experimenter companies embrace uncertainty, and the aim of this type of organization is to learn by listening. A SM champion strategy involves “large initiatives designed for predictable results” (Wilson et al., 2011, p. 24), and with this strategy companies are able to identify and enlist brand enthusiasts. Finally, the SM transformer strategy “enables large-scale interactions that extend to external stakeholders” (Wilson et al., 2011, p. 25). This type can have the greatest impact on the firm (from R & D to channel partners).

At the same time, by definition, SM platforms require from each participant, organizations included, quick responses and actions. In the course of these, firm-user interactions and messages are subject to constant re-evaluation and tailoring while proactivity becomes a measure of the firm’s organizational learning potential and its efficiency to stand out from a general communication clutter.

To sum up, the above on the strategic process of implementing SM as a part of corporate communications, the following general pattern seems to emerge (see Figure 2).
According to Laduque (2010), the publish-share-connect triplet is the base to a successful SM strategy. Producing and publishing interesting and relevant content corresponds to beginning a process of embedding the organization into SM. By actively connecting to its customers, the firm can solidify its power in SM and trigger loyalty as well as new customers. Therefore, as a general rule of SM communications, one can state that content and relevance serve as a base, conversations and WOM as the vehicle and company engagement as a fuel to connecting with users in SM.

All in all, one is able to see that SM strategy planning is not much different from general marketing strategy planning practices (e.g., Kotler & Keller, 2012), with the SM-specific added keywords of “fun”, “sincerity”, and “quick response” (Lee, 2010, p. 117), which do not make it disparate from the former one. In order to underline the role of SM in general marketing strategy building, it is advisable to highlight its embeddedness into the marketing planning process.

Toward a General Strategic Approach of SM

According to Barker et al. (2012) or Kotler and Keller (2012), the single and most important action a company can take to reach success in using marketing communications channels (and SM within) and trying to reap its value is to be in possession of a carefully and prudently elaborated marketing plan prior to initiating a marketing communications activity. To do so, a company must know first “what” it plans to accomplish, then the way (i.e., “how”) to reach this aim. The “whats” are the main goals which can satisfy the needs of consumers through seizing company opportunities, while minimizing internal weaknesses and external threats (e.g., competitors or economic conditions) at the same time. The “hows” of a company’s marketing planning process are mainly broad guidelines for a company to reach its marketing goals, by setting strategies for each firm’s unique strength, weaknesses, opportunities, and threats (Kotler & Keller, 2012).

As stated before, practitioners in the SM literature often elaborate their own “SM marketing strategy” concepts. There also exists a tendency in academic teaching (Barker et al., 2012) to implement a SM marketing planning process, presenting a framework, starting up with the act of listening to people talking about the company. During the listening phase, companies usually follow conversations about themselves or the competitors and the industry as a whole on the SM platform. This converges with the first step to follow as advised by company practitioners (Fields, 2012). Perceiving, listening, and monitoring consumer conversations
is the first step to enable the company to determine its media presence (be that traditional or SM), and to
determine the resulting goals and strategies.

To perceive the general goals to set in SM marketing, it is advisable to keep in mind that the desired
outcome of SM usage is determined mostly by the flexible adaptation of goals (Barker et al., 2012). As with
any other marketing communications activities, different and differing marketing goals do exist. One of the
most important aims in SM can be brand building (e.g., increasing brand awareness, positioning a brand,
expanding brand loyalty), where, contrarily to traditional brand policy, it is more important to know what
people are saying about the company then what it says about itself. Furthermore, SM can also increase
customer satisfaction, by building interactive relationships and solving specific problems (Armelini &
Villanueva, 2011; Barker et al., 2012).

Listening and setting goals are determining a company’s SM marketing strategy, which is not a separate
and isolated element of the overall corporate marketing strategy. After gaining indispensable information about
the target audience, the competitors and the industry, the company can be able to identify its target market’s
virtual presence and activities and eventually to use these as marketing knowledge in order to “identify strategic
opportunities” (Barker et al., 2012, p. 35). The linking of SM features to the basic and general
“segmentation-targeting-positioning” (Kotler & Keller, 2012) activity as the essence of marketing strategy are
meant to bring SM marketing strategy building out of its shell and to show that it can be an integral part of a
general marketing planning process. With the identification and differentiation of distinct target audiences and
engaging them through calls-to-action (e.g., watch a video, click on a link), a company using SM does in fact
execute (knowingly and/or unintentionally) the segmentation and targeting phases of marketing strategy
building. through this step, its SM strategy can be better implemented into its broader marketing objectives for
key consumer segments (Lipsman et al., 2012). The company can finally elaborate its social USP
(reason-to-like or reason-to-follow), which is not much different from the original and general
operationalization of positioning (Ries & Trout, 1986). Indeed, “to succeed in our over-communicated society,
a company must create a position in the prospect’s mind, a position that takes into consideration not only a
company’s own strengths and weaknesses, but those of its competitors as well” (Ries & Trout, 1981, p. 24).

Conclusion

Despite the growing influence and spread of SM worldwide, research on the strategic implications of the
phenomenon is still in its infancy. SM currently is present in firms’ traditional promotion-mix as a new, hybrid
element, which affects the traditional (one-way) communication paradigm. Even though it can now be
considered a full-fledged advertising medium, SM still does not have a clear, aggregated, and consistent
definition to use for academics and practitioners. In our article, we depict the definitions which are the most
consistent with a strategic perspective and create a general and summary interpretation of SM: a pool of various
two-way communication platforms that enables the free flow of ideas, information, and values on the internet.

It is apparent that many firms years after the advent of SM into the scope of marketing communications,
still use it in “ways that violate nearly every percept of good strategy” (Porter, 2001, p. 11), yet a clear social
USP might as well become an organization’s corporate asset and source of competitive advantage.

However, most firms are still not well-acquainted with the different types of SM and the attributes thereof.
Functional blocks (identity, conversations, sharing, presence, relationships, reputation, groups) and
classification dimensions presented in our study are meant to help companies to map which elements to focus
on in different marketing contexts and objectives.

In sum, SM is a more dialogic, interactive, and faster instrument than classic media (Shultz, Utz, & Göritz, 2011), and firms can extract additional marketing data by monitoring SM. The effects of SM can be described as strategic benefits. According to Mangold and Faulds (2009), there are several strategic benefits when a company uses SM. First, an interactive communication occurs between the firm and its customers. Although companies cannot take control directly over content, they have the chance to influence the conversations. Then, users consider SM as a trustworthy instrument (Lempert, 2006; Vollmer & Precourt, 2008) so with the application of this tool companies may appeal in a greater extent to consumers. Moreover, a tendency is observed that consumers use SM more frequently as a source of information (Vollmer & Precourt, 2008; Nielsen, 2007). At the same time, using SM, companies will be able to improve internal operations by collaborating in new ways with consumers, buyers, partners, and suppliers (Culnan, McHugh, & Zubillaga, 2010), and gain value when consumers engage with the company, when they create (or co-create) content. For instance, companies can get almost instant feedback from users, which can be employed into product and advertising campaign development, or into marketing research (McAfee, Howe, & Surowiecki, 2011). Social spaces and social strategies (if they are well-established) reinforce communication between brand advocates by providing context for communication and advocacy and not by providing direct sales messages (i.e., advertising) (Edelman, 2010).

A general problem that arises though in the importance of word-of-mouth in SM communications is that “People are more inclined to talk about things they purchase rarely and use publicly (…), whereas things they buy regularly and use privately (…) are rarely mentioned” (Armellini & Villanueva, 2011). SM, in this sense, does not resolve in itself the most urgent problem for one of the most important category of advertisers, i.e., FMCG companies, whose products fall exactly into this category.

We have described a five-step planning process for applying SM, and have to highlight the practical implementation of steps (4) and (5) (IMC and metrics). These steps seem the most problematic, and the sources equally contain the least information and general advice about them and rather use concrete examples to illustrate them. This highlights the strategic role of SM planning, as each firm present in SM faces a different baseline situation. A successful SM strategy therefore depends not only on the strategic thinking and the precise planning and implementation thereof, but equally on a wide variety of (both endogenous and exogenous) factors. One of these is the nature of the product (tangible vs. intangible; low-involvement vs. high-involvement; cheap vs. expensive). Another is the nature of the brand (market leader vs. second-tier, third-tier). The third factor is company size (SME vs. large company): the smaller the company, the larger the communicative advantage from SM (Fields, 2012). As mentioned beforehand, for a SM strategy to be effective, a general organizational transformation might be needed, which is harder to carry out in case of bigger firms (Wilson et al., 2011). And lastly, the sector of activity (B2B, B2C, NGO, etc.) is important as well to determine SM audiences’ original attitude towards the brand.

The article achieves to present a new theoretical approach on SM by combining practical applications (through the review of focused management and business literature) and theory. In our article, we describe and analyze practical advice from managerial articles and as a result we revealed a number of inconsistencies as well as strategic issues that can thus be solved in the future, as well as in practice as by the academic research in the area. With the process of elaborating a semi-conceptual framework based on practical sources, in our article we suggest a new way of theory-building. For doing so, we apply the practical implications of the
relating management literature, in order to support and develop the existing set of theory. Our logic follows a way of thinking which is consistent to our research objectives: to emphasize the non-uniqueness of the SM phenomenon in strategy building, we first argue against the illusion of certain practitioners’ perspectives which endorses it as a completely new environment, then we extend our statements into a wider spectrum. Indeed, “nihil novi sub sole”; our critical analysis of practitioners’ approaches to SM strategy reveals that as a marketing tool, corporate communications within SM require just as much a strategy as any other field of corporate marketing, despite the hype that surrounds the field and several firms’ initial “shotgun approaches” to entering it. A successful application of SM strategy is even more complicated as it appears within the context of a more and more ubiquitous communication clutter and as umbrella term, encompasses a wide variety of different tools with different characteristics. Moreover, SM as a strategy has a company-wide impact, and it therefore does not only pertain to the sole scope of the marketing communications or the marketing functions, as it involves every employee in the company as well as its whole structure and working mechanism and thus it can be embedded into the more extensive stakeholder model (Fournier & Lee, 2009). In sum, we are able to state that both academic researchers and company managers ought to put SM in the framework of general marketing strategy instead of handling it as completely separate and unique marketing communications tool.

Our research is based on the presentation of SM in the perspective of corporate marketing strategy, showing practical application of its tools, often operating with the concept in a myopic view. The limitations of the present article anticipate possible future research directions. Namely, one has to mention the relative novelty and continuous development of this area: the before-mentioned and analyzed types of SM are constantly evolving, making the framework and characterization of SM as defined earlier might be incomplete and the statements may not be relevant for potential new elements. Therefore, the continuous extension and revision of the types of SM as well as that of their specificities can be a subject for further research. Furthermore, our findings are based on theoretical and managerial articles thus the results and implications need empirical research and confirmation. The presentation of SM and its classification, as well as the collection of industry practices from different sectors and the connection to marketing theory are the results of a literature review based on mainly secondary data. This limitation involves the primary direction for further research, mainly potential future empirical analyses of SM in specific industries or domains, firm size and product category to delineate its embeddedness into general marketing strategy. In this context, where the SM phenomenon is not yet easily framed by quantitative methods a possible and advisable direction for empirical analysis could be a qualitative approach (i.e., in-depth interviews or semi-structured or unstructured interviews), where company managers’ attitudes and behaviors are possible to be analyzed in the context of SM (e.g., building on an extended approach based on the methodology followed by Truong, McColl, and Kitchen (2010) in the medium term goal of developing new, relevant, and meaningful metrics.

References
THE ATTRIBUTES OF SOCIAL MEDIA

69


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THE ATTRIBUTES OF SOCIAL MEDIA


