

Abstract

Introduction

This thesis focuses on the use word of mouth in social media with a particular focus on the small business sector. There is very little existing research that focuses on the small businesses aspect of social media. Ferguson (2008) use examples such as Proctor and Gamble and Burger King however these are large multinationals who have the resources at their disposal to perfect their social media techniques. A small business focus is required as Hoffman and Fodor (2010) illustrate that social media is an easily measurable environment. Mangold and Faulds (2009) illustrate that this tools gives businesses a reach that was not possible before.

Research Objectives and Question

The intention of this study is to explore the statement ‘How useful is word of mouth for small businesses that use social media’. This will be explored from the aspect of what small businesses use social media for, what are the main tools that they use and do they have measurements in place to gauge how effective their campaigns are.

Methodology

For the purpose of this thesis a mixed methods approach was used. The emphasis was on a subjective view towards the research. An online small business website www.smallbusiness.com was used as well as Facebook, Twitter and LinkedIn and Gmail to collect the qualitative data. This data enhanced the quantitative aspect which consisted of online programmes that analysed the number of visitors per site, key word associations and the cost of advertising on these sites.

Key Findings

From analysing the primary research several key findings were uncovered. The core reason small businesses use social media is to market to their target audience. It is a vital tool for them in promoting their business. There is also an emerging trend of developing videos and image based content that engages consumers rather than content that is word heavy. When it comes to the measurement of social media campaigns it is either very accurate or inaccurate.

Conclusions and Recommendations

In conclusion social media is a vital tool for small businesses however they must ensure it is part of an overall marketing mix. If used right this can be an extremely effective tool due to its reach and the fact that there is such a variety of ways to measure the effectiveness of online campaigns. This research has contributed to existing literature in that it incorporates a small business aspect to this topic.

Dedication

I would like to dedicate this dissertation to my parents. They have seen me go from a nervous first year to someone who now has confidence and who has no worries about going out into the big bad world. They helped me get through the last five years which have been the most eventful and memorable of my life so far.

I would also like to dedicate this dissertation to my sister Marie.

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To my brother Richard thanks for answering my pilot questions. If you are looking for someone to help market your business look no further.

I would also like to thank Sigur Ros and Explosions in the Sky whose albums I listened to not only throughout my time doing the dissertation, but also the Masters course. Their albums helped to create a wall of silence against a world of noise

Finally I would like to thank my friends in the MBS and MBA course who helped to make this year eventful. I would also like to thank my friends from the BBS as well. The fifteen people know who they are. They made the last five years a really interesting and random time to say the least.

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Chapter 1 Introduction

1.0 Thesis Introduction

The intention of this study is to explore the use of word of mouth in social media with a particular focus on the small business sector. Word of mouth is seen by many as the most powerful tool for marketers to harness. The results of a good word of mouth campaign can have a snowball effect (Hoffman and Fodor, 2010). No tool is more powerful for a business than someone who voluntarily tells others about your products/services.

In the last five years social media has become an important tool for businesses due to its one size fits all template (Hoffman and Fodor, 2010). Both (Dellarocas, 2003) and (Godes and Mayzlin, 2004) illustrate this tool is extremely cost effective. As well as this, (Hoffman and Fodor, 2010) illustrate that there are a huge variety of ways that businesses can measure through this medium (see appendix D). For many businesses the effective use of this tool can be essential as Mangold and Faulds (2009) states it magnifies word of mouth. It is vital that businesses can harness this tool as if managed correctly this tool can turn into ‘the gift that keeps on giving’ (Trusov, Bucklin and Pauwels, 2009).

1.1 Justification of the study

Much of the current literature focuses on social media from the perspective of large multi nationals. Ferguson (2008), Kwon and Sung (2011) and O’Mahony (2012) all use examples of companies who have successfully implemented social media but they are all large multinationals such as Proctor and Gamble, Dell and Vodafone. In fact out of the literature that constitutes chapters two and three the study by Hogan and Lemon (2004) was the only small business example that could be found. By incorporating a small business aspect this will help the majority of businesses by creating a more realistic comparison.

From a personal viewpoint several colleagues and family members have small businesses that aim to harness the power of this medium. This area of marketing is currently very topical as it is so new and so much has yet to be discovered. As well as this having a level of knowledge in this area can help gain a competitive advantage over other candidates in the current job climate.

1.2 Research question and objectives

After an extensive review of existing literature the author has identified several different areas where additional research is required. The following research question was determined “How useful is word of mouth for small businesses that use social media”.

The research objectives are the following:

1. To explore the usage of social media by small businesses in their marketing efforts
2. To identify the main social media tools that small businesses use
3. To determine whether small businesses have the measurements in place to gauge the effectiveness of their social media campaigns.

The underlying basis behind this research is the lack of existing literature that looks at word of mouth and social media from a small business perspective.

1.3 Thesis Structure and Layout

The thesis was structured into the following sections:

Literature Review

For the purposes of this study the literature review is divided into two chapters. The first chapter begins with a definition of word of mouth and the opportunities that it creates. The limitations of word of mouth from the perspective of technologies and the businesses involvement will be discussed.

The second chapter outlines the impact that social media has had on word of mouth. The new opportunities as well how word of mouth is measured through this medium will also be outlined. The development of opinion leaders over the last two decades will also be examined. The advent of social media has seen this group of consumers evolve into a valuable segment for businesses to target through this medium. The conceptual framework will also be developed in order to illustrate areas where the author believes there are gaps in the existing literature.

Research Methodology

For the purpose of this study a mixed methods approach was undertaken that helped harness the strengths of both qualitative and quantitative fields (Hammersley, 1996 cited in Seale et.al, 2004). A key reason behind this approach was the fact that technology these

days enables qualitative analysis to be undertaken on a quantitative scale (Dix et.al, 2004). The qualitative aspect consisted of posting questions on small business forum smallbusinesscan.com and questions being posted on facebook.com, twitter.com and linkedin.com. Gmail was also used to get responses from people who were initially contacted through Twitter. This approach had the benefit of getting a perspective on this topic that was on a national and international level as the respondents location varied from Waterford to the United States. This data was stored on Microsoft Word for initial analysis before being transferred to NVivo for further analysis. This ensured that the strengths of each approach ensured that as little as possible was overlooked.

The quantitative aspect consisted of using four online programmes that helped to develop an accurate picture of the various aspects brought to the author's attention from the qualitative aspect. Key words were identified and processed through these quantitative tools. The subsequent data was then analysed and incorporated into the study. The use of several tools helped to combine the strengths of each so as to create a broader scope both from a national and international aspect.

Primary Research Findings

This chapter enables the researcher to filter the findings from the primary research and analyse them as they relate to the research objectives. The quantitative findings were analysed separately from the qualitative findings. The reasoning behind this was that the qualitative feedback enhanced this area, and certain aspects were brought to the researchers attention that would have gone undetected otherwise.

Discussion

This chapter enables the researcher to analyse the primary research findings and determine whether they advance or contradicted existing literature. These will be structured in such a way that they satisfy the research objectives. The data will also be analysed to see how it advances the areas outlined by the researcher in the conceptual framework. In this case an Irish perspective and the small business approach to social media will be the areas in which research will be advanced.

Conclusion

The key conclusions of the research and how the research contributes to the existing literature in this area will be outlined. The key recommendations and limitations will also be illustrated that were formed from the both the literature and data analysed throughout the study.

1.4 Contribution of the Study

This study will grant both academic and practical findings. A gap exists in current research with regards small businesses and this area. The fact that out of all the literature analysed for this study all the examples used are large multi nationals illustrates the existing gap. This field is so new hence the foundations for literature in this area are still being developed. The findings will inform industrial practitioners as to how useful word of mouth can be for them if they use social media. Above all the main goal of this study is to help both marketers and small business owners develop a knowledge base of social media as it relates to small businesses who are the lifeblood of the economy.

Chapter 2 Word of Mouth

2.0 Introduction

The aim of this chapter is to review the literature on word of mouth. The opportunities that can be created through its use will be highlighted. The chapter will conclude with a look at the limitations of word of mouth an area that has come into focus in recent years due to the rise of social media.

2.1 Definition

Trusov, Bucklin and Pauwels (2009) highlight the fact that even though word of mouth is the most effective marketing strategy, it is still the least understood. Breazeale (2009) draws attention to the fact that seventy five percent of all literature on word of mouth deals with its empirical and analytical aspects, but not its specific theories or core assumptions which make up only seventeen percent of the literature. Word of mouth in the mid twentieth century was defined by Katz and Lazarsfeld (1955 cited in Chu and Kim, 2011, p.48) as ‘the act of exchanging marketing information among consumers, and plays an essential role in changing consumer attitudes and behaviour towards products and services’.

It has been defined by Stern (1994 cited in Buttle, 1998, p.243) to incorporate the advances in telecommunications as ‘The exchange of ephemeral oral or spoken messages between a contiguous source and a recipient who communicate directly in real life’

In the last decade it has been defined by Krol (2006, p.45) to incorporate its online element as ‘a media tactic, often online, in which a message is communicated by neutral parties to wider communities through channels such as blogs, social networks and e-mail forwards’.

The ultimate question with regards word of mouth as stated by Young (2008) is whether an individual will say something to a friend or family member about the product/service. This in turn relates to the power that word of mouth has over other forms of marketing a product/service as stated by Buttle (1998) which is the autonomy of the speaker.

2.2 Opportunities Created Through the Use of Word of Mouth

One of the most obvious opportunities created by word of mouth is that it is built on trust. In his paper Krol (2006) emphasises that people have a lot more trust in a comment made

by an acquaintance than if the same comment was stated on an advertisement. It is this trust element that also makes this form of marketing sequential as shown by Ferguson (2008) where he highlighted that marketers think of word of mouth in “generations” with the first talking to twelve and the second talking to four other people. One of the limitations with this research though is that only analysing two generations may be inadequate, especially in a time where people have multiple ways of communicating to others.

Dellarocas (2003) highlights the fact that the building of trust has been the biggest benefit from the online element. Systems have been put in place that has resulted in significant stability, in an often risky business environment. Dellarocas (2003) uses the example of ebay's feedback mechanism to show that if a feedback mechanism can be built into a website then this will increase trust and trustworthiness. The core concept behind this is that it shows the customer that the business is taking their opinions and views into account. One of the drawbacks of this example though is that ebay is a global firm with the resources at its disposal to both gather and use customer feedback.

When word of mouth is aligned with a social media element, the additional benefits can be clearly seen. As Hoffman and Fodor (2010) state ‘the social media environment is largely consumer not marketer controlled’. This can be a benefit as if a good word of mouth campaign gathers momentum it can snowball. It is the community element of social networking that makes it such a powerful tool. This was clearly illustrated by Cocheo (2009 cited in Kunz, Hackworth, and Osborne, 2011) as when the message is among members of the community, people are more at ease than if they are marketed to directly.

One of the other significant benefits of word of mouth is its elasticity both in the short and the long term. In their study Trusov *et.al* (2009) found that word of mouth in the short term had 8.5 times the elasticity of traditional marketing, while over the long term it had twenty times the elasticity of marketing events and thirty times the elasticity of media appearances. Elasticity in this case is the duration and the greater number of sign ups that is achieved through word of mouth in comparison to the other techniques. It should be noted though that in research conducted by Onishi and Manchanda (2010) it was found that both traditional and word of mouth act synergistically as traditional media formed the basis upon which word of mouth occurred online.

Day (1971 cited in Buttle, 1998) also found that word of mouth was nine times more efficient at altering negative or unbiased biases into positive views of a product or service. Trusov, *et.al* (2009) go so far as to state that if a business can achieve growth through word of mouth it can become ‘the gift that keeps on giving’. If there is one limitation with this research it is the fact that a sign up on a social media site isn’t that effective. Many people have hundreds of “Likes” on sites like Facebook, but this in itself isn’t very useful for a business in comparison to more face to face techniques.

Word of mouth can also reach areas that traditional marketing cannot. People get bombarded with thousands of marketing messages every day. As a result the effectiveness of traditional marketing is getting diluted. Research carried out by Nail (2005 cited in Trusov, Bucklin and Pauwels, 2009) found that the number of people who bought based on an advertisement fell by fifty nine per cent, and that the number of people who found advertisements to be good way to find out information about products fell by forty per cent. It is clear that people are becoming desensitised to traditional marketing. Word of mouth is recognised in the marketing industry as the most effective means of marketing a product or service. This is clearly stated by Hogan and Lemon (2006) where word of mouth was found to multiply the effect of an advertisement by a factor of three. However a limitation here is that word of mouths impact is beginning to fall, as people are becoming increasingly cynical. This is shown by Martin and Smith (2008) where they suggest businesses should use novel, smart and entertaining techniques in order to overcome these issues.

The flexibility of word of mouth is a further benefit, particularly the fact that it can be used for a variety of purposes.

Figure 2.1 Six Market Model (Buttle, 1998)

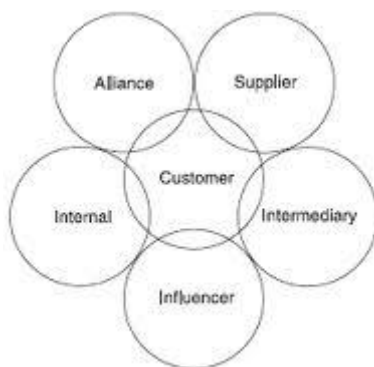


Figure 2.1 is the six market model and as illustrated by Buttle (1998), marketers are concerned with creating beneficial relationships with not only customers, but also with all of the stakeholders in the business. Word of mouth can help in this context as very often businesses make important decisions involving these markets, based on the views and opinions of an associate or colleague. Buttle (1998) uses the example of an engineering company who employed eighty per cent of their workforce through a word of mouth referral. This is very often the method used when seeking out new suppliers or alliances, particularly if the monetary cost is significant. The use of only one example though is somewhat limited. Engineering is such a complex and technical industry as well and this increases the difficulty for businesses to try and compare and contrast their own word of mouth efforts.

Word of mouth not only benefits a business in its external dealings but also internally as well. Bloom (2006) clearly illustrates that it is a method of marketing that encompasses all areas of a business, from senior managers to the front line employees. The author then goes on to illustrate that this holistic view in turn prevents silos from occurring.

Overall word of mouth can be a powerful tool if it can be harnessed correctly. Dye (2009) illustrates that advances in technology mean that word of mouth isn't restricted by geography in the way that traditional marketing can be. Dye (2009) goes on to show that in recent years it has started to develop into its own industry, rather than being just an offshoot of traditional marketing.

2.3 Limitations of word of mouth

The limitations of word of mouth can be divided into the impact that technology has, and the involvement of the businesses itself in the word of mouth process.

2.3.1 Impact of Technology

Dellarocas (2003) highlights that in recent times consumer behaviour has changed. In previous decades word of mouth was face to face, however nowadays people are looking up information about products and services online. This creates problems for businesses trying to promote their products/services as very often the consumer makes their decision based on information that is very biased one way or the other.

The other limitation of word of mouth is how irregular it is. There isn't a set way that word of mouth can be achieved and it can merely happen by chance as much as anything else. Dye (2009) illustrates some of the myths of word of mouth such as it only happens with edgy products and to profit from word of mouth you must be the first to do it. The irregularity of word of mouth though creates issues as how can an accurate picture be developed if this tool is so uneven.

Another limitation of word of mouth is the fact that there isn't any middle ground. Anderson (1998) highlighted this by proving that word of mouth is higher when people are extremely satisfied or dissatisfied. This shows that it can be a doubled edged sword for businesses, where the risks can outweigh the benefits. This split has also been evident when technology is factored in. Gelb and Sundaram (2002) illustrate that online word of mouth is more likely to come from people with strong opinions (whether good or bad). This supports the age old adage that very often the most vocal are those that make up a small proportion of the population. The clearest problem with this limitation though is that a significant majority of consumers is overlooked. As a result a business may go overboard in their efforts to satisfy the few, when the better approach is to satisfy the needs of the majority.

The biggest limitation of word of mouth is that if positive word of mouth can spread so can negative word of mouth. Desatnik (1987 as cited in Buttle, 1998) illustrates that people with negative experiences are inclined to tell double the number of people as those who have a positive experience. They tell at least nine people and thirteen per cent will tell twenty or more. This relates to the generations view of positive word of mouth (Ferguson, 2008). Hoffman and Fodor (2010) illustrate the impact that a negative word of mouth campaign can have by using the example of Dell. In this case a technology journalist blogged about his bad experience of Dell and it spread rapidly online. The result was that Dells ACSI (American Customer Satisfaction Index) fell by five points in a year (Williams, 2009). Here again though the research is flawed as Dell are a huge multinational. The average business isn't included on such consumer satisfaction scales. As a result it is more difficult for them to accurately measure this aspect of their marketing campaigns.

2.3.2 Impact of Business Involvement

The impact that business involvement has on the word of mouth process has led to issues about the cornerstone of word of mouth trust. Krol (2006) goes on to state that the most effective word of mouth campaigns are the ones where you have minimal, if any, control over them. Trusov *et.al* (2009) illustrate that where there is an incentive to spread word of mouth (fertilised word of mouth), and the recipient is aware of it, then this can have a noteworthy impact on the effectiveness of word of mouth.

One of the other main disadvantages from the marketer's perspective as shown by Krol (2006) and Bloom (2006) is that they are loath to give up control to the customer. However this is the reality now as Hoofman and Fodor (2010) state the 4 Ps of marketing have now become the 4 Cs connection, control, consumption and creation.

2.4 Conclusion

This chapter illustrated the concept of word of mouth. The benefits of word of mouth have been outlined. A review of the limitations of word of mouth and how this must always be taken into account was conducted. The impact that social media has had on word of mouth has been highlighted to a reasonable extent. This aspect will be addressed in greater detail in the following chapter.

Chapter 3 Social Media

3.0 Introduction

The aim of this chapter is to review the impact that social media has on word of mouth as a marketing tool. As Gillin (2007 cited in Mangold and Faulds, 2009) illustrates, instead of talking to only ten people about a product, social media allows consumers to talk to ten million. An overview of the opportunities that social media creates will be provided. The various measurement mechanisms for word of mouth will be illustrated, as will their lack of use by many businesses. The chapter will then look at the role of opinion leaders from a traditional perspective. Finally it will be shown how this category has changed as a result of social media.

3.1 Social Media and Word of Mouth

The rise of social media has now resulted in word of mouth ‘moving at the speed of thought’ (Ferguson, 2008, p.180). Social media is defined by Mangold and Faulds (2009, p.358) as:

“Encompasses a variety of online information-sharing formats including social network sites (SNSs) (e.g. Facebook, MySpace and Friendster), creativity works sharing sites (e.g. YouTube and Flickr), collaborative websites (e.g. Wikipedia) and microblogging sites (e.g. Twitter)”

Social media is one of the most important areas that a business can develop and grow their brand (Murthy, 2010). Businesses involved in the entertainment industry were the first ones to truly tap into social media’s potential however Mayzlin (2006) shows social media strategies are being created for a wide variety of products and categories.

One of social media’s main strengths as highlighted by Dellarocas (2003) is the fact that it enables businesses to have a global reach but at a low cost. The exponential rise of Facebook where there are eight hundred million active users (www.facebook.com) has created a platform that enables businesses to have access to a huge customer base. A study by Deatsch (2009 cited in Kunz, Hackworth and Osborne, 2011) stated that in the US half of consumers consulted social media while shopping. This fact hasn’t been lost on businesses either. In a study conducted by Alterian, (2010 cited in Mortimer, 2010) forty four percent of marketers investing in social media said it was either “increasingly important” for a business or “critical to success”. A problem with these findings though is

that it can be difficult to link, as Irish consumers have different buying behaviours to that of Americans.

The study by Hoffman and Fodor (2010) illustrated that the one size fits all approach of social media has a huge element to play in its rise. A business can through their social media efforts create extensive brand awareness around their products. One of the issues that is not mentioned in the research though is that very often it requires significant time on social media sites to achieve this. For many small businesses such an investment of time on this medium is out of the question.

An example of a company that utilised this is Burger King as shown by their “Whopper Sacrifice” campaign (Parpis, 2009). This campaign which ran for only three weeks created huge interest. In the month following their campaign Google searches of Burger King reached three hundred and sixty thousand, and remained at two hundred and fifty thousand the month after (Parpis, 2009). Britt (2011) highlights an example from the other end of the scale with Rayovac (an American battery company), who targeted two hundred bloggers with three dollar coupons. The result of this campaign and the word of mouth that it generated was that in the space of forty eight hours Rayovacs Facebook page went from two hundred, up to five thousand members. The American theme and examples used make it difficult for small businesses to use these as benchmarks for their own efforts.

3.2 New Opportunities of Social Media

Social media enables marketing activities that aren't possible through traditional avenues of marketing. Mangold and Faulds (2009) state that Social Media is a hybrid of the marketing mix, which combines traditional elements with magnified word of mouth. The interactivity that it facilitates as highlighted by (Mayzlin, 2006) is one of its biggest bonuses. This caters for a more persuasive message on the part of the business as they can tailor the message to match the customer. This in turn as highlighted by Harridge-March and Quinton (2009 cited in Kunz, Hackworth and Osborne, 2011) enables a business to create a relationship with the customer. This relationship incorporates the trust element associated with word of mouth, and in turn can result in customer loyalty as well. One aspect that isn't highlighted in the research is that such individual treatment is out of reach for most businesses. Such customisation takes up too much of both a business's

manpower and time. The approach of using a universal method with minimal customisation is seen as the way forward (Oracle, 2006).

Sun, Youn, Wu and Kuntaraporn (2006) show that online marketing has moved on from traditional marketing, as it makes the most of the written word. Written words are more logical than spoken words, and it also gives more structure and validity to information than a face to face conversation would. Here again though there are limitations in this research, as online videos are playing a more important role in marketing. Bradley (2010) states that YouTube is now the second biggest search engine on the internet, thus showing the growing importance of this tool.

Hoffman and Fodor (2010) illustrate that social media can improve the efficiencies of market research efforts as it enables access to data that is unique to each customer. Mangold and Faulds (2009) highlight that vast amounts of information flow through these sites, and they are having a direct impact on changes in consumer behaviour. Social Media also enables greater brand awareness. In addition this can be monitored through a variety of ways that differ from the traditional approach, which is normally done through surveys. One of the limitations of this research though is that protection of this data has become a huge issue in the social media industry. Bonneau and Preibusch (2009) highlight that many social media sites are dysfunctional in their privacy policies as there are large disparities in controls that aren't brought to the user's attention.

Hoffman and Fodor (2010) also illustrate an aspect that is magnified through the use of social media brand engagement. Businesses must now talk to and not at customers (Mangold and Faulds, 2009). The right social media campaign is normally highly appealing to customers, and it can also increase customer commitment and brand loyalty. From a financial perspective it can lead to delayed sales that are a result of a successful campaign.

Social media also enables a business regardless of its size, to reach a large consumer base at a minimal cost (Britt, 2011). O Mahony (2012) states that websites like Twitter are now being used as a customer support tool by companies such as Dell and Vodafone. Customer queries are dealt with effectively and as a result this develops a customer focused image of the business. As well as this Britt (2011) also highlights, that many businesses are using social media websites as the core of their online marketing efforts.

Both of these factors are of particular relevance for small businesses today, as they endeavour to maximise their available resources at as minimal a cost as possible.

Pires, Stanton and Rita (2006) illustrate that social media enables firms to engage in individual level treatment that wasn't possible before. It can help develop a more direct relationship with the consumer, which in turn helps to build loyalty. Pires *et.al* (2006) also highlight the fact that it enables businesses to do mass customisation which yields the cost benefits of mass production with the vast options available to consumers. This in turn leads the consumer to believe that the product/service is designed solely for him/her.

3.3 Measuring Word of Mouth

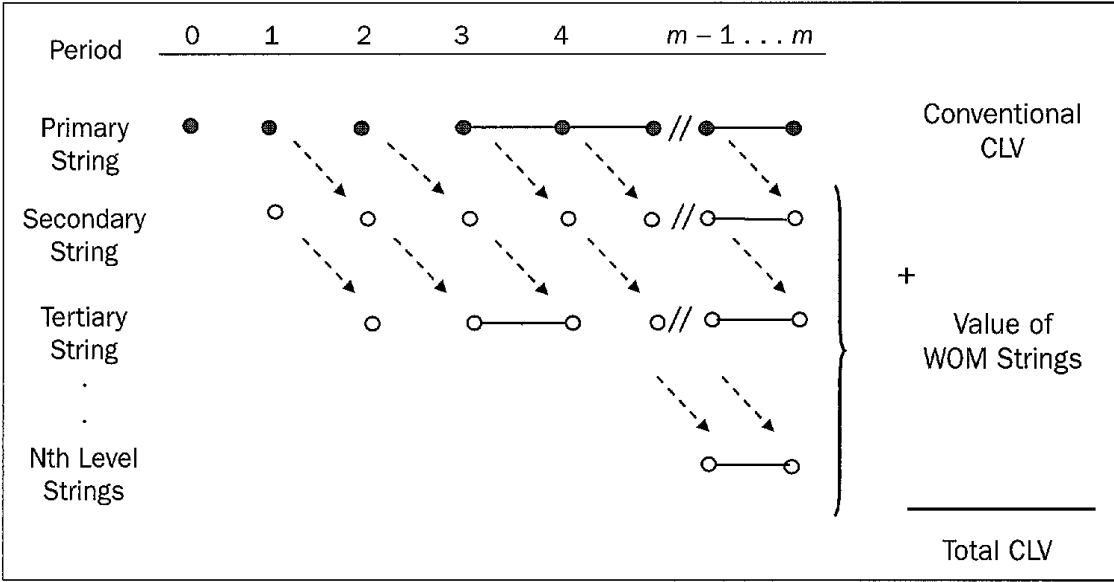
The measurement of word of mouth, especially in determining the return on investment has been one of the biggest challenges. It has only been in the last few years that accurate means of measuring word of mouth have been developed. Godes and Mayzlin (2004) underline that the three challenges of measuring word of mouth are how to gather it, how to measure it and the fact that it is totally independent of the organisation. As Erickson (2007) illustrates, the main objectives of recent research has been to find the long term results of word of mouth. A problem with this long term perspective is that there aren't enough businesses with measures in place. The study by Hosford (2010) illustrates that three quarters of business have no measurement processes in place. The problem with this is that any long term results are likely to be vague and inaccurate.

3.3.1 Existing Tools and their Direct/Indirect Benefits

Figure 3.1 illustrates the model developed by Hogan and Lemon, (2004) that can measure word of mouths affect from the purchase stage. This can be coupled with efforts to measure social media return on investment. Hoffman and Fodor (2010) who focused on the social media element clearly illustrate, that this is an easily measureable environment. There is not only a wide variety of channels, but also a wide variety of means available to measure the output generated by consumers. This is also illustrated by Godes and Mayzlin (2004) as their research shows how the internet allows links to be made between online conversations, as often the most common link is word mentions. Their research can be linked with Dellarocas (2003) who states that measuring mechanisms have unprecedented scope and they also enable businesses to control what information can be collected and monitored. One of the issues with this research though is that it can result in

an overemphasis on certain factors such as particular words. The problem with this is that a business may focus on one particular area, at the expense of the overall picture.

Figure 3.1 Mapping the Word of Mouth Communication Process



(Hogan and Lemon, 2004)

One of the biggest benefits of developing a measurement tool is that it can help a business in developing a clear and focused social media strategy. Hoffman and Fodor (2010) developed a table (see Appendix D), that helps a firm determine the success of their current strategy. It enables a firm to evaluate and categorise the various elements of their social media strategy. As a result the business can determine what elements are successful and measurable and what elements should be scrapped. One of the problems though as illustrated by the table, is the wide variety of ways word of mouth can be measured. There is no focus on which method is the best for a business to use.

It is clear that the facilities to measure word of mouth are available and the benefits created for a business are immense. The biggest element that will prove attractive to a business in today's economic climate as stated by Murthy (2010) is that this method of measurement is extremely cost efficient. Murthy (2010) also states that in some cases it can cost nothing if you are in possession of the right tools.

Burger King illustrated an indirect benefit of increased brand awareness by setting up a website that had twenty million hits (Ferguson, 2008). This example illustrates that the tools are out there to accurately measure word of mouth. For example Google Analytics creates in depth information about visits to a business's website, and it also shows how visitors found the website together with their interaction (Plaza, 2010).

3.3.2 Linking to Financial Performance

One of the biggest challenges as stated by Ray (2009) is linking financial values to non financial measures. A balanced social media scorecard is suggested by Ray (2009) that takes into account the financial, digital, brand and risk management factors of marketing through this medium. The overall key to this scorecard is to link the metrics to the businesses core goals. Ray (2009) also takes into account that social media's outlook is now moving from short term to a more strategic and long term perspective.

From a financial perspective Trusov *et.al* (2009) illustrate that each outbound referral is worth seventy five cents a year to a business. This initially may seem a small amount, however when the "generations" facet of word of mouth highlighted by Ferguson (2008) is factored in then this shows the potential revenue that can be earned from a single customer simply through a recommendation. The average user of a social media website was found to contribute thirteen cents a month. Yet again this seems a paltry value but the sheer scale of these sites results in lucrative returns. Carlson (2011) states that there are currently six hundred million active members on Facebook and half of these members use the site every day. One of the issues never verified by this research is if the revenue return per customer is so insignificant does it warrant a small business going down this avenue.

Some businesses have been able to measure the financial rewards created by their online efforts. Kwon and Sung (2011) illustrate that Dell has generated six point five million dollars in sales through the use of Twitter alone. Kelloggs meanwhile have found that the return on investment from their online efforts was double that of their commercial television efforts (York, 2008). Once again the use of large multinationals examples creates problems for the average small business.

3.4 Word of Mouth Opinion Leaders

An opinion leader is defined by Bearden *et.al* (1989, cited in Chan and Misra 1990) as someone who can ‘influence an important determinant of an individual’s behaviour, as well as opinion formation’.

It is essential for a business to recognise this category of consumers if they want to develop their word of mouth capabilities. Though a small proportion of the overall population they have a big influence on what people buy. These people are often unpaid spokespeople who voluntarily spread information about a product or service. In effect it is people spreading your message for you.

3.4.1 View of Opinion Leaders before Social Media

This category of customers has been known about since the 1940 US presidential election. In their study Lazarsfield, Berelson and Gaudet (1944 as cited in Graham and Havlena, 2007) illustrate that communication is a two step flow, with the mass media communicating to the opinion leaders. This group in turn relay this information to other members of society.

Dye (2009) illustrates that the development of this category can be essential to the success of a product or service. The tactics of seeding the vanguard and nurturing the grass roots are used to illustrate the power of this group. Seeding the vanguard involves getting products into the hands of people who have a social influence. Nurturing the grass roots on the other hand is where early adopters convert others into using the product. The example of Harley Davidson is used to illustrate the strengths of this strategy, as the company went from near bankruptcy to now having three hundred and fifty thousand members in one thousand chapters by using this tactic (Dye, 2009). The problem with the tactics though is that many businesses are not in the position to have a full knowledge of who their opinion leaders are. As well as this they would not have the influence of the likes of Harley Davidson, which has achieved cult like status (Cova and Pace, 2006).

In the 1980s the view of opinion leaders evolved so that this group became known as Market Mavens who enjoy recommending products and services to friends and family (Feick and Price, 1987 as cited in Buttle, 1998). . Feick and Price (1987) found that this

group is generally more sociable and as well as this they have the ability to influence those around them. A problem with this research though is the American slant to the findings.

3.4.2 View of Opinion Leaders with the Arrival of Social Media

The growth of the internet has seen market mavens evolve to become market ravens who “rave” either very positively or negatively about their experience of a product or service (Gell and Sundaram, 2002). The difference between this group and market mavens is that they will air strong opinions about their experiences to people they have never met before. Gell and Sundaram (2002) illustrate that the online dimension allows a business to educate customers about their products and services. The one on one element that can be achieved through this medium enables them to turn customers into advocates.

Ferguson (2008) illustrates the power of this group using the example of Proctor and Gambles Vocalpoint. This is a six hundred thousand strong group of “connector moms” who receive coupons and product samples. In turn they share their opinions with between twenty five and thirty women a day. The result has been a doubling of sales in locations where new products are tested (Ferguson 2008). In effect these people have turned into evangelists for Proctor and Gamble. The problem with this research is that the average business is small fish compared to Proctor and Gamble, who are one of the biggest companies in the world.

Opinion leaders who use social media also have other benefits for businesses. In their study Sun, Youn, Wu and Kuntaraporn (2006) found that innovation is positively related to opinion leadership conducted on social media sites. As well as this, online opinion leadership is also positively related to online recommendations and conversations. Sun *et.al* (2006) point out that a business must ensure that the people they aim to turn into advocates are internet literate.

3.5 Conceptual Framework of Word of Mouth and Social Media

Based on the review of the existing literature of both the social media and word of mouth there are several different areas where there are gaps in current theory:

Table 1: Identified Gaps in Existing Literature

Social Media	Word of Mouth
<p>Some of the research though only a few years old is already out of date as Twitter, Facebook and LinkedIn as social media tools have grown exponentially in the last few years.</p> <p>Certain people on Twitter have more people following them than the population of countries. This in itself has dramatically changed the view of opinion leaders.</p>	<p>The examples of effective word of mouth are for the likes of Proctor and Gamble (Ferguson 2008) and Burger King (Parpis 2009). The only small business example was (Hogan and Lemon 2004) where local hairdressers were used.</p> <p>Some of the research although recent has already become out of date.</p> <p>The online aspect of word of mouth is still new, hence new and different findings emerge all the time.</p>

An approach is required that incorporates both a small business and Irish perspective to the existing literature and research. Of the thirty two articles that contributed to the literature review none made any reference to Ireland. Figure 3.2 illustrates the conceptual framework. Numbers one to three deal with current literature, whilst four to five is what this research will look to contribute. An explanation of the conceptual framework can be found in the appendices.

Figure 3.2: Conceptual Framework



(Authors Own)

3.6 Conclusion

This chapter has reviewed social media and the opportunities that it creates for word of mouth. The multiple ways that word of mouth can be measured as well as how few businesses use these easy to access tools was also illustrated. An overview of the opinion category of consumers and their evolution in the last few years was also portrayed. The gaps in existing literature and a conceptual framework have been proposed. The following methodology chapter will outline the research question and objectives that were informed from the gaps in existing literature. The research philosophy and design will also be discussed. The use of software to conduct the research will also be outlined.

Chapter 4: Research Methodology

4.0 Introduction

The objective of this chapter is to outline the research question and the research objectives. The authors research philosophy will also be outlined. The research design will be detailed as will the researcher's chosen approach of using mixed methods. Data analysis, through the use of computer software will be discussed. The final section of this chapter will deal with the limitations of the data analysis conducted.

4.1 Research Question

Bryman and Bell (2007) state that the research question requires great care in developing in order to ensure that the research is focused. The key research question of this study was:

How useful is word of mouth for small businesses that use social media?

The justification behind this research question was that throughout the course of the literature review there was very little existing literature that focuses on the small business aspect of social media. As well as this there was no existing literature that had an Irish perspective to this topic.

4.2 Research Objectives

The research objective is an accurate declaration of the detailed elements of information that is needed (Aaker, Aaker and Day, 1995, cited in Malhotra and Birks, 1999). These objectives should be structured in such a way so that the information collected will ensure that the research rationale will be achieved (Kumar et.al, 2001).

The objectives of this research were the following:

- 1. To explore the usage of social media by small businesses in their marketing efforts.** The existing literature illustrated how large multi nationals utilise social media. However these companies have the resources at their disposal to develop this medium to meet their own needs. There was little literature about the approach that small business take when using this tool.
- 2. To identify the main social media tools that small businesses use.**

Existing literature focused on the tools that large multinationals use whether it is Burger King with Facebook (Parpis, 2009) or Vodafone with Twitter (O'Mahony, 2012). There

was very little current research on what tools small businesses used and no examples that identified an individual businesses approach.

3. To determine whether small businesses have the measurements in place to gauge the effectiveness of their social media campaigns.

The grounds for this objective stem from the study by Hosford (2010) who stated that three quarters of businesses do not have measurements in place for their campaigns.

4.3 Research Philosophy

The two main schools of thought as illustrated by Holden and Lynch (2004) are objectivist and subjectivist. With regards selecting the right approach to create a solid foundation for research, it is essential to match philosophy, methodology and the research problem (Holden and Lynch, 2004). Easterby-Smith et.al (1997, cited in Crossan, 2003) illustrates that understanding research philosophy is important as:

- It helps the researcher to identify and refine the research methods to use in their work
- It helps the researcher to identify the right methods to use
- It can make the researcher more creative and original in choosing or modifying previously used methods

4.3.1 Subjectivist

From analysing these two schools and the background to the research required, this study was conducted from a subjectivist viewpoint. Denzin and Lincoln (1994) show that this is when the researcher and the object being researched are interactively linked. This area as highlighted by Holden and Lynch (2004) is characterised by:

- Interpretivists - As illustrated by Miles and Huberman (1994) are no more removed from the study than the subjects that they are studying.
- Phenomenologist's - Who fall under the interpretivist spectrum are defined by Miles and Huberman (1994, p8) as researchers who 'often work with interview transcripts, but they are careful, often dubious, about condensing this material'.

- Humanists- As defined by Denzin and Lincoln (2005, p.43) engage in ‘conserving and enhancing ideas and productions of human value, regardless of their direct applicability’.

4.3.2 Objectivist

It should be noted that this study also incorporated an objectivist element. Objectivism is when the researcher and the subject are assumed to be independent of each other, and the researcher can study the subject without influencing or being influenced by it (Denzin and Lincoln, 1994). The one aspect that must always be remembered, as highlighted by Holden and Lynch (2004) is that the method applied must suit the problem, and not the ontology or epistemology.

4.3.3 Reasons for choosing the selected philosophy

The selection of the subjectivist aspect stemmed from previous experience in this area and as Holden and Lynch (2004) highlight previous experience is often a key determinant of the selected method. The subjectivist approach is also an avenue of research that can be conducted at the researchers own pace and is likely to evolve as the process develops.

Multiple methods is a design where ‘qualitative methods may be employed either singly or in combination with quantitative methods, including the use of randomised experimental designs’ (Denzin and Lincoln 2005, p.9). Hammersley (1996 cited in Seale et.al, (2004) illustrated that the use of mixed methods enables researchers to triangulate their data, facilitates the collection of varying types of data and it can also result in the two methods used complimenting each other.

4.4 Research Design

A research design takes a holistic view at the methods and procedures used in order to collect and analyse the information required. For the purposes of this study a qualitative and quantitative approach was used to incorporate the strengths of both. The table below shows the questions developed by Denzin and Lincoln (2005) which were answered to determine the research design.

Table 4.1: Five Questions that Determine Research Design

Five Questions	Researchers Approach
How will the data interact with the issue at hand?	The current theory on word of mouth will be informed as there is little information on the small business aspect of this topic.
How the data will allow the researcher to address the processes by which a theory is practiced?	The data will be first hand from people who use and have a proficiency in social media. As a result they will be able to provide data that is solely relevant to the theory
What is going to be studied?	Word of mouth, small businesses and social media
How will the inquiries be made?	Enquiries will be made through online forums from a variety of websites. Online quantitative software programmes will also be used.
What methods of data collection will be used?	The data will be collected through these forums and transferred to NVivo for analysis.

Denzin and Lincoln (2005)

4.4.1 Qualitative and Quantitative Analysis

For the purposes of this study a multi method approach was used that incorporated the strengths of each. The qualitative analysis was conducted through both the researchers own analysis of the material and NVivo. This approach was determined as the best way to proceed as it allowed for observations that may have been missed if one way alone was chosen. The quantitative analysis was conducted through online software.

Qualitative analysis is ‘a source of well grounded, rich descriptions and explanations of processes in identifiable local contexts’ (Miles and Huberman 1994, p.1).

In comparison quantitative analysis is ‘a statistical technique for obtaining descriptive data on content variables’ (Krippendorff and Bock 2009, p.144)

The key difference that qualitative analysis has from the quantitative analysis approach as shown by Patton (2002) and Kvale (1996) is sample size, wealth of data and the fact that its focus is on verbal statements and not arithmetical figures. Liamputtong (2009) shows that by through using analytical procedures, the researcher aims to develop this data. The overall goal is to change the data that appears to be large in depth and quantity, into research that is understandable and which advances current knowledge.

Krippendorff and Bock (2009) illustrate the main differences that exist between the two approaches. Qualitative analysis has been used to describe initial interpretation of communication data, as against the methodical analysis of quantitative to test a hypothesis. Qualitative also divides information into smaller and more specific parts, whether as quantitative allows for precise measurement.

Such a broad approach as is adopted by qualitative can lead to concerns when it come to the verification of findings. This is not such a big problem with quantitative analysis. Glaser and Strauss (1967) show findings developed need the support of existing research. This becomes a serious issue when the topic in question is either brand new, unusual or it has very little existing research.

4.5. Data Selection - Qualitative Approach

An online forum on the small business website www.smallbusinesscan.com was used in order to obtain this data. Questions were posted on relevant pages on LinkedIn, Twitter and Facebook. In the case of more detailed answers Gmail was used to get feedback. The purpose of using these websites was that they incorporated a broader social media element. The online approach meant that the feedback was not restricted by geographic boundaries, hence a higher quality sample of participants could be accessed (Flick 2007, cited in Gruber et.al, 2008). The use of LinkedIn, Facebook, Twitter and Gmail also helped to include a broader demographic of participants. Twitter is viewed as the online notice board (Rossbottom and Lecarpentier, 2011). On the other hand LinkedIn is viewed as the professional social network which in turn creates an image of class and profession (Papacharissi 2009).

In their study Godes and Mayzlin (2004) used online conversations as their main source of data. This method enables direct observation at very low costs, and at the same time eliminates dependence on recall (Godes and Mayzlin, 2004). A limitation of this method as highlighted by Godes and Mayzlin (2004) is the loss of control of individual variables.

Mayzlin (2006) used online methods to analyse promotional chat and the internet. The use of online methods by researches relates to why businesses are using it more and more as well. Mayzlin (2006) found the online approach to be more persuasive, as it avoids the clutter of traditional methods. The questions asked on these forums all relate to the research objectives.

Table 4.2 Research Objectives and Related Questions

Research Objective	Questions
Explore the usage of social media by small businesses in their marketing efforts	<ul style="list-style-type: none">. In the context of your small business, what do you use social media for?. Why do you use social media sites?. Is promotion through social media on its own enough?
Identify the main social media tools that small businesses use	<ul style="list-style-type: none">. Which main social media sites do you use as part of your marketing effort?. How useful have you found the social media sites mentioned in question 4 to be?. What is your opinion of social media and its usefulness as a marketing technique for small businesses?
Determine whether small businesses have the measurements in place to gauge the effectiveness of their social media campaigns	<ul style="list-style-type: none">. How do you measure the effectiveness of your social media campaign?. How do you measure the financial impact of your social media campaign?. What is your opinion of the existing tools used to measure social media campaigns?

(Authors Own)

The questions were asked over the duration of the period from June 4th to June 31st. This involved constant updating and monitoring of the questions posted on the various websites. The answers of the participants were collected and stored on Microsoft word where the initial analysis took place. The data was then transferred over the software programme NVivo for further analysis.

4.5.1 Quantitative Approach

Several online tools were used to collect the necessary data. One of the strengths of this was that it brought together the strengths of all the tools thus increasing the validity of both the research and the findings.

Trusov et.al (2009) used an online approach in their study through the use of social media sites. This approach helps researchers to analyse and monitor data in an unobtrusive manner. As well as this more and more word of mouth activities are transferring to an online form hence it becomes a good measure for overall word of mouth (Trusov *et.al*, 2009).

4.6 Qualitative Data Analysis Software

The greater use of computer assisted qualitative data analysis software (CAQDAS) has resulted in an evolution in the way qualitative data is now analysed. Technology has changed the scope of what a researcher can achieve (St John and Johnson, 2000).

Seale, Gobo, Gubrium and Silverman (2004) illustrate that computer programmes allow the researcher to explore countless variations of relationships that may exist within the data amassed. For the purposes of this study the forum data was analysed through the use of NVivo. Bazeley (2007) illustrates that NVivo enables the researcher to:

- Manage the data
- Organise and provide quick access to the knowledge created in the course of the research
- Develop simple or complex questions of the data
- Create models of ideas or impressions that are being created from the data
- Create reports using the data collected and stored in the database

Throughout the course of the data analysis NVivo proved extremely useful for storing and organising the primary data. The programme also helped identify areas that had gone unnoticed by the researcher. The benefit of this joint approach was that it combined the strengths of both human and computer analysis.

4.6.1 Quantitative Data Analysis Software

The advance in technology has resulted in the analysis of data much quicker and in multiple ways (Bryman and Cramer, 2011). Bryman and Cramer (2011) also highlight that being able to use such software can help in a world where computers are now commonplace in today's business world.

The quantitative data analysis software used consisted of:

- www.keywordspy.com - enables the identification of where businesses get their best online traffic.
- www.quancast.com - lets the researcher see a demographic profile of visitors to a website.
- cloud.yippy.com - enables the analysis of keywords and words associated with keywords.
- www.google.com/insights/search - enables the analysis of how search volumes have changed over the past few years.

All these tools involved key words being entered into the programmes and the subsequent data being analysed that related to this study. These online tools provided data that dealt with separate aspects of quantitative data. However when combined they created a broad picture that includes both a national and international perspective. At the same time they helped develop a profile of people who use the various websites and their related advertising costs.

The rationale behind the use of several different programmes stems from the study by Graham and Havlena (2007). Graham and Havlena (2007) used computer programmes that tracked site visits, mentions and search queries. One of the key advantages of this approach is that the separate programmes produce a wide variety of data that can help identify quantitative relationships within the categories. Another factor behind the selection of this approach is that technology is at a stage now where qualitative research can be conducted on a quantitative level. Dix et.al (2004) use the example of a questionnaire to illustrate that qualitative data is the focus but a quantitative approach can be used.

One of the biggest benefits of these programmes was that they enabled quantitative analysis from a national and international perspective depending on the software used. For example Google Insights provided nationally focused data.

4.7 Research/Methodological Limitations

There were several limitations to this study that must be taken into account:

The timeframe for collection of the relevant data was restricted to one month. As a result long term research such as analysis on a long term scale may be a future avenue to explore.

The forum response rate was an aspect that came to the researchers attention from early on. When it came to the forums the frequency of feedback was uneven. The approach from the start was a case of trial and error. The researcher joined multiple groups and posted up questions. The next question would be posted on the pages where there was a reply. This in turn reduced time wasted.

From the qualitative analysis aspect many of the findings were based on the researchers own opinions. As a result bias was an issue.

4.8 Conclusion

This chapter has discussed and justified the research philosophy, data collection methods, research design and the use of computer data analysis software. This chapter has also discussed the advantages of a mixed methods approach and the use of computer software. The limitations encountered during the data collection process have been illustrated. The next chapter will summarise the results and primary research findings from the multi method approach.

Chapter 5: Findings

5.0 Introduction

This chapter addresses the main findings uncovered from the primary research. The data gathered is analysed under the key research objective headings:

- To explore the usage of social media by small businesses in their marketing efforts
- To identify the main social media tools that small businesses use
- To determine whether small businesses have the measurements in place to gauge the effectiveness of their social media campaigns.

Overall sixty one people contributed to the questions that were posted up on Facebook, Twitter, LinkedIn, Smallbusinesscan and Gmail. The online programmes enabled the quantitative aspect to be analysed in terms of millions of people.

The qualitative research analyses the data gathered from the online forums which formed the basis of the qualitative approach. The second section will address the results of the quantitative analysis undertaken that used the online programmes. This area was enhanced by the qualitative data as topics were brought to the researcher's attention that was previously unknown to them.

5.1 Qualitative Research

The qualitative findings were analysed and divided according to the research objectives developed during the course of the literature review.

5.1.1 Objective One: Explore the usage of social media by small businesses in their marketing effort

Interestingly engagement and developing connections was one of the central reasons highlighted by the respondents as to why they used social media. The medium also helped them get in touch with industry leaders. Two of the respondents stated that their goal was also to promote the business and get customers talking about it. For example one of the businesses stated that:

'Off hand in Facebook we are adding a few hundred fans a week on our main page. Twitter we are adding between 100-150 followers a day on our main account'

Six respondents highlighted the fact that many businesses are using social media because everyone else is. They solely try and get as many "Likes" and "Followers" as they can, but this can overlook some the major benefits of using these tools as it is not just a

numbers game. One of these respondents stated that social media's impact has been so significant that:

'What we're seeing now is an emerging profession / discipline around social media, complete with tools, tactic, and technology that did not exist even 8-10 years ago. It's a great time to be in social'

5.1.1.1 Why Small Businesses use Social Media

Three respondents stated that their business is built on the social media platform, as it enables them to develop brand awareness, customer support and feedback all through one source.

Interestingly, one of the respondents highlighted the pitfalls of social media as there is greater risk with this tool in comparison to others. This is due to the immediacy, virality and permanence of social media. In other words the speed that information can travel at, and the fact that once something is put up it remains there even if it is deleted means businesses have to be weary of the content they put up. One of the respondents shed light on some of the aspects of a failed social media campaign. They had given up using social media as they got a poor response rate and zero enquiries.

The core reason that nine respondents used social media was to help them market to a target audience. One of the respondents who has a confectionary business highlighted that it enables them to accurately market to their target segment not only by age and family status by also locality as well. Social media also helps businesses to develop a good relationship with customers, as one of the respondents stated that:

'Referral is strong for people like me, as much of the clients seeking to retain a consultant will go on the basis of reputation and validation'

Social media also helps a business to develop a more personal relationship that people can relate to. Interestingly, one of the respondents highlighted that they try to portray themselves as a normal person. They share their interests and their own circumstances so that they can create an image just being an average individual like the consumer.

'I am trying to show them that I am "normal" person. I share their interests as well. I want to show them that I love coffee, movies etc. I want to be one of them. Not above them'

The respondents also highlighted the fact that social media should be a backup to their marketing efforts. There is no point selling online unless you can sell face to face: You can't beat pressing the flesh, use social media as back up. This was supported to an extent by another respondent who stated that they had yet to meet anyone who had made a profit from social media.

With regards to whether social media is powerful enough to use as your sole promotion tool this generated the greatest discussion as it is one of the more topical aspects of social media. 97% agreed that social media promotion on its own isn't enough, and that it should be used as a part of the marketing mix. They also highlighted that the segment you are targeting has a lot to do with this as well. It was also illustrated that in today's multi communication environment a business needs to ensure that it is marketing through multiple channels.

'The more ways you can touch the same person, the more likely they will be to remember you and feel connected'

One of the respondents used the example of how she knew of businesses who achieved 90% of their sales through direct marketing and only 10% through social media. The sector that your business is in has a big part to play in how useful social media is to a business:

'Depending on your industry or target market it may have a great amount of added value for you. Anything targeting tech-savvy demographics needs to have a highly visible social presence on the major networks'

Overall the respondents were unanimous in agreement that social media must only be part of a business's overall marketing efforts. One of the key findings highlighted by one of the respondents was that in the huge rush to get onto these websites: *'People often forget the term "social" in social media marketing'*

They stated that social media can be crucial to developing relationships, sharing knowledge and adding value to both yourself and those whom you are connected with.

5.1.1.2 Summary of Objective One Findings

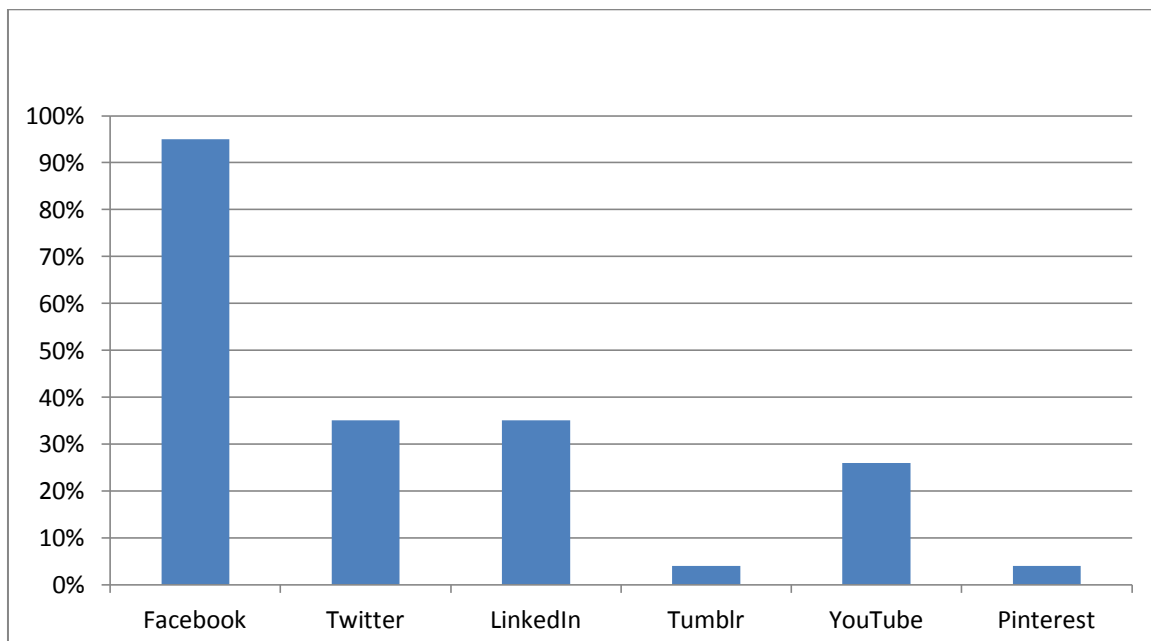
From the feedback of the respondents the key findings for objective one are:

- The core reason for using social media is market to the target audience.
- It is used to develop a relationship with customers. This is done through engagement, connections and referrals.
- Social media is not strong enough on its own and should be used in an overall promotion mix.

5.1.2 Objective Two: To identify the main social media tools that small businesses use

For this section polls were put up on the all the social media websites used where the respondents were asked to vote on the main social media websites that they used. The poll was open ended as the respondents were able to add additional websites that they used that weren't originally asked in the poll. The table below illustrates the different social media sites highlighted and the percentage of respondents that used them.

Table 5.1 Social Media Websites Used by Respondents N=23



It is clear that Facebook is the dominant website used by nearly all businesses. Twitter and LinkedIn were tied for second while Youtube was third. Tumblr and Pinterest were two websites that the respondents added themselves. One of the respondents stressed the need for businesses that use multiple websites to build the right social media image. They used the example that when a business wants to monetize your social media pages that this should always be kept in mind.

The respondents also backed up the views of the key social media sites as follows:

1. Facebook was viewed as the best for promoting a business to consumer (B2C) products
2. LinkedIn was viewed as the best to use for advertising a business to business (B2B) product.
3. Twitter was viewed as useful for finding bits of information.

When it came to the functionality of social media all of the respondents related to Facebook. Facebook was extremely useful when it came to target marketing with one business getting 90% of its sales due to this website. It was also viewed as being extremely useful when it came to advertising special offers and new products. Other aspects associated with Facebook included that it was cost free and with no limitations.

LinkedIn was viewed as being more for networking purposes and as such wasn't used that much either. Twitter was illustrated as not being as interactive as Facebook and used more to channel people to other websites. In fact one of the respondents highlighted that at times it seemed they were talking to themselves when using Twitter.

One of the respondents highlighted the point that social media encompasses as wide range of areas. The key according to them was to think long and hard about what tools to use and what you want to achieve: *'Taking into considerations such as time and other resources available to you - e.g. blogging takes time'*

5.1.2.1 Own Opinion on the Usefulness of Social Media to Small Businesses

The personal views of the respondents as to social media's usefulness underscored the power of social media for a small business. 84% of the respondents said that social media was an invaluable tool for small businesses today whilst the other 16% said it was a great tool for businesses. The low cost facet was continuously highlighted. Another aspect that was highlighted was that it is more useful than other forms of media due to its usage rate. One of the respondents who has an ebook store went so far as to say that social media is: *'Equal if not more important to dominating Google.'*

Once again the chief websites highlighted were Facebook, Twitter and LinkedIn. However other sites such as Tumblr, Pinterest and Youtube were also mentioned.

5.1.2.2 Summary of Objective Two Findings

- Facebook is the most widely used social media website by small businesses by a considerable distance.
- Social media is vital for small businesses. It is as essential as search engine optimisation (Google).

5.1.3 Research Objective Three: Determine whether small businesses have the measurements in place to gauge the effectiveness of their social media campaigns

Questions were asked here relating to how the respondents measured the effectiveness and financial return of their social media campaigns. They were also asked about their own opinions as to the existing tools available to businesses to measure their campaigns.

Interestingly the methods used to measure social media campaigns effectiveness illustrated the multi measurement aspect of the medium. The methods varied from the sales they generate to the “Likes” of their Facebook content. Other measurement mechanisms included the number of visits to the page and the number of comments and likes. Though not financially related one of the respondents who works for a student supplies business highlighted the fact that: *‘Even if they aren't there to buy they are spreading word of the business.’*

One of the respondents was only beginning to measure their campaigns but was already using Google analytics and mentioned another online tool hubspot.com.

One of the most interesting replies was that to measure your social media campaign it was half creation and half measurement analysis. The variety of answers shows just how challenging this area of social media truly is.

Importantly when asked about measuring the financial return this theme threw two contrasting categories:

1. Precise measurement - One the respondents who has a confectionary business and prior to this had a fast food business was able to accurately measure the return as their sales came directly through Facebook. They stated that the average consumer spent €30 per purchase Another respondent was able to accurately measure people who

bought products in the shop due to the fact that they have to register on Facebook. This respondent was able to calculate that the average consumer spent €30 to €50.

2. Imprecise measurement - Two of the respondents saw very little financial return for their business as social media in these cases was used purely to promote the business and not as a means to conduct transactions.

The viewpoints of the respondents as to the existing tools used to measure social media resulted in an interesting finding. Overall agreement from the respondents was that there is still a lot of work that needs to be done on the existing tools. One of the respondents illustrated that of the tools out there that are effective, they are extremely expensive and out of the reach of small businesses.

‘There are some programs out there that offer a lot of powerful measurement tools in social media, but they want an arm, leg and first born as payment’

The one problem that was highlighted throughout is that social media is such a new medium that there is no existing groundwork. As a result the providers of these tools are learning as they go just as many businesses are: It's not their fault though, *‘they are learning as they go just as we who use the tools.’*

5.1.3.1 Summary of Objective Three Key Findings

- When it comes to measuring social media campaigns its half creation and half measurement.
- The financial aspect is split between precise and imprecise measures depending on if the business sells directly through social media.
- The current measurement tools are a work in progress.

5.2 Quantitative Research

Quantitative research was undertaken using the tools highlighted in section 4.6.1. Key words were processed through these tools and the resulting data was analysed that related to the objectives of this study. The quantitative element not only backed up the findings of the qualitative research but also uncovered findings that were not detected in the course of the qualitative analysis. This quantitative research was supplemented by insights of respondents in the course of the qualitative research. The benefit of this is that the data will take into account the views of people for whom this information is relevant and not predetermined.

5.2.1 Google Insights

Table 5.2. Google Searches in Ireland 2012

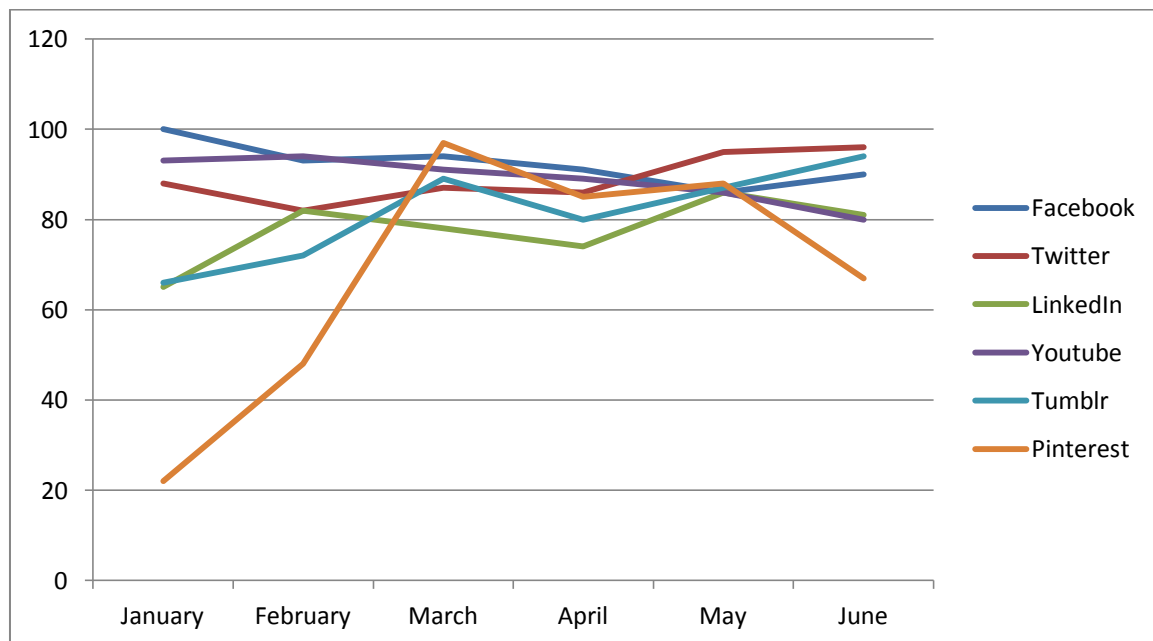


Table 5.2 represents data found using the Google insights tool. It shows the number of searches on Google over the period 2012. The data doesn't represent the total number of searches but rather the normalised data on a scale of 0-100. This enables data from different regions to be equally compared. It clearly shows that at the moment the Irish market has definitely matured as the search volume for all social media websites bar Pinterest is in the eighties or higher. The table also illustrates how quickly a social media website can rise in popularity as is the case with Pinterest.

5.2.2 Quantcast

Table 5.3 Number of People Websites (Global in Millions)

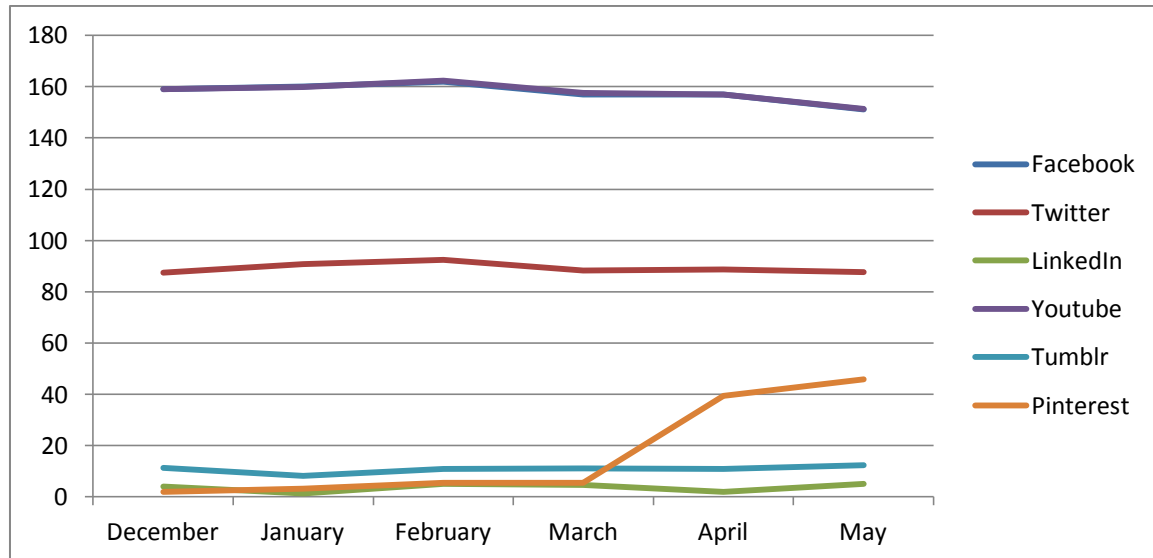


Table 5.3 illustrates the number of people who visit the main social media websites according to Quancast. From the results it is clear that Youtube and Facebook are the two biggest social media website as both are almost even numbers wise. Interestingly this did not occur in the qualitative research where Youtube was only third with regards use by small businesses. Twitter is consistently in the middle, whilst Pinterest has seen a considerable jump in interest. LinkedIn and Tumblr remain the lowest utilised numbers wise.

Table 5.4. Demographics of Social Media Websites

Social Media Website	Age	Gender	Have Kids
Facebook	18-24	Male	Yes
LinkedIn	45-54	Male	No
Twitter	18-24	Female	Yes
Youtube	18-24	Male	Yes
Tumblr	18-24	Female	No

Pinterest data unavailable

Table 5.4 illustrates the primary demographics of people who use social media websites. This consists of data relating solely to the United States and was updated on July 6th 2012. The results show that in four out of five cases it is the 18-24 age group that are the main

users of social media websites. When it comes to gender and whether people have children or not it is not as straightforward. This relates to the qualitative findings in that different social media websites serve different purposes.

5.2.3 Keyword Spy

This tool helped with the financial aspect of the social media websites as it provided information on the relevant budgets, cost per click and number of clicks daily.

Table 5.5. Data Relating to the financial aspect of the main social media sites highlighted as they relate to advertising budgets and clicks

Website	Daily Ad Budget (US Dollars)	Cost Per Click	Clicks (Daily)
Facebook	20,169	0.88	22,912
Twitter	152	0.62	244
LinkedIn	3,050	0.27	11,141
Youtube	46,398	1.26	36,699
Pinterest	1	0.50	2

Tumblr Data not available

Table 5.5 consists of data collected solely from the United States. It clearly shows that Youtube is the biggest player with regards cost. However at the same time it is also the biggest with regards the number of people who go on the website daily. LinkedIn appears to be the most efficient finance wise as it has the lowest cost per click and for every dollar spent there is 3.6 clicks. The closest in efficiency is Twitter with 1.6 clicks per dollar spent. Pinterest is ignored in this context due to the low value of the data provided. Tumblr had no data available.

5.2.4 Yippy Cloud Creator

Table 5.6. Key Word Associated with Social Media Websites

Websites	Key Word 1	Key Word 2	Key Word 3
Facebook	Social Network	Photos	
Twitter	Search		
LinkedIn	Media	Profile	Members
Youtube	Channel	Download	Video Sharing
Pinterest	Images	Social Media	Social Networking
Tumblr	Photos	Powered by Tumblr	Social

Table 5.6 ranks the key words according to how strongly they associate with the websites keyword. The results show for some websites there are several keyword associations but for the likes of Twitter there is only one dominant association. Half of the websites also had a social and an image/photo association as well. This shows the growing importance of visual aids. This relates to high level of site visits for Youtube and the recent growth in Pinterest according to Quancast as this is a pin up style photo sharing social media site.

5.2.5 Quantitative Research Key Findings

- Overall from the quantitative research there are several key findings:
- Facebook and Youtube are the two biggest social media sites, followed by Twitter.
- The 18-24 age group is the key demographic to target, whilst it depends on the website as to the other key variables used to target consumers.
- Images/photos are becoming more important on social media websites. This relates to the growth of Pinterest.

These findings both link with and enhance the qualitative analysis undertaken as it supports the fact that Facebook is the dominant social media website not only nationally but also internationally. The rise in use of images/photos links to the qualitative finding that social media content must be more eye catching and low in text content. With regards demographics one of the respondents highlighted that they communicate with their key demographic (families with young children) through Facebook. This links to the quantitative findings as this segment is one of the main groups that use this site.

5.3 Conclusion

This chapter presented the results of the primary research finding from both a qualitative and quantitative perspective. The qualitative findings were divided into sub groups according to the research objectives. The quantitative findings were divided according to the software used to analyse and interpret them. The next chapter will review the findings as they relate to the literature review.

Chapter 6: Discussion

6.0 Introduction

The aim of this chapter is to discuss the data obtained as part the primary research findings as they relate to the research objectives. The findings will be compared and contrasted with the areas covered of the literature reviewed. The data will also be analysed in order to see how they advance existing knowledge as it pertains to the conceptual framework.

6.1 Explore the usage of social media by small businesses in their marketing efforts

The work Harridge-March and Quinton (2009 cited in Kunz, Hackworth and Osborne, 2011) and Pires et.al (2006) illustrates how social media enables a business to develop a relationship with consumers at a level previously not possible. This work resonates with the primary research findings of this study with regards the development of these relationships. The developing of a personal relationship was stated by one of the respondents as the main reason they used social media. By relating to the consumer with regards interests this helps to build a level of trust. One of the respondents who is a consultant illustrated how a lot of their business was based on referrals. The only way that these referrals work is through the development of a relationship with consumers. These findings also relate to the studies of Dellarocas (2003) and Krol (2006) where both authors illustrate how trust is enhanced when the comment is from an acquaintance. Dellarocas (2003) states this has been advanced by the increased use of social media websites. By developing a relationship a business can help change its image from a formal to informal relationship and thus become an acquaintance.

Mangold and Faulds (2009) discuss how social media is a hybrid of the traditional marketing mix. This work is advanced in this study to include not only social media but also other forms of online marketing so that people are connected with through as many channels as possible. In general the respondents provided strategies that aligned social media with other online markets as well as traditional tools. One of the respondents stated that to provide maximum return a strategy should be put in place that is all encompassing.

Figure 6.1: Online Marketing Mix



(Authors Own)

Figure 6.1 outlines the online approach developed. The social media element encompasses Facebook, Twitter, LinkedIn, Chime, Delicious, Digg, Google+, Reddit, Youtube, Tumblr, Pinterest and blogs. This mix should be incorporated with article submissions, press releases and traditional printed media as part of the grand marketing strategy. Overall nine respondents directly stated that social media should be used as a part of the marketing mix: the more ways you can reach out the same person, the more likely they will be to remember you and feel connected.

Buttle (1998) developed a six market model that encompasses not only consumers but also suppliers and other stakeholders in the relationship building process. The research findings extend this work to include social media in the process. One of the respondents highlighted that Facebook was more for business to consumer relationships while

LinkedIn was for business to business. An interesting observation was that this also relates to the existing literature already highlighted that focuses on developing relationships.

Hoffman and Fodor (2010) and Cocheo (2009 cited in Kunz *et.al*, 2011) state that the community element of social media is one of the key aspects that makes it such a powerful tool. This resonates with the findings of this study and in particular the core reason that small businesses use social media, marketing to their target audience. If anything social media has resulted in an evolution in the way that businesses can conduct target marketing. One of the respondents highlighted the fact that social media is one of the most widely used mediums at the moment. This enables businesses to not only target communities but to also tailor their campaigns so as to target people according to their key variables. The fact that the author was able to use tailored software like Quancast to create a profile of the main groups that used the social media websites highlighted in section 5.2.2 reinforces the power of this tool. The importance of this tool for developing a profile of consumers was illustrated by one of the respondents who stated that: *'The more you know about your ideal consumer the better targeted you can be'*

Mayzlin (2006) focuses on the interactive element of social media as another key benefit of this tool. This is supported by Martin and Smith (2008) who state that the key to social media is to use novel, smart and innovative techniques. This resonates with the primary research findings as one of the respondents stated that social media content should be engaging, relevant and easily shared with others. This interactivity was viewed as being more important than the numbers aspect of social media, as if you cannot interact with people then social media is worthless to the business. This interactive element helps in all other aspects of social media from developing relationships all the way to reinforcing an image of the brand in the mind of the consumer.

The findings both support and extend the literature presented by Dellarocas (2003), Britt (2011) and Murthy (2010) who all elude to the low cost nature of social media as being one of its key strengths. All the way through the qualitative research the respondents repeatedly emphasised the low cost factor of social media as an attractive aspect to small businesses. However, one of the respondents highlighted the fact that a business should be careful not to place too much emphasis on the low cost nature of social media as, this can result in too much time being spent using this tool at the expense of other more

pressing issues: *'When you look at how much work goes into staying social, the free element of it doesn't seem that much of a benefit'*

6.2 Identify the main social media tools that small businesses use

The work of Carlson (2011) stated that of the six hundred million Facebook users half are active every day. The primary research findings are contrary to this existing research. From the quantitative research conducted the current level of people who use Facebook on a daily basis numbers at one hundred and fifty one million as of May 2012. A rationale behind this variation in the author's opinion might be due to the increased use of other social media websites that were discovered during the course of the primary research such as Pinterest.

The importance for a business to have a presence on Youtube was extended by the research findings. Bradley (2010) stated that Youtube was the second biggest search engine used on the internet. Table 5.3 in section 5.2.2 illustrates that Youtube is also one of the biggest social media websites globally.

A key contribution of this study is the fact that social media has now evolved and videos/images now play a more important role in this medium. This was supported throughout the research. During the online forums one of the respondents stated that social media needs to be direct and simple. There needs to be a few words as possible, and videos need to be used more widely. This relates to social media needing to be innovative and novel.

'I use very simple and direct Social Media. Cut down your words (nobody reads anything) and go video. You need to entertain prospects.'

This finding builds on the work of Sun et.al (2006) who stated that social media has moved on from traditional media in that it uses the written rather than the spoken word. It is also supported from a quantitative perspective as four of the six social media websites has photo/image/video as a key word association when analysed using Key Word Spy.

The research undertaken by Alterian, 2010 cited in Mortimer (2010) stated that forty four percent of marketers were of the view that social media was "critical for success". This is advanced in the current study as eighty four percent stated that social media was 'vital' for their businesses success. The remaining sixteen percent stated it was a great tool for

small businesses. These findings are also similar and give numerical support to the work of Britt (2011) who stated that many businesses use social media as their central online marketing tool. One of the respondents stated that they don't even have an official website and use their Facebook page as their chief online promotional tool.

Mangold and Faulds (2009) discuss how one of the key elements of the new hybrid approach to marketing that was previously discussed is the magnification of word of mouth through social media. This study gives further justification to this research. One of the respondents stated that they treat social media like it is word of mouth on steroids. Another respondent saw it as a multiplier that enhances a business's overall marketing efforts. A general consensus was that social media was a value creator for a business as it enables them to gather useful information on their consumers.

6.3 Determine whether small businesses have the measurements in place to gauge the effectiveness of their social media campaigns

The study by Hosford (2010) alluded to the fact that three quarters of businesses do not have measurement tools in place for their social media campaigns. This study contradicts this as all the businesses stated that they had a measurement tool of one form or another in place whether it is Google Analytics, Hubspot or simply Facebook Likes. This stems from the fact that the vast majority of social media sites have measurement mechanisms built into their framework. From a non financial aspect there are benefits to these as one of the respondents stated that: *'even if they aren't there to buy they are spreading word of the business.'* This finding aligns with Hoffman and Fodor (2010) who illustrated the multiple ways there are to measure social media campaigns (see Appendix D).

The findings illustrate that the real challenge facing businesses is in determining the financial return of social media campaigns. This correlates with the work of Ray (2009) who highlighted the challenge of linking financial value to non financial measures. From the findings it is apparent that there is a clear split between the accurate measurement that can be achieved when social media is the sales channel: *'Again I measure it in terms of sales as many of my sales come to me directly through Facebook'*

On the other hand there is the inaccurate measurement when comments and "Likes" are the measurement tools used. Ray (2009) also states that the key to an effective social

media campaign is to align it with the businesses core goals. The findings illustrate that very often this isn't what small businesses do as:

'Not aligning social media with other marketing strategies is one of the errors that many businesses consistently make. Social media marketing cannot exist in a silo by itself.'

The logic behind why businesses take this approach to social media has to do with the big rush there has been in recent years for businesses to use social media just for the sake of it. By being too hasty to use social media as soon as possible businesses can overlook the strategic reason for using the tool. As one of the respondents stated:

'I believe it is very important to set the right intention when using social media. If you want to monetize with your Facebook Page, LinkedIn and Twitter, it is wise to build your social media image with this in mind'

Prior research by Kwon and Sung (2011) and York (2008) used case studies of large multinationals that have been able to accurately measure the financial return on their social media campaigns. The primary research advances existing work in that it incorporates a small business context. As well as this the financial return is measured on a micro and not macro level as was the case beforehand. One of the respondents was able to calculate that the average spend per person who purchased through Facebook was €30. Another respondent calculated it was between €30 and €50. This is a key finding as it illustrates that not only are small businesses able to measure the financial return, but at the same time at a level that is achievable for many other businesses and not just a select few.

6.4 Relevance of Primary Findings to Conceptual Framework

The research develops upon the following elements of the conceptual framework as outlined in section 3.5

Irish Perspective: The Irish market is very much at the mature stage when it comes to social media websites as can be seen in table 5.2 in section 5.2.1. This indicates 'that for businesses in Ireland having a social media presence is crucial due to its high rate of use. Table 5.1 in section 5.1.2 illustrates that most of the people who polled are on at least one social media website.

This element of the framework is extended as there is very little if any information with regards the Irish perspective. The fact that Google Insights has enabled table 5.2 in section 5.2.1 to be scaled means that this data can be compared and contrasted to other countries in Europe and around the world where such data can be collected.

Small Business Approach to Social Media: All small businesses see social media as essential to their marketing efforts. They see it as one of the central tools for their marketing efforts due to its reach and low cost nature. When it comes to the financial aspect they either use social media sites as a direct sales channel or simply to have people talking about their products. From a non financial aspect they aim to develop a relationship with consumers so that people can relate to them and as a result create a distinct image in the consumers mind. These are key findings from the primary research as it shows that small business can be classed into two categories when it comes to social media campaigns.

The primary research extends this element of the framework as up until now the research had been generic and was focused more on large multinationals and not small business. For many of these businesses social media is seen as one of if not the most important ways to promote their business due to the financial constraints they have in comparison to larger organisations.

Figure 6 2: Conceptual Framework



(Authors Own)

6.5 Conclusion

This chapter has analysed and implemented the primary research findings as they relate to the information gathered in the course of the literature review. The key findings from the primary research were then employed to develop and advance the conceptual framework from the perspective of the areas this study aimed to contribute to. The next chapter will draw a conclusion to the dissertation and provide recommendations based on the research conducted throughout the course of this study.

Chapter 7: Conclusion

7. Introduction

This chapter reviews the key literature gaps and the subsequent research objectives developed. The key conclusions of the research and how this study contributed to existing knowledge will also be outlined. Recommendations for future research, as well as limitations encountered in the course of the study will also highlighted by the author.

7.1 Key Literature Gaps and the Research Objectives

The author identified several gaps within existing literature. The lack of research that related to small business was the most glaring gap that the author identified. There was also a lack of emphasis on Ireland as most of the literature was dominated by an American orientation.

The main research question devised was: “How useful is word of mouth for small businesses that use social media?” Three research objectives were formulated in order to develop an answer to this question:

1. To explore the usage of social media by small businesses in their marketing efforts
2. To identify the main social media tools that small businesses use
3. To determine whether small businesses have the measurements in place to gauge the effectiveness of their social media campaigns.

These objectives had a basis in both the literature review but also in areas the author believed would help contribute to the small business aspect of this topic.

7.2 Key Conclusions of Research

After conducting both qualitative and quantitative analysis the following key conclusions were identified as they relate to the research objectives.

Objective One: The central reason small businesses use social media is to market to their target audience. The interactive aspect of this enables a business to conduct target marketing on a level that wasn't possible before. Developing a relationship with consumers is essential in order to achieve the maximum return from this medium. At the same time though a business should ensure that this tool is incorporated into a marketing mix that encompasses all aspects of online marketing. Traditional marketing techniques should also be included to develop a grand marketing strategy.

Objective two: Social media is viewed by small businesses as being “vital” to their marketing efforts. It has in effect magnified the power of word of mouth. Facebook is king of the social media websites as ninety five percent of respondents use it. Pinterest has increased in use over the last few months. This relates to the fact that social media content has moved on from written word to an increased use of visual and video content. Interestingly this has been overlooked from an Irish context as Youtube was only fourth in usage from a small business perspective.

Objective Three: The key conclusion here is that small businesses have the measurements in place to gauge their social media campaigns. These can be classified into two categories. In one category there are businesses that can accurately measure the financial return due to the fact that they use social media as a sales channel. In the other category there are businesses whose measurements are inaccurate as they use social media to merely promote their business. The key is to align social media campaigns with the businesses core goals. The existing tools are a work in progress, however these should improve as time goes on as this is a new and developing industry.

7.3 Contribution to Research

The key contribution of this research is in developing research that adds both a small business aspect and an Irish perspective to existing literature. This research has also identified the growing importance of visual and video content in social media campaigns. As well as this businesses can be classified into two categories when it comes to measuring their campaigns. The key variable in this regard is if they use social media as a sales channel.

Figure 7.1: Conceptual Framework



(Authors Own)

7.4 Recommendations

The author suggests a number of recommendations from this research:

- Social media should be viewed as a part of the overall marketing mix and not just on its own. This will ensure the best return from the medium as it enables businesses to create new relationships and add value to existing ones.
- Businesses should ensure that they take time to ensure they develop the right image across all the various social media websites. By creating the right image it can help differentiate them from their competitors. At the same time a business should ensure that it uses the relevant social media tools for their primary purpose. For example businesses should use LinkedIn to develop business to business relationships and Facebook for business to consumer. This can help make managing social media efforts more efficient from a time and manpower perspective.

- Businesses must ensure that their content on these websites is engaging and interactive. This can be achieved by reducing the amount of words that they use and instead use visual and video content that catches the attention of customers..
- Businesses should where possible develop their social media pages into sales channels as this will help them to accurately measure the financial return from their social media efforts.

7.5 Limitations

This area of marketing is relatively new hence there is a lack of literature which focuses on the long term aspect of social media use. In addition there is new research being published constantly. The primary research undertaken also had the following limitations:

- The level of feedback from the online forums was inconsistent throughout the data collection process. Some questions received considerable feedback while others did not. The variation in feedback created challenges when it came to analysing the data.
- The small business sector encompasses many industries. In this research alone there was a wide variety businesses who participated ranging from fashion, to confectionary all the way through to student supplies. However the sheer size of this sector makes it difficult to develop this research so as to encompass all areas in this sector.
- As this research was conducted online there were certain limitations to the results as a consequence.

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Appendices

Appendix A: Reflective Log

This is an account of the researchers experiences during the course of the dissertation. It will include the benefits and challenges faced throughout the process of undertaking the dissertation. The author will also outline what would have done differently in hindsight.

Dissertation Process Key Learning Points

Throughout this process one the most important things was that I made sure to have my objectives achieved well ahead of time. This has been my approach to many of the different areas not only during the dissertation but for many of the assignments during my Masters year. After coming from an accounting graduate background this change from exam heavy to assignment heavy work was daunting, however it actually turned out to be an easy transition. Most of the work can be done at your own pace and this was great as I did the majority bit by bit which reduced the daunting nature of the dissertation. Being able to do it in an environment that is of your own choosing was a great benefit

The initial choice of my dissertation topic wasn't as difficult as expected as it incorporated an area that many people my age are interested in (social media), and upon which we spend a lot of time. As well as this my brother and friends have their own small businesses so I viewed this work as being beneficial to them. The word of mouth element came to my attention through other areas of the Master and was one that immediately got my attention.

Throughout the literature review and methodology I was also able to fall back on the research proposal that was developed as part of the research methods module of the masters. This helped to create a template upon which to develop and expand my dissertation. When it came to choosing the method to collect the data this was a problem as I had not had to do a thesis in undergraduate. However my supervisor played a vital role here in selecting the ones that would create the most relevant data. The fact that it included social media websites helped immediately as I use these most days. One of the challenges though was trying to get enough people to respond. It was a case of trial and error as I put up questions and depending on the response rate I would modify future questions so as to retain peoples interest. This was the case throughout the month that I was active on all the websites.

LinkedIn initially was the best one to use, however by the end Twitter and Facebook were the best for providing information, but also helping to develop contacts that I am definitely going to use in the future. Being able to maintain people's attention is definitely one skill I have attained and will continued to develop.

Using NVivo was definitely a huge benefit when it came to analysing the data as it developed a structure. At the same time it helped identify links within the data. At the same time though my view was to not stay fixed to NVivo and use my own initiative I identified links that NVivo didn't. The use of software definitely helped however throughout my goal was to ensure that I was the central research tool. The quantitative software is definitely something that I can use in future as they all relate to marketing and they can help develop a more rounded picture of the current climate for a business at both a national and international level.

What would I do differently.

If there was one aspect that I would have done differently it would have been to gather the data over a longer period of time. As well as this I would have put up mock forum posts to help me practice posting up questions so that time wouldn't have been wasted in trial and error.

Overall the dissertation process was one of the best experiences of my time as a student. It is entirely by your own choosing and it can be completed at your own pace. This suited me to the ground as my philosophy is to get things started straight away and work on it even if the completion date isn't for several months. I believe the skills developed and even the topic that I researched will definitely be of benefit in my future professional career wherever that may take me.

Appendix B Conceptual Framework of Word of Mouth, Social Media and Small Businesses

A review of the existing literature revealed a lack of material that related to social medias use by small businesses. A framework is required which small businesses can relate to and as a result use. As well as this a framework needs to be developed which combines existing literature that relates to the areas identified, with the gaps identified by the author in the course of the investigation.

Conceptual Framework



Conceptual Framework: Explanation

The framework above identifies six key areas with numbers one to three being what existing literature brings to the table and what has been illustrated in the literature review chapters, while numbers four to six are the areas that this study intends to advance knowledge in.

Small Business: The vast majority of the current work deals with large multi nationals like Dell, Kelloggs and Burger King whom all have vast resources at their disposal. The average business can only dream of having such resources at their disposal. Only one paper dealt with word of mouth from a small business angle and this was local

hairdressers (Hogan and Lemon 2004). Even here there are limitations as it only deals with one sector.

Irish Perspective: Of the thirty two articles that contributed to the literature review none made any reference to Ireland. For the most part existing literature is dominated by American research. This relates to the small business aspect in that small indigenous businesses are now essential to the economic recovery of not only Ireland but also other developed countries. The research undertaken will be new in this field from both a qualitative and quantitative aspect as they both incorporate data that focuses on the Irish context.

Approach to social media: A lot of the existing literature is conducted from the viewpoint of the authors themselves. Whilst the viewpoints of experts are essential in any field the approach taken by the majority of people must also be taken into account. This is of more relevance when the small business perspective is also taken into account, as this group makes up the vast majority of people who use social media.

Appendix C Questions Asked on Forums

Note: the brackets highlight the research objectives that the questions relate to.

Small Business Can

[1] Why does your business use social media sites?

One thing that has come to my attention in recent times is that there is a trend of businesses using word of mouth because it's the "buzz" word at the moment. But does this overlook other benefits of using social media sites.

My question is why do you use it?

Any feedback given would be greatly appreciated.

[1] Is social media promotion on its own enough?

Everyone has been told of the benefits that there are with using social media. However are they substantial enough to warrant the use of social media alone to promote a business?

What other media tools would best link with social media?

[1] What does your business use social media for?

In recent years the use of social media by small businesses has exploded but what is it used for?

Do you use it to build brand awareness or is social media central to your online marketing efforts.

Any feedback given would be appreciated.

[2] What are the main social media sites that you use?

There are many social media sites that businesses can use to promote their products, but what are the main ones that you use?

This has to do with using the right platform to promote the right message. For example Twitter is a business notice board, Facebook its general communication and LinkedIn is seen as the boardroom element of social media. There are also websites like Naymz that help build your brand.

[2] Social media and its worth as a marketing tool

As social media is being used by more and more businesses what is your opinion of social media and its usefulness to small businesses today?

This stems from the fact that many of the examples of businesses that have been able to successfully use it are mostly multinationals.

[2] How useful have you found social media sites to be?

In the last few years people have been told widely contrasting opinions about social media sites. Some say its "the magic bullet" that helps businesses to create solid relationships with their customers, while others see it as just a fad that is inferior to other marketing tools and will soon fizzle out.

From your own experiences how useful have you found them to be as a tool for your business?

[3] Social Media: Measuring its effectiveness

75% of businesses say they don't have measures in place for their social media campaigns. In this case most businesses put up statuses and comments and see if they get a response. Yet this is such an easily measurable environment (see link below). How do you measure the effectiveness of your social media campaigns?

[3] Tools to measure financial aspect of social media

Many businesses have had difficulties in measuring financial success of their campaigns, an issue that has been at the core of word of mouth today and throughout its history. What are the key ways a business should gauge if social media can create financial returns?

[3] Existing tools social media (your opinion)

The number of tools used to measure social media are as numerous as the number of social media websites themselves. From hubspot to simply seeing how many people visit your page the number of tools is diverse. What is your own opinion of these existing tools and how they can help businesses tap into this potentially lucrative area?

LinkedIn and Facebook

[1] What you use social media for?

Over the last year or so it appears that every business has begun to use social media. However what do you use it for? Is it simply to spread brand awareness or do you see it as central to your online marketing strategy?

[1] Why does your business use social media?

Every business now seems to use social media whether it's Facebook, Twitter or LinkedIn. But why? Is it because everyone else is or is there other reasons?

[1] Is social media promotion on its own enough?

Everyone's been told of the benefits that there are with using social media. From the low cost to the greater and more customised connection with customers. However are such benefits substantial enough to warrant the use of social media alone to promote a business?

What other media tools would best link with social media?

[2] What are the main social media sites that you use? There are many social media sites that businesses can use to promote their products, but what are the main ones that you use?

- ☐ Facebook
- ☐ Twitter
- ☐ LinkedIn
- ☐ Youtube
- ☐ Other (e.g. Naymzetc)

[2] Social media and its usefulness as a marketing technique for small businesses?

As social media evolves many examples have emerged of where it has been successfully harnessed by businesses. However most of these are large multinationals such as P&G, Burger King and Sony Ericsson

As social media is being used by more and more businesses what is your opinion of social media and its usefulness to small businesses today?

[2] Social Media: do you put up a comment and see if it sticks?

75% of businesses say they don't have measures in place for their social media campaigns. In this case most businesses put up statuses and comments and see if they get a response. Yet this is such an easily measurable environment. How do you measure the effectiveness of your social media campaigns?

[3] What tools help businesses to measure the financial aspect of social media?

Many businesses have had difficulties in measuring financial success of their campaigns, an issue that has been at the core of word of mouth today and throughout its history. What are the key ways a business should gauge if social media can create financial returns?

[3] What is your opinion of the existing tools used to measure social media?

The number of tools used to measure social media are as numerous as the number of social media websites themselves. From hubspot to simply seeing how many people visit your page the number of tools is diverse. What is your own opinion of these existing tools and how they can help businesses tap into this potentially lucrative area?

Twitter

[1] What do you use social media for? e.g. brand awareness or is it central 2 your marketing strategy

[1] Do businesses use social media in the right way or just because everyone else is using it?

[1] Feedback on this would be brilliant (doing my thesis): Why does your business use social media sites?

[1] Is social media substantial enough to warrant the use of it alone to promote a business?

[2] What sites are at the core of your online marketing efforts?

[2] From your own experience how useful have you found social media websites to be as a tool for your business?

[2] How useful is Social Media as a promotional tool for small businesses today?

[3] Do you measure social media campaigns or put up a tweet and see if it sticks?

[3] What ways are there for businesses to measure the financial aspect of social media?

[3] In your own opinion how effective are existing tools for measuring social media?

Appendix D Relevant Metrics for Social Media Applications Organised by Key Social Media Objectives (Hoffman and Fodor, 2010)

Social Media Application	Brand Awareness	Brand Engagement	Word of Mouth
Blogs	Number of unique visits Number of return visits Number of times bookmarked Search ranking	Number of members Number of RSS feed subscribers Number of comments Amount of user-generated content Average length of time on site Number of responses to polls, contests, surveys	Number of references to blog in other media Number of reblogs Number of times the badge displayed on other sites Number of “Likes”
Microblogging	Number of tweets about brand Valence of tweets +/- Number of followers	Number of followers Number of @replies	Number of “retweets”
Cocreation	Number of visits	Number of creation attempts	Number of references to project in other media
Social Bookmarking	Number of tags	Number of followers	Number of additional taggers
Forums and Discussion Boards	Number of page views Number of visits Valence of posted content +/-	Number of relevant topics/threads Number of individual replies Number of sign ups	Incoming links Citations in other media Tagging in social bookmarking Offline references to the forum or its members In private communities: number of pieces of content Number of “Likes”
Product Reviews	Number of reviews posted Valence of reviews Number and valence of other users responses to reviews (+/-) Number of wish list adds Number of times product included in users lists	Length of reviews Relevance of reviews Valence of other users ratings of reviews Number of wish list adds Overall number of reviewer rating scores entered Average reviewer rating score	Number of reviews posted Valence of reviews Number and valence of other users responses to reviews (+/-) Number of references to reviews in other sites Number of visits to review page Number of times product included in users list
Social Networks	Number of members/fans	Number of comments Number of active users	Frequency of appearances in

	Number of installs of applications Number of impressions Number of bookmarks Number of reviews/ratings and valence+/-	Number of “Likes” on “Friends” feeds Number of user generated items Usage matrices of applications/widgets Impressions-to-interactions ratio Rate of activity (how often members personalise profiles, bios, links)	timeline if friends Number of posts on Wall Number of reposts/shares Number of responses to friend referral invites
Video and Photosharing	Number of views of video/photo Valence of video/photo ratings +/-	Number of replies Number of page views Number of comments Number of subscribers	Number of embeddings Number of incoming links Number of references in mock ups or derived work Number of times republished in other social media and offline Number of “Likes”