Social Media Strategy in the Chinese Market

- Weibo Platform Case Study

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Abstract

Problematisation

Previous study has indicated that social media is an effective marketing tool. Moreover, Weibo, a Chinese social network contains large potential for the companies. However little theoretical guidance exists on what are the key features of Weibo marketing.

Purpose and research question

The purpose of this study contributes to a better understanding of the social media by analyzing the advantages and disadvantages of Weibo for Western companies that expect to launch a successful marketing strategy.

Methodology

This research is done through qualitative approach and is of an abductive nature. It uses a case-study methodology and relying on empirical data and theoretical conceptions. The main empirical findings are based on collection of 13 personal interviews.

Results and conclusion

The result of this paper contributed to deep understanding of Weibo marketing. Therefore, the theoretical guideline in form of model has been developed and includes 8 key features (4 advantages and 4 disadvantages) that should be considered by Western companies in order to apply successful marketing strategy on Weibo.

Key words

Web 2.0, Social media marketing, Sina Weibo, China, Digital marketing
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1. Introduction

For many years Western companies have been full of enthusiasm about the idea of penetrating and operating in the Chinese market. China offers tremendous opportunities for businesses and its growing importance is no secret. It is the most populous country in the world and with an average economical growth rate of 10 percent in the last two decades it is also the fastest growing economy (Johansson, 2010: 7). China has the world’s largest social media market potential and probably has more social media users than Facebook has in the entire world combined (Savitz, 2012: 1). With the rapid growth of the Internet, people tend to spend more time using the social media, creating, sharing and bookmarking content, and networking at progressively higher rates. This might be an increasingly influential factor, and companies working in the field of social media are compelled to focus their efforts mainly on marketing and opinion building activities (Strom in Gillholm, 2012: 8).

Realizing that Chinese people show relatively high levels of trust and dependence on social media channels as an information source (Jiang, 2013: 10), most businesses start venturing in social media expecting to see a big return on investments (Chander, 2014: 2).

Social media can be viewed as a group of Internet-based applications that allow creation and exchange of user-generated content (Kaplan & Haenlein, 2010: 61) and have become a major factor in influencing various aspects of consumer behavior. It can take many different forms, including social networks: Internet forums, weblogs, social blogs, micro blogs, wikis, podcasts, pictures, video, rating and social bookmarking. All these types provide an opportunity to present oneself and one’s products to dynamic communities and individuals who may take interest (Roberts & Kraynak, 2008: 2). The importance of social media cannot be underestimated. According to Scott (6: 2010), companies that understand the rules of social media can build firmer relations with customers directly. Embracing social media is no longer a strategic business, but a necessity, and a huge opportunity (Argenti, 2011: 1).

Today companies literally strive for consumers attention. There has been a trend to reduce the number of traditional media and increase the amount of social and digital media (Baines et al 2010: 413) as the web has opened numerous opportunities to reach niche customers with targeted messages that cost a fraction of big-budget advertising expenses (Scott, 2010: 6). The existence of Internet-based social media
has made it possible for one person to communicate with hundreds or even thousands or millions of people around the globe.

1.1 Weibo. Notion & Concept

Chinese social media are some of the most intense in the world not only due to the specifics of their historical background (rural-to-urban migration that has separated families, the loneliness of the one-child generation), but also due to restrictions on foreign websites like Facebook and Twitter imposed by the government. That is probably why it has become a major incentive for domestic companies to run equivalent social media platforms like Weibo.

Weibo (微博) literally translates as ‘micro-blog’; akin to a hybrid of Facebook and Twitter. It is considered to be one of the most popular micro blogging networks in China, in use by well over 30% of Internet users, with a market penetration similar to the United States’ Twitter (Kenneth, 2011). This platform includes both personal accounts (verified, VIP membership and “DaRen”, translated as Experts accounts) and an enterprise edition (an upgrade version for enterprise accounts, with a multifunctional page and a management dashboard). Enterprise edition provides more functions and features, including a personalized page display, data analysis, and more social CRM elements.

There are several functions that distinguish Weibo from other social media channels. First of all, each Weibo post may contain more information than 140 alphanumeric characters. Therefore, it can be used for a more complete communication experience than short messages are able to provide, which makes it suitable for a wider range of audiences and purposes.

Secondly, Weibo tracks and collects posts during a certain period, and creates a homepage for a topic if it becomes “hot”. Every day the most popular topic ranks on the home page of Sina Weibo (Lenn 2012 in Shi, 2012: 17).

Thirdly, Weibo allows users to directly insert media, including images, videos, music, game apps and graphic emotions, without extra “plugging”, so users can view videos without leaving the site. Moreover, Weibo has well-developed video and photo
sharing functions. It even allows public polls, a public comment wall and a photo wall (Fenn in Shi, 2012: 19).

As for the brands, it is a perfect platform to take on consumers who "share" the same lifestyle values (Au, 2012: 1). More than 130,000 companies have already registered on Weibo, including one-third of the top 500 enterprises in the world. More and more managers think that it is important to have a Weibo page mainly because it is an attractive and prominent marketing tool by means of which organizations become much more successful. Using social networking to promote a business has many advantages, but also requires dedication and work on one’s part (Freeman, 2013: 2).

1.2 Problem Statement.

Within the business establishment, there has been a discussion on what companies should expect from the social media strategy in China. Some argue that a social media revolution can provide more benefits than disadvantages. Others are apprehensive of hidden dangers that might await a company on the way. Gillin, the author of The New Influencers, notes: “Conventional marketing wisdom long held that a dissatisfied customer tells ten people. But…in the new age of social media, he or she has the tools to tell ten million.”

Weibo marketing has received a lot of attention recently. Despite being an attractive marketing tool, Western companies cannot use Weibo to a full extent, usually because they run Weibo in a wrong way. In that regard, despite the proliferation of corporate accounts in recent years, most businesses still effectively remain on the sidelines (Barry et al: 2011, 1). In the few studies on social media, researches have mostly focused on advantages regarding the companies (Arca, 2012: 9). Further, most of the researches are mainly focused on social media in general of the most popular one, like Facebook. Therefore, the lack of practical and theoretical guidelines about Weibo already has an adverse impact on the Western companies’ performance in social media arena, as they are not aware of capabilities of the platform and difficulties that companies should expect from it.

1.3 Purpose and Research Question
The purpose of this study is to contribute to a better understanding of the social media (Weibo) strategy in the Chinese market. Meanwhile, the goal is to develop a practical pattern for Western firms that are expected to launch Weibo strategy in China. The introduction above, as well as the purpose and goal, of this study leads to the following research question:

◆ What advantages and disadvantages of Weibo should Western companies consider in order to pursue a successful marketing strategy on Weibo in China?
2. Theoretical Background

2.1 Advantages for Business

In less than a decade, social media seems to have “taken over the world” (Merrill, 2011: 1) in many ways. Nowadays, social media marketing in particular, social media networks are playing an increasingly important role in consumers’ purchasing decisions, mainly because they amplify the word-of-mouth (WOM) (Arca, 2012: 12).

Consumers are heavily influenced by social media throughout all the stages of the consumer-to-business relations, whether in acquiring useful data or in using the media to vent their discontent with purchased goods or services (Mangold & Faulds in Ioanăs & Stoica, 2014: 295) and patterns of Internet usage (Ross et al., 2009: 278). Based on that, it can be said that the social media provide a broad array of advantages for business as they usually represent a cost effective market solution. Furthermore, they provide an opportunity for direct, prompt and inexpensive interaction with end consumers (Kaplan & Haenlein, 2010: 59). It relates to a self-generated, authentic conversation between people about a particular subject of mutual interest (Evans, 2010: 35). Also, consumers can communicate not only directly with those who stand behind the given information but can cross-communicate with each other as well.

With this in consideration, a vast majority of companies rushed into social media revolution bearing in mind that social technologies aim at helping people to go through interaction and content sharing. With social media becoming the default feedback environment, the company has one-to-many communication (Syed, 2013). The social media marketing weapons can be used in a larger number of contexts, in comparison with other promotional tools (Levinson & Gibson, 2010: 55). Thus, companies are provided with a great chance to join the conversation with the customers all around the world, which makes it possible for companies to reach their targeted consumers easily. Moreover, with the development of social media a new term “social recruiting” has been coined in order to define the process of hiring candidates through these channels (Arca, 20012: 42).

Social networking allows companies to reach out to potential customers without spending exorbitant amounts of money on advertising while staying in touch with the current customers. A company’s virtual presence on popular network sites
unequivocally suggests that the business is indeed cutting edge or at least is able to keep up with the changing times.

2.1.1 Brand Awareness

Brand awareness reflects how the consumers interpret the brand. It defines whether the brand is recognized by the consumers and to what level. It also shows the consumers’ awareness of what the brand stands for (brand knowledge) and what kind of opinion the consumer has about the brand (brand opinion) (Aaker in Johansson, 2010: 3). One of the most important advantages in this area Weber (2009) has put forward is the possibility to open a dialogue with the customer, and through this to create strong brand awareness. This is exactly the point which companies consider to be the most important advantage of using social media: to talk to customers and to influence what is being said about the company and its products in the social media networks. It is particularly stressed that the company in the case study has a good reputation and a lot to gain from being present in social media (Weber, 2009 in Johansson, 2010: 2). The rise in popularity of social networking and social media has created the ideal climate for businesses to boost their brand awareness online (McFarlin, 2013: 2). Social media can be used as business marketing tools, providing access to a far-reaching consumer network with a possibility for direct and efficient messaging, as well as giving companies’ content more value (Horton, 2012: 2).

Therefore, some followers might show mind awareness (the highest level of brand awareness), i.e. when customers think of the brand first when they need to make a purchase within your product category (Kokemuller, 2013: 1).

This is a perfect tool to reach all types of audiences and give them a 360° look at the brand. Building strong relationships based on interaction is going to be possible if the company gives their audience means to communicate via multiple social media channels (Siuda, 2013: 1). Shi (2013) argues that companies that spend more time on social media to interact with consumers would raise brand awareness among this generation. (Shi, 2012: 37)

According to Red Bridge marketing report, marketing on social networking sites will increase awareness by increasing online presence of the products and the brand. When the company creates a group or organizes a promotion on a social networking site, its
members are reminded of the brand and the product with every interaction (Red Bridge report, 2008).

Kelly (2013) considered that brand awareness is a measure of how recognizable the brand is to the target audience and proposed five categories in the social media sales funnel (Figure 1). These define where prospects are in the buying cycle and provide a clear list of metrics to measure activities within these stages. The first three categories of the new sales funnel correspond to the goals for brand awareness. Exposure is a measure of brand reach. The idea is that the more people who see the brand, the more people are likely to remember the brand. Similarly, influence is a measure of how many influencers helped to spread the message and describes those people who were exposed to the brand by an influencer in the industry (Kelly, 2013: 38). Having a substantial social media audience creates a snowball effect which can attract new customers, media interviews, joint venture partnerships and all kinds of other opportunities (Chandler, 2014). Engagement is a measure of how many people have interacted with the brand. This is a significant category for social media, and it is here that the results can be quantified and that the value of social media starts to become clear to management teams. And each category brings the potential buyer closer to a potential sale (Kelly, 2013: 35).

![Social Media Sales Funnel](image.png)

Figure 1: Social media extends the sales funnel (Kelly, 2013: 34).

### 2.1.2 Lead Generation

Social media creates a complex path to lead generation, which makes it critical to understand how to generate leads using the social efforts. The best source of a website lead is a recently satisfied convert from one of the corporate social media channels. This will increase web traffic and bring more relevant visitors to the corporate website.
In this way, social media act as a referral service for business (Horton, 2012: 2). Leads can be divided into 2 groups: qualified and experience leads and those who are less engaged with the product. The goal of the company is to display the brand in front of people and get them to engage with it, thus achieving sales result (Kelly, 2012: 27). It is a win-win for both the buyer and the seller: the buyer is able to request information from several businesses offering the product or service that they are looking for, while the seller is given the opportunity to pitch their product or service to someone who has given them such permission. Conversion rates on leads that the company receives often have a higher conversion success rate than cold contacts because the prospect is pre-qualified before the company ever receives the lead (Lake, 2013). Since many B2B companies in China have long sales cycles, they have to use leads as a tool to estimate the success of their marketing efforts.

Moreover, it is possible to generate more qualified leads (Figure 2) through social media marketing by building strong relationships, visibility and awareness across social media channels, which may, in the long run, convert to recurring sales in the core business. They can increase sales to new customers through WOM or gain viral spread by urging their fans and followers to share company’s content across the social media. In addition, identification of the companies’ followers’ age group, profession, location, interests and integration of social data at this level offers companies a unique opportunity to gain a deeper understanding of the demographic profile of their customers and prospects, enabling them to develop a more targeted approach to marketing and business development (Milic, 2013, 20)

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<table>
<thead>
<tr>
<th>Increase Sales,</th>
<th>Generate More Qualified Leads</th>
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<tr>
<td>Market Share,</td>
<td>Create Thought Leadership</td>
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<tr>
<td>Customer Retention,</td>
<td>Improve Visibility, Awareness, Advance Brand Advocacy and Increase Brand Value</td>
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<td>Operating Margin,</td>
<td>Improve Brand Reputation and Counter Negative Perception</td>
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<td>ROI</td>
<td>Reduce Marketing, Market Research, Research &amp; Development, IT, Recruitment, and other Operating Costs</td>
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<td>Test Ideas and Launch Product</td>
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<td>Improve Customer services, Customer Satisfaction and Customer</td>
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Figure 2: The ways social media monitoring engagements can impact the business performance (Milic, 2013: 20)

Social media channels can be the major generators, constantly bringing high volume of traffic to the corporate webpage. That has brought to life the idea of integrating social media to companies’ websites as a way of converting leads into prospects. Businesses can easily use that privilege by optimizing keywords in the title and description in a way that reflects research queries. Hence, combining SEO efforts with social media will help to maximize corporate marketing efforts (Angelova, 2013). It can be a leading traffic generator. When companies share blog posts, videos and other content from their websites, they give their audience a reason to click through and visit their sites. Once there, companies have the opportunity to inspire those visitors to take action by inviting them to sign up for their mailing list, make a purchase, or call to schedule a free consultation. (Chandler, 2013).

2.1.3 Competitor and Market Monitoring
"Keep your friends close, and your enemies even closer."

This is one of the most famous quotes of Sun Tsu (400 B.C), the ancient Chinese military general and the author of *The Art of War*.

First of all, learning about the competitors’ activities can give a company an insight into what works and what does not. The beauty of social media is that there is a lot of information about the competitors which is public. Moreover, not only is their strategy public, but the reaction to that strategy is public as well (Brooks, 2011). A company can also monitor a variety of other activities that the competition is undertaking such as specific campaigns (Varney, 2014). By understanding competition, the company can identify failings in its own approach, and by developing a clear picture of competitors in a marketplace it becomes easier to navigate in the market.

Social media is an essential tool for creating awareness of what other businesses are doing and for growing alongside them, learn from their mistakes and understand how to outsmart them. Windels (2013) describes that a query or a search request can be used to monitor ongoing activity from an opposing brand. This could provide daily opportunities to interact with potential clients or can be used for monthly reports on
activity within the chosen marketplace. It allows the companies to be more prepared for the future difficulties. Zarrella (2010: 189) stresses the importance of market, competitors and industry, since it is possible to learn what kind of obstacles the rivals are facing, what is popular within the niche and what the audience appreciate the most about the competitors.

2.1.4 Customer Engagement, Loyalty and Feedback.

As businesses continue redefining themselves in this new technology-driven world, customers are crucial to those changes. Realizing that value is the first step towards looking at the numbers and using them to drive decisions. Customers do not just call the company to leave their feedback – they often speak about it on forums, social networks and other online channels. Usually, conversation is associated with a complaint, a recommendation or is part of a story detailing something related to the industry. The company should quickly gain access to the details of what is being said about them so it can be passed to the right department. (Hendricks, 2014:1). Oliver (1999) concludes that a high level of commitment can lead to consumer loyalty. Moreover, Jang et al. (2008) posits that online brand community commitment is positively linked to brand loyalty (Oliver & Jang in Wang et al, 2013: 12).

The rules of the new media mean less broadcasting (e.g. traditional advertisements) and more engagement (Canady, 2011). Social media can help the company to put a personal face on the business. Instead of just a name, customers see in the company a real person who listens to their concerns and delivers helpful feedback. Zarrella (2010: 187) also points that before taking part in the conversation the company needs to listen, since it is impossible to respond in a proper way if the company has no idea where it is being said and who is behind it. There is another important issue concerning the quality of the corporate social media posts. For example, if the company posts interesting information or insights into the industry, customers will feel like the company respects them and will be more likely to remain loyal to the company (Bersin, 2014). Using a social network allows a company to connect or become "friends" with those who already make use of the services. It gives businesses a chance to reach out to new customers as well. Another way to use social networks to find new customers is to reach out to the existing ones (Freeman, 2013). Such use can be effective if a company can build up on the allegiance of their customer base, benefitting from having loyal followers. Data from dozen private and public sector
industries shows that people who are influenced by social media show higher average order amounts, higher levels of customer satisfaction and loyalty than those who are not influenced by social media. (Horton, 2012: 2). Finally, companies have the opportunity to talk to millions of customers, send out messages, experiment with offers at relatively low costs and, what is more important, get fast feedback. And never before have millions of consumers had the ability to talk to each other, criticizing or recommending products (Gillen in a Report by Harvard business review analytic services, 2010: 14).

2.1.5 Optimization of Costs and Marketing Expenses

Another advantage of social media is its cost-efficiency in terms of promotion expenses. Popular web platforms such as Twitter or Facebook provide an opportunity for businesses to tailor their advertisements for consumers on the basis of various criteria such as social status, age, gender, place of dwelling and personal interests, thus generating more efficient leads (Relander, 2014). Registering social media accounts costs nothing and companies can use them to respond to consumers directly, promote products and establish brand communities, which can create tremendous value (the Atlantic research in Shi, 2012: 12). It expands the exposure, increases traffic to the site, creates interest in what the company sells, and gives the opportunity to offer promotions (Stewart, 2013).

Almost all social networking sites are free to use and put a company in direct contact with potential customers without having to pay a penny. To get the necessary results, a company may only need to send an email to its current customers, asking them to join, follow, like or friend the company in order to get things under way. If a firm has a small budget for advertising, it may wish to purchase an advertisement that appears on the social networking site. The advertisement will appear on the pages of those whose profiles fit in with the company's style or goals. Usually the cost of an online advertisement is less than an advertisement in print or television (Freeman, 2013).

2.2 Disadvantages of Social Media Marketing

From the corporate prospective, using social media is a rapid way to collect information from the customers. Firms are leveraging the power of social media networks to extend their business opportunities, get new advice and expertise; some
even use them to obtain the specific wisdom of the industry (Wilson, 2009: 54). While social media can be a powerful marketing tool, it is not entirely risk-free. The risks vary from common spam mail to complicated fraudulent schemes where the goal is to hack corporate web pages or corrupt the company’s computers (Shelkel & Badiye, 2013: 54). The advent of social media into the corporate environment brings along multiple risks to the Data and People, Organization and Technology.

2.2.1 Data and People

2.2.1.1 High employees’ expenses
Even though using social networking websites usually does not require paying any fees, there are certain hidden charges involved. First of all, in order to implement their strategy successfully, information on corporate web pages must be updated in a timely manner, which entails hiring a qualified worker with appropriate content-creating skills, expertise in the field and sufficient time resources. Shih (2011) emphasizes that there is an absolute necessity to invest in social media trainings to establish an understanding for the things that the staff can or cannot discuss. (Shih in Gillholm, 2012: 29) Modern technologies allow businesses to use various media in their postings, such as presentations, images, video or audio recordings. Creating quality media content requires employing professional staff and can consequently be quite expensive (Sandiland, 2013). As more money is spent in promoting and distributing the content, more people will be engaged in creating, moderating and analyzing it.

Social 'media literacy' is another issue that has been raised by Meister (Meister in Gillholm, 2012: 33). In accordance to her standpoint companies need to implement written social media literacy training for all employees to create the joint vision of all business units within the company and on external social media channels. Even if such trainings are aimed at improving the employees' productivity they are not cheap. As Iannario (2014) admits, change comes with the price: the bigger and the more important the desired outcome, the more company is likely to spend.

2.2.1.2 Loss of Productivity
Some organizations are concerned about the negative impact enterprise social networking can have on productivity. They are afraid that the “buzz” created by irrelevant updates will distract employees and make them less productive. In a related development, employers worry that the staff are spending their working time on other
websites, lowering the productivity and increasing security risks (Peacock, 2008). All in all, businesses are losing more than $10 000 worth of income per employee on annual basis, specifically due to interruptions and information overload (Duivestein & Bloem, 2013: 21).

2.2.1.3 Unauthorized Disclosure
The advent of the Web 2.0\(^1\) has caused social profiling and is a growing concern for social media privacy. The big difference now is that the information is digitized and accessible online—and users are handing it out to virtually anyone who asks; regardless of how briefly the business has been in existence (Troni, 2012). However, the users are not just worried about possible surveillance. Even greater concern to the companies is the amount and variety of information that can be gathered about them without their explicit permission. The companies can be portrayed in a negative way by means of cyberstalking. This can be as basic as posting inaccurate reviews or as severe as spreading false information that affects the worth of the company through the stock market. In other cases cyberstalking can involve threats, false accusations, identity theft, data theft, damage to data or equipment, and monitoring of computer or other technology (Polanski, 2013).

Moreover, there is a threat of having a more free information flow within the organization. Some organizations are concerned that confidential information, such as sensitive HR documents, will be spread amongst employees. The real challenge for the decision maker is to grapple with their fear of unknown, the fear of running the risk of giving up control over information. Most employers assess the risk of their experiences and fear of unknown and non-trust (Slovic, 2004; 9). People are likely to work if the mutual trust demonstrated (Holloman, 2012) that requires openness, creativity and problem solving in the company. However, Kaplan and Haenlein (2010: 61) stress the importance of control and necessity of social media guidelines for all the employees.

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\(^1\) Web 2.0 is a term describing a new way of utilization of the World Wide Web by software developers and end-users; a platform whereby content and applications are no longer created and published by individuals, but constantly modified by all users (Kaplan & Haenlein, 2009).
2.2.2 Organization, Technology and Publicity

2.2.2.1 Negative Publicity

Social media have become a democratic tool (Bertot in Gillholm, 2012: 45) with a domination of freedom of speech (Kaplan & Haenlein, 2010: 59). Therefore, it is a challenging issue for companies to anything else but truth (Sibel in Gillholm, 2012: 45). However, bad publicity is inevitable. Even when the organization behaves responsibly, it always runs a small risk of an unexpected PR disaster. In the information age, negative publicity can reach the masses before a company can even mount a defense (Jones, 2013: 1). It can decrease product evaluations and, as a result, decrease product choice and sales (Berger, 2008: 8). It is also generally consistent with findings in psychology which show that people are more affected by negative information than positive information, i.e. the “bad is stronger than good” effect (Baumeister & Bratslavsky, Finkenauer & Vohs 2001: 327). Fans and followers are free to post their comments on these platforms, thus exposing business to the possibility of negative publicity. A quick response can help to minimize the damage from these comments, but it cannot erase the criticism from the corporate page or feed. The prospect of negative conversations circulating is outside of their control, but they are very much visible to potential customers (Evans in Cothrel, 2014: 100). On the other hand, making information policy too strict would lead to a situation where the contents are not interesting and nobody is keen on reading them, let alone debating them. The great challenge for the companies is to find the right balance between providing content of great interest for the audience and at the same time respecting what kind of information the company can really go public with: it is all about being relevant in social media (Johansson, 2010), given both the ease and speed with which consumers can transmit and share information and opinions about a company’s products or services. False, defamatory, misleading or negative statements about a company’s products or services can lead to disastrous consequences if left unchecked, including loss of sales and competitive advantage, decrease in stock prices or loss of good will and significant expenses needed to remedy the problem (Reddick, 2010: 1). Therefore, it is highly recommended to match the image of the company with reality, act with integrity and apologize while being wrong on social media channels (Sibel in Gillholm, 2012: 45).
Furthermore, some businesses hire web users to write positive reviews about their brand and post complaints, negative feedback or a potential newsmaker about their competition. Sometimes such unfavourable information can start a chain reaction, prompting users and rivals to join in the criticism. (Chiu, 2012: 2).

2.2.2.2 Virus, Worm and Spam
In growing numbers, companies find themselves exposed to fraudulent behavior, with others impersonating them on social networks through fake accounts (Tsoutsanis, 2012: 1). It can result in the misuse of corporate information, defamation and libel. Therefore, in some cases victims are willing to go the extra mile and turn to the courts instead of turning only to social network support.

Phishing is a continual threat to the cyber world that keeps growing to this day. It can be used for identity theft purposes: to steal passwords, bank information or other important data. Phishing is the act of attempting to acquire sensitive information as usernames, passwords by masquerading as a trustworthy entity in an electronic communication (Van der Merwe et al, 2005). The term -phishing is a play on “phishing,” when culprits send multiple messages hoping they will “catch” someone on the other end. Even though it has proven to be not very efficient, the strategy is still widely used, with end users often receiving fraudulent letters with realistically looking warnings about possible security breaches or promotional messages about new products. This practice presents a cause for concern for business owners because companies whose brand names are used in such attacks often have to provide customer support (Stavroulakis & Stamp, 433).

As social media has become increasingly influential in shaping reputations, hackers have used their computer skills to create and sell false endorsements - such as "likes" and "followers" - that purport to come from users of social networks (Finkle, 2013). The Zeus virus was created for stealing credit card data and was based on a network consisting of billions PCs around the world. A version of the virus corrupts user profiles in social networking sites to create fake “likes” (Kosur, 2013). It is largely due to the fact that companies want to spend heavily to make a big impact in the Internet, seeking buzz for a business purpose such as making a new product seem popular.
2.2.2.3 Privacy Risk
Online social networks are not without pitfalls either. Since these platforms are open to public, some firms are unaware of the need for their security and draw in cybercriminals (Klahn, 2010: 1). Even large, respected businesses have fallen victim to hackers (Wiegan, 2014). It might lead to a corruption of important private information or funds, as well as the loss of consumer's trust. Cross site request forgery is an attack which causes an end user’s web browser to execute actions of the attacker’s choosing with the user being totally unaware. By embedding a malicious link in a web page or sending a link via email or chat forum, an attacker may cause the users of a web application to perform some unwanted actions. More specifically, the attacker causes the user’s browser to make requests to a web site to which it has been authenticated, without the user’s or the web site’s knowledge. These actions may result in compromised end user data and operations, or even an entire server or network (Chi, 2011: 7).

Hackers pose another threat to businesses on social media: an attacker can take over a company's page or feed and share false information that can quickly go viral. Having obtained login information for a few accounts, scammers will then send out messages to everyone connected to the compromised accounts, often with an enticing subject line that suggests familiarity with the victims (Baker, 2009). The online medium can harbor hidden dangers for firms, because social networking sites and their users are not immune to hacking and other forms of online exploitation. Many online social networks contain features that are necessary to create the kind of open environment that is critical for the network to function at its best; however, these features may create some structural security issues (Kriescher, 2009: 62). Existing social networking services are centralized, which means that the companies providing the services have the sole authority to control all the data of the users. It is not a trivial task for a user to reuse his own data, including that from his or her social network, messages with friends and photos in other applications, as there are not many robust mechanisms to port all the data from one platform to another (Fitzpatrick & Recordon in Yeung et al, 2008).

2. 3 Conceptual Model
Based on theoretical consideration, the given model has been created for this study to illustrate the key factors presented above. The model below includes two main groups of features (the advantages and disadvantages) that the companies can rely on. The advantages are generally comprised of five main benefits that the companies might expect from Weibo strategy: Brand awareness, Lead & traffic generation (Kelly: 2013), Customer engagement, Competitor & market monitoring and Cost optimization (Arca: 2012). There are the foundations of how social media extends the sales funnel (Kelly, 2013: 34). The disadvantages are divided into two main parts: Data & People and Organization, Technology & Publicity, which in their turn consist of High employees’ expenses, Loss of productivity, Unauthorized disclosure, Virus, Worm & Spam, Privacy risk and Negative publicity (Figure 3).

Figure 3: Conceptual model (A.Ivanova & Y. Wang, 2014)
3. Methodology

3.1 Research Approach

Saunders et al. (2009: 156) outline two main research approaches: induction and deduction. For this study the abductive reasoning is seen as the most applicable as the theory should be related to interview data. Abduction is based on empirical facts, as well as induction, but it does not reject the theoretical concept and lies closer to deduction (Alvesson & Skoldberg, 2008: 55-56). Furthermore, Richardson (1978 in Dubois & Gadde, 2002: 556-557) compares it to the process of going back and forth between framework, data source and analysis. Despite the amount of research being conducted on the topic of social media, marketing through Weibo still remains unstudied. Within the qualitative approach and abductive method, data will be collected from interviews that are primary based on personal experience and standpoint of companies’ representatives about social media strategy on Weibo. Then the empirical data will be coordinated with the given theory to explain the observations and fill the gap in literature about social media marketing in China. Among main reasons for this choice were the practical and innovative features of marketing concepts and digital marketing’s contribution to understanding Chinese social media market.

Thus, by using the abductive approach researches try to discover connection and relations that might help them to expand its understanding (Dubois & Gadde, 2002: 556-558) to reveal the essence of the problem and explain the phenomenon (Weibo) in a new way (Danermark et al., 2002: 91-92).

3.2 Research Design.

This paper takes an abductive approach and a qualitative research design to analyze different attitude levels. The qualitative design chosen as the aim of the study is describing, discovering and understanding, rather than predicting and confirming (Danermark et al., 2002: 162). Qualitative approach allows the authors to analyze and interpret the findings collected from the interview while the quantitative approach is more connected with a statistics results.
The study contains clear objectives derived from the research question specifying the resources from which the data will be collected (Saunders, 2009: 137). Therefore, the case study strategy is seen as most applicable as it consists of an empirical investigation of a particular phenomenon within the real life context using multiple sources of evidence (Robson, 2002: 178) through constructing interviews. It highlights the importance of context, adding that the boundaries between the phenomenon being studied and the context within which it is being studies are not evident (Yin, 2003 in Saunders, 2009: 146).

3.3 Case Selection

Case selection is the primordial task of the case study researcher, and choosing good cases for extremely small samples is a challenging endeavor (Gerring 2007 in Seawright & Gerring, 2008: 294). Saunders et al., (2009: 211) describe sampling as the data collected from the small group rather than from a large population. For the researcher it would be impractical to collect data from the entire population of companies that are situated in China or have their subsidiaries there. The binary principle is the one primarily used. The population consisted of multinationals and SMEs, primary from FMCG industry that actively engaging or expecting to introduce social media strategy on Weibo.

Suitable companies for this study were mainly found through Internet and on Weibo. Some prospective interviewees have been met on the annual Global Mobile Internet Conference (GMIC) in May that was hosted in Beijing. Initially, 15 companies were chosen as they managed to pursue an active media policy on Weibo and gain popularity, having more than 3 000 followers. The companies selected were considered a heterogeneous sample, which might be useful when considering key themes from the empirical study (Saunders et al., 2009: 234). Interviewers tended to choose respondents who were easily accessible and willing to participate in the research. Selected firms received a letter about the study and several phone calls, however, only nine companies answered. Though being interesting cases, two companies were excluded owing to lack of information about them and sluggish behavior on Weibo. Therefore, the empirical findings are partly based on the companies that answered and remained in the study.
The sampling also included businessmen, business owners, marketing managers and CEOs. The selection derived partly from the companies that do not have a Weibo account but are expecting to register in the near future. They were found through analysis of their media strategy and search on Weibo. Interviews with these six representatives who were considering engaging Weibo and whose companies pursue active social media strategy were booked later on (See table below).

<table>
<thead>
<tr>
<th>Companies that already use Weibo</th>
<th>Companies that are considering engaging Weibo.</th>
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### 3.4 Data Collection

There are two main types of data sources (secondary and primary). Primary data is the data that is proactively gathered for a specific research purpose, and both the choice of instrumentation for data collection and the use of resulting data are focused on addressing the specific purpose and the research question, planned analyses, and types of data collection proposed (Simon & Goes, 2013:1). Generally, primary data is collected through observations or interviews. In this thesis, interviews are used as the primary source for understanding attitudes towards Weibo marketing. Getting clear answers and detailed information from respondents was the main goal in order to make the study more profound and deep.

#### 3.4.1 Interviews

Carrying out interview has a benefit of the researcher becoming a part of the process and being able to control the process of collecting the right information for the research. Moreover, it is a very efficient technique which can be implemented in a short period of time and facilitates execution of the study. Saunders (2009: 318) distinguishes several interview formats (structured, semi-structured and unstructured).

Prior to the interview, data about company and their strategy on Weibo was collected. The interviews were carried in Chinese. All the interviews were recorded with the consent of the interviewees and translated from Chinese into English. The interviews included introduction, direct follow-up, direct and indirect questions, and probing.
The majority of interviewees received an email prior to the interview containing information on the topic to be discussed, so that they would have time to be sufficiently prepared. All the interviews started with general questions about the company, its goals and plans. This was done to gain trust of interviewees and encourage them to give extensive answers (Bryman & Bell, 2011: 477). Then the questions were connected with Weibo and their attitude towards its strategic implementation. The questions were built mainly around the opportunities and challenges Weibo provides, their employees, surveillance, policies and competitors.

To generate reliable information for the analysis, additional questions were asked to collect detailed information about marketing strategy in the Chinese social media. Besides, body language and reactions of the interviewee were analyzed to derive the reasoning behind the answers. When constructing the interview guide, attention was paid to avoiding long questions, but during the interview some additional questions were asked to get more specific data on certain points and obtain valuable information.

In the given study, the authors engaged in face-to-face and telephone interviews that lasted 40-45 minutes. Face-to-face interviews have a distinct advantage of enabling the researcher to establish rapport with the potential participants and therefore ensure their cooperation. These interviews yield the highest response rates in survey research. They also enabled the researcher to clarify ambiguous answers and, when appropriate, seek follow-up information. (Leedy & Ormrod, 2001). Most of the representatives agreed to the interview on the assumption that their anonymity would be strictly protected. Therefore, detailed descriptions of some representatives and companies are not provided. The primary data consisted of thirteen interviews with representatives of the companies based in China. Nine telephone interviews were conducted with the companies’ representatives. Another four agreed to face-to-face interviews in their offices. Using face-to-face interviews as a method of data collection has a number of advantages: there is more scope to ask open questions since respondents do not have to write answers down, and the interviewer can pick up on non-verbal clues that indicate what is relevant to the interviewees and how they are responding to different questions (Phellas et al, 2011: 182). The telephone interviews were conducted not only owing to the geographical distance but also owing to the tight schedule of interviewees.
The biggest problem with the interviews was the lack of trust. Because of the tough competition on the market, the companies’ representatives tended to ignore some of the questions, repeat or give generalized answers, which resulted in information gaps. Some were keen on talking about their products and innovations more than about social media strategy in general and about marketing strategy on Weibo in particular. Moreover, lack of visual contact while conducting telephone interviews made it difficult to evaluate the participants’ behavior and body language.

3.5 Data Analysis

All conducted interviews were recorded, collected and aggregated in order to be translated from Chinese into English. Transcription into written form was the initial part of our work as it helped to study the information closer. Transcription involves close observation of data through repeated careful watching, which is an important first step in data analysis. This familiarity with the data and attention to what is actually there rather than what is expected can facilitate realizations or ideas, which might emerge in the process of analysis (Pope & Mays, 2000 in Bailey, 2008: 129). Therefore, interview transcription allowed making the facts more structured and relevant to the study. The data presented is organized in accordance with patterns of similarities in the respondents’ opinions in order to highlight relevant findings. The framework is aimed at providing arguments and supporting evidence.

3.6 Limitations

This research report has so far highlighted some weaknesses in reliability and validity of the results when the scale was used for current cases. This lack of information constitutes a shortcoming of the study, since secondary data was obtained via Weibo social media platform. It is possible that there were also some inaccuracies in translation. As the abductive method was used, it was not possible to fully explore issues that may have some other additional and collateral advantages and disadvantages. To obtain the information the authors interviewed those who agreed to participate in the study. The authors respected the wish of the participants to not be announced publicity. There were a limited number of interviews but they were very time-consuming. Sometimes detailed, quantitative data can be difficult to analyze and interpret. It is often complicated to draw definitive conclusions from the findings or at least generalize them to larger groups because of the small scale of the method.
3.7 Reliability and Validity

Regarding the reliability of the study, it indicates usefulness of instrument of a measurement unit and relates to the series of confirmations, both theoretical and empirical, from the research question to the conclusion (Yin in Gibbert et al, 2008: 1468). Since the primary data is based on interviews, the reliability level is impacted by translation inaccuracies and by the agreed anonymity guarantee to all representatives. Social media sphere is broad, but the business establishment in China is against revealing the corporate strategy and giving publicity to the corporate performance data, so that was a major factor in the decision to abstain from profiling information. Moreover, the authors are aware that the answers might be objective and understand that the personal thoughts and interpretation, which are subjective, are included in the analysis. It is more important to be able to exchange the prospective and experience in the field of Weibo marketing that the Western companies can benefit from external part in the future.
4. Interviews
In order to have a comprehensive vision, selected interviewees included managers, specialists or representatives from different companies which are already using or are expecting to apply Weibo strategy.

The findings of the interviews are divided into two sections. As for the theoretical structure, positive vs. negative attitudes toward Weibo strategy bring an easier following and comprehension, as the questions are designed specifically to enhance the outcome.

What is your opinion about Weibo marketing?

Answers provided by companies that already use Weibo.

Most interviewees have been using Weibo as an entertainment social media platform for nearly three years. Moreover, all of them realize that Weibo is becoming an effective marketing tool thanks to its information sharing function. All interviewees have their personal Weibo accounts and agree that Weibo is the most popular social media platform in China. They state that they read news and friends’ posts on Weibo almost every day and using a Weibo becomes a habit.

The majority indicates in one way or another that they realize the potential of this Weibo marketing and anticipate an increase in profits by maintaining this resource. What’s more, they feel the need for using Weibo since it is a very influential network in China. One says: “Any message that is shared on Weibo can be seen by millions of people in a short period of time.”

The experts are enthusiastic about Weibo since it requires less start-up capital. One participant suggests that Weibo can help to save: “In fact, if you have a computer with access to the network, then it is the minimum necessary. Besides, employees can work at home and it eliminates the expenses, the use of remote labor saves on allocations to funds. Finally, promotion on Weibo in some cases is much cheaper than a conventional advertising campaign.” The cost and scale are seen as some of the main drivers.

Answers provided by companies that are considering engaging Weibo.
Three interviewees see the point in adopting marketing strategy in due time on Weibo and in accordance with the best practices. One marketing specialist adds that targets are easier to reach via social media. Furthermore, others hold the opinion that traditional marketing methods and processes are falling into disuse and if a company wants to survive in tough competition it should keep up with the modern pace of technological development. One participant admits: “Commercial stories happen every minute in the modern business world, which means the mainstream media advertisement cannot influence customers’ purchase decision any more, therefore we see potential in Weibo marketing as long as we are able to talk directly to our customers.” This marketing specialist reveals the obstacles that company is currently facing. He acknowledges the importance of improving brand awareness of the company in China, but on Web 1.0 platform the corporate voice is too weak. That is the reason why the subsidiary wants to turn to Weibo. Moreover, there is a great demand for company’ brand community on Weibo that will help to encourage customers to share information and leave the feedback that might be sufficient for analysis. Therefore, the company is looking forward to applying Weibo marketing strategy.

The most common observation is that Weibo is free to use. This is a strong selling point which attracts not only multinationals but also small enterprises. One interviewee expresses her feelings: “I am convinced that our customers can be reached for little or no cash investments through Weibo”. The experts state that interesting, useful and important information has already been presented on Weibo, besides the potential customers add various materials on their pages that should be filtered and analyzed by companies to see if their products meet expectations of the consumers.

Did your company do any Weibo marketing research before engaging Weibo?

Answers provided by companies that already use Weibo.

Most of the companies did market research prior to launching it. Interviewees admit that the surveys were conducted two weeks prior to official Weibo launch. This process included monitoring of competitors and industry leaders, indentifying the target group and selecting the applicable marketing strategy. All acknowledge that
although the survey is necessary it does not guarantee success on Weibo. Only by trial and error method a company can reach its goal on Weibo. One marketing manager from a local company shares his experience about marketing research before launching Weibo: “The price for research was relatively acceptable as we hired a Weibo project manager. He did market research, created an account for companies, uploaded initial content, and provided us with further guidance.”

On the other hand, a digital marketing specialist says: “Even multinational companies are beginners on Weibo, as their business background is comparatively more different and complicated in China. I learnt a lot from articles about social media marketing, such as on Facebook.”

Do you plan to do any marketing research prior to launching Weibo?

Answers provided by companies that are considering engaging Weibo.

Findings of the interviews make it clear that nearly all representatives think of doing pre-surveys before launching a Weibo strategy. One businessman says: “As we are a small enterprise we cannot afford to do a profound market research on Weibo simply because our financial resources are quite limited. For this reason, we stint ourselves and are planning to hire a student who will make a brief analysis of the market register and start developing our page on Weibo.”

Those with bigger marketing budget are expecting to conduct a detailed market research where the management will get an insight into the best possible way for the company to advertise on Weibo before making any decisions.

Why did you plan to launch Weibo?

Answers provided by companies that already use Weibo.

The interview revealed that some representatives plan to launch an official Weibo because they want to follow the market trend. One businessman says: “Undeniably, we follow the trends, but I don’t think this decision is blind. Weibo’s influence on the Chinese market is obviously considerable.” However, for the majority of participants one of the main goals is to draw more loyal customers to the brand. One manager claims that their company needs to form a strong brand image. He says: ‘Certainly,
we realize that without well-developed and creative content we are unlikely to encourage users to follow the brand. Only by thinking “out of the box” a company can establish strong connections with its followers and soon it is more likely to convert into long-term brand loyalty’.

Most of the interviewees are expecting to raise brand awareness but at the same time they realize that it is a long-term goal. Furthermore, low traffic to companies’ home pages and their blogs is another reason for launching an official Weibo. One representative says: “Customers are not visiting the company’s home page purposely for the products’ information. We launched Weibo to generate more leads to our home page.” However, one manager admits that companies should primarily focus on their relationship with followers and not on the number of followers or their popularity.

Several companies identify Weibo as a good platform for recruitment process. They need it to evaluate a prospective candidate in several ways, both professional and personal. According to experience of one representative, he has been successfully tracking talented job applicants on Weibo for 5 years.

Some decided to launch the official Weibo to achieve a higher efficiency and to open marketing media. According to the feedback, “e-mail is not conducive to a timely and open communication. IM is too closed up and private, and the information there is generally not available to the general public. Most advertisements via email and IM are treated as spam and fail to approach customers successfully. On the other hand, a blog is comparatively public and is treated as many-to-many communication. But Weibo as a micro-blog can be more frequently and timely updated.”

**What benefits can bring marketing through Weibo to your company?**

*Answers provided by companies that already use Weibo.*

From the findings it is clear that nearly all participants hold the opinion that Weibo can build up brand awareness and attract more qualified leads to the official Weibo and companies’ home page. One representative acknowledges that according to the customers’ behavior research in the Chinese market, nearly 80% of target customers use Weibo to search for recommendations. He adds that the communities on Weibo
usually contain some recommendations and suggestions from other consumers. Therefore, target customers trust existing community members (customers with experience) and their comments more than in commercial advertisements. He stresses the importance of brand community that can help to attract new followers and audiences from other brand communities.

Secondly, the majority of attendees agree that Weibo can help to raise customer loyalty and attachment to the brands. “Weibo is a good tool to build customers’ loyalty as the content is attractive and up-to-date,” said a marketing manager from a magazine company. He assumes that thanks to high WOM, using Weibo is much more applicable in their sphere than placing ads in papers. One digital marketing manager expresses pride in his Weibo team and admits that the number of their official Weibo’s followers is increasing dramatically. Moreover, for the majority Weibo marketing is inseparably linked with “viral spread” since many companies have already implemented or are expecting to implement the “buzz” strategy with regard to Weibo. In the chase to raise brand awareness companies in one way or another can apply the viral strategy if it suits the image of the brand. “Unfortunately, viral marketing is unlikely to be applicable to our brand and we are not planning to use it. However, we are aware that it can provide our business with access to millions of Weibo users and boost our traffic in a short period of time. On the other hand, buzz marketing should be applied periodically. Otherwise, the company can easily lose its followers.”

Learning from monitoring competitors on Weibo is the biggest benefit, which allows the companies to be one step ahead of others. The majority of interviewees admit that they use it to monitor the market and learn a lot from their rivals and industry leaders. One digital marketing manager assumes that Weibo is a transparent platform for all the organizations and people, which allows learning and sharing of information. He says: “It is legal to monitor and track the competitors on Weibo, which is never a commercial secret. For example, we learnt a lot from looking at our main competitor and systematically measuring their business performance. We acknowledged what was wrong with their marketing campaign and were trying to avoid the same mistakes, which lead to our posts becoming much more popular.” However, one representative
mentions that for companies with limited financial resources it is hard to follow their competitors very closely since they are mainly focusing on their own accounts.

Most of the participants reveal that by means of Weibo they can gain trust of their followers, improve brand perception, remove communication barriers and introduce a B2C application. A further benefit of Weibo that attract the attention of some representatives concerns approaching experts in a very specific field. One of them says: “We need to know the opinion of professionals, and our main challenge is to attract them to our brand community. Our brand can be easily remembered by others, and it has more chances to be chosen by other followers if a real expert leaves positive feedback about it” In some cases the experts can pinpoint the main weak points and areas for the company to improve upon in the long run.

It was noted that representatives of small and medium enterprises are more likely to describe Weibo as a tool that can dramatically improve their brand awareness. On the other hand, multinational corporations rather expect to receive detailed feedback and monitor positive and negative comments than to form a required brand perception. According to the interviews, Weibo is able to assist them in gaining a better understanding of the customers’ preferences.

Answers provided by companies that are considering engaging Weibo.

Most of the interviewees identify profit increase as one of the main goals of Weibo marketing. One businessman claims that marketing through Weibo is very promising. He says: “We hope that we manage to portray our brands in the most favorable light, stressing their unique features.” Another interviewee is fascinated by the scale and opportunities offered by Weibo and says that it is hard to imagine a successful company without it.

One representative states that there are some challenges with data processing and maintenance, customer approaching and search for potential customers. He says: “Marketing departments usually apply CRM for receiving up-to-date information on market trends, analyzing customer behavior and factors influencing their purchasing decisions. Specifically, CRM helps to collect details from feedback forms, which are usually collected at exhibitions, trade fairs and after presentations. The feedback forms usually have a fixed structure and include a standard set of questions which do
not correspond to the company’s needs. Such methods are becoming obsolete. Most of the feedback obtained through such system might be unreliable and the figures included might be inaccurate. When filling in the forms, people can be pursuing their own objectives (e.g. receiving free samples and gifts) or do not really pay attention to the questions.” According to his feedback, this can result in low efficiency, uncontrolled and unstructured data flow which might be controversial. He expects that Weibo will prevent leakage of valuable information and help to reduce piles of unconfirmed facts, which might take toll on understanding the target group and the market share.

Do you face any problems with launching and maintaining official Weibo?

Answers provided by companies that already use Weibo.

Nearly all the interviewees from small and medium enterprises are facing difficulties in establishing an audience on Weibo. One general manager from a local company claims that the company’s voice is too weak to be heard on Weibo. They only had less than 300 fans in December 2013, 6 months after the Weibo’s establishment. Furthermore, most of the followers are the company’s employees and their friends. He says: “Weibo is a good choice for these famous B2C companies but not for us.” Indeed, some participants say that for small or medium enterprises it is hard to improve brand awareness on Weibo as they have limited resources. Moreover, there are some problems concerning the drop in the number of followers. Another representative claims that in some cases substantial investments are required to attract new followers and stir existing passive ones. One participant admits that Chinese consumers are less loyal to the brands in general and do not have the same deep-rooted attachment as consumers in Western countries. Indeed, companies are facing difficulties with converting Weibo users into loyal customers. One representative assumes that it is very hard to bring followers to talk about the brand on Weibo and engage in discussion. “For the reason we have to be innovative and build marketing momentum.”

Weibo has work time limitation. Managing the timetable is really important for the Weibo Marketing strategy. And the first thing that should be done is identification of customers’ habits and approximate schedule.
One businessman says: “In the beginning we planned to write posts according to the schedule. But then we found that the audience rarely responds to the posts which were written during the working hours. On the other hand, the posts which are written one hour before 9:00 a.m or one hour before going to bed (9 p.m) are likely to reach their target audience.”

According to the feedback provided by one representative, employees are quite enthusiastic about launching and maintaining Weibo, and in some department they even initiated to use Weibo as a part of marketing strategy. However, there are some problems concerning the employees, e.g. data protection. For that reason they are required to sign a confidentiality agreement, which includes their responsibilities while managing Weibo platform. One general manager say: “Employees are responsible for protecting company's image. It is compulsory! The ignorance of negative posts can ruin the company’s reputation.” Then he admits that they trust the employees and run their organization with an ethical vision. One should admit that the interviewees are generally not bothered with problems concerning the employees’ productivity. In support of this, one representative claims: “Shifting between employee account and corporate account is unlikely to take place in our company”.

On the contrary, the majority of dedicated Weibo managers spend their extracurricular time and work on weekends. For some representatives it is preferable to recruit Weibo experts that are working from home. One interviewee says: “It can be seen as a solution for our company to boost online presence with a limited advertising budget. We do not have time to update marketing activities and for that reason we recruited a social media specialist that is primary working on our Weibo page at home and once or twice a week appears in the office.”

Negative publicity is always the biggest concern on Weibo. It is obvious for the participants that the competitors are likely to hire freelancers who pretend to be the consumers of the brand and publish some negative comments on the official Weibo or their personal Weibo. One representative says: “We do not have the evidence to prove that they are competitors’ writers to discredit our brand, but it is obvious.” Another representative also admits the existence of negative publicity. She says: “Since this vicious competition is inevitable, we should ignore the competitors’ rumors and ridiculous attack, produce qualified products, interact with the followers and
maintain Weibo frequently.” New entrants treat Weibo as a main tool for penetrating Chinese market because of its relatively low cost and huge influence. The representative believes that no one wants to be eventually swallowed up or replaced in the fierce social media marketing competition which can be found in China. Some even launched the official Weibo to create brand awareness before entering the Chinese market. One representative admits: “We have 270 followers (April, 2014) and are trying to build a community that plays a substantial role in brand awareness. Albeit, it is clear that further investments in advertising, videos and attractive content are not enough and we have to put more effort.”

The findings show that regulations and censorship of information are the biggest concern among the interviewees. Any adverse impacts may ultimately affect the business. One marketing manager says: “The local government compels Weibo users to be responsible for their posts. According to new law, if a user posts something that a government considers to be a rumor, and it is re-posted more than 500 times, that user will be issued or brought to justice.”

Some interviewees hold the concern of unauthorized disclosure of information. A top manager deems that unauthorized transmission may cause huge problems, which will damage company’s image and reputation dramatically. He says: “That is the reason why we are cautious about Weibo. The employees are required to sign a contract which includes their responsibilities while managing the corporate account on Weibo before launching the Weibo strategy because any worker who damages brand reputation on Weibo will be sued and called to account.” Furthermore, three interviewees are concerned that employees may also infringe corporate privacy on Weibo. Almost everybody agrees that employees’ behavior on Weibo should be monitored and controlled to prevent the spread of some internal companies’ strategies and commercial secrets which may be revealed. “So, a confidentiality agreement must be signed before authorizing the official Weibo content writer,” said one interviewee. And only one interviewee says: “Even though human resource management should be based on mutual respect, trust and understanding, we ask our employees to sign a confidentiality agreement to obligate the employees to safeguard and respect the company’s information.”
Besides, almost all representatives mention that they are apprehensive of reckless usage of Weibo by employees such as clicking on viral links or downloading random documents. Although representatives are aware of spam which is coming from different profiles, they are confident that Sina Weibo will notify the users and prevent such spreading, thus taking the threat under control. Furthermore, the interviewees do not consider viruses to be a very widespread phenomenon. “We have never come across virus attacks on Weibo and only heard a lot about them from our employees. They are not very rife but dangers still exist for everybody,” says one representative. On the other hand, the issue of copying Weibo profiles is very serious. Several representatives mention that their competitors are adopting their smart ideas to a varying degree. One manager says: “In the beginning we planned to launch Weibo strategy because we wanted to track our competitors and the industry leader, but, at the same time, we planned to branch out to their audience and encourage them to follow our brand. Now that we have established our audience pool and won nearly 70% of the audience attention from our competitors, but the competitors are entering the market and using Weibo to track and attract our Weibo followers”. Weibo’s high efficiency and transparency bring us an advantage, which at the same time makes our commercial marketing an open secret. “As most users and netizens are free to talk on Weibo, we cannot treat their copying as an act of infringement. So, in order to withstand competition, we need to be creative and update Weibo content as frequently as possible.”

Moreover, the interviewees are worried about the loss of control over public. One manager says: “We are worried about losing control because of hackers’ attacks that might constitute a risk. They can use an account of an active follower to leave negative comments or criticize the company. And negative information usually spreads faster than the positive one.” However, one representative stands on the opposite side. For them, finding some negative news means that Weibo managers get a very straightforward feedback. He says: “We begin by contacting the person who complained about our products, to ask them what happened. If it is associated with the brand, our specialists will immediately deal with it. Therefore, a problem can be easily solved due to the timely monitoring and effective actions provided by Weibo content manager.”

Answers provided by companies that are considering engaging Weibo.
It is evident from the interviews that several companies do not even have a strategy or a good understanding of what Weibo is good for and how it can be used for the purposes of business. Two interviewees understand its necessity and only argue: “All companies are doing Weibo marketing, so why should we lag behind?” It can result in blind copying of other companies’ marketing strategy, which might result in uncertainty in business.

Time is one of the main obstacles mentioned by the interviewees. One interviewee anticipates that Weibo marketing will be very time-consuming. He says: “One year is not enough for being effective. For us it might take more than 3 years subject to constant support and daily maintenance; additional marketing investments are substantial too.”

Furthermore, most companies have the ambition to launch Weibo strategy in order to track the audience, which turns to be very resource-intensive. For example, using the related key words, the companies are searching for potential customers and invite them to follow their corporate page. “It took nearly one year and the result was no more than 1,000 fans. So we paid Sina Weibo to filter the Weibo users for us. And our internal job is to find the traffic between them and our current followers and expand our follower’s scope. So, the Weibo strategy is not totally free, a successful Weibo strategy requires investments to penetrate the market, attract the customers,” says one marketing manager.

Some interviewees are advocates of hiring professionals who are able to support the campaigns and projects on Weibo, however interviewees expect guarantees that their Weibo strategy will not fail. Interviewees assume that the experts’ salaries should be high, which in some cases is not acceptable for most SMEs due to their limited budget. Therefore they prefer to outsource professionals or even freelancers to reduce the burden placed on staff in the office. Moreover, training programs is one more big issue since the majority of employees in charge of Weibo marketing should always upgrade their skills and be aware of new trends in the digital market. **What strategy should your team follow while managing the Weibo account?**

*Answers provided by companies that already use Weibo.*
Recruitment of right people is a nagging issue for the companies. The representatives admit that not just the person with the right soft and hard skills is required, what’s more important to understand is that this person must be likely to fit the corporate culture. One interviewee admits: “We should have a unified corporate voice on Weibo that is comprehensive and unique”. However, some interviewees see it differently: they consider the importance of transparency when posting information on Weibo. They do not want their posts to be “ghostwritten”, and total transparency is an important factor as the followers in some cases want to know who facilitates discussions.

Almost all representatives highlight the ability to be helpful and polite when talking on Weibo. Other important factors include the presence of genuine interest and possession of information. It is mentioned by one manager that mass-produced responses are unlikely to be featured by content managers on Weibo as the company can easily lose the trust and authenticity. “We should learn how to listen more than talk.” Moreover, the Weibo managers should always keep in touch with top management and be ready to adjust the Weibo strategy in time.

**How does your experience differ from expectations?**

*Answers provided by companies that already use Weibo.*

At the beginning of the marketing campaign most of the companies had a too optimistic perception of Weibo. After the engagement they became more critical and demanding. One manager claims that within a year their Weibo strategy became more tailored and well-balanced. “Step by step we became more experienced, started looking at customers’ needs and listen more than talk. It has already been fruitful. Now we have about 4500 followers, 10-12% of whom are very active. Besides, the profit in our e-shop has been increased by 9 % in 3 months.”

Some interviews said that they had paid more than expected. “In order to build the traffic between our official Weibo and some industry-related websites, we paid a lot to Sina Weibo to buy a temporary advertising space on Sina Weibo’s home page. We also paid Sina for creating a hot hashtag to attract the audience’s attention. As far as I know, Sina Weibo is receiving a lot of money from businesses for filtering customers, attracting audience, creating hot topics and launching advertisement.”
Another representative considers data overload to be the main negative consequence. “At the beginning we did not take it seriously. Being very enthusiastic about capabilities of Weibo and failing to choose the right marketing strategy and framework, we are now a bit afraid of it as for us it turned into a case of information overload,” explains one representative.

Some companies decided to base their marketing strategy solely on Weibo, explaining it by risk reduction and low costs. Hence, after they admit that it was a mistake to believe in Weibo so much. “Weibo is an effective tool if it goes side by side with conventional advertising techniques, and serious business decisions should not be base only on Weibo,” claims one participant.
5. Data Analysis

5.1 WEIBO Advantages for Companies in China

5.1.1 Brand Awareness

The interviewees mentioned that by means of Weibo they could provide more qualified content and substantial investments in it are required attract the followers. The majority agrees that Weibo is a good tool to build customers’ loyalty, as long as the content is attractive and up to date. Something similar can be found in Horton (2012) statement, where he claims that social media supports companies in leveraging their content and messaging more efficiently. In the interviewees’ experience, only by thinking “out of the box” a company can manage to establish strong connections with the followers that can soon convert into the long-term brand loyalty.

It is obvious from the study that Weibo marketing has a positive impact on the brand awareness of the company. Most of the interviewees claim that brand awareness is one of the most substantial benefits that they want to increase by means of Weibo. One representative of a small enterprise emphasizes that they registered an account and applied Weibo marketing even prior to penetrating the Chinese market in order to acquire brand awareness. Therefore, a standpoint provided by Weber (2009) that the brand awareness is the most important advantage of social media, is applicable to the study. Weber (2009) names the dialogue with customers as the main tool to create strong brand awareness. This statement is confirmed by the majority of interviewees, who state that daily interaction with customers on Weibo can improve brand awareness and the company’s position. Most of them see potential in Weibo marketing as long as they have an opportunity to talk directly to their customers, encourage customers to share information and leave feedback. This also goes in line with Siuda (2013) statement saying that strong relationships are based on interaction.

Most of the interviewees are interested in improving brand awareness through Weibo. They realize that if the customers show great attachment to the brand, express their opinion, participate in discussions and activities, their goal will be reached. This can therefore fall in line with the claim by Aaker and Johansson (2010), as well as with the Red Bridge report (2008) statement, which says that when the company forms a group or a community on social network, its members are reminded of the brand with
every interaction. Feedback from the followers serves as an indicator that the consumers on Weibo favour the connections with the brands in their community. To maintain the engagement of the community, all companies try to provide attractive content, positive interaction and frequent updates. In accordance with Kokemuller (2013), some followers even develop “mind awareness” towards the some brands. Moreover, companies which have not yet established an official Weibo anticipate the need for a brand community on Weibo that will help to encourage customers to share ideas, talk and exchange information.

However, some interviewees claimed that it is hard to improve brand awareness on Weibo for SMEs; the voice is weak and even original content cannot improve the situation. One can assume that it happens partly due to their limited number of followers on Weibo. Another explanation could be that the companies are aiming at reaching high brand awareness in a short term period and are not ready to invest more in new content or in people who should be in charge of Weibo. This is in line with Shi’s (2013) statement.

Chandler’s (2013) “snow ball effect” is supported by the results of the study. Experts’ mindset about the product in brand communities can affect the purchasing intention of the followers, push them to share the feedback with their friends, thus encouraging other users to join the conversation. However, some interviewees admit that it is hard to achieve such “snowball effect” because of the great number of passive followers in the brand community. They usually act as observers and are unlikely to participate in the company’s activities. In spite of that, the participants are unanimous in their opinion that social media have created an ideal climate for businesses to boost their brand awareness online (McFarlin, 2013) and with the help of Weibo consumers can become aware of the company, which can slowly be developed into a purchase intention.

5.1.2 Lead and Traffic Generation

According to Milic (2013), social media can help to generate more qualified leads by building strong relationships, visibility and awareness. Participants agree with the concept; however those who have not established Weibo page yet realize that it is not that easy and requires efforts. This becomes apparent when they explain the difference between those who see the brand and those who are eager to interact with
the brand. Companies are facing difficulties with converting Weibo users into loyal customers. One should admit that the interviewees were unified in their opinion that leads can be generated by means of WOM. Also it is in line with the assumption made by Milic (2013) that WOM and viral spread, which urges the fans and followers to share a company’s content, is essential for lead generation. Moreover, the majority of attendees are very enthusiastic about “buzz marketing” as it can boost the traffic and attract a lot of attention in short period of time. But as one interviewee noticed, it is not focused on a long term effect and does not suit every business.

Furthermore, one participant was convinced that the company should start focusing not on numbers and popularity but on relationships with the followers. If a company ventures to build real and lasting relationships on Weibo, success will soon follow. This goes in line with Kelly (2013) who suggests that the goal of a firm is to become a trusted vendor and, all things equal, leads show a great attachment to select that company. According to the feedback, companies should pay attention to the background of employees; in particular, they should have a good expertise and firsthand information.

However, some interviewees see it differently: they consider the importance of transparency when posting information on Weibo. They do not want their posts to be “ghostwritten”, and total transparency is the main factor as the customers want to be aware who facilitates the discussion. Most of the interviewees acknowledge that Weibo can indeed improve traffic to the corporate website, which confirms the claim made by Angelova (2013) that social media channels can be major generators, constantly bringing high volume of traffic to the corporate webpage. The idea of integrating social media into corporate website as a way of converting leads into prospects is proposed by one representative too.

5.1.3 Competitor and Market Monitoring
It is obvious from the interviews that the participants do have a positive attitude toward social marketing on Weibo and, being inspired by other rivals in the industry; many participants have already started deliberating the idea of improving their brand awareness through Weibo. In accordance with Varney (2014), it can be said that the interviewees expect to monitor a variety of other activities that the competitors are undertaking on Weibo. Also in line with Windels’s (2013) statement, a company can
identify failings in their own approach by looking at their competitors’ and learning from their mistakes on social media and Zarella (2010) concept, social media allow the companies being more prepared for the future difficulties. Besides, interviewees admit that they monitor industry leaders and systematically measure the performance of their rivals, stressing that it is legal. On the other hand, they are not so enthusiastic about examples of their business ideas being copied and adopted through Weibo.

However, one representative admits that if a company is running a Weibo account and is limited in its resources, it is hard for them to monitor the competitors, and usually it ends up with focusing on their own business.

5.1.4 Customer Engagement, Loyalty, Feedback.

The majority of the interviewees highlight that customer loyalty and commitment to the brand can be reached through Weibo. The “making friends” strategy supports them in building an empowering connection with followers and can result in long-term brand loyalty. This therefore falls in line with the definition provided by Canady (2011); the rules of the new media mean less broadcasting (e.g. traditional advertisements) and more engagement. Oliver & Jang in Wang et al. (2008) argued that online brand community commitment has a positive relationship with brand loyalty. According to the feedback provided by one representative in China, the community plays a substantial role in framing the brand loyalty. The customers trust professionals who share their experiences in a brand community more than in commercial advertisements. Moreover, companies need to know the opinion of experts and to attract them to the brand community. The brand can be easily remembered by others and has more chances to be chosen by other followers if the professionals leave positive feedback about it in the community. Further, Zarella (2010) points out that the companies should listen before launching into the conversation with customers and respond only if they obtain all information. Given predicament correlates with what the representatives mention about actions on Weibo that they should listen more than talk.

According to participants’ attitudes, loyalty and commitment can be reached through generating interesting and creative content. One interviewee stresses that it is crucial to ensure that the content and activities are linked to each other. Others note that Weibo managers should do their utmost to provide attractive content on Weibo.
Therefore, Bersin’s (2014) statement which highlights that the customer who feels like the company respects them will be more likely to remain loyal to this company, is very applicable to the study. Realizing that negative information spreads faster than the positive, some representatives try to establish direct contact with the person who complains about the products. Thereby, a case can be easily solved thanks to effective actions by Weibo managers. The ignorance of negative posts can undermine brand reputation. Therefore, the companies are practicing Weibo marketing strategy on a daily basis and can provide rapid replies. The feedback received from interview correlates with the statement provided by Hendricks (2014): conversations are usually connected with complaints or recommendations, thus the company can immediately gain an insight into details and pass it to the right department.

Bersin (2014) assumes that if the company posts interesting information, customers feel more attached to the company or brand. In the experience of some of the interviewees, the content itself should not be complicated. On the contrary, the “buzz” and “viral” spread is favoured by managers. Moreover, for the majority Weibo marketing is inseparably linked with “viral spread” since many companies have already implemented or are expecting to implement the “buzz” strategy on Weibo.

Managers think that a lot of attention should be paid both to the content and the followers’ attitudes by monitoring the negative comments, tweets and feedback; since they can provide rapid and specific replies. Besides, the majority say that they conduct analysis of the customer’s attitudes on the basis of the feedback collected through Weibo. In that case, Gillin’s (2010) explanation that social media provide the opportunity to collect fast feedback from the customers might be sufficient for the study. Indeed, they are expecting that Weibo will help them to improve the system of receiving up-to-date information on market trends, analyzing customer behavior and factors influencing purchasing decisions. They want to be different from conventional feedback forms that are not relevant anymore as the information collected on Weibo might be more detailed and sufficient for analysis.

5.1.5 Optimization of Costs and Marketing Expenses
Participants have a positive attitude toward Weibo, as it is free to use. For small companies this is a substantial benefit, with one interviewee considering Weibo to have inestimable advantage as their targets can be reached for little or no cash
investments. In that case, the assumption make by Shi (2012) about the cost-efficiency of social media is more important than ever before.

This also being stated by Freeman’s (2013), Weibo marketing is relevant if the firm has a small budget for advertising. Indeed, promotion on Weibo is much cheaper than holding a conventional advertising campaign and it is important for the growth of business with smaller expenses but some SMEs are facing difficulties with boosting the online presence with a limited budget. As representatives admit, attractive campaigns on Weibo require substantial investments as the impression always comes with the price. For that reason a well-developed team consisting of creative people should be employed and treated as a good investment. In return, they expect an equal salary that for the majority of SME’s it is a big trouble.

At the same time, it is noted by interviewees that Weibo cannot serve as the sole marketing channel, on the contrary, the conventional advertising techniques should take place. Even if it was mentioned that "buzz" is a good marketing ploy on Weibo without the regular proof and investments Weibo strategy on Weibo will not work properly. Therefore, to suggest that social media leads to free exposure is wrong.

5.2 WEIBO Disadvantages for companies in China

5.2.1 People and Data

5.2.1.1 High employees’ expenses
Companies’ reasoning about Weibo is focused on role of employees that are engaged in Weibo marketing. As Shih (2011) argues, it can be relevant to invest in social media training programs to create the understanding among all employees. The companies’ strategic choice is to invest in education. On the other hand, it might become apparent when the interviewees talk about employees’ expenses and Weibo training programs that they might force the company to exceed the budget since the changes come with the price as Iannario (2014) deems. There might be some additional expenses on recruitment of experienced Weibo managers as the companies have to optimize the investments in social media (Radick, 2014). However, SMEs are trying to attract students or freelancers to reduce the labour costs. By doing this they can be more successful in optimizing the social media efforts.
Although two representatives admit that they conducted market research before launching an official Weibo and the price for it was acceptable, it is clear from the interviews that additional investments in advertising, videos and attractive content are necessary and inevitable in order to get a successful marketing strategy. With this in mind, some representatives from small and medium-size companies are not so enthusiastic about marketing on Weibo. Moreover, interviewees contemplate the need to hire a person who has expertise in Weibo marketing, realizing that it is not going to be so cheap. Training costs are also taken into account by interviewees. Principle factors stressed by all respondents are the genuine interest and possession of information by Weibo managers. This also goes in line with the claim provided by Sandilands (2013): to use social media effectively, the company needs to employ the right person with comprehensive knowledge of the medium, which it is always costly for the company.

5.2.1.2 Loss of Productivity
As noted above, the participants do not trust the employees. Nonetheless, it should be noted that productivity drops among the employees due to Weibo happen quite rarely. One interviewee reckons that Weibo managers rarely spend time on their private accounts and are usually very dedicated to the corporate Weibo page. Moreover, some managers have nothing against working online on a daily basis and are ready to work on the weekends. Therefore, the findings do not correspond to the theory proposed by Peacock that the staff are spending their work time on other websites, thus lowering productivity.

It should be noted that though Holloman (2012) argues that ‘the people should want to work there because there is mutual trust demonstrated,’ and Jonson (1995 in Gillholm 2012) stands for ‘leadership delegation and trust’ it goes strictly against the assumption. Generally, this concept goes in line with the managers’ perception that the initiative to use Weibo as a marketing channel comes from employees. Even if the interviewees say that incentives always work better than empowerment, they imply that a little bit of governance and control should go a long way. Representatives believe that they should trust their employees and they should be people of great enterprising spirit and should want to be a part of Weibo and the ongoing communication rather than be forced or required to be there. However, their attitude
does not correspond to the actual behavior. Therefore, this falls in line with the Slovic’s (2004) standpoint that most employees assess the risk of non-trust.

5.2.2.3 Unauthorized Disclosure
Polanski’s (2013) statement is highly accurate, according to the results of the study. The interviewees are worried about surveillance and information that can be gathered about them without their explicit permission. Unauthorized access to corporate Weibo profile bothers a vast majority of firms in China. Because of their nature, the use of social media networks, and Weibo in particular, might increase a company's exposure to information leakage, unauthorized transmission and use of corporate data. Most representatives are more afraid of their employees clicking on unsafe links or downloading documents contaminated by a virus. This is once again in line with the concept of cyber stalking suggested by Polanski (2013).

The majority of interviewees believe that employees are required to sign a confidentiality agreement, which includes their responsibilities while managing the corporate account on Weibo, explaining this by the fact the main goal is protection of the brand. Moreover, one representative assumes that any employee who damages the brand reputation on Weibo will be sued and will bear legal liability. Other representatives are not that strict in their statements but reckon that it is compulsory.

5.2.2 Organization, Technology and Publicity

5.2.2.1 Negative Publicity
Almost all interviewees admit that bad publicity is inevitable on Weibo, and that nobody can be protected from it. It is also generally consistent with the concept proposed by Jones (2013) and Berger (2008): even when an organization behaves responsibly, it always runs a small risk of an unexpected PR disaster and, as a result, decreases in product choice and sales. Most of the interviews prefer to work with their ongoing strategy and react immediately such as “immediately contact the person who complained about the products, to ask them what happened. If it is associated with the brand, the specialists will immediately deal with it”.

Moreover, the interviewees are worried about the loss of control over public. One manager says: “We have concerns of loss control because of hackers’ attacks that
might carry the risks. They can use accounts of active followers to leave negative comments or criticize the company’s products or services”.

And the phenomenon of “hired writers” (who spread positive content about the company online and attack competitors with negative news they hope will go viral) proposed by Chiu (2012) have not been confirmed by respondents.

The audience uses the official Weibo as a community to exchange experiences, but a malicious attack from competitors or customers with bad product-using experience can have a negative effect on the audience’s purchase decisions. One manager says: “It is difficult to control controversial information on Weibo, according to its freedom and openness. Once false and bad information reaches our current or potential customers, we will lose them easily, because they can stop following our brand without even a chance to explain and clarify.”

5.2.2.2 Virus, Worm and Spam
Interviewees claim that from time to time Weibo managers have to deal with spam that can be sent from profiles of other users. They admit that it not a big problem and they are trying to find the solutions. However, no representative confirms that they come across “fake” likes or followers on Weibo. Most of them are quite confident that Sina Weibo will do the utmost to reduce the risk of spam and virus attacks. It means that the standpoint proposed by Kosur (2013), saying that a modified version of Zeus account does a lot of harm to social media accounts, cannot be applied to Weibo.

According to representatives’ experience, virus transfer happens quite rarely since Weibo is under the surveillance of Chinese government. Therefore, Van der Merwe’s (2005) statements, as well as Stavroulakis’s & Stamp's ones, can hardly be applicable.

Besides, almost all representatives mention that they are more apprehensive of unaware usage of Weibo by employees such as clicking on viral links or downloading random documents. Although representatives are aware of spam coming from different profiles, they are confident that Sina Weibo will notify their users and prevent spreading of such information, thus taking the threat under control and reducing the damages.
5.2.2.3 Privacy Risks.
Privacy risks are a hot topic for most of the interviewees. They are strongly aware of the need for their security – and according to Wiegan (2014), even protected companies can fall victim to hackers. One participant complains that in the worst-case scenario, a profile can be attacked from an account of an active follower who had their account hacked by a third party, which means that hackers might use this account to leave negative comments or criticize the company. It is obvious that the participants are apprehensive of losing privacy data and money, not to mention engaging the followers around the company (Chi, 2011). And according to the feedback provided by one representative, nobody is protected from that. One representative mentioned hackers’ attacks among the main risks regarding data protection. However, a quick response and a well-established cooperation can help minimize the damage from such negative comments. Although it cannot erase the antagonism from Weibo page or feed, timely remedy measures will quickly improve the company’s image in the eyes of the public.

5.2.3 Overview of the Analytical Findings
The summary of analytical findings is described below. The features are presented in the left column and with each following column representing if the findings fulfill the model.

Table 2: Overview of analytical findings.

<table>
<thead>
<tr>
<th>Advantages</th>
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<tbody>
<tr>
<td>1 Brand awareness</td>
<td>yes</td>
</tr>
<tr>
<td>2 Lead and traffic generation</td>
<td>yes</td>
</tr>
<tr>
<td>3 Competitor and market monitoring</td>
<td>yes</td>
</tr>
<tr>
<td>4 Customer engagement</td>
<td>yes</td>
</tr>
<tr>
<td>5 Cost optimization</td>
<td>no</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Disadvantages</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>6 Unauthorized disclosure</td>
<td>yes</td>
</tr>
<tr>
<td>7 High employees’ expenses</td>
<td>yes</td>
</tr>
<tr>
<td>8 Loss of productivity</td>
<td>no</td>
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<tr>
<td></td>
<td>Description</td>
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</tr>
<tr>
<td>9</td>
<td>Virus, Worm and Spam</td>
</tr>
<tr>
<td>10</td>
<td>Negative publicity</td>
</tr>
<tr>
<td>11</td>
<td>Privacy risk</td>
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6. Discussion

The purpose of this study is to contribute to a better understanding of the social media by analyzing the advantages and disadvantages of Weibo for companies that are expected to launch a successful Weibo strategy in China.

The study takes its origin in the existing theoretical foundation on the subject and has identified 11 features that have been investigated. The study has found indications in favor of 8 of these (Table 2). Moreover, in the course of the interview 1 further advantage and 4 additional disadvantages appeared. These new findings (recruiting opportunities, censorship, time issue, risks concerning the foundation and legal borrowing of content) are mentioned below.

6.1 Additional Findings

6.1.3 Recruiting Opportunities

From the finding in the empirical section it is obvious that Weibo is a valuable asset, as even the Human Resources management can benefit from it. The majority of representatives assume that Weibo can simplify their recruitment process and helps to make more profound background check. Through Weibo, the companies may get access to potentially large audience. Management can easily investigate additional information and have a general idea about their prospective employees. Therefore, it might help to increase their chances of hiring the right person to turn a company around in the long run.

The new term Social Recruiting has been developed to describe the process of hiring candidates through social media channels (Arca, 2012). Job information can be placed in status updates on Weibo, which might simplify the process and reduce recruitment costs. Moreover, Weibo provides an opportunity to directly contact potential employees whose skills and education match the required position.

6.1.1 Censorship

Interviewees mention censorship when talking about the obstacles on Weibo. Some interviewees are aware that forbidden topics should be taken down immediately; otherwise the person who spreads the rumors can be penalized or, in the worst case scenario, brought to justice. This might echo the statement provided by Fitzpatrick and Recordon (2007).
Existing social networking services are centralized and the organization that provides social media service in China has the sole authority to control all the user data. There can be different mechanisms that manage to port the data from one platform to another. And finally, corporate data can be transferred to the government. Hence, some companies understand the risk connected with the data protection and privacy. And in the long run this might have an adverse effect on a number of users and therefore encourage companies to leave Weibo due to lack of trust.

6.1.2 Time Issue
Generally, the interviewees face another key issue within running Weibo. Weibo marketing can be really time-consuming and its results not as expected. For SMEs it takes more time to promote their Weibo page, attract the traffic and boost the sales. Certain conclusions can be drawn with regard to the feedback: for most of the companies one year is not enough and it usually takes one to two years, on the condition that appropriate content is provided. The importance of time was vaguely touched upon by Shi (2013): companies that spend more time on social media to interact with consumers would raise brand awareness among this generation.

Time issue is also important in the area of daily maintenance of Weibo platform. It is not enough to know the target group; one must be able to understand their habits and approximate schedule. Such insight will help to prevent posting in the wrong time of day, when the target audience are busy and have no time to check Weibo. In such case the effort of Weibo managers can be in vain as the majority of Weibo users do not tend to flip back the picture desk of Weibo.

6.1.4 Risks Concerning the Foundation
Marketing through Weibo is hard to apply to some small companies, which do not have strong connections on the market and whose products are not yet that popular. One participant admits that Chinese consumers are less loyal to the brands in general and do not have the same deep-rooted attachment as the consumers in Western countries. Indeed, companies are facing difficulties with converting Weibo users into loyal customers. One representative assumes that it is very hard to bring followers to talk about the brand on Weibo and engage in discussions. "For this reason we have to be innovative and build the marketing momentum."
Subsequently, when analyzing the disadvantages, the thesis findings show that even if the company is investing a lot in Weibo (paying to filter the users, buying temporary advertising space on Sina Weibo home page), the success is not guaranteed, and sometimes one negative comment can ruin everything. Moreover, the number of followers sometimes cannot exceed 1000 and consists predominantly from the company’s own employees and their friends. All that undermines the trust of Weibo marketing and force companies to use other marketing tools.

6.1.5 Coping and Legal Borrowing of Content
Some representatives mentioned that their competitors are adopting their smart ideas, which cannot be ignored. Such competition is doing a lot of harm, as the companies are constantly monitoring the Weibo page of others, noticing the weaknesses, best practices and implementing strategy of others. They realize that it is inevitable and nobody is protected from it, and that the companies cannot arraign their competitors.

Such phenomenon encourages companies to work harder and be more ingenious in their marketing strategy on Weibo. The importance of legal borrowing and content coping, surprisingly, is not discussed by Arca 2012.

6.2 Integration of Findings into the Revised Model

Based on the findings of the analysis and the discussion, the conceptual model presented in section 2.3 has been changed. Five main alterations took place. First of all, The Loss of productivity has been removed as the phenomenon has not been confirmed by companies. Secondly, even if the Weibo is very effective when combined with the regular marketing tools, the additional expenses that the majority has admitted are substantial. Third, it contravenes the point concerning its cost-efficiency and Cost optimization has been removed as they are considered irrelevant; the Virus, Worm and Spam has been removed as well. Fourth, Censorship, Time issue, Risks concerning the foundation and Content coping have been added in disadvantages after an empirical observation of the thesis’ results. Fifth, the Recruiting opportunities on Weibo are the strategic issue that were mentioned by some companies and should be added into the revised model.
Figure 4: Revised conceptual model (A. Ivanova & Y. Wang, 2014)
7. Conclusion

The study attempts to investigate the advantages and disadvantages of Weibo that Western companies should consider in order to pursue successful social media marketing strategy in China.

The study results in 8 features that are in favor, where advantages include: Brand awareness, Lead & traffic generation, Customer engagement& loyalty, Competitor & Market monitoring.

The disadvantages consist of Unauthorized disclosure, High employees' expenses, Privacy risk, Negative publicity. Moreover, five additional features (Censorship, Content coping, Time issue, foundation risk, Recruiting opportunities) emerge from the discussion.

The advantages and disadvantages have been summarized in the revised conceptual model (Figure 4) which correlates with the aim of the study.
8. Further Research
The study contained interviews with a small group of 13 companies’ representatives and review of Weibo platform, making the results difficult to analyze. Some cultural values were hard to bring into the picture since the participants were not motivated to talk openly. After completing the study it was evident that the ROI and Public relations as the advantages of Weibo are not researched. It might be relevant to compare marketing on Weibo with the marketing on Tweeter. Furthermore, an investigation regarding mobile marketing that has recently become extremely popular in China could be taken into consideration as well.
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Appendix A
All the interviews are translated from Chinese into English.

INTERVIEW GUIDE – Companies without Weibo strategy

- Do you know target group and current digital marketing situation?
- What is your opinion about Weibo marketing?
  o (Why?)
  o Do you think Weibo is performing better than other marketing channel?
- Are planning to do the market research prior to launching Weibo?
  o Is it going to be expensive or not?
- What are your expectations toward marketing strategy on Weibo?
- What are the pros and cons of Weibo from your point of view?
  o (Why?)
  o Are you prepared for them?
  o How do you expect do deal with cons?
- Do you think that Weibo can improve the brand awareness and generate more leads?
- Have your competitors already implemented Weibo strategy?
  o Have you already evaluated and monitored their outcomes?
- What strategy should your team follow while managing the Weibo account?
  o Are you planning to hire professions or engage the employees of freelancers?
INTERVIEW GUIDE – Companies with Weibo strategy

- Do you know target group and current digital marketing situation?
- What is your opinion about Weibo marketing?
  - (Why?)
  - Do you think Weibo is performing better than other marketing channel?
  - Do you think it is controlled by government?
- Why do you choose marketing strategy on Weibo?
- Did you do any marketing research prior to launching Weibo
  - Who was in charge for it?
  - Are you satisfied with the outcome?
- What are the challenges and opportunities Weibo bring to the organization?
- How you maintain Weibo tweets and contents?
- What is your goal on and have you approached it?
- What strategy should your team follow while managing the Weibo account?
  - Are you planning to hire professions or engage the employees of freelancers?
  - What’s the employees’ role and responsibilities for Weibo strategy?
  - How do they cooperate?
- Do you face any problems with launching and maintaining official Weibo?
- What benefits can bring marketing through Weibo to your company?
  - Do you have any method to control and prevent the risks?
- Do you think that Weibo can improve the brand awareness, generate more leads or costs optimization?
  - (How?)
  - (Why?)
- Have your competitors already applied Weibo strategy?
  - Have you evaluated and monitored their outcomes?
- How does your experience differ from expectations?