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Social Media Marketing

What role can social media play as a marketing tool?

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Abstract

The purpose of this research is to *analyze and explore how companies could use social media to promote themselves and improve their business to consumer relationship, this in order to develop a general set of recommendations.*

To fulfill the purpose we have used a qualitative research method with a field study approach. By studying both social media and marketing theories and combining these with interviews of social media consultants, we have managed to compile a set of recommendations for corporate social media usage. As a complement, we have observed some companies that use social media in order to document and analyze how they use it, primarily to expand our own understanding.

Recommendations for social media usage

1. Formulate goals for what you want to accomplish with your social media usage.
2. Develop a strategy how to reach your goals.
 1. Start with traditional marketing/communication strategies, that may already be present. Use traditional marketing theories like the five P's.
 2. Develop a set of guidelines for social media usage.
3. Choose which social media you are going to use. The choice should be based on your goals, strategy and target demographic.
 1. Twitter is quick, blogs are powerful, Facebook is mainstream.
 2. Blogs are probably the easiest to start with, due to less usage constrictions.
 3. Have a purpose with every service that you use.
4. Keywords to have in mind when using social media.
 1. Commitment and continuity, do not neglect the community for long periods of time.
 2. Transparency, do not be afraid to loose absolute control
 3. Authority to speak
 4. Quality of content
5. Use informal and personal behavior. Do not try to push anything towards your followers/fans but act as a brand builder.
6. Do not forget: it's not rocket science, mostly just common sense!

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1 Introduction

This first chapter is an introduction to the research main subject with a background and a problem description, followed by its purpose and research questions. At the end we will go through some key definitions for words used in this research.

1.1 Background

If we choose to see Internet as a single invention, it would probably be one of the greatest inventions of all time. It has developed from a small university network into a versatile worldwide communication tool. Today, we can do our shopping, read and listen to the latest news, pay our bills, socialize with our friends and even stream movies and TV-shows using the web.

In the beginning Internet was primarily a static place, but with the introduction of web 2.0 it all changed. The web became more flexible and the content increasingly user-generated. We can now interact with one another and therefore, Internet has become a social medium.

As humans, we have always engaged in social networks. They can be formed around our family, friendships, religious beliefs, social status and more. Social media is any kind of information we share with our social network using social networking websites or services. Examples are blogs, forums, photos, audio, profiles and status updates (Eley & Tilley, 2009 p. 78).

Social media allows people with no special knowledge to post and share content with the world instantly. In the last few years social networking has become increasingly popular with hundreds of millions of users worldwide. Current big portals for social media sharing are Facebook, Twitter and YouTube (Eley & Tilley, 2009 p. 78).

These new web sites are not only useful for keeping in touch with friends and family, it is a new powerful marketing place. A place where the customers set the rules and word of mouth makes or breaks the product. With social media, marketing is a two way communication, rather than the one way communication used in traditional marketing (Eley & Tilley, 2009 p. 79).

While these social networks may have started up as the typical geek hangout, just like the Internet did in the 90s, it has now become mainstream. Everyone, from college students to business people to celebrities to politicians has embraced this new channel (Eley & Tilley, 2009 p. 79). Social media is even thought to have played a major role in helping the US President Barack Obama win the election in 2008 (News Blaze, 2009).

1.2 Problem Formulation

Social media is an unexplored area and a current buzzword, both for companies and in the academic world. Many companies are not sure how to improve their business by using social media, neither for external nor internal purposes. Social media is already huge amongst private persons. For example, Facebook now has over 300 million active users world wide

(Facebook, 2009b). Some companies are aware of these new channels and want to find new potential customers and relations by using them.

There are a few companies that are successfully using social media. Google use a rumor/hype strategy to market their new Wave-service, currently still in pre-beta. People can only access the service if you manage to obtain an invitation. According to Ståhl (2009) there has been invitations for sale on Ebay at prices going up to US \$200, which just makes them more coveted. Another company that uses social media is Spotify, for example they use Twitter and their own blog to inform people about special events and when the music library has been updated.

Today, 54 percent of the companies in the *Fortune 100* list compiled by the American stock-exchange, uses Twitter. Furthermore, almost 30 percent uses blogs and/or Facebook. In Sweden social media is not that popular, but at least 130 companies, probably more, uses Twitter as a strategy tool (Leijonhufvud, 2009).

There is a lot of services and tools on the web that can be useful when working with social media, but how to know which ones suit a particular company the best? Should the company use them all or just a few? Gothenburg Book Fair is one of these companies that are now trying social media for marketing. They are interested in having a guideline for social media usage. Also, they want to investigate and measure the potential benefits from using social media with customers.

1.3 Purpose

Analyze and explore how companies could use social media to promote themselves and improve their business to consumer relationship, this in order to develop a general set of recommendations.

1.3.1 Research Questions

As we said, social media is a new area in the academic world. Not many researches or papers have been published on the subject. Therefore, we have chosen to focus on one main question and four sub questions, that we intend to give an answer to at the end of this research.

Main question:

What kind of benefits could companies achieve from using social media?

Sub questions:

- How to measure social media benefits?
- How to coordinate the use of social media with business?
- How to spread social media usage through an organization?
- How has social media changed the relationship between customers and companies?

1.4 Definitions

API – *Application Programming Interface* is a ruleset of how a certain software can communicate with another software, this to take advantage of existing features.

Consumer and Customer – *Consumer* is everyone in the target demographic. *Customer* is anyone who have consumed one of your products or services.

#Hashtag – With a *hashtag* users can categorize, or tag, their tweet (originally from Twitter). This is useful when trying to reach people that are looking for a certain kind of information. This could be used for example when twittering about a TV show, #American-Idol, or when participating in a seminar, #TED. To create a hashtag just put a # before the tag, like #tag, and it transforms into a link.

Internet and the Web – It is common to think that *Internet* and *the Web* are two synonyms meaning the same thing, but in this research they have different meanings. Internet is a technical approach and the web built around the http language, and is what you generally find in your internet browser.

Mashup – When combining content and/or features from two, or more, web services, the result is called a *mashup*.

ReTweet (RT) – This unction is used to share messages that someone else has tweeted (originally from Twitter), users simply re-post (*retweet*) the same information. A typical RT look something like this: “RT @username: The original tweet”.

Tweet – A message that is limited to 140 characters, and is called a *tweet* (originating from the service Twitter). It can also be described as a post, message or an update. The reason that it is limited to 140 characters was initially to make it compatible with text messaging from a cellphone.

URL – *Uniform Resource Locator* is the term that transforms the IP-address pointing to a website into characters, to make it easier to remember.

2 Theoretical Framework

The second chapter contains the theoretical framework of this research. Structured after the purpose, starting with web 2.0 and social media, and ends with marketing related theory. In the end there is a summary of this chapter.

The chosen order is structured to accommodate our purpose, starting with social media related theories and ending with marketing related theories. This to keep a logical flow and starting with the probably least commonly known subject in this research.

We will explain social media, how it works and additionally explain some social media services on a basic level, primarily to create a basic understanding for the subject. In business, it is important to be able to measure the result from different actions, to see what really brings revenue to the organization. We, therefore, also deal with how social media could and should be measured.

The last part of the purpose of this research focuses on how to promote a brand and improve relations. This is why we also include traditional marketing in our theory, focusing at relation marketing.

In the theoretical framework, we do not explain exactly how a company should use each service, more how they work on a general level and what should be kept in mind when using them. Nor do we promote any special software (like Twitter-clients or analyzing tools), which one is suitable depends on your situation and intentions.

2.1 Web 2.0

In the mid 1990's, The Internet started to become quite common amongst private persons (Comer, 2007, p. 19). Back then it was built around static pages with hardly any interactivity, mostly due to the limited bandwidth available at the time. In 2004, Tim O'Reilly discussed the concept of web 2.0, as development of the web (O'Reilly, 2005). Warr (2008, p. 591-592) explains O'Reilly's (2005) definition of web 2.0 with eight core patterns:

1. Harnessing collective intelligence

There is an enormous amount of information on the web, with web 2.0 it is easy to find and use it. The number one method for finding information on the web is using search engines. Social services (like blogging, social bookmarking and collaborating tools) play a big role in how different pages rank in search results.

2. Data as the next "Intel Inside"

There are a lot of different services with different functionality on the web today, many of them can harness each others benefits (like databases or APIs). For example you may use an ISBN registry when building an library service, or use PayPal's functionality when building an e-business.

3. Innovation in assembly

With web 2.0 it is easier to combine two, or more, different services and mash them into a new one, a so called mash up. This is an easy and cost effective way to make new services (see the 8th point).

4. Rich user experiences

Web pages become more user friendly because of new web programming techniques, like XHTML, CSS, XML and JavaScript. These techniques has made it possible to create web services that is as powerful as computer-based programs.

5. Software above the level of a single device

When using a web service, it does not matter what platform the user is on. The service is installed on a server, not on the client. Therefore, the user can use Windows, Mac OS, Linux or any operating system that suits them the best.

6. Perpetual beta

A web service does not have the same type of release cycle as a computer-based program where the user needs to pay for every new major version. Usually, web services does not leave the development phase and therefore the functionality always improves. A majority of the web services are completely free to use.

7. Leveraging the long tail

By understanding and mastering web 2.0 it is possible to reach out to all users. *“The Web 2.0 lesson: leverage customer-self service algorithmic data management to reach out to the entire web, to the edges and not just the center, to the long tail and not just the head”*.

8. Lightweight software and business models and cost effective scalability

Web 2.0 has opened up for new business models that do not require as advanced techniques or as much resources. Since there are already many services out there with good functionality, it is not always necessary to develop everything from scratch on your own.

Tepper (2003, p. 22) means that the interactivity and collaboration possibilities are the primary advantages of web 2.0. User can now interact much easier with each other, and create collaborative documents on the web. For example, a multiple-author internal blog can serve a number of purposes; a living document of processes, a knowledge container and shorter decision cycles with comments and discussions.

A well known web 2.0 service, with collaboratively created content, is the free encyclopedia: Wikipedia.

2.2 Social media

Social media, or social software, have been developed through web 2.0. Social media is any content that forms our social networks on Internet. Social media includes a large number of tools used for online communication, such as instant messaging, text chat, forums, social bookmarking, wikis, blogs and social network services (Warr, 2008, p. 593, Eley & Tilley, 2009).

Carlsson (2009, p. 93-98) mentions some success factors for social media usage. However, she points out that commitment is the most important one, the company needs dedicated people. Social media is not only about the web and technology, but also tactical and strategic communication. It is vital that there is more than only one person representing the company on social medias, otherwise there is a risk that it is the users opinion, and not the companies, that is being communicated. And if this “super-user” quits, the company is in trouble. Bark (2009) explains five important steps you should keep in mind when using social media:

Before entering the social media jungle, the companies need to know what they want to achieve, and what they do not want to achieve. Therefore a **strategy** is needed regarding how to produce social media content.

There are a lot of social media **tools** that can be used, the company must decide which one suits their goals the best. A blog is often the easiest tool to begin with, and to set a solid strategy for how to use.

One of the most important things when using social media is the **attitude**. The target will accept that your content is not always top notch as long as you are social, talk to people and behave in a nice manner. As long as you add value to conversations, and listen more than you talk, your target audience will be happy.

If you are not active and do not **participate** in discussions, it is no reason to create accounts on social media services. There is however still a lot of qualitative information out there that can be to your advantage.

You create goodwill through listening and helping others, after that it is time for **action** and harvest the return from the invested capital. Remember that you use social media for your own sake, to get something back.

Even though this research primarily focuses on three services (blogs, Facebook and Twitter) we want to clarify that social media is much more than that. Kim, Jeong and Lee (2009, p. 216) define *social web sites* as:

“Those web sites that make it possible for people to form online communities, and share user-created contents.”

Kim et al. (2009, p. 228) argue, amongst other things, that social media could be used for marketing. By using qualified employees to manage their social media presence, and deal with both positive and negative feedback, real benefits could be achieved. Though, they also mention that if the social media usage is not done correctly, it can backfire.

According to Eley & Tilley (2009, p. 85) it is very important to follow four steps when you first start using social media and these are Listen, Join, Participate and Create. These steps are very important, and that you do them in the correct order.

Listening is the most important step. People online are frequently mentioning and commenting on your company, all you have to do is listen. This will be valuable even if you do not participate yourself in the discussion. Instead of doing expensive surveys, focus groups or other experiments, the best information is often right there for free. You will find out what your customers think of you, what they want, what their problems and frustrations are about. You will get an inside scoop on what is actually important to your target demographic (Eley & Tilley, 2009, p. 86).

Once you understand the community, what it is about, it is time to **join** a social network. Many networks require that you have an account to participate in the discussions. It is always better to have an account even if you are not required to, claim your brand or company name to gain credibility. Join communities where you are most likely to find your customers. If you start out with listening, you will know where your customers are. Facebook, MySpace, LinkedIn, YouTube, Flickr, Delicious, Digg and Twitter are big networks which should be on your radar (Eley & Tilley, 2009, p. 87).

Then it is time to **participate** in the community. Participating include replying and posting on online forums and blogs, reviewing products and services and bookmarking sites that you like. By participating you will build your online brand. People will start to respect you as a valuable contributor to the community. When respected, others will help to promote you without even being asked to do so. Have experienced and very active users in the community as role models. Remember that it is never okay to spam (Eley & Tilley, 2009, p. 88).

Finally it is time to **create**. When you have built yourself an online brand by listening, joining and participating it is time to create your own content. You will now have an audience to share it with and they will help spreading your content. You have to create value, ads are not generally seen as valuable. Posting “buy my stuff” on twitter will fail to achieve the result you want, and you may even be banned. By making beneficial contributions to the community, people will notice and want to know more about your company. If you have listened properly, you should have a solid idea of the kind of content people would like to see (Eley & Tilley, 2009, p. 89).

2.2.1 Blogs

The development of blogs began in the mid 90’s when people started doing online diaries and journals. In the beginning these pages were created manually. Over time, as blogging became more popular, new content management tools were developed, which meant more functionality and that people no longer needed any special skills to be able to blog (Cass, 2007 p. 4).

Blogs can be described as websites that are presented in form of a journal, blog authors can write blog posts that appear in sequential order. Blog posts are archived and can be accessed through navigation on the front page. A content management system enables authors to

write and publish quickly. Others can easily interact and converse with the blog author utilizing tools such as comments, RSS, trackbacks, and social network bookmarking. Interaction is the key to build a successful blog (Cass, 2007 p. 4).

Compared to personal blogging, the growth of corporate blogging has been slow, especially among non-technological companies. A corporate blog is published by a company or one of its employees and focuses on the company and its industry (Cass, 2007 p. 4).

Corporate blogging is a great way to improve your customer service. Through the blog you can let customers submit questions and you can answer them. You can publish product updates and how-to articles. Customers will see your blog as commitment to good customer service (Gehi, 2006).

Blogs usually have a good content-management system, making it easy for visitors to find the information they want. A well written, regularly updated blog can become a reliable resource in your industry, to build up a following of loyal readers and potential customers (Gehi, 2006).

Consumers today share their experience and opinions about product, and greatly influence others in the decision of buying. Hence, it is very important to monitor and be involved in those channels, and to respond if necessary. Blogs also provide opportunity for product feedback and building positive consumer relations (Cass, 2007 p. 8).

When determining if the company should start a blog, usually you want to look at how big the blogging community in your targeted audience is. A big community means a lot of opportunities. However, a small community might consist of highly influential people that you might only reach through blogging (Cass, 2007 p. 22).

Outreach to other blogs means that you have the opportunity to converse with a wide number of blogs in the blogging community, whose audience is exactly the audience the company wants to reach. Similar to how companies build positive media relations, you now have to build positive blogger relations. These relations will depend on credible and personal posts that enhance the authority of the blogger. The most important part in blogging relations is where a blogger receives attention without pitching for it (Cass, 2007 p. 41).

Blogs are a great tool to drive traffic to your website as well as promoting your products or services. Through advertisement a good blog can even provide an extra revenue stream (Gehi, 2006).

2.2.2 How to use blogs successfully

To succeed with blogging you need to have great content. Content should be interesting and relevant to your target market. Good blog content could be: articles, product updates, interviews, and personal insight into topics (Gehi, 2006).

Further, you need to update your blog regularly. If you post often people will come back for more. Regularly adding fresh content will also give you a boost in search engine rankings (Gehi, 2006). To be amongst the first hits in a search engine is much more effective than pay per click advertising (Cass, 2007 p. 50).

A blog is no place for formality and corporate speak. It is more similar to a forum where ideas flourish and current interest can be debated. Further, it is not very important to be a great writer, you just need to give your audience good content (Gehi, 2006). Blogging is about informal conversations, building relations and creating goodwill that establishes credibility. To discuss every side of an argument gives you credibility, to interrupt and grab for attention lessens your credibility. You should therefore aim to not interrupt other bloggers (Cass, 2007 p. 41).

It is also of great importance to provide fair and comprehensive information. You should test the accuracy of the information you post to maintain credibility. The corporate blogger should strive for thoroughness and honesty and be aware of other people's integrity. You should correct mistakes made in the past and make sure the views presented on the blog represent those of the company (Cass, 2007 p. 59).

2.2.3 Microblogs

Microblogs is a "tool that combines the elements of blogging with instant messaging and social networking" (Mayfield, 2008, p. 27). With these short messages, usually limited to 140 characters, you can do quick updates, even on the run, and share them with everyone else.

The most popular microblog service is Twitter. Although, worth mentioning is also Jaiku and the Swedish service called Bloggy. In April, 2009, there were 14 million Twitter accounts (Web User, 2009). There are more than 75 000 Swedish accounts according to Cheng, Evans and Singh (2009). These numbers are still increasing both internationally and in Sweden and according to Bloomberg News (2009). Twitter now has over 60 million accounts world wide (November 2009).

Many other social media networking services are now incorporating microblog type features into their service, such as Facebook and LinkedIn with their status update function (Eley & Tilley p.82, 2009).

The primary advantage of microblogs is the simplicity of it, you have your own feed where you see your updates and the updates from people you are following. Anyone can choose to follow your updates.

Microblogs are a great way to promote online businesses, blogs, products and services. With microblogs you can build relationships and get customers to trust you (Mcivior 2009). Microblogs are a tool that let you connect and network with others in your industry. It gives you instant access to what is being said about your organization, people, products and brand. (Jantsch 2009).

2.2.4 How to use microblogs successfully

To get the most out of microblogs you should tweet good content at least three to four times a day. One of the most valuable services you can provide is to be a filter for the information overload that your customers are feeling. If you do this consistently your follower count will grow. To find material, follow people who usually find great stuff, subscribe to blogs that feature links and reviews, scan the news and use services such as Delicious and

SmartBriefs. All these sources feature material that your customers probably want to read (Jantsch 2009).

You should also engage and join conversations where it is appropriate. You can offer answers and come with suggestions. Many microbloggers use the service to ask questions when looking for help. When you do this you will demonstrate knowledge, expertise and willingness to help. Although, you shouldn't let this take up too much of your time, but in this way you can build yourself a reputation around topics that matter to your customers and your business objectives. Use tools so that you can easily scan conversations (Jantsch 2009). You can market your product by sending replies. If anyone asks a question that you can answer, send a reply (Mcivor 2009).

Because you use microblogs to promote your business it is important to be professional. You should promote friendly and healthy conversations, but not combine too much pleasure with the business (Mcivor 2009).

Another way of building a network and a bigger follower counts is to retweet other people's tweets. This is a very standard practice on microblogs but should not be overdone. You retweet for two purposes; if you are following people who tweet what you find interesting you are doing your followers a favor by sharing that information, in addition you are also acknowledging the person you are retweeting (Jantsch 2009). By following other they might return the favor and start following you (Mcivor 2009).

You can use the advanced search tool to create very elaborate searches that filter out only those tweets that are relevant to your specific industry or geographic location. It is also good to use the hashtag feature to promote events. This helps to connect like-minded people who attend your event. It is a good idea to use 3rd party software to manage your searches (Jantsch 2009).

You should make it easy for other people to retweet and follow you. While microblogs allows 140 characters, if you aim for 120, people will be able to retweet and add a bit of commentary. Add a link on the websites to urge people to follow you. Add your @name to business cards and invoices (Jantsch 2009).

2.2.5 Social networks

“Social networks on the web are like contained versions of the sprawling blog network. People joining a social network usually create a profile and then build a network by connecting to friends and contacts in the network, or by inviting real-world contacts and friends to join the social network” (Mayfield, 2008, p. 14). In Sweden, two of the four most visited websites are social networks, Facebook (second place) and YouTube (forth place) (Alexa, 2009).

Most social networks work in the same way, but they have different niches. LinkedIn is a business-related network that could be used as a CV and YouTube is a video-network, where people can comment, rate and subscribe to videos.

According to Facebook (2009b), the biggest social network at the moment, they have over 300 million active users (users who have returned to the website in the last 30 days). Ac-

According to Checkfacebook (2009) there are over 316 millions Facebook accounts around the world, and almost 2.9 million Swedish accounts where half of the users are between 18-34 years old (the data is measured the third of November, 2009).

Facebook is built up by a lot of different features (Facebook, 2009a), below the essential ones (for this research) are explained.

Profiles. This contains information about a user. You can see the users friends, photos, contact details and so on. Maybe the most important part is the *wall* that shows the users own updates but also his friends' message to him.

Pages. Is about the same as Profiles, but instead intended for local business, brands, musicians, actors and similar. Regular users can become a fan of the page and interact with it in a similar way as any other user.

Groups. When people share interests, activities or similar, they can create a group around that topic. The creator decides if the groups should be open for everyone, or just for some specific people. Groups have kind of the same look as profiles/pages but not the same features, which we describe below.

News Feed. This is what the users see when they first log in on Facebook. It is like the wall that we mentioned earlier but contains messages and activities from all the friends that the user follow. An essential part is that it even contains content from pages that the user is a fan of, but not content from groups.

2.2.6 How to use social networks successfully

When approaching a social network it is vital to be creative. To be successful you need to add value to the interactions and use the naturally viral nature of the community instead of forcing your message through. Standard banners on websites have a very low click through rate (Dickman, 2007). On social networks you have to converse with people before selling them anything, traditional ad campaigns and promotions should not be forced on to potential customers immediately (Social Media Optimization, 2007).

Companies should talk and behave like their target audience, and the social network members in general, and not like a typical advertiser (Social Media Optimization 2007). When using a social network, the tone and manner of your language should be friendly and more personal than on a traditional websites or brochures. You do not want to come off as too uptight. Social networks is all about building a community around you and your products, promoting sharing and discussion (Brown, 2009).

You have to use the social network regularly, it is important to fully understand the context and pay attention to what is being said amongst your community, and the targeted audience, before jumping in (Social Media Optimization, 2007).

2.3 Transparency in business

Conversations in social media are available to everyone to observe or participate in. This leads to both good and bad effects. More openness does not necessarily lead to good feedback and information about the company, but all available knowledge is valuable within a market analysis (Landelius & Lundgren, 2009, p. 40).

Stakston (2009) claims that transparency is one of the most complicated aspects of social media. Or in fact, transparency is an aspect of all communication, and communication is the essential part of social media. It is often discussed as two extremes, total openness or total confidentiality. It is important to discuss who you are as a person and what your company represents and then a level of transparency will grow.

Jardenberg (2008) explains the basics of transparency:

There are very few original ideas, we do not have to keep our thoughts to a secret. Instead we have everything to gain to get inputs from as many as possible and then we have to be open with our thoughts.

Everyone knows who have coffee with whom. After all, it is a small world and it is not hard to figure out who is talking to whom, about what or why. To believe something else you would only fool yourself.

It is in the execution the difference lies. What separates winners from losers is not so much “think” as it is “do”. The one that implement what people wants fastest and best wins.

Companies could much likely see transparency as a threat, but the truth is that it is more about safeness. Transparency creates the trust and speed that is required for social media usage. (Stakston, 2009).

Transparency is often associated with a particular concern; How open should we be? What if our competitors are following us? Can we reveal product news in advance? What if someone steal our ideas? How transparent the company should be differs, of course, but it is important to declare what kind of information they want to share and to create an internal understanding and coherence about it (Carlsson, 2009, p. 106). You do not have to be afraid that your competitors will steal your products, today it is easy to copy everything. Instead you should focus on your brand, people should want your original product instead of copies (Linde, 2009).

Reese (2008) points out that transparency is the future of all business, mostly because it will solve the trust issue. Business increase through good relations and this requires trust, to earn trust you have to be transparent. Reese even compares transparency with an unique selling point.

The earnings with being transparent is that it makes better business. Customers like brands with a personality. Social media and transparency increases and improves dialogues, and dialogues are important especially in times of crisis. Today it is not as easy to hide mistakes and bad things as before (Lidne, 2009).

2.4 How to measure social media

“Half the money I spend on advertising is wasted; the trouble is I don't know which half” - John Wanamaker (Landelius & Lundgren, 2009, p. 7)

Actually, this is an overall problem for marketing, the question is if marketing through the web and social media will make it easier or more difficult to see which promotion efforts that leads to a positive return of investment (ROI).

Measurability within social media is not about the classic financial value but focus on relations and human behavior, which are not quantifiable. Social media increases trust, which takes long time to build but can disappear in a few seconds (Landelius & Lundgren, 2009, p. 41).

The truth is that social media usage does not cost anything more than the time it takes to be active with it. However, you should be prepared for that it takes a lot of time and effort to see any results from investments in social media (Carlsson, 2009, p. 91-92). Carlsson mentions some variables that can be measured:

- Unique visitors
- Total visits
- Page views, video views, etc.
- Comments
- Number of followers, fans, subscribers, etc.
- Other sites and blogs that link to you
- Keywords and phrases in search engines
- How many who write about the company's blog, the industry, a certain type of products or specific words
- Notifications to subscriptions, seminars, courses, events etc.
- Users of different services of functions, such as a widget
- Number of new orders, customer inquiries, appointments etc.
- Sales/turnover

Weber (2009, p. 118) has compiled a table called: Success Metrics When Marketing to the Social Web:

Influence on the Media	Influence on Your Target Audience	Influence on Your Business
Visits/views	Sentiment of reviews, comments	Sales inquiries
Unique visitors	Brand affinity	New business
Page viewed	Commenter authority, influence	Customer satisfaction, loyalty
Volume of reviews, comments	Time spent	Marketing efficiency
Navigation paths	Favorites, friends, fans	Risk reduction

Links	Viral forwards	
Files embedded	Number of downloads	
	Opinions expressed	
	Membership	
How compiled:	How compiled:	How compiled:
Free Tools: Google Analytics, Site Meter, Technorati, Yahoo!	Social media platform metrics	Surveys
Search Management	Social Media analysis tools	Market mix modeling

2.4.1 Tangible and Intangible value

Relationships are a form of organizational capital that provides value for the organization, the view that relationships are an enabler for resource exchange is well supported by relationship literature (Baxter & Matear, 2004, p. 492).

The value from relationships has both tangible and intangible aspects, both of which should be developed and managed carefully. Marketing managers need to be aware of this dimension in order to be able to manage and argue for them effectively (Baxter & Matear, 2004, p. 492).

Hrastinski (2008, p. 1758) points out that messages could be measured both qualitatively and quantitatively. To translate his thoughts into measuring social media the quantitative includes the number of comments while the qualitative is more about who has written the comment and in which kind of setting.

Baxter and Matear (2004, p. 494) lists six resource parameters. Two of these can be considered tangible, *financial* and *physical* resources. The other four (*human*, *organizational*, *relational* and *informational*) resources are intangible. Baxter and Matear divides these parameters into two categories, human intangible values and structural intangible values, which in turn affect *future financial performance*.

(Baxter & Matear, 2004, p. 495)

2.4.2 Return of Engagement

ROI is frequently used to measure managerial effectiveness within companies (Armstrong & Kotler, 2006, p. MM3). The ROI formula:

$$ROI = \frac{(\text{Gain from Investment} - \text{Cost of Investment})}{\text{Cost of Investment}}$$

ROI could be applied to social media. For example, how to measure the sales of a specific product has changed since the company became active with social media promotions. Although, social media is primarily about the human interactivity and not something that is traditionally defined or measured with numbers (Nüüd, 2009).

“The problem with trying to determine ROI for social media is you are trying to put numeric quantities around human interactions and conversations, which are not quantifiable.” (Falls, 2008)

Nüüd (2009) defines a new term for measuring social media usage: return of engagement (ROE). It will not measure the economic numbers, as ROI, but the customers engagement for the company on the web, for example, the amount of comments, questions and everything else that enriches the dialog. Dosh Dosh (2008) sums up four goals and benefits for social media usage:

Increased brand awareness. When interacting with others within social media channels the company builds awareness for its brand and increase its visibility. Also, social networking will drive traffic to the company website.

Improved reputation. When a company is active at many social media networks and services the opportunity to respond to feedback and answering questions increases. If they do this right, the company reputation will improve.

Personal development. A big part of networking is observing, by following the right people the company knowledge will improve. It can give an insight in how the market and trends looks from a customers point of view.

Relationships with benefits. This goal has some similarities with an improved reputation. Social media build beneficial relationships, such as links and recommendations. Though, it is important to offer something back, like interacting with the customers.

ROE can be used to measure the company's social profit, the dialog that in the end will increase the company's economic profit, the ROI. Better ROE can be stretched towards better ROI, and can be used to predict the company's future (Nüüd, 2009).

2.5 Relation marketing

There are different kinds of marketing, Kirby & Marsden (2006 p. xvii) lists:

- **Mass media advertising** is the promotion of a company or its product and services through paid persuasive messages from an identified sponsor through a media with a large audience, like news papers, magazines, movies, radio, television and the web.
- **Viral marketing** is the promotion of a company or its product and services by a persuasive message that is designed to spread, normally online, from person to person.
- **Word of mouth marketing** and **Buzz marketing** is the promotion of a company or its product and services through initiatives designed to get people and media talking positively about the company and its products and services.

Industry leaders say that traditional marketing campaigns, based on mass media advertising, are not working anymore. Only 18% of the television advertising campaigns generates a positive return. Every dollar invested in traditional advertising, the return of investment is only 54 cents. At the same time, the cost of TV advertising has risen 256% in the past decade. Studies have also shown that only 14 % of the people trust advertised information (Kirby & Marsden, 2006 p. xvii).

According to Marketingcharts (2008) 62% of marketers say TV advertising has become less effective, 87% say they intend to spend more money on web advertising. Using free media, like word of mouth, drastically reduce media costs when communicating marketing messages. Three of four consumers refer to word of mouth as their primary influence when deciding on a purchase. Word of mouth is 10 times more effective than TV or print advertising (Kirby & Marsden, 2006 p. xvii).

The quality of your product is now more important than ever, to successfully harness viral and buzz marketing the quality of your product needs to exceed the customers' expectations. Creating positive conversational contexts with positive opinions about your product will lead to boost in sales (Kirby & Marsden, 2006 p. 2).

It has been discovered that most people (90%) tend to follow so called opinion leaders (10%). The leaders can be experts or journalists in the field, but also regular customers. They can be defined as target buyers who often give advice to their peers, the opinion leaders are "word of mouth hubs". A good deal of time should be invested in finding ways of identifying them and finding ways of winning them over. Opinion leaders are category specific; opinion leaders in technology items might not be as influential in cooking tools (Kirby & Marsden, 2006 p. 2).

2.5.1 Buzz Marketing

Buzz marketing is an attempt to harness, define and formalize what people have done forever - talk to one another. The power of word of mouth has now been acknowledged by marketers everywhere and they are figuring out new ways to initiate it. There are two types of buzz marketing: live peer to peer marketing and live performer to peer marketing (Kirby & Marsden, 2006, p. 24).

Live peer to peer is when ordinary people become brand ambassadors, and spread word of mouth about a particular product, brand or service. This is based on people's willingness to talk about something and help others. Live performer to peer marketing is when some kind of performer takes the role of brand ambassador. Often placed in environments where the target demographic is found. It is highly controlled, regulated, targeted and measurable (Kirby & Marsden, 2006, p. 24).

There are three tiers in buzz marketing. The first is the consumer's direct contact with the campaign. The second is word of mouth, when consumers tell other consumers about their experience. The third level, the widest, is media exposure. With media exposure the marketer has very little control over the message. However, brands often benefit greatly from press coverage that springs from buzz marketing campaigns (Kirby & Marsden, 2006 p. 24).

Word of mouth is a term in marketing for “spreading rumors” and may be one of the most effective marketing techniques. This is primarily because consumers rely more on informal and personal communication sources when purchase decisions are made than on traditional marketing. When a person likes a product it is not unusual that he or she recommend it to a friend, and this is how word of mouth works (Bansal & Voyer, 2000, p. 166).

2.5.2 Viral Marketing

Jurvetson (2000) defines viral marketing as a “network-enhanced word of mouth”. It was first used 1997 to promote the e-mail service Hotmail. The service grew from zero to 12 million users in 18 months. Bonello (2006, p. 38) has a similar definition and defines it as “a piece of content so good that people want to pass it on”. This means that a company exposes its brand on the web to get consumers to voluntarily spread its message further.

Viral marketing consists of creating contagious advertising messages or material that is meant to get passed from peer to peer in order to increase brand awareness. The difference between word of mouth and viral marketing is that; in viral marketing it is not views and opinions on the actual product that gets passed along, rather a creative agent or messages that represent the brand. This is useful if the product itself does not generate a “wow” feeling. Viral marketing can become more strategic when it not only raises brand awareness, but also generates responses like brochure requests or website visits (Kirby & Marsden, 2006 p 87).

Today there is information everywhere: packaging, billboards, branded clothes, sounds, food samples, TV ads, popup ads, and the list goes on. Hence, we have learned to tune out and ignore what we do not want to see or hear. With new technology it has become easier to skip ads we do not want to see, such as video recorders and pop-up blockers. Consumers are also much more involved and are controlling their input; thanks to the rise of digital media we can all participate in communication at a global level. It has become harder to reach and engage with marketing-shy audiences. That is where viral marketing comes in, rather than focusing on top down, marketer to consumer techniques; it is a user-driven process. The success is relying upon the campaign’s ability to connect and inspire the consumers to engage and interact with the advertising material (Kirby & Marsden, 2006 p. 87).

There are three key factors that will increase the likelihood of a successful viral marketing campaign (Kirkby & Marsden, 2006, p. 87):

- Specialist strategic planning to ensure that viral marketing is used to deliver tangible, measurable, ongoing brand benefits.
- Appropriate “wow” factor material that users want to seek out, talk about and pass on of their own freewill.
- Appropriate specialist seeding of the buzz story, to put the viral agent where it is best suited to spread and be seen as positive.

Albinsson, Lörnell and Zetterlund (2009, p. 38-39) expands the list with a few success factors for a viral campaign (focusing on the web):

- A campaign on the web must **stand out** to get the customers attention, and should include customer participation.
- It is important to have a good campaign **idea**, without a good idea it does not matter what marketing channel that is used. Also, the idea must be timely, which mean that the marketers must have a good understanding of the environment and do a lot of research before the campaign.
- **Content** is king. Without an interesting content the company will not have the customers participation. Though, it is important not to push the content to customers, the customers should be willingly to participate.
- It requires experience, feeling and knowledge to **find the right marketing channels**. Campaigns must take place where the audience is.
- To achieve maximum diffusion of a message a company could **create ambassadors**, and let them try the product before everybody else. These people should have a strong position in social networks and be the ones that “regular” people listens to, like an opinion leader.
- When campaigning on the web the company must **accept a looser control** and let the brand circulate freely. It is a risk, but necessary to be successful with a viral campaign.
- To succeed with a viral campaign the marketers must **find incitements** that motivate the consumer to participate and to spread the message to others.

It is no news that a satisfied customer is the best ambassador for the company and its products. A customer's network could be huge and thanks to social media rumors are spread fast as lightning. Though, negative criticism is spread as quickly as positive which means that you must respect the dissatisfied customers (Carlsson, 2009, p. 39).

2.6 Traditional marketing precepts

Below you will find two different marketing precepts, the five P's and the five W's of marketing.

2.6.1 The Five P's of marketing

The success of a product or service depends on the recognition by the marketer that the five P's of marketing play an essential role. What the five P's stand for is different depending on who you ask. The five P's stand for *Product, Price, Place, Public Relations and Positioning* (Hoyle, 2002).

It is important to really know your **product** before you start marketing it. For example regarding events, it is important to know the history. If something has a long history, it will be a value in itself. For example, the 50th annual event proclaims success for the organization, and the pride that goes with it. However, the 1st annual event will not have any his-

tory, but can be portrayed as an opportunity to be a part of history in the making (Hoyle, 2002 p. 12).

Further, it is essential to know the value of the product, what will the customer be able to win from the product or service like increasing productivity or maximizing profits. You need to determine your target audience's needs and be able to describe how your product or service will fulfill those. It is also vital to communicate what makes your product unique. Why should someone invest time and money in your products instead of other options that may fulfill the same needs? (Hoyle, 2002 p. 12).

Further, it is important to know the **pricing**, demand and competition for the product or service, what are the financial goals of the company? Also, broader aspects, such as the economic situation in the world, are important to take into account. Some products are made to make a profit, some to break even, and some to lose money, but make the organization gain in other aspects. You also have to know your target demographic ability to pay (Hoyle, 2002 p. 12).

The **place** where the product or service is found influences not only the number of customers, but also the setting and character for the product or service. Different locations have different pros and cons. For example, a luxurious resort, the location should be emphasized. On the other hand, a seminar taking place at an airport might not have the most attractive location, but it is very convenient for the attendee to get there. This aspect has to be considered early on in the planning stages (Hoyle, 2002 p. 12).

Public Relations are a big part in advertising. The goal is to establish a positive perception of your organization and its products. When feeding news sources with information, the style of your message should reflect a news style rather than an advertising tone. It is an ongoing activity that never stops. To make sporadic public relation efforts only when needed might look bad and can be damaging for the organization's image (Hoyle, 2002 p. 12).

To be effective the marketer should seize every opportunity to show the product in positive contexts. You must show that you care what people say about you, and your message to the public has to be carefully crafted to represent your product in the right manner (Hoyle, 2002 p. 12).

To put a definitive value and results on your public relations might be problematic. The Public Relations Society of America estimates that, in a newspaper, the value of editorial coverage is three times greater than purchased advertisement, if it has the same size (Hoyle, 2002 p. 12).

A good marketing plan will often determine if the product or service is a success or a failure, and the key for a successful marketing plan is **positioning**. Positioning means to determine and evaluate the customer's needs that your event can fulfill. You have to determine; what is the competition? How can our product be different from other products? What should our niche be? What are the customers willing to pay? What qualities do we have that make us unique? Further, to establish yourself in this position through different marketing efforts (Hoyle, 2002 p. 12).

2.6.2 The Five W's of marketing

The five W's is used to determine if the marketing plan is feasible, viable and sustainable. It stands for: *Why? Who? When? Where? What?* Hoyle stresses the importance to always consider the five W's, regardless of marketing strategy, it should form the apex of all promotional messages (Hoyle, 2002 p. 33).

Why should anyone take their time and money on your product or service. This should generally always be answered in the opening segment in promotional materials. To do this the marketing team must determine the overriding reason for your product or service to exist, then addressed in hard-hitting and second person terms to those being sold the idea of buying the product or service. A simple, "buy ice cream" won't suffice (Hoyle, 2002 p. 33).

For **whom** is the product or service designed? Depending on the type of product, your target audience may vary. It is essential to research the audience that the product or service may attract to be able to market it in the right manner (Hoyle, 2002 p. 33).

When the product or service is marketed is important, this to maximize its effectiveness and reach the target audience. What marketing patterns should you use to secure that people don't forget about or miss your product? (Hoyle, 2002 p. 33).

Where the product or service is located, similar to place in the five P's, is important to take into account. The location of the product or service influences the aspects you might want to emphasize in your advertisement (Hoyle, 2002 p. 33).

What is special with the product or service, the marketers should stress why just your product or service is important. Regardless of the content, the product should be portrayed as refreshing and exciting (Hoyle, 2002 p. 33).

2.7 Theoretical summary

The web has developed through time and we are now using web 2.0, soon moving into web 3.0. The web has become social and made it easier to communicate. Social media marketing is a new way of promote products, instead of a one-way channel you talk and discuss with consumers, in order to achieve relations and word of mouth marketing. The services often focused on today are blogs, Facebook and Twitter, even though there are a lot more useful services.

The underlying aspects of IT and Internet are technical, but the usage is not. Social media is not even about which tools you use. Social media is about communication, attitude, honesty, participation and relations.

When using social media as a marketing tool, you get the ability to talk with your customers. If you talk friendly and generously to customers and consumers, at the same level you appear to be more human than a traditional company. This will improve your customer relations and maybe give you free marketing, through word of mouth.

Like every marketing campaign, social media is quite difficult to measure. Often you want to measure the revenue, in money, but social media is really just about communication. How much is a dialogue worth? Intangible values must be measured differently than tan-

gibles. Maybe it is not measurable, or maybe it is. When measuring social media you should focus on the activity and the engagement, the return of engagement.

Even if social media marketing is not like traditional marketing, some theories can be applied. You still need a plan, a strategy, how to communicate. The five P's of marketing (Product, Price, Place, Public Relations and Position) is one example that could be applied.

3 Method

This chapter describes the chosen research method and the approach of the study. We motivate our use of our empirics, interviews and field studies, and discuss our choice of method to increase the validity and reliability.

3.1 Qualitative Research Method

Both qualitative and quantitative research methods have their advantages and disadvantages, which one that suites best depends on the problem formulation. A quantitative research method measures data while a qualitative research method wants to increase the understanding of data (Jacobsen, 2000/2002, p. 137-150; Starrin & Svensson, 1994, p. 19-21). Scientists who use the qualitative method study things in their natural environment and try to make the observed phenomena understandable (Ryen, 2004, p. 14). As we have said before, social media is a new area and therefore it is favorable to use an in depth research approach with a qualitative focus. We hope that it will give us a better understanding of how social media could and should be used.

Traditionally, the quantitative research method uses a deductive approach while the qualitative research method uses an inductive approach. This since you need to know what kind of data you want to collect and which questions you should ask before you initiate a quantitative survey. Within a qualitative research you can be more open-minded and let the questions grow during the work process. (Jacobsen, 2000/2002, p. 42-46).

However, Jacobsen (2000/2002, p. 43) mentions that the approach could be more open than just strict deductive or strict inductive. We decided to first settle on appropriate theoretical framework that we find needed to go through with our empirical study, the empirical study will contain interviews and observations. When we had our empirical framework we added some additional theories which will be useful in our analysis.

3.2 Approach of the Study

To collect our empiric data, we used a field study approach including interviews and observations. Hopefully, these two will give us a good foundation to create a best practice on how to use social media. The observations would hopefully show us how companies have already used social media with successful and unsuccessful results.

Svensson and Starrin (1996, p. 93) mention some characteristics for field studies and we have used some of these. For example the data collecting might generate surprising discoveries and is therefore open and accommodating. The researcher is the most important data collecting tool and therefore it requires flexibility and openness. They also mention that field studies overall is a multi-method approach, it is necessary to collect empirics with at least one more method.

The purpose of this research has been developed in cooperation with Gothenburg Book Fair. They need guidelines of how to use social media for successfully marketing. The research questions consists of both our own questions and speculations, but also what the so-

cial media consultants we have talked with thought was needed to be researched. For companies, one of the most important things to understand is what and how things give them benefits, and eventually profit. Therefore, it is important to know the desirable result and how to measure the degree of which this is successful.

This is why we have chosen a qualitative research approach with interviews and observations. Jacobsen (2000/2002, p. 145-146) means that this is the correct approach if the purpose and the research questions is of this nature, since it can bring clarity and understanding to a previously non-researched area, like social media.

3.2.1 Selection

With a qualitative research there are a few different types of selections, the choice depends on the kind of data that should be collected. According to Jacobsen (2000/2002, p. 198-200) it is possible to simply choose the respondents that have knowledge about the information that the researcher wants. This kind of selection is not always easy, because the researcher has to know how good source of information the respondents are before the interviews.

To find respondents for our interviews we have searched through the web with keywords like *social media*, *social media strategies* and *social media consultants*, in both English and Swedish. Companies for our observations have been found partly through scanning the web with the same keyword as for the interviews, and partly through recommendations from our respondents.

Also, both of us uses both the web and social media on a regular basis. We had a lot of experience before this research that have been useful. We knew who have a lot of useful knowledge and work with social media, it was quite easy to find relevant respondents. We asked seven people with equivalent knowledge for our interviews, this to have enough respondents if someone declined. We did not get an answer back from two of them and one declined due to lack of time, even so we do believe that we received a sufficient amount of empirical data.

Potential respondents for our interviews could have been anyone that uses any social media service. Due to our purpose of understanding social media we narrowed the potential selection down to people who work with social media in a daily basis. "Work with social media" is a quite wide ranged population, therefore we chose people who educate in social media usage, focusing on the marketing aspect. The choice to only use Swedish respondents facilitate the communication between us. All this are "in line" with Jacobsen's (2000/2002) recommendations to choose respondents that have relevant knowledge for a research. Our respondents are:

- **Håkan Aludd** – Working as an art director at Sunny Side Up, who cooperates with Gothenburg Book Fair and their "social media project". He is for instance committed in their Facebook and Twitter pages.
- **Carl-Johan Magnusson** – Working as a trend spotter and communication strategist at an advertising agency, specialized in social media. He is also the initiator of Social Media Club Gothenburg.

- **Sofia Mirjamsdotter** – Working with social media in full-time with blogging, lectures, consulting and courses for companies. She has a background as a journalist, this profession is the primary target for her lectures.
- **Niclas Strandh** – Very active web user since 1995. Have trained people and companies in social media for two years and is today working as a social media strategist and creative planner, dedicated to digital public relations and integrated marketing.

The observation companies have been chosen with a similar approach, both from our respondents' suggestions och from our own experience. Potential observation companies could have been every company that appear on the web, but we wanted those who are using social media not just the web. Actually, because the observations is not playing a big role in this research the choice is not that important. If we made a new selection, out of the blue, we probably would have get similar results. The final selection ended with three smaller Swedish companies and one bigger international company, all from which our respondents recommended.

- **Gothenburg Book Fair** (Appendix 3)
- **Binero** (Appendix 4)
- **Saltå Kvarn** (Appendix 5)
- **H&M** (Appendix 6)

3.2.2 Interviews

While quantitative interviews are mostly built up by predetermined questions with specific answers available, qualitative interviews are characterized by a low level of pre-structuring. This opens up for more spontaneous discussion, reflection, and deep understanding. Qualitative research deals with the subject interpreting in a natural way (Ryen, 2004, p. 14-15).

Our primary communication tool with our respondents was e-mail. Jacobsen (2000/2002, p. 161-163) says that a distance interview is more anonymous, which might be preferable in some situations, the interviewer effect reduces. Jacobsen continues and says that although it makes it easier to analyze, a structured interview do not give the respondent the opportunity to share everything he might want to. The interviewer might miss some important information. Therefore it is important that we ask neutral and open questions. In an interview via e-mail the questions are quite similar to the questions used in a quantitative research. According to Svensson and Starrin (1996, p. 53-54) a qualitative research has fewer predetermined questions than a quantitative research. We have used semi-structured interviews and tried to keep the questions (appendix 1) as open as possible and without the possibility to answer with just a *yes* or *no*. If it would have been necessary we could have sent some additional questions to our respondents, but we did not. Svensson and Starrin (1996, p. 73) say that recurring interviews are preferable to increasing the quality of the data.

We will not reveal who of our respondents that said what, therefore they will just be named *Respondent 1*, *Respondent 2* and so on. This because it is not important who said what, we have not interviewed them for the persons they are, but rather according to their function

(unlike with our observations where the kind of business could influence the outcome). Of course, who said what is saved, but just not shown in the research.

Of course, we will inform our respondent of the research purpose and delimitation, otherwise their answers could still be valuable but useless for this particular research. We will also ask them to tell about their relation to social media, to get a better understanding of who they are, and if they want to take part of the final results.

3.2.3 Observations

We wanted to study social media usage among some Swedish companies (with both national and international business) that we intend to include in our research. We observed how they use social media web services like blogs, Facebook and Twitter. These observations are planned to be a complement to our theory and interviews, and not to play a critical role of this research.

Jacobsen (2000/2002, p. 180-185) discusses how to decide which type of observation method to use. For example, the researcher needs to decide between open or secret and participating or non-participating observation. The observation approach is favorable when searching for how it really works, rather than a certain persons opinion of how it work. People closely involved with something have a tendency to be overly positive about it. Our cases, our observations, will be secret and non-participating. To use such cases will be a good complement to our interviews, because they are more objective.

Basically we only observed how the companies uses social media, from an outside perspective using keywords from our theoretical framework and the interviews that helped us found and categorized relevant information. It will probably be a lot of differences between the information we reveal in our appendices, but the keywords will help us stay on track and focus on the same type of information. In appendix 2 you can see the template that we followed during the observations and the results you will find in appendices 3-6.

3.2.4 Secondary data

If many researchers come to the same conclusion, it naturally strengthens the validity of the conclusion. When collecting information from other researches it is important to distinguish between the researchers' opinions and the research results, but also to pay attention to how they have accomplished the results (Jacobsen, 2000/2002, p. 185-189).

As we said before, social media is a new area and therefore there is not a lot of theoretical researches to look at. It is not hard to find blog posts, or similar, regarding social media, but these often lack in source criticism and are not trustworthy in an academic research. Although, we have used them for inspiration and suggestions for more academic theories, but also to illuminate some new social media thoughts.

We thought that it was necessary to describe not only the functionality of some social media services, but also what kind of benefits and advantages they can bring. We have combined the social media theories with more traditional marketing theories to fulfill the purpose of this research.

3.2.5 Analysis

An analysis of qualitative data normally contains three steps: a rough description, systematization and categorization of the existing data to select the most important parts and at last, combining planning, collecting of data and analysis (Jacobsen, 2000/2002, p. 216-217). The last step is characteristic for a qualitative research and is very advantageous. It means that when you have collected and analyzed the data the researcher can if necessary collect and analyze once again. This, to increase the relevance and accuracy of the research. Ryen (2004, p. 107) claims that it is necessary to put the empiric data into categories to even make it possible to analyze. It is possible to categorize every statement from the respondent into categories.

In the empirical framework we will summarize our interviews, to find similarities and differences. If the answers are homogeneous we can conclude that it is “the experts’ way of social media usage”, but if they differ a lot we have to analyze why this is so and compare with the theoretical framework and the observations. Also, we will use the different theories to strengthen the respondents’ answers, maybe it can lead to the beginning of a new theory.

The analysis will be structured by our research questions area, to finally find an answer to them. Hopefully, these will lead us to a conclusion and a set of recommendations.

3.3 Stakeholders

As we said before, social media is a quite new academic subject. This research can be seen as an introduction to *social media* and *social media marketing*. Perhaps it may be something to build upon in future studies, in order to develop a complete theory.

This research will probably be most useful to companies who have begun to think about social media. It will give them examples of how to use different services, what kind of benefits they can achieve and some starting recommendations.

3.4 Method discussion

We will interview only consultants and experts in the social media area. We assume that they will be overly positive to the usage of social media, since it is their job to sell it. We are aware of this, but we still think that the interviews will be an essential part of this research. The respondents have valuable knowledge of social media that can help us understand how to use social media successfully.

Using both the English and the Swedish language during the process of this research can implicate some problems when translating, certain terms can have different meanings depending on the language. Most of the theory we used is written in English, but our empiric data will mostly be in Swedish and then translated into English. With this in mind, we have to be careful when translating between the languages, not to diffuse the original meaning.

When collecting empiric data, at least two parameters must be weighed against each other; digging deeply after information versus the risk of affecting the respondents’ answers. An unwritten rule says that the deeper you dig the more you affect the respondent (Jacobsen, 2000/2002, p. 36-37). When interviewing someone through e-mail the risk of affecting the

answers decreases, but it is not possible to ask supplementary questions. We do not want to affect the respondents' answers, but in those cases we want to ask follow-up questions and will send them another e-mail. Although, with more resources and time we may have preferred face to face interviews.

There are probably better ways to select the respondents, maybe social media consultants who actually have been involved with the companies that we will observe to get a better insight or people who have written academic researches and/or papers. We will ask our respondents what kind of relation and how they work with social media. This will probably increase their credibility and show that they are good respondents for this research.

There is a rule of thumb saying that the deeper the research is, the less general the result becomes. Though, a qualitative research does not often have the purpose of being generalizable, a qualitative purpose is to understand and deepen into a phenomena. This could mean that the strength of qualitative methods is to develop more general theories (Jacobsen, 2000/2002, p. 93-94 & 266). To adapt this to our research, it means that our results are going to be quite delimited but could probably be used easily by a wide range of people/companies.

Obviously both of us are quite familiar and interested in the web and social media, otherwise we should not have made this research. Though, Johan is more experienced with mainstream services and Edvard with niched ones. Our experience brings both advantages and disadvantages to the research. We had some ideas what we should be searching for and where. There are two major disadvantages with our experience. First, we may miss information we did not already knew about. Our interviews have helped us to find theories that we missed from the start. Second, our positive experience will make our analysis overly positive, like our respondents, but since our primary research question is about benefits this is not a problem. If we would have made a more critical reviewed research we would probably have had to choose a different method approach.

3.4.1 Validity

Starrin and Svensson (1994, p. 177-186) mention some criteria for good validity: the discourse criterion (the strength of the research's statements and arguments), heuristic value (the result should be new thinking), empirical base (the result should somehow be based in reality), texture (all parts should be a part of a whole) and the pragmatic criterion (the result must somehow add value).

We think that this research reaches an acceptable validity. The purpose is to explore how social media can be used as a marketing tool, and why to use it. Our conclusions will be based on both different theories and our interviews, if it is not proved by both of these it will not become a conclusion but a hypothesis (and a proposal to future studies).

Possible benefits of social media usage are to be found in this research, primarily in the analysis. To even begin to think about social media usage, benefits are a crucial thing for companies. Without any benefits the media is of no use, therefore you need to know how to measure the benefits. That is why this research is overly positive to social media usage.

Though, once again, social media is a new subject. There is no complete theory for this subject, there is no right or wrong answers yet, but all parts in this research could together become a start of a new theory.

3.4.2 Reliability

Ryen (2004, p. 137) mentions that some qualitative researchers argue that reliability, and even validity, only concern the quantitative research where difference between the natural science and the social science does not matter. If there is not a reality out there that every researcher have agreed on, it is impossible for a research to bring knowledge to it. Instead, the researcher must show that he/she is aware of the consequences of the chosen method.

The empiric framework consists of opinions from social media consultants and similar, these will probably be overly enthusiastic to social media usage. Since our purpose do not focus on the difference between disadvantages and advantages, as we said before, we do not see this as a problem.

The most non-academic in this research are the observations. They have been more important for our understanding than for this research, therefore we have chosen to put them into appendix. We may refer to them in our analysis, but not as a crucial references.

An acceptable reliability requires a clear accounting of how the research was conducted, which we think this method-section gives.

4 Empirical Framework

This empirical-section consists of two parts: interviews (which you find here) and observations (which you find in appendix 3-6). We have shortened and summarized the interviews below, and in the end you will find a brief keyword comparison.

4.1 Interviews

Our respondents' answers are summarized below and categorized by our research questions. In part "3.2.1 Selection" you will find a presentation of our respondents are.

4.1.1 Respondent 1

1. What kind of benefits could companies achieve from using social media?

Faster response and the possibility of having dialogues that include both positive and negative criticism.

2. How to measure social media benefits?

The benefits from social media should be measured, the difficulty lies with how it should be done. The measurements should focus on activity and customer satisfaction. Activity will be measured quite easily and will result in, for example, the number of unique visitors and the number of comments. Customer satisfaction will have to be measured with some type of dialogue.

3. How to coordinate the use of social media with business?

There is no "must have" service that you have to adopt, it all depends on your company, how big the marketing budget is and what goals you have. Although, you should always choose quality before quantity when choosing a service. If you use more than one service you could use them as complements to each other.

There is no direct answer, whether to use informal or formal behavior when using social media, but you should act like a human and adapt to the situation. Of course there should be no doubt that the sender represents the company.

Social media is not just a buzz, the names of the services might change, but the basic idea will stay the same.

4. How to spread social media usage through an organization?

There is no clear answer to who within the company should be the social media user. It depends on what kind of goals you have, and what budget you have. It is primarily about common sense and knowing what you want to achieve with your social media efforts.

5. How has social media changed the relationship between customers and companies?

It is now possible for companies and customers to have dialogues at the same conditions and being on the same level.

4.1.2 Respondent 2

1. What kind of benefits could companies achieve from using social media?

A dissatisfied customer does not necessarily contact the company in question, it is more common that he or she talks to friends. Companies that are using social media know this and could find and meet the customer at an early stage on customer's home ground, for example Facebook, and hopefully turn the dissatisfaction to an advantage. The company does not only have a chance to compensate the customer for the dissatisfaction, but also a chance to show other users the good will of the company, since the discussion is public others will inevitably see it.

Companies that think that every dissatisfied customer will contact the company about this is in trouble. If the company instead find and contact these unsatisfied customers it may reduce the outrage and turn it into better brand reputation. This will create an important relation between the company and the customer. This kind of relations will give you returning customers, despite massive marketing campaigns from competitor brands.

2. How to measure social media benefits?

Social media is difficult to measure, especially ROI, this, because it is not possible to measure the actual benefits from each customer relation. The benefits should be measured qualitatively by asking the customers that have a social media relationship with the company, such as Hans Kullin's researches *Bloggsverige*.

Possible questions could be how the customers experienced the interaction, if it results in changes in attitudes about the brand or if it lead to a purchase and so on.

3. How to coordinate the use of social media with business?

The key is to be located where your current and potential customers are located. There must be an explicit strategy for how and why you use a certain service. There is no given service that a you must use, it depends on what target demographic you have. If you use more than one service, you should put more effort in to the service where most of your customers are. The strength of social media is the possibility to maintain good relations with current customers, which in turn will help you getting new customers.

A company has the opportunity to form their social media usage to fit them. They have the chance to act informally and talk to customers at their level, but the company should still act professionally to be taken seriously.

There are some companies that use social media to become more transparent and improve the dialogues with customers. If you use social media as a regular one-way marketing channel, it is of no use. You have to listen to what the customers are talking about. In Sweden, it is often preferable to use FaceBook, since it has the most users. Twitter is not that common in Sweden, however, if your target demographic consist of communicators, informants, web people and marketers, twitter would be a suitable option.

Companies can use several accounts at the same service, but each for different purposes, as long as there are no doubts about who the sender is. A company should not try to act like a regular private person without any connection to the company, or in other words: lying

about who they are. Generally, even if there are more than one sender, the company should only use one account (but the senders could use their own signature).

Once again, social media is not necessarily something for every company. The main rule is always: Make sure you are present at the same place as your customers. Is this place online? If so, great! Is it in the local grocery store? Do something there instead.

4. How to spread social media usage through an organization?

There are no rules of whom within the company that should be the social media user, it depends on what kind of message you want to send out. Generally, everybody who has something to tell the customers could be the sender and everybody who needs to know the customers opinions should be able to take part of the discussions.

Social media is all about common sense. You should even keep in mind that:

- Everything that is written on the web is likely to stay there forever, so think twice about what you publish.
- The company guidelines for social media usage should be in line with the regular communication guidelines.
- You should not act as a salesman, but as a brand builder.
- You should be as helpful as possible, but do not do anything that is contrary to your own brand.

5. How has social media changed the relationship between customers and companies?

Humans have always been social, it is in our nature to comment, recommend and alert each other. Social media is not something new, ever since The Internet becomes common we have been able to communicate with each other over it, but with the introduction of web 2.0, the internet started to revolve even more around the way we communicate. Dialogues became more public.

In the late 1990s and early 2000s, when communities first started to pop up and engage masses of young people, private discussions became increasingly more public. When Facebook became common, it was easier than ever before to spread messages and organize around both satisfaction and dissatisfaction.

Before, companies have always known that it does not matter that much if they loose some dissatisfied customers, as long as they manage to find new ones. Companies have been able to control their brand and reputation by controlling much of the information, and customers had to abide by it. With social media, the brand reputation is more in the hands of the customers.

4.1.3 Respondent 3

1. What kind of benefits could companies achieve from using social media?

Heavy social media users appreciate companies that use social media. This means that if you, as a company, are not active at social media networks you will not be able to reach these customers but of course it depends on what kind of business you run.

2. How to measure social media benefits?

How to measure social media is difficult, and maybe not even possible. We do not know what we really want and what should be measured.

3. How to coordinate the use of social media with business?

The number one service to use today is Facebook, there are no doubts about it. The second place is a tie, depending of what kind of business you have, between YouTube, Twitter, blogs and a self created interactive website with connections to the rest of the web. This can change very quickly though, but Facebook seems to remain on the throne for a while.

Which one of these that should be your first choice depends, once again, on what kind of business you have, and your target demographic group. The ideal is always to be where your customers are. You can use different style of language towards customers, the key is to be personal. Some customers expect a more formal behavior from you while others may prefer more informal behavior, therefore it is important to be responsive to the customers and adapt to the situation.

Social media is not necessarily something for every company, but if you jump on the band wagon it is important to be committed and consistent in your usage. Monitor your brand at as many services as possible, which is vital for brand coverage.

4. How to spread social media usage through an organization?

It depends, once again, on your business. Most important is that the sender has enough "power" to meet the customers' requirements without having to ask his or her boss for permission. Social media is fast and so should also the conversations be. The corporate social media user should always answer the questions asked without any wiggling.

It is quite difficult to set up general set of guidelines for how to use social media, without knowing the company business and goals. Although, companies should always be honest and open towards their customers to be trusted.

5. How has social media changed the relationship between customers and companies?

Today the customers have become more demanding. The web has given them power, and whether you like it or not the customers will talk about the company and your products. Also, there are no regular working hours anymore, the customers demand that the companies shall be reachable both day and night.

Customers have also, in a new way, become company ambassadors, which are often much more efficient than expensive commercials in traditional media.

4.1.4 Respondent 4

1. What kind of benefits could companies achieve from using social media?

Today, social media is a new phenomenon, especially in Sweden. Therefore it is important to jump on the band wagon, because, in the near future everyone will use social media.

2. How to measure social media benefits?

The benefits of social media usage should not be measured with quantitative methods but by parameters focusing on quality. Social media affects the company both internally (increases employees knowledge and their feeling to be involved) and externally (short-term: increased attention, and long-term: increased knowledge about the brand). All marketing is about selling, which should be the main focus of the measurements.

Everything can be measured, the company must therefore decide what is the most important. It is possible to measure attention (ROA), engagement (ROE) and revenue (ROI). When measuring ROI it is important not to forget the internal revenue.

It is important to monitor your brand and focus on reaching milestones. Social media is a long-term and continuous work. If the measurements do not meet the expectations you should reconsider and modify your social media presence, not end it. There is no single tool for measuring all social media, so you need to set up a bouquet of measuring instruments, for example Google Analytics and Woopra.

3. How to coordinate the use of social media with business?

There are no services that you must use. Choose the one you find most likely to find your target demographic at. It is not possible to recommend any specific service because these can change and become uninteresting very rapidly. You should create a digital footprint as wide as possible, but there is no reason to use a service without any chance of influencing your target demographic. Create a presence that is as valid, relevant and effective as your resources allow you to.

You should choose service after:

- Your target demographic (Twitter is more of a niche than Facebook).
- The service structure and logic (Facebook is a forum and Twitter is a real-time media and you should adapt to this).
- Your budget (to reach as big audience as possible maybe Facebook is to prefer).

It is quite unusual that consumers follow a brand at more than one social media service, therefore, you could post the same messages at different services. Although, social media is about a personal and informal behavior, so it might not always be a good idea. However, posting the same message on different service enables your message to reach a bigger audience.

It does not matter if you have one or many accounts at one service as long it is clear that they belong to the company. Some services (such as Facebook) have rules for company usage that prevent more than one account per company. Although, to additionally commu-

nicate from private accounts enhances the brand credibility, as long as you do not try to hide that it is a company message.

Social media is built upon web 2.0. Now, you do not have a choice to take part in it or not, consumers will talk about you regardless. Therefore, you should use different search services to find these discussions. Even though, if decided that social media is not for you, you should know why and set up a strategy for how to handle its consequences.

When promoting an event via social media the name does not matter, the crucial part is to keep the activity and community thriving between the events. By continuously updating with new information you will, in a way, extend the past event by revitalizing memories and create anticipation for the next event.

4. How to spread social media usage through an organization?

There is no general answer to who, within the company, should be the social media user, it depends on your purpose. For example, the marketers should remain in the background and act as educators and strategists, not as information spreaders.

A social media policy should contain items similar to any other communication policies:

- What are we allowed to talk about, and what are we not allowed to talk about?
- What do we do if something goes wrong?
- Who is responsible for what?
- Which channels do we use for a certain purpose?

5. How has social media changed the relationship between customers and companies?

Social media differs from traditional marketing in that it creates relations. Through a direct channel it is possible to talk with your consumers. Everybody knows that consumers primarily consult their close friends, when social media usage increases it is important for companies to be present there and promote the brand.

Social media makes it harder for companies to hide and ignore their mistakes, they have to be totally transparent or somebody else will reveal the truth, consumer power has increased. Using social media today creates real brands that represents what they stand for, instead of only shallow surfaces.

4.2 Keyword comparison

This comparison is based on our research questions and shows keywords from the respondents answers, according to our interpretations.

Research questions	Respondent 1	Respondent 2	Respondent 3	Respondent 4
1.	Faster response, dialogue.	Faster response, brand monitoring, improved relations.	Improved relations.	New opportunities.
2.	Difficult to do, activity, customer satisfaction, unique visitors, qualitative approach.	Difficult to do, benefits of communication, qualitative approach.	Difficult to do.	Qualitative approach, ROA, ROE, ROI, brand monitoring.
3.	Quality before quantity, act human, adapt to situation.	Have explicit strategy, Facebook, act human, interact, truthful.	Facebook, know your demographic, act human, brand monitoring, faster response.	Know your demographic, truthful, valid and relevant presence.
4.	Common sense, goals.	Guidelines, common sense, brand builder, be accurate, be helpful.	Authority, guidelines, goals.	Guidelines, brand builder.
5.	Dialogue.	Dialogue, increased spread, less control.	Less control, customer ambassadors.	Less control, relationships more important, more brand building.

5 Analysis

An analysis formed to present social media for a company. It will mostly be focusing on the advantages of social media usage, and not the weaknesses.

5.1 Measuring the benefits from social media usage

To convince the board of a company to try something new, relatively unknown, you have to talk benefits. They want concrete examples why to change anything, and what can be better than to talk about the unexplored benefits, which may lead to increased revenues?

5.1.1 What are the benefits?

Social media opens up for a new kind of marketing, web based relation marketing. Traditional web marketing often means big flash-ads, pop-ups and E-mail, and you do not actually know if and how your message reaches the consumers. You can see the number of clicks an ad gets, and maybe if it has lead to a purchase, but that is all. Relation marketing on the other hand, is about relations, to become "buddies" with your customers.

Of course, the benefits differ between companies and how they use social media, but we have summed up some of the most common here:

- Improves brand awareness and reputation
- Opportunity to find and help dissatisfied customers at an early stage
- Improves customer relations
- It is a free media

Social media usage will improve brand awareness among potential consumers and if using it right your reputation and goodwill will increase. You will be able to help people, even if they did not specifically ask for your help (Bark, 2009; Cass, 2007; Dosh Dosh, 2008; Nüüd, 2009; Respondent 4).

That all brand attention is good is not always true. The web and social media is a good example of this. Dissatisfied customers are often quick to post negative opinions on the web, that can lead to losses in sales and reputation. It is therefore important to effectively monitor the social media to be able to quickly find and interact with these people to prevent a potential avalanche effect of bad rumors. A good and early response could even turn the negative opinions into positive ones. To the customer it seems that you really care (Respondent 1; Respondent 2).

Via social media, a happy consumer can take the role as a company ambassador. Through word of mouth behavior, without any selling intentions, he can influence his friends by informing them about his good experience with your company, who in their turn tells their friends. Since rumors are spread very quickly on the web you can without much effort, get your brand exposed to many people. This leads to improved customer relations, with poten-

tial benefits (Cass, 2007; Jurvetson, 2000; Landelius & Lundgren, 2009; Mcivor, 2009; Nüüd, 2009; Respondent 2, Respondent 3, Respondent 4).

Perhaps social media can not today replace traditional marketing entirely, but it can be seen as a cost-friendly complement. That social media is free, is a truth with modifications though. It is generally free to use it for promoting your brand. However, it costs a lot in time and commitment. The problem is that you can not commit to social media half-heartedly, full commitment is required to receive benefits. This might cause some hesitation amongst boards and other leading organs to fully commit to social media. (Carlsson, 2009; Kirby & Marsden, 2006; O'Reilly, 2005; Respondent 3, Respondent 4)

5.1.2 How to measure?

To know the actual benefits gained from social media, you need to know how and what to measure, otherwise you will not be able to connect your social media efforts to its effect. Even though, with social media, quantity is rather easy to measure, it is not the most important part regarding social media. Measurements should focus on the relations, activity and participation (Respondent 4). These parameters are often what is called intangible aspects, especially the customer relations, which according to Baxter and Matear (2004) will vastly affect the financial performance.

Both the theory and our empirical study implies that social media is difficult to measure (Falls, 2008; Landelius & Lundgren, 2009; Respondent 1; Respondent 2; Respondent 3) Further, there is no clear answer to what should be measured, which of course is one cause to the first problem (Respondent 3). Though, we have found some concrete and measurable aspects, some even connectable to ROI. Weber (2009) categorizes them into three types of influences: the media, your target audience and your business.

Influence on the media. This is probably the most obvious to measure: visitors, visits, views, comments, clicks, and so on. This should give you an overview of the activity you have created through your social media usage (Carlsson, 2009; Nüüd, 2009).

Influence on your target audience. This could be used to measure how you have affected your customers, and maybe if they have become your company ambassadors. Measured can be things like sentiment of comments and opinions, comment authors authority and their influence (Carlsson, 2009; Hrastinski, 2008; Respondent 1; Respondent 2).

Influence on your business. This is maybe the closest you can come to a ROI measuring, but often there is more than just one parameter (social media) that affects the result. Social media could increase your sales, lead to new business and improve your customer satisfaction (Carlsson, 2009; Respondent 4).

You have to use different types of tools and techniques to measure (Respondent 2; Respondent 4). There are tools like Google Analytics and Yahoo Site Explorer to measure the quantifiable, but to measure the probably more interesting aspects you have to use more qualitative techniques, like when measuring traditional marketing results. Through surveys, and similar, you can simply ask your customers how they perceive your brand, your latest conversation and so forth, but you still do not get your desired ROI.

Hypothesis: It is easier to correlate purchases with social media efforts than with, for example, traditional TV advertisements. It is easy to trace clicks and find out if the person buying something in your web shop also visited your social media channels.

5.2 How to use social media

Social media is a new way of reaching potential customers, but it also requires a new way of thinking. Instead of just being a "megaphone communicator" where you do all the talking, like in traditional marketing, social media is a two-way communication. Actually, it is not that complicated at all, it is just normal human behavior. Listen when other talks, be polite and help each other out (Bark, 2009; Respondent 1; Respondent 2).

In our observation we have seen that smaller companies, like Binero and Saltå Kvarn, tend to maintain a more personal style when using social media. Using a personal style is something that our theoretical framework (Bansal & Voyer, 2000; Bark, 2009; Lidne, 2009) and our empirical framework (Respondent 3; Respondent 4) agree on is very important. As our theoretical framework (Carlsson, 2009) also mentioned, you have to be careful not to cross any company guidelines so that what you say represent the company view and don't rub anyone the wrong way. These factors become more present with bigger companies. We think this is the reason why big companies tend to be less personal and more formal on social media services.

Both the theoretical and the empirical framework agrees on several aspects regarding how social media should be used for marketing purposes: commitment, honesty and common sense. When using social media, companies should use a more personal and informal style and language. This, to be on the same level and build a mutual relationship (Bark, 2009; Carlsson, 2009, Dosh Dosh, 2008; Landelius & Lundgren, 2009; Nüüd, 2009; Reese, 2008; Stakston, 2009; Respondent 1; Respondent 2; Respondent 3; Respondent 4). So, what is common sense on the web? Firstly, think twice before you write something on the web. "Once on the web, always on the web". Secondly, do not act as a salesman, act as a friend. Thirdly, be helpful but do not do anything that is contrary to your company policies. Fourthly, always tell the truth! Admitting that you have done something wrong increases your reputation as an honest company.

Before you embrace social media, you should develop a plan and a strategy for your social media usage. Define what goals you have and how social media should help you reach them. The social media strategy should not differ a lot from your regular communication strategy. Use traditional marketing theories, such as the five P's or the five W's to define your goals and what your marketing should strive for, it is still as important to know your market, their views and values, and how to best position yourself in that market (Albinsson et al., 2009; Bark, 2009; Hoyle, 2002; Respondent 2; Respondent 4).

But who within your company should be the social media user? Both the theoretical framework and the empirics say that there is no clear answer for this, it depends on your goals and strategy (Carlsson, 2009; Respondent 1; Respondent 2; Respondent 3; Respondent 4). One of our respondents said: "Everybody that has something to share with the customers could be the sender, everybody that needs to know the customers opinions should be able

to take part of the discussions" (Respondent 2). Although, one thing is sure, the users should not act as a middleman and simply pass the information on to other people within the company, he/she must have enough power to make own decisions on what to say and share.

When marketing through social media, you should take advantage of viral marketing and create buzz. If you succeed, in just a few minutes your message could spread to thousands of people through word of mouth. To succeed, your message and idea must stand out and be attractive to the consumers. Do not try to push your content to the consumers, they should participate by their own will (Albinsson et al., 2009; Bansal & Voyer, 2000; Bonello, 2006; Kirkby & Marsden, 2006; Respondent 2; Respondent 3; Respondent 4).

Transparency is a key word when using social media. You want to achieve a relation with the consumers, to become something like a friend. Trust makes for better relations which in turn improves your business (Reese, 2008; Stakston, 2009). To earn trust you have to be transparent and admit when you have done something wrong, you can not hide and ignore your mistakes (Lidne, 2009; Respondent 4). Companies often worry about being too transparent, maybe the competitors will steal the ideas. Both Carlsson (2009) and Jardenberg (2008) explain that this is nothing to worry about. Today it is easy to copy any product. Stakston (2008) says that companies should focus on the brand instead of keeping secrets, the consumers should want the original product instead of the copy. According to Kirby and Marsden (2006) and Marketingcharts (2008) traditional mass media advertising is not as effective as before, purchases decisions are often based on what trustworthy friends have to say (Respondent 2; Respondent 4).

Some secondary, but obvious, things to think about when using social media is brand coverage and quickness. Use as many search engines as you can think of (Google, Twingly, Twitter Search et cetera) to get coverage of your brand status. You want to know what people say about you and then you have the possibility to respond to both positive and negative criticism. Everything on the web is relatively fast, if someone asks you something you can not wait a long time to respond. If you can not give an answer directly, inform the consumer that you are investigating the matter and will come back soon with more information.

Hypothesis: (1) It is not possible to use your social media accounts just for marketing. When customers have a problem with your product, they will expect support from you and they do not care if you are just a communicator. (2) Social media should not be embraced by everyone, it suites some industries better than other. (3) Transparency leads to an improved goodwill.

5.3 Which service should be your choice?

From a marketing perspective it is important to choose the right social media service, but from a usability perspective it is not. You generally behave the same way throughout all social media services, you have to listen, participate and create attractive content, but your target demographic may be concentrated on one place. By investigating the communities

you will find out where your potential customers primarily can be found, and it is the most important that you are present there (Bark, 2009; Eley & Tilley, 2009).

Blogs is probably the easiest tool to start with, because you can set up your own approach, while Facebook is the most mainstream. Both Binero and Saltå Kvarn is primarily active on their blogs, while the Gothenburg Book Fair and H&M primarily use Facebook.

Remember that before you start participating and creating content on the social media services, you have to listen and understand the community, what is accepted behavior, what is required to become one of the group. You should not act as a megaphone and do not spam, concentrate on having constructive dialogues (Bark, 2009; Eley & Tilley, 2009). The content you share should be interesting and relevant to the target audience (Gehi, 2006).

To sum up; Twitter is quick, Blogs are powerful, Facebook is mainstream.

5.4 Concrete use of Blogs/Twitter/Facebook

The three services that are studied in this research differ between how to use them, of course. Below we discuss some concrete, but still general, possible uses of them.

5.4.1 Blogs

The most important thing to remember when corporate blogging is to maintain a personal and informal style, and not trying to oversell your products (Cass, 2007; Gehi, 2006; Respondent 1; Respondent 2; Respondent 3). It is also important that the information you share is accurate and relevant to your target audience. You should not neglect the blog for long periods of time, the blog should be updated on a regular basis with quality content, making the visitors come back for more and develop positive associations with the brand (Gehi, 2006). The content should, of course, focus on things in your industry, which both Saltå Kvarn and Binero do, but you have the chance to be more personal, for example post photos from a company event.

The advantage of blogs is that your message also can be spread through word of mouth via other blogs, which is the case for H&M and the Gothenburg Book Fair. By using social bookmarking services (Warr, 2008; Eley & Tilley, 2009), like Delicious, your post can reach more readers. You should try to reach out to other bloggers, engage in healthy conversations and debates. Similar to media relations, it is now important to maintain good blogger relations. Some bloggers are more important than others; try to get the influential bloggers on your side, and others will follow.

Use the methods available to become amongst the top ranked sites regarding search engine hits, this will give you more visitors (Gehi, 2006). A quite common term is “search engine optimizing”, which is about building websites correctly in order to get a better search engine rank, both the technology behind the website and the content affects this.

It's important that you follow company guidelines and that your posts represent the company views. Preferably, the blogger should have proper authority and be able to post without having to check everything with superiors in management (Respondent 3).

5.4.2 Twitter

Even if blogs and microblogs are quite similar in the way they work technically (Mayfield, 2008), the way you should use them differs a lot. Twitter has a built-in limit of 140 characters per tweet (Twitter, 2009a). This means that microblogging is more intense, each post is smaller but frequency must be a lot higher. You are expected to post new information several times everyday (Jantsch, 2009).

There are a few things that you can do to get more followers and reach more people. To retweet what already popular users say might help you reach existing opinion leaders. There are two reasons to retweet, to help spread a good message and/or acknowledge the original tweeter giving him more publicity and thus, strengthening his or her relation with you. But be careful not to spam or be annoying, key is to be helpful towards the community. You also want others to be able to retweet your tweets, so others can help by spreading your message, aim for 120 characters (Jantsch, 2009).

Although, it is debatable if more followers is what you should strive for. Of course, the more followers you have, the more exposure you get. But in social media it is more about having the right followers, which in business terms means potential customers and partners. Be helpful and, when appropriate, do not hesitate to join conversations. This will only demonstrate your knowledge, expertise and willingness to help. You should not interrupt people with traditional commercial messages, this will only weaken the relationship and your status. The goal is to build your brand reputation, without acting like a salesman.

So, how should the distribution between tweets, replies and retweets look? You should tweet, because you want to spread your own messages, but not too much. Microblogs is a social media channel, which means it is about two-way communication. Replies come quite naturally, use it to answer and ask questions or comment on statements (Mcivor, 2009). Retweet when you see an interesting tweet. There is no golden rule on how much you should do of each, for example Saltå Kvarn has about 30% replies while Binero has 80%. It is important that you do not neglect these functions and use the media primarily as a social tool.

Maybe, what the most important and what actually applies to all services, is to monitor your brand and your products and services (Jantsch, 2009). Use Twitter Search, or similar, to find out if your brand is mentioned. Maybe everyone does not know that you use twitter, and therefore do not ask you directly. Do not forget that there are a lot of available Twitter-clients¹ that increase the usability of twitter.

Hypothesis: Most likely, you can not use Twitter just for marketing. You will probably use it for support as well.

5.4.3 Facebook

The advantage of Facebook is that if users become a fan of yours, your messages will appear in their news feed mixed with their friends' updates. Your message will be mixed with his or her normal life on Facebook (Facebook, 2009a). As mentioned earlier in this analysis, Face-

¹ List of Twitter-clients: <http://twitter.pbworks.com/Apps>

book has many active users and is probably the best service if you want to reach a big audience, regardless of demography (Respondent 2; Respondent 3; Respondent 4). H&M is a good example of how you should use Facebook, we especially like that they ask their fans about new clothes collections and where new stores should be opened.

You should approach in the same way when using Facebook as any other social media service. However, it is even more important to be personal, and not act as a company on Facebook. From the beginning Facebook was for primarily and foremost for private persons, to keep in touch with friends and so on. Companies' activity on Facebook is a rather new phenomenon. Therefore, you should try to act as a part of the group. Your behavior should be more friendly and personal on Facebook than on traditional websites (Brown, 2009).

Before you try to "sell" your product/service on Facebook, you should converse with the audience, traditional ad campaigns and promotions should not be forced. Like any other social media service it is important that you listen before acting (Social Media Optimization, 2007). You should take advantage of the "Fan Page" that Facebook have, build a community around the company and your products (Brown, 2009).

5.5 Research Questions

Most of the research questions are already answered earlier in this analysis, below you will find a summary of the answers.

What kind of benefits could companies achieve from using social media?

Companies can take major advantage of listen to their customers, and treat them well. Social media is like ordinary analogue viral marketing, buzz and word of mouth but on the web and is much faster.

How to measure social media benefits?

Measuring social media is difficult, but you should focus on things like relations and activity. ROI should not be the primary target, a good relation will eventually influence the ROI positively anyway. The company should develop a model for how to measure this, and how much a relation is worth to them.

How to coordinate the use of social media with business?

You should use social media to discuss and converse. One, of many, success factors are commitment. Be prepared to give to get something back. Companies should monitor their brand, to find consumers' opinions.

How to spread social media usage through an organization?

More than one employee should be involved in the social media usage, this to prevent unwanted consequences if someone of them quits. The user should have enough authority to take own decisions, and not just act like an intermediary. The company should not act as a salesman, but as a brand builder trying to improve the brand awareness and reputation, creating relations and networking.

How has social media changed the relationship between customers and companies?

Marketing is no longer performed as a one-way channel. Companies talk with their target, not to them. Customers experience a new way to communicate with companies.

6 Conclusion

The purpose of this research was to "analyze and explore how companies could use social media to promote themselves and improve their business through consumer relationship, this in order to develop a general set of recommendations". We have concluded that social media:

- improves brand awareness and reputation, and can improve the business to consumer relations.
- can harness and to some degree control the nature of word of mouth between customers and potential customers.
- investments are, like all marketing, difficult to measure regarding ROI.
- should today be used as a complement to traditional marketing and should be used as a two-way communication.

6.1 Recommendations for social media usage

1. Formulate goals for what you want to accomplish with your social media usage.
2. Develop a strategy how to reach your goals.
 1. Start with traditional marketing/communication strategies, that may already be present. Use traditional marketing theories like the five P's.
 2. Develop a set of guidelines for social media usage.
3. Choose which social media you are going to use. The choice should be based on your goals, strategy and target demographic.
 1. Twitter is quick, blogs are powerful, Facebook is mainstream.
 2. Blogs are probably the easiest to start with, due to less usage restrictions.
 3. Have a purpose with every service that you use.
4. Keywords to have in mind when using social media.
 1. Commitment, do not neglect the community for long periods of time.
 2. Transparency, do not be afraid to loose absolute control
 3. Authority to speak
 4. Quality of content
5. Use informal and personal behavior. Do not try to push anything towards your followers/fans but act as a brand builder.
6. Do not forget: it's not rocket science, mostly just common sense!

6.2 Future studies

Through the analysis we came up with a few interesting hypothesis. This research does not include enough or the right kind of content to determine if they are true or not. To make social media more widely accepted in business it probably requires more research of the area. Below we elaborate our hypotheses and list some possible future studies.

Is it possible to use social media only for marketing? Probably not. Social media could be compared with a regular conversation, eye to eye, where you act like humans. You may not have the possibility to choose which questions you want to answer. Perhaps it is not possible to avoid using social media as a support channel too. Among the services that we have studied, Twitter is the most uncertain.

Should social media be embraced by everyone? We asked this question to our respondent, and they were all doubtful. Probably it could be embraced by everyone, but maybe it should not. Some industries (like media and IT) are probably more suited than others. It depends on the target demographic and their degree of presence in the digital social media.

How to find the connection between social media and ROI? Is there any connection? Our qualified guess would be, yes. Since social media improves your relations with consumers it will probably turn potential consumers into customers, and help to maintain current customers. One of our respondents said: "For the first time it is possible for companies and customers to have a dialogue with same conditions and on the same level". It is often said that is cheaper to keep a customer than find new ones. Social media could be a tool for this.

How much are goodwill, relations, activity and participation among consumers really worth? Even though there are some studies of how to measure intangible values, we miss studies that focusing on social media measuring. There should be general models that convert a certain amount of goodwill into the likely revenue it generates.

6.3 Research Discussion

We are both satisfied with the chosen subject but maybe we would have taken a different focus. Both the psychological nature of social networking and how it influences the circulation of information and a more thorough purpose would have been interesting, i.e. diving deeper into a more narrow purpose.

We started off with a purpose to focus on events and mainly the Gothenburg Book Fair. However, without really making a distinct decision, we slowly drifted away from that to a more general purpose. We decided to skip this limitation when we noticed that we were gliding further and further away from it.

The distance between us, Helsingborg and Gothenburg, has not been a problem in our thesis work. Internet and software like Dropbox, Skype, Google Wave and EtherPad have made it easier than if we worked at the same location, we found that it makes it easier to focus on the work.

We are satisfied and happy that, through our website² we got attention from several companies which have expressed interest and requested a final copy of our work. For someone, totally new to social media, we are sure that this paper will come to great use in understanding its power. We expect that even more experienced social media users can gain something from this paper. We hope, in the future, to be able to assist others in matters regarding social media.

We have learned that social media actually should be easy to use. By not making it more complicated than it is, acting like a normal human, follow normal social rules, it is the way to success.

Social networking has always existed, but with the introduction of social media on the web, it is today much faster and has a much more potent marketing power. As humans, we live by our social network, more than we can imagine. Our friends, and our friends' friends influence us and our decisions greatly, we follow the herd. When social networking is on the internet, it is much more observable and companies can harness it's potential marketing power.

What we found the most exciting about social media marketing is that it is still a very fresh subject and fairly limited theory is today available. This research has summed up a few theories regarding social media usage, we hope that this could be the start of a formalized social media theory. Hopefully, companies and organizations can have use for this paper when adopting social media.

Social media is without any doubts very relevant to information logistics. With the constant information overflow you need; methods to filter out what is useful and what is not, decide to whom the information should be directed, react quickly not to miss opportunities. Thus, "The right information to the right people in the right time".

We think that social media could be used to greatly improve internal communication. In our experience, E-mail is today over-used in the corporate world, sometimes other ways of communication would have been more effective.

² <http://sm-exjobb.se>

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Appendix 1 – Interview questions

Tell us a little bit about yourself and your relation to social media.

1. How has social media changed the relationship between customers and companies?
2. What kind of benefits could companies achieve from using social media?

Benefits with social media

3. Should benefits with social media be measured?

If yes, answer question 4-6, otherwise continue with question 7:

4. What could be measured?
5. How to measure it?
6. Which tools/services do you prefer for measuring?

Coordinate the external usage of social media

7. Which are the most important services/channels to use?
8. Should companies concentrate on one service or on as many as possible?
9. If using more than one service, how to combine and spread the usage?
10. Is redundancy good or bad? (i.e. posting the same information on Twitter and Facebook)
11. Should a company act as private persons or as a company name? (i.e. many accounts vs. one account)
12. Should the company use informal or formal behavior?
13. How to scan social media for relevant information/conversations about the company?
14. Is it important for all organizations to embrace social media?
15. If you promote an annual event, should you act as a "one thing happening" or as a recurring event? (i.e. @bokmassan vs @bokmassan2009)

Coordinate the internal usage of social media

16. Who/which of the employees should be the user?
17. What should social media guidelines/strategies contain?

Additional questions

Can you mention any Swedish companies that have succeeded with social media usage?

What is your opinion of companies that block social media services for regular employees? (i.e. Facebook)

Is it something you think we have forgot to ask that could be valuable for our research?

Do you want to receive an e-mail when we have published our research?

Appendix 2 – Observation Template

Blog

Description

- Where is the blog? (same domain, sub-domain, another domain)
- What kind of content? (informative, marketing, commentary, comedy, et cetera)
- Is it possible to comment, and do they moderate the comment before it get published?
- Do they reply to comments, and keep the discussion going in the comment area?

Measurable factors

- Updates (frequency and maybe total)
- Comments
- Inlinks
- Brand hits on Google Blog Search/Twingly Blog Search

Twitter

Description

- Act as a corporate or private persons?
- Formal or informal behavior?
- What kind of content? (Informative, marketing, support, et cetera)
- Do they actively interact with others (replies)

Measurable factors

- Age
- Updates (total and frequency)
- Following
- Followers

Facebook

Description

- Page or group?
- What kind of content? (informative, marketing, et cetera)
- Do they reply to fans?

Measurable factors

- Fans
- Updates (own and fans) (frequency)

- Photos

Other

- Do they use any other social media services?
- How do they combine the services? (redundancy, linking, et cetera)
- How do they promote their social media efforts, “outside” of social media?
- How do the social media efforts link to their products or services?

Appendix 3 – Gothenburg Book Fair

Gothenburg Book Fair is arranged by Bok och Bibliotek I Norden AB, and is one of Scandinavia's biggest venue for the book and library industry. People visit it both in business and for joy, to meet writers and cultural people.

Gothenburg Book Fair has its highest activity right before and during the fair, 2009 held between September 24-27. This will affect this observation, most of the numbers will probably be smaller than under the “fair period”, but the Book Fair want the conversations and discussions to continue throughout the whole year.

The observation took place on the 20th of November.

Blog³

They have a collaborative kind of blog, on their main domain. They do not publish any posts themselves but exhibitors, writers and visitors are invited to share their memories of the Book Fair. It is possible for anyone to comment, but there are not a lot of them. Actually, this is not the Book Fair's blog, it is everyone's blog, and they do not seem to participate either in posts or comments.

We found a total of 54 memories/posts with about one comment on every third post. Since the blog is located at a subdirectory (for example <http://bokmassan.se/blog>) and not a own domain/subdomain (for example <http://bokmassanblog.se> or <http://blog.bokmassan.se>) it is difficult to measure the number of inlinks. The specific blog-URL has 18 inlinks, but their main domain has a total of 21 280 inlinks.

Even if the Book Fair does not use their blog as much this is a powerful tool for them. There are a lot of blogs that writes about books and when blogs at the web and the more the Book Fair is approaching, the more it is mentioned in these blogs. This is one of the best marketing there are, expectations increases which may attract more visitors. The Book Fair is also cooperating with some of these blogs and invites them for free, to let them blog and twitter during the visit.

Twitter⁴

It seems like Twitter is not their main channel, it is not as much activity, and they just use it as a one-way channel, there are not a lot of replies or RTs made. Many of their tweets contain links back to articles on their webpage.

Like the Book Fair's usage of blogs, it is not their own participation and engagement to Twitter that is seen, there are all the others who talk and gossip about the Book Fair. By using the hashtag #bokmassan, all tweets are gathered into one channel and people with similar interests can find each other.

Facebook⁵

³ <http://bok-bibliotek.se/sv/blogg/jubileumsblogg/>

⁴ <http://twitter.com/bokmassan2010>

⁵ <http://www.facebook.com/group.php?gid=15056762257&ref=ts>

This seems to be the Book Fair's main social media channel. Both the Book Fair and the group's members publish posts and photos, but few comments on them. Most of the activity seems to appear in the discussion topics, where the members account for most of the participation.

Some authors take the opportunity to promote their books in the Book Fair's Facebook group. Obviously this are allowed by the admins, maybe they see it not just as marketing of the specific book, but also marketing of the Book Fair.

YouTube

Gothenburg Book Fair does not have an own account at YouTube but the Swedish Fair⁶, where the Book Fair is held, has one and they have published some videos about the Book Fair. But once again, most of the material is user-generated.

The videos are both from professional productions and amateur cameras of interviews and seminars.

⁶ <http://www.youtube.com/user/SvenskaMassan>

Appendix 4 – Binero

Binero is a web host with numerous awards for their services. 2009 they were selected as the best web host in Sweden.

The observation took place on the 21st of November.

Blog⁷

Binero hosts their blog on a sub domain. The content contains information about their industry: hosting, the web, blogging et cetera. The content is not just for their customers and others could most likely be interested, which could lead to more customers.

There are comments at almost every post (an average of 5.3 comments/post in September and October) and several of the employees answer to the questions. Binero has probably not as much customers as for example Gothenburg Book Fair, but the interesting content is very “linkable”, which leads to a lot of inlinks.

Twitter⁸

Binero seems to, except from publish links to their blog, use Twitter as an extra support channel. Most of their tweets, more than 80%, are replies that indicates even more that they use Twitter to communicate with their customers.

Several of the employees use their Twitter account and they seem to be comfortable with Twitter. They adjust their language to the situation, switch between formal and informal behavior but always with a professional feeling.

Facebook⁹

Binero clarifies that they do not use their Facebook group as a support channel, but as an information media. It seems that they just fetch the feed from their blog and their original tweets (not replies) from Twitter. It feels like they have a Facebook group just because “everybody else has it”.

Wiki¹⁰

Binero uses a wiki to store knowledge. The wiki is under constant construction and contains guides and tips how to solve different problems. Here customers can find information they seek without having to contact the support.

The special thing about this wiki is that everyone is allowed to add and change the content, even non-employees. This may well be seen as Binero trust their customers.

⁷ <http://blogg.binero.se/>

⁸ <http://twitter.com/binero>

⁹ <http://www.facebook.com/group.php?gid=4966449263&ref=ts>

¹⁰ <http://wiki.binero.se/>

Appendix 5 – Saltå Kvarn

Saltå Kvarn is in the food business and with KRAV approved goods only. They produce flour and bread from organically grown cereals.

The observation took place on the 20th of November.

Blog¹¹

Saltå Kvarn blogs frequently about their own business and industry. They started blogging to strengthen the dialogue to their customers. Most posts are written by their communications officer and their executive officer. Some posts are commented well, and Saltå Kvarn themselves reply to comments when opportunities arise.

Since Saltå Kvarn not only write about food they produce themselves, but about the industry as a whole, they link to a lot of websites that they do not control. Linking to other websites enhance their trust, and could most likely lead to inlinks to their own website (Saltå Kvarn has more than 7000 inlinks to their blog).

The content would be interesting for everyone that is interested in food, obviously, but even if they are not customers of Saltå Kvarn. It can also bring an interest to those who are not usually interested in food. Both these can lead to an increased interest in the brand Saltå Kvarn.

Twitter¹²

Saltå Kvarn's Twitter account is handled by their executive officer and he clarifies that the tweets contain his thoughts. But since they use both Saltå Kvarn's brand name and its logo-type it is quite obvious that he represents the company, from an executive officer's point of view.

The behavior feels both informal and personal, and this strengthens even more since we know who is handling the account. Most of the content is about their business, but also a little small talk. He is social and communicates, about one third of all tweets are replies.

The content is mostly about their business, and promoting their blog, but also a little bit small talk. He, because it is their executive officer who handles the account, is social and communicates, about one third of all his tweets are replies. Automatically sends links to their blog posts.

Facebook¹³

At their fan page there is a personal atmosphere, Saltå Kvarn participate within the comments and talks to their fans. Most of their updates contain links, mostly to their blog but also to other websites. It is a combination of informative and marketing updates. For such a “small” industry they have a lot of fans, more than 2 500.

¹¹ <http://saltakvarn.wordpress.com/>

¹² <http://twitter.com/saltakvarn>

¹³ <http://www.facebook.com/pages/SALTA-KVARN/75144937705>

Appendix 6 – H&M

H&M is a Swedish clothing company that I know for its fast fashion clothing offerings for men, women, kids and teenagers. H&M has more than 1,800 stores and over 73,000 employees.

The observation took place on the 20th of November.

Blog

From what we can find, H&M do not have a blog.

Twitter¹⁴

H&M has four twitter accounts: *hm*, *hm_news*, *hmusa* and *hmcanada*. The twitter accounts are mainly used for short updates and to promote special events. Twitter is not used in a personal manner, i.e. replying and commenting to other users .

The account *hm* is used to promote Facebook events, new H&M YouTube videos, and new features on their website and newspaper articles about H&M.

Hm_news is basically only used to retweet what the account *hm* has posted. It also informs about new press releases that are posted on the HM website. Although this account has a lot of followings, we cannot make out for what purpose this is, other than possibly more attention to the account.

In total, H&M have 20,000 followers on their twitter accounts. However it is a big organization available in many countries. They post about 0.2 tweets per day.

Additionally, H&M has two local twitter accounts, one focusing on USA (*hmusa*), and one on Canada (*hmcanada*). These post more local information, like new store openings and sales.

Facebook¹⁵

H&M is very active on Facebook, with over 1,350 000 fans and new fan wall posts pretty much every hour. H&M post new updates themselves once or twice every day. On the Facebook page they provide links to various services, such as style guide and a store finder.

There are 1534 photos, uploaded by H&M and its fans, available through their Facebook page. The pictures consist of; H&M ads, special event documentation and pictures uploaded by fans themselves wearing H&M clothes.

On the discussion board there are 278 topics. H&M actively post news and answer questions on the discussion board. To note is that when answering questions they are very concise and mention the questioner by name.

H&M have used their Facebook page to decide where to open up new stores, by asking fans for suggestions. More than 20 countries were recommended by fans.

¹⁴<http://twitter.com/hm>

¹⁵<http://www.facebook.com/hm>

YouTube¹⁶

H&M is active on YouTube, they post videos about fashion and the fashion culture. The videos don't have an advertising style, it rather feels like a inside perspective from the world of modeling and fashion. There are currently 41 uploaded videos on their account and they have 1822 subscribers. The average view count on their videos is about 5000.

H&M links to their YouTube page from their Facebook page and vice versa. Their Twitter account is mostly used to promote updates on Facebook and YouTube.

¹⁶<http://www.youtube.com/hm>



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