Section 1. Marketing

*Beqiri Gonxhe, PhD. Candidate
European University of Tirana
E-mail: gonxhe@gmail.com*

Social media and its impact in marketing strategy

Abstract: Marketing through social media nowadays represents one of the most effective ways to introduce the company and its products on the market. Various businesses are achieving amazing results being advertised via e-mail marketing. Online marketing is fast, simple, represents a different way to socialize the business and it is most direct marketing medium that is currently available. Through social media platform businesses are exposed to a global market and different kind of customers. Well-conceived marketing strategy may have positive results in different areas in business; it represents a breeding ground for business ideas. This paper aims to present the impact of social media and the impact that the electronic part, has in the marketing strategy. The paper is based in secondary data through different reports, scientific papers and literature regarding the importance of social media and its tools in the marketing strategy. Business marketing strategy in relation to social media platform and its channels (e-mail, social networks, blogs, etc.). How this type of marketing has affected and improved the business environment and in what form it is expected to effect in the future. The paper concludes that a well-conceived social media marketing strategy will have a great impact in the company's level of exposure and awareness process, customer loyalty creation and interaction process and in the level of traffic increase.

Keywords: marketing, social media marketing, business.

1. Introduction

The aim of this paper is to analyze a conceptual framework about social media activities that have an impact in the marketing strategy of a company.

Objectives of the paper are: Firstly, to identify the key factors that encourage a business or marketers to use social media channels to reach their business objectives. Secondly, to summarize some key findings of the main steps that companies should consider while planning and executing their social media marketing strategy.

The main questions raised during this paper are: Why companies use social media channels for their marketing strategy and, which are the main steps that the social media marketing strategy model should contain in order to achieve effective results?

This paper is based in secondary data analyzing and interpretation, literature from different research papers related to the theme, different reports that show the practical side about how companies actually use their social media strategy, and articles from different experts from the field that show the most practical social media marketing strategy framework.

2. Literature review

Social media represent a modern platform that has changed especially the marketing strategy, the way busi-

nesses reach their potential consumers and how they represent their product and offer it to the wide public. Social media strategy it is not about targeting as much people as possible, but to understand their needs and demands in order to create a suitable services and offers for them [1]. Moreover, it does not matter the size of the business, or the location, what matters for businesses in order to have success by applying social media as one of their marketing channel, is how to find the best possible way to sustain their costumer goals and what matters is "Finding the right presence" [2]. Nowadays, people use more than one social site, according to [3] 24% of adults use mainly two social sites; 16% of adults use mainly three social sites; 8% of adults use mainly four social sites and 4% of adults use mainly five social sites.

The best presence it is to actually identify if the brand is adaptable with the main goals trying to be achieved through this kind of marketing channel [4]. Even though, many businesses especially the ones who were used to apply their services in one particular stock, in order to concentrate in their line of merchandise, they need to invest more in finding the best possible way how to promote their product culture, rather than concentrating in the main benefits [5]. According to [6] one of the reasons why social media strategy cannot have a great im-

pact in marketing, it is because of the marketers who are not adaptable to change their strategy to reach their potential consumers or to capture a wider audience, due to many technological changes. Moreover, the same source explains how companies treat social media marketing as a separate department instead of considering it as an integrative part of their daily marketing activities.

Social media presents a new framework of communication process, it is considered as an essential part of interactive marketing communications [7], making possible for businesses to reach their audience in the most effective way, and consumers are aware that their engagement and creativeness plays a big part on how successful business can apply its marketing goals through this online platform. Consumers use social media channels to interact with companies and to interact with each other [8]. Due to this fact, many marketers are having difficulties to establish social media in to their marketing strategies [9].

According to [10] in order to implement a successful social media strategy, marketers need to create an effective social media marketing plan, which means to summarize all the aspects that the business plans to succeed while executing social media marketing activities. Moreover, based on the same source, there should be an audit and controlling technique, to test the outcomes of the plan.

3. Why companies use social media?

There are different reasons why a company can use social media for its business purpose, the main one is considered to be the application for the marketing objectives. For example, retail companies in Germany, specifically 30% of them based on a survey from Statista in 2015 (Figure 1) [11] declared that they use social media platform to impact their marketing activities, 28% to create closer communication with their customers and 24% to increase their level of exposure.

Figure 1. Reasons why companies use social media platform for their business activities

Source: Statista, 2015.

Moreover, 93% of customers according to a research made by Social Media Today expect companies to be present in social media platform and it is channels [12]. The main reason why companies use social media related to their marketing objectives, are especially related to achieve these aims [13]; [14]; [15]: To build awareness; To create loyalty and interaction with customers; To increase traffic to their website.

4. Social media marketing strategy model

The social media marketing strategy model should contain these main steps [16]:

1. The discovery process
2. The strategy part

3. The management procedure

4.1 The discovery process

Before defining a social media strategy plan, marketers need to identify their:

Target audience — social media platform provides techniques for business to identify its current and potential customers; suppliers; subsidiary companies; bloggers; etc. Every channel such as: Facebook; Twitter; Instagram; LinkedIn; YouTube; have its own specific applications by allowing businesses to reach a potential audience based on some demographic characteristics [17]. For example, with 1.04 billion daily active users [18], Facebook is considered to be the main social

network, (based on a Pew Research Center) with 77% women and 66% man audience; which 87% of them, age 18–29 and 73% of people age 30–49 use Facebook, 71% from urban and 72% from suburban location. Top countries by active users are considered to be: USA with 14% of Facebook users; India with 9% of Facebook users; Brazil with 7% of Facebook users; Indonesia with 5% of Facebook users and Mexico with 4% of Facebook users [3].

Segmentation strategy is an important factor in order for the business to apply its marketing strategy, by using social media techniques. Moreover, in daily bases 49% of adults use Instagram, 36% of adults use Twitter, 17% of adults use Pinterest and 13% of adults use LinkedIn. As seen in the figure below [19] businesses should connect with consumers, through social media platform based on these steps:

Figure 2. Steps to target the right audience through social media platform

Source: Social Media Examiner, 2016.

- **Objectives**—should be the most important part to be identified in order to enhance the social media presence. For businesses is important to integrate the aims and objectives with the marketing plan. According to [20] a social media marketing objective for a company

could be: “Build brand visibility and authority” or “Influence and promotion of products/services”. Moreover, marketers should use these steps/models, as seen in table below [21] to set their main social media objectives:

Table 1. – Models/strategies how to set up social media objectives for marketing purposes.

Objectives composing model					
SMART	Specific	Measurable	Attainable	Relevant	Time-bound
Locke and Latham's model	Clarity	Challenge	Commitment	Feedback	Task complexity
BSQ model	Think Big	Act Small	Move Quick		
BHAG model	Big	Hairy	Audacious	Goal	
Growth Hacker model	Form Hypothesis	Select Key Performance Indicator	Set Goal	Execute	Track Progress & Socialise
Intriguing metric model	High traffic, low conversion	Low traffic, high conversion	High traffic, high conversion	Low traffic, low conversion	
OKRs — Objectives & Key Results	Key Results	defined with a	specific	number	

Source: Buffer social blog, 2015.

Based on survey with online marketers [22], 76% of businesses used social media to achieve their main objectives, 64% of them integrated social media in to the marketing plan and 96% of them didn't consider social media activities related only to their sales objectives but also to increase their marketing achievement.

- **Social Capacity** — which according allows the businesses to create their special contents and interact with their appropriate communities, and provide their social presence by using the social media tools (Buffer; Objective Marketer; Photos; etc.) [23] [24].

- **Governance** — the rules and policies that a company can chose to apply in their social media marketing strategy. Those policies guide the company and its struc-

ture on how to use social media channels such as: social networks, micro blogs, blogs, forums, and their services based on a conceptual framework [25].

4.2 The strategy

The impact of social media in marketing strategy is based on how marketers or companies use and relate their social media tools in the best possible way to back up their business objectives [26]. Social media platform has to be related to the initial marketing plan, different kind of departments in the company and with the process of business growth. Moreover, creating the proper strategy to support the mentioned factors, it represents a big challenge for marketers, 83% of them, based on a research made by Social Media Examiner on 2016 [27]

express an apprehension, on how to define the proper social strategy. In 2015, 84% of the marketers have integrated their social media with the traditional marketing

activities [28]. The main body of social media marketing strategy should contain these activities [23] [29]:

Figure 3. Creating the main parts for social media marketing strategy.

Source: Varagic, 2015; Media brands publishing, 2013

Listen and drive awareness

- The process of listening about what other subjects are saying about the company or brand, in order to create the proper content and strategy.
- Engaging in conversations with different subjects in social media channels and creating new collaborations.

Defining the social tools and connections

- Choosing between different channels that are compatible with the marketing strategy [30].
- Using the right applications that drive traffic and support the advertising process, campaigns, etc., depending on the size or type of the business. For example, for Facebook: LikeAlyzer, Agorapulse, etc. For Twitter: SocialBro, Social Rank, Tweetdeck, etc. For Instagram: Collecto, Curalate, Iconosquare, etc. And the list goes on for other channels, such as LinkedIn, Pinterest.

Creating the proper content and conversation strategy

This is the main part of the strategy, since the content dictates the way the advertising will be handled from the marketers or the company during the use of social media tactics and tools. Moreover, the process of creating the right content should always be focused in these steps [31]:

- a) Focusing to target the readers instead of the buyers, because even though the readers can be people who do not buy the products, they are the ones who contribute to share the content of the products they find interesting.
- b) Focusing to create a content that shares the values of the specific sector that the business operates. In this way marketers can reach people of the specific field of interest [32].
- c) Practicing a keyword use, since the keyword research makes possible to create a content based on what the customers are talking about, using hashtags and other details to connect the information to them.
- d) Understanding the preferences of the audience about the proper content they want to see.
- e) Combining the content with different data's,

like videos, pictures. Moreover, 70% of marketers use videos in their advertising activities [33].

f) Being involved and interact with the audience, since they have different prospective and interests regarding their group of interests. This can be done [34]: by creating group forums, holding question and answer sessions, creating polls and surveys, asking the audience to engage themselves in different activities, etc. For example, Zappos as an online retailer that sells shoes, they have built a Like-Like strategy for their customers [35]. Also, talk show hosts, use their social media channels to create a relationship with their audience, in order to increase their social media traffic, they make people use hashtags with different stories and then they read them in their live shows [36]. Moreover, 80% marketers expressed that their engagement to social media activities had a positive impact traffic [37].

4.3 The management procedure

The management procedure includes measuring techniques and defining the return on investment strategy. It is the phase where marketers or companies can compare the final results with the objectives set at the beginning of the strategy plan.

It is very important for companies to create a schedule and have a data base of their social media activities, their users' demographic statistics, their group of interests. The identification of the difference between the users [38] who actually are visitors and the ones who are active and are considered to be resident in their site, the ones who can become potential customers. It is considered to be, the user toward visitor identification strategy [39]. There are different types of social media applications (Social Media API-s strategy) that can encourage users to share the business information and the offers with others to their own social media page [12]. There are multiple benefits from using social media Application Programming Interface (API) businesses to create a better communication procedure with their customers and to collect data from their users in order to design their marketing strategy [40].

Table 2. – Social media Application Programming Interface (API) and their benefits.

Facebook API	The Graph API	«Provides access to every object in Facebook's database, including users, photos, videos, statuses, conversations, places, and their interlinked relationships with each other»
Twitter API	Embedded Tweets	It is a tool that makes possible for marketers «to take any tweet and embed it directly into their content of their article or website» with hashtags, author attribution, mentions, etc.
YouTube API	YouTube Data	An application that allows marketers to choose what kind of videos want to appear to their site
Google+ API	Google+ API	An application that allows marketers to «tap into the platform's own social graph and to integrate features such as cross-device sign-on into your site or app»

Source: [40]; [41]; [42]; [43].

The most common metrics that marketing representatives in companies use to analyze their social media activities are [44]: The increase of number of page views; Number of friends/followers; Frequency of repeat visits; Rate of the conversation; Revenue per

customer; etc. As seen in table below [44], the mentioned metrics are the ones who increased over time, from the period 2010–2014, for example the number of follower/friends 88%, the rating of products and services increased 71%.

Table 3. – The most common social media metrics used by companies.

Metrics	2010	2014	% Change
Hits/visits/page views	47.6%	60.7%	+28%
Number of followers or friends	24.0%	45.0%	+88%
Repeat visits	34.7%	38.7%	+12%
Conversion rates (from visitor to buyer)	25.4%	31.3%	+23%
Buzz indicators (web mentions)	15.7%	24.2%	+54%
Sales levels	17.9%	16.8%	-6%
Product/service ratings	8.2%	14.0%	+71%
Customer acquisition costs	11.8%	13.7%	+16%
Net promoter score	7.5%	12.8%	+71%
Revenue per customer	17.2%	12.5%	-27%
Text analysis ratings	6.6%	11.7%	+77%
Customer retention costs	7.7%	6.3%	-18%
Abandoned shopping carts	3.8%	6.0%	+58%
Profits per customer	9.4%	6.0%	-36%

Source: The CMO Survey & Forbes, 2015.

The statistics and the ratio of the metrics over the years show that companies actually identified the importance and the impact of social media data gathering and analyzing, in order to achieve the objectives, set at the beginning of the marketing strategy.

Results and Discussion

Social media has an enormous impact in marketing, especially in communication and connection of businesses with their customers. As seen in this paper, companies who want to be present in social media platform activities need to use appropriate procedures to be effective as much as possible. Almost 93% of customers expect companies to be present in social media platform and due to this fact, companies and marketers, should build a proper social

media marketing strategy that meet their main business objectives. They should use a proper way to target their audience, to set achievable objectives, to choose and use appropriate tools in order to listen to their customers' needs and demands, and to find the best ways how to collect the proper data through different applications for social media platform, so they can compare the final results with the objectives set at the beginning of the strategy plan. A well-conceived social media marketing strategy will have a great impact in the company's level of exposure and awareness process, customer loyalty creation and interaction process and in the level of traffic increase.

Since one of the biggest aim for companies that use marketing modern tools, is to grab as much as possible

the customers' attention, social media channels, especially social networks such as Facebook, Twitter, Instagram, LinkedIn have shown a great impact in this direction. The extent to which a customer shows interest and contrib-

utes in the business social media activities, depends in the extent to which a company creates the proper strategy to enhance in the most appropriate way tools available in this platform.

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