

**THE ROLE OF SOCIAL MEDIA IN THE MARKETING
COMMUNICATION MIX: A CASE STUDY OF SOUTH AFRICAN
BANKS.**

By

Sarah Tsitsi Chikandiwa (201000013)

Submitted in fulfillment for the degree of Master of Commerce in the
Department of Business Management in the Faculty of Commerce,
Administration & Law at the University of Zululand.

Supervisor: Professor. E. Contogiannis

Co-Supervisor: Mr. S. Heeralal

ABSTRACT

THE ROLE OF SOCIAL MEDIA IN THE MARKETING COMMUNICATION MIX: A CASE STUDY OF SOUTH AFRICAN BANKS.

The advent of Social Media has brought in skepticism, experimentation and possible misuse of Social Media and traditional marketing communication. This study thus, aims to identify the position of Social Media in the Marketing Communication Mix, the challenges and opportunities presented by Social Media and how Social Media can be effectively implemented in organizations.

An exploratory mixed research method is used. This is done through using a case study of the South African Banking Industry, herein referred to as South African Banks. From the case study, the researcher uses 29 purposively selected employees within 6 South African banks. These employees are managers and directors who have direct involvement with Social Media. 68 conveniently selected customers of South African Banks are used as a source of information together with 6 Social Media experts which were selected using judgmental and snow ball sampling. Data collection instruments used in the study are electronic questionnaires for banks and customers and telephonic interviews for Social Media experts.

Findings indicate that Social Media is not the sixth element in the Marketing Communication Mix but it should be integrated in the Marketing Communication Mix with each of the elements. The research proposes an integration of the Social Media department with every unit in the organization to enable unified messages to be sent to the customers.

Index Words: *Social Media Marketing, Social Media, Marketing Communication Mix, South African Banks.*

ETHICAL STATEMENT BY THE RESEARCHER

I, SARAH TSITSI CHIKANDIWA, declare that the work presented in this research is based on my own work except where references have been made. The dissertation has not been submitted for any degree in any university. I declare that necessary authorization has been obtained to carry out the research.

.....

Sarah. T. Chikandiwa

.....

Date

DEDICATION

To my sister, Vimbai Pamela Chikandiwa.

ACKNOWLEDGEMENTS

I owe a debt of gratitude to:

- My supervisors Professor. E. Contogiannis and Mr. S. Heeralal for the support and guidance you gave me in this work.
- All banks, customers and Social Media experts for their contributions and making this research possible.
- Dr. S. Bayon, Professor. V. Rugbeer and Dr I. Kasseram for starting the journey with me.
- All my friends, colleagues, Department of Business Management staff, may God bless you all.
- My family, for the confidence and faith you have in me. Your prayers love and support helped me sail through. To you I say: *“makapenga manje mface angu”*.
- My husband, Edgar Jembere for your love, tireless assistance, motivation and research guidance throughout my research journey. I am truly grateful my love.
- The author and finisher of my faith, God, for wisdom, strength and for his love and grace.

WRITING CONVENTION

The study made use of the following conventions:

- I used the Harvard referencing e.g. (Mangold & Faulds, 2009)
- The words (consumers and customers), (Social Media and Social Media Marketing) were used interchangeably
- Marketing Communication Mix Elements are limited to Advertising, Direct Marketing, Personal Selling, Sales Promotion and Public Relations
- Due to the nature of the study, some of the information was obtained from authentic blogs and corporate Social Media profiles
- The Bibliography is listed in alphabetical order

TABLE OF CONTENTS

ABSTRACT	II
ETHICAL STATEMENT BY THE RESEARCHER	III
DEDICATION.....	IV
ACKNOWLEDGEMENTS	V
WRITING CONVENTION	vi
TABLE OF CONTENTS	vii
LIST OF FIGURES.....	xii
LIST OF TABLES.....	xiii
CHAPTER ONE	1
THE PROBLEM AND ITS SETTING.....	1
1.1 Introduction.....	1
1.2 Background.....	2
1.3 Problem Statement	4
1.3.1 Research Objectives	4
1.3.2 Research Questions.....	4
1.4 Value of the Study.....	4
1.5 Limitations.....	5
1.6 Delimitations	5
1.7 Research Methodology.....	5
1.7.1 Data Analysis	7
1.8 Practical and Ethical Considerations.....	7
1.9 Structure of the Thesis	8
1.10 Definition of Terms	9
1.11 Conclusion	10
CHAPTER TWO	11
SOCIAL MEDIA AND MARKETING COMMUNICATION: A LITERATURE SURVEY.....	11
2.1 Introduction	11
2.2 Market Trends in the Media Environment	11

2.3 Mass Communication	12
2.3.1 Media	13
2.4 Marketing Communication.....	14
2.4.1 Elements of the Marketing Communication Mix	15
2.4.1.1 Advertising	16
2.4.1.2 Direct Marketing	16
2.4.1.3 Personal Selling	17
2.4.1.4 Sales Promotion	17
2.4.1.5 Public Relations.....	17
2.4.2 Integrated Marketing Communication (IMC).....	18
2.5 Communication Models of Marketing Communication	19
2.5.1 Communication Models	19
2.5.2 Computer-Mediated Communication	20
2.6 Digital Marketing	24
2.7 Social Media	25
2.7.1 What is Social Media?	25
2.7.2 Classification of Social Media	26
2.7.3 Acceptance of Social Media	28
2.8 Position of Social Media.....	28
2.8.1 Hybrid of Promotional Mix.....	29
2.8.2 Social Media as a Media	29
2.8.3 Social Media as Enhancer.....	30
2.8.4 Social Media as a Traditional Tool.....	31
2.8.5 Social Media as a Passing Fad	31
2.9 Challenges and Opportunities	32
2.9.1 Opportunities	32
2.9.1.1 Customer Buying Behaviour	32
2.9.1.2 Purchase	34
2.9.1.3 Customer Service	34
2.9.1.4 Market Intelligence and Data-mining	34
2.9.1.5 Relationship Building	35
2.9.1.6 Reduction of Marketing Expenses	35
2.9.1.6 Reduction of Marketing Expenses	36
2.9.1.7 Brand Management	36
2.9.1.8 Customers Segmentation	36
2.9.1.9 Sales Promotion	37
2.9.1.10 Advertising	37
2.9.1.11 Online / Social Presence	37
2.9.2 Challenges	38
2.9.2.1 Resistance from Customers	38
2.9.2.2 Management Perception	38
2.9.2.3 Lack of Control of Brand Information on Social Media.....	39
2.9.2.4 Measurement of Social Media Investment.....	39

2.10 Social Media Marketing Strategies	40
2.10.1 Development of Social Media strategy	41
2.11 Social Media Strategies	44
2.11.1 Listening to the Conversations	44
2.11.2 Participating	45
2.11.3 Identify the Key Influencers	46
2.11.4 Unified Message to all Social Media Tools	47
2.11.5 Develop Content Strategy	47
2.11.6 Media Plan Integration.....	48
2.11.7 Measurement of the Effectiveness of the Social Media Campaign	48
2.12 Conclusion	49
CHAPTER THREE	50
RESEARCH METHODOLOGY	50
3.1 Introduction.....	50
3.2 Research Design	50
3.3 Research Methods and Techniques	52
3.3.1 Survey Method	52
3.3.2 Observation	53
3.4 Target Population	53
3.4.1 Unit of Analysis.....	54
3.5 Sampling	54
3.5.1 Sample Design	54
3.5.1.1 Judgmental Sampling for Banks	55
3.5.1.2 Social Media Experts	55
3.5.1.3 Convenience Sampling: Customers.....	56
3.5.2 Sample Size.....	57
3.6 Data Collection Instruments	58
3.6.1 Design of Data Collection Instruments	59
3.6.1.1 Questionnaire Design.....	59
3.6.1.2 Questionnaire for Bank Management	60
3.6.1.3 Questionnaire for Customers	62
3.6.1.4 Interviews Design.....	62
3.6.2 The questioning Techniques	63
3.7 Data Analysis.....	64
3.7.1 Descriptive Statistics	65
3.7.2 Frequency.....	65
3.7.3 Measures of Central Tendencies	65
3.7.4 Analysis of Variance	65
3.7.5 Content Analysis.....	66

3.8 Reliability and Validity of the Instrument	66
3.9 Pilot Study.....	67
3.10 Ethical Considerations.....	68
3.11 Conclusion	68
CHAPTER FOUR	69
DATA PRESENTATION AND ANALYSIS	69
4.1 Introduction	69
4.2 Demographic Data	69
4.2.1 Bank's Demographic Data	69
4.2.2 Customers' Demographic Data	72
4.2.3 Demographic Data: Social Media Experts	74
4.3 Extent to which Social Media is being used in the Marketing Communication Mix	74
4.3.1 Level of Usage of Social Media in South Africa	74
4.3.2 Social Media Tools used for Marketing Purposes	76
4.3.3 Banks Years of using Social Media for Marketing Purposes.....	77
4.3.4 Social Media and Marketing Communication Mix	77
4.3.4.1 Effectiveness of Traditional Marketing Communication Mix	78
4. 4 Position of Social Media Marketing	81
4.4.1 Acceptance Level of Social Media	86
4.4.2 Role of Social Media	87
4.4.3 Role of each Social Media tool	88
4.5 Challenges and Opportunities	91
4.5.1 Challenges Faced by Banks.....	91
4.5.1.1 Lack of Manpower to Administer Social Media	91
4.5.1.2 Management Perception on the Effectiveness of Social Media Marketing	93
4.5.1.3 Management Fear of Losing Control of Brand to Consumers	93
4.5.1.4 Company Failing to Adapt to Rapid Change in Behaviour Among Consumers	94
4.5.1.5 Legalities	94
4.5.1.6 Security	94
4.5.3 Solutions to the Challenges	95
4.5.3.1 Integration	95
4.5.3.2 Human Capacity Building	95
4.5.3.3 Strategy Formulation	96
4.5.4 Opportunities	96
4.5.4.1 Social Media Experts on the Opportunities Presented by Social Media.....	98
4.6 Strategies for implementing Social Media.....	99
4.6.1 Integration.....	100
4.6.2 Measurement.....	101
4.6.3 Customer-Centric or Organisational-centric	101
4.6.4 Outsourcing Social Media Experts.....	102

4.6.5 Social Media Implementation	103
4.6.6 Social Media Implementation Models	103
4.6.7 Opinion on the Steps Given.....	105
4.6.8 Strategies used to Implement Social Media Strategy	105
4.7 Conclusion.....	106
CHAPTER 5	108
DISCUSSION OF RESULTS	108
5.1 Introduction	108
5.2 Extent to which Social Media is being used in the Marketing Communication Mix	108
5.2.1 Position of Social Media	108
5.2.2 Role of Social Media	109
5.2.3 Level of Usage	112
5.2.4 Effectiveness of Social Media	113
5.3 Challenges and Opportunities	113
5.3.1 Challenges	113
5.3.2 Opportunities	116
5.4 Strategies to Implement Social Media Marketing.....	116
5.4.1 Integration.....	117
5.4.2 Measurement.....	117
5.5 Conclusion.....	119
CHAPTER 6	120
CONCLUSIONS AND RECOMMENDATIONS.....	120
6.1 Introduction	120
6.2 Summary of Findings	120
6.3 Conclusion.....	122
6.4 Recommendations.....	123
6.5 Limitations	124
6.6 Further Research	125
REFERENCES.....	126
APPENDIX A: ETHICAL CLEARANCE.....	138
APPENDIX B: QUESTIONNAIRE FOR BANKS	141
APPENDIX C: QUESTIONNAIRE FOR CUSTOMERS	159
APPENDIX D: INTERVIEW SCRIPT	179

LIST OF FIGURES

Figure 2 1 Traditional one-to- many marketing communication model.....	15
Figure 2 2 Communication Model.....	20
Figure 2 3 The Model of Marketing Communication for Interpersonal Mediated Communication.....	22
Figure 2 4 New Model of Marketing Communication in Hypermedia Computer- Mediated Environment.....	224
Figure 2 5 Social Media and Buying Behavior	33
Figure 2 6 Strategies for Implementing Social Media Marketing	42
Figure 4. 1 Marketing Communication Elements used for Marketing Purposes	74
Figure 4. 2 Percentage of Social Media Tools used by South African Banks.....	76
Figure 4. 3 Percentage of Years of using Social Media within South African Banks	77
Figure 4. 4 Effectiveness of Marketing Communication Mix and Social Media.....	78
Figure 4. 5 Average rate of the Influence of Traditional Marketing on Customer Buying Behaviors.....	80
Figure 4. 6 Percentage of Banks that have Social Media Policies	100

LIST OF TABLES

Table 2. 1 Difference between New and Traditional Media	26
Table 2. 2 Similarities of Strategies of Social Media	43
Table 3. 1 Distribution of Managers in Banks	57
Table 4. 1 Demographic Characteristics of South African Bank Managers.....	71
Table 4. 2 Customers' Demographic Data.....	73
Table 4. 3 Effectiveness of Social Media	79
<i>Table 4. 4 Rate of Media Tools that are Appealing to Customers</i>	<i>80</i>
<i>Table 4. 5 Mean on the position of Social Media in the Marketing Communication Mix.....</i>	<i>82</i>
<i>Table 4. 6 Mauchly's Test of Sphericity SPSS Results</i>	<i>83</i>
<i>Table 4. 7 Test of Within-Subjects Effects SPSS.....</i>	<i>84</i>
<i>Table 4. 8 Summary of the Position of Social Media</i>	<i>86</i>
<i>Table 4. 9 Acceptance Level of Social Media in banks</i>	<i>87</i>
<i>Table 4. 10 Role of Social Media</i>	<i>88</i>
<i>Table 4. 11 Cross Tabulation of Tools and their use.....</i>	<i>90</i>
<i>Table 4. 12 Mean and Standard Deviation of Challenges Faced by Banks</i>	<i>92</i>
<i>Table 4. 13 Opportunities Presented by Social Media.....</i>	<i>97</i>
<i>Table 4. 14 Challenges Faced by Banks</i>	<i>99</i>
<i>Table 4. 15 Adoption Models used by Banks.....</i>	<i>104</i>

CHAPTER ONE

THE PROBLEM AND ITS SETTING

1.1 Introduction

Social Media, a system which allows consumers to engage, collaborate, interact and share ideas and information, can play a significant role in the Marketing Communication Mix (Mangold & Faulds 2009; Kaplan & Haenlein, 2010). Despite its potential for contributing to the Marketing Communication Mix, practitioners and marketers are uncertain how to position it in their business and how to use each of the Social Media applications (social networks, blogs, micro blogs, and virtual communities) and measure its success. There appears to be confusion on the position of Social Media in the mix (Parent, Plangger & Bal, 2011; Weinberg & Pehlivan, 2011; Kietzmann, Hermkens, McCarthy & Silvestre 2011). This is attributed to the fact that; (i) customers are now resistant to marketing messages in traditional media, (ii) customers have traits of marketing avoidance tendencies on Social Media, in favor of engagement with peers and brand (Mangold & Faulds, 2009, Parent et al., 2011; Kietzmann et al., 2011). In an effort to regain customers' attention and to take advantage of the new media, some companies are using traditional marketing strategies on Social Media. Some companies experiment with each of the Social Media applications to gain attention. Some on the other hand, observe and learn how best to use Social Media. To address the skepticism, experimentation and possible misuse of Social Media and traditional marketing communication, this study seeks to identify the role of Social Media in the Marketing Communication Mix (Advertising Sales Promotion, Public Relations, Direct Marketing and Personal Selling) and whether it can be regarded as the sixth element of the Marketing Communication Mix. This chapter therefore lays out the context under which the research at hand is conducted.

1.2 Background

The rapid changes in the cyber world, information resources available through computer networks and the internet, is causing changes in traditional marketing and among consumers (Sweeney, 2005:385-395). Traditionally, companies have been communicating with consumers through advertising, direct marketing, personal selling, sales promotion and public relations using print and electronic media which is referred to here as traditional or old media. This was done with the aim of informing and reminding consumers about products and services on the market and persuading them to purchase the product/service (Varey, 2002; Egan, 2007; Lamb et al., 2008). However the big question that arises is: Is there still need of informing, persuading and reminding consumers using traditional means in the presence of Social Media? This question speaks to the position of Social Media in the Marketing Communication Mix, the opportunities and challenges it presents to the mix, and how best it can be adopted and implemented by enterprises.

Scholars tend to agree that consumers have become more informed and empowered due to the increased use of the internet particularly the new medium of communication, Social Media (Singh, Veron-Jackson & Cullinane, 2008; Mangold & Faulds, 2009; Kaplan & Haenlein, 2010; South African Advertising Research Foundation, 2010). According to the South African Advertising Research Foundation, (2010), there has been a steady growth in the use of internet for communication and commercial purposes. Despite the skepticism about prediction on the adoption of internet in homes and work places in South Africa in the early 2000s current research points to an increase in access to internet regardless of low bandwidth in South Africa (Chipp & Ismail, 2004). The research cited above indicated that the mobile industry is booming in Africa and South Africa has not been left behind. It is interesting to note that although some South Africans find it challenging to operate a computer, they can easily operate a cell phone and connect to the internet. Thus, the high usage of internet identified by South African Advertising Research Foundation, (2010) is attributed to mobile internet connection despite the above mentioned limitations.

As evidence of the changes and pressure that the use of internet is bringing to the traditional Marketing Communication Mix, the South African Advertising Research Foundation (2010) noted a decrease in outdoor advertising in South Africa. Consumers have grown to trust their peers more than they trust their service or product providers. This has made consumers become insensitive to promotional events and more immune to marketing efforts through traditional means (Frey & Rudloff, 2010). Social Media provides a platform where consumers can form communities around products or services that allow them to recommend them to each other. This is not desirable for companies which were used to having the upper hand in controlling what consumers should see on advertisements, what products to buy, and when and where to buy the product (Mangold & Faulds, 2009). Marketers, in an effort to maintain full control of the brand and control of marketing communication messages are now creating and joining Social Media communities, thus integrating Social Media and the Marketing Communication Mix resulting into the concept of Integrated Marketing Communication (Kaplan & Haenlein, 2010). This is however not as straightforward as it might seem. Gaining full control is not feasible owing to the nature of Social Media. Social Media is based on the five pillars, namely: participation, openness, conversation, community and connection. These pillars make it unfeasible for any stakeholder to take full control of what is being openly discussed on Social Media platforms. Apart from the unfeasibility of having control over conversations on Social Media platforms, marketers cannot blindly join and participate in these communities because this presents a risk for them negatively impacting their role of informing, persuading and reminding current and potential consumers and stakeholders.

In South Africa, the banking industry has been one of the early adopters in using Social Media for marketing communication purposes. Most South African banks and other industries are participating in one or more Social Media sites. It is against this background that the South African banking sector was chosen to address the research in question.

1.3 Problem Statement

With the emergence of Social Media Marketing, there is a growing skepticism and experimentation among the South African banks on how to use it in the Marketing Communication Mix. Preliminary investigation in the South African banking industry identified that banks are using different approaches which may receive either a positive or negative reception from customers. This study argues that effective use of Social Media for marketing communication requires adopters to have a clear position on the role Social Media should play in the mix, the opportunities and challenges it presents, and how it should be adopted and implemented. It is against this backdrop that the forging of this research will attempt to address the following research questions in the South African Banking industry:

1.3.1 Research Objectives

1. To establish the position of Social Media in the Marketing Communication Mix.
2. To identify the challenges and opportunities presented by Social Media.
3. To identify ways of implementing Social Media Marketing.

1.3.2 Research Questions

1. What position is Social Media perceived to take in the Marketing Communication Mix?
2. What are the challenges and opportunities presented by the usage of Social Media in the Marketing Communication Mix?
3. What strategies are being used to implement Social Media Marketing?

1.4 Value of the Study

It is hoped that through knowing the position of Social Media in the Marketing Communication Mix the uncertainty among South African banks and the experimentation and misuse of Social Media will be addressed. This will be addressed through strategies discussed in this chapter.

This study will be of benefit to organizations that are still in their infancy with regard to adopting Social Media. The study will also provide a basis for future studies in Social Media Marketing.

1.5 Limitations

Since Social Media industry is still at infancy level in South Africa and at an introductory level at South African banks, most banks are not willing to allow managers who are not directly involved with Social Media to participate in the research. Adding to that, due to time and financial constraints the researcher distributed questionnaires electronically to banks and customers and the interviews were done telephonically since the experts were located in different provinces.

1.6 Delimitations

The research focused on South African banks that availed themselves for the research. The Marketing Communication Mix elements used in this research were limited to advertising, sales promotion, public relations, personal selling and direct marketing. The Social Media tools used in the research were limited to Facebook, Twitter, LinkedIn, YouTube, Corporate blogs and MXit. This is because these are the most commonly used sites in South Africa.

1.7 Research Methodology

The use of Social Media in the South African Banking industry is still in its infancy. This coupled with Social Media in itself being still very young resulted in this work following a two-layered research design in order to meet the goal of this research. On the top layer the units of analysis were South African banks. However, the small size of the South African banking industry and the unwillingness of banks to

participate dictated that only six (6) banks could participate. This resulted in the research being both qualitative and quantitative in nature. Interviews and questionnaires were used for data collection. To ensure minimal cost and time in the data collection process, interviews were conducted telephonically and recorded, while the questionnaires were distributed electronically through the use of kwiksurveys software (www.kwiksurveys.com) and LinkedIn (www.linkedin.com).

The researcher used a case study because they are appropriate for contemporary phenomena in its real life context (Freeman & Chapman, 2009). The target population of banks was 10 retail banks, but 6 availed themselves for the research. These banks were carefully selected from the Johannesburg Stock Exchange Market and are regarded as the main retail banks in South Africa (South African Reserve Bank, 2005). For each bank directors, managers, and Social Media experts who are directly involved with Social Media were interviewed. These were based in the head offices of these banks.

To get in-depth knowledge, key informants, Social Media experts, were interviewed. These were carefully selected and represented experts with banking experience and those with experience in other industries. This enabled the researcher to get the best possible in-depth information from Social Media Experts about Social Media. Thus the researcher was able to clarify questions, get a full picture of the position of Social Media and to assess the acceptance level of Social Media among bank management. Conversations were recorded using a Voice Recorder. This is essential because it reduces load on the researcher and is easy to use when analyzing and presenting data (Sekaran & Bougie, 2010).

Randomly selected customers from LinkedIn profile were used to identify the challenges and opportunities presented by Social Media Marketing and to evaluate the role Social Media Marketing should play in the Marketing Communication Mix of the banking sector. This was done to address some issues which managers may not be comfortable to address telephonically. According to the Harvard Case

Courses Model quoted in Sekaran & Bougie, (2010), questionnaires should be used prior to interview to give background information.

Findings from banks, Social Media experts and customers were compared with the literature review to assess the strategies used by banks in implementing Social Media Marketing. Findings also helped the researcher to fully acknowledge the challenges and opportunities presented by the use of Social Media Marketing.

1.7.1 Data Analysis

Ghauri & Gronhaug, (2005) state that the analytical procedure consists of techniques to conceptualize and analyze the data to result in theories and findings. Miles & Huberman in Sekaran & Bougie, (2010) agree on the notion that there are three stages involved in data analysis, which are data reduction, data display and drawing and verification. These procedures were followed during the data analysis process. Content analysis was used to analyze data from interviews and open ended questions in questionnaires. The data was coded, categorized and classified and presented in the form of interview reports, bar charts and tables. This was in line with the research area to be addressed. Statistical Programme for Social Sciences (SPSS) software was used analyze data because it is easy to use and makes data entry quick and understandable.

1.8 Practical and Ethical Considerations

According to Lewis, Saunders & Thornhill, (2009), research ethics refers to the appropriateness of the researcher's behavior in relation to those who become subject to the research, or are affected by it. To ensure factual accuracy and avoid falsification, fabrication and misinterpretation of data the researcher sought for permission to conduct this research from the six commercial banks, Social Media experts and from customers. The purpose of the study, the objectives of the research and all the necessary elements required in the study were clearly communicated by the researcher to ensure that participants were well informed.

The researcher also ensured that participation was voluntary and that participants could withdraw at any time should they wish not to participate. In addition to that, the privacy of participants was maintained and all data provided was treated with appropriate confidentiality and anonymity; this was communicated to the participants. The researcher ensured that all the information and data used were fully and correctly acknowledged to avoid duplication and misrepresentation of data. Further to that the researcher sought permission to conduct research from the University Research Ethics Committee.

1.9 Structure of the Thesis

Chapter One: Problem and its Setting. This chapter briefly introduces the topic, the key concepts, research objectives and the research methods used. A brief overview of the chapters that follows will also be discussed.

Chapter Two: Literature Review. In this chapter a theoretical background of Social Media and marketing communication and the models of communication will be addressed. The evolution of Social Media and how it fits in the Marketing Communication Mix will be examined. The researcher will make use of various sources from journals, articles, books and other authentic publications to fully give a concrete theory of Social Media.

Chapter Three: Research Methodology. This section will give the methodologies that will be used by the researcher in addressing the research problem. Past methods used by other researchers in the same field will be acknowledged.

Chapter Four: Data Collection and Analysis. To give practical application of the study at hand, this chapter will bring in data collected from the field and these findings will be analyzed and presented in an orderly fashion.

Chapter Five: Discussion Results. This chapter will compare the findings of the current study and the literature review. This will help the researcher to fill in any missing information in the study.

Chapter Six: Conclusions and Recommendations: Conclusion and recommendations for the research will be discussed in this chapter. The recommendations will be based on the findings and knowledge gained from the research thus giving ways that companies can best use Social Media for marketing purposes.

1.10 Definition of Terms

Marketing communication

“...a critical mediating process that links a company's offering to its intended consumers, it is also called promotional mix which, consists of advertising, sales promotion, personal selling, public relations and direct marketing” (Kimmel, 2005).

Social Media

New sources of online applications that allow user generated content which are initiated created and circulated and shared among people and firms and are centered on participation, openness, conversation, community and connectedness (Blackshaw & Nazzaro, 2004; Constantinides & Fountain, 2008).

Social Media Marketing

“... An interaction with a set of on-line Social Media conversation from marketing perspective based on converged media (since conversation can span from both technologies of the media.” (Jaokar, Jacobs & Moore, 2009).

Web 2.0

A set of (open source) applications and technologies that allows users to create, edit, and distribute content, share preferences, bookmarks, and online persons, participate in the virtual lives and build online communities.

Social Networks

Online application, website and place that allows individuals and firms to connect with friends and associates they know offline and online and share interests, ideas and knowledge through creating public and semi-public profiles which may contain pictures, videos text and digital audio files (Boyd & Ellison, 2008; Constantinides & Fountain 2008; Weber, 2009; Zarrella, 2010).

Blogs

Derived from weblog, blogs are frequently modified web journals presented in a reverse chronological order with dated entries. They are used to present and share personal or organizational information, ideas and this can be in the form of pictures, text, videos, audio and graphics. Blogs enable viewers and the creator to add comments in terms of organizational blogs they are perceived by the public as being affiliated to an organization (Kelleher & Miller, 2006).

1.11 Conclusion

The chapter briefly introduced the research background and gave the significance of the study. The research questions to be addressed were briefly introduced and these will be discussed fully in the chapter that follows. The researcher also gave a summary of the research methodology to be used and how the data will be analyzed and presented; these will be fully discussed in chapter three and chapter four.

The chapter that follows on, Literature Review will give a comprehensive theoretical framework of Social Media and Marketing Communication Mix. In this chapter, various communication models and marketing communication will be analyzed in line with the research problems. The aim of the empirical analysis is to identify the gap and also to give a strong theoretical background to the reader.

CHAPTER TWO

SOCIAL MEDIA AND MARKETING COMMUNICATION: A LITERATURE SURVEY

2.1 Introduction

The widespread use of Social Media for communication is changing the way marketers reach out to prospective customers. Social Media has a multifaceted relationship with the Marketing Communication Mix, which has left marketers and practitioners uncertain as to how to effectively adapt it for marketing purposes. This is reflected in the tendency of some practitioners to push products on Social Media using traditional approaches, lack of knowledge of what Social Media is and how to engage with it, experimenting with Social Media tools without clear strategies, and skepticism on its relevance (Mangold & Faulds, 2009; Kietzmann et al., 2011; Weinberg & Pehlivan, 2011).

This chapter therefore gives a holistic view of what Social Media is and how it can fit into the Marketing Communication Mix. Literature will be examined to identify the challenges and opportunities presented by Social Media and how Social Media can be effectively implemented in the Marketing Communication Mix.

2.2 Market Trends in the Media Environment

The emergence of online media has seen the advertising industry experiencing a shift as consumers and companies seem to prefer online media to traditional media (Palmer & Koenig- Lewis, 2009). For example, the newspaper industry seems to be slowly closing down while television channels are experiencing shortfalls in their

revenue (South African Advertising Research Foundation, 2010). According to Palmer & Koeng-Lewis, (2009:164):

“Fifty-two percent of Europeans are regularly online at home. Around thirty-six percent internet users watch less television, twenty-eight percent have reduced their newspaper and magazine reading and seventeen percent have decreased listening to the radio since going online”.

According to Basson, Makhasi and van Vuuren, (2009), the new media has immersed itself deeply in most societal, economic, political and cultural environments. They argue that in the South African environment, the digitalization of personal and mass communication has changed as South Africans are turning to the new media for communication, with the most common social networks used in South Africa being Twitter, MySpace, Facebook and MXit. Chipp & Ismail, (2004) on the other hand predicted that most South Africans will have access to the internet. On the same argument greater percentage of South Africans are believed to be accessing Social Media through their cell phones. In the South African commercial environment Social Media is used by both small and large organizations, nonprofit making organizations, government and universities. The World Cup 2010 held in South Africa fuelled the use of social networks among the above mentioned institutions in various departments from human resources to the marketing departments. This research will focus on the marketing department and will discuss the marketing principles in relation to Social Media and the Marketing Communication Mix.

2.3 Mass Communication

Mass communication is a process whereby a homogenous message or intelligence, in the form of ideas, information, thoughts, knowledge, feelings, is extensively sent to a large heterogeneous, or scattered and diversified audience through a medium. The audience may be far removed from the source of the message. The transmission of message in mass communication includes dissemination of

centralized mass information or entertainment (encompassing radios, television, print media), decentralized information or entertainment (on World Wide Web) and provision for decentralized media based interaction on a mass scale e.g. telephone, email or two way radio (Egan, 2007).

In the organization, it is referred to as public communication. The communicator in mass communication may not be an individual but may be a team of employees who represent the organization. This communication uses mass media which are technology or social institutions like radio, print media, TV and internet. This media is involved in the production and development of messages which will be sent to the audience. Mass media originated in the 20th century where the message sent had little or no feedback from the audience. The purpose was to entertain the audience, communicate and maintain societal culture, correlative and informative, and surveillance of the environments. Thus marketing communication originates from mass communication because it is a form of paid communication and profit making communication aimed at a large audience but sometimes at a small audience with the objective of influencing behavior, just like mass communication. Some organizations still view marketing communication as a form of mass communication and use Social Media as mass communication.

2.3.1 Media

The mass media can be defined as the sometimes state-regulated, corporately financed, and industrially organized institutions of information and entertainment dissemination such as newspapers, magazines, cinema, television, radio, advertising, book publishing, music publishing, recording and performance, and all interactive media that are engaged in providing entertainment and information to large, unknown audiences for both private and public consumption. The mass media also include Internet activities (e.g. Web sites) designed to disseminate information broadly. Finally, the mass media encompass those technologies and organizations which allow communicative interaction on a mass scale-phones, faxes, postal services, cell phones, Blackberries, Palm Pilots, and the like.

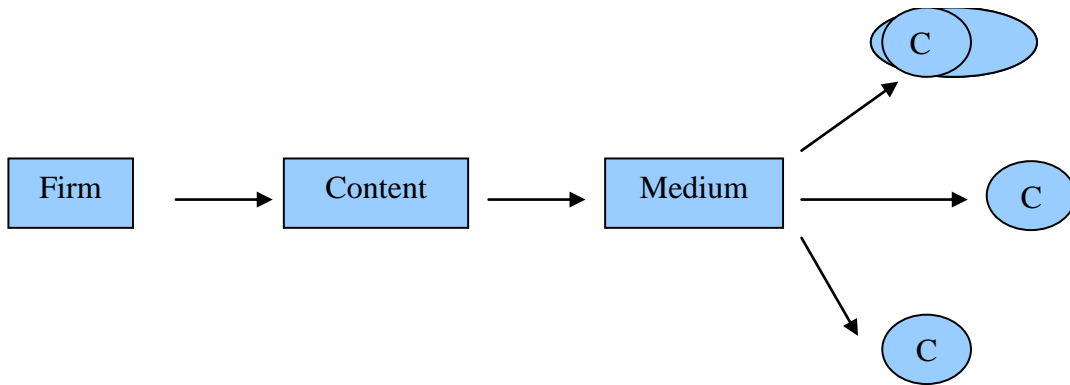
2.4 Marketing Communication

Marketing communication is the voice of the corporate world because it is used to communicate to the consumers and stakeholders. Rossiter & Bellman, (2005) defined it as:

“Marketer originated messages, placed in various media, their purpose being to sell the brand by showing it, saying things about it, or both, in a manner that establishes the marketer’s desired position for the brand in the minds of target customers.”

The above definition brings out the idea that messages sent by the marketer are controlled and developed by the marketer using various channels of communication. The citizens or audience who receive the message are a “*passive audience*” meaning that communication is one way - “*one to many*” as shown on *Figure 2.1* (Hoffman & Novak, 1996; Varey, 2002; Sutton & Klein, 2003, Mangold & Faulds, 2009). This traditional marketing communication originated in the Babylon era where the seller would inform the customer what they have to offer and the buyer would respond by buying the product. Recent studies however have proved that consumers are no longer passive recipients in marketing but are rather “*active citizens*” and *co-creators of promotional messages* who have a voice and who want to control the messages they receive (Varey, 2002; Hanna, Crittenden & Rohm, 2011). The reality is that the audience, the consumer, consult, socialize and interact with other people and with their surroundings, that is technology, work, media (Varey, 2002).

Figure 2 1 Traditional one-to – many marketing communication model



Source: Hoffman & Novak, (1996:5)

The choice of marketing communication is dependent on the nature of the product, stage in the product life cycle, target market characteristics, type of buying decision, funds available for promotion and lastly, whether to use a push or pull strategy. The push and pull strategy can be used together, but, at different degrees. The push strategy uses aggressive personal selling and trade advertising to convince the wholesaler or the retailer to carry and sell a product. The pull strategy on the other hand stimulates consumer demand to obtain product distribution (Hoffman & Novak, 1996).

2.4.1 Elements of the Marketing Communication Mix

The Marketing Communication Mix, also known as the promotional mix, is composed of 5 traditional elements which are advertising, personal selling, public relations, publicity, direct marketing and sales promotion. Of these five, advertising has often been regarded as the only marketing communication tool thus leading to the belief that marketing communication is only about sending information to the customer through electronic and print media (television, radio, newspapers and magazines) and not face to face. Below is a brief discussion on the elements of the Marketing Communication Mix.

2.4.1.1 Advertising

Advertising is a one way, non personal and planned paid promotion or message aimed at influencing the attitude and behavior of a broad audience about a product or a service (Frey & Rudloff, 2010). The main aim of advertising is to create awareness, hence the term 'awareness builder', which will eventually lead to the purchasing of a product or service. Advertising originated in the Babylon age and has been widely used by marketers. Its attributes of being cost effective, giving complete control of message to the marketers and its ability to create brand value, have built its popularity. Some consumers and companies treat it as a form of mass communication which uses the push and pull marketing strategies. However, since it is a one-to-many type of communication, biased and low in credibility, consumers have lost trust in it. According to Mangold & Faulds, (2009), consumers have become more educated and want to control messages they receive. This has led to the current shaking up of the advertising industry.

2.4.1.2 Direct Marketing

Direct marketing is a management concept, a multi-level communication and distribution tool (Hesse, Kraft & Peters, 2007:5-6). It is accountable, interactive and used to ensure direct response from customers (Percy, 2008:153-155). A Direct Marketing campaign accesses huge recorded databases to build profiles of potential customers and provide valuable marketing information for effective direct targeting. It involves activities like direct mail, telemarketing, database management, direct response ads through the direct mail, the internet and various broadcast and print media (Belch & Belch, 2003:18-20; Hesse et al., 2007:6). Direct Marketing is divided into two elements, namely building a quality database over a long period and cost monitoring and controlling. The controlling elements indicate that there is much control given to the marketer as opposed to Social Media which puts control in the hands of the consumers. Scholars suggest that the main aim of direct marketing is to stimulate the targeted audience to take a now action, and create an individualized customer relationship (Holland (cited in Hesse, et al., 2007; Percy, 2008:153-155).

2.4.1. 3 Personal Selling

According to Frey & Rudloff, (2010), personal selling is a flexible, accountable and measurable one-to-one marketing communication tool centered on building trust and a relationship between the seller and the buyer. The main focus of personal selling besides selling is to solve customer problems, add value and assist in purchasing decision making and building trust and relationships with customers, which may result in brand loyalty. Personal selling is more common in business-to-business markets and in situations where there is much competition and specialized products. There are great chances of customer-seller relationships being sacrificed at the expense of attaining a quick sale. The fact that personal selling is relationship based, gives a basis for Social Media which is based on relationship building.

2.4.1.4 Sales Promotion

Sales promotion refers to *"...marketing and communication activities that change the price/value relationship of a product or service perceived by the target, thereby generating immediate sales and alter long term value."* (Schultz, Robinson & Petrison, 1998:7). To initiate instant sales or specific purchase, sales force and consumers are given incentives that result in tangible and non tangible benefits (Belch & Belch, 2003; Percy, 2008; Mullin & Cummins, 2008). However, Schultz et al., (1998) posit that one disadvantage of sales promotion is that it does not change the opinion of the buyer about the product but rather initiates immediate or short term results. Marketers however misuse sales promotion in Social Media through posting promotions and not engaging with customers.

2.4.1.5 Public Relations

Public Relations is a proactive and reactive management function used to evaluate public attitudes, identify the policies and procedures of an individual or organization with the intention of executing a programme of action to earn public understanding and acceptance (Johnston & Zawawi, 2009). Although it is credible,

Public Relations does not allow organizations to control messages and responses of customers on Social Media.

Many debates have been going on as to how companies and marketers can best take advantage of these elements to achieve their organizational goals effectively and efficiently. Integration of all the elements seems to be the best way organizations can effectively use all the elements discussed above.

2.4.2 Integrated Marketing Communication (IMC)

Integrated Marketing Communication (IMC) coordinates and controls the promotional mix element to send unified and focused messages to customers based on the organizational goals. The American Association of Advertising Agencies (4As) (cited in Belch & Belch, 2003) defines Integrated Marketing Communication as:

“a concept of marketing communication planning that recognizes the added value of a comprehensive plan that evaluates the strategic roles of a variety of communication disciplines for example, general advertising, direct response, sales promotion, and public relations – and combines these disciplines to provide clarity, consistency and maximum communication impact”

Adopting this strategy helps organizations gain Return on Investment on marketing messages, avoid duplication of messages and give organizations the ability to adopt a centralized theme for the company and the brand (Kurtz & Boone 2007:488; Belch & Belch, 2003; Mangold & Faulds, 2009). The IMC concept emphasizes the forming of an image in the mind of the customer which in the process maintains a lasting relationship with the organization. In adopting IMC managers must be committed to the strategy and remove barriers to integration.

Companies adopt IMC strategies because they remove complete dependency on trade advertising which may be costly to the company. The role of IMC is to counsel, mediate, support and add value to business units. This in turn helps the

organization create demand and brand awareness, enhance attitudes, influence purchase intention, facilitate purchase and differentiate brand from competitors (Shimp, 1993:8, 28-30). Customers will be able to acquire, build and retain relationships with all stakeholders and shareholders through IMC. Companies always try to control the messages as mentioned before but this is proving to be a challenge in the new era of Social Media because it demands that control be left in the hands of the customers as they have begun to be resistant to organization controlled marketing messages (Mangold & Faulds, 2009, Brown & Hayes, 2008). Post modern customers being dynamic in nature have advanced and are characterized by chaos, confusion, complexity and contradiction, thus fragmenting the market segments (Brown, 2002).

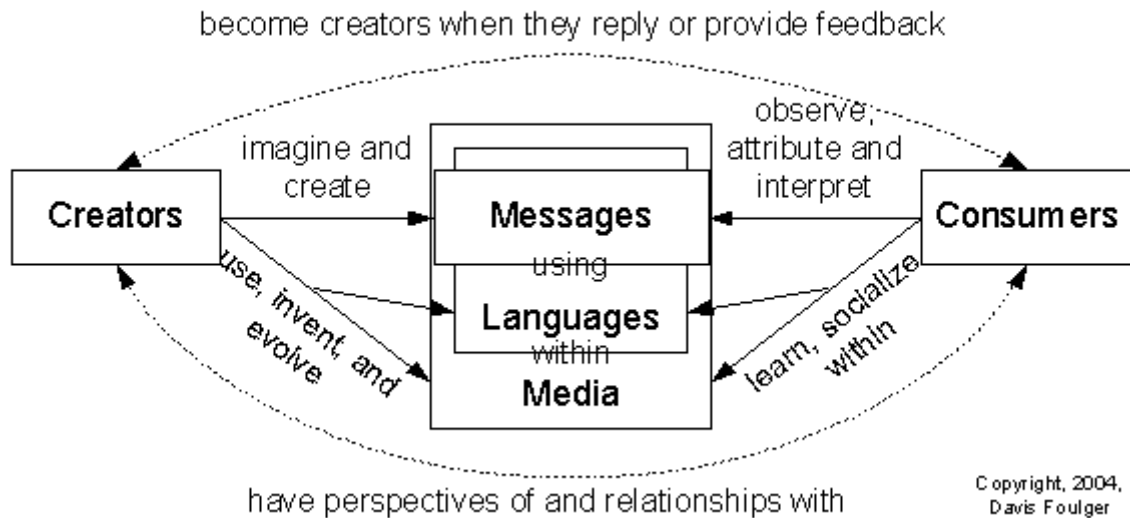
2.5 Communication Models of Marketing Communication

The main focus of this literature survey is to see whether Social Media fits into marketing communication. Since access and usage of Social Media relies on computers and other electronic devices, the researcher will borrow some ideas from different scholars on how the communication model integrates with computer based communication and how marketers have adapted the two paradigms. This section therefore will look at communication models in relation to computer mediated communication (CMC) and marketing communication.

2.5.1 Communication Models

Communication is the process by which a message (content or meaning) is created by people (creator and consumer) using language within a media and is transmitted, and consumed from media and interpreted using language (Hoffman & Novak, 1996; Foulger, 2004). Language consumed and interpreted can be in the form of words, signs, or images, and for effective communication to occur there should be a complete two way communication. Social Media communication is more advanced, as the creators shown on Figure 2.2 are called prosumers, meaning they create and consume the information they produce on the Social Media.

Figure 2 2 Communication Model



Source: Foulger, (2004), *Ecological Model of Communication*.

2.5.2 Computer-Mediated Communication

Computer-Mediated Communication (CMC) on one hand is any kind of communication involving the transmission of electronic signals between computers (Rudy, 1996). Hypermedia which is part of (CMC) is a combination of hypertext or an integration of media, which allows users to connect to information together through various paths and links and multimedia. Thus it allows interactive access to static text and images, graphics, and dynamic, audio video animation and content (Bornman & von Solms, 1993). In technical terms hypermedia is a system which allows organization, structuring and accessing of information around a network of multimedia nodes connected together by links. Hypermedia therefore initiates an interaction between users.

The focus of this research is on Hypermedia Computer Mediated Communication (HCMC), a distribution of computer network which allows its users to access hypermedia content (Hoffman & Novak, 1996). It is important to note that the internet, particularly the World Wide Web, is just part of the HCMC. The reason for mentioning HCMC is that it plays a great role in the marketing field as it allows interaction between the consumer and the firm electronically. It also plays a great

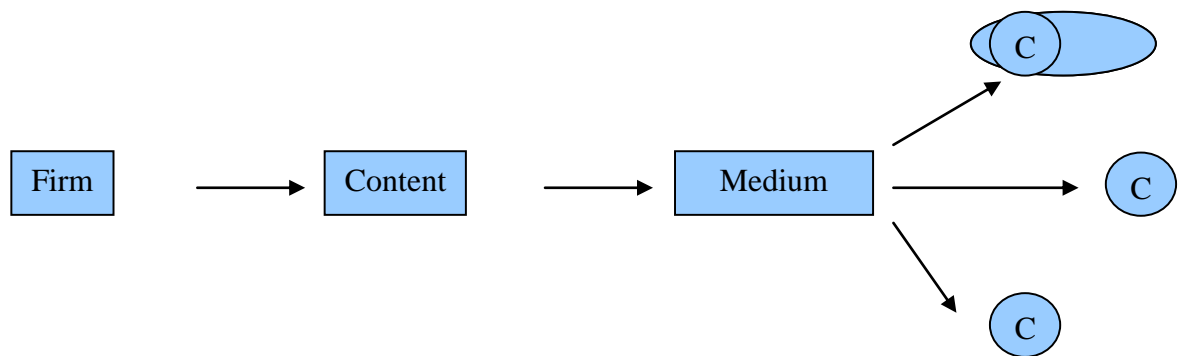
role in Social Media as Social Media is electronic-based or computer-initiated. This will be discussed later in this chapter.

Interactive Digital Multimedia systems allow the end users to actively engage with the system by customizing and self selecting which information to see and receive. The user has control over the timing sequence and content unlike in passive multimedia like videotape (Lang, 2005). Digital Multimedia on the other hand is computer controlled integration of text, graphics, images, animation sounds and any other medium where every type of information is stored, transmitted and processed digitally. Interactive Digital Multimedia can be likened to Adaptive Hypermedia (AH), but what makes it unique is the fact that the information seeking is more personalized. AH, as suggested by Brusilovsky, (2001) is one size fits all and enables personalized access to information which is according to the goals, preferences and knowledge of the user.

Model of Computer Media Communication

Hoffman & Novak, (1996) gave three models of communication. These form the basis for traditional marketing communication and the new marketing communication. In Hoffman & Novak's, (1996) opinion the first model is the mass media. Mass media is an early mode of communication where transfer of information is one way or one to many, consumers were regarded as consumers of information/content and had to respond only by purchasing or not purchasing the marketed product. According to the two scholars, the firm (F) sends some content, (advertising message of a product), through a medium, (electronic media, radio or print media, newspaper) and the consumer would be the recipient of the information and there would be no form of interaction whatsoever. Hoffman & Novak, (1996) agree with past research on the issue of one-to-many. Figure 2.3 gives a summary of this model.

Figure 2 3 The Model of Marketing Communication for Interpersonal Mediated Communication



Source: Hoffman & Novak, (1996:5)

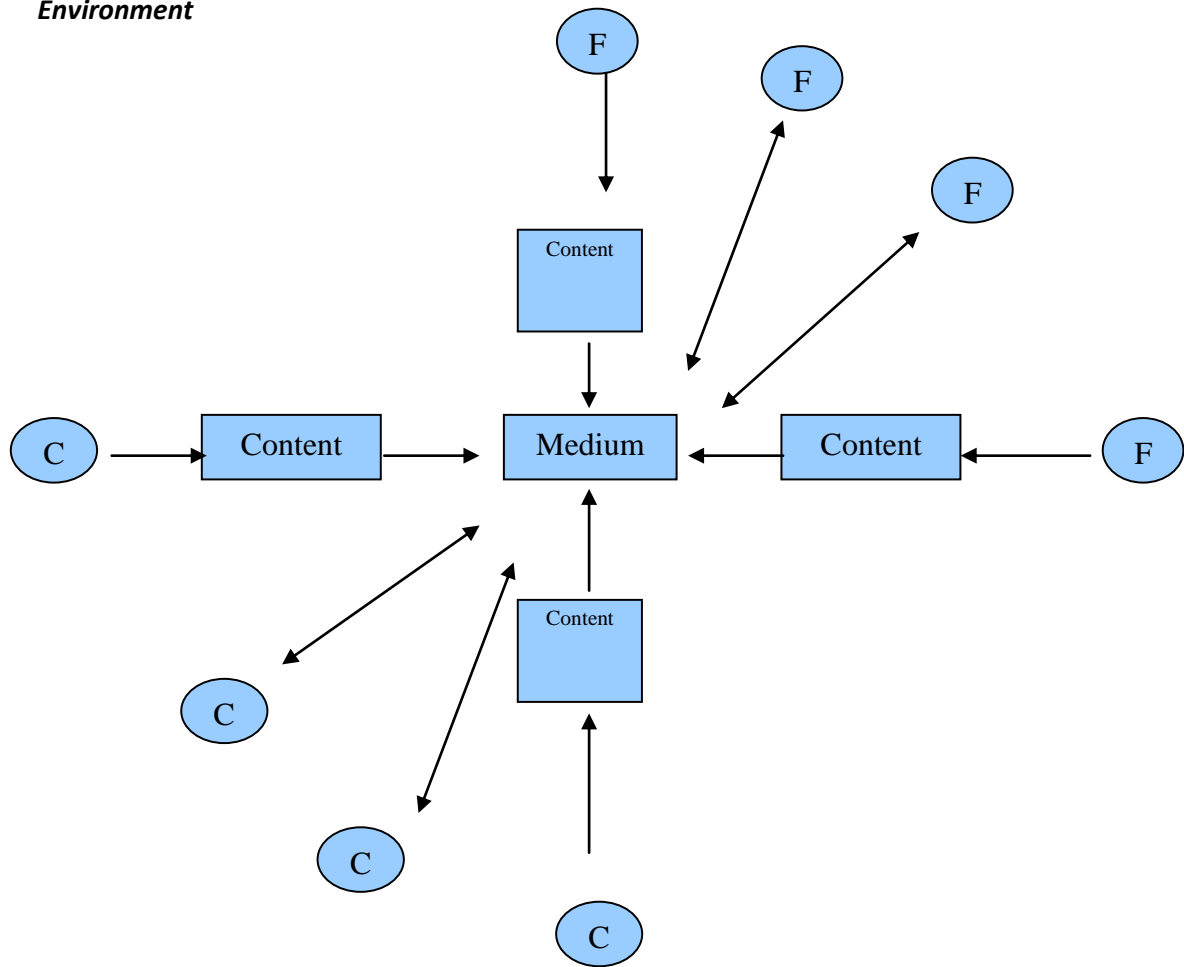
The first model can be equated to the transactional communication strategy as suggested by Lagrosen, (2005). This is characterized by passive customers who are led through a sequential process from awareness to purchase. However, part of Lagrosen's first model is in line with Hoffman & Novak's second model because less emphasis is put on interaction on the internet. In this model success is measured by the number of sales generated through direct content sent to consumers through websites.

The second model is Interpersonal and Computer-Mediated Communication. It is more advanced in the sense that although it is based on traditional media, it initiates interaction between two customers through a medium. This model can easily be extended to many-to-many interpersonal communications in the form of online chat rooms or face to face group meetings. Lagrosen, (2005) defines this model as the mass relationship communication strategy. The main objective of this model is to develop relationships with a large group of customers and interaction with mass communication tools, to gain a profit. There is use of advanced, elaborative websites and effective interaction opportunities. Success in this sector is measured by the number of users a company interacts with. To some extent this can be a replacement for traditional advertising.

The third model, the New Model of Hypermedia Computer Mediated Communication gives a scenario whereby consumers communicate with the medium and through the medium (Hoffman & Novak, 1996). There is more

interaction between the firms and the consumers and it can lead to a human community online. In this model the sender of content can also be the receiver of the message and hence a gradual adoption of the recent User Generated Content era finds its origins. Digital convergence is the process of bringing together various information and communication systems, telephone, television, video, radio and print, with the aim of unifying the system facilitated by the network platform. The new model focuses more on building long term bonds and associations between consumers and firms. The consumer becomes an active participant thus leading to an active model of marketing. Consumers have embraced this new media but a lot needs to be done as this new model pushes firms to be more adaptive to continual technological changes. This leads to the discussion of internet or digital marketing which has its origins in HCMC.

Figure 2 4 New Model of Marketing Communication in Hypermedia Computer- Mediated Environment



Source: Hoffman and Novak, (1996:7)

2.6 Digital Marketing

Internet marketing or digital marketing is an application that enables marketing objectives to be achieved through the use of digital technology. This is a concept of sending marketing messages through the use of internet, radio, television and mobile. It is classified under the pull factor when consumers select, especially through the use of the internet, what marketing messages to respond to, or the push factor when companies send (push) marketing messages through the use of Email, SMS and RSS. According to Chaffey, Mayer, Johnston & Ellis-Chadwick, (2001), the internet provides the following advantages: low cost, increased depth and nature of the relationship, and more effective audience targeting. The internet

provides feedback in a very effective way to the marketers and the consumers as well. Table 2.1 gives a summary of and comparison between traditional media and new media which is internet based.

2.7 Social Media

This section discusses what Social Media is and the role it can play in the Marketing Communication Mix.

2.7.1 What is Social Media?

Traditionally information on online was created and used by highly skilled professionals but the advent of Social Media allows users from all walks of life to create, consume and share content (DesAutels, 2011). By its nature Social Media is built on three key elements: content, communities and Web 2.0 (Interactive Advertising Bureau, 2008; Ahlqvist, Back, Heinonen & Halonen, 2010). The three key elements mean that consumers and companies form online communities which allow them to collaboratively and collectively interact, engage, share, create and co-create user-generated-content on mobile and web-based technologies which are founded on Web 2.0 ideologies and technologies (Kaplan & Haenlein, 2011; Kietzmann et al., 2011). Scholars like Hanna et al., (2011) deduced that the collaborative nature of Social Media has fundamentally changed the way marketers engage in influencing activities because customers have created spheres of influence among themselves. The emergence of Social Media has therefore empowered customers to play three roles: consumer, contributor and creator of information (DesAutels, 2011). This increases their capabilities and responsibilities, which are to contribute in the creation of information on Social Media.

Table 2. 1 Difference between New and Traditional Media

Traditional media	New media	Comment
One-to-many communication model.	One-to-one or many-to-many communication model.	Hoffman and Novak (1996) state that theoretically the Internet is a many-to many medium, but for company-to-customer organizations it is best considered as one to one.
Mass marketing	Individualized marketing or mass customization	Personalization possible because of technology to monitor preferences and tailor content.
Monologue	Dialogue	Indicates the interactive nature of the www with the facility for feedback.
Supply-side thinking	Demand-side thinking	Customer pull becomes more Important.
Customer as a target	Customer as a partner	Customer has more input into products and services required.

Source: Adapted from Chaffey et al., (2001)

2.7.2 Classification of Social Media

There are a myriad of Social Media applications which are producing drastic ways of interacting and engaging. These Social Media applications when classified vary according to their scope and functionality like: general masses -focused, professional networking focused sites, photo and video sharing focused, and knowledge sharing focused (Kietzmann et al., 2011). They are referred to by Kietzmann et al., (2011) as the honeycomb of Social Media. Hanna et al., (2011) on the other hand classify Social Media according to the conversations made on Social Media, which they put forward as the Social Media Ecosystem. In an effort to classify Social Media Ahlqvist, Back, Halonen & Heinonen, (2008) categorized Social

Media from a business perspective. These categories are '*Core, Enabler, Features and Built-on*'.

- Core- looks at the content activity created by users and revenue related activity; one good example of a core is YouTube.
- Enablers are Social Media practices and processes that are used to achieve a process or function within a business, for example Wikipedia.
- Features are Social Media features or tools like the news services that are adapted to the website.
- Built-on are applications that could be needed without user-generated content and interest, for example Google.

The classification of Social Media applications includes collaborative projects, blogs, micro blogs, collaborative websites, social network sites, virtual worlds and content communities. The classification is dependent on the consumer's usage; the user gratification goal and the need that the user wants to satisfy and achieve consumption goal (Kaplan & Haenlein, 2010; Hanna et al., 2011; Kaplan & Haenlein, 2011; Zolkepli & Kamarulzaman, 2011; Kaplan, 2012). The applications are further broken down into tools or sites which include corporate blogs, Twitter, Facebook, YouTube, LinkedIn, MXit and Wikipedia (Kaplan & Haenlein, 2009; Zolkepli & Kamarulzaman, 2011).

Since there is a large pool of Social Media sites to pick from, marketers and practitioners are confused how to use them. There is lot of active experimentation on several popular sites attributed to the infancy level of Social Media (Bolotaeva & Cata, 2010; Hanna et al., 2011, Weinberg & Pehlivan, 2011).

This research will focus on only four, which are blogs (Corporate Blogs and Employee Managed Blogs), micro-blogs (Twitter), social networks (Facebook, LinkedIn), and Video-sharing sites (YouTube). These were chosen because they are the most used sites in South Africa.

2.7.3 Acceptance of Social Media

As mentioned before customers have become more educated and knowledgeable through the use of Social Media and this has led to their resistance to marketing information. Hanna et al., (2011) affirmed that due to numerous connections consumers experience every day, consumers of media and marketing messages are now intelligent, organized and trust their own opinions and those of their peers. Thus in the opinion of Mangold & Faulds, (2009), and Kietzmann et al., (2011), Social Media is becoming a more trustworthy source of product and service information than corporate sponsored communication via traditional marketing communication elements like print media, television, emails and websites. This is because engaging on Social Media allows them to control general and marketing information; it also allows them to consult each other during buying decision-making process. Companies which ignore Social Media, see it as a passing fad or which rely on traditional marketing elements like advertising, public relations and personal selling only may miss out the benefits of Social Media.

Despite its potential benefits some marketers and practitioners eschew Social Media. This is attributed to the lack of understanding of what Social Media is, its composition, how to engage with it and uncertainty among marketers on how to measure its effect and budget for it (Weinberg & Pehlivan, 2011; Kietzmann et al., 2011). There is a lot of skepticism among practitioners emanating from a lack of strategies on how to implement Social Media. Companies that adopt Social Media may end up using a lot of experimentation or developing a sheep mentality of following what other companies are doing without knowing the direction. The next section seeks to address the role of Social Media through identifying its position in the Marketing Communication Mix.

2.8 Position of Social Media

Despite the acceptance that Social Media plays a role in the Marketing Communication Mix, there are different opinions on the position that Social Media

should have in the marketing communication. These differences are centered on the way it can be used.

2.8.1 Hybrid of Promotional Mix

The Hybrid of promotional mix school of thought argues that Social Media is a new element in the Marketing Communication Mix because it plays a different role from traditional Marketing Communication Mix. Mangold & Faulds', (2009) stance is that Social Media plays two roles; the first enables companies to talk to their customers, as they do with traditional marketing, and the second enables customers to converse with each other. Arguments are that because of the nature of Social Media and the fact that customers do not want to be marketed at, Social Media has replaced marketing communication and that Social Media is a passing fad.

2.8.2 Social Media as a Media

This opinion put forward that Social Media is not a new element of the Marketing Communication Mix, but rather an innovation which builds upon already existing technology thus supporting the HCMC Model (Hoffman & Novak, 1996; Lagrosen, 2005). This is in line with Mangold & Faulds, (2009), and Hoffman & Novak, (1996) who proposed that Social Media *"springs out from mixed technology and media origins that enable instantaneous, real time communication and uses multi-media formats (proposed by the CMC Model) and numerous platforms (Facebook, YouTube and blogs) with global capabilities"*. Other scholars who share the same view posit that Social Media is just a new channel like TV and Radio. The only advantage with it is that it reaches a large audience at a lower cost (Singh et al., 2008). Further to this, Zolkepli & Kamarulzaman, (2011) added that Social Media has become a mass media vehicle for consumer sponsored communication and according to them this is attributed to a lack of understanding of how to use Social Media and the benefits it brings to them. Stephen & Galak, (2009) agree with this notion and propose that it also be used to measure marketing performance. This performance can be measured on the basis of social currency (defined as

engagement with consumers and consumer evangelism) as Stephen & Galak, (2009) and Weinberg & Pehlivan, (2011) put it.

Thus what can be drawn from this school of thought is that Social Media is a new media, which comes with both traditional and new marketing benefits. However, there is a challenge in viewing it as an extension of mass communication because this may result in companies pushing adverts to customers, resulting in resistance from customers. Social Media should be used as a new channel for listening to customers, and engaging in important conversations (Constantinides & Fountain, 2008; DiStaso, McCorkindale & Wright, 2011). Social Media is not a replacement for traditional media like TV but a new marketing tool targeting a specific type of customer who prefers online communication, thus it should be integrated into the traditional marketing channels, (Bolotaeva & Cata, 2010). However, Bolotaeva & Cata, (2010) seem to argue that Social Media is a new form of the marketing mix, possibly suggesting that it is at the same level as the promotional mix.

2.8.3 Social Media as Enhancer

Another school of thought put forward that Social Media plays a role of enhancing the Marketing Communication Mix and therefore should be incorporated in the mix (Lagrosen, 2005). It is essential because according to Parent, Plangger & Bal, (2011), consumers are resistant to faceless and impersonal organizations in favor of more personal conversation and engagement with the brand, and involvement with or without the company's approval in creating brand personalities. Adding to that, since customers are no longer passive consumers of marketing messages, they want to co-create products and promotional services and integrate Social Media as the mix allows companies to gain trust from them. However, according to DiStaso, et al., (2011), marketers are uncertain how to strategically incorporate Social Media. Thus Social Media should work hand in hand with marketing communication to make it more effective.

Hanna et al., (2011) in their Social Media ecosystem introduced the idea that Social Media should be combined with traditional media because it is about experience

which arises when marketers incorporate reach, intimacy and engagement into the overall IMC strategy. They add that marketers make the mistake of using it as a stand-alone strategy and in a disparate platform or silos that operates independently of the others. Constantinides & Fountain, (2008) posit that companies should understand Social Media functions and include them in the public relations arsenal to reach out to customers' opinion leaders. They added that Social Media tools like blogs can be used for advertising as a low-cost communication option. It should be engaged both in an active and passive way in the overall marketing strategies. DiStaso et al., (2011) concluded that managers play an enhancement role of helping the understanding of customers, products, competitors and markets. Thus Social Media should be integrated in the marketing mix (Bolotaeva & Cata, 2010).

2.8.4 Social Media as a Traditional Tool

Social Media can be used in the same way as traditional tools. It can be used as an advertising agent. Constantinides & Fountain, (2008) argued that it should be part of the public relations and Marketing Communication Mix and as a means of direct one-to-one marketing. It is the word of mouth delivered and enhanced by online communities to a larger audience and at great speed (Preibusch, Hoser, Gürses, & Berendt, 2007; Mangold & Faulds, 2010). Scholars like Bolotaeva & Cata, (2010) state that social networks in particular have their different 4 Ps of marketing mix which are Personal, Participatory, Physical, and Plausible. Blogs can be integrated with Customer Relationship Management, public relations and can be used for press releases.

2.8.5 Social Media as a Passing Fad

Constantinides & Fountain, (2008:243) contend that Social Media is not a passing fad; instead "*...marketers should learn to co-exist and communicate with a powerful customer very sensitive to old-fashioned push marketing and by-and-large determined to participate as an equal in the marketing process.*" Fischer & Reuber, (2011) propose that Web 2.0 marketing will take over from traditional advertising

and marketing techniques. Preibusch, et al., (2007) equate Social Media with traditional ecommerce, but its difference is that user profile information is public and this helps in market intelligence.

2.9 Challenges and Opportunities

With the growing use of Social Media among consumers, marketers and practitioners are learning to co-exist and communicate with an audience that is resistant to marketing messages. The adoption of Social Media therefore presents challenges and opportunities to marketers and practitioners. Although organizations have adopted Social Media, the general view is that marketers and practitioners are uncertain about how to use it and the benefits it can bring. Experimentation, learning and re-learning is therefore the norm in the Social Media Marketing industry. This section discusses the challenges and opportunities with the aim of removing the uncertainty among marketers and practitioners.

2.9.1 Opportunities

Opportunities presented by Social Media in this section are going to be divided into 3 principles: pre-purchase, purchase and post purchase. They are also going to be measured basing on the four principles of Social Media i.e., openness, interaction, collaboration, participation.

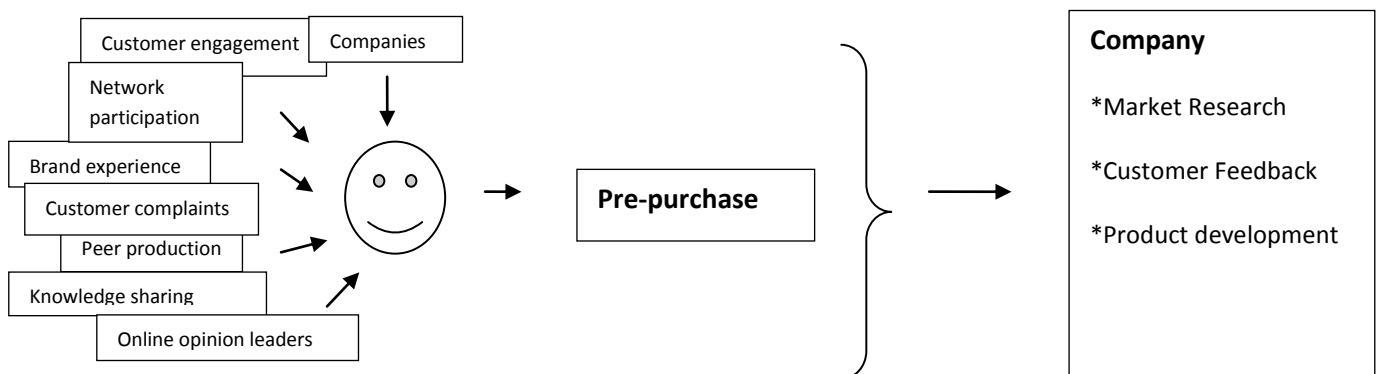
2.9.1.1 Customer Buying Behaviour

The main opportunity that comes with the adoption of Social Media is its substantial effect on influencing customer behavior and empowering customers (Constantinides & Fountain, 2008; Ahlqvist et al, 2008; Mangold & Faulds, 2009; Sarkkinen, 2009). Customers are empowered through the pool of knowledge and information on Social Media applications. This pool of information in the consumers' eye comes from their engagement with each other and with brands, knowledge sharing, peer production, network participation, sharing experiences, personalities and tastes (Kaplan & Haenlein, 2011, Bolotaeva & Cata, 2010; DiStaso

et al., 2011). Since customers trust their peers more than marketers, they use this information from sites like Wikipedia, Twitter, Blogs and Facebook when deciding to purchase products. If products or services are highly technical, conversations from blogs and videos uploaded by both customers and companies on YouTube can help clarify the technicalities involved in a product or service. Thus according to Sarkkinen, (2009), HCMC play the same role of sales person as they allow customers to read, listen and converse with the content. The result is informed purchasing decisions which lead to customer satisfaction and brand loyalty (Mangold & Faulds, 2009; Kaplan & Haenlein, 2010; Liu, Karahanna & Waston, 2011).

Customer online review on Social Media provides a platform for consumers to share information about product quality and hence the cost of identifying a product that fits a consumer's preferences is reduced (Lui et al., 2011).

Figure 2 5 Social Media and Buying Behavior



Source: Researcher's Own Drawing

Scholars like, Bolotaeva & Cata, (2010); DiStaso et al., (2011), Kaplan & Haenlein, (2011) posit that the free, easily accessible and rich data mentioned above is therefore used by companies for cost effective market research, market intelligence and to assist customers in their decision making. This has the great potential of generating multi revenues in the content of ethnography, customer personal tastes and personalities, suggestions and innovative ideas (Kozinets, 2002; Ahlqvist et al., 2008). Thus brewing a source of customer feedback and a source conducting targeted dialogues with customers (Kaplan & Haenlein, 2010; DiStaso et

al., 2011). DELL for example uses customers' feedback and information to fix their problems; this led to their introduction of the new Inspiron Mini 9 laptop (Kaplan & Haenlein, 2011).

2.9.1.2 Purchase

Bolotaeva & Cata, (2010) postulate that social networks help companies acquire customers and retain them while click-through on micro-blogs influences consumer behavior. Micro blogs allows push and pull communication from sender to followers, followers to followers and receiver to external information sources (Kaplan & Haenlein, 2011). Adverts and brand enforcement tweeted on twitter are used especially in sales promotion messages e.g. whole foods market uses twitter to broadcast special promotions, product recalls and health tips Kaplan & Haenlein, 2011). Social Networks most likely influence product acceptance, service perception, purchase decision and influence loyalty behavior as consumers are beginning to trust more what they are told by their peers (Xu, Lu, Goh , Jiang & Zhu, 2009).

2.9.1.3 Customer Service

One of the opportunities presented by Social Media is its ability to allow pre and post communication evaluation by companies, (Ahlqvist, et al, 2008; Mangold & Faulds, 2009; Sarkkinen, 2009). Micro-blogs for example are a great platform for professionally handling customer complaints and negative comments from dissatisfied customers. Blogs play the traditional role of creating loyal customers through effectively handling their complaints and addressing their needs and concerns (Bolotaeva & Cata, 2010; Kaplan & Haenlein, 2011).

2.9.1.4 Market Intelligence and Data-mining

Creating online communities which allow customers to generate content has the advantage of attracting customers to a company's Social Media profile (Brown, 2002). The advantages of such a move are gaining customer loyalty, data-mining, market intelligence and product development achieved through interaction with

customers. In addition to that, sites like blogs and social networks help organizations to update their shareholders and stakeholders about market trends and any other company developments (Mangold & Faulds, 2009; Kaplan & Haenlein, 2010). In return, companies gain knowledge on market characteristics, trust, loyalty, and being regarded by customers as transparent and honest. A good example is Sun Micro, Standard Bank which uses personal blogs to enhance company transparency by creating a community for its consumers to share their experiences on personal budgeting (Bolotaeva & Cata, 2010; Kaplan & Haenlein, 2010). Social Media is a good source of market intelligence since consumers' insights and perceptions about the product and company are readily available. This can help organizations gain competitive intelligence. Customer Relationship Marketing and Relationship Marketing budgets can likewise benefit from Social Media Marketing intelligence.

2.9.1.5 Relationship Building

Corporate credibility and relationships are built and enhanced through the personalized interactions, collaboration, communication and feedback attained on Social Media applications (Sarkkinen, 2009). Blogs for example have a long life span and if they are managed by employees or top management individuals, can help the company gain credibility and loyalty (Kent, 2008). Toyota 2008 (cited in Kaplan & Haenlein, 2009) is a good example of a company which used the Open Road blog to get feedback from customers through criticism, accolades and meaningful suggestions. However, some of the feedback maybe nasty as was the Nestle Company on its Facebook profile.

2.9.1.6 Reduction of Marketing Expenses

Gummesson, (2008) states that internal marketing and communication budgets are reduced on HCMC due to the sharing of ideas among employees. Social Media thus cuts marketing costs since it is less expensive and more effective in an unstable market (Bolotaeva & Cata, 2010). More importantly blogs can help companies reduce cost by providing technical information for technical products thus reducing

sale forecasting budgets. If used well, blogs can have a positive influence on overall company performance.

2.9.1.6 Reduction of Marketing Expenses

Gummesson, (2008) states that internal marketing and communication budgets are reduced on HCMC due to the sharing of ideas among employees. Social Media thus cuts marketing costs since it is less expensive and effective in an unstable market (Bolotaeva & Cata, 2010). More importantly blogs can help companies reduce cost by providing technical information for technical products thus reducing sale forecasting budgets. If used well, blogs can have a positive influence on overall company performance.

2.9.1.7 Brand Management

O'Guinn (cited in Kaplan & Haenlein, 2010) puts forward that social networks create a platform for creating brand communities. Brand engagement, brand development, brand awareness, new product development and product innovation and launch become easy as companies can interact with their consumers on social networks such as Facebook and on blogs (Bolotaeva & Cata, 2010; Kaplan & Haenlein, 2010). In conclusion this will result in brand intelligence and trusting relationships with customers (Bolotaeva & Cata, 2010).

2.9.1.8 Customers Segmentation

According to Constantinides & Fountain, (2008) and Bolotaeva & Cata, (2010), Social Media applications like blogs allow customers to form communities with other customers who have the same interest in products and service thus creating an easy customer segmentation for companies. This readily available customer information therefore makes target marketing easier (Sarkkinen, 2008; Ahlqvist et al., 2008). Moreover, it provides a platform for individualized markets for unsegmented consumers with customized products and services (Constantinides & Fountain, 2008). This view, however, is challenged by Brown, (2002) who asserts that according to the post-modern theory, consumers have become more

fragmented, confused and unpredictable. Brown, (2002) argues that segmentation is impossible and that traditional marketing introduced by Philip Kotler is “dead” and non-applicable.

2.9.1.9 Sales Promotion

One of the opportunities presented by Social Media is to enable companies to promote their products or services the same way it does in traditional marketing (Bolotaeva & Cata, 2010). Thus tools like blogs can be a good supplement for promotional activities. Content communities such as YouTube and Zoppy.com help companies experiment by making it an excellent platform for integrating sales promotion with advertising using the prosumers model (producers and consumers of marketing messages) as suggested by Brown, (2002). Companies like Vodacom SA, Standard Bank and Nokia are using it to initiate sales promotions by creating competition whereby consumers upload videos on adverts. The winning advertiser (consumer) will be given an award for uploading the best advertisement.

2.9.1.10 Advertising

If Social Media is used wisely, it has the potential of joining off-line and on-line marketing, which leads to cost effective advertising which reaches out to a larger audience. Companies like Nike and Coca Cola are good examples of companies who use advertising on Social Media for product placement. Liu et al., (2011) posit that customer reviewed content on Social Media generate traffic for advertising. According to Kaplan & Haenlein, (2010), YouTube can be used for advertising at a fast and cost effective rate and can encourage active participation. Clemons, (2008) however argues that advertising on Social Media is not as effective, as customers are becoming more resistant to it.

2.9.1.11 Online / Social Presence

Social Media allows more online presence and loyalty more than traditional marketing (Sarkkinen, 2009; Bolotaeva & Cata, 2010). Social Media tools like Facebook, Twitter, blogs, and YouTube are great generators of a large amount of

web traffic, media and web presence (Kaplan & Haenlein, 2009; Ryan & Jones, 2009; Dziadul 2010), thus, giving companies an opportunity to build brands in the public domain. This also provides an opportunity for companies to protect their names since whether they join or not people will always discuss their products on Social Media (Bolotaeva & Cata, 2010). Blogs provide a platform for direct connectedness with thought leaders and can allow them to have direct contact with the consumers in a customized way.

2.9.2 Challenges

Social Media present opportunities to organizations but it also throws up challenges which can have an effect on the organization. This section looks at some of the challenges faced by organizations when using Social Media and the possible solutions to those challenges.

2.9.2.1 Resistance from Customers

When advertising is done aggressively on Social Media, marketers risk losing the customers since they become resistant to advertising. Thus to overcome this Bolotaeva & Cata, (2010) proposed that companies should see to it that conversations are based around online participants' communities. Findings by Kelly, Kerr & Drennan, (2010) and Clemons, (2008) indicate that consumers dislike, resent and are impatient with advertising on social networks as they find it irrelevant. Traditional marketing communications are losing their influence on customer behavior because of customer empowerment. 60 per cent of US consumers have a much more negative picture about Marketing and 70 per cent of consumers do not respond to advertising as often as they did a few years ago (Constantinides & Fountain, 2008).

2.9.2.2 Management Perception

Traditional managers feel Social Media exposes the company because it requires them to be transparent and open and allows the customer to have control of marketing messages. DiStaso et al., (2011) found out that marketers do not see the

value of Social Media and do not know how to link Social Media sales with engagement. They also do not know how to systematically monitor Social Media, or how to accurately analyze and to determine engagement in providing value and incorporate Social Media strategically. Since content on blogs cannot be edited, negative comments posted by customers can lead to negative image.

2.9.2.3 Lack of Control of Brand Information on Social Media

Since Social Media is based on user generated content, customers are bound to share their experiences and views about brand and product, thus marketers have no control on the content created and shared by customers (Bolotaeva & Cata, 2010; DiStaso et al., 2011). Unsatisfied customers can use it as a source to air their grievances on blogs and websites and this leads to possibly damaging information circulating in the network (Kaplan & Haenlein, 2010). Customers have been empowered to be citizen journalists who raise a flag when there is company failure or corporate misconduct (Constantinides & Fountain, 2008). DELL Laptop was exposed by customers on blogs.

Companies are failing to control Social Media, to keep up with the dynamic Social Media environment and to have the same influence on changing customer buying behavior as they did in the traditional era (Constantinides & Fountain, 2008. DiStaso et al., 2011). Companies in their desperate effort to control Social Media have developed policies that will give them the leverage to control it. However, some companies have unclear policies and do not know what is acceptable on Social Media platforms. Complete lack of control and accountability allows everyone to become a self-proclaimed expert and influences those who are not able to distinguish between quality and nonsense, making it easy for a brand to be easily tarnished (Constantinides & Fountain, 2008).

2.9.2.4 Measurement of Social Media Investment

Companies face the challenge of not knowing how to measure Social Media beyond the number of fans and the conversation on Social Media. The measurement of Social Media according to DiStaso et al., (2011), is its credibility, impact and effect

on brand, effect on influencing customer behavior, behavioral outcomes, measure corporate reputation, corporate communication strategy. According to Preibusch et al., (2007) the measurement of Social Media can be based on customer-network value.

2.10 Social Media Marketing Strategies

Businesses have realized that creating a web presence is essential and that to effectively target the audience through a well planned and analyzed promotional and marketing strategy, strategies must be developed (Lewis & Ariyachandra, 2010). They ascertain that organizations find it cheaper to employ online social networking strategies than paying for advertising. According to Jelassi & Enders, (2005), there is a great need for companies to have a long term plan of how they conduct their business to meet organizational goals.

A strategy is concerned with the long term direction of a company and it deals with aligning corporate goals with the resources that a company has (Jelassi & Enders, 2005:7). In the marketing department there is a great need for a company to have a marketing strategy which harnesses an organization's resources to meet customer needs through a thorough analysis of the market trends, competitors' activities, stakeholders' actions and any other environmental changes. The main purpose of this is to develop a sustainable plan of action that will help an organization to be more competitive. As discussed earlier companies need to incorporate Social Media into marketing communication.

There is no one strategy that is better than another, as strategies need to be customized according to an organization's preferences and culture (Smith, Wollan & Zhou, 2011). Marketers and practitioners have to first observe the current strategies being used by other companies and then come up with a customized strategy that suits their environment. Research has indicated that most marketers are in the habit of jumping blindly into the Social Media world without having set boundaries, rules and strategies (Bolotaeva & Cata, 2010; Smith et al., 2011). The

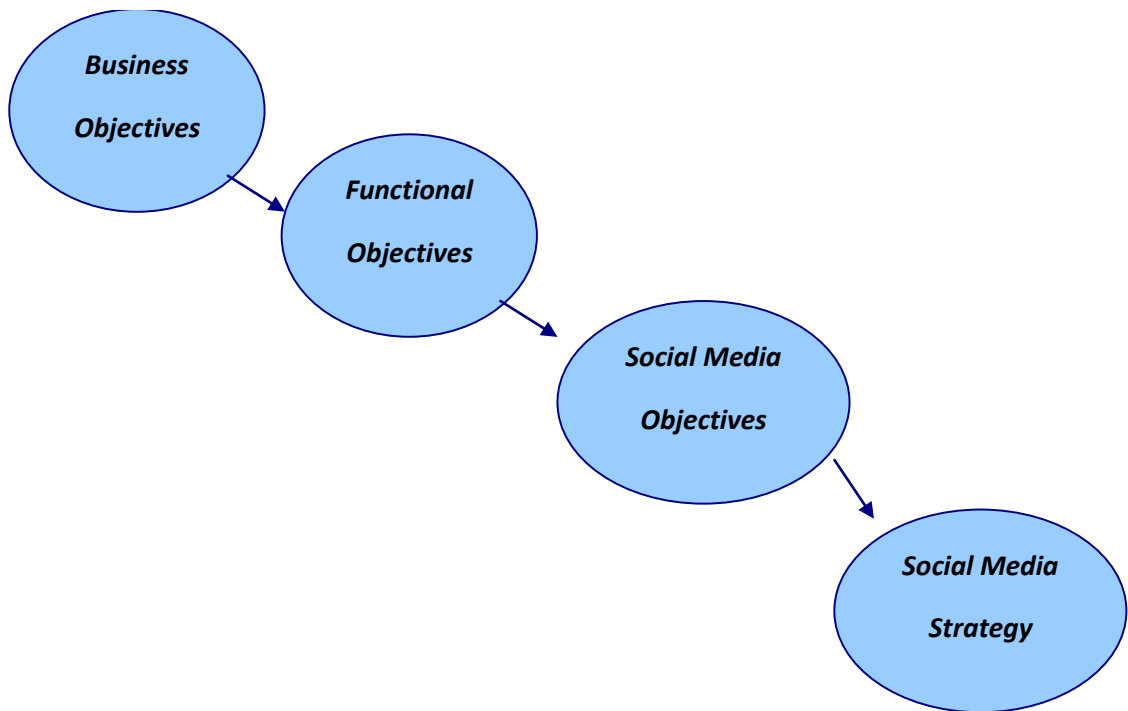
challenge that comes with this is that once a company loses its brand image in the Social Media the effects are long term because of the life span of information on the internet, unlike in traditional marketing where companies could easily rectify their failures and move on. Below are elements that can be used when developing Social Media strategies.

2.10.1 Development of Social Media strategy

According to Smith et al., (2011), development of Social Media strategy starts with listening, identifying and understanding conversations or interactions on Social Media tools which are relevant to an interested group or community. Dragger, (2009) on the other hand suggests that the starting point is analyzing the Social Media objectives that the company wants to achieve and then aligning them to marketing objectives and the overall company objectives. The diagram below gives a summary of how a company should develop a strategy according to (Smith et al., 2011).

Smith et al., (2011) suggest that in drawing up a Social Media strategy, a company should consider six elements, which are Context, Culture, Process, Metrics, People and Policies. It is important to consider the industrial regulations for participating in Social Media, competitive dynamics and information gathered for Social Media tools, and this is derived from PESTLE analysis (Political, Environmental, Social, Technological, Legal and Ethical analysis) (Kotler & Armstrong, 2006). In the banking sectors for example there might be certain restrictions on interacting directly with the customers. Under culture, the company should see to it that its habits, behavior, ways of working and sub-culture are in alignment with the Social Media tool the company settles on. Social Media might require a company to possess some degree of flexibility to accommodate technological and business requirements. There is also need for a company to consider the process and to manage Social Media across the organization and business process it intends to support or impact. Patricios, (2008) proposes that marketers should have formalized plans, rules and regulations on how to use Social Media strategies.

Figure 2 6 Strategies for Implementing Social Media Marketing



Source: Smith, Wollan & Zhou, (2011)

As in internal marketing and relationship marketing, when implementing Social Media there is a great need for management to market the new concept to the internal customers, who are employees. Management needs to decide whether (a) there might be any need for outsourcing Social Media experts, (b) whether they can use their internal employees, (c) whether they will need to assign one person or more and (d) see to it that whoever is selected has all the required skills and qualifications. The challenge that comes with omitting this stage is that an assigned inexperienced person will be tempted to personalize the process and send emotional messages to the Social Media audience (Smith et al., 2011).

A company needs to lay down what is acceptable and not acceptable, desired behavior and undesired behavior among internal and external audiences, vendors, customers, employee's contractors and prospectors. Policies will act as guidelines to the company. The company might also need to do the following:

- Internal research
- employ a subject matter expert
- hire a consultant

The suggested person should have a deep understanding of the business process affected and knowledge applicable to the relevant Social Media strategy available in the industry. It is also important to decide on the number of personnel that will be required to implement Social Media. Dragger, (2009) noted that some companies have the tendency of having one person managing Social Media but they have to consult the customer complaint officer before posting or replying to any messages. As a solution Smith et al., (2011) suggested the need for engaging everyone in relation to the company. These are, the retail department, IT person, the legal person, just in case a crisis occurs that might require legal advice, and the finance person, to estimate the cost benefits.

According to Dragger, (2009), the building of a Social Media strategy should be based on certain elements: (a) performing a situational analysis (b) setting goals and objectives, (c) implementing the strategic plan and (d) performing periodic evaluations. This concurs with Kaplan & Haenlein, (2010) who advocate the importance of considering traditional marketing strategies when implementing Social Media. The diagram below shows the similarities of these two schools of thought put forward by Dragger, (2009) and Smith et al., (2011).

Table 2. 2 Similarities of Strategies of Social Media

Dragger, (2009)	Smith, Wollan & Zhou, (2011)
Culture and Value	Culture
Personnel and capabilities	People
Budget	Metrics
Needs of markets, Firm's competitors and industry trends	Context

Source: Adapted from Dragger, (2009) and Smith et al., (2011)

There is a need for cohesive integration when implementing Social Media Marketing. This means that instead of regarding Social Media as the only tools a company should use in marketing communication, a marketer needs to integrate the entire marketing communication tool together with Social Media. A combined strategy is far much better than a single tool. Social Media seems to support the AIDA concept of advertising that is, creating Attention, Interest, Desire and Attitude (Lagrosen 2005; Kaplan & Haenlein, 2010). Lagrosen, (2005) however, in simulating the two concepts noted that getting of attention on Social Media is more challenging than it is in traditional marketing. This is attributed to the fact that customers have largely lost trust in traditional advertising and that they prefer conversing with the media and making informed decisions.

2.11 Social Media Strategies

As with any development of a new theory every scholar and practitioner claims to have “the” best concept. There have been numerous strategies suggested by different scholars and these are discussed below.

2.11.1 Listening to the Conversations

Ahlqvist et al., (2008); Falkow, (2009); Ryan & Jones, (2009); Kaplan & Haenlein, (2010); Wigmo & Wikstrom, (2010) and Smith et al., (2011) agree that listening should be the first stage in implementing a Social Media Marketing (SMM) strategy. They all emphasize the importance of listening to what the audience is saying about the product, the brand, the company and the general topics discussed about the company on all Social Media tools. Falkow, (2009) suggests that marketers should listen to what the competitors are saying and where they are saying it, content being shared that attracts or repels audiences, social sites that have a great percentage of audience, identification of the threats and the opportunities, and the influencers in online communities. Smith et al., (2011) add to the list the importance of understanding the mindset and behavior of the audience. These entire ideas boil down to market segmentation as put forward by Ahlqvist et al.,

(2008). The challenge with this part, however, is that according to recent post-modern marketing advocates, the audience have become more and more fragmented and confused so that it is difficult to segment the audiences (Brown & Hayes 2008; Weber, 2009). Thus although segmentation might be the first step in the implementation of traditional marketing strategies it might be unrealistic to apply to new media. There is therefore need for a grounded theory that will fill in the identified gap. Dragger's, (2009) first step of implementing SMMS is identifying organizational goals and Social Media objectives. This appears to be more reasonable as one cannot start listening without knowing why in the first place he or she is participating on the new media. Smith et al., (2011) advocate that the objectives of Social Media are to increase brand awareness, increase revenues through demand marketing, increase efficiency and reduce cost on Social Media. Falkow, (2009) adds brand reputation, increased share of voice, thought leadership, reduction in research and development spending, Personal development and relationship with benefits. According to Dragger, (2009), only after this process can listening be considered, and this is called target marketing.

2.11.2 Participating

Kaplan & Haenlein, (2010) indicate participating as the other stage that can be followed when implementing Social Media. They argue that after listening and identifying the audience, marketers should select the Social Media tools they can use and start using them. Thus participating on Social Media helps the organization to learn and gain new habits and interest of their audience. This however, according to Wigmo & Wikstrom, (2010), is a great mistake that companies make of experimenting with the media without having a clear picture. Fischer & Reuber, (2011) argue that it has the danger of having some repel effects especially if a crisis occurs that threatens company image and reputation. On the other hand Mangold & Faulds, (2010) argue that instead of participating using company name, marketers should experiment as much as they can but this time using their own personal name and once sure, move on to using company name. An argument against this view is that once the audience realizes that they are being used as an

experiment they can attack the company and the negative effect may be long term. Microsoft Corporation Pvt Ltd tends to be a bit risk taking and somewhat in agreement with Lagrosen, (2005) in that they suggest starting on a smaller scale. They advocate joining in at branch level and expanding later to centralizing the communication. Thus a conclusion can be made that the ideal might be on how risk averse a company is. Falkow, (2009) on the other hand tends to be less rigid by suggesting that the establishment of a share voice which the Falkow defines as the percentage of the mentions that are about your brand/company/organization in the participation niche or market you are active in.

2.11.3 Identify the Key Influencers

According to Falkow, (2009) one could propose that before participating in Social Media, it could be of great importance if a company identifies the key influencers in its media, finds relevant communities and also collaborates with them. These influencers can be classified as evangelists, fans, bloggers and journalists who write about a company and industry at large, detractors and competitors and even the customers themselves who may comment about your company (Falkow 2009; Smith et al., 2011). Smith et al, (2011) also agree with the notion of identifying influencers and extend the argument by suggesting identification of venues where the conversations occur. It becomes essential for companies to find ways of rewarding the influencers when engaging with them and this can come in the form of incentives like off-line coupons. This will encourage influencers to engage with the company and the result is an increased '*fan base*' which might eventually lead to an increase in the number of customers. An example is Nike which allowed its customers to design their own shoes and sell them at a price of 145 Euros. The effect was that sales increased as well as participation. Similarly, an argument can arise that an increase in '*fan base*' is not a direct reflection of sales.

Falkow, (2009) in an effort to clarify the classification of influencers and to measure the level of influence gives pointers, which he identifies as Traffic, Inbound links, Reader engagement, Recommendations, Connections and Track records. Traffic refers to the company site or blog and the conversation rate.

Influencers are important in that they help the company build trust from the audience. Thorough research is important at this stage as it leads to the development of a content that is relevant to the selected communities.

2.11.4 Unified Message to all Social Media Tools

Another strategy that Kaplan & Haenlein, (2010) put forward is the alignment of messages across all selected Social Media tools. A single communication tool may impact more and reduce ambiguity than sending confused and contrasting messages through different channels. The argument is that consumers have become more educated and knowledgeable than marketers and that they spend more hours engaging and conversing with the media (Hoffman & Novak, 1996). They thus can easily notice any difference and the effect is big. An example of this is what happened with Nestle on Facebook as already discussed above (Nestle, 2010).

2.11.5 Develop Content Strategy

An audience needs to know why they have to go back to company blog or Facebook profile. It therefore becomes essential for marketers to see to it that they provide quality content which will encourage them to engage with customers (Falkow, 2009). This information should be fresh and should add value both to the company and the audience (Falkow, 2009). However, Ahlqvist, et al., (2008) and Kaplan & Haenlein, (2010) tend to agree on the idea that the content must be interesting, lively, frequently updated and that it should promote issues that concern the audience. For example Standard Bank SA has a corporate blog which is meant to help people how to spend and manage their money. The blog is live and exciting in that the audiences share their experience on how they wasted their money. Virgin Active SA also on its Facebook profile provides a platform which encourages audiences to share experiences related to health, diet and exercise. Some even upload pictures of themselves showing weight loss they achieved through exercise. Nike also gives a platform for its users to upload videos on YouTube expressing their experience with a new pair of Nike shoes. According to Kaplan & Haenlein, (2009), it is important that in the development of content, marketers should

identify what the audiences want to hear and talk about and what amuses them. Marketers should make their sites a resource centre, for example by providing links to white-papers, free downloads etc.

2.11.6 Media Plan Integration

(Lovelock and Witz, cited in Dragger, 2009; Kaplan & Haenlein, (2010) agree on the notion that Social Media is an upgrade of traditional marketing, as it borrows most of its principles from the old IMC. To that effect Kaplan & Haenlein, (2010) recommend marketers to integrate Social Media with traditional marketing as according to them, traditional marketing and new marketing are regarded by consumers as a representation of a corporate image. Marketing communication efforts should therefore be integrated to send a unified message to the audience. An example is that of Coca Cola which posted adverts created by consumers on YouTube and on television. The results of this move were a decrease in the cost of media coverage, increased impact and an increase in sales.

2.11.7 Measurement of the Effectiveness of the Social Media Campaign

Like any strategy, a plan without some sort of feedback or measurement is void. Lagrosen, (2005) indicated that some banks are more concerned with measuring the effectiveness of their investment despite their acknowledgement of the challenges involved. Others choose not to measure. The general concern is that marketers must have a check on the Return On investment or Return on Engagement. Most researchers and practitioners seem to be worried about how best a company can measure the effectiveness of Social Media. Scholars have brought forward the idea of using the Awareness, Interest, Desire Attention (AIDA) concept as a way of measuring effectiveness. The Forester Researcher cited in (Dragger, 2009) identified elements like Attention, Participation, Authority and Influences as yardstick for performance. An argument can be made that the number of audience a company has is not a reflection of performance.

2.12 Conclusion

The chapter analyzed the theory of Marketing Communication and Social Media. In the first part of the chapter, the researcher discussed the background of marketing and how it relates to marketing communication. Computer Mediated Communication together with marketing communication was discussed and how they relate to each other. It has been revealed that there has been a transition from the old media where television, radio and the print media were used by marketers to communicate with the users. In the same discussion it was found out that the communication strategy of the stage was one-to-many. However, due to technological changes the code of communication has been changing.

The chapter analyzed the evolution of the communication model. It also discussed the traditional elements of marketing communication and how they relate to Social Media. The literature review noted that although most marketers and scholars appreciate the use of Social Media and although some have regarded it as a new media requiring new strategies, the application of Social Media in the Marketing Communication Mix borrows principles from traditional marketing and that integrating the old and new media might be of great benefit to the company. However, the scholars seem not to have proper strategies that can be used to implement Social Media.

The chapter that follows will discuss the research methodology used to address the research questions.

CHAPTER THREE

RESEARCH METHODOLOGY

3.1 Introduction

The previous chapter looked at the theoretical background of Social Media and its relevance in the Marketing Communication Mix. This chapter discusses the research methodology by addressing how the research was designed, which collection instruments were developed and finally how data collection was done and analyzed.

3.2 Research Design

A Research design is a strategic blueprint for the collection, measurement and analysis of data whose choice is dependent on the stage to which knowledge about the research topic has advanced (Kothari, 2004; Sekaran & Bougie, 2010). Owing to the fact that research on Social Media is still at its infancy level, an exploratory research approach is needed to achieve the goal of this study. The nature of research questions addressed required that besides the study being exploratory it also needed to be both quantitative and qualitative. This need necessitated the use of a mixed methods research approach Creswell & Clark, (2011) with two levels of analysis.

The first level is basically a qualitative exploratory analysis of the role of Social Media in the Marketing Communication Mix, the challenges and opportunities that Social Media presents to the Marketing Communication Mix and how South African banks are adopting and implementing Social Media. Thus, at this level the research is a case study of the South African banking sector. However, within this case study there is a need for conducting some surveys in order to gather

information on the issues addressed in this study from the perspectives of Social Media experts, Bank managers and Bank Customers. This called for the second level of analysis, which consisted of three (3) surveys embedded in the case study.

The first survey (Survey A) was used to identify and evaluate the role Social Media is perceived to be playing in the Marketing Communication Mix by Social Media experts. Survey A was also instrumental in providing the background knowledge that was used to design the data collection instruments for Surveys B and C. The second survey (Survey B) was used to identify the challenges and opportunities presented by Social Media Marketing and to evaluate the role Social Media Marketing should play in the Marketing Communication Mix from the banks' perspective, and to ascertain how banks are currently adopting and implementing Social Media. The third survey (Survey C) was used to identify the challenges and opportunities presented by Social Media Marketing and to evaluate the role Social Media Marketing should play in the Marketing Communication Mix from the clients' perspective.

At the onset of this study, theoretical positions on the research questions addressed in this study were investigated through a literature survey. This literature survey included investigating the following from literature: (i) the role Social Media is perceived or supposed to play in the Marketing Communication Mix, (ii) the challenges and opportunities that Social Media is believed to present and (iii) the models that are used for adoption and implementation of Social Media. This laid the background to the case study conducted in this work. It informed how the research was designed and the design of the data collection instruments.

The statistical generalisations from the quantitative surveys were combined with findings from the interviews with Social Media experts and observation on banks' activities on Social Media platforms to make analytical generalisations on the case being studied in this work. The findings from the case study were then

discussed in the light of the theoretical positions found from the literature survey.

3.3 Research Methods and Techniques

The research methods used in this study were case study, literature survey, observation and survey research (Siggelkow, 2007; Denscombe, 2008; Eriksson & Kovalainen, 2008). The researcher used a case study of the South African Banking industry, herein referred to as South African Banks. Case study helped the researcher to identify missing aspects within the current theory of Social Media. To get these missing aspects and in-depth information about the South African Banks, the research used Social Media experts, employees and customers of South African banks as sources of information (Freeman & Chapman, 2009; Argyrous, 2011).

From the case study of South African Banks, the researcher utilised employees within the 6 South African banks and this was done through a survey. Thus the employees became the embedded unit of analysis. These employees were managers and directors who have a direct involvement with Social Media.

3.3.1 Survey Method

A Survey is a systematic way of collecting data by obtaining opinions, attitudes, behaviors, beliefs or answers from selected respondents in order to understand the group or population represented (Grinnell, 1997; Fowler, 2009). As stated before three (3) surveys were conducted in this study embedded in the case study. The first one was a qualitative survey on the Social Media experts as units of analysis. These interviews were done in the early stages of the research soon after the literature survey. The design of the interview questions was informed by the findings of the literature survey. The second and the third survey were quantitative surveys with bank employees and customers as units of analysis. A combination of the findings from the literature survey and results from the

survey with Social Media experts informed the design of the questionnaires for the two quantitative surveys.

3.3.2 Observation

Observation was used in the preliminary stages of the research when the researcher was looking for banks and Social Media experts who could participate in the research. This was done through observing Social Media profiles of banks and experts on platforms such as Facebook, YouTube, LinkedIn, Twitter and MXit.

3.4 Target Population

(Hair et al., 2007:173 and Sekaran & Bougie 2010:267) defined target population as the complete group of individuals or companies that the researcher wishes to investigate. It is defined in terms of availability of elements, time frame, geographical boundaries and topic of interest. The target population was key informants in the banking industry, which included management of South African retail Banks and Social Media experts. Managers were from the marketing department, public relations, corporate communication, Social Media and the digital department. It was presumed that these employees have direct communication with the customers and have an in-depth knowledge on their organizations' approach to adoption and implementation of Social Media. The target population was limited to employees in the six (6) banks who agreed to participate in the study.

Social Media experts who participated in the study were those based in South Africa and who have experience with the financial industry and experience in other industries. These key informants were used as they are assumed to have complete and detailed information about the topic under investigation and general information about the market environment in South Africa. They were also assumed to be more experienced in Social Media within the banking sector.

The last target population was Social Media users who are customers of South African Banks and were based in South Africa. They were also selected on the basis that they have at least active Social Media platform. Against this background LinkedIn served as the sampling frame for the survey.

The purpose of using South African Bank Customers was to get knowledge on the effectiveness and role of Social Media from the recipients of marketing communication messages on Social Media.

3.4.1 Unit of Analysis

At the Case study level the South African Banking Sector was used as the unit of analysis. This allowed the researcher to make analytic generalizations on the research issues addressed in this study. The case study had embedded units of analysis for each of the surveys carried out in this study (Sekaran & Bougie, 2010). These units of analysis were Social Media experts, bank employees and bank customers for survey A, B and C respectively.

3.5 Sampling

Sampling involves selecting a subset from a chosen population to give a generalized result or position of the selected population. It is used because the researcher cannot study the whole population because it is costly and time consuming. The sample used in this study was 29 managers and directors from 6 South African banks, 6 Social Media experts and 68 customers of South African banks.

3.5.1 Sample Design

There are two sample designs which can be used; these are probability sampling and non-probability sampling (Sekaran & Bougie, 2010). The research at hand used non-probability sampling because it allowed the researcher to gather information quickly and in an inexpensive way. Purposive sampling, which is part

of non-probability sampling, is divided into two groups namely judgmental and quota sampling. In this case judgmental sampling was used (Sekaran & Bougie, 2010).

3.5.1.1 Judgmental Sampling for Banks

Judgmental sampling involves selecting subjects who are more advantageously placed or in the best position to provide the information (Sekaran & Bougie, 2010). In this research since Social Media is at its preliminary level, most banks were not comfortable with using respondents outside Social Media and digital fields, thus a limited number of respondents were available for the researcher. The uncomfortabilty among banks was based on the fact that banks are competing for the same industry and would prefer to keep their strategies confidential to people who are more knowledgeable and directly involved with Social Media. Thus the researcher used bank managers and directors who were conveniently available and possessed the necessary facts and information required in the research. Banks were selected based on the following criteria:

- they were listed on the Johannesburg Stock Exchange Market. These banks were supposed to be locally controlled
- they had at least a Social Media presence on YouTube, Twitter, Facebook, Blog or LinkedIn
- personnel selected were either managers within marketing and communication department or were in the department that is responsible for Social Media Marketing of the bank. This was done to get an in-depth knowledge of strategies used to implement Social Media, and to access the attitudes and views of managers towards Social Media. This gave the research the actual position of Social Media.

3.5.1.2 Social Media Experts

In selecting Social Media experts, a combination of judgmental sampling and snowball was used since the researcher wanted to interview “specialized informed inputs” who had in-depth knowledge of Social Media in banks and

other industries at large (Sekaran & Bougie, 2010). The snowball sampling approach was observed by the researcher through conducting an interview with one expert and asking for referrals from the expert of experts with relevant and similar characteristics (Coleman & Briggs, 2005). This was necessary in a Social Media industry which has a lot of people who claim to be experts even though they are not well experienced. The following criteria were used for selecting the Social Media experts who participated in this study:

- the expert should have experience and knowledge of implementation of Social Media in South Africa
- the expert should have worked in the banking industry either directly or indirectly and have in-depth knowledge of how Social Media is managed and organized in the banking industry of South Africa. The researcher wanted to avoid people who had just general knowledge and those who claimed to be Social Media experts but had no clue of what Social Media strategies and models are.
- the expert's blog must have been active for more than a year.
- the expert should have worked with marketing and communication departments and had in-depth knowledge of the Marketing Communication Mix.

3.5.1.3 Convenience Sampling: Customers

Convenience sampling was used in selecting customers for South African banks. The researcher used customers who were conveniently willing to participate in a survey placed on LinkedIn website (Sekaran & Bougie, 2010). The researcher first created a profile to attract fans and then asked people to participate in the survey. Using this sampling method was convenient for the researcher as there was no cost involved in administering the questionnaires (Sekaran & Bougie, 2010). It was fast and efficient for the researcher to get responses. Added to that, Sekaran & Bougie, (2010) recommended that this sampling method be used when the research is at exploratory phase.

3.5.2 Sample Size

Deciding the size of the sample, among scholars is a flexible matter, meaning the researcher can use any number depending on the cost and availability of funds and time and participants. Singh & Nath, (2005) add that there is no specific number or percentage that determines the size of an adequate sample as long as it is a representation of the targeted population. However a greater number is encouraged (Sekaran & Bougie, 2010). The researcher intended to use 10 managers from each bank to participate in the research. However banks were not willing to allow managers who are not directly involved with Social Media to participant, thus only 29 managers from all the banks participated, approximately 6 managers from each bank. This was because the Social Media industry is still new and most organizations are competing for the same space and would rather prefer people directly involved with Social Media to participate. Table 3.1 below gives the distribution of these managers.

Table 3. 1 Distribution of Managers in Banks

Bank	A	B	C	D	E	F	Total
Number of Participants	3	5	6	4	8	3	29

Source: Researcher's Survey

The sample size of customers was 68 respondents. These were people who responded to the invitation placed on LinkedIn, to participate in the research.

In qualitative research the size of the sample is not really important. Thus the research used 6 Social Media experts, three of whom had experience with banks and the other three experiences with other industries. This was done to reduce biased opinion on the position of Social Media in the Marketing Communication Mix.

3.6 Data Collection Instruments

There were two main sources of data that could have been used by the researcher, namely primary and secondary data. In this study the researcher used primary sources of data. These were in the form of interviews and administered questionnaires (Sekaran & Bougie, 2010). Thus the data collection methods used in this research were telephonic interviews, computer-assisted interviews and electronically administered questionnaires (Eriksson & Kovalainen, 2008). Telephonic interviews and computer assisted interviews, in this case Skype, were used depending on the Social Media expert's preferences. These were used because they are flexible, cheap and allowed the researcher to probe answers where necessary and to clarify questions and answers.

A questionnaire can generate both quantitative and qualitative data. If a questionnaire involves closed questions it can be quantitative in nature. However, if the questions are open ended the researcher cannot quantify them, thus they fall under qualitative. Structured and open ended questionnaires were used for data collection. Open ended questions allowed respondents to answer questions in the way they wanted and closed questions helped the respondents to respond quickly.

Electronically self-administered questionnaires were distributed using online software called kwiksurvey <www.kwiksurvey.com>. The url link was sent directly to the Director of each bank who further distributed the questionnaire to the relevant respondents. The results of those who participated were directly presented in an excel format and the researcher could easily make a follow up to the Director for more participants. Thus e-questionnaires were easy and fast for the researcher to administer and capture the results. Added to that it was less costly and convenient for both the researcher and the participants, who were busy. The data was collected without the disclosure of the manager's identification and confidential information. The questionnaire had a cover letter which gave assurance to the audience.

Electronic questionnaires were also distributed to customers of South African Banks, using the same online software programme, www.kwiksurvey.com, was used. The researcher created a profile on LinkedIn www.linkedin.com and invited people to participate in the survey. A url/web link was also posted in LinkedIn profile and customers responded and results were immediately presented in excel format. The questionnaire did not request the respondents to disclose their personal contact details.

3.6.1 Design of Data Collection Instruments

In research the designing of questions is the design of a measure that will be used to analyze a situation and make conclusions based on that. The instruments used in this study were carefully designed. This section will give full details of how this was achieved.

3.6.1.1 Questionnaire Design

All the questions were posed in English with the assumption that management, Social Media experts and customers as well as the researcher would be able to communicate freely. An introduction was at the beginning of each questionnaire. This introduced the topic of the research and its aim. In order to get the appropriate information, terms like Social Media and Social Media Marketing were briefly explained in the cover letter. The researcher also gave instructions on how to answer the questions. Respondents were reassured that their responses were going to be treated confidentially. The introduction ended with a courteous note, appreciating respondents for their participation.

Questions for the questionnaires were developed from the interview responses, pilot study and the literature review. Before distributing to the respondents, they were sent to selected Social Media experts who measured their validity and checked whether the questionnaire addressed this particular research project.

The research used multiple questions where three or more response categories are used, ranking questions which explore the importance of or preferences for

certain issues (Maree, 2011). It had opened ended questions in other questions and sections. The Likert scale, with five options, was used to measure the attitude and the level of knowledge of management and customers on certain issues. Five options were used as shown in the appendix. Likert Scales and itemized rating scale are known for providing an ordinal measure of respondents' attitude. The responses were measured by calculating the total score for each respondent in the categories and then adding each respondent's values based on his or her response (Maree, 2011).

3.6.1.2 Questionnaire for Bank Management

The questionnaire was divided into 5 sections. The following structure shows the sections covered in the questionnaire.

Section A: Demographic Data

This section aimed at getting personal information on the respondents, years of experience and the department they were working in. Knowing the years of experience and designation was used to qualify respondents.

Section B The Extent to which Social Media is being used for Marketing Communication Purposes

The main aim of this section was to establish the position of Social Media in the Marketing Communication Mix. This was going to be established through identifying traditional marketing tools used by banks and how effective they are compared to Social Media, questions B1 and B3. The researcher also wanted to identify Social Media tools common among South African Banks, and how effective they were, in questions B2 and B4. It was important to know the number of years that these banks had been using Social Media as this determined the acceptance level of Social Media and the maturity level of Social Media industry in South Africa. This was addressed in questions B5 and B6.

Section C: Role of Social Media in the Marketing Communication Mix

The aim of this section was to identify the position of Social Media in the Marketing Communication Mix, that is whether it should be regarded as the sixth element of the traditional Marketing Communication Mix or not. This was addressed by questions C1 and C2. Question C3 was a way to checking if Social Media does play the same role that traditional marketing communitarian elements and findings further qualified if Social Media is the sixth element of the mix or not.

Section D: Challenges and Opportunities Presented by Social Media

The focus of this section was to note the challenges and opportunities that Social Media is presenting to banks, questions D1 and D3. Respondents were further asked to give possible solutions to the challenges, in question D2. These solutions were used to develop possible strategies that banks use when implementing Social Media.

Section E: Strategies for Implementing Social Media.

This section focused on strategy formulation and implementation among South African Banks. Question E1 aimed at checking whether banks had policies put in place to guide them in managing Social Media and if they were aware of these policies. This question addressed strategy formulation. E2 asked the respondents to give their opinions on how Social Media should be developed. The aim of question E3 was to check different strategies that the organization used when implementing Social Media. This helped to check if organizations were customer focused or not. Question E6 helped the researcher to further clarify Social Media implementation strategies used by the organization whilst question E9 was a way of getting further information about Social Media strategies which the researcher might not have addressed.

3.6.1.3 Questionnaire for Customers

This questionnaire was divided into five sections

Section A: Demographic Data

The aim of this section was to gather demographic information about the customers, to check if they were using Social Media for personal use and how long they have been using Social Media.

Section B: Social Media and Banks

Section B focused on participants' attitude towards banks who participate in the use of Social Media and if customers were fans of these banks.

Section C: Social Media and Banks

The aim of this section was to measure the effectiveness of Social Media in the eye of the customer and whether it was reaching out to the customers (Question 16) and if it influenced customers in their buying behaviors (Questions 15, 18, 19, 20, 21).

Section D: Opportunities and Challenges

The section addressed the challenges and opportunities presented by Social Media to the customer and the customers' perception of the challenges to the banks.

3.6.1.4 Interviews Design

The use of structured interview was of importance in this research and each interview lasted between 30 and 45 minutes. The researcher had pre-determined questions which had been developed from the Literature Review, the pilot study and from the responses of the first interviewee. The same questions were asked to all the Social Media experts and from time to time during the interview the researcher probed further whenever the responses were not clear. This allowed the researcher to get a deeper understanding of the problem at hand and to identify new factors surrounding Social Media which

were related to the problem. Respondents were given the interview scripts prior to the actual interview in order for them to understand the purpose and goal of each question and for them to give informed information. The questions asked were both open ended and closed ended. Open ended questions encouraged the participants to express their ideas, personal opinion and experience about Social Media. Through the responses from the open-ended questions the researcher was able to understand feelings, ideas and suggestions which the researcher had not thought about. Closed ended questions on the other hand worked as a guideline for both the researcher and the participant.

All interviews were recorded and transcribed on a voice recorder, after asking permission from the participants, for easy analysis. This helped the researcher to quantify the respondents, identify specific key areas and to develop theories around the research problems.

3.6.2 The questioning Techniques

A funneling technique was used in designing the questions for the interview. The first questions asked by the researcher were general. For example:

“To what extent is Social Media being used in South Africa for marketing purposes?”

This question aimed to get the general view of the level of usage of Social Media in South Africa. As the interview proceeded the questions became more specific to the research problems. To clarify important information given by the respondents and to ensure that the researcher understood, the researcher rephrased the data given, for example:

Respondent: *“...the industry is still very young in South Africa”*

Researcher: *“By industry are you referring to the Social Media industry or banking industry”*

Respondent: *“The Social Media Industry...”*

The interview was divided into 4 sections. The first section dealt with general views on the usage of Social Media in South Africa. Its aim was to check if Social Media was being used at all in South Africa for marketing purposes and to create a rapport between the researcher and the participant. Section 2 narrowed down the use to South African banks and aimed at ascertaining if traditional tools were still being used and how they were used compared to Social Media and if so, how effective were they. Section 3 addressed the challenges and opportunities presented by Social Media and lastly, section 4 addressed the strategies used to implement Social Media. The aim of this section was to develop strategies for South African banks and for other industries.

3.7 Data Analysis

Ghuri & Groomhaug, (2005) state that the analytical procedure consists of techniques to conceptualize and analyze the data so that they result in theories and findings. Sekaran & Bougie, (2010) agree with this notion and added that there are three stages involved in data analysis, namely data reduction, data display and drawing and verification. These procedures were observed during the data analysis process. Since the data collected was both quantitative and qualitative, different methods were used in analyzing the data. In analyzing quantitative data, a statistical software programme, Statistical Programme for Social Science, (SPSS), was used. In analyzing qualitative data content analysis was used.

The data from the customers and banks was coded in preparation for analyzing it. The data transformation, the process of changing the original numerical representation of a quantitative value to another value was used for easy analysis (Sekaran & Bougie, 2010). This was used for descriptive statistics.

3.7.1 Descriptive Statistics

Descriptive Statistics are the numerical, graphical and tabular techniques for organizing, analyzing and presenting data (Argyrous, 2011). Descriptive statistics was used in this study through presenting the summary of the findings in the form of bar charts, pie charts, graphs, tables and numerical measures. This made the raw data easier to understand and read. The choice of descriptive statistics depended on the research question being addressed.

3.7.2 Frequency

Sekaran & Bougie, (2010) defined frequencies as the number of times various subcategories of a certain phenomenon occur, from which the percentage and the cumulative percentage of their occurrence can be easily calculated. Frequencies were used in this study for demographic data, ascertaining the position of Social Media and acceptance level of Social Media.

3.7.3 Measures of Central Tendencies

Measures of central tendencies are univariate descriptive statistics which indicate the typical or average value of a distribution. Central tendencies were used in analyzing and presenting data in chapter 4. In this study the mean, the sum of all scores in a distribution divided by the total number of cases, was used to give a general picture of the data without necessarily inundating the data set (Argyrous, 2011). The Standard Deviation was used to measure the dispersion for interval and ratio scaled data. The two are the most common descriptive statistics and were useful for normal distributions (Sekaran & Bougie, 2010).

3.7.4 Analysis of Variance

Analysis of Variance (ANOVA) is a statistical technique used to check for significant differences between three or more phenomena. The choice of using ANOVA technique is influenced by whether the samples are independent or dependent. The standard ANOVA technique assumes that the samples being compared are

independent. Samples are said to be independent if the data being analysed were taken from different sample units. Once this assumption is violated, ANOVA with repeated measures is used. Due to the fact that the samples used were dependant, ANOVA with repeated measures was used to test the difference to compare users' opinion on the position Social Media in the Marketing Communication Mix

3.7.5 Content Analysis

Content analysis is an observational research method used to systematically evaluate the symbolic contents of all forms of recorded communication (text or word document). This method allowed the researcher to analyze the large amount of textual information from the interviews and open ended questions in the questionnaires. Words, concepts, characters, themes, and sentences were coded into different categories and analyzed using conceptual analysis. The conceptual analysis looked at the existence and frequency of concepts in an interview. These were divided into different manageable categories and relationships between concepts and were compared (Sekaran & Bougie, 2010)

3.8 Reliability and Validity of the Instrument

Validity and reliability are two important procedures to observe when conducting research study. A pilot study was conducted through the distribution of 20 questionnaires to banks and customers to check the quality of the instruments in terms of the suitability of the response and how they captured the content. The Pilot study was an eye opener to the researcher as it helped identify some concepts of Social Media which were not clear to managers and customers, thus making it necessary to explain them to the respondents in the cover letter and allow them to take time in answering the questionnaire. This helped the researcher to measure whether the results were replicable, accurate and whether the research actually measured what it was intended to measure (Golafshani, 2003).

The validity was measured through designing questionnaires in line with the research questions. This helped the researcher to see if each research question was addressed. To measure the validity of the questionnaires, the researcher gave the research question together with the questionnaires to Social Media experts, academic experts and colleagues. This helped the researcher to develop, adapt and check the feasibility of the questionnaires.

To maximize the accuracy of the study the researcher adopted the triangulation methodology which is recommended in the use of multiple data collection and analysis methods for a single study (Golafshani, 2003). This was achieved through using more than one research instrument and adopting qualitative and quantitative approaches. The instruments used were Questionnaires and Interviews. Questionnaires to customers and banks were both open ended and closed-ended and interviews with Social Media experts were both open and closed ended questions. Triangulation was also important for the qualitative research, as it helped the researcher to examine the trustworthiness of the research.

3.9 Pilot Study

Prior to distribution of the questionnaires and the interviews, a pilot study was conducted. 20 Questionnaires were handed in person to bank managers and the researcher used the information to assess the questions' feasibility and reliability. The questionnaire was also verified by selected Social Media experts to see if the questions were clear and addressed the research questions. The researcher also calculated the time taken by respondents in answering the questionnaires and this was indicated in the final questionnaire. Informal feedback from respondents showed that most of the questions were clear and easy to answer. However, the researcher had to correct some concepts which were wrongly understood.

3.10 Ethical Considerations

As recommended by Henn et al., (2006) and Creswell, (2003), Ethical Consideration procedures were followed. The research obtained ethical approval from the University of Zululand Ethical Research Committee. In addition to that, permission to conduct research was sought and obtained from relevant bank managers and Social Media experts. During the pilot study, respondents were told the purpose of the study and what was expected of them. The Informed consent principle was also observed during the pilot study and the final distribution of questionnaires and interviews. Participation was voluntary and confidential and participants were informed that they would get feedback upon their request. Participants were allowed to terminate their participation should they feel uncomfortable and to answer the questions as truthfully as they could. Each questionnaire had a cover letter with all the above details. Permission to record the interview was also sought from the Social Media experts.

3.11 Conclusion

This chapter discussed the research methodology used by the researcher to address the role of Social Media in the Marketing Communication Mix. The chapter indicated that an exploratory mixed research approach was used through the use of a case study of the South African Banking Industry, herein referred to as South African Banks. The data was collected through the use of interviews and electronic questionnaires and was analyzed using descriptive statistics and content analysis. The chapter that follows, Chapter 4, will present and analyze the data using the aforementioned data analysis techniques.

CHAPTER FOUR

DATA PRESENTATION AND ANALYSIS

4.1 Introduction

The previous chapter looked at the methodology used to collect data. The aim of this chapter is to present the responses of the bank managers, customers and Social Media experts in identifying the role of Social Media in the Marketing Communication Mix.

4.2 Demographic Data

In this section the researcher discusses the demographic data of all the targeted population samples, i.e. Banks Managers, Customers of South African Banks and Social Media Experts.

4.2.1 Bank's Demographic Data

The sample from the South African banks survey comprised of 29 managers which were characterized as follows: 65.5% (n=19) were Males, 27.6% (n=8) were Females and the other two did not indicate their gender. Of the 29 managers 6.9% (n=2) were below 25 years, 51.7% (n=15) were of the age group 26-35 years old, 41.4% (n=12) were 36-45 years old and none was above 46 (*See Table 4.1*).

The researcher targeted managers within marketing and communication departments and social media department. The Designations of these managers were 2 Directors, 1 General Managers, 9 Senior Managers, 11 Middle Managers, 5 Junior Managers and 1 other. This gave the study a fair representation of managers within banks. The managers who participated in the research were from the following departments: 51.7 % (n=15) were digital marketing department, 31% (n=9) were from the Marketing department, 7 % (n=2) Customer Care and lastly,

10.3% (n=3) were from the Brand Management department. Online Marketing, Social Media and Interactive Marketing departments were categorized under Digital marketing while marketing included retail and direct marketing.

Table 4.1 also shows the managers' years of experience in their current position. Of the managers and directors that participated in the research, 34.5% had been in the industry for 2 to 5 years, while 34.5% for 6 to 15 years, with 24.1% for less than 1 year and finally, 6.9% for 16 to 25 years. Table 4.1 below shows the summary of the demographic data of bank managers.

Table 4. 1 Demographic Characteristics of South African Bank Managers

Sample N=29

Demographics Characteristics		
Gender		
Female	8	27.6
Male	19	65.5
Missing Values	2	6.9
Age		
Below 25	2	6.9
26-35	15	51.7
36-45	12	41.4
46 and above	0	0
Type of Designation		
Director	2	6.9
General Manager	1	3.4
Senior Manager	9	31.0
Middle Manager	11	37.9
Junior Manager	5	17.2
Other	1	3.4
Department		
Digital Marketing	15	51.7
Marketing	9	31
Customer Care	2	7
Brand Management	3	10.3
Working years at the banks		
<1	7	24.1
2-5 years	10	34.5
6-15	10	34.5
16-25	2	6.9
>25	0	0

Source: Researcher's own calculations

4.2.2 Customers' Demographic Data

This section presents the demographic characteristics of the customers in the survey. 68 customers responded to the questionnaire invitation placed on LinkedIn profile. Of the 68 that responded 47.1% (n=32) were females while 52.9% (n=36) were males. This gave a fair distribution of the respondents' gender. A greater percentage of the respondents, 69.1%, were of the ages 21-30, with 1.5% being below 20 years of age and 5.9% being above 51 years. A greater percentage, 47% and 26.5% have either degrees or master's degree respectively.

According to this study Facebook is the most used Social Media tool among customers 95.6%, followed by LinkedIn 69.1%, Twitter 60.3% then YouTube 50% and the least used tool were Blogs 26.5%. Other tools indicated by customers in additional comments were Skype, Google Talk and Whatsup. 52.9% (n=36) of the respondents have been using Social Media for 2 to 4 years, 38.2% n=26 indicated that they have been using it for more than 5 years, 7.4% (n=5) have used it for less than a year with only 1 indicating that they stopped using Social Media. Table 4.2 below gives a summary of the demographic characteristics of customers used in this survey.

Table 4. 2 Customers' Demographic Data

Sample N=68	Frequency	Percentage
Demographic Data of Customers		
Gender		
Female	32	47
Male	36	53
Age Group		
<20	1	1.5
21-30	47	69.1
31-40	10	14.7
41-50	6	8.8
>51	4	5.9
Highest Qualification		
Matric	8	11.8
Certificate	2	2.9
Diploma	7	10.3
Degree	32	47
Masters	18	26.5
PhD	1	1.5
Social Media tools used by customers		
Facebook	65	95.6
Twitter	41	60.3
LinkedIn	47	69.1
Blogs	18	26.5
YouTube	34	50
MXit	25	36.8
Years of Usage		
< 1 year	5	7.4
2 – 4 years	36	52.9
>5 years	26	38.2
Never Used it	1	1.5

Source: Researcher's own calculations

4.2.3 Demographic Data: Social Media Experts

From the Social Media expert data, the researcher interviewed 6 Social Media experts and these were characterized as follows: 2 were females while 4 were males. 3 of the 6 experts had worked with banks before and the other 3 had more knowledge of other industries. This gave the researcher in-depth knowledge from those who had experience in the banking industry and those who had experience in other industries.

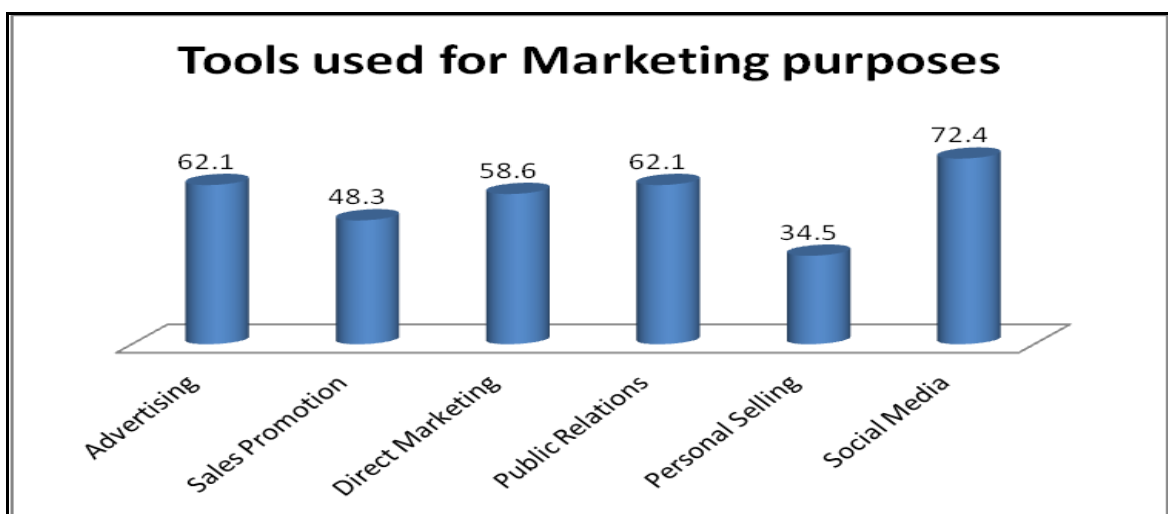
4.3 Extent to which Social Media is being used in the Marketing Communication Mix.

In this section results on the extent to which Social Media is being used in South African banks as well as the extent to which it is used in the Marketing Communication Mix are presented. This aims to establish the position of Social Media in the Marketing Communication Mix.

4.3.1 Level of Usage of Social Media in South Africa

The following graph will give percentages of the usage of Marketing Communication elements for marketing purposes.

Figure 4. 1 Marketing Communication Elements used for Marketing Purposes



Source: Researcher's own calculations

The researcher wanted to first establish if Social Media is being used at all in South African banks. Bank Managers and Directors were given the 5 elements of the Marketing Communication Mix together with Social Media, to identify the marketing communication elements which are still being used for marketing purposes. Results in Figure 4.1 indicate that 72.4% of the managers agreed that Social Media is the most used tool followed by advertising and public relations. Further to that 55% of bank managers were of the opinion that the Social Media industry in South Africa is at the same level as in other countries.

Customers were asked if banks should use Social Media for marketing purposes. Of the 67.6% of the customers who agreed that banks should use Social Media, only 27% agreed that it should be used for marketing purposes. Customers were then asked if they were fans of banks' Social Media profile; this was done to evaluate if banks were reaching out to customers. Results showed that only 26% of the customers are fans to Social Media profiles of their banks.

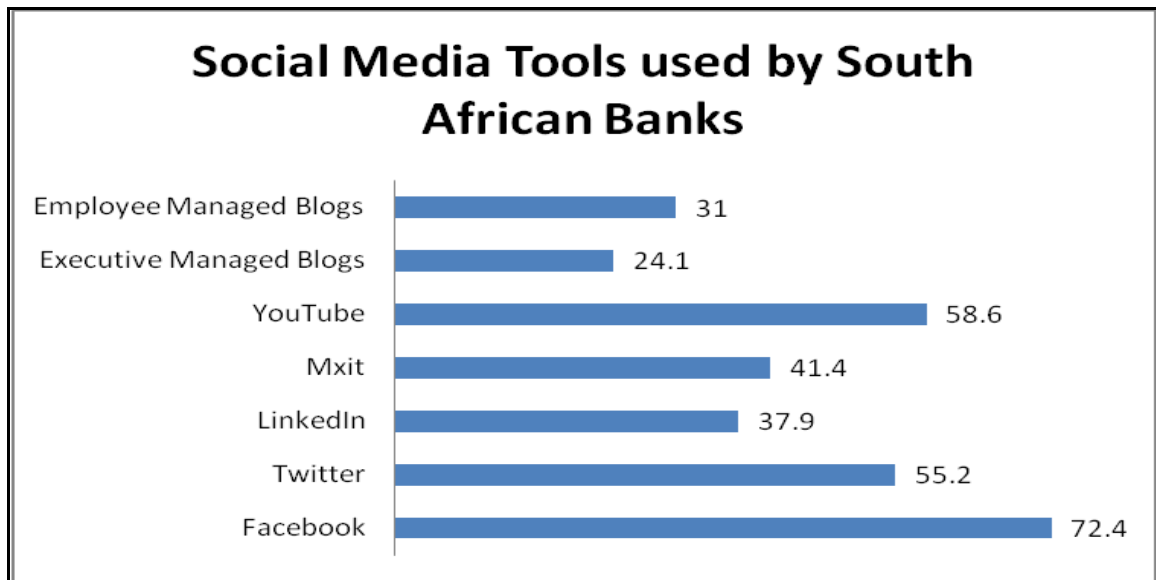
All Social Media experts agreed that banks are using Social Media for marketing purposes with expert A emphasizing that *"...Banks are one of the key leaders in adopting Social Media than other industries.* However two experts cautioned that the usage of Social Media among banks is not as extensive and advanced. Expert C added that *"Social Media industry is still immature with few good Social Media skills"*.

Social Media experts also indicated that South African customers are consumers of both Social Media and traditional marketing communication. Expert F explicitly said that *"... people of this generation....can be on Facebook and Twitter while watching TV at the same time. Whereas the past generation used TV only."* Thus according to Expert B the perception that people are moving from marketing communication to Social Media is an overstatement. This concurs with Expert A who posits that Traditional media still works in South African Banks although *"...social networking is taking over PR"*.

4.3.2 Social Media Tools used for Marketing Purposes

The purpose of this graph is to show the percentages of Social Media tools used by South African Banks.

Figure 4. 2 Percentage of Social Media Tools used by South African Banks



Source: Researcher's own calculations

Bank Managers were further asked to give the exact Social Media tools they are using in their organizations, for marketing purposes. Findings in Figure 4.2 revealed that Facebook (72.4%), YouTube (58.6%) and Twitter (55.2%) are the most used Social Media tools among banks. These tools are mostly used for customer service and advertising.

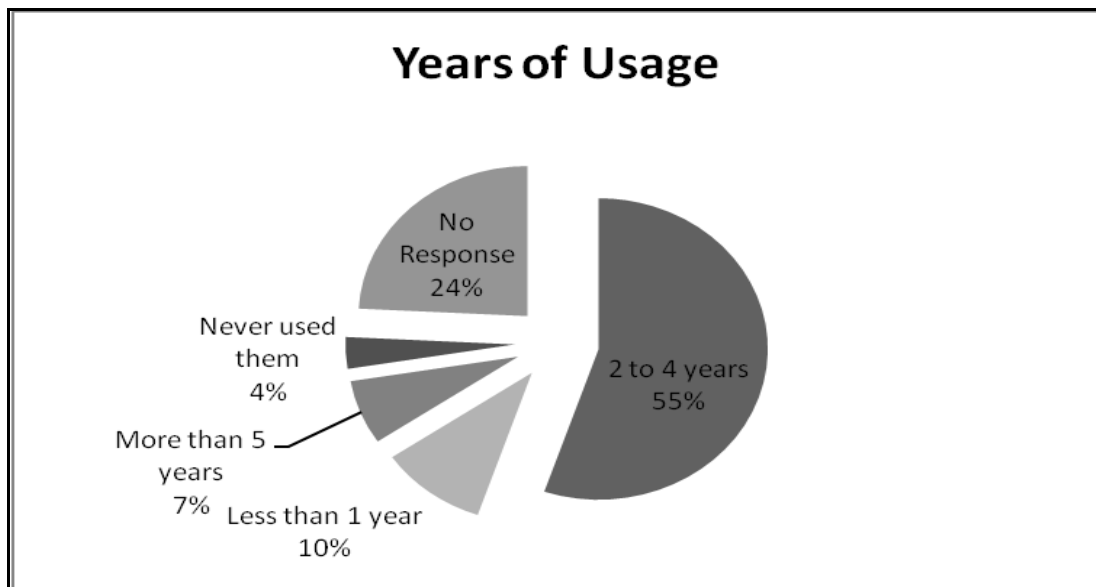
Of the 27% of the customers that said that banks should use Social Media for marketing purposes, 65% indicated that banks use Facebook for marketing purposes, 63% indicated Twitter, and 30% YouTube.

Social Media experts agreed with the bank managers and customers that Facebook and Twitter are the most used tools. They, however, cautioned that YouTube is being misused as an advertising tool instead of being used for engagement and interaction.

4.3.3 Banks Years of using Social Media for Marketing Purposes

This section gives a summary of how South African Banks are using Social media as a marketing tool. The statistics are presented in Figure 4.3 below:

Figure 4. 3 Percentage of Years of using Social Media within South African Banks



Source: Researcher's own calculations

Banks managers were asked how long they have been using Social Media. 22 managers responded and 7 did not respond to the question. Of the 22 that answered this question, 7% (n=2) said they have been using Social Media for more than 5 years, 55% (n=16) said they have been using it for 2 to 4 years, 10% (n=3) for less than a year and 4% (n=3) said they were not using Social Media. (See Figure 4.3 above).

4.3.4 Social Media and Marketing Communication Mix

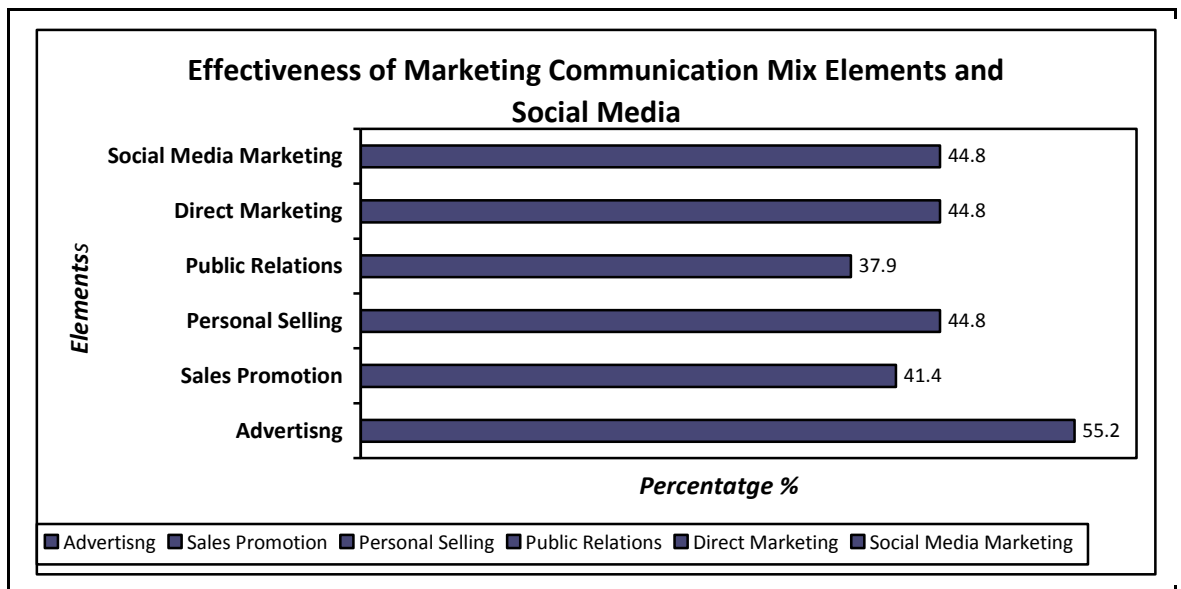
Having established that Social Media is being used by most banks in South Africa, the researcher wanted to identify the exact position of Social Media in the Marketing Communication Mix in order to identify the role it should play. To do this end, the researcher measured the effectiveness of the Marketing Communication Mix and of Social Media, how it appealed to banks and customers and whether it

has the same influence as the traditional Marketing Communication Mix. This will be presented in the following section.

4.3.4.1 Effectiveness of Traditional Marketing Communication Mix

Figure 4.4 below illustrate the effectiveness of traditional marketing communication mix.

Figure 4. 4 Effectiveness of Marketing Communication Mix and Social Media



Source: Researcher's own calculations

Bank Managers were asked to rate the effectiveness of the Marketing Communication Mix compared to Social Media. Advertising was rated the most effective by 55.2%, with Personal Selling rated by 44.8%, Direct Marketing 44.8% and Social Media Marketing 44.8% (See Figure 4.4 above).

Table 4. 3 Effectiveness of Social Media

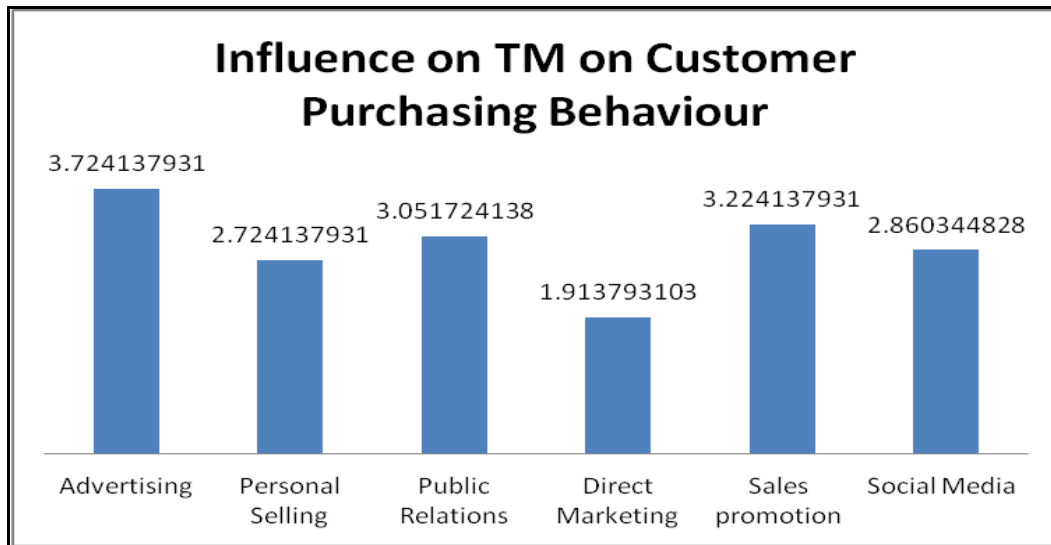
Row Labels	Count	Effectiveness of Social Media
Effective	5	23.81%
Neutral	5	23.81%
Not Effective	11	52.38%
Grand Total	21	100.00%

Source: Researcher's own calculations

The effectiveness of Social Media in the customer's perspective was also rated. Findings depicted in Table 4.3 indicate that from the customer perspective, Social Media is not effective by 52.38% and is effective by 23.8%.

The influence of Social Media on consumer behavior was also used to measure the effectiveness of Social Media. The average rating from the customers' survey indicated that advertising and sales promotions have a greater influence, 3.7 and 3.2 respectively, on customers purchasing behavior while direct marketing, personal selling and Social Media have the least influence (See Figure 4.5 below).

Figure 4. 5 Average rate of the Influence of Traditional Marketing on Customer Buying Behaviors



Source: Researcher’s own calculations

Appealing Media tools

Customers were further asked which medium was appealing to them in terms of its impact to their buying behavior. This was done to evaluate the effectiveness of Social Media in the Marketing Communication Mix, from a customer perspective. It is interesting to note that results showed that Social Media was rated as one of the least appealing media (2.86) among customers (see Table 4.4 below), thus making it less effective.

Table 4. 4 Rate of Media Tools that are Appealing to Customers

	Rating	Percentage
Face to Face	3.41	40.6
Telephonic	2.11	10.1
E-mails	2.64	23.2
Print Media	3.42	43.5
Electronic Media	3.54	44.9
Social Media	2.86	26.1

Source: Researcher’s own Calculations

Effectiveness of Social Media was also measured from the Social Media experts' perspective. Results from Social Media experts revealed that marketing communication elements are more effective than Social Media. 4 of the 6 Social Media experts agreed that banks are more biased towards traditional marketing particularly advertising, because of organizational culture and customs. Expert B clarified that advertising is the *"first stop for any marketing campaign in an organization."*, as it allows banks to control communication messages sent out to customers. In expert B's opinion Social Media is not as effective as banks do not have control of the messages because *"content goes out and is shared, favored, liked, gets reinterpreted, reposted and then dialogued. It's back and forth back and forth"*.

Expert B was also reluctant to measure the effectiveness on Social Media especially when relating it to its influence on customer buying behavior. The expert's argument was that it is difficult to measure its effectiveness because *"...Social Media create communities and communities create culture...and culture is what influence people. So if a brand is build on a community inside a Social Media space there seem to be a culture as well and that culture influence people more than an advert."*

4. 4 Position of Social Media Marketing

Table 4.5 below illustrate the position of Social media in the Marketing Communication Mix. Further explanation is presented after the table.

Table 4. 5 Mean on the position of Social Media in the Marketing Communication Mix

	N	Mean	Std. Deviation
Social Media should be integrated with traditional marketing tools.	21	4.52	.814
Social Media should be used more often than traditional marketing.	21	2.29	1.056
Social Media should not be used for marketing purposes.	21	2.19	1.569
Companies should get rid of traditional marketing.	21	1.86	1.276
Social Media is a passing fad.	21	1.57	.978

Source: Researcher's Own Calculation

The researcher wanted to check the exact position of Social Media in the Marketing Communication Mix. Out of the 29 managers who participated, 21 stated that they use Social Media in their banks. The researcher used these 21 to identify the position of Social Media. The mean of each variable was tested to help the researcher test the difference between the variances; this is shown on Table 4.5. The responses were then added up to give the means and the standard deviations given below. The mean which was greater than or equal to 3.5 showed managers' views on the position of Social Media.

A statistical test for the differences between the scores was carried out using the SPSS generalized linear model with repeated measures to measure the position of Social Media in the Marketing Communication Mix. This was used because the ratings for each of the variables were obtained from the same sample. The Mauchly's Test of Sphericity shown in Table 4.6 rejected the sphericity assumption at 95% confidence level ($p=0.13$). Since The Mauchly test rejected the sphericity assumption statistics that do not assume equal variance are to be used to interpret the results in the Within-Subjects Effects table.

Table 4. 6 Mauchly's Test of Sphericity SPSS Results

Mauchly's Test of Sphericity^b

Within Subjects Effect	Mauchly's W	Approx. Chi-Square	df	Sig.
Rating	.319	21.020	9	.013

The results in the Within-Subject Effect reject the Null hypothesis (the scores are equal); concluding that at least one of the scores is significantly different from the rest. Since the mean score for **“Social Media should be integrated with traditional marketing tools”** has the widest difference from all the other values it is concluded that it is significantly different from the rest, favoring the position that Social Media should be integrated with traditional marketing tools.

Table 4. 7 Test of Within-Subjects Effects SPSS

Tests of Within-Subjects Effects

Source		Type III Sum of Squares	df	Mean Square	F	Sig.
Rating	Sphericity Assumed	115.752	4	28.938	20.624	.000
	Greenhouse-Geisser	115.752	2.749	42.103	20.624	.000
	Huynh-Feldt	115.752	3.231	35.827	20.624	.000
	Lower-bound	115.752	1.000	115.752	20.624	.000
	Error(Rating)	Sphericity Assumed	112.248	80	1.403	
	Greenhouse-Geisser	112.248	54.985	2.041		
	Huynh-Feldt	112.248	64.617	1.737		
	Lower-bound	112.248	20.000	5.612		

Computed using alpha = .05

Source: Researcher's own calculations

The researcher therefore concluded that the means are significantly different, since the results favored the view that Social Media should be integrated with traditional marketing as shown in the Table 4.5 that the score for integration is the highest among the score. It is interesting to note that 80 % of the managers were of the opinion that Social Media is not a passing fad nor did they say that organizations should get rid of traditional marketing. When further asked how each marketing communication tool should be integrated, on average all managers agreed that Social Media should be integrated with each of the elements. It is interesting to also note that for personal selling and sales promotion, the responses were a bit lower,

with one manager out rightly stating that Social Media could be a replacement of public relation.

There were comments from managers like *'Marketing communication elements cannot be looked at as individuals banks instead, they look at the destination that is website or mobisite and figure out how the other media types i.e. TV, RADIO, PRINT, PR will lead people to the destination to ultimately experience something in the chosen channel'*. Another manager added that *'Facebook is the possible channel merely because of its ability to shout out to many people with so little efforts'*. This may be an indication of using push and pull strategies of traditional marketing. Although one would expect managers who have 16 and above years of experience to regard Social Media as a form of mass communication, the results showed that one of the managers who had 6 to 16 years of experience working in the banking industry and who was from a bank which has been using Social Media for 2 to 4 years, regards Social Media as a form of mass communication and that the only difference with mass communication it that this platform allows two way communication.

Table 4.8 below gives a summary of the experts' views on the position of Social Media. The general theme among experts is that Social Media is a new medium and should be integrated with traditional marketing.

Table 4. 8 Summary of the Position of Social Media

Expert A	<p>[Social Media] should be incorporated in the mix....it should not be used exclusively you still need to use other tools</p> <p>Marketers have added a new way of marketing</p>
Expert B	<p>[SM] is a new way of communicating</p> <p>Social Media comes with new benefits and they are seen if Social Media is integrated in a TV campaign, radio... and integrate it into each of your marketing campaigns</p> <p>...it should be something that overlays your marketing mix, it should be treated as a separate line item on the marketing mix</p> <p>The TV, PR, Sponsorship campaign can be separate but should communicate one message, Social Media is not one of the core things but it should be laid on top, it is part of the TV and radio campaign</p>
Experts C	<p>It's a new communication medium that people seem to be fascinated with</p> <p>Integrate Social Media with traditional marketing ...because the behavior you are trying to capture is that people see you on TV or they experience your brand and they talk of you on Social Media</p>
Expert D	<p>Position of Social Media depends on the company, what it does and what kind of products it offers to the market and what market it is</p> <p>... but ideally Social Media should be integrated in such a way that the whole co operation thinks in a social way because the world is now more social</p> <p>Marketing is a byproduct on Social Media, you can't go on Social Media with the aim of marketing but with the aim of communicating and engaging with the customer</p>

Source: Research's interview schedules with Social Media experts

4.4.1 Acceptance Level of Social Media

The researcher rated the acceptance level of Social Media among bank managers to ascertain the position of Social Media and the attitude of managers towards Social Media. Results in Table 4.9 show that there is an equal distribution on the acceptance level of Social Media. 37, 9% (n=11) said Social Media is accepted and the same percentage said Social Media is not accepted in their banks. The research

further investigated whether there was a relationship between the acceptance level with the tools that banks said they were using for marketing communication. It was interesting to note that those who said Social Media is used had more rating than those who said it was not accepted. Thus, the acceptance level of Social Media is dependent on the organizational culture.

Table 4. 9 Acceptance Level of Social Media in banks

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	7	24.1	24.1	24.1
1 (Not at All Accepted)	0	0	0	0
2	6	20.7	20.7	44.8
3	5	17.2	17.2	62.1
4	7	24.1	24.1	86.2
5 (Very Much Accepted)	4	13.8	13.8	100.0
Total	29	100.0	100.0	

Source: Researcher's own calculations

4.4.2 Role of Social Media

Having established the acceptance level and the position of Social Media in the marketing departments of banks, the researcher moved to establish the role that Social Media is playing in banks. To achieve this, banks were given various roles of Social Media and were asked to rate them. Table 4.10 below shows the results.

Table 4. 10 Role of Social Media

Role of Social Media	Percentage
Maintain Online Presence	72.4
Increase Interaction with Customer	69
Handling Customer Complaints	65.5
Increase Brand Awareness	65.5
Creates Transparency	65.5
Increase Competitive Advantage	62.1
Enhance Sales Promotion	58.6
Increase easy Lead Generation	58.6
Good Corporate Social Responsibility	55.2
Enables Engagement with Stakeholders	51.7
Improve Product Development	44.8

Source: Researcher's own calculations

When asked about the role of Social Media in their organization 72, 4% of the managers said the use it merely for online presence. The results reveal that Social Media plays a great role in handling customer complaints 65.5%, brand awareness 65.5%, interaction with customers 69%, creating transparency 65.5% and increasing competitive advantage 62.1%. A notable comment from one manager in open-ended question was that Social Media is just a fraction of the marketing department and serves about 15 000 customers and therefore the role of Social Media is to build a relationship with this small group.

4.4.3 Role of each Social Media tool

The previous results showed that Social Media is being used in marketing communication. The researcher then moved to check how each Social Media tool is being used for marketing purposes. The results shown in Table 4.11 indicate that the most popularly used tool is Facebook. Results reveal that Facebook is used mostly for Advertising 95.2%, Brand Management 81% and Sales Promotion 76.2%. Twitter on the other hand is mostly used for Brand Management 71.4% and for

Handling Customer Complaints 66.7%. The other tools, LinkedIn, Mxit, YouTube and Blogs are not being used as extensively as predicted by Social Media experts.

Table 4. 11 Cross Tabulation of Tools and their use

	Facebook	Twitter	LinkedIn	MXit	You tube	Executive Manage blogs	Employee Managed Blocks
Advertising	95.2	38.1	19	38.1	38.1	4.8	14.3
Lead generation	52.4	38.1	00	33.3	00	9.5	4.8
Handling Customer	66.7	66.7	4.8	9.5	00	4.8	4.8
Knowledge Sharing	61.9	52.4	23.8	14.3	33.3	33.3	28.6
Entertainment	42.9	28.6	00	23.8	33.3	14.3	14.3
Brand Management	81	71.4	38.1	28.6	42.9	19	28.6
New product Development	47.6	23.8	9.5	4.8	14.3	14.3	19
Sales Promotions	76.2	38.1	4.8	33.3	14.3	14.3	14.3

Source: Researcher's own calculations.

4.5 Challenges and Opportunities

This section presents the challenges and opportunities that are presented by Social Media to South African banks. The opportunities will help the researcher to ascertain the exact role that Social Media is playing in organizations. Challenges presented herein will also give the limitations of Social Media when used in the Marketing Communication Mix. The solution to the challenges will give a guidance on how to use Social Media effectively.

4.5.1 Challenges Faced by Banks

Managers were given a list of possible challenges they might be facing when implementing Social Media and were asked to select the ones that applied in their organization. These were presented on a Likert scale of Strongly Agree to Strongly Disagree. The results in Table 4.12 were then added up to calculate the average and the standard deviation to identify challenges that applied in a particular organization. The results are shown in Table 4.12 below.

4.5.1.1 Lack of Manpower to Administer Social Media

With reference to Table 4.12 above, 73.7% of managers (Mean 3.68) agreed that lack of manpower to manage Social Media is the key challenge facing banks when implementing Social Media.

Social Media experts agreed with this view, adding that most of people managing Social Media are *“inexperienced”, “lack skills and are not innovative”* or *“the HR Department lump it [Social Media post] to someone who is already doing another job or outsource to PR Company”*. According to expert C this is exacerbated by the fact that Social Media is still new and immature in South Africa. The expert added that *“the disadvantage about this is that either you have one man running up and down the organization and trying desperately to solve customer problems and the result is lack of consistency, abandoned corporate Social Media profiles and a lot of experimentation”*.

Table 4. 12 Mean and Standard Deviation of Challenges Faced by Banks

	Mean	Std. Deviation
Management perception on the effectiveness of Social Media Marketing.	3.79	1.228
Inflexibility of banks in adopting technology	3.21	1.316
Lack of documented strategies on how to manage negative comments on Social Media tools.	3.05	1.311
Lack of manpower to administer Social Media tools.	3.68	1.293
Inadequate financial resources to manage Social Media.	3.00	1.155
Inadequate information on leveraging Social Media.	3.21	1.357
Company failing to adapt to rapid change in behavior among consumers.	3.53	1.307
Company culture which does not support transparency on Social Media.	3.05	1.129
Regulatory issues on when to respond to consumers comments readily on Social Media.	3.21	1.316
Management fear of losing control of brand to consumers.	3.26	1.046
Perception that Social Media is for youth only.	3.11	1.449
Employee posting comments that can tarnish company image.	3.11	1.197
Possible leakage of customer's personal information e.g. identity theft, cardholder information.	3.00	1.155
Valid N (listwise)		

Source: Researcher's own calculations.

4.5.1.2 Management Perception on the Effectiveness of Social Media Marketing

63.1% of bank managers (mean 3.79) revealed that management's perception towards Social Media is that it has a great role in the successful adoption of Social Media in the banks.

Social Media experts also agreed that management's perception towards Social Media has a great role in the successful adoption of Social Media in the banks. Lack of management's involvement in Social Media, negative attitude towards Social Media and an "old school traditional mindset of advertising" of managers, were common challenges revealed by the experts surveyed. Some experts felt it was attributed to the fact the HR Scorecard measures performance based on sales, operational efficiency and not on engagements on Social Media. This was supported by one of the managers who said that Social Media is all about engagement while sales volume is about figures. Expert A was of the opinion that Human Resources Departments in other banks limit access to Social Media tools to their staff thus creating an environment that does not allow Social Media to take off (See Table 4.12).

4.5.1.3 Management Fear of Losing Control of Brand to Consumers

52.6% of managers (mean 3.26) indicated that fear among managers of losing control of brand to the consumers was one of the challenges facing banks when implementing Social Media.

According to the experts Social Media is hard to control because of its nature. Thus since banks are made up of processes and procedures, they do not have what it takes to control and manage the brand on Social Media. The expert added that marketers inside banks are traditional marketers and thus organizations end up relying on outsourcing Digital Marketers who may not have the brand image of the bank at heart, further leading to managers losing control of the brand.

4.5.1.4 Company Failing to Adapt to Rapid Change in Behaviour Among Consumers

63.1% of managers (mean 3.53) indicated that companies were failing to adapt to the rapid change in behavior among consumers. This failure to adapt, according to Expert C, forces other banks to experiment in the Social Media space. Other experts, however, did not see this as a challenge to banks.

4.5.1.5 Legalities

Although few managers, 25%, felt that legal issues surrounding banks were not a challenge, Social Media experts regarded them as the main challenge facing banks when implementing Social Media. Financial Advisory and Intermediary Services Act (FAIS), the legislation which governs how banks give advice on financial products was mentioned as one of the challenges faced by banks. According to expert C this policy has a stringent set of laws that can get heavy on a bank should it fail to abide to it. Thus it forces any Social Media expert to be accredited to it and to be watchful of what one says on Social Media platform. Expert B added that banks are put in a situation where they cannot address some of the questions customers ask on Social Media and hence may appear not to be honest and open to customers.

4.5.1.6 Security

Reponses from the customers showed that 87% of customers are concerned about their security on Social Media when communicating with banks. For some customers the reason why they will not communicate with their banks is because of fears about the security of their account and confidential information on Social Media sites. These customers added that banks should not participate on Social Media as this will compromise their credentials.

Social Media Experts felt that since Social Media allows people to interact on an electronic interface, banks may not have *security measures to protect the consumers*. Expert E added that customers do not know how to manage their privacy on Social Media sites. The experts exemplified this by giving banks which

have customers who disclose their ID numbers and other personal contact details on Facebook.

4.5.3 Solutions to the Challenges

4.5.3.1 Integration

62.1 % of the managers responded to the question on the possible solutions to the mentioned challenges. Of the 18 managers who responded to the question, 5 emphasized the importance of integration. Integration was defined in different ways. The first was integrating Social Media Strategies with marketing strategies and the overall business strategy. The other dimension was integrating technologies used in communication, which could be the integration of the entire media used for communication and marketing. The third is integrating organizational function or departments like the call center with Social Media, customer Relationship management, and Human Recourses. One of the managers mentioned the *integration of reputation management, client services and media functions*.

4.5.3.2 Human Capacity Building

Both the Social Media experts and managers agreed on the need for training and education to create Social Media awareness and acceptance. Education was defined by two managers as creating awareness of Social Media among employees and making sure that shareholders and stakeholders are aware of the benefits and disadvantages of Social Media. One manager clearly indicated that Social Media managers should sell the value of Social Media to stakeholders. One point worth mentioning is a statement from one manager who said that *“training is important in order to change the perception of Human Resource department which does not recruit more employees for Social Media and prefer outsourcing”*.

The need to measure the success of Social Media and evaluate it was mentioned as a solution by 5 managers. Two managers mentioned that there is need for better measurement and reporting, tracking and recording success stories for evaluation purposes.

Four managers highlighted the importance of increasing the number of employees in the Social Media department, and that these employees should work together as a team. It was noted by one manager that these employees and the managers should “...*understand and appreciate the capacity needed when running Social Media presence.*”

4.5.3.3 Strategy Formulation

Managers agreed that there is a need for academic research on Social Media implementation strategies. They added that these strategies should be customer-centric and managers should be willing to put Social Media to the hands of the customers and not impersonate themselves on Social Media and to focus on risk mitigation.

One of the managers indicated that there is a need to process documentation and SLA agreements in place with the support structures and to mass buy-in from segments to support SMOs accepted channel within the bank.

Managers suggested outsourcing as a solution to Social Media challenges. The strategy was said to help in the development of a Social Media strategy which spans Social Media Marketing, community management and online reputation management holistically and getting executive buy-in to building this capacity internally and externally. The internal part is meant to work closely with marketing and communications, legal, compliance, operations, and channels to build solid working relationships in order to facilitate the resolution of queries and complaints.

4.5.4 Opportunities

The most important point on the opportunities presented by social media that came from the managers is that Social Media presence is very critical to any brand today as it is a new way of communicating. This section discusses the opportunities that Social Media is creating for South African banks. Table 4.13 below gives a summary of the opportunities from the bank managers’ point of view.

Table 4. 13 Opportunities Presented by Social Media

Opportunity	Disagree (%)	Indifferent (%)	Agree (%)
Social Media helps company to keep up with trends in the industry.	10.5	10.5	79
Social Media helps bank maintain competitive advantage.	5.3	21.1	73.6
Social Media enables fast reach to consumers	0	5.3	94.7
Corporate credibility is enhanced due to personalized interaction on Social Media	0	18.8	84.2
Generate qualified leads	15.8	26.3	57.9
Social Media helps reduce overall marketing expenses.	36.8	21.1	42.2
Social Media helps build new business partnership.	15.8	36.8	47.4
Social Media provides a platform for banks to educate consumers about services	5.3	5.3	89.5
Social Media helps improve relationships with customer	0	10.5	89.5

Source: Researcher's own calculations.

Bank managers were given a list of possible opportunities presented by Social Media to the organization and were asked to select those that applied to their organization. Results from the table above show that Social Media plays a great role in reaching out to customers 94.7%, educating customers about products and services 89.5%, improving relationships with customers 89.5%, increasing corporate credibility 84.2%, maintaining competitive advantage 73.6% and helping banks keep up with current trends 79%. However, 42.2% of the respondents do not see Social Media as an expense. Neither do they see it as creating an opportunity to build new

business partnerships, 47.4%. A descriptive statistic exercise was done to validate the results given in Table 4.13. Results confirmed that Social Media does help reduce overall marketing expenses.

In response to an open-ended question three bank managers added that Social Media helps in market research, advertising, handling customer complaints, retention and relationship building with customers. One managers added that Social Media is a form of two way communication which helps banks to get feedback from customers and thus in the process build trust. This is presented on Table 4.14 below.

4.5.4.1 Social Media Experts on the Opportunities Presented by Social Media

Social Media experts concurred that Social Media helps an organization to build trust and strong relationships with customers, which may lead to loyalty. According to expert B this loyalty programme will help customers to engage and connect with the brands and in the end lead to repeat purchases and add value to the company. Experts agreed that companies that constantly communicate with customers will be regarded as more open and honest than those that do not communicate.

Social Media helps banks to reach out to current and new target markets. Experts also felt that Social Media helps in lead generation. When asked if Social Media helps banks generate competitive advantage, one expert argued that this is dependent on the industry and the media space an organization decides to use.

Table 4. 14 Challenges Faced by Banks

Descriptive Statistics			
	N	Mean	Std. Deviation
Social Media helps company to keep up with trends in the industry.	19	4.16	1.015
Social Media helps bank maintain competitive advantage.	19	4.05	.911
Social Media enables fast reach to consumers.	19	4.47	.612
Corporate credibility is enhanced due to personalized interaction on Social Media.	19	4.32	.749
Generate qualified leads.	19	3.58	1.121
Social Media helps reduce overall marketing expenses.	19	3.11	1.410
Social Media helps build new business partnership.	19	3.53	1.172
Social Media provides a platform for banks to educate consumers about services.	19	4.47	.841
Social Media helps improve relationships with customer.	19	4.42	.692
Valid N (listwise)	19		

Source: Researcher's own calculations.

4.6 Strategies for implementing Social Media

The researcher wanted to establish the strategies that organizations use to implement Social Media. What was derived from the experts is that the development of Social Media strategy depends on the specific organization and its culture. Experts mentioned that marketers should first know why the organization wants to adopt Social Media strategy and the goals it wants to achieve. This

discussion gives strategies used by South African banks when implementing Social Media Marketing.

Banks were asked if they have policies that guide them when implementing Social Media. 17 managers responded to this question and 12 did not respond. Of the 17 that responded 42% indicated that they have policies on how Social Media should be managed while 17% were either not sure or did not know. (See Figure 4.6).

Figure 4. 6 Percentage of Banks that have Social Media Policies



Source: Researcher's own calculations.

Bank managers were further asked how they developed Social Media strategies. 12 respondents did not respond to the question and 17 responded. Of the 17 that responded, 3 indicated that they did not have any comments and one was not willing to share confidential information with the public. The main points that came from the open ended questions are discussed below.

4.6.1 Integration

The main theme that came from open ended questions and from Social Media experts on how Social Media should be developed was that Social Media should be integrated with the overall marketing strategies or with traditional marketing. The integration was expressed in different dimension from "...integration of Social

Media SWOT analysis with Social Media communication strategy and the overall marketing strategy...” to integration with other departments like *Information Technology Department, New product Development, Customer Relationship Marketing...* and *“...integration with the overall campaign strategy...”*. In explaining how Social Media can be integrated with marketing campaign expert E added that *“people see you on TV ad or they experience your brand and they talk of you on Social Media”*. Managers added that Social Media should not be used as stand-alone strategy but should be intertwined with the online and offline campaign. However, if it is used as a stand-alone it should follow the *“normal”* campaign process that is it should be monitored and measured to see to it that it has attained its goal.

4.6.2 Measurement

There were different views on whether Social Media should be measured or not. Two managers mentioned that Social Media should be measured through the use of evaluation reports. They added that there should be *“an ongoing aftercare management and reporting in place.”* when using Social Media. The other school of thought was that since Social Media is all about engagement, it cannot be measured and neither should it be used to measure sales volume. This school of thought was supported by some Social Media experts who said that one cannot use the number of fans to measure the success of Social Media. They added that marketers make the mistake of confusing complaints with engagement.

4.6.3 Customer-Centric or Organisational-centric

Four out of the seventeen bank managers that responded indicated that Social Media strategies should be customer-centric while seven said that Social Media should be developed based on the organizational culture and objectives. The customer-centric strategy according to both managers and experts is derived from building communities around the brand. The communities are built from *“inviting fans, inviting people, bringing them to the table and getting them to like your Facebook page and twitter and discuss your brand”*, Most of the managers and

some experts believe that the development of Social Media strategy should be based on a content management strategy and having well-laid plans and reasons for adopting Social Media. One of the experts emphasized the importance of a *“proactive content strategy”* which *“knows why you are going on Social Media space and what you want to achieve with each content”*. Some managers felt that Social Media should support business strategies and *“we should evolve and learn about how our customers want to interact and on what content”*.

It is interesting to note that some managers believe that in order to fully and effectively implement Social Media strategies an organization should *“research, test and learn”* and engage in creative ideas. One manager notably said that organizations need to do a SWOT analysis of Social Media and then integrate the results with Social Media communication strategy and the overall marketing strategy. The manager further emphasized the need to build up resources and models that will support a Social Media strategy. Technology capability was one of the skills that one manager indicated as being the most important when developing Social Media strategy.

4.6.4 Outsourcing Social Media Experts

As part of the strategy, managers and experts were asked their opinion on outsourcing Social Media experts. There were two views on outsourcing. 11 managers responded to this question. 60% of the managers were against the idea of outsourcing Social Media experts. The arguments that were elicited from the managers were lack of in-depth marketing skills from agency, inadequate knowledge of company policies, processes, *“legacies”* and culture of agencies and finally, the fact that Social Media experts cannot make company decisions for banks. Banks believe that Social Media should not be separated from marketing strategies and implementation and its success is dependent on the full involvement of internal marketers. One of the banks indicated that it tried outsourcing and it did not work for them because *“...Social Media is quite personal and should reside inside the brand or company as no one can speak on your behalf...”*

The other school of thought was that Social Media should be outsourced as companies cannot provide the 24/7 attention and interaction “*content*” it needs. This school of thought believes that it is not economical to build a large team internally. The reason for that is that Social Media experts and agencies have all the skills and staff required and will not need consistent guidance and training, unlike internal employees. Some added that external sources can assist with “*thought leadership and keeping up to date with trends*”.

Social Media experts on the other hand were of the opinion that banks should use both internal and external sources. However, they stressed the importance of having the marketing manager or Social Media manager to take care of customer cases at the higher levels as agencies cannot deal with these alone. The Agencies’ role will then be to bring in their expertise, creative thinking and skills that help to keep up with the trend as the Social Media environment is dynamic and consistently changing. Thus according to experts a combination of internal staff and agencies will enable the bank to manage this dynamic industry.

4.6.5 Social Media Implementation

Banks were given possible Social Media implementation steps and were asked to rank them according to the level of importance. They were then asked to give additional steps they think are important. Only four responded to this question. What came from the four responses was that companies should listen to their customers and have a content management strategy. Some felt that a post-evaluation of campaigns is important as well as the allocation of resources.

4.6.6 Social Media Implementation Models

Bank Managers were given possible steps that could be used when implementing Social Media. The aim with this was to identify the implementation models used by banks. Table 4.15 gives a summary of these steps.

Table 4. 15 Adoption Models used by Banks

Response 1	Response 2	Response 3	Response 4	Average
Listening and segmenting your target audience	Listening and segmenting your target audience	Listening and segmenting your target audience	Formulate Social Media objectives based on company goals	Listening and segmenting your target audience
2.33				2.33
Formulate Social Media objectives based on company goals	Formulate Social Media objectives based on company goal	Identify key influencers	Analyze competitors and international markets performance on their Social Media tools	Formulate Social Media objectives based on company goals
2.54				2.54
Analyze competitors and international markets performance on their Social Media tools	Analyze competitors and international markets performance on their Social Media tools	Analyze competitors and international markets performance on their Social Media tools	Identify key influencers	Analyze competitors and international markets performance on their Social Media tools
2.67				2.67
Identify key influencers	Identify key influencers	Formulate Social Media objectives based on company goals	Identify Social Media tools for target audience	Identify key influencers
3.33				3.33
Identify Social Media tools for target audience	Develop content strategy to maintain quality	Implement approved Social Media strategy	Listening and segmenting your target audience	Identify Social Media tools for target audience
4.62				4.62
Develop content strategy to maintain quality	Identify Social Media tools for target audience	Identify social Media tools for target audience	Develop content strategy to maintain quality	Develop content strategy to maintain quality
4.87				4.87
Implement approved Social Media strategy	Integrate Social Media and traditional media	Develop content strategy to maintain quality	Integrate Social Media and traditional media	Implement approved Social Media strategy
5.43				5.43
Integrate Social Media and traditional media	Implement approved Social Media strategy	Implement Social Media without any strategy	Implement approved Social Media strategy	Integrate Social Media and traditional media
6.23				6.23
Implement Social Media without any strategy	Measure Return on Investment of Social Media	Measure Return on Investment of Social Media	Measure Return on Investment of Social Media	Measure Return on Investment of Social Media
7.55				7.55
Measure Return on Investment of Social Media	Implement Social Media without any strategy	Integrate Social Media and traditional media	Implement Social Media without any strategy	Implement Social Media without any strategy
7.33				7.33

Source: Researcher's own calculations

The researcher used the average score in Table 4.16 to see which step will be closer to 1. The one with lowest score is more likely to be the first to be used. The average score shows that the steps used by most banks is Listening and segmenting your target market followed by Formulating Social Media objectives based on company goals and the last step is Measuring Return on Investment of Social Media.

4.6.7 Opinion on the Steps Given

When asked what they felt about the given steps, of the 12 managers that responded, 67%, agreed that the steps were sound, good, logical, and clear but were not complete and also needed some buy-in at the highest levels. Some managers felt that some steps given were *“combined with strategy phase and others are not required for implementation phase but more on maintenance.”* Other managers indicated that they were not using some of the steps given but would implement some of the steps in their organization. The importance of planning first before implementing was emphasized by one of the managers. According to the respondent, banks should *“plan first, identify tools, objectives, internal escalation and resolution processes, resource allocation (financial and staff)”*.

4.6.8 Strategies used to Implement Social Media Strategy

The researcher wanted to find out the exact strategies that organizations use when they implement Social Media strategies in their banks. This was done to help other organizations who were considering implementing Social Media. n=17 managers responded to this question. Of the n=17 that responded n=6 indicated that they are using steps given in the previous question, one was not involved in marketing activities and the other was not comfortable with disclosing the bank’s confidential strategies. The rest had different views on how they implement Social Media Marketing in their organization.

50% of the managers that responded indicated that they integrate Social Media with the marketing strategy and with other media. The concept that came from bank managers was that organizations should have clear objectives of what they

want to achieve with Social Media and integrate all media tools with the marketing campaign. Another way of implementing Social Media strategies is to design plans which focus on the Customer/Social Relation Management and crisis communication plan. Other managers felt that Social Media should be in support of traditional media and should be aligned to the business and marketing strategies, thus suggesting that Social Media is not a stand-alone strategy. It is interesting to note that some managers said that they regard outsourcing a Social Media specialist as part of their Social Media implementation strategy.

One of the managers explicitly gave steps on how his banks implement Social Media strategy. According to the respondent the bank *“first analyzes what people are saying about our products, we look at our competitors and their products. We then focus on customer needs and then choose the key Social Media sites for the targeted niche market and establish online profile”*. The bank further indicated that it integrates these sites for maximum exposure, brand building and traffic. It then engages in conversations and then lastly, tracks and monitors activity and results. Lastly, one manager said that they work as a specialized team which focuses on the specialized channel.

4.7 Conclusion

The chapter looked at the role that Social Media should be playing in the Marketing Communication Mix. The study showed banks are using both traditional marketing tools and Social Media Marketing. It was indicated in the research that Social Media should be integrated into the Marketing Communication Mix.

Challenges faced by organizations and solutions to these challenges were presented in this chapter. The challenges facing organizations are management attitude towards Social Media, lack of manpower and the failure of banks to adapt to customer change in behavior. These challenges were said to be solved by outsourcing, research, education and training and employing more manpower. Social Media was said to be presenting many opportunities like reaching out to

customers, educating customers about products and services, improving relationships with customers, increasing corporate credibility, maintaining competitive advantage and helping banks keep up with current trends.

Strategies on how to implement Social Media were also discussed in this chapter. Most of the strategies mentioned by banks are either customer-centric or organizational-centric and all emphasized integration of Social Media with traditional marketing.

The chapter that follows will discuss findings from this research together with the findings from other scholars. This will therefore help in deciding the role that Social Media should be playing in the Marketing Communication Mix.

CHAPTER 5

DISCUSSION OF RESULTS

5.1 Introduction

The previous chapter gave the research findings from the 2 questionnaires and the interview schedule. The following chapter discusses the data presented in the previous chapter. This will be done through comparing it with the literature on the role of Social Media in marketing communication. Limitations of the current study will also be discussed in this chapter.

5.2 Extent to which Social Media is being used in the Marketing Communication Mix

In this section the researcher will discuss the main aim of the research, i.e. the role and position of Social Media in the Marketing Communication Mix.

5.2.1 Position of Social Media

The primary aim of this research was to establish whether Social Media can be regarded as the sixth element in the Marketing Communication Mix (Advertising, Sales Promotion, Direct Marketing, Personal Selling and Public Relations). The study suggests that Social Media is not a new element in the Marketing Communication Mix *per se* but it acts as an enhancer of each of the elements. The general view among bank managers is that Social Media and its tools should not be seen as stand-alone tools but rather should be integrated with the marketing strategy, overall marketing campaign and the Marketing Communication Mix elements. This study showed that Social Media is not a passing fad, neither is it a replacement for

the Marketing Communication Mix. Some Social Media experts in this study, however, point out that the position of Social Media is dependent on the company, what it does and what kind of products it offers to a particular market.

Prior studies have expressed different views on how Social Media should be used. According to Mangold & Faulds, (2009), Social Media is a new hybrid element of the promotional mix which still performs the same role as other elements but which is more advanced because it allows engagement with customers and gives customers control over the brand and the content. Stephen & Galak, (2009) on the other hand view it as a supplement of traditional marketing. Another school of thought views Social Media as a tool that has to be integrated in the Marketing Communication Mix (Hanna et al., 2011). The current study concurs with this school of thought. Stephen & Galak, (2009) further explain that using Social Media together with traditional media has a great influence on improving marketing performance. This may therefore explain why managers and Social Media in this study advocate the integration of Social Media into the Marketing Communication Mix.

5.2.2 Role of Social Media

Advertising and Mass Communication Role

Findings in this study showed that Social Media plays a role as a cost cutting advertising medium and as a mass communication tool which is at the same level as traditional media like TV and Radio. This is indicated by the greater percentage of bank managers who use Facebook more for advertising and sending information to the customer. Added to that, it is reflected by some Social Media Experts who perceive Social Media as another form of mass communication which reaches out to customers at low cost, low speed and effort. Results therefore show that most banks are using the traditional or emergent approach. What this suggests is that banks use adverts and marketing information on Social Media the same way they do with traditional media. This creates resistance from customers, as reflected by the current research's results which show that a smaller percentage of customers are fans to their banks, with only 23.8% of customers thinking that Social Media is

effective and 26.1% of customers who find Social Media appealing if used for marketing purposes.

Scholars confirm that Social Media has become a mass media vehicle for consumer-sponsored communication and this is attributed to professionals' lack of knowledge on how to best use Social Media and the benefits it can give companies, (Clemons, 2008; Parent et al., 2011; Kietzmann et al., 2011; Zolkepli & Kamarulzaman, 2011). The effect of using Social Media as a form of mass communication is that marketers may run the risk of using Social Media as a platform for pushing and praising their brands on social networks, hence adopting "*push based marketing anachronistic*" (Clemons, 2008; Parent et al., 2011). The result will be little or no engagement, no collaboration, less transparency and little interaction on Social Media platforms, thus leading to resistance from customers and eventually their leaving the company's Social Media platform.

Direct Communication

Results also show that Social Media plays the role of allowing direct communication between the company and the customers and also gives a platform for customers to communicate with each other. Hoffman & Novak, (1996:7) define this communication as many-to-many communication in this new model, Marketing Communication in the HCM Environment. Mangold & Faulds, (2009) agree with this model and with the current study, adding that Social Media allows two-way communication between the bank and the customers and engagement between customers. Thus according to Hanna et al., (2011) traditional media play the role of reaching out to customers and Social Media plays the role of reaching out, engaging and influencing. Results in this study, however, do not concur with this line of thinking.

Other Roles

Other roles played by Social Media in banks are maintaining online presence, brand awareness, handling customer complaints, interaction with customers, transparency and competitive advantage. These roles seem to be dependent on the

type of Social Media tool the organization is using. Tools like Facebook which target a greater population seem to be used more for advertising and sales promotion. Those who are using Twitter are using it for handling customer complaints and brand management.

The researcher's findings are validated by Mangold & Faulds, (2009) who posit that the role of Social Media in the Marketing Communication Mix is to facilitate communication, and the ability to extend traditional word of mouth (WOM) through allowing customers to communicate with each other, and its ability to magnify the communication level. This is supported by Stephen & Galak, (2009) who endorse the belief that Social Media create high volumes but low margins in terms of performance outcome while traditional media is low volume but high margin.

Technology-based Role

Social Media plays a technology-based role. This is supported by Mangold & Faulds, (2009) who posit that Social Media's role is displayed by its characteristic of springing out from mixed tech and media origins that enable instant, real-time communication and utilizes multi-media time and numerous deliverable plans and global reach. This opinion is supported by the New Model on Computer Mediated Communication (Hoffman & Novak, 1996:7).

Consumer Behavior Outcome

Another role that emerges from scholars is Social Media's effect on consumer behavior outcome as highlighted by Bond, Ferraro & Luxton, (2010). According to the scholars, customers' use of Social Media and its interaction with the brand and the media result in outcomes like brand awareness, purchases intention, satisfaction with Social Media and word of mouth. Findings from this study reveal some traces of purchase intention, high brand awareness, and low traces on word of mouth. These low percentages may be because of the fact that banks seem to be using Social Media more for advertising purposes than for engagement, as stated before. What this might mean is that according to the User Gratification Model,

consumers use the media if their media needs are met. Thus since customers in this study appear to prefer engagement to advertising, they repel or avoid any communication with the company (Kelly et al., 2010).

Replacement of Traditional Marketing

Haataja's, (2010) stance is that although the current role of Social Media is supporting other channels, in future it will be the primary channel in an organization, suggesting that Social Media will be a replacement for traditional media. This stance, however, is challenged by this study's findings which point out that Social Media cannot replace traditional marketing but rather should be integrated into the Marketing Communication Mix.

5.2.3 Level of Usage

Findings from this study and prior studies concur that Social Media is still in its infancy, and that there is a lot of experimentation among marketers (Bond et al., 2010; Kaplan & Haenlein, 2010; Hanna et al., 2011). Some scholars add that companies make the mistake of chasing the latest application on the Social Media platform without having full knowledge of how best to use these tools (Hanna et al., 2011). This line of thinking is supported by some Social Media experts in this study who stated that due to lack of skilled and experienced Social Media experts, banks are experimenting on the entire Social Media platform and then abandoning them. The reason for this might be because marketers have not developed strategies for managing content on Social Media. This point however is dismissed by some bank managers who state that they have a content strategy put in place to monitor and manage their Social Media platforms effectively.

This research shows that blogs are the least used tools among banks, as predicted by Social Media experts. When they are used, they are used more for knowledge sharing, and are then abandoned because of lack of information on how to manage content. This, however, is not in line with Clemons, (2008) and Singh et al., (2008) who posit that blogs are used more for advertising and marketing purposes. The

disagreement may be an indication of the level of usage of Social Media in South Africa. This will be discussed in the following section.

5.2.4 Effectiveness of Social Media

Results from management indicated that Social Media is not as effective as advertising when used for marketing communication purposes. It is interesting to learn that Social Media is the most used tool, by 72.4% among managers, but from the customers' perspective it is the least effective tool (52.38%). Added to that, only 26.1% of customers see it as an appealing media in influencing purchasing behavior. Thus a conclusion can be derived that Social Media is not an effective tool when used for marketing purposes as it seems not to be reaching out to customers.

Prior research posits that the effectiveness of Social Media is dependent on the type of Social Media tool an organization is using (Kietzmann et al., 2011). This could suggest that banks may be using the wrong Social Media tool to reach out to customers. Thus an organization which wants to use YouTube should know what the audience wants to achieve and then align its Social Media engagement to that.

5.3 Challenges and Opportunities

The second aim of this research was to address the challenges and opportunities faced by banks in implementing Social Media. Challenges faced by banks in this study seem to be based more on management perceptions and attitudes towards Social Media. This section will discuss these challenges and how they can be handled basing on the respondents' views and the literature review.

5.3.1 Challenges

Lack of Manpower to Administer Social Media Tools

Lack of sufficient manpower to administer and manage Social Media tools is one of the main challenges faced by most banks, as indicated by 73.7% of bank management and most Social Media experts. This may be because of the fact that

according to Social Media experts, Social Media is still in its infancy and there are few qualified, experienced and skilled Social Media experts in South Africa. Mangold & Faulds, (2009) and Smith et al., (2011) agree with this notion and add that experimentation in using Social Media is common among marketers because they do not know how to effectively use Social Media in their organization. This is further worsened if banks assign inexperienced personal to manage Social Media, (Smith et al., 2011). According to Social Media experts in this study, this is leading to many abandoned Social Media sites, especially blogs, because experts do not have content strategy and management in place and do not know how to engage with customers. The value of Social Media will therefore be disregarded and managers may therefore employ little manpower to cut cost.

In addition to that, management seem to be less informed about the importance of Social Media, hence the Human Resources Department together with management may tend to employ few employees in this department, as indicated by one of the bank managers in this study. Another reason for lack of manpower may be due to the fact that some banks in this study still find it difficult to measure the success of Social Media in the same way traditional marketing communication elements are measured. The fact that when using Social Media one cannot easily track sales volume for the year may make managers reluctant to adopt Social Media. This old school mentality among managers as indicated by Social Media experts could be the reason why banks seem not to have enough manpower for their organizations.

According to Kietzmann et al., (2011) most executives cannot develop strategies and allocate resources to effectively engage with customers. The fact that banks indicated that they do not have enough manpower to manage Social Media may be enough proof to validate Kietzmann et al's (2011) predictions. This could be because they do not know what Social Media is and what it is capable of achieving, thus, resources may not be allocated because of that.

Management's Fear of Losing Control of Brand to Consumers.

Although there were mixed feelings regarding management's fear of losing control of brand to customers, this fear may be centered on the lack of knowledge of what

Social Media is and the benefit it can bring to the organization (Kaplan & Haenlein, 2010; Kietzmann et al., 2011). Marketers who believe in this myth may think they own the brand and, hence, may be afraid of losing control of the brand to the customers (Hanna et al., 2011).

Management's Perception on the Effectiveness of Social Media

Management's perception on the effectiveness of Social Media Marketing was indicated as one of the challenges faced by banks when implementing Social Media Marketing, by 63.1 % of the managers. Some of the bank managers added that management are not fully involved in the use of Social Media and this is attributed to the HR Scorecard performance measurement which limits promotion and performance to sales volumes and operational efficiency. The low acceptance level of Social Media among banks, (37.9%), was an indication of management's perception of the effectiveness of Social Media. There might be a negative attitude towards marketing on Social Media among management. The 26% of customers who indicated that they were fans of banks could be an indication that Social Media is less effective. Added to that, only 26.1% indicated that Social Media was an appealing media when used for marketing communication purposes.

Solutions

Results indicated that the challenges faced by banks can be solved by integrating the Social Media department with the other departments. Capacity building was also added by management and banks and they argued that this will reduce conflict between management and departments. Social Media Experts also advocated the integration of the Social Media strategy with the marketing strategy. They also added the importance of content strategy formulation to make sure that companies avoid cases where companies abandoned sites because they did not know what do with the site.

5.3.2 Opportunities

Social Media would appear to be presenting opportunities to South African banks used in this study. The opportunities range from reaching out to customers (94.7%), educating customers about products and services (89.5%), relationship building through engagement with customer, transparency and trust, loyalty and helping banks to keep up with market trends. Experts added that Social Media helps customers engage with the brands and this may lead to repeat purchase and add value to the company (Ahlqvist et al., 2008; Mangold & Faulds, 2009; Sarkkinen, 2009). According to one expert, increased corporate credibility and maintaining competitive advantage is dependent on the industry and the media space the bank decides to use. Although banks showed that Social Media does not help to lead generation, experts felt that it helps in lead generation and in reaching out to current and new target markets.

5.4 Strategies to Implement Social Media Marketing

The last aim of the research was to identify strategies used in implementing Social Media. Findings from this research seem to suggest that the implementation of Social Media in a bank is dependent on the organizational culture. Although there were different views on whether the strategies should be customer-centric or organizational-centric, the conclusion that can be derived from the findings is that the implementation strategy is dependent on the organizational culture and preferences as put forward by Smith, et al., (2010). The following elements were added by Hanna et al., (2011):

- ✓ *Who is the target?*
- ✓ *On which traditional or Social Media platform does the target lie?*
- ✓ *What marketing content story does the company want to sell?*
- ✓ *How can marketers propagate or feed the content throughout the ecosystem?*

5.4.1 Integration

Both bank managers and Social Media experts were asked how Social Media should be implemented. Findings indicated that Social Media should not be seen as a stand-alone strategy but should rather be integrated with traditional Marketing Communication Mix strategies. Integration was also described in the form of integration with other departments. What this may mean is that Social Media may not only be used for marketing purposes as one expert indicated but used for other purposes like recruitment of human resources. Thus, this study suggests that Social Media Marketing and communication strategy should be integrated with other departments' content strategy. It could also mean that Social Media Marketing as a department should be integrated with other departments within an organization.

Hanna et al., (2011) advocate that Social Media should not be used as a stand-alone strategy but should rather be integrated into the traditional marketing or Marketing Communication Mix.

5.4.2 Measurement

There were two views on whether Social Media strategy should be measured. One view emphasizes the need of having an ongoing after-service care management on Social Media and reporting. The other view talks about not measuring Social Media performance since marketers have a tendency to use the number of fans on Social Media profile and complaints as a yardstick for measuring engagement. Prior research recommends the importance of measuring the Return on Investment on Social Media. Hanna et al., (2011), for example, caution that organizations should measure marketing performance as much as they measure traditional marketing. They add that the development of Social Media strategy depends on the organizational culture. According to Weinberg & Pehlivan, (2011), there is lot of uncertainty among marketers about how to allocate effort and budget to Social Media. The response from Social Media experts in the current study proves this hypothesis to be true, as revealed by an expert that management are resistant to the adoption of Social Media because their promotions in the company are not based on the number of engagements made in a year but rather on the sales made.

Thus according to our results, marketers in banks need ways of measuring the success of their activities on Social Media. Although some banks indicated that they have a strategy for measuring returns on investment the figures were very low.

Results also indicate that banks use different methods when they are implementing Social Media in their marketing departments, including the People, Objectives, Strategy and Technology (POST) and Audience, Concept, Competition, Execution, Social Media, and Sales Viability (ACCESS) models which emphasize focusing on the audience when developing Social Media strategies (Bernoff, 2007; Safko & Brake, 2009). These are also supported by Parent et al's., (2011) 6Cs model (Control, Conversations, Company, Content, Community, Customers), particularly the one which emphasizes using willingness to participate centered on creating a community of customer based on their conversation. According to their results, content is the most important element that leads to the success of Social Media presence. However, this area seems to be a challenge to South African banks according to the current study, as some Social Media experts indicate that some banks introduce Social Media without a well-developed content strategy. This, according to the experts, is reflected by banks which have a Social Media profile which has not been active for more than 3 years. Thus, there is need for a detailed content strategy in order for banks to perform well.

Due to lack of skilled experts mentioned before, the research advocates that Social Media experts should be outsourced, as the organization does not have enough resources to manage it full- time. There were, however, concerns about the confidentiality of the organization, which suggests that in as much as outsourcing should be the final decision on strategy development and employment it should rest on the internal management. This seems to be a strategy to avoid sending conflicting information to the customers.

5.5 Conclusion

The chapter looked at the role that Social Media plays and compared this with the current literature. What came from the research is that the literature confirms that Social Media plays a great role in marketing communication and the role is derived from the Marketing Communication Mix. Social Media should be integrated into the marketing communication for it to be more effective.

The chapter that follows will give a conclusion to the dissertation together with recommendations and suggestions for further research.

CHAPTER 6

CONCLUSIONS AND RECOMMENDATIONS

6.1 Introduction

The aim of this research was to investigate the role that Social Media plays in marketing communication and it used South African banks as a case study. To address the above mentioned problem, the researcher had to achieve the following objectives:

- To identify the position of Social Media in the Marketing Communication Mix.
- To show challenges and opportunities that Social Media brings to the organization
- Finally to give strategies that can be used in the implementation of Social Media.

To address these research questions an exploratory mixed research approach was used. Questionnaires were distributed to customers and to banks. These were both qualitative and quantitative in nature. Interviews were conducted with bank managers to get in-depth knowledge of the role of Social Media. This chapter will discuss the conclusions and recommendations for further research.

6.2 Summary of Findings

This research found that South Africa Banks are using Social Media for marketing purposes. The usage, however, is still in its infancy, as reflected by less skilled and experienced Social Media experts. The level is also reflected by the fact that Social Media is used more for advertising, brand management and handling customer complaints. This is mainly on tools like Facebook, Twitter and less on YouTube,

Blogs and LinkedIn. The last three can be effective if they are used for engagement and interaction. Findings also showed that South African customers are consumers of both Social Media and traditional marketing.

The research also showed that Social Media cannot be regarded as a new element or as a stand-alone strategy but rather it should be integrated into the Marketing Communication Mix and the overall marketing strategy.

One of the challenges South African banks are facing when implementing Social Media are lack of manpower to manage and administer the system, which may be due to management's perceptions towards Social Media and the level of Social Media industry in South Africa. Other challenges faced by banks are management's failure to adapt to customer dynamic behavior and management's fear of losing brand to the customers. From the customers' point of view the challenges are the fear for the security of their identity on Social Media. Challenges mentioned above can be solved through Human Capacity Building, Content strategy formulation, integration of all the departments and of Social Media and marketing communication.

Opportunities that Social Media present to banks are that Social Media helps companies to keep up with industrial trends, and to increase competitive advantage and brand awareness. Social Media was said to be helping banks improve their relationships with customers, enhance their corporate credibility and to provide a platform for banks to educate customers about their products.

The research concluded with addressing strategies that can be used by organizations. The findings indicated that banks should develop Social Media policies and should integrate Social Media into marketing communication. Findings also indicated that the development of Social Media is dependent on the type of organization and what it wants to use Social Media for. These strategies are customer-centric or organizational-centric. The issue of outsourcing experts appeared to be dependent on organizational preferences, with some experts accepting outsourcing and the other being skeptical of outsourcing. The research

showed that some banks prefer measuring the performance of Social Media while others prefer not to measure its success.

6.3 Conclusion

This study looked at the role that Social Media should be playing in the Marketing Communication Mix. The literature review showed that Social Media gives a platform for companies to engage with customers on an informal level. The literature showed conflicting ideas on the position of Social Media. These were either regarding Social Media as a totally new element or integrating it into the Marketing Communication Mix. The integration of Social Media into the Marketing Communication Mix as an enhancer of the traditional mix was supported by this research. The researcher therefore concludes that the role of Social Media in the Marketing Communication Mix is to enhance the traditional Marketing Communication Mix through engagement and interaction with and among customers. It can be concluded in this research that Social Media is not a fading phase, neither does it replace the traditional Marketing Communication Mix, but rather it should be strategically and tactically intertwined with marketing campaigns and integrated into the overall marketing strategy for effective usage.

Although in the literature review it was found that customers do not want to be marketed at on Social Media, findings in the survey showed that customers in South Africa are consumers of both Social Media and traditional media. Thus, the researcher recommends that Social Media should be integrated into the Marketing Communication Mix, giving rise to a new approach, namely Integrated Social Media Marketing Communication.

The researcher further looked at the challenges faced by banks when implementing Social Media. The literature review gave the challenges and opportunities that Social Media presents to organizations. Fear of losing control of the brand to the customers was found to be one of the main challenges. The literature review further showed that Social Media is a new platform that allows instant and

continuous communication with customers at a low cost. Thus this was regarded as an opportunity for creating transparency, particularly in banks which have faced an economic downturn. Findings showed that Social Media has great potential to reach out to all customers of different levels.

The researcher concludes there is no specific strategy formulation for all organizations. Rather, Social Media strategies should be dependent on the type of organization, the information it wants to send to the customer as well as the product and the market. This can either be customer-centric or organizational-centric. It further concludes that there is need for banks in South Africa to move to other Social Media tools like YouTube which was found to be the best tool for banks to explain complicated products and to increase awareness of financial investment among youth. Again, the research emphasized that this should be based on the customers and not the company.

6.4 Recommendations

Based on this study the researcher recommends that:

- Social Media be integrated into the Marketing Communication Mix and not be used as a stand-alone strategy.
- Banks should incorporate the Social Media department with other departments like Human Resources, IT, and the Legal department to send unified messages and for security purposes.
- Capacity building should be put in place to educate management and the employees. This will address the perception of management towards Social Media, the fears of losing brand to customers and help the organization when measuring the return on investment in Social Media.
- Organizations should not use experimental strategies when trying to adopt Social Media but rather should conduct in-depth research on what the audience is saying about their brand - where, when, who and how. They can then develop

content strategy that will enable them to continuously communicate, engage, interact and share information with customers on Social Media.

- Banks should not impersonate themselves on Social Media platform when engaging with customers. Thus they should avoid “push” advertising strategies and using Social Media as a mass communication vehicle. This will help organizations to gain trust and appear transparent and honest in the eyes of customers.
- Banks should develop strategies with consideration for the User Gratification Model.

6. 5 Limitations

Like any research, this study has its own limitations. In interpreting these findings the research suggests that the following limitations be taken into consideration:

Firstly, the researcher could not obtain the requisite number of respondents in banks’ marketing and communication departments as intended. This was due to the novelty of the Social Media industry in South Africa, as banks prefer to use people who are directly involved with Social Media to maintain the confidentiality of the company. This was confirmed by one bank which would not participate in the research for these reasons. Thus there is a need for caution when generalizing the findings of this research, as they are not a reflection of management’s perceptions towards Social Media.

Secondly, the research cannot totally be regarded as the overall reflection of the role that Social Media is playing in South African banks due to the novelty of Social Media industry in most companies and the fact that most banks are competing for the same space. Some banks which were contacted were not willing to participate in the research.

Again, the research only focused on the banking sector, which is only one sector of the financial industry and the South African business industry, thus one cannot

conclude that this report is a faithful and complete reflection of use in all South African industries including the financial industry. Thus there is a need for further study in other industries in order to obtain a more comprehensive picture of the role of Social Media in the Marketing Communication Mix.

Thirdly the research could not obtain a large number of responses from customers since the response from LinkedIn was small.

6.6 Further Research

Based on the findings from the conclusions and the recommendations above, further research should explore the following aspects:

- In-depth analysis and research on the Social Media implementation models which can help reduce experimentation approaches used by organizations and encourage banks to take full advantage of the new media.
- A comparative study of the role Social Media Marketing used in different countries and industries in order to fully explore Social Media in a very effective way. This study could use a qualitative approach like focused group discussion.
- A study on the marketing avoidance tendency among customers and how these can be handled to fully engage customers.
- An investigation on how each of the Marketing Communication Mix elements engages with Social Media.

REFERENCES

Ahlqvist, T., Back, A., Heinonen, S. & Halonen, M. 2008. Social Media Roadmaps: Exploring the futures triggered by Social Media. *Espoo 2008. VTT Tiedotteita – Research Notes 2454. 78.*

Ahlqvist, T., Back, A., Heinonen, S. & Halonen, M. 2010. Road-Mapping the societal transformation potential of Social Media. *Foresight. 12(5)*, pp.3-26. [Accessed on 3 February 2011].

Argyrous, G. 2011. *Statistics for Research, with a guide to SPSS. 3rd ed.* London: SAGE Publications Ltd.

Basson, A., Makhasi, Y. & van Vuuren, D. 2009. Techno Generation: social networking amongst youth in South Africa. *E-democracy 2009*, pp.386-396. Johannesburg, South Africa.

Bazley, P. 2002. Issues in Mixing Qualitative and Quantitative Approaches to Research, in R. Buber, J. Gadner, & L. Richards (eds), *1st International Conference - Qualitative Research in Marketing and Management, University of Economics and Business Administration, Vienna, 2004*, Palgrave Macmillan, pp. 141-156.

Belch, G.E. & Belch, M.A. 2003. *Advertising and Promotion: An Integration marketing communication perspective.* The McGraw-Hill Companies.

Bernoff, J. 2007. The POST Method: A systematic approach to social Strategy, *Forrester*, 11/12/2007, available at: <http://forrester.typepad.com/groundswell/2007/12/the-post-method.html> (Accessed on 9 January 2012).

Blackshaw, P. & Nazzaro, M. 2004. Consumer Generated Media CGM 101: Word of Mouth in the age of the web fortified consumer. Available at: www.nielsenbuzzmetrics.com/whitepapers [Accessed on 5 January 2011].

Bolotaeva, V. and Cata, T.J. 2010. Marketing Opportunities with Social Networks. *Int. Soc. Networks. and Virtual Communities 2010*.

Bond, C., Ferraro, C. & Luxton, S. 2010. Social Media Advertising: An Investigation of Consumer Perceptions, Attitudes, and Preferences for Engagement. *ANZMAC 2010 proceedings*. pp. 1-9. Available at: <http://anzmac2010.org/proceedings/pdf/anzmac10Final00326.pdf> [Assessed 11 July 2012]

Bornman, H. & von Solms, S.H. 1993. Hypermedia, multimedia and hypertext—definitions and overview. *Electronic Library*. 11(4-5), pp.259-268.

Boyd, D.M. & Ellison, N.B. 2008. Social network sites: definition, history, and scholarship. *Journal of Computer-Mediated Communication*. 13 (1), pp.210–230.

Brown, D. & Hayes, N. 2008. Influencer Marketing: Who really influences your customers? *Oxford*. Elsevier.

Brown, S. 2002. Vote, vote, vote for Philip Kotler. *European Journal of Marketing*. 36, (3), pp.313-324.

Brusilovsky, P. 1997. Efficient Techniques for Adaptive Hypermedia. *Human Computer Interactive Institute*. 1326, pp.12-30.

Brusilovsky, P. 2001. User modeling and user adapted interaction. *Human Computer Interactive Institute*. 11 (1-2), pp. 87-110.

Chaffey, D., Mayer, R., Johnston, K. & Ellis-Chadwick, F. 2001. Internet Marketing. London: Pearson Education.

Chipp, K. & Ismail, Z. 2004. *E-commerce: A Southern African Perspective*. New Africa Books Pty Ltd. South Africa: Chremont.

Clemons, E.K. 2008. The complex of monetizing virtual electronic social networks. *Decision Support Systems*. 48, pp. 46-56.

Constantinides, E. & Fountain, S.J. 2008. Web 2.0: Conceptual foundations and marketing issues. *Journal of Direct Data and Digital Marketing Practice*. 9 (3), pp.231-244. Palgrave Macmillan Ltd.

Creswell, J.W. & Clark, V.L.P. 2011. *Designing and Conducting Mixed Methods Research* 2nd Ed. California: Sage Publications, Inc.

Creswell, J.W. 2003. *Research Design: Qualitative and Mixed Method Approach*. London: Sage Publication.

Daymon, C. & Holloway, I. 2002. *Qualitative Research Methods in Public Relations and Marketing Communications*. London: Routledge Publisher.

Denscombe, M. 2008. *The Good Research Guide for small-scale social research projects*. 3rd ed. New York, USA: McGraw Hill House.

DesAutels, P. 2011. UGIS: Understanding the nature of user generated information systems. *Business Horizons*. 54, pp.185-192.

DiStaso, M.W., McCorkindale, T. & Wright, D.K. 2011. How public relations executives perceive and measure the impact of Social Media in their organizations. *Public Relations Review*. 37(3), pp. 325-328.

Dragger, M. 2009. *Impact of Social Media on the Marketing of Professional Services: Analysis and Best Practices*. Published Capstone, *University of Denver*.

Dziadul, K. 2010. From Outbound marketing to Inbound Marketing: What 2010 Web2.0 means to marketer. *Western New England College, Marketing Seminar*.

Edmondson, A.C. & McManus, S.E. 2007. Methodological Fit in Management Field Research. *Academy of Management Review*. 32 (4), pp. 1155–1179.

Egan, J. 2007. *Marketing Communication*. London: Thomson.

Eisingerich, A.B. & Bell, S.J. 2008. Managing networks of inter-organizational linkages and sustainable firm performance in business to business service contents. *Journal of Service Marketing*. 22 (7), pp. 494-504.

Eriksson, P. & Kovalainen, 2008. *Qualitative Methods in Business Research*. London: Sage Publication Ltd.

Falkow, S. 2009. Social Media Strategy. Expansion Plus Inc. September. Available at: <<http://expansionplus.com/pdf/expansion-plus-social-media-strategies.pdf>> [Accessed on 10 November 2010]

Firat, A.F. & Venkatesh, A. 1993. Post-modernity: The age of marketing. *International Journal of Research in Marketing*. 10, pp.227-249.

Fischer, E. & Reuber, A.R. 2011. Social interaction via new Social Media: (How) can interaction on Twitter affect effectual thinking and behavior? *Journal of Business Venturing*. 26, pp.1-18.

Fowler Jr, F.J. 2009. *Survey Research Methods*. 4th ed. California: SAGE Publication Inc.

Freeman, B. & Chapman, S. 2009. Open Source Marketing, Camel cigarette brand marketing in the Web2.0 World. *Tobacco Control* 2009. 18, pp.212-217.

Frey, B. & Rudloff, S. 2010. *Social Media and the impact on marketing communication*. Bachelor Thesis. Lulea University of Technology-University of Applied Science. Augsburg.

Ghauri, P. & Gronhaug, K. 2005. *Research Methods in Business Studies: A Practical Guide*. Financial Times Prentice Hall.

Gibson, W. and Brown, A. 2009. *Working with Qualitative Data*. London: Sage.

Golafshani, N. 2003. Understanding Reliability and Validity in Qualitative Research. *The Qualitative Report* December 2003. 8 (4), pp.597-607. Available at: <<http://www.nova.edu/ssss/QR/QR8-4/golafshani.pdf>> [Accessed on 11 December 2011].

Grinnell, R.M. 1997. *Social Work Research and Evaluation*. 4th ed. USA: Peacock Publishers Inc.

Gummesson, E. 2008. *Total relationship marketing: marketing management, relationship strategy and CRM approaches for the network economy*. USA: Elsevier Ltd.

Haataja, M. 2010. *Social Media Applications in Marketing Communications of the Marketing Oriented Companies*. Master's Thesis. Aalto University School of Economics.

Hair, J.F., Money, A.H., Samouel, P. & Page, M. 2007. *Research Methods for Business*. West Sussex, England: John Wiley & Sons Ltd.

Hanna, R., Crittenden, V.L. & Rohm, A. 2011. We're all connected: The power of the Social Media. *Business Horizons*. 54(3), pp.275-82.

Harridge-March, S. 2004. Electronic marketing, the new kid on the block. *Marketing intelligence & Planning*. 22 (3), pp. 297-309.

Hesse, J., Kraft, M. & Peter, K. 2007. *Principles, best practices marketing facts*. International Direct Marketing. German: Springer.

Hoffman, D.L. & Novak, T.P. 1996. Marketing in Hypermedia Computer Mediated Environments: Conceptual Foundations. *Journal of Marketing*. 60. (3), pp.50-68.

Interactive Advertising Bureau. 2008, IAB Platform Status Report: User Generated Content, Social Media, and Advertising- An overview. April.

Jaokar, A.V., Jacobs, B. & Moore A. 2009. Social Media Marketing: How Data Analytics Helps to Monetize the User Base in Telecoms, Social Networks, Media and Advertising in a Converged Ecosystem. Available at http://books.google.co.za/books/about/Social_Media_Marketing.html?id=VeVNPgAA_CAAJ&redir_esc=y [Accessed on 28 September 2011].

Jelassi, T. & Enders, A. 2005. *Strategies for e-Business: Creating value through electronic and Mobile Commerce*. England: Pearson Education Limited.

Johansson, A. 2003. Case Study Methodology. Available at <<http://www.infra.kth.se/bba/IAPS%20PDF/paper%20Rolf%20Johansson%20ver%202.pdf>>.

Johns, R. & Perrot, S. 2008. The impact of internet banking on business-customer relationships (are you being self-served? *International Journal of Bank Marketing*. 26 (7), pp. 465-482.

Johnston, J. & Zawawi, C. 2009. *Public Relations: Theory and Practice*. 3rd ed Australia: Griffin Press.

Kaplan, A.M. & Haenlein, M. 2010. User of the world, unite! The challenges and opportunities of Social Media. *Business Horizons*. 53, pp.59—68.

Kaplan, A.M. & Haenlein, M. 2011. Two hearts in three-quarter time: How to waltz the Social Media/ viral marketing dance. *Business Horizons*. 54, pp.253-263.

Kaplan, A.M. 2012. If you love something, let it go mobile: Mobile marketing and mobile social 4X4. *Business Horizon*. 55, pp.129-139.

Kelleher, T. & Miller, B.M. 2006. Organizational Blogs and the Human Voice: Relational strategies and relational outcomes. *Journal of Computer-Mediated Communication*. University of North Carolina at Chapel Hill. 11, pp.394 – 414. [Accessed on 5 January 2011].

Kelly, L., Kerr, G. & Drennan, J. 2010. Avoidance of Advertising in Social Networking Sites: The Teenage Perspective. *Journal of Interactive Advertising*. 10(2). Spring.

Kent. M.L. 2008. Critical Analysis of blogging in Public Relations. *Public Relations Review*. Pp.32-40.

Kietzmann, J.H., Hermkens, K., McCarthy, I.P. & Silvestre, B.S. 2011. Social Media? Get serious! Understanding the functional building blocks of Social Media. *Business Horizons*. 54, pp.241-251.

Kimmel, A. 2005. *Marketing Communication: New Approaches, Technologies, and Styles*. USA; Oxford University Press.

Kothari, C.R. 2004. *Research Methodology: Methods and Technique*. 2nd ed. New Delhi: New Age International Publisher Ltd.

Kotler, P. & Armstrong, G. 2006. *Principles of Marketing*. 11th Ed. New Jersey: Pearson Education Inc.

Kozinets, R.V. 2002. The Field behind the Screen: Using Netnography for Marketing Research in Online Communities. *Journal of Marketing Research*. XXXIX, pp.61-72.

Kurtz, D.L. & Boone, L.E. 2007. *Contemporary Business*. Cengage Learning Inc., International ed.

Lagrosen, S. 2005. Effects of the internet on the marketing communication of service companies. *Journal of Service Marketing*. 19 (2), pp.63-69.

Lamb, C.W., Hair, J.F. & McDaniel, C. 2008. *Essentials of Marketing*. 7th ed. USA: Cengage Learning Inc.

Lang, M. 2005. Designing Web Based Hypermedia Systems. *Encyclopedia of Multimedia Technology and network*. National University of Ireland. 1, pp.173-179 eBook. Available at:

http://books.google.co.za/booksid=n8tzVL18imEC&pg=PA173&lpg=PA173&dq=hypermedia+origins&source=bl&ots=2VVY3uN1y7&sig=ISgpNEgR_ZZpawZb2KmboA6Xalk&hl=en&ei=kQluTcG7LMegOpj4jPkJ&sa=X&oi=book_result&ct=result&resnum=7&ved=0CD8Q6AEwBg#v=onepage&q=hypermedia%20origins&f=false [Accessed on 12 January 2011].

Lee, N. & Ian, L. 2008. *Doing business research: A guide to theory and practice*, London: Sage Publications Ltd.

Lewis, .S & Ariyachandra, T. 2010. Seniors and Online Social Network Use. *Conference on Information Systems Applied Research (CONISAR) Proceedings*. Nashville Tennessee. USA.

Lewis, P. & Saunders, M. & Thornhill, A. 2009. *Research Methods for Business Students*. UK: Pearson Education.

Liu, Q.B., Karahanna, E. & Waston, R.T. 2011. Unveiling user-generated content: Designing websites to best present customer review. *Business Horizon*. 54, pp.231-240.

Mangold, W.G. & Faulds, D.J. 2009. Social Media. The new hybrid element of the promotional mix. *Business Horizons*. 52, pp.357—365.

Maree, K. ed., 2011. *First Steps in Research*. 7th Ed. Pretoria, South Africa: Van Schaik Publishers.

Mullin, R. & Cummins, J. 2008. *Sales Promotion. How to Create, Implement and Integrate Campaigns That Really Work*, 4th ed. Bodmin, Great Britain: MPG Books Ltd.

Nestle limited. Available at: <<http://www.mg.co.za/article/2010-01-13-rights-win-for-sa-farm-owners-in-zim>> [Accessed 23 November 2010].

Nkomo, N. 2009. *A comparative analysis of the Web information seeking behavior of students and staff at the University of Zululand and the Durban University of Technology*. Master's thesis published. University of Zululand.

O'Reilly, T. 2005. What is Web 2.0: Design patterns and business models for the next generation of software. Available at <<http://oreilly.com/pub/a/web2/archive/what-is-web-20.html?page=1>>. [Accessed on 14 June 2010].

Paine, K.D. (November- December 2009). New School of Thought. *Communication World*. [Accessed on 3 February 2011].

Palmer, A. & Koenig-Lewis, N. 2009. An Experiential social network-based approach to direct marketing. *International Journal of Direct Marketing*. 3 (3), pp. 162-176.

Parent, M., Plangger, K. & Bal, A. 2011. The new WTP: Willingness to participate. *Business Horizons*. 54(3), pp.219-229.

- Patricios, O. 2008. *Web Marketing: South African Marketer's Perception of Social Media, its impact and future role*. Master's Thesis. University of Pretoria. South Africa.
- Percy, L. 2008. *Strategic Integrated Marketing Communication: Theory and practice*. New York: Butterworth-Heinemann.
- Perry, C. 1998. Process of case study methodology of postgraduate research in marketing. *European Journal of Marketing*. 32(9/10), pp.785-802.
- Preibusch, S., Hoser, B., Gürses, S. & Berendt, B. 2007. Ubiquitous social networks – opportunities and challenges for privacy-aware user modeling. Berlin: German Institute for Economic Research.
- Rossiter, J.R. & Bellman, S. 2005. Marketing Communications: Theory and Applications. *Australasian Marketing Journal*. 13 (2), pp.77-80. Australia: Pearson Education.
- Rowley, J. 2002. Using Case studies in Research. *Management Research News*. 25 (1), pp. 16-27.
- Rudy, I.A. 1996. A Critical Review of Research on Direct Mail. *Journal of Information Systems*. 4.
- Ryan, D. & Jones, C. 2009. *Understanding Digital Marketing: Marketing strategies for engaging the digital generation*. UK: Kogan Page Ltd.
- Safko, L. and Brake, D.K. 2009. *The Social Media Bible: Tactics, Tools and Strategies for Business Success*, John Wiley and Sons, Hoboken, New Jersey.
- Sarkkinen, H. 2009. *The role of Social Media in customer communication in business-to-business markets*. Master. University of Oulu.
- Schram, W. 1955. *The Process and Effects of Mass Communications*, University of Illinois Press.

Schultz, D.C., Robinson, W.A. & Petrison, L.A. 1998. 3rd ed. *Sales Promotion Essentials: the 10 basic Sales Promotion techniques and how to use them*. USA: The McGraw-Hill Companies.

Sekaran, U. & Bougie, R 2010. *Research Methods for Business: A Skills Building Approach*, 5th ed. New Jersey: John Wiley & Sons Ltd.

Shimp, T.A. 1993. *Promotion management and marketing communication*. USA: Dryden Press.

Siggelkow, N. 2007. Persuasion with case studies, *Academy of Management Journal*. 50(1), pp. 20-24.

Singh, T., Veron- Jackson, L. & Cullinane. J. 2008. Blogging: A new play in your marketing game plan. *Business Horizon*. 51, pp. 281-292.

Singh, Y.K. & Nath, R. 2010. *Research Methodology*. New Delhi: A.P.H. Publishing Corporation.

Smith, N., Wollan, R. & Zhou, C. 2011. *The Social Media Management Handbook. Everything you need to know to get Social Media working in your business*. New Jersey: John Wiley & Sons.

Solis, B. & Breakenridge, D. 2009. *Putting the Public Back in Public Relations: How Social Media is reinventing the aging business of PR*. Upper Saddle River, NJ: FT Press/Pearson Education.

South Africa Advertising Research Foundation. 2010. Average Issue Readership of Newspapers and Magazines. Available at: <<http://www.saarf.co.za/amps-readership/2010/Magazine%20&%20Newspaper%20Readership%20Dec10.pdf>>

[Accessed on 14 September 2011].

South African Reserve Bank. 2005. *Institutional Sector Classification Guide*, February 2005. Pretoria: South African Research Bank Available at

<http://www.resbank.co.za/Publications/OtherPublications/Documents/Classification%20Guide.pdf> [Accessed on 18 June 2010].

Stephen, A.T. & Galak, J. 2009. The contemporary roles of Traditional and Social Media in driving marketing performance. *INSEAD Faculty and Research Working Paper*. INSEAD University.

Stone, M. 2009. Staying Customer Focused and Trusted: Web 2.0 and Customer 2.0 in financial services. *Journal of Database Marketing and Customer Strategy Management*. Palgrave Macmillan.

Sutton, D. & Klein, T. 2003. *Enterprise Marketing Management: The new science of marketing*. New Jersey: John Wiley & Sons, Inc.

Sweeney, S. 2005. *101 ways to promote Your Website*. 5th ed. Canada: Maximum Press. pp. 70-79.

Tenaiji, A.A.A. 2010. Social Media Marketing in UAE. *European, Mediterranean & Middle Eastern Conference of Information Systems*, proceedings of April 12-13 2010. Abu Dhabi.

Varey, R. J. 2002. *Marketing Communication: Principle and Practice*. London: Routledge.

Weber, L. 2009. *Marketing to the Social Web: How digital Customer Communities Build Your Business*. Wiley Inc.

Weinberg, B.D. & Pehlivan, E. 2011. Social spending: Managing the Social Media mix. *Business Horizons* 54, pp.275-282.

Wessels, L. & Drennan, J. 2010. An investigation of consumer acceptance of M-banking. *International Journal of Bank Marketing*. 28(70), pp.547-568.

Wigmo, J. & Wikstrom, E. 2010. *Social Media Marketing: What role can Social Media play as a marketing tool?* Bachelor thesis. Linnaeus University.

Willson, M. & Nicholas, C. 2008. Topological Analysis of an online Social Network for older adults. *Proceedings of the 2008 ACM workshop on search in Social Media*. Pp51-58. ACM New York. USA.

Winer, R.S. 2009. New communication approaches in marketing: issues and research directions. *Journal of Interactive Marketing*. 23, pp. 108-117.

Xu, Y.C., Lu, X., Goh, K.Y., Jiang, Z. & Zhu, X. 2009. The impact of Online Social Network on consumer loyalty: An empirical study of an online dining community. *International Conference of Information Systems (ICIS) 2009 Proceedings*. Association of Information Systems.

Yin, R.K. 2003. *Case Study Research. Design and Methods*. 3rd ed New Delhi: Sage Publications.

Zarella, D. 2010. *The Social Media Marketing Book*. O'Reilly Media Inc.

Zolkepli, I.A. & Kamarulzaman, Y. 2011. Understanding Social Media Adoption: The Role of Perceived Media Needs And Technology Characteristics. *World Journal of Social Sciences*. 1 (1), pp.188 – 199.

APPENDIX A: ETHICAL CLEARANCE



ETHICAL CLEARANCE CERTIFICATE

Certificate Number	UZREC 171110-030 PGM 2012/6					
Project Title	The Role of social Media in the Marketing Communication Mix: A Case Study of South African Banks					
Principal Researcher/ Investigator	S T Chikandiwa					
Supervisor and Co-supervisor	Prof E Contogiannis			Mr S Heeralal		
Department	Business Management					
Nature of Project	Honours/4 th Year		Master's	x	Doctoral	Departmental

The University of Zululand's Research Ethics Committee (UZREC) hereby gives ethical approval in respect of the undertakings contained in the above-mentioned project proposal and the documents listed on page 2 of this Certificate. Special conditions, if any, are also listed on page 2.

The Researcher may therefore commence with the research as from the date of this Certificate, using the reference number indicated above, but may not conduct any data collection using research instruments that are yet to be approved.

Please note that the UZREC must be informed immediately of

- Any material change in the conditions or undertakings mentioned in the documents that were presented to the UZREC
- Any material breaches of ethical undertakings or events that impact upon the ethical conduct of the research

The Principal Researcher must report to the UZREC in the prescribe format, where applicable, annually and at the end of the project, in respect of ethical compliance.

The table below indicates which documents the UZREC considered in granting this Certificate and which documents, if any, still require ethical clearance. (Please note that this is not a closed list and should new instruments be developed, these may also require approval.)

Documents	Considered	To be submitted	Not required
Ethical clearance application form	X		
Project proposal	X		
Informed consent from participants	x		
Informed consent from parent/guardian			x
Permission for access to sites/information/participants	X		
Permission to use documents/copyright clearance			X
Data collection/survey instrument/questionnaire	X		
Data collection instrument in appropriate language			X
Other data collection instruments		Only if used	

Special conditions: Documents marked "To be submitted" must be presented for ethical clearance before any data collection can commence.

The UZREC retains the right to

- Withdraw or amend this Certificate if
 - Any unethical principles or practices are revealed or suspected
 - Relevant information has been withheld or misrepresented
 - Regulatory changes of whatsoever nature so require
 - The conditions contained in this Certificate have not been adhered to
- Request access to any information or data at any time during the course or after completion of the project

The UZREC wishes the researcher well in conducting the research.



Professor Rob Midgley
Deputy Vice-Chancellor, Research and Innovation
Chairperson: University Research Ethics Committee
 5 June 2012

APPENDIX B: QUESTIONNAIRE FOR BANKS

Social Media Marketing Survey

Demographic Information,

The aim of this questionnaire is to investigate the role of social media in the marketing communication mix and how to implement it profitably. Kindly answer as many questions as you can. To go to the next page please click "next" button.

Please note that some questions may not allow you to go to the next page if you haven't answered them. For multiple choice questions, please tick all categories that apply. When the "Other" option is available, please add some more details in the free text box provided. Please ignore the adverts which may show on the survey.

After finishing the survey, a thank you page will show indicating the end of the survey.

Thank you for your time and valuable contribution.

A1. Gender

- Female
- Male

* A2. Age

- Below 25
- 26-35
- 36-45
- 46-55
- Above 56

* A3. Years of work experience in present position.

- Less than 1 year
- 2-5 years
- 6-15 years
- 16-25 years
- More than 26 years

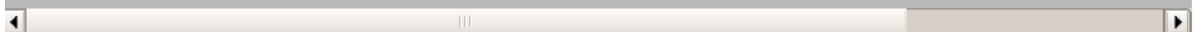
*** A4. Years of experience in banking sector/ marketing field.**

- Less than 1 year
- 2-5 years
- 6-15 years
- 16-25 years
- More than 26 years

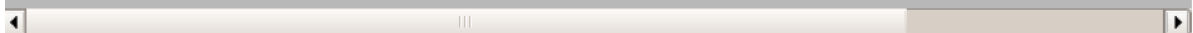
*** A5. Please tick your current job level.**

- Junior Manager
- Middle Manager
- Senior Manager
- General Manager
- Director
- Other

Please specify



*** A6. Please indicate your department**



Section B. The extent to which Social Media is used for marketing communication purposes.

B1. Kindly indicate the tools you use for marketing communication purposes. (Please click all the answers that apply.)

- Advertising eg Television/Radio/Print/Billboards
- Sales Promotion
- Direct Marketing
- Public Relations
- Personal Selling
- Social Media Marketing

*** B2. If in B1 you selected Social Media Marketing, which social media tools does your organisation use for marketing purposes?**

	Not sure	No	Yes
Facebook	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Twitter	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
LinkedIn	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
MXit	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
YouTube	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Executive Managed Blog	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employee Managed Blog	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Other tools (please specify)

B3. In your opinion which of the following marketing communication tools are effective for your organisation?

	Not Effective (1)	2	3	4	Very Effective (5)
Advertising on Television/Radio/Print	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sales Promotion	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Personal Selling	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Public Relations	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Direct Marketing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Social Media Marketing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

B4. Please rate by clicking, how effective these social media tools are in your organisation for marketing purposes.

	Not Effective (1)	2	3	4	Very Effective (5)
Facebook	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Twitter	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
LinkedIn	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
MXit	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
YouTube	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Executive Managed Blog	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employee Managed Blog	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

B5. For how long has your organisation been using social media for marketing purposes?

- More than 5 years
- 2 – 4 years
- Less than 1 year
- Never used it
- Don't know

B6. Identify how your organisation uses the following social media tools?

	Facebook	Twitter	LinkedIn	MiXit	YouTube
Advertising	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Brand management	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Entertainment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Handling customer complaints	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Knowledge sharing	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Lead generation	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
New product development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sales promotion	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (specify)					

B7. Please tick in the box the level of acceptance of social media as a marketing communication tool in your organisation.

- (1) Not at all Accepted
- (2)
- (3)
- (4)
- (5) Very Much Accepted

Section C: Role of Social Media in the Marketing Communication mix.

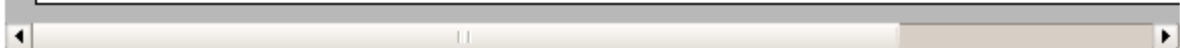
* C1. In your opinion how should social media tools be used in your organisation?

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Social Media should not be used for marketing purposes.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Social media should be integrated with traditional marketing tools.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Companies should get rid of traditional marketing.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Social media should be used more often than traditional marketing.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Social Media is a passing fad.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

C2. The following question seeks to solicit how social media should be used in relation to traditional marketing. Please indicate your opinion to the statements below.

	Strongly Disagree	Disagree	Neutral	Agree	Strongly agree
Integrate social media with advertising (e.g. placing advert on Facebook).	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Integrate social media with public relations.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Integrate social media with personal selling.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Integrate social media with sales promotion.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Integrate social media with direct marketing.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Other comments



*** C3. Which of the listed benefits of social media applies to your bank?
Please click all applicable**

	Not Sure	No	Yes
Creates transparency.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Increase Brand awareness.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Good Corporate Social Responsibility.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Enhance Sales promotion.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Increase Interaction with customer.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Enables engagement with stakeholders.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Improve Product Development.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Handling Customer complaints.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Maintain online presence.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Increase easy Lead generation.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Increase Competitive Advantage.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Other (specify)

Section D: Challenges and Opportunities of Social Media

*** D1. In your opinion what are the challenges faced by banks in using/adopting social media for marketing purposes?**

Strongly

Disagree

Neutral

Agree

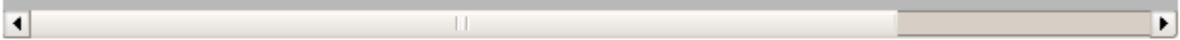
Strongly

	Disagree	Disagree	Neutral	Agree	Agree
Management perception on the effectiveness of social media marketing.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Inflexibility of banks in adopting technology	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Lack of documented strategies on how to manage negative comments on social media tools.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Lack of manpower to administer social media tools.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Inadequate financial resources to manage social media.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Inadequate information on leveraging social media.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Company failing to adapt to rapid change in behaviour	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

among consumers.					
Company culture which does not support transparency on social media.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Regulatory issues on when to respond to consumers comments readily on social media.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Management fear of losing control of brand to consumers.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Perception that social media is for youth only.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Employee posting comments that can tarnish company image.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Possible leakage of customer's personal information e.g identity theft,	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

cardholder information.

Other Challenges



*** D2. In your view what could be the solution to any of the challenges mentioned above?**



*** D3. What are the opportunities presented by social media to your organisation?**

	Strongly Disagree	Disagree	Neutral	Agree	Strongly Agree
Social media helps company to keep up with trends in the industry.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Social media helps bank maintain	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

competitive advantage.

Social media enables fast reach to consumers.

Corporate credibility is enhanced due to personalised interaction on social media.

Generate qualified leads.

Social media helps reduce overall marketing expenses.

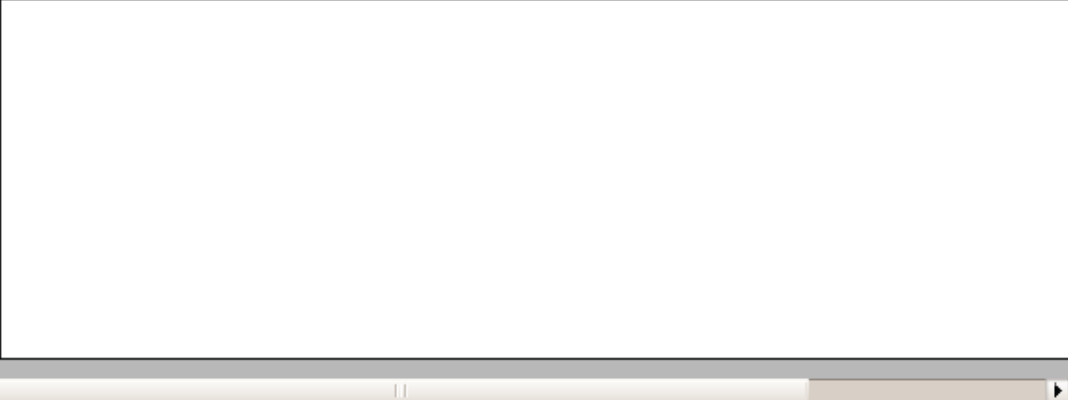
Social media helps build new business partnership.

Social media provides a platform for banks to educate consumers about services.

Social media helps improve relationships with

customer.

Other Opportunities



Section E: Strategies for implementing Social Media

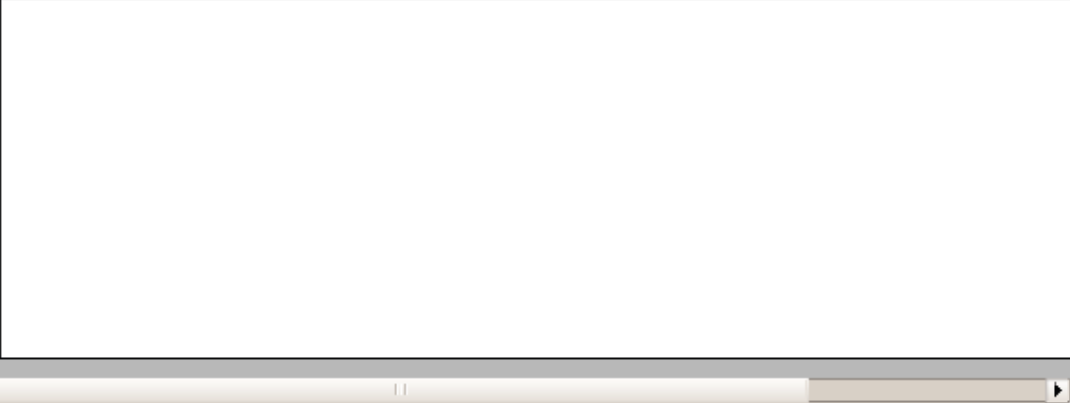
E1. Do you have policies that guide on how to manage social media?

Yes

No

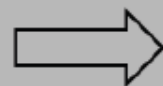
Not Sure

*** E2. Please provide information on how social media marketing strategies should be developed.**



E3. Which steps do you take to implement social media marketing in your organisation? (Please drag and drop your answer starting with the first step)

- Listening and segmenting your target audience
- Formulate social media objectives based your company



goals

- Identify key influencers
- Analyse competitors and international markets performance on their social media tools
- Develop content strategy to maintain quality.
- Identify social media tools for your target audience
- Integrate social media and traditional media
- Implement approved social media strategy
- Measure Return On Investment of social media
- Implement social media without any strategy.

	1	2	3	4	5	6	7	8	9	10
Listening and segmenting your target audience	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Formulate social media objectives based your company goals	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Identify key influencers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Analyse competitors and international markets performance on their social media tools	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Develop content strategy to maintain	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

quality.

Identify social media tools for your target audience

<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------

Integrate social media and traditional media

<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------

Implement approved social media strategy

<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------

Measure Return On Investment of social media

<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------

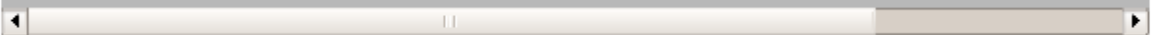
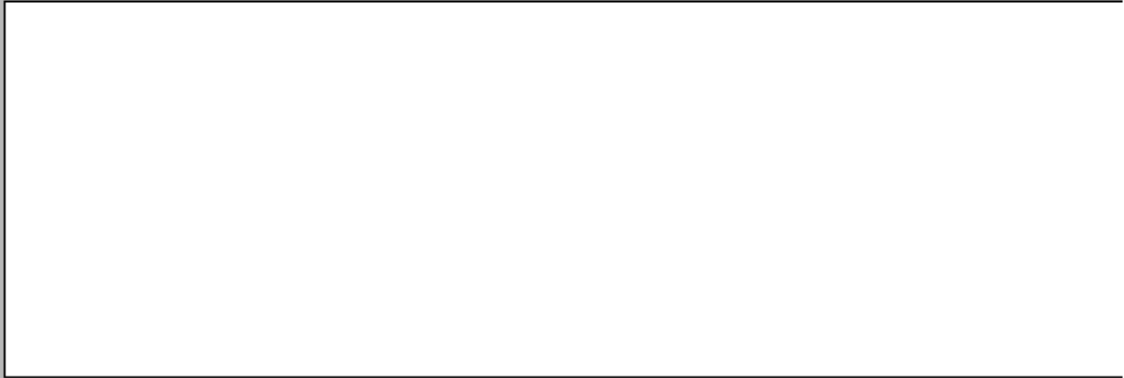
Implement social media without any strategy.

<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------	-----------------------

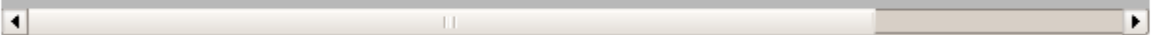
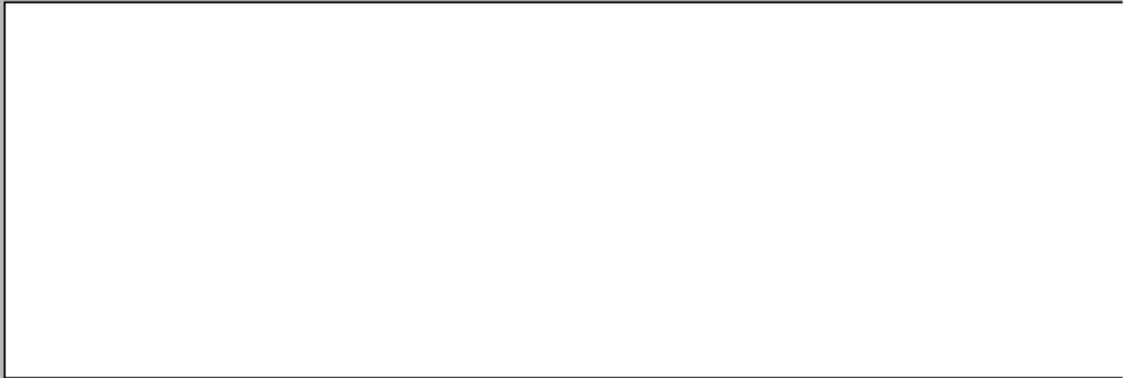
Additional steps specify

◀ ▶

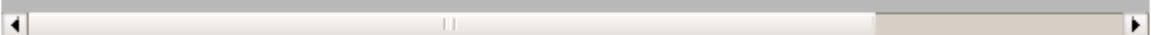
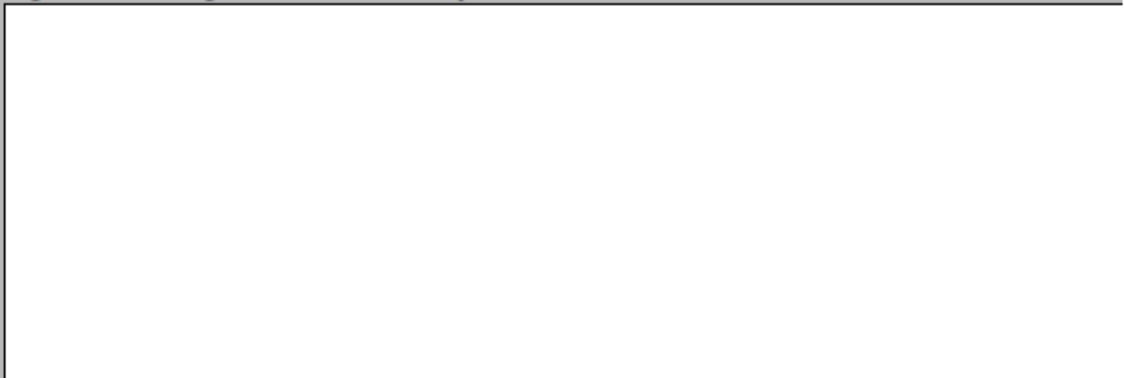
E5. What is your opinion on the above mentioned social media adoption steps.



*** E6. What strategies do you use to implement social media marketing?**



E7. What is your opinion on outsourcing administrators for social media e.g. consulting social media experts?



APPENDIX C: QUESTIONNAIRE FOR CUSTOMERS

Introduction

Good Day,

My name is Sarah Chikandiwa and I am studying M Com Business Management at the University of Zululand. I would like to invite you to participate in my research survey which is focused on social media tools such as Facebook, Twitter, MXit etc. The research aims to get your opinion on the usage of social media for marketing purposes within South African banks.

I kindly request you to participate in this survey by filling in this questionnaire which will take approximately 10 to 15 minutes. Your participation in the study is voluntary and the information you will provide will be treated with strict confidentiality and for academic purposes only. Kindly answer as many questions as you can. The report of the results will be emailed to you upon your request.

Should you have questions regarding this questionnaire you can contact me or my supervisors on the details provided below.

Please click "next" to go to the next page, "finish" if you have finished answering the questionnaire, "exit" to discontinue and "other specify" to add more information.

Thank for your time and your contribution.

Yours Sincerely

Sarah Chikandiwa
chikandiwast@gmail.com
link.sarh@gmail.com

Professor T Contogiannis
econtogi@pan.uzulu.ac.za

Mr S Heeral
sheeral@pan.uzulu.ac.za

Demographic Information

1. Gender

- Female
- Male

2. Age

- Below 20
- 21-30
- 31-40
- 41-50
- Above 51

3. Race

- Black
- White
- Colored
- Indian

Other (Please specify)

4. Highest Qualification

- PhD
- Masters
- Degree
- Diploma
- Certificate
- Matric

Other (Please Specify)

5. Please indicate the industry you work in.

- Advertising
- Education
- Financial
- Government
- Mining
- Health

Other (Please Specify)

6. What is your current job position.

- Director
- Manager
- Lecturer
- Officer
- Self Employed
- Student

Other (Please Specify)

7. Which social media tools do you have an account with?

- Facebook
- Twitter
- LinkedIn
- Mxit
- YouTube
- Blog
- I don't have.

Other (Please Specify)

8. What do you use them for?

	Always	Sometimes	Neutral	Rarely	Never
Networking with friends and relatives	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Marketing your business	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Interacting with service/product providers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Playing games	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Business networking	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Other (Please Specify)

9. For how long have you been using them?

- More than 5 years
- 2 to 4 years
- Less than 1 year
- Never used them

Social Media and Banks

*** 10. Should banks use social media to communicate with their customers?**

- Yes
- Not sure
- No

11. If YES to 10, please give your reason.

- To reconnect with customers.
- To gain trust from customers.
- To form social communities with customers.
- To build strong relationships with customers.
- For banks to solve their past failures.
- Its a new way of communicating.
- To market themselves to the global world.

Other (Please Specify)

12. If NO to 10, please give your reason.

- It is more likely to attract negative comment that damage bank's image
- Social media is waste of time and money to banks
- There is lack of appropriate security on social media
- I dont' want to hear anything from banks on social media
- They are too formal on social media

Other (Please Specify)

13. Are you a fan / member of your bank's social media profile?

- Yes
- No

14. If NO on 13 why are you not a member of your bank's social media profile?

- Not Interested
- Not aware
- Their profiles are boring
- No Reason

Other (Please Specify)

Social Media and Banks

* 15. Please indicate marketing communication tools which influence your purchasing decisions.

	Always	Sometimes	Neutral	Rarely	Never
Advertising eg on TV, Radio, Print	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Personal Selling eg Face to face selling in which a seller persuade you to buy a service	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Public Relations eg bank's activities to maintain a good image	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Direct Marketing eg telemarketing, call center	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Sales Promotion eg competitions, product samples	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Social Media tools eg comments posted on Facebook	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

16. Please rate how appealing are the following media, when used for marketing purposes?

	(5)Very Appealing	(4)	(3)	(2)	(1)Not Appealing
Face to face selling in the bank	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Telephonic (eg call center,sms)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Emails	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Print Media (eg magazine, newspaper)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Electronic media (eg TV, Radio)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Social Media (eg Facebook, Twitter)	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

17. Which social media tools does your bank(s) use to interact with customers?

	Yes	No	Not Sure
Facebook	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Twitter	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
LinkedIn	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Mxit	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
YouTube	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Blog	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

Other tools (please specify)

18. Please indicate your level of interaction with your bank's social media profiles.

	Always	Sometimes	Neutral	Rarely	Never
How often do you view your bank's social media profile	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
How often do you post comments on your bank's social media profile	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
How often do you respond to your banks' advertisement on social media	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
How often are you persuaded to buy any of the services they market on social media tools	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

19. What topics would you like your bank(s) to discuss on social media tools?

- Investment related
- Social Issues eg dating, career
- Advertising services
- Promotions/ competition
- New services on offer
- How to budget and manage money
- Entertainment eg games
- Listening and solving customers' problems
- Explaining complex financial services

Other (Please Specify)

20. What type of comments have you posted on banks' social media profiles?

	Facebook	Twitter	LinkedIn	MXit	Blog	YouTube
Inquiry about their services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Reacting to poor services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Complimenting a good service	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Responding to competition	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Responding to an advert	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Sharing ideas about bank's services	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Bank's contributions to the community	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Investment related	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Never Commented	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (Please Specify)						
<div style="border: 1px solid black; height: 60px; width: 100%;"></div>						

21. In your opinion how is the banking industry performing on social media compared to other industries?

- Very Good
- Good
- Neutral
- Bad
- Very Bad

Challenges and Opportunities

Please click in your answer, type in your answers when requested

22. Please indicate what best describe your interaction with social media profiles of your banks.

	Yes	No
I have been contacted by my bank(s) after posting a comment	<input type="radio"/>	<input type="radio"/>
I have recommended someone on social media to purchase a financial service	<input type="radio"/>	<input type="radio"/>
I consult my colleagues on social media before buying a financial service	<input type="radio"/>	<input type="radio"/>
I am comfortable with posting comments about bank services on social media	<input type="radio"/>	<input type="radio"/>
I participate on promotions posted on social media	<input type="radio"/>	<input type="radio"/>

23. In your opinion how social media should be used by banks for marketing purposes?

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Banks should not use social media for marketing purposes.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Social media should be used together with traditional marketing tools eg Advertising, Public Relations etc	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Banks should get rid of traditional marketing tools	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Social Media is a passing fad	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Social Media is a new way of marketing	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

24. As a customer to your bank(s), how are you benefiting from using social media?

	Always	Sometimes	Neutral	Rarely	Never
I recognise promotions on social media profile	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I recall adverts I see on social media profile	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I get more informed about services on market through social media	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
My interaction with a bank(s) increase my interest in the services it offers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
My engagement with a bank(s) increase my trust.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
People's comments about service changes my attitude towards the brand	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
I survey on social media sites before purchasing a service	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>

25. In your opinion how are banks benefiting from using social media?

	Yes	No
Social Media helps bank(s) to advertise to customers.	<input type="radio"/>	<input type="radio"/>
Social media enables banks to reach out to consumers at a faster rate	<input type="radio"/>	<input type="radio"/>
Social Media helps banks develop and offer new services which customers want.	<input type="radio"/>	<input type="radio"/>
It gives a platform for engagement with customers	<input type="radio"/>	<input type="radio"/>
Social Media helps customers and banks share general knowledge	<input type="radio"/>	<input type="radio"/>
Social Media helps to improve relationships with customers	<input type="radio"/>	<input type="radio"/>
Social media provides a platform for banks to educate consumers about their services.	<input type="radio"/>	<input type="radio"/>
It helps companies persuade customers to use their services	<input type="radio"/>	<input type="radio"/>
It helps customers know what banks are doing for the community	<input type="radio"/>	<input type="radio"/>

26. In your opinion what are the challenges faced by your bank(s) in using social media?

	Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree
Losing control of brand to customers	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Possible leakage of customer s personal information e.g identity theft, cardholders information.	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>	<input type="radio"/>
Customers posting					

comments that tarnish company image

Banks fail to adapt to rapid customer behavior.

Banks fail to manage negative comments posted by customers

Banks are not transparent on social media

Perception that social media is for youth only

Banks do not have interesting content to post on their social media tools

Other (Please Specify)

27. How can banks resolve the above mentioned challenges?

28. What are the risks of using social media to you as a customer to a bank?

* 29. Please indicate how the following social media tools are used for marketing purpose in banks.

	Advertising	Sales Promotions	Personal Selling	Public Relations	Direct Marketing
Facebook	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Twitter	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
YouTube	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
MXit	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
LinkedIn	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Blogs	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

30. How would you like banks to present themselves on social media?

- Listen to our conversation and then participate
- Banks should be formal in all their conversations
- Banks should present themselves as real people.
- Banks should impersonate their social media profiles

Thank you for your time!

APPENDIX D: INTERVIEW SCRIPT

Participant Consent Letter

Ihereby agree to take part in the current research on the role of Social Media in the Marketing Communication Mix: A case study of South African Banks. I fully understand the aims, objectives, benefits and the possible risk of this research and that it is going to be used for academic research purposes only.

I am aware that the information I will provide herein is voluntary and I can withdraw from the research at any time should I wish to. I also understand that the information I will provide herein is going to be treated with strict confidentiality and according to University of Zululand Research Guidelines

As the authoritative person, I confirm that my organization is aware of the research and we have allowed Sarah T Chikandiwa student No 201000013 to conduct an interview with the director of the company

.....

.....

Researcher' Name

Participant's Name

.....

.....

Signature

Signature

.....

.....

Date

Date

Interview Questions for Social Media Experts

1. To what extent is Social Media being used in South Africa for marketing purposes?
2. To what extent is it used in the banking sector compared with other sectors?
3. Which sector has the highest usage of Social Media Marketing in South Africa?
4. In your opinion should banks use Social Media for marketing purpose? If so, for what reason?
5. Which traditional marketing tools are mostly used by banks?
6. How effective are these tools compared with Social Media?
7. Which Social Media tools are used by banks for marketing and why?
8. How effective are they?
9. What are they used for?
 - a. Does Social Media influence buying behavior?
 - b. Profit generation?
10. How best can Social Media be used for marketing purposes?
 - a. Positioning of Social Media?
 - b. Integration of Social Media with marketing mix?
11. What challenges do banks face when implementing Social Media Marketing?
 - a. Legislation
 - b. Management perception
 - c. Resources
 - d. Flexibility
 - e. Control of brand on Social Media
12. How can these challenges be solved?
13. What are the opportunities faced by banks?
 - a. Competitive advantage
 - b. Return on Investment and Social Media
 - c. Brand awareness
14. Do companies have strategies to implement Social Media?
 - a. Policy formulation
 - b. Should banks outsource Social Media and why?
 - c. How should organization react to negative comments?
15. What strategies can be used to implement Social Media?

Thank you.