Use of Social Media as a New Investigative Tool in Marketing Research for Small Business

Renuka Mahajan*

Amity University, Noida, U.P. India.

Abstract: Consumers nowadays are spending more time on online activities, leading to wider social network and hence more awareness, creating new opportunities and challenges for research. With the innovation of social media platforms like Facebook, Skype, YouTube, Flickr, hi5, Twitter etc., the consumers can now congregate online and share their opinions about the products and services that they use. Moreover, the technology is integrated in the mobile phones also. The brands are interested in identifying what their customers have to express. Online surveys, reviews and live chats have emerged as the new investigative tools in marketing research industry. In this paper, we study of the state of market research using social media, their advantages and disadvantages and its strategies to remain effective specifically for small business to promote their brand, products and services. This paper will guide building of new social media strategies for small businesses.

Key words: social media, monitoring, market research, social networking, social media marketing (SMM), search engine optimization (SEO).

1. Introduction

1.1. Marketing through Social Media

Market research is a method to collect information about target markets or customers and how customers perceive the product or service [1]. Lately, both Internet and Social Media Marketing (SMM) have changed the way of communication between marketers and consumers [2]. Social Media is now becoming most popular channel of communication. Social networks, forums, blogs or media sharing websites allow online conversation or interactive dialogue, with anybody and on any topic, permitting sharing of experiences and other valuable information [3], [4]. It facilitates exchange of information, sharing of audio, videos, pictures and messages among internet users. Blogs and platforms like Facebook, Twitter, Myspace and LinkedIn are some of the most popular social networking channels allowing users to post enormous amount of information that can be easily shared, explored, endorsed, augmented etc. [3].

1.2. Need of Social Media Analysis

Social Media [3], [5], [6] generate huge amount of information that come in various forms like blogs (Blogger, LiveJournal), micro-blogs (Twitter, FMyLife), social networking (Facebook, LinkedIn), wikis (Wikipedia,

Wetpaint), social bookmarking (Delicious, CiteULike), social news (Digg, Mixx), reviews (ePinions, Yelp) and multimedia sharing (Flickr, Youtube) etc.. Social media analytics are then used in analyzing such data and extracting intelligence [7]. These tools can be used to measure customer preferences, behavior, conversation, engagement, sentiment, influence and needs.

1.3. Use of Social Media

According to [8], [9], social media is popularly used by increasing number of consumers because of the following reasons:

The thrill of sharing: Social media is primarily used to exchange one's views, experiences, knowledge, culture and traditions with others. People are thrilled to give their input and check the feedback.

Convenience of use: Consumers can connect anytime, anywhere as per their convenience. These connections are quick and take minimal effort. Moreover, a surge in the use of smartphones has led to easy access to social media.

Seeking suggestions: People are keen to exploit social media to access information from others.

Augmenting awareness: Online consumer communities discuss a wide variety of topics of interest. This helps the community's knowledge grow [10]. The competitor companies also use this information to analyze their competitors.

Logging Complaints: Unhappy customers find it the best place to vent up their feelings and expect instant action for their calls and complaints. This feedback can be extremely relevant for a researcher.

The information value of online communities can be enormous and can be usefully extracted. With the advent of smartphones, better connectivity with technology has led to increased social media interaction. This makes SMM the new research area in marketing, as it gives the ability to reach existing and future customers in new dynamic ways in cost efficient manner [11]. One of the paramount areas of research of SMM is the betterment of practices used, by small businesses to stretch their arms to customers by reaching their target audience, meeting customer expectations and engaging interactively with customers [12], [13]. To study this research area, we consider the following research problem areas:

1. The current state of social media networks and tracking techniques.

2. The use of social media networks by small business today

3. To discuss the strengths and weakness of social media networks as tools for market research.

The different Social Media channels [3] affecting businesses will be the following:

1.4. Examples of Social Media Channels

See Table 1 below.

Table 1. Table on Various Social Media Channels

Types of Social Media Channels	Examples	Principle
Social Networks	Facebook, LinkedIn, Google+	Interaction platform
Blogs & Microblogs	WordPress, Blogger, TypePad	Corporate blogging
Media Sharing Sites	Flickr, Pinterest, YouTube, Vimeo, SlideShare	Common interest - Products & services' use
Wikis	Wikipedia, Wetpaint	Collaborative development

Social Bookmarking	Digg, StumbleUpon, Delicious	Information & learning - Entertainment
Forums	Phorum, PHPbb	Interactive dialogue
Social Events	Upcoming, Eventful, Meetup	Event organization - Event promotion

1.5. Tracking Method/Techniques in Social Media

Social media data can be used for various marketing research tasks such as focus groups, consumer panels, depth interviewing, live chats, surveys etc. With consumer panel, the researcher can control this dialogue, by dictating questions and mining the social media intelligence. Chat rooms also encourage questions about products or services. Social networks can also create brand/fan pages, using which companies can carry out exploratory research with their product, service or brand. They are used to measure reach, engagement, competitive data, sentiment and sales conversation [14]. Several pattern mining techniques can be effectively used to gauge customer perceptions. The techniques attempting to understand the emotion associated with a posting is called sentiment analysis Although, online survey is the most popular tool for market research, other tracking methods can include:-

Searching the recent review posts and popular terms can help in tracking what customers are discussing in real-time.

- Measuring Web traffic metrics by Google analytics, TweetMeme Analytics or HootSuite.
- Scraping the internet for all comments and reviews on a business using reputation.
- Hashtag searches on platforms such as Twitter.
- Data mining like BuzzNumbers to capture certain keywords and analyzing data.
- Pulling out all mentions for the keyword specified using tools like Google Alerts, Social Mention.
- Organizing results by links, tweets, photos, videos, and influencers tools like Topsy.
- Sentiment analysis using Viral Heat, Tweet Feel or Sentiment Metrics when positive and negative comments cannot be distinguished.

2. Small Business and SMM

For a small business to utilize SMM as the investigative tool, a number of factors should be considered. Small business should begin by marking clear goals for SMM exercise and figure out how to measure success [15]. For a business, creating a SMM strategy is more than just creating a Facebook Page or Twitter Page. It requires the engagement strategy to entice customers and increase sales. Social marketing for business is a major movement that companies should not scorn if they want to remain vying Small businesses need to know why they should use social media for marketing [16]. According to [17], the compelling reasons are:-

- Branding- SMM can create a clear cut existence for a business' product or service by promoting online conversation and creating a buzz.
- Quick Launching- It provides cost effective quick launching platform.
- Word of mouth marketing- It has been agreed by over 80% of online marketing firms that social media engagement is based upon social interaction between the customer and business.
- Faster user assessment- With social media, the marketers can quickly and effectively gauge response of customer and accordingly plan their strategies. Finding out what works and what doesn't is important as a business can grow only by understanding the prior faults. Social Media gives a chance to look at

these faults. With smartphones one can keep in touch with all the pertinent information passing through the social media site.

- Reputation Management- It is essential for a small business to keep an eye on what other people and sites are conveying about their purchases or the company. They will be benefitted if they use forums and message boards to answer to their customer queries professionally.
- Help with search engine rankings-The 'follow' links on the profile pages of social networking sites can provide your business online properties with a higher ranking on search engines.
- Cost effective marketing and advertising alternatives- SMM is just a fraction of the cost of traditional marketing and advertising. It will relatively cost time than money.

The following section presents the review of SMM strategies popularly used in specific industries according to specific purpose [18]:

Table 2: Table on Various SMM Strategies on Common Networks

Type of Business	Commonly used sites	Strategy to be used
Mobile and Technology	Facebook	Set up a Facebook Page for easy networking and interactions with customers through multi-media information.
	YouTube,	Engage with YouTube by uploading video demonstrating the features of the Mobile or Application that the business is launching.
	Google+.	Google+ Pages enables the customer to search your business through Google Maps or mobile devices. Blogs, Facebook and Twitter.
Education/ Coaching Centre	Blog	A Blog can give your company an identity and generate word-of-mouth interest and display current work.
	Facebook,	Use Facebook Page for networking and interactions with Students.
	Twitter	Use Twitter to let students discover new information and add a Tweet Button to help them share information.
Apparel, Accessories & Products	Facebook	Use Facebook Page to let your customers know about your latest collection.
	Twitter	Embed a Follow Button on your website to allow customers check your Twitter Account. Upload videos on YouTube on how to combine dresses and accessories.
	YouTube	Engage with YouTube by uploading video demonstrating the features of the new product.

Type of Business	Commonly used sites	Strategy to be used
	Google+	Use Google+ to let your business visible to users on GoogleMaps.
	Pinterest	Sign up on Pinterest for Business Accounts and get the right support to inspire people on Pinterest.
Health and Fitness	Facebook/ Pinterest	Use Facebook Page for interacting with customer through wellness and health tips or direct them on exercises.
	Google+	Use Google+ to help people see your centre on GoogleMaps as well.
	Youtube	Upload videos on YouTube giving diet plan and directions to exercise.
Interior Design	Facebook	Use Facebook Page to showcase your work through multi-media interaction.
	Pinterest	Get the right support from Pinterest's Business Account.
Travel and Tourism, Restaurants	Facebook	Use Facebook Page to share reviews and pictures and Leverage word of mouth advertising
	Google+	GoogleMaps and sharing experience and pictures

2.1. Advantages of Using SMM Tools

The social networks increases product's awareness, web traffic, improves company's Search Engine Optimization (SEO) and thus increases the success of new product launches. The frequently used sites such as Facebook, Flickr, Myspace, LinkedIn, Twitter and Pinterest create the ability to disseminate ideas to consumer communities. These sites store enormous data on their users, such as age, gender, geographical location, interests, and many other pieces of information. Accordingly, this data can be utilized to reach specific target customers based on a variety of different factors [3]. The Social Media Marketing tools can be used largely for free and very easily, in comparison with other promotional tools [14].

2.2. Disadvantages of SMM Tools

The major disadvantage of Social networks and other listening platforms is collection of demographic data of the respondents. The researchers face problems in extrapolating who is saying what and from where. Moreover, they are unable to track if the same things are repeatedly said by the same people on multiple sites. This leads to the issue of data quality and external validity. If the same people are writing numerous postings, such data cannot be generalized. Another major issue is the ethical aspect of using social media gathering the data and research [19]. Companies are sometimes not transparent with what data they are intending to collect and how they will be collecting.

3. Conclusion

Social Media can be highly gratifying to the small business owner that wants to make a difference and values

the constructive feedback that would lead his business to bigger and better heights. Therefore, small business can employ Social Media Marketing Strategies with smart devices and apps to connect with and engage existing and potential clients, providing intriguing content while spreading the word about their products and services.

4. Future Work

Social media has brought about overwhelming changes to both consumers and businesses. Hence it is intuitively a good idea for most small businesses to develop and maintain a vibrant and engaging social media presence and monitor it. Further study can be taken up to understand how these businesses can use social media analytics to perform predictive analysis on user behavior.

References

[1] Anand, N., & Mahajan, R. (2014). A statistical analysis of social media as a new investigative tool in marketing. *International Journal of Computer Sciences and Engineering*, *2(4)*, 83-86.

[2] Celine, A. (2012). *Social Media Marketing Benefits for Businesses*. Thesis.

[3] Greve, A., & Salaff, J. W. (2003). Social networks and entrepreneurship. *Entrepreneurship: Theory & Practice*, *28(1)*, 1-22.

[4] Levinson, J. C., & Gibson, S. (2010). *Guerrilla Social Media Marketing: 100+ Weapons to Grow Your Online Influence, Attract Customers and Drive Profits*. Entrepreneur Media Inc..

[5] Manyika, J., Chui, M., Brown, B., Bughin, J., Dobbs, R., Roxburgh, C., & Byers, A. H. (2011). *Big Data: The Next Frontier for Innovation, Competition, and Productivity*. McKinsey Global Institute.

[6] Palmer & Lewis (2009). An experiential, social network-based approach to direct marketing. *Direct Marketing: An International Journal*, *3(3)*, 162-176.

[7] Woodall, G., & Colby, C. (2011). *Social Media vs. Focus Groups for Qualitative Research, 51(3)*. From: http://www.greenbook.org/marketing-research.cfm/social-media-versus-focus-groups-qualitative-research-03914

[8] Patino, A., Pitta, D., & Quinones, R. (2012). Social media's emerging importance in market research: Implications and concerns. *Journal of Consumer Marketing*, *29(3)*, 233-237.

[9] Pettit, A. (2011). The problems and pitfalls of SMR: prevailing discussions and the naked truth. *Marketing Research*, 15-21.

[10] Peyton, L. (2013). *5 Social Media Monitoring Tools to Simplify Your Marketing*. From: http://www.socialmediaexaminer.com/5-social-media-monitoring-tools-to-simplify-your-marketing/

[11] Pitta, D., & Fowler, D. (2005). Online consumer communities and their value to new product developers. *Journal of Product & Brand Management*, *14(5)*, 283-291.

[12] Kimbarovsky, R. (2009). *10 Small Business Social Media Marketing Tips*. From: http://mashable.com/2009/10/28/small-business-marketing/

[13] Walker, L. (2012). *Social Networking for Business: Beginner's Guide*. From: http://personalweb.about.com/od/social-marketing/a/Social-Networking-For-Business.htm

[14] Schlack, J. W. (2010). *Finding the Right Social Mix for Marketing Research*. From: http://www.communispace.com/uploadedFiles/MRA_Alert!Magazine_May.pdf

[15] Sinha, V., Subramanian K. S., Bhattacharya, S., & Chaudhary, K. (2012). The contemporary framework on social media analytics as an emerging tool for behavior Informatics, HR analytics and business process. *Management*, *17(2)*, 65-84.

[16] Baruah, T. D. (2012). Effectiveness of Social media as a tool of communication and its potential for technology enabled connections: A micro level study. *International Journal of Scientific and Research Publication*, *2*, 5.

[17] Weinberg, T. (2009). *The New Community Rules: Marketing on the Social Web*. Sebastopol, CA: O'Reilly Media Inc.

[18] Vinerean, S., Cetina, I., Dumitrescu, L., & Tichindelean, M. (2013). The effects of social media marketing on online consumer behavior. *International Journal of Business and Management*.

[19] Wani, M., & Raghavan, V. (2012). *Social Media as A Communication Platform: Devising Innovative Strategic to Utilise Social Media for Brand Promotions and Competitive Differentiation*. From: http://www.bmaindia.com/pdfs/research/Social%20Media%20as%20a%20communication%20platform.pdf

Renuka Mahajan is an assistant professor of computer science at Amity University, Uttar Pradesh. She is currently pursuing her PhD (CS&E) from AUUP. Her current research interests include educational data mining, recommender systems and e-CRM. She has published in the Springer Journal EAIT, Inderscience IJIL and IJLEG, IJEEEE and a few other professional conference proceedings.