

MULTI-INNOVATIVE FRAMEWORK FOR SOCIAL NETWORK MARKETING ON SMALL FIRM PERFORMANCE IN CUSTOMER DECISION-MAKING PROCESS

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ABSTRACT

Individuals share common social network groups to provide social support to each other. Some of the common bonds which communities' members share and live with are their career interests, social interests, religious subdivisions, common friends and shared beliefs. Social network provides access to different people with common interest to become friends among the members. These networks have become subject of study for many scholars in the field of communities and researchers in a number of topics such as privacy and identity, and the capital of communities. Adolescents use depends not only upon the social networks of friends and the link between the people but there are network-makers and business owners and employees. Most examples of online social network sites bring together more than 20 million users and more than 150 different craft. Through networks, the user can write his autobiography in the field of education and work, and can invite friends to recommend it to others to start new areas of work with each other. At the beginning, social network serves as a bridge that links business websites which is regarded as ultimate search engine optimization techniques. It is now recommended that most of the social network sites today have made some adjustments in order to make links worthless for improvement in ranking. Social networks of today are traditionally constituted by users who might meet face-to-face on predominantly online network such as hi-5, Netlog, MySpace, linkIn, Facebook and others. Twitter can also be regarded as a social network with the increase of the use of enhanced mobile phone technology and the popular mobile phone. This has given advantage to the users to find and know what their friends and relative doing at certain time of the day. These networks are virtually free for everyone to join which has also made them to become popular among other networks.

KEYWORDS: *Social Network Marketing; Small Firm Performance, Customer decision-making Process.*

I. INTRODUCTION

The recognized social network which was established in July 2005 with about US\$580 million as an important business organ is called MySpace (AL-Sabaawi,2013). Already other social networks such as the dating social network Friendster and Google's social network – Orkut, were established and have attracted millions of users. These social network platforms has been widely used by college students. However, the rising growth of Facebook together with the extraordinary LinkedIn, have broaden its wide usage beyond college students. A lot of professionals have been brought into the social networking arena over the last few years (AL-Sabaawi,2013). Hundreds of millions of people today worldwide including specialist, business tycoons, and executives now use online social networks(*Executive Insight, 2008*) for their social and business activities.

In recent years, the expansion of Web 2.0 and the ever-increasing advancement and popularity of online social networks have had a tremendous impact on the way companies conduct their marketing activities. The basic marketing principles still apply; however, companies must now be creative in order to target specific audiences and make a profit. As Olson (2009) points out, through the use of certain

technologies, companies are attracting new clients, servicing current clients, and making money, as well as promoting brand image, providing helpful services, and gearing up targeted advertising campaigns. Social networking is rapidly expanding; Williamson (2009a) estimates that there was an 11 percent increase of people visiting social networking sites between 2007 and 2008, with "79.5 million people—41% of the U.S. Internet user population" visiting the sites in 2008. Furthermore, the trend will continue, and, by 2013, the number will increase to 52 percent to Bolotaeva and Cata (2010). According to an eMarketer (2008) study, nearly six out of ten United States Internet users now communicate with businesses and believe that those businesses must "interact with their consumers" and "deepen the brand relationship" via online social networking.

The paper is organized as follows. The Introduction sets the stage for the discussion of social networks and its importance in marketing goods and services. Section 2 discusses brand intelligence where businesses are able to have access to so many information of brand requirement by potential consumers. Section 3 presents social networks as the new marketing channel. Section 4 discusses the cost savings for marketers in the new channel. Section 5 discusses the greater network of consumers where valuable information are made available for marketers. Section 6 presents brand awareness where marketers are able to advertise their products easily to consumers. Section 7 presents a statement of the problem while section 8 gives the research objectives or expected outcome of the research. The scope and limitations of the study is presented in section 9. Section 10 discusses the findings of the study. Section 11 presents the summary of the study. Section 12 concludes the paper with a call for future research.

Is Social Networks So Important To Your Website ?

When you join a social network like Facebook and gain say 4000 friends, that means that every time you share an information or a link, 4000 people will see that link and many of the 4000 people will share your link to their friends and so on. This is why social networks like Facebook and Twitter are very important for a business strategy or a business website. A Facebook account can be created for a business website, acquire many friends for that website and setup a Facebook fans page on that website for people to add their friends list and share this website with their friends too.

Sharing a website content on social networks is like steroids for athletes, it will boost your website visitors in no time and get you free advertising every time a visitor clicks on your website fans page (<http://web-design-seo-services.com/social-networking-marketing-promotion-service-on-social/>).

Social Network Marketing - Social networks, such as Myspace, Facebook, and Digg, are incredibly popular—and rightfully so for a good reason. They offer people with similar interests the chance to socialize regardless of geographical distance. With hundreds of millions of users, social networks offer an incredible marketing opportunity when used correctly Bolotaeva and Cata (2010) (SporkMarketing.com.)

Social Network Marketing Advantages

Social network marketing can be very advantageous for businesses. According to Weston (2008), social networking, if approached correctly, can help find talent, build brand awareness, find new customers, and help conduct brand intelligence and market research. The two main ways of advertising in a social network are through wish list features and tell-a-friend applications. The communication in social network gets shoppers to listen to one another, review ratings for products and services, and provide product knowledge and personal information. Social networks protect users from interaction with the outside world, and keep information and interaction away from strangers (Burke, 2006).

In addition, Skul (2008a) sees social network marketing as "the wave of the future," estimating that by 2011, online social media advertising in the United States will be around \$2.5 billion. He also states that the websites are just starting to understand all the possibilities that social network advertising offers and they are now offering improved advertising opportunities for businesses. He further believes that all businesses can benefit from social network advertising and clarifies that "as the effectiveness of traditional advertising and marketing techniques fade, Web 2.0 marketing is the future."

Brand Intelligence

First, businesses have an advantage of brand intelligence conducted on social networks. According to Pettey (2008), businesses cannot dismiss the amount of traffic generated by social networks. She continues to say that, social networks used to appeal more to the young audience. However, they are now gearing to other demographic groups, such as "career-based social networks, shopping-based social networks, and employee groups." Thus, businesses can collect consumer feedback, establish a brand presence, or, perhaps, just observe the way their brands are discussed and perceived.

Moreover, it gives a business capability to develop a trusting relationship with a customer by direct interaction via Web 2.0 features, address their needs and concerns, or even conduct market research. In fact, according to Sachoff (2008), the main advantage of having a social network presence is "the amount of information an organization can gain about its customer base."

II. A NEW MARKETING CHANNEL

Furthermore, since social networks provide a wealth of word of mouth information regarding the brands and products, Pettey (2008) debates that the businesses must approach social networks the same way they might approach search engines, review sites, and price comparison sites. In addition, she clarifies that there are other strong online marketing strategies that can be employed by retailers, such as viral propagation via friends communicating among each other and user engagement by building application. Web 2.0 is a marketing channel that needs to be integrated with other traditional marketing channels, and considered as part of the marketing mix. New media is not a replacement of traditional marketing tools such as local newspaper, TV, or radio station, but another tool that is able to reach the community which prefers electronic media. Unlike other traditional marketing tools, the advantage of this new electronic channel is that it is able to communicate globally and enrich the marketing to the personal level (Brandt, 2008).

III. COST SAVING

Moreover, as Skul (2008b) points out, social marketing can be an inexpensive way to promote a company rather than putting together a huge marketing team or a prohibitive budget. For example, MySpace (2009) charges \$25 minimum to start advertising on MySpace, plus \$0.25 per advertisement. Facebook (2009) charges \$5 minimum daily budget, plus either \$0.01 or \$0.15 cents depending on the advertising campaign purchased. LinkedIn (2009) charges a \$25 rate per thousand clicks.

IV. CONNECTIONS

According to Weston (2008), there are several ways businesses can benefit from online social network marketing. First of all, social network databases of prospects give businesses opportunities to mine information and contacts identified through social networks. Furthermore, social networks may be a great way to find suppliers or employees; for example sites like LinkedIn, where people gather to exchange professional information.

V. BRAND AWARENESS

Weston (2008) further argues that brand awareness is important when it comes to social network marketing, and widgets are a good way to establish a presence in social networks. He says that through the use of widgets, businesses have a lot of opportunities to market [themselves], company, and add value in the overall business ecosystem..

Moreover, Weston (2008) explains that in order to raise brand awareness, employers should encourage their employees to participate in social network marketing and stay connected to the community. However, these activities should also be monitored in order to discourage abuse.

Finally, although some companies do not seriously approach building brand awareness on social networks, it is a good approach to build that into the business model. He suggests businesses start with small steps. If they find the method profitable, then they should consider introducing their own social network.

a. SOCIAL NETWORK MARKETING PITFALLS

Along with the strengths, there are a few weaknesses, when it comes to online social network advertising. Issues such as aggressive advertising, lack of e-commerce abilities, invasion of user privacy, and certain legal pitfalls, among others, can be major disruptions to social network advertising.

i. Aggressive Advertising

First, it is thought that if businesses target the consumers too aggressively with advertisements and product promotion and selling, the consumers will not choose to stay in the network. As Pettey (2008) explains, businesses should establish their networking presence on content produced by members, and

then develop strong applications in order to encourage users to engage members in supplying the feedback in areas such as product design.

ii. Lack of e-Commerce Abilities

Moreover, it is widely thought that social network sites are not yet ready to conduct direct e-commerce. Pettey (2008) advises that businesses should not become early adopters of commerce capabilities on social networks. She further clarifies that the users will not return or stay with the network if there is too much pressure to buy or if the network is viewed as too commercialized.

iii. Legal Issues

In addition, there are also certain legal downfalls when it comes to advertising on social networks. As Skul (2008c) suggests, there are a number of existing media laws, since social network marketing involves the publishing or broadcast of online content. Thus, businesses have to be especially careful in market research and advertising laws in order not to cross legal boundaries.

iv. Lack of Brand Control

Advertising in a social network brings risk to product brands. Social networks are user-generated content where end users write about their experiences with products, services, customer service, etc. The content in such networks may be critical to the product and companies have very little control in what end users share in their social network (Slavin, 2009). Special social networks, such as those dealing with the medical field, have a massive amount of unfiltered discussions between patients, caregivers, and physicians (Ellerin, 2009).

b. DATA MINING

Finally, as explained by Pettey (2008), social networking is an opportunity to collect consumer data; however, these data pools cannot just be tapped into. She continues to say that, as time goes by, social network users are more wary regarding sharing their private data. In order to have access to the consumer information, businesses must build widgets and applications that will require that a user share at least some personal data.

Data mining companies are collecting free information from personal posts and applications. A company called "Colligent" collects such free information, mines it and sells statistical data to record label companies (Data Mining, 2009). For example, Disney's Hollywood Records label used Colligent's data to reach out to the Latin American community to advertise Jonas Brothers newest album.

c. SOCIAL NETWORK MARKETING OPPORTUNITIES

There are numerous opportunities for a business to advertise in the social network platform, including raising public awareness regarding the business and community involvement, as well as the next step in social network advertising, such as advertising on handheld devices.

i. Public Awareness

First, as Skul (2008d) advises, there are ways that social network marketing can be advantageous in business. Although some businesses may find it unnecessary to position themselves on social networking sites, it is a good way to advertise their products/services and know what consumers think and want. He continues to say that social network marketing may play a very important role when it comes to the online success of a business. He further goes on to explain social network marketing allows the business to get connected to the public and build their brand.

ii. Involvement

In addition, Javitch (2008) points out, in today's economic downfall, free social marketing may be a good alternative to the costly traditional marketing campaigns. He also said, in order to establish an online presence, there is an emerging trend of businesses going as far as hiring dedicated persons who manage social networking interface of the organization and communicate and interact with the users and the communities. He further comments that small businesses should be involved with many Web 2.0 content creation tools such as social networks, forums, and blogs. Furthermore, he explains that getting involved on social networks will also mean protecting business name, so that no third parties can use it.

Klein (2008) tells that in order to be successful at social network marketing, companies should first incorporate online ads into their business model, set concrete business goals, and then start experimenting. Furthermore, with the ever-growing social networking presence, online social presence

must be approached as an opportunity to expand the business by product and service promotion rather than just consumer interaction.

iii. Mobile Handset Advertisements

Another useful idea is to use mobile handsets as a means of social network advertising. As Kharif (2008) points out, social network platforms such as Facebook and MySpace have given new meaning to handheld devices. Thus, businesses may see this as an opportunity to promote their services and products via the mobile devices.

iv. Social Network Marketing Threats

Bolotaeva and Cata (2010) As with any advertising campaigns, social network marketing comes with its share of risks. Recent events, such as a tremendous fall in the economy as well as notorious ethics investigations into the invasion of customer privacy and data, have impacted the popularity as well as economic feasibility of social network advertising.

v. Economic Downfall

With the global economy in shambles, social network marketing has suffered its share. Furthermore, there was a downturn in advertising spending numbers, as well as in the predictions for future years. Williamson (2008) now estimates that the advertising spending will drop from the projected \$1.8 billion for 2009 to \$1.3 billion. Furthermore, Williamson (2009b) clarifies that it has been shown that "tapping into consumers' conversations and spreading brand awareness virally has proven more challenging than companies originally thought."

vi. Ethics

Finally, according to Skull (2008e), ethics has been a major problem when it comes to social networking sites. He explains that although businesses have earned their seat in social networking sites, they need to be very cautious regarding invasion of user privacy. Furthermore, lack of social online marketing plans as well as aggressive harvesting of personal user data can backfire on the business.

Third Party Advertisement Platforms

As pointed out in the privacy policies, social networking sites have been legally sharing user data with third party advertisers. In an effort to increase the profit margin base, social networks have stepped into the next generation of the custom-tailored ad campaign, further incriminating user privacy.

Perez (2007) says that Facebook's Beacon online ad system acted behind the scenes, with the user unable to block or opt out of sending data feeds from third party sites to Facebook. This had brought angry protests from the MoveOn.org organization, as well as from users affected by the application.

This development raises issues of how far the sites are allowing third party advertisers to intrude into the company's customer base and perform commercial data mining in order to run a custom tailored advertising campaign. According to Story and Stone (2007), the sole purpose of Beacon was "to allow advertisers to run ads next to these purchase messages". In other words, social networking sites are now developing software with the specific intention of letting the advertisers collect user data in order to sell their product.

In her article, Holahan (2007) explains the significance of third-party platforms, where a social networking site such as Facebook and MySpace are trying to get users' attention on the ads that support their sites. This application puts the site user in a direct relationship with the advertisers by forcing the user to include direct feeds from the third party participating websites in the profile.

Thus, although third party advertisement platforms can be of powerful monetary benefits for the social networking sites, they come with a number of user privacy issues that are often bypassed.

Organizations nowadays are considering and sometimes set policies on how their workers can utilize such widespread social network. Some organisations recognise the opportunity brought by the use of internal social network in order to retain and attract the gifted staff, maximize their talents, enhance collaboration, and ultimately improve business outcomes and organizational performance.

Global senior executives today are looking forward on the strategies to implore in order to create business value from the social network tools. It is quite clear that some companies are considering blocking external social networks. Others are keenly interested in the exploration of the use of the tools to be applied in business application, project collaboration, recruitment and development.

VI. RESEARCH OBJECTIVES

This research has the following objectives:

- To understand to use of social network sites grown in recent years.
- To investigate demographics can marketers target via social networking Web sites
- To understand do leading companies successfully leverage social networking sites in their marketing communications?
- To understand the workings behind social network advertising, determine whether it is profitable for businesses to promote their products and services via the social network platforms,
- To determine the opportunities and pitfalls of social network marketing.

VII. SCOPE AND LIMITATION

The study focused on selected social network tools (Facebook, Twitter, MySpace, LinkedIn, Flickr and YouTube) for business organizations in both manufacturing and services companies. The areas covered by this project are highlighted below:

- The benefits of social networking services for business organizations.
- How business organizations continue to drive information on their products and services
- using the selected tools from bottom- up approach.
- The study focused on business organizations curities as some of the successful companies that employed the use social networking tools.

VIII. DISCUSSION

Social networks are a reality and a significant element of today's social and business environment. Employees are already using online social networks in their personal lives and increasingly for work. Organizations can ignore this phenomenon or they can choose to be proactive in exploiting the potential value and managing the risks. Possible business benefits include increased efficiency, greater collaboration, harnessing collective insights, product and strategy innovation, improved talent management and profitable new business models. This research is important for business organisations to explore the opportunities provided by social networks in promoting their business strategies.

IX. SUMMARY

Social networks serve as prime mover of consumer driven movement and as internet-facilitated networks. The knowledge and content available on web-based media tools enable users to connect to individuals online. Based on the fact that social media as a platform for social network has been in existence for quite a long time, the technology provides a basic fundamental marketing strategy shift in how costumers and organization relate.

X. FUTURE WORK

Future research should try to empirically ascertain the effectiveness of this platforms as this will provide practitioners with the required empetus to tap into this potentials.

ACKNOWLEDGMENT

We would like to thank to all the reviewers for their insightful comment . Staff from University Technology Malaysia

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