THE COMPARATIVE ANALYSIS OF SOCIAL NETWORK IN INTERNATIONAL AND LOCAL CORPORATE BUSINESS

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ABSTRACT
Social networks are used by various corporate companies all over the world as tools for enhancing their marketing strategy through online communication. The range of application of social networks by different corpotare organizations is wide but common ones are for management to effectively comminucate with employees and customers, and to keep an eye on competition. The main objective of this research is to compare the utilisation of social network tools between international and local corporate businesses with a view to identifying how to improve in the latter. In this paper we conducted a comparative study on how selected international and local corporate companies use social networks. Specific items compared are the social network tools used and the market strategy adopted by the different companies. The study identified potential benefits of using social networks for corporate businesses. The study established more extensive use of diverse social networks compared to the local companies. This study is among the few of its kind that tries to make comparison between well established international and emerging local corporate businesses. The implication of this study is that the local companies can benefit more by adopting some of the strategies used by the international corporate companies.

KEYWORDS: social network1; corporate business2, Comparative Analysis3.

I. INTRODUCTION

People share similar social network groups. Career interests, social interests, religious subdivisions, common friends and shared beliefs are among the typical bonds which members of a community share and live with. Social network facilitate links among different people with similar interest to become friends among the members. Social networks have been studied by many scholars in various fields and across a wide variety of topics such as privacy and identity, and the social capital of communities.

Social networks are use mostly by young people. Adolescents use of the social networks is mainly to link up with friends. Apart from making contact with friends, social networks provide link between network-makers and business owners and employees. The most popular online social network sites bring together more than 20 million users and more than 150 different crafts. Social networks user can write his autobiography in the field of education and work and can invite friends to recommend it to others or to collaborate start new areas of work. So these networks are one of the areas that are away from the future of large social network, the major conflict.

Initially, social networks serve as a media that links business websites, which is considered as ultimate search engine optimization techniques. It is now recommended that most of the social network sites nowadays have made some adjustments in order to make links for enhancement in ranking. However, increase in web traffic can occur.

Current social networks are predominantly constituted by users who might meet face-to-face on mostly online network such as hi-5, Netlog, MySpace, linkeln, Facebook and others. With the increased use of enhanced mobile phone technology and the popular mobile phones, Twitter can also be considered as a social network. This has the advantage of allowing users to find and know what their friends and relative are doing at certain time of the day. The social networks are virtually free for

everyone to join. This has made them to become popular among other networks. Nowadays, senior executives in many part of the world are considering and implementing strategies to create business value for their organisations through the use of social networking tools. It is evident that very large organizations are at various stages of considering and grappling with issues related to the use of online social networking. While some companies are deliberating on whether to restrict external social networks, others are proactively exploring the tools. They are adopting these tools for applications such as project collaboration, recruitment, learning and development, and other business applications. In this paper we tried to compare the use of social networks between selected international and local corporate businesses. Specific items compared are the social networ tools used and the market strategy adopted by the different companies. The study identified potential benefits of using social networks for corporate businesses. We limited our research to four international companies – Coca-Cola, Ford, IBM and Sears,some selected manufacturing and services companies and five local companies in Malaysia - Proton, Celcom, TM, J- Biotech and Inter-Pacific Securities. The research was conducted based on six online social networks; Face-book, LinkedIn, MySpace, Twitter, Flickr and YouTube.

II.   LITERATURE REVIEW

Definition of Social Network

Social networking is defined as the bringing individuals together into to specific groups, often like a small community or a neighborhood. Although social networking is possible in person, especially in schools or in the workplace, it is most popular on the internet. This is because unlike most high schools, colleges, or workplaces, the internet is filled with billions of individuals who are looking to meet other internet users and develop friendships.(Directory Submissions 2009).
Social network has also been defined as "individuals or groups linked by some common bond, shared social status, similar or shared functions, or geographic or cultural connection. Social networks form and discontinue on an ad hoc basis depending on specific need and interest." (Barker, 1999).
Web-based social networking occurs through a variety of websites that allow users to share content, interact and develop communities around similar interests. Examples include websites such as Facebook and LinkedIn.(Susan Gunelius 2011).

Social Networking Sites Growth in Marketing

As the use of social networks continue to expand, marketers view this medium as a potential tool for marketing communications. The number of people visiting networking Web sites keeps increasing. In a survey shows that social networking Web sites have witnessed a substantial increase in the number of visitors(*Marshall Kirkpatrick* 2006).
As more time is being spent on social networking Web sites, many companies are now giving much attention to marketing on these social media. In a survey, *Suzanne Vranica, (2007)*, predicted that between 2007 and 2011, spending on social networks in the U.S. will grow by 180% from $900 million to $2.5 billion. Danah (2007) stated that there are over a hundred social network sites, with various technological affordances, supporting a wide range of interests and practices. While their principal technological features are fairly consistent, there are different cultures that emerge around social network sites. Most sites support the maintenance of pre-existing social networks, but others help new users to connect based on shared interests, political views, or activities.
Krista (2009) itemized some of the key social networking sites. However, because this is such a dynamic field, there are bound to be new social networks evolving, merging or vanishing all the time. Trust is one of the key attributes expected of every social networking.

Trust and Privacy in Social Network Sites

Mayer, Davis, and Schoolman (1995) defined trust as "the willingness of a party to be vulnerable to the actions of another party based on the expectation that the other will perform a particular action important to the tractor, irrespective of the ability to monitor or control that other party". Electronic commerce research has established that there is a strong relationship between trust and information disclosure (Metzger, 2004).

Social Network Sites at Work

The first category is general social network sites for which registration is open to members of public. An example is Facebook. The second category is enterprise social network site that is internal to the particular corporate organisation and therefore only accessible to its employees, e.g., IBM Beehive DiMicco et al (2008).

Social Network Services

Boyd & Ellison (2007) defined social network service as "Social networking services can be widely defined as internet- or mobile-based social spaces designed to facilitate communication, collaboration, and content sharing across networks of contacts."

Online Social Networking

Christopher (2008) asserted that "Online social networking has been around in various forms for over a decade, and has continued to be widely notice in the recent years". Online social networks take various forms, and are created for several purposes.
Online groups or online study clubs provide a way to share knowledge, meet other dentists with similar interests, access a calendar of events, share files, and upload pictures and videos. For dentists, this means we can now practice solo but have the benefit of knowledge sharing and connectivity to a specific group that is of interest to us Dan Marut (2009).

Tools for Online Corporate Business

The sharing of information and professional work are important for communication and productivity of an organisation. Using some tools on the internet, employees can create, share and edit files of work (e.g. calendar, word files, excel) in real time. These web applications are not difficult to use. They enable people to improve internal communication within an organisation (Kioskea.net, 2009).
According to Faith (2009), the best features of using social networking to promote a business are free and easy business building tools. Most social networking sites are free to register. This may be important for a business that is working with a limited advertising budget. It is also suitable for those without an internet specialist or marketing expert to use them for building your customer and/or supplier list of contacts. It is worthwhile trying for any business that is not yet using social networking to explore and promote their enterprise".

Social Network Tools for Online Corporate Business

There are several online social network tools which are beyond the scope of this paper to cover. The most common social networking tools adopted for business applications include the following: LinkedIn, Facebook, MySpace, Twitter, Flickr and Youtube.

i.   Facebook

Nicole S (2008) stated that "Facebook is structured around linked personal profiles based on geographic, educational, or corporate networks. Profile of members can show a range of personal information, including favorite books, films, and music; e-mail and street addresses; phone numbers; education and employment histories; relationship status (including a link to the profile of the person with whom one is involved); political views; and religion. According to Facebook, an average of 20 minutes per day is spent by members once they log in. tasks performed by members include linking to friends' profiles, uploading and "tagging" (or labeling) friends in photos, creating and joining groups, posting events, website links, and videos, sending messages, and writing public notes for each other". Ads can be posted in either available or customized format. The market place is available for all Facebook users and is currently free (Facebook Adds 2007)".
Facebook has variety of resources to use. Taking approach of learning it step by step to create profile that is interesting and start engaging with your friends, make frequent updates and work toward building your profile. It permits creating ones own sub groups within the community where one can promote events to a specified inner circle of entrepreneurs and professionals Pagiamtzis, (2009).

ii. **LinkedIn**

This is a business-oriented social networking site created in December 2002 and became operational in May 2003 mainly used for professional networking. The network consists of more than 43 million registered users, across 170 industries. The goal of the site is to allow registered users to maintain a list of contact details of persons they know and trust in business. The persons on the list are referred to as Connections. The network permits users to invite anyone (whether a site user or not) to become a connection. "LinkedIn takes your personal business network online and gives you access to people, jobs and opportunities like never before" (Sonja, 2008). It is mainly designed and targeted for professionals. Because of this, most of the users are above the age of 24. Many users have been in employment for a relatively long period and are mostly well-educated.

iii. **Twitter**

This is a Web 2.0 micro-blogging tool that requests users from the general public to answer a simple question, "What are you doing?" The web-based software has been described as a combination of blogging and Instant Messaging. It encourages brevity by limiting the postings to 140 characters, (Steven (2008). Twitter is a deceptively simple system in which users create an account and post messages, or "tweets," comprised of up not more than 140 characters, which can be viewed by a network of associates.

Twitter was created in March 2006. While Twitter does not publish statistics on usage, Forrester Research estimated that there are about 5 million Twitter users in March 2009. It is one of the recent communication tools parallel growing social and cultural changes (in most parts of the world) toward greater transparency and democratization. These changes are also emerging and becoming visible within individual businesses and non-profit organizations.

Tweeting is not a difficult task. One can follow or be followed by others on the social networking journey. People from across various backgrounds can be found twitting on daily basis about their happenings Pagiamtzis, (2009). However, Pagiamtzis stated that "Recently many corporations have used the Twitter to keep their customer informed on company news and product and service launches". One can also post links to other networking sites that have posted information for followers to learn more about him in the social networking arena.

iv. **Flickr**

Flickr is a web site owned by Yahoo! that offers photo sharing and a host of related services for users of any level, from beginners to professionals. It is tremendously easy to use, and when used with friends or associates it can be great fun.

According to crunchbase.com, (2010) Flickr.com allows users to utilize a number of useful features. Unlike many photo sharing sites, no fee is required to start loading and sharing pictures. Users have the option to make their pictures private or public. However, around 80% of the pictures on Flickr are public. Other features of Flickr include maps to track where and when photos were taken, tagging and commenting on pictures, and the ability to create postcards and other products.

Flickr is absolutely the most exciting place for pictures of cute puppies, slightly out-of-focus sunsets and wedding cakes. It is not very famous as business hub use Flickr through Perl that are more business oriented. A common business use for Flickr has been to show a product. This works well enough for companies with a physical product to sell, especially one that benefits from visual exposure *(Teodor Zlatanov, 2009)*. This is achieved by creating a group to invite fans to join and share photos.

v. **Youtube**

YouTube is a video sharing website on which users can upload and share videos. Everyone can watch videos on YouTube. People can see first-hand accounts of current events, find videos about their hobbies and interests, and discover the quirky and unusual. As more people capture special moments on video, YouTube is empowering them to become the broadcasters of tomorrow *(www.crunchbase.com*, 2010*)*. Thus, YouTube can make a fortune in the business setting, as it could help facilitate a new mode of business communication.

Executives at many companies provide regular presentations to department groups or even the entire workforce, to discuss financial performance, share information, recognize outstanding workers and so on. While the bulk of the audience may be at headquarters, many others may be in remote offices. A

lot of workers may be absent the day of the presentation or unable to attend for other reasons. By videotaping the highlights of the presentation and putting them on YouTube, they can be viewed by everyone who is authorized to do so (*Ramel*, *2007*).

Moreover, *Ramel*, (*2007*) mentioned that, a picture is worth a thousand words, and thousands of pictures streamed together at 29.97 frames per second are worth a lot more. YouTube can be used to show off new shiny hardware to prospective customers or demonstrate new software and provide product data, statistics or any other information.

III.   SOCIAL NETWORK STRATEGY

Having a good Social Networking Strategy for corporate organisation is helpful if it wants to become successful in it business and consequently be able to develop truly complex business strategies using online social networking. It is very important to develop a real verifiable presence on all the key.

Organization networking sites and all the major business networking sites. A lot of people spend so much time ego networking trying to become known by everyone that they actually rarely leverage their position and do not get to know anyone well enough to actually transact any business.

According to Pagiamtzis (2009), there has been many webinars and websites discussing the value added reasons in combining communications as a key social strategy for your online presence. They further mentioned some practical advice on how to use the social networking as a key tool to build organizational resources and promote its expertise or marketing ideas in easy and effortless way.

The bottom line is that most people have experienced social networking sites like LinkedIn and MySpace and understand the value of having specific groups of people with similar interests, in this case how others may be using the software, communicate with each other. The business relationship expert, Bob (2008), stated that "If these social networking concepts are not in your radar, you are ignoring a dynamic trend that could have a profound impact on key areas of your business such as profitable revenue growth, talent acquisition and development, and operational efficiency and effectiveness".

Benefit of Social Network Tools for Corporate Businesses

One of the many ways to achieve industrial competitiveness is to manage and share efficiently knowledge built inside an organization. In this context, social networks have shown signs of being an efficient tool to proliferate individual and explicit knowledge. It can also improve tacit knowledge dissemination, helping to capture organizational knowledge based on the knowledge of each of its employees (Ricardo 2009).

A company that has a good early warning system would not miss opportunities or fail to meet challenges quickly enough. Clueless organisations in many industries were surprised when PCs turned out to be a big thing, because they had no way of absorbing that knowledge systemically, through their own employees. Even though some people inside the organization undoubtedly knew the shape of the future and were talking about it, they had no way to get it to decision-makers.

According to executive briefing from social networking for businesses & associations (2009), the top 10 ways businesses, associations and organizations can use social networking are highlighted. These include:

I   Customer and Member Relationship Development

Customer satisfaction is at an all-time low, perhaps as a result of reduced business focus on actual relationships, and an increased focus on "customer relationship management" systems emphasizing management of data rather than personal connections. Online social networks allow a prospective customer or prospective member to easily facilitate a real, human level connection with individuals within an organisation. This enables genuine business relationships to form and puts an authentic human face on the interaction, changing the external perception of an organization from a sterile, faceless behemoth into a collection of individuals who are ready to help.

II.   Customer support (connecting the customer with the right resource)

Successful customer support achieves a number of goals. Basic customer service includes, of course, assisting customers when they have problems or questions about an organization's products. However, online networks enable exceptional customer support that goes beyond the basics, allowing customers to connect with experts in an organization who have deep knowledge in a particular area.

III.   Provide the "whole product"

By creating a strong network of complementary providers with similar philosophies and business practices, a single service provider can provide a much greater value proposition to a prospective customer than an individual working without the benefit of the network.

IV.   Supercharge Meeting Facilitation and Preparation

The unfortunate part of meetings and conferences is that it always seems that one do not connect with the people he really want to meet until the final day of the event, when he meets them randomly in the buffet line. A dedicated online social network created before the event enables attendees to use their time at the event more efficiently, by determining with whom they want to connect before leaving home.

V.   Increasing the Value and Extend the "Shelf Life" Of Conferences

Similar to the above point, creating an online social network of event attendees extends the "shelf life" of a conference, enabling the attendees to remain connected and take action on the items discussed at the event. This can evolve a meeting, event or conference from a "one time" occurrence into the catalyst of a community that more effectively achieves its goals.

VI.   Share knowledge

By connecting a social network with basic subscription technologies (such as RSS, or "Really Simple Syndication"), an individual can easily "subscribe" to updates from customers and colleagues. This enables a straightforward way to stay abreast of the goings-on in projects of interest, as well as a way to share knowledge within an organisation without additional effort.

IV.   METHODOLOGY

Four international manufacturing and services companies were considered in the study. They include Coca-cola, Ford, IBM and Sears. Five manufacturing and services companies in Malaysia were targeted for the research. These include Celcom, Proton, J-Biotech, TM and Inter-Securities corporate companies. The selection of manufacturing and services companies was done in such a way that it will cut across major corporate companies that make use of social platform in their business activities. For the international companies, the study was conducted by accessing the information regarding their use of social networks as evidenced on their websites. For the local companies a combination of questionnaires and interviews were adopted. Priority was also placed on the respondents that must have been a part of the management in order to give the researchers a broader and better understanding of the use of social networks in the companies.

V.   DATA ANALYSIS AND FINDINGS

Social Network Tools for Corporate Businesses

The website analysis of the international corporate companies shows the kind of social networking tools used for their business activities. Most of them use their own social networking sites in promoting their business activities apart from the known social platforms. Ultimately, the selected companies that employed successful use of social network in business activities introduced the practice of publicity in marketing product on social platforms.

Meanwhile, the analysis of the local corporate companies obtained from questionnaire shows that all of them employed only the use of some public social platforms. Nonetheless the local companies are now motivated to use of their own social network for business activities.

Therefore, the study found out that, apart from the known social networking sites, all the international and local corporate companies under study use the social platform in promoting their products and services. The study established more extensive use of diverse social networks compared to the local companies as shown in figure 1.
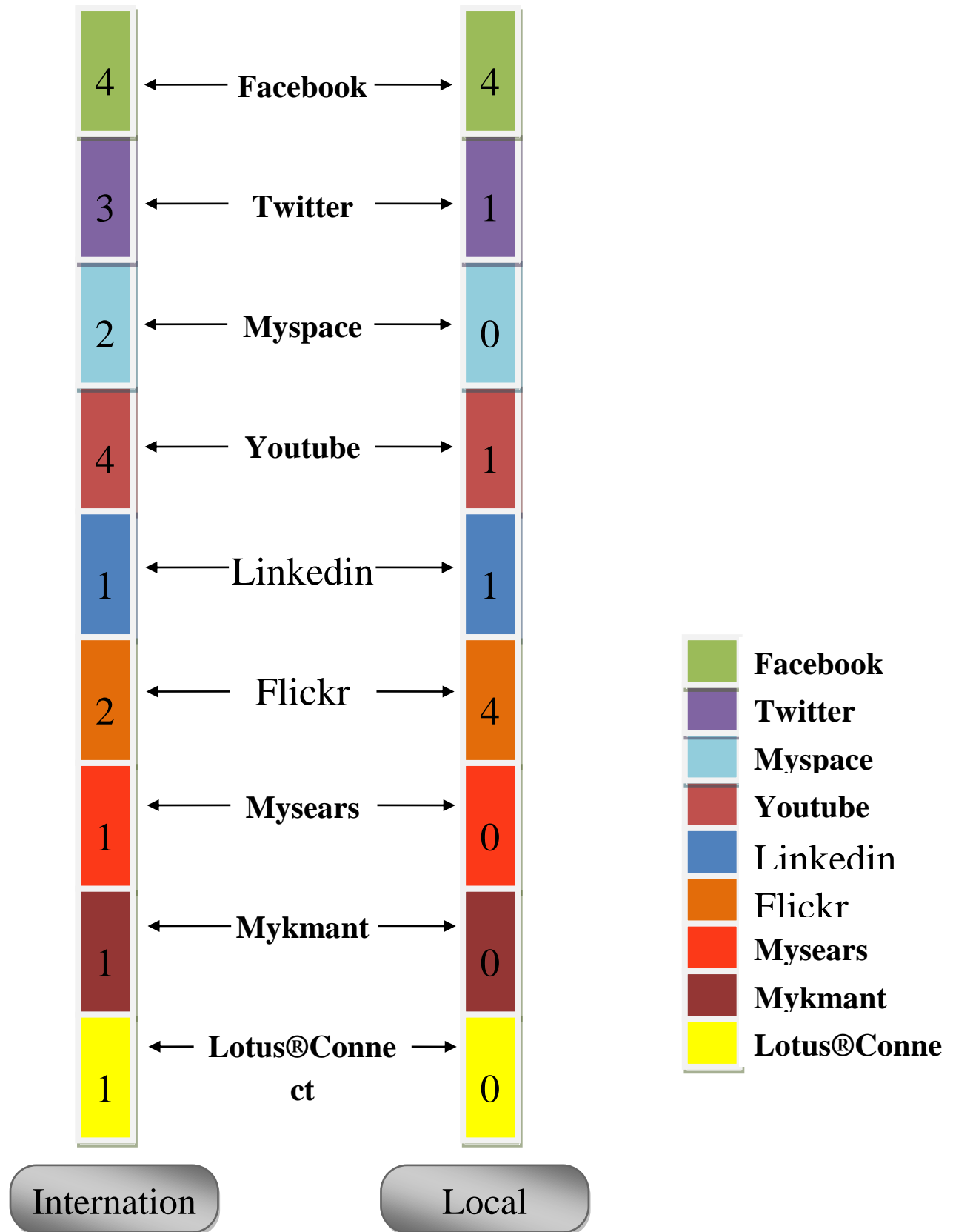
Figure 1 frequency of social network tools

Social Network Marketing Strategy

Some social network strategies were brought and digested out by the researchers that could be used as a challenge to some corporate companies. Many companies are now committed to improving the lives of their customers by providing quality service products solutions that earn their trust and build lifetime relationship. Ultimate, they are now strategizing to become an even bigger integral part of the online community with new changes and developments that will likely place them as a front runner of social networking and involvement. However, these companies according to research findings developed a marketing-based strategy that gives them a competitive advantage. The social network marketing strategies used by the companies are as indicated in Table 1.

Table 1: Social Network Market Strategies

CORPORATE COMPANIES			
INTERNATIONAL		LOCAL	
Name	Social Network Strategy	Name	Social Network Strategy
Coca Cola	Creates games and reinforce their brand image in the target markets' mind	J-Biotech	Organizing a sort of online quiz and making product tag, Thus, the customer contending with their friend
Ford	Creates online quiz applications making customers to challenge their colleagues about company's product and services	TM	Promoting products and then client can recommend to their friends.
IBM	Create demand-pull video advertising, web advertising & viral marketing	Celcom	Sending out information to potential customers through the network
Sears	Launch an open ID platform and directly connect users	Inter-pacific Securities	Make clients to challenge their friends about company's products
		Proton	Making an application about company's product to the clients

Social Network Usage Suitable For Corporate Business

As highlighted earlier, the use of social networking for corporate business indeed has tremendous advantage. This may perhaps improve company's performance in terms of promoting product and services. Most of the respondents were of the view that corporate companies need to be on social platform (their owned or public) in order to have competitive advantage. This is a great challenge to corporate companies.

Using social network, a company can benefit from the striking ways of doing business which could of a great competitive advantage. Suitable social networks are the ones that enable corporate businesses to achieve the following:

   i.   Finding buyers
   ii.   Find manufacturers
   iii.   Finding potential job candidates
   iv.   Create persona; friends or business connection group
   v.   Hire people
   vi.   Market product

VI.   CONCLUSIONS

In this paper we compared the use of social networks between selected international and local corporate businesses in Malaysia. By connecting on social network, individuals can easily get updates from customers and colleagues regarding company's products and services. This perhaps enables a

direct way to stay well-informed about what is going on in a particular company. Therefore, a company can diversify the means of sharing knowledge within an organization without additional effort especially company research related issues. Social media, if used effectively, can leads corporate companies to find potential job candidates who are skilled social networkers. The implication of this study is that the local companies can benefit more by adopting some of the strategies used by the international corporate companies.The companies set up the skills they want on social platforms, while the candidates had to be very active within social platform before they even come across it. This helps in getting the right potential employees needed by the companies.

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