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1. Introduction

In this chapter the authors provide a wide view on the topic of the thesis, delineate the purpose of the study and formulate research questions.

In recent years with the introduction of social media marketing communication has undergone dramatic changes. As the world has become increasingly connected, the focus has shifted from one-way communication (monologue) to two-way communication (dialogue) (Hans, Shneiderman & Smith, 2011). This transition towards user-driven technologies including social networks, blogs and video-sharing platforms has empowered companies providing a great variety of new channels and platforms to reach their customers and interact with them.

Social media are still identified as a relatively novel concept and referred to a set of online tools which support social interaction. The term allows differentiating from traditional media like television or newspapers, where content is made and published by professionals. Through social media tools users can collaboratively create, search, share and evaluate the large amount of information available online, as well as connect to, inform, inspire and track other participants (Hans et al., 2011).

Nowadays it has become popular to search for a product and check the results over the user-created content. Digital platforms such Facebook and Twitter facilitate increasing importance of consumer influence. Moreover, online opinions generally influence offline opinions, as they move into the traditional media (Smith, 2009). This Web 2.0 revolution is felt all around, even for those who are not actively involved in social media.

Although at the beginning social media were used by individuals only for peer-to-peer communication, with the lapse of time professionals started to utilize Web 2.0 platforms for business communications (Spekman, 2010). For example, 69% of the 1700 executives from all over the world reported that their companies achieved measurable business benefits with the help of Web 2.0, lowering costs and increasing marketing efficiency (Bughin, Chui & Miller, 2009). Due to their specific character, B2B companies started to adopt social media tools later than B2C organizations (Lehtimäki, Salo, Hiltula & Lankinen, 2009), however, not without a success. In 2009, 34% out of 500 fast-growing companies in the USA used social networking, 26 % - Twitter, 36 % - blogs or videoblogs in their dialogue with vendors, suppliers or partners (Barnes & Matsson, 2010).

1.1 Problem discussion

With the introduction of Internet and social media in particular, marketing tasks have become considerably easier for SMEs, defined by the European Commission as the “enterprises, which employ fewer than 10 persons and whose annual turnover or annual balance sheet total does not exceed 2 million euro” (Psaila, 2007, p.26). SMEs are strong driving forces in the economy of the European countries. According to the data reported by Bushfeld, Dilger, Hess, Schmid and Voss (2011) SMEs count for over 99 percent of all enterprises in Europe, and 90 percent of them belong to a category of micro-firms. These micro-businesses create 53 percent of the jobs in the continent. In Sweden, according to statistics from 2008, these figures are quite similar: 96 percent of SMEs are micro-firms (Statistics Sweden, 2008). Although many micro-firms emerge, they have hard times to

sustain in highly competitive and constantly changing environment. According to Huang and Brown (1999) Sales and Marketing are the most problematic areas for small companies. Some of them go bankrupt because of the lack of marketing efforts and poor marketing practice, especially when it comes to planning and implementation (Bruno & Leidecker, 1988). To create a profitable business demands a good knowledge of marketing principles, techniques and their implementation (Hogarth-Scott, Watson & Wilson, 1996).

Last year in the UK over one quarter of small B2B companies reported to use social networking sites in marketing (Michaelidou, Siamagka & Christodoulides, 2011). Social media inherited and even enhanced the benefits of the Internet, which is a market place and a media channel at the same time (Farhoomand & Lovelock, 2001), a cost-effective promotional tool (Ainscough, 1996), interactive and dense channel in a sense of the high amount of information delivered. The set of user-friendly and inexpensive technologies allow for social interaction, developing a network, share users-generated content (Fisher & Reuber, 2011).

As a matter of fact, many of micro-enterprises tend to underestimate the necessity of the planned marketing strategy. Deficit in resources affects the investment in marketing, forcing either to ignore the importance of marketing activities or to search for the alternative marketing strategies. Specifically, the founders and owners of micro-firms think that word-of-mouth marketing is much more sufficient for them than traditional advertising and marketing tools (Hogarth-Scott, Watson & Wilson, 1996). In comparison with advertising word-of-mouth provides a better message receiver involvement in conversation which influences information search about the product, its evaluation and purchase. Social media have a power to create word-of-mouth effect (Brown, Broderick & Lee, 2007), and thus can be exploited in marketing practice of small and micro-firms.

Today enterprises join social media platforms with the purpose to participate in information exchange, advertising and marketing research or update existing communication platforms using e-mails or social networking systems such as blogs or wikis (Turban, Bolloju & Liang, 2011). The benefit of social media utilization is the enhanced external communications, i.e. companies use platforms such as LinkedIn or blogs for promotion of their products and talking to the suppliers, business partners and peers effectively and at lower costs (Barnes et al., 2011).

According to Constantinides and Fountain (2008), companies can include social media tools in PR practice in order to create awareness among the new online opinion builders and pass the message through to their target markets. The research of Wright, who held the surveys on the impact of social media on PR in 2006-2009, shows: public relations practitioners believe that social media change the way their or clients' organizations communicate. As he has found, 85% of the respondents witnessed that social media complement traditional media channels, 72% thought they enhanced public relations practice and 84 % agreed that social media provide low-cost ways to develop relationships with members of different strategic publics (Wright & Hinson, 2009). However, up till now media sector has shown resistance. In particular survey conducted among 200 journalists in the USA has presented a dramatic gap between the adoption and conceptual acceptance or perceived value of social media as sources for information and writing articles (Lariscy, Sweetser, Avery & Howes, 2009). According to the results just 7,5% of journalists considered social media to be very important source in their work and 24,5% referred it to the important sources. In practice just 3% of media professionals used social networks,

message boards and Twitter. The majority utilize websites and blogs to search for newsworthy information. One third of respondents didn't spend any time in social media in their professional life.

The extensive utilization of social media by companies is constrained by several factors: the lack of knowledge on how to incorporate social media channels in marketing strategy, coordinating them with the goals and objectives of the organization and how to measure the effectiveness of the social media campaign (Larson & Watson, 2011), fear of negative word-of-mouth, uncontrollability of the discussions and uncovering confidential information (Lehtimäki et al., 2009). Mannonen and Runonen (2008) in their research on the use of social media by micro-firms conclude that existing routines of maintaining business communication together with the organizational culture prevent utilization of Web 2.0 tools, even though respondents recognize the need of social media adaptation.

1.2 Problem specification

Social media platforms such as Twitter, Facebook and blogs are used to reach clients operatively, directly and get a prompt feedback. Firstly, companies get connected through social media. Secondly, they use Web 2.0 tools to engage the customers in communication, i.e. to interact and build a positive relationship online with them (Society for marketing professional services, 2011).

According to Mangold and Faulds (2009), the role of social media channels in integrated marketing communication cannot be underestimated. Web 2.0 enables not only companies to talk to the customers, but even customers to communicate directly with each other. Sufficient integrated marketing communication creates synergy, when the utilization of different marketing channels achieves stronger combined effect than a sum of effects of those channels taken separately. But to achieve synergy, marketers should take into account how chosen media channels correlate with each other and what is the input of each of them into the campaigns' effects (Voorveld, Neijens & Smit, 2011).

Even if integration of social media tools in marketing practice of B2B companies is not a widespread phenomenon yet, particular patterns of involvement already exist (Safko, 2010). The mechanisms of integrating different social media platforms in marketing strategy are widely discussed in scholarship literature, and will be presented in the next chapter (Morrison, 2006; Hintikka, 2007; Miller, 2007; Bernoff & Li, 2008; Singh, Veron-Jackson & Cullinane, 2008; Lehtimäki et al., 2009; Skeels & Grudin, 2009; Kaplan & Haenlein, 2010; Safko, 2010).

Recently social media have been discussed in light of relationship marketing as the tools to build trust and interact with customers (Alam, 2012). The concept of developing relationships online was introduced by Kent and Taylor (1998). The authors stated that two-way communication could be used by PR-practitioners to establish long-lasting relationships with the audience, provide public information on the Internet and increase public knowledge and awareness. The dialogue could be maintained with the means of getting a feedback from the customers and responding: answering questions, regulating the problems etc. Users in their turn also benefit from the dialogue with marketers, getting "head and tail content", or both professional articles and user-generated content. Consequently customers don't feel interrupted as it happens with advertising but instead actively involved in communication process (Drury, 2008).

Since B2C companies started to use social media tools earlier, the volume of marketing research is dramatically prevailing, lagging behind the topic of utilization of Web 2.0 by B2B companies. According to Michaelidou et al. (2011), there is no systematic research on the utilization of social networking sites by B2B companies, and especially by small companies. The authors argue that while interest to the implementation of social media in practice of B2C companies appeared in 2004, specific attention to social media in B2B was first seen in 2010. More specifically, the use of Web 2.0 for micro-businesses is far from being researched (Barnes, Clear, Dyerson, Harindranath, Harris & Rae, 2011). It shows a knowledge gap in integrating social media into the marketing communication strategy. In light of this gap, this thesis contemplates to make an input in integrating social media into the marketing communication strategy of micro-firms that operate in international B2B environment. Furthermore, in the recommendations for further research Michaelidou et al. (2011) propose to investigate the utilization of social media by B2B customers. This suggestion is realised in this work which compares attitudes and perceptions of three different groups: supplier, retailers and mass media representatives.

1.3 Purpose

The overall purpose of this thesis is to deepen and broaden our knowledge of the application of social media into the communication strategy of a B2B micro-firm. The other purpose is to compare the integration of social media in direct and indirect, or through publications in press, ways of communicating the customers. The last purpose is to investigate if social media are an appropriate tool to build relationships with the customers.

1.4 Research questions

R.1 *How can the social media be integrated into the marketing communication strategy of micro-firms?*

R.2 *Which social media instruments (Facebook, Twitter, LinkedIn, YouTube, blogs, social media release) alone or in the combination are more efficient to utilize in B2B operations to serve a target segment?*

R.3 *What is the impact of social media on relationships with customers and mass media professionals?*

R.4 *Which blend of promotional strategies (both offline and online) is appropriate to utilize for micro-firms?*

1.5 Delimitations

Taking into consideration the limited time and resources, certain delimitations have to be drawn. The research is limited in terms of the scale of explored social media tools. Not all the existing Web 2.0 platforms are relevant to the practice of micro-firms and their area of operation. Thus the authors chose to investigate the effectiveness of a restricted number of most popular or innovative channels (Facebook, Twitter, YouTube, LinkedIn, blogs, social media release).

Since the focus of the thesis is on social media tools, the choice of other, both offline and online instruments are not deeply investigated in the research. Only social media channels will be analysed and discussed while answering research questions.

1.6 Dispositions

Chapter 1, Introduction:

In introduction the authors discuss the micro-firms and their utilization of Internet marketing tools. It is noticed, that micro-firms are especially motivated to find alternative approaches to reduce marketing costs, thereafter Internet activities and social media practices are relevant for them to exploit. The thesis begins with an introduction to the subject matter and is followed by problem discussion, problem specification, defining purpose, formulating research questions and presenting the limitations.

Chapter 2, Theoretical framework:

This chapter introduces the rise of social media marketing, or Web 2.0 and describes different social media platforms. Next follows the description of business-to-business marketing practices. Then the concept of integrated marketing communication is discussed. Later the customer relationship management is outlined as important component of B2B marketing. Finally, the planning process of integrating marketing campaign is discussed. After all flow the summarization of the chapter and its correlation with the research questions.

Chapter 3, Methodology:

This chapter will give the reader an understanding of the methodology used in this study. It presents the research philosophy, approach and strategy used in the thesis. Moreover, it refers to methods of collecting the primary and secondary data and provides an overall view of the data analysis and the evaluation of chosen methodology.

Chapter 4, Empirical findings:

This chapter presents a description of the empirical data of the study. It starts with the presentation of ID24, the firm that is used as the case study. Thereafter the results of observation and conducted interviews are reported.

Chapter 5, Analysis:

In this chapter the empirical findings will be analyzed with the help of the main concepts in the theoretical framework.

Chapter 6, Conclusion:

In this chapter the final conclusions are presented on the basis of the received empirical results and its analysis. The objective is to answer research questions and fulfil the purpose of the thesis. First, the ways of integration of social media platforms in marketing communication are suggested. Secondly, it is analysed which Web 2.0 tools are more advantageous to use, taking into consideration the target segment of ID24 customers. Thirdly, it is determined whether integration of social media can improve the relationship of the company with customers and mass media or not. Fourthly, the most efficient combination of the offline and online promotional strategies is suggested for micro-firms' case.

Chapter 7, Discussion and managerial implication:

The final chapter discusses the outcomes of the research with respect to limitations in order to provide a valid and reliable interpretation of the results. Furthermore, opportunities for future studies are discussed.

2. Theoretical framework

This chapter contains the theories, which will be applied for data collection and analysis. Theoretical framework includes sections devoted to the description of social media channels, business-to-business marketing communication, integrated marketing communication, customer relationship management and the process of planning integrated marketing campaign.

2.1 The introduction of Web 2.0 and the rise of social media marketing

Social media is “the set of connectivity-enabled applications that facilitate interaction and co-creation, exchange and publication of information among firms and their networked communities of customers” (Larson & Watson, 2011, p. 3). This definition is very close to the Web 2.0, which has become an umbrella term meaning a platform, where the content and applications are no longer created and published by individuals, but instead continuously modified by all the users participatory and collaboratively (Kaplan & Haenlein, 2009). Both terms in this thesis are used as synonymies because of the wide variety of formulations and contexts in academic literature and transparent borders between them.

The implementation of the social media can be beneficial in many aspects and used by different departments in the organization. In marketing it concerns the promotion of the products and services in conversations through blogs, online communities, video or user-generated sites such as YouTube. In sales it is an energizing approach of finding enthusiastic customers, who could spread the positive opinions about the company on social networking sites or in communities (Bernoff & Li, 2008).

Today marketing communication often has the component of buzz around the products or services (Singh, Veron-Jackson & Cullinane, 2008). Companies use viral marketing strategy to spread information and involve customers talking about their products or brands. And social media platforms are valuable and convenient to use for this matter. Although there are many different forms and approaches: blogging, podcasting, online video, social networking, message boards and wikis (Barnes & Matsson, 2010) the authors chose to describe hereunder the most popular of them taking as the criteria the number of active users and visitors. Facebook has about 800 million active users worldwide (Kain, 2012), LinkedIn – over 150 million members in over 200 countries and territories (LinkedIn, 2012), Twitter - over 100 million registered users worldwide (Twitter, 2011), YouTube – 800 million unique visitors every month (YouTube, 2012) and there are approximately 164 million blogs (Rightmix marketing, 2011).

Blogging: The term “blog” comes from the combination of two words - web and log. First blogs appeared in business world in the late 1990-s as project-management tools to connect different departments within the organization. The simplicity of exploitation – users neither needed to have a profound knowledge in technologies, nor install any special programs on their computers – was one of the reasons for its popularity. All the blogs have the same set of elements: comments which the owner or other users may leave on the page, categories or specific subjects discussed in the blog, trackbacks or the links to other sites and permalinks or permanent URLs to individual posts. Companies use blogs to stay relevant to the customers, to segment their audience and to personalize communication with them. Companies’ employees use blogs to share their knowledge and expertise in a particular field, initiate discussions and exchange the opinions. Today corporate blogs are used as the

means to maintain sufficient internal and external communication, get a promotion and generate ideas for new product launch. Involving customers in the dialogue helps the companies to build brand loyalty and reinforce their knowledge about its competencies (Singh, Veron-Jackson & Cullinane, 2008).

Social networking sites: These are online web-sources where users can create profiles, connect to the profiles of other users whom they usually know, making the content of their pages available to watch, leave comments, share links, upload the pictures, video and texts. Users make visible their social networks (Boyd & Ellison, 2008). The biggest social network community is *Facebook* (FB). It has been created in 2004. Just two years later not only individuals but also companies got a chance to register and create accounts on FB. During the first couple of weeks 4000 organizations joined this social networking community. According to Kaplan & Haenlein, (2010) through Facebook companies and firms create brand communities or conduct netnographical marketing research (netnography is “the online marketing research technique for providing consumer insight”, Kozinets, 2002, p.61). *LinkedIn* is another type of popular social networking sites with the focus on professional life where users are invited to publish CV and establish professional contacts and connections. The owners of paid accounts can search for professionals within specific career area and with specific characteristics. This site is useful for job seekers and recruiters, for consultants or vendors (Skeels & Grudin, 2009).

Content sharing communities (YouTube, Flickr, SladeShare): Are the websites where users can share texts, music, video and slides. They require minimum registration data and provide a broad audience. Thus not only individuals but also companies exploit it extensively integrating in marketing campaign. For example, some organizations encourage customers to create short video using brand products and other upload press materials and keynotes speeches (Kaplan & Haenlein, 2010).

Microblogs (Twitter, Pownce, Jaiku): Twitter enables users update short messages or “tweets” with the length up to 140 characters. Users can follow other users on Twitter and repost their messages. Nowadays news organizations are scanning Twitter for news about emergencies or nature disasters, or utilizing it as a news source. And companies exploit it to spread the information. Twitter is a very powerful instrument of word-of-mouth marketing. Statistically, almost every fifth of “tweets” mentions brands (Jansen, Zhang, Sobel & Chodury, 2009). Tweeter’s users share the number of features that make them very influential advisers of the new products or services. They are typically well-educated professionals with high income, who are interested in high technologies, and therefore are influential in their community, responsive to relevant marketing messages and tend to discuss it within the groups (Harris & Rae, 2009). The summarized table of possible implementation, advantages and barriers of the mentioned social media tools is presented in Appendix 1.

The introduction and growth of the Internet led to the increase in interest to public relations. PR-techniques traditionally adopted the art of conversation, dialogue and persuasion, while social media imply the two-way communication, open discussions and exchange of opinions and thoughts. These similarities create a substantial background for assimilation of PR on Internet and flourishing of the new forms (Brown, 2009). One of them is the social media release (SMR), which was prepared first by marketers of the SHIFT communications company in the USA as the progressive alternative to the traditional press releases. This new form differentiates from the original prototype

considerably: it contains tags for search, links to the relevant content, links to insert in social networks (Facebook), blogs, microblogs (Twitter), multimedia works like audio or video clips, and it can be shared through social bookmarks and RSS or sent to the e-mail of journalists (Brown, 2009, p. 130).

2.2 Business-to-business marketing communication

Under the term “marketing communication” the authors understand “the combination of the elements, activities and techniques an organization employs to connect with and persuade the target market to engage in a particular action or response such as buying a product, using a service or accepting an idea...”(Govoni, 2004, p.158). With regard to traditional marketing communication model, the common elements of any marketing communication process are the sender, the message and the receiver, connected by a media channel, presented on the Figure 2-1. Before sending a message the sender should verify if the content and the form of the message are relevant to the target audience and encode the message in the way that target audience would understand and accept it. While noise, or the source of distraction, may prevent the accurate reception of the message, the goal of the sender is to minimize the risks of misunderstanding and ignoring the message. And the choice of media channels plays not least role in this task. Internet technologies facilitate effective marketing communication, but don’t insure against the noise. They cannot replace personal communication, even if providing more flexibility and reducing costs of marketing communication (Czinkota & Ronkainen, 2007).

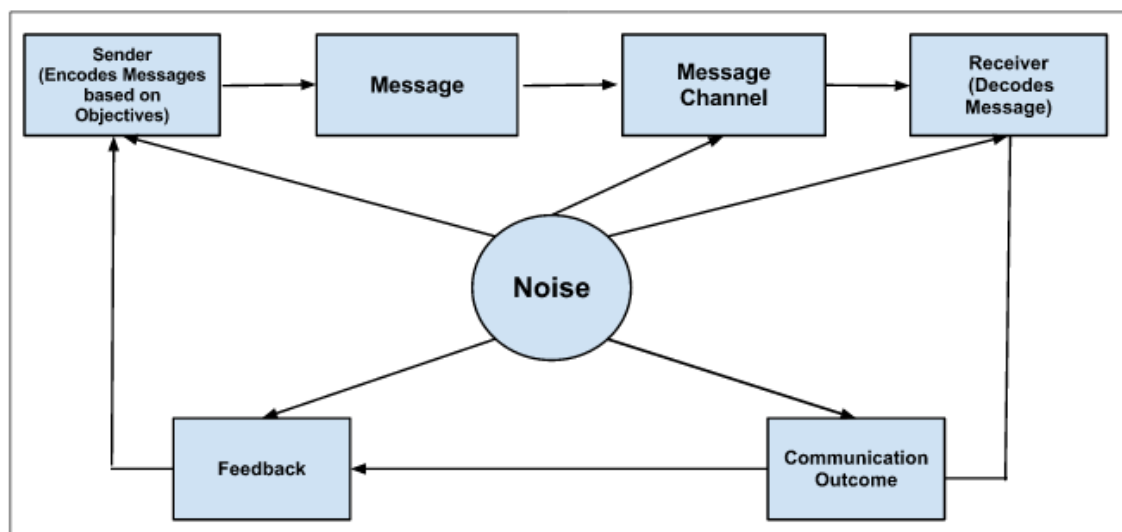


Figure 2-1 Marketing Communication Process (Czinkota & Ronkainen, 2007)

In day-to-day practice the rules and mechanisms of B2C operation are not always applicable for B2B companies that have their unique features and peculiarities. Since there are not so many customers as in B2C sales, business-to-businesses are built on person-to-person communication, they have smaller number of rivals, get more recent feedback from the customers and they are likely to develop long-term relationships with the individual customers rather than with market segments. Constructing communication message they use rather rational than emotional arguments. In B2B practice purchase decisions are more complex and taken by complex DMU (decision-making-units) and buying groups (Wright, 2004; Gilland & Johnston, 1997).

The intensity of usage of different social media tools also varies, comparing B2C and B2B companies (This is illustrated on the Appendix 2). B2C companies show a bigger interest to Facebook (96% vs. 88%) and YouTube (58% vs. 53%) than B2B companies. And B2B companies value Twitter (86% vs. 82%), LinkedIn (84% vs. 57%) and blogs (73% vs. 63%) more than B2C companies do (Stelzner, 2011).

With the utilization of Internet tools in B2B marketing some significant changes occurred. Relationships have been changed from “a supplier perspective” to “customer perspective”, adapting to customers’ individual needs and increasing customer loyalty. Companies can collect information about potential customers, segmenting and targeting them more efficiently. By sharing content about the organization, blogging or networking companies increase their visibility on Internet since they can be found in general search engines like Google or Yahoo. Businesses can also increase customer awareness through the viral marketing, when not the companies but customers instead share the opinions about the products. However, there are also substantial obstacles on the way of Web 2.0 utilization. The biggest risk is to lose confidential information. Also personalized offline communication is a norm in B2B environment, which can create some difficulties in changing communication patterns among the firms. In addition, even if social media marketing is inexpensive, it still needs time and resources to manage (Lehtimäki et al., 2009). Benefits and barriers of the employing of social media tools in the practice of B2B companies are summarized below in a Table 2-1.

Advantages	Barriers
<ul style="list-style-type: none"> ➤ Strengthening and expanding customer relationships ➤ Brand building ➤ Lead generation ➤ Employee communications ➤ Enhancing communication in partnership ➤ Enhancing communication in R&D ➤ Demand generation 	<ul style="list-style-type: none"> ➤ Lack of support by top management ➤ Lack of metrics of measuring effectiveness of Web 2.0 marketing ➤ Technical challenges if marketing do not know how to utilize different Web 2.0 tools ➤ Maintaining Web 2.0 tools demands commitment to continuous content generation and maintenance and it takes a lot of time and effort to maintain the chosen marketing strategy

Table 2-1 Advantages and barriers on implementing social media tools in practice of B2B companies (Lehtimäki et al., 2009)

2.3 Integrated marketing

About two decades ago marketing professionals believed in mass marketing and could allocate up to 75 % of the marketing budget into advertising. Nowadays, in the time of market fragmentation and niche marketing, this principle is not efficient in many cases and is substituted with integrated marketing. Instead of relying on a single communicational channel marketers prefer to combine several ones delivering company’s messages to

consumers. The concept called integrated marketing communication suggests that a company “carefully integrates its many communication channels to deliver a clear, consistent and compelling message about the organization and its brands” (Kotler & Armstrong, 2008, p.401). First academic articles devoted to integration marketing communication appeared in the beginning of 1980-s (Holm, 2006). As a full-format concept it was presented massively in 1990-s.

Integrated marketing communication is the art to combine various promotional strategies and use different media channels for delivering marketing message with the aim to increase customer awareness. It can be combination of media-specific and non-media-specific communication tools, i.e. of marketing broadcasts and prints on the one hand, and selling materials (direct sales, telemarketing campaigns, trade show participation) and publicity (press releases, press conferences, technical articles in trade and technical journals) on the other hand (Gilliland & Johnston, 1997).

The integration of different online media platforms has taken the form of linking. As an example, the e-mail sent to the customer or the social media release can contain the links to the company’s website, account on social networks or blogs. On the one hand, it facilitates information search, on the other – increases the coverage by raising the number of references (Brown, 2009).

Integration, though, cannot be performed mechanistically. The choice of the tools should be motivated, creative and based on the goals and objectives of the organization, its strengths and weaknesses, barriers and opportunities. IMC belongs to the strategic decisions of the company, thus three significant characteristics of the strategic planning have to be included: the long-term perspective of the organization, gaining competitive advantage and the scope of activities (Holm, 2006). Strategic planning increases performance of the small companies, therefore it should be in a focus of organization (Smith, 1998).

The value of the social media integrated into the marketing strategy of a company can be discovered with the help of the AIDA hierarchy of effects model, which describes the steps of buying process. Awareness is the first stage in the chain of reactions, when a product and company are presented to the customer. Interest, or the next stage, is the case if the customer has discovered that product has some advantages and wants to know more about it. Desire is the step when customers realize that the product can satisfy their needs and have a wish to buy it. Action is the final step, which is the actual process of purchasing or trying the product.

AIDA model provides a valuable framework to find correlation between used marketing promotion strategies and objectives. Initially the model was supposed to present a chain of reactions caused by advertising. But nowadays it is used in a broader context or for describing marketing communication effects (Garber & Dotson, 2002). It suggests the pattern of how to use a mix of methods to evoke customer awareness, interest, trial and purchase. Designing a promotional campaign marketers should be aware of the specific effects of different tools and channels. For example, trade magazine’s advertising is the way to cause awareness, direct mail leads to interest, phone calls create a desire, personal selling leads to action (Wright, 2004). Research conducted by Lagrosen (2005) showed that Internet communication is a weak tool to attract customers, although it is a powerful instrument to awake interest, desire and action.

To the 4 steps, mentioned above, already in 1911 Sheldon added the fifth, satisfaction as a necessary and important part of long-time selling process (Barry & Howard, 1990). Nowadays practitioners often use AIDAS model because it highlights the importance of post purchase evaluation and retention of the customers. These steps of selling process are in focus of customer relationship management. Grönroos argues (2004) that relationship perspective substantially influences integrated marketing communication. Therefore the next paragraph of the thesis reveals the essence of the customer relationship paradigm.

2.4 Customer relationship management

The concept of customer relationship management is one of the keystones in modern theory of marketing. By this term after Kotler and Armstrong (2008, p.13) the authors imply “the overall process of building and maintaining profitable customer relationships by delivering superior customer value and satisfaction”. CRM is focused on how to attract customers and retain them. Companies have recognized that it is more profitable to build long-lasting relations with a smaller number of carefully chosen customers, rather than practice mass marketing. Customer relationship management is built upon the customer perceived value and customer satisfaction. When customers consider which product to choose among different options, they compare the ratios of the benefits and costs and decide upon the optimal offer. Then, after purchase they start to use the product and evaluate again – if the promised quality satisfies their expectation. And higher satisfaction is the prerequisite of the better customer loyalty, which in its turn leads to more sufficient customer performance. However, providing customer value is not the only and isolated goal. Marketers can easily gain customer satisfaction with lower prices or wider range of services, but this will decrease the profitability. Thus, customer relationship management aims to find “the golden middle” between the interests of the company and the customers.

The application of new media presented new approaches of how to reach customer loyalty, which can be explained within the frame of “playing pinball model” (Hennig-Thurau, Malhotra, Frieger, Gensler, Lobschat, Rangaswamy & Skiera, 2010). This model is presented on the Figure 2-2 with some modifications.

In the past companies used traditional marketing tools: 4 P marketing mix and customer loyalty programs to make an impact on customer relationships (arrow A) together with traditional media, i.e. public relations (arrow F). Customers were the passive receivers of information coming from the companies or media (arrows B and E). It resulted in relationship outcomes such as purchase and customer retention. The key features of this kind of communication are prominent control over the marketing message and minimization of negative coverage in mass media by developing and sending brand-shaping messages. With the application of new media, organization is losing control over the information flow, but it can instead participate in the talks, reacting to the responses from other sides, like beating back the ball in chaotic environment. A company cannot always handle all the multiple responses. But participating in the conversations, marketers can learn more about customers’ needs and have the possibility to improve the opinions about the company and its products (Hennig-Thurau et al., 2010).

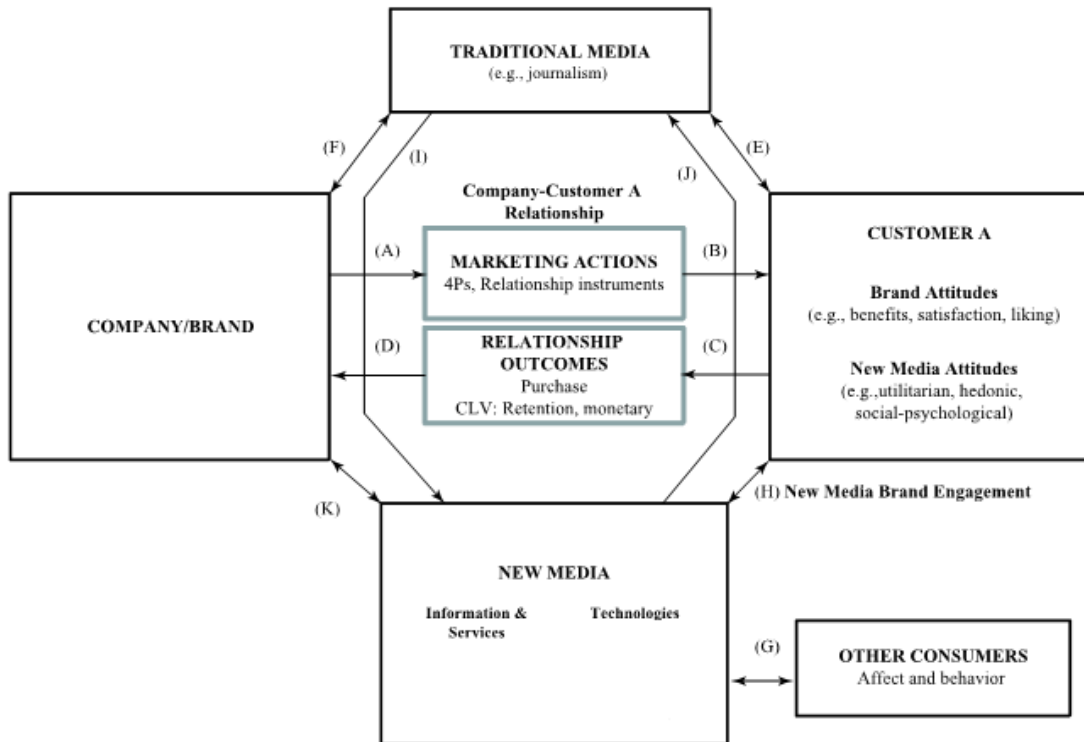


Figure 2-2 Conceptual “playing pinball” framework: effects of new media on relationships (adopted from Hennig-Thurau et al., 2010).

2.5 Planning integrated marketing campaign

Micro-firms usually don't have enough resources and financial support to conduct marketing research or to make and follow a marketing plan. They are mostly concerned with day-to-day operation and have short-term objectives. The outcome of the fragmentary and chaotic efforts cannot be productive or measurable. The utilization of social media tools means systematic approach and clear goals and objectives. That is why before using Internet as a marketing tool Watson, Zinkhan and Pitt (2000) suggest to answer two questions: “How many existing or potential users are likely to be Internet users?” and “What is the information intensity of the product to describe it completely?”

The process of planning marketing strategy with social media requires considering different aspects. They are summarized and presented in the Table 2-2. The initial step of choosing a communication channel is the verification if the target audience is using it to get information. What matters also, is the right choice of appropriate tools, relevant and creative content (Lehtimäki et al., 2009). There should always be devoted employees at hand who will constantly update the content and interact with the customers, getting a feedback from them.

Know the environment	The main thing is to know which kinds of tools are appropriate for the company and how to use them properly.
Creativity and content	In social media it is all about content and creativity. Only content interesting enough lures users in to participate and share the content forward in a viral way.
Committed personnel and support of the management	Since web 2.0 tools require constant updating and new content, devoted personnel are required.
Continuous content generation	New content needs to be generated continuously in order to keep customers interested.
Measurement	Measuring the interaction level and visitor amounts is quite simple with web 2.0 tools.
Specified goals	There should be specified goals set up in order to measure benefits reached with web 2.0 tools.
Listening and discussion	Through interaction with customers a company can get useful feedback to enhance its operations and to maintain customer relationships.

Table 2-2 Main issues when planning marketing with web 2.0 tools (Lehtimäki et al., 2009)

Measuring effectiveness is the necessary stage of planning of the integrated marketing campaign. The broadly used parameter to measure marketing strategy performance is *Return on marketing investment*. This is “net return from marketing investment divided by the costs of the marketing investment” (Kotler & Armstrong, 2008, p.57). IAB (The Interactive Advertising Bureau) distinguished the following criteria for social media sites and blogs. Social media sites allow to count the quantity of Unique visitors and the Costs per unique visitor, Page views and Visits, Return visits, Interaction rate, Time spent, Video installs, Relevant actions taken. Blogs’ ROI is evaluated in terms of Conversation size (number of sites, links and reach of a conversation whose content contains relevant phrases), Site relevance (Conversation density, Author credibility, Content newness and relevance) (Fisher, 2009). Or, when it comes to measuring PR effectiveness, similar measurements can be used such as the number of TV/radio programs, newspaper articles, articles in the web publications and blogs, number of friends on MySpace and number of views on YouTube videos, etc. (Wattal, Schuff, Mandviwalla & Williams, 2010).

However, ROI measurement isolated from qualitative data cannot be persuasive and reliable enough. Both the number of the comments and the content of messages is important. Therefore effectiveness can be measured in terms of awareness, persuasion and collaboration (Larson & Watson, 2011). Awareness about the product, service or the company itself is the first step of establishing customer loyalty. Given the opportunities for two-way communication and interaction with the customers, businesses can apply new methods and tactics to persuade in the necessity of making a purchase. In the collaboration both the companies and the customers can obtain a value, resulted in co-creation. But unlike the effects of awareness and persuasion, the effects of the collaboration are hardly to frame as “cause-effects” since they are more complicated. Alternatively, marketers can evaluate customer relationships: increase in customer attraction and customer retention that can result in the growth of customer lifetime values and customer equity.

2.6 Summary of the theory

Aiming to investigate the process of integrating social media platforms in marketing strategy, the authors have carefully studied secondary data sources and established related theoretical background. Based on previous research, they outlined the range of aspects that

should be taken into account while suggesting possible ways of utilization of social media in combination with traditional marketing channels.

The answer to the first research question, “*How can the social media be integrated into the marketing communication strategy of micro-firms?*” requires a detailed response. It covers the basic principle of integration marketing communication saying that different marketing communication channels should be combined rationally and purposely. It implies a thoughtful inspection of the “playing pinball model” (Hennig-Thurau et al., 2010). This theory provides a framework for analysis of marketing communication process that has nowadays become dramatically sophisticated and unpredictable. It leads to the overview of integrating social media channels in direct communication with customers and in PR communication, which means including mass media specialists as middlemen between companies and customers. In frame of this part the authors take a closer look on the marketing strategy perspective and discuss practical aspects of social media adoption.

The second research question, “*Which social media instruments (Facebook, Twitter, LinkedIn, YouTube, blogs, social media release) alone or in the combination are more efficient to utilize in B2B operations to serve a target segment?*” can be answered after exploring and analysis of different social media channels, collecting information about their implementation in marketing communication strategy and comparing these samples with the realities of the company of interest. The efficiency of the social media channels will be discussed in the context of AIDAS model which suggests a better platform for clarifying applications of different social media channels in marketing communication strategy. In context of the “playing pinball model” (Hennig-Thurau et al., 2010) the authors aim to study if different social media channels should be applied for communication with different receivers of information: customers and mass media representatives, depending on their characteristics.

Providing the answer to the third research question, “*What is the impact of social media on relationships with customers and mass media professionals?*” again attributes to the revision of the “playing pinball model” (Hennig-Thurau et al., 2010) and implies a discussion in frame of this theory. The authors reflect, by which means can relationships with the receivers of information be maintained and what factors contribute to the strengthening of these relationships.

Finally, the answer to the fourth question, “*Which blend of promotional strategies (both offline and online) is appropriate to utilize for micro-firms?*” depends in a high degree on the responses to the previous research questions. It will be discussed if social media platforms can replace traditional marketing channels, outperforming them in speed of reaching the target group, reliability and trustworthiness, or if they should be integrated. Final justification of the social media channels effective for business-to-business communication as well as for PR communication will be suggested.

On a conceptual level, in last decade social media platforms have gained so much weight and power, that this has influenced not only relationships between the individuals but also organizations. Traditional model of the communication with the existence of receiver sending message to recipient gives a way to the new model where recipients are engaged in conversation with the sender and also with each other. In this process not only the content of a message is meaningful but also the skill to manage the conversation, predicting needs and wants of the recipients and adequately responding.

3. Methodology

This chapter presents the research philosophy, approach and strategy used for this specific study. Moreover, it refers to the methods to collect the primary and secondary data. Finally, it provides an overall view of the data analysis and ends with the evaluation of chosen methodology.

3.1 Research philosophy

Research by the definition of Kothari (2004) is the scientific and systematic search for potential information related to a specific topic and is done through the art of scientific investigation. In order to conduct a scientific research there are specific steps for a researcher to go through. Onion process introduced by Saunders, Lewis and Thornhill (2009) shows different stages that have to be clarified before starting to collect data. As illustrated in Figure 3-1, these stages are research’s philosophy, approach, strategies and time horizons.

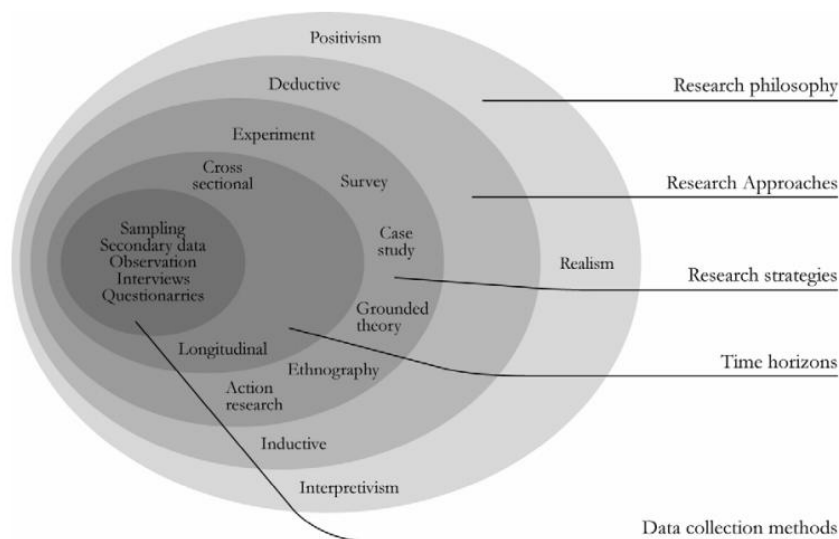


Figure 3-1 Onion process by Saunders, Lewis & Thornhill (2009)

Research philosophy is the first layer and is about deciding on the overall viewpoint on the whole world. This is the root of the whole research process. The values of a researcher will affect both the research that has been pursued and the methods selected to pursue it. Research philosophy by Saunders et al. (2009) is classified into realism, positivism and interpretivism. In general, two main research paradigms used by marketing researchers are positivism and interpretivism (Carson, Gilmore, Perry & Gronhaug, 2001).

The research philosophy applied in the thesis is interpretivist method. As the study only focuses on the subjective interpretation and qualitative data, this research philosophy can help the authors to fulfill their purpose and answer their research questions.

3.2 Research approach

Second layer of the onion process suggested by Saunders et al. (2009) is the research approach that includes inductive and deductive methods. According to Hyde (2000) in the inductive approach researcher first collects the data and then explores it with the purpose to see on which themes or issues he or she can concentrate. It is a theory building process going first through observation and then seeking for establishing generalization about that specific phenomenon. Moreover, marketing science has historically developed methods

related to confirming theories rather than discovering them. Malhotra and Birks (2006) mention that the interpretivism attempts to establish the legitimacy of the approach through induction.

As this thesis covers the topic related to the marketing communication and utilizes the interpretive philosophy an inductive research approach is selected. The authors started their investigation from a specific observation, had a cautious look at the process of data collection and then moved towards theories with the goal to establish a theoretical framework for empirical data.

3.3 Research strategy

According to Saunders et al. (2009), research strategy includes survey, experiment, case study, grounded theory, action research and ethnography. Authors of this research applied case study as their research strategy. Case study, in its common definition, is the study of particularity and complexity of a single case that aims to understand activity within important circumstances. It generally includes a comprehensive investigation with data collecting over a period of time.

According to Stake (1995) a case study strategy can be best applicable when the researchers have an active part in the organization under the study. As one of the authors was engaged in the activities of the company under study, this strategy was selected. The experience empowered the authors to focus on the case of ID24 and get comprehensive data from the company, concerning how it operates and how it aims to utilize social media in marketing communication.

3.4 Research method

Qualitative and quantitative researches are two methods of gathering data that are based on the information type in the research process (Neuman & Lawrence, 2003). Shay (2001) argues that qualitative methods are most suitable for a marketing research as a number of different opinions and not just one truth must be revealed. Therefore qualitative method is selected for the study. This technique offers the opportunity to collect a wide range of information from different groups of people related to the case study of the thesis. Since utilization of social media is a rather new approach in marketing and there is little knowledge of how it affects B2B marketing communication, a qualitative study can provide more nuances and better understanding than a quantitative.

Qualitative research plays a major role in marketing decision-making process as an exploratory tool. In case studies exploratory research is frequently used to formulate the problem and gather insights. It is more flexible and unstructured in terms of collecting information (Shukla, 2008). In this study an exploratory research design is adopted because the qualitative research method of collecting data is applied, and the authors attempt to investigate different aspects of the research theme rather than confirm existence of strictly defined paradigms.

3.5 Time horizons

According to Saunders et al. (2009) and Menard (2002), time horizons of a scientific research can be either cross-sectional or longitudinal. Cross-sectional research examines data at one point in time and measures the variables only once on each case and during the same period. Longitudinal research examines data in different time periods and the

variables are measured repeatedly. Due to the time constraints, the cross-sectional time horizon is selected for this study and data is collected under three months.

3.6 Data collection

Data can be obtained through primary and secondary sources (Merriam, 2002). Primary data are collected by the researcher for the purpose of a specific research and is related to the particular problem, while secondary data are collected for purposes other than the problem at hand (Smith & Albaum, 2005). Authors of this research utilize both approaches to overcome the limitations of each of the methods, gather relevant data and approve it with the previous research.

3.6.1 Primary data collection

Primary data are collected principally for a specific research purpose and may employ a variety of methods from qualitative research to surveys and experiment (Aaker, Kumar & Day, 2003). According to Saunders et al. (2009), primary data collection methods are observation, questionnaires, sampling and interviews. The methods selected for this research are observation and interviews.

3.6.1.1 Observation

Observation is the most spread data collection method in qualitative research (Newman & Benz, 1998). This method implies gathering information through watching and recoding relevant facts, actions and behaviors (Kumar, Aaker & Docy, 2003; Bennett, 1995).

In this study one of the authors was involved in the activities of the company for two months and got the opportunity to explore working environment and participate in day-to-day activities. Therefore the authors gained the opportunity to observe how the company's managers discussed and motivated the necessity of applying social media channels, and how they formed their professional networks on Web 2.0 platforms, combining them with traditional marketing methods to obtain the best outcome.

Regarding the modes of administration, observation techniques are classified into personal observation, electronic observation, audit, content analysis and trace analysis (Malhorta & Birks, 2006). Personal observation is applied to this study as a suitable method when researchers have the opportunity to observe the actual behavior as it occurs.

Observation method in a research has a number of advantages comparing with interviews and questionnaires. It allows to record information directly, without relying on the retrospective or anticipatory accounts of others. The observer can notice something that participants don't pay attention to. Data collected in observation can be used as a check on and a supplement to the data obtained from other sources, in this master thesis it supplements interviews. However, observation method has some specific limitations such as inadequacies of the measuring instruments and subjectivity of the observer (Sapsford & Jupp, 2006), which creates a need to employ other data collection methods such as interviews. The limitations of applied methods are explained in more details in the method evaluation part of this chapter.

3.6.1.2 Interview

Interview is a series of questions and responses with a specific purpose (Aaker et al., 2003). Carlsson (1984) argues that the advantages of conducting interviews are in the higher

frequency of response and lower misunderstanding due to the better situation for the respondents to express themselves easier and more freely.

Telephone interviewing is less time consuming than personal interviews, but its substantial limitation is the inability to employ visual aids. Personal interviewing reduces the likelihood of the respondent's refusal to complete the whole questionnaire, allows asking complex and probing questions, provides the opportunity to clarify misunderstandings. The disadvantage of this type of interviewing is the higher time consumption, the higher costs and difficult administration (Aaker et al., 2003).

In this study personal or face-to-face interviews were conducted with company staff, located at the main office of the company in Uppsala and some of the retailing companies located in Jönköping. Mass media professionals and other retailer companies were contacted through telephone interviews because of the time limitation, recourse limitation, interviewee's busyness and distance factor (some of the respondents are located outside Sweden).

The type of the interviewing selected is the semi-structured interview, which is in-between the open and pre-coded interviews. According to Fisher, Buglear, Lowry, Mutch and Tansley (2007), in semi-structured interviews the interviewers follow a pre-determined schedule of the main topics, but the respondents have the freedom and latitude to respond the questions in the way they find convenient. Moreover, probing is used to obtain more meaningful responses and discover hidden issues.

3.6.1.3 The choice of respondents

Important moment in conducting interviews is the reasonable choice of the respondents. What matters is their experience with the phenomenon under research (Collis & Hussey, 2003). The purpose of this study was to perform the interviews with the marketing managers of the companies or other professionals with exclusive knowledge about marketing communication and social media application, as well as mass media representatives knowledgeable about social media. Table 3-1 illustrates the list of the interviewees.

In ID24 interviews were conducted 3 respondents, as Table 1-3 "a" illustrates. Business development manager is one of the founders of the company who has the best knowledge about organization, its development and integration of social media into the marketing communication. Project manager together with marketing and communication manager provided comprehensive information about the technical circumstances and various levels of their operation in social media.

Table 3-1 "b" shows the mass media representatives. They are mostly contacted through the LinkedIn account of ID24 business development manager. It was a way to make sure that the respondents are active in social media and therefore have a better and clear point of view about utilization of social networks. Moreover, employing this network helped the authors to get connected to some media professionals from trade magazines. As social media provide international networks, authors decided not focus on a specific country or region and performed the interviews internationally.

a. Interviews with ID24 company staff

Company	Position	Date & Length	Type of interview
ID24, Sweden	Marketing & communication manager	22/03/12 30 min	Personal
ID24, Sweden	Business development manager	23/03/12 30 min	Personal
ID24, Sweden	Project manager	23/03/12 30 min	Personal

b. Interviews with social media representatives

Company	Position	Date & Length	Type of interview
SVT (Sweden)	Reporter	21/03/12 15 min	Telephone
RLI Magazine (UK)	Web designer	22/03/12 15 min	Telephone
CRM Magazine (USA)	Associate editor	25/03/12 15 min	Telephone
Freelance Journalist (Sweden)	Reporter	25/03/12 15 min	Telephone
Alltid nyheter, (Sweden)	Reporter/social media correspondent	04/04/12 20 min	Telephone
News Bureau (Sweden)	Journalist	06/04/12 15 min	Telephone
Magazine Entreprenör (Sweden)	Senior publisher	13/04/12 25 min	Telephone

c. Interviews with existing and potential customers

Company	Position	Date & Length	Type of interview
Stroms (Sweden)	Marketing & communication	23/03/12 15 min	Telephone
YlloTyll (Sweden)	Store manager	27/03/12 15 min	Telephone
Marcrossi Srl (Italy)	Sales manager	11/04/12 15 min	Telephone
Butiken (Sweden)	Owner	17/04/12 20 min	Personal
Trojkabutiken (Sweden)	Owner	17/04/12 30 min	Personal
Telia Sonera (Sweden)	Head of community communication, External communication	20/04/12 25 min	Telephone
Apoteksgruppen (Sweden)	Store manager	20/04/12 25 min	Personal

Table 3-1 (a, b, c) Interviews' respondents

Part "c" of the table 3-1 provides the list of the existing and potential customers. Since ID24 does not yet operate with many clients authors decided to search for the companies

that can be considered as potential customers. Moreover, they applied to the opinion of the independent expert from international corporation, who has extensive knowledge and experience employing social media channels in marketing strategy. Again, data is collected from different countries.

3.6.2 Secondary data collection

Before starting to collect the primary data researchers should find and analyze the relevant secondary data. Collection and analysis of secondary data helps the researchers to develop a proper approach and define the research problem. Thus, secondary data is the essential component of a successful research (Malhotra & Birks, 2006). This type of data is already available, as it is collected for solving other purposes than the present problem (Aaker et al., 2003). Secondary data is fundamental in sample designs and in deciding on the details of primary research methods. Moreover, it has a major impact on the conduction of collecting primary data, its direction, analysis and interpretation (Malhotra & Birks, 2006).

The major benefit of secondary data for a researcher is saving in time and costs. The information can be collected through two different sources: internal and external (Aaker et al., 2003). As the company under study is a micro-firm, access to internal secondary data is very limited and as a result authors only applied external sources: published data sources and computer-retrievable databases.

3.7 Data analysis

Next step after collecting data is analyzing it, which requires a number of closely related operations. At this stage data is turned into the meanings and messages and builds up an appreciation of the structure and the possibilities for analysis (Sapsford & Jupp, 2006). In contrast with quantitative content analysis, which allows the researcher to systematically apply a pre-existing set of codes to the data, qualitative analysis is “data-derived”. In a qualitative study codes are applied systematically, but they are generated from the data within the course of the study (Yin, 2003). The process of data analysis is divided by Saunders et al. (2009) to five different stages:

- Comprehending the data;
- Integrating related data drawn from various transcripts and notes;
- Identifying the key patterns from them for further exploration;
- Developing theories based on the apparent patterns and/or relationships;
- Drawing the conclusions.

These techniques are adopted in Empirical findings, Analysis and Conclusion parts of this study. The process of data analysis starts by extracting the most significant data from all the massive of information gathered in interviews and observation. Researchers identify the main variables and factors in the research and reduce the data to access the most related and practical parts. After the data is retrieved and organized, it should be interpreted. Identified key patterns should find theoretical support in secondary data in order to establish relationships between collected data and research questions and verify the conclusions.

3.8 Method Evaluation

The authors of this thesis have chosen to conduct a qualitative research in the form of case study and collect data through observation and semi-structured interviews in order to fulfill the purpose of the study and answer research questions. Nevertheless, there are some

limitations in the performed methods and alternative ways to increase the trustworthiness of the study. In order to overcome these limitations authors applied the validity, reliability and confirmability tests of evaluation.

3.8.1 Validity

The concept of validity is the most critical in qualitative studies. It tests the degree, to which an instrument measures what it is supposed to measure (Kothari, 2004). Validity of a research is divided into internal, external, construct and ecological (Fisher et al., 2007). Internal validity is the degree to which researchers are successful in eliminating confounding variables in their study (Fisher et al., 2007). This is the only qualitative concept of validity that concerns this study.

Validity in observation is the extent to which observations are accurately recorded, while it can be threatened in a number of ways. Inadequacies of the measuring instruments applied to the observation can cause some bias in data analyzing. This can happen due to selectivity of observer in note keeping or relying only on memory. Furthermore, subjectivity based on personal knowledge and background can affect what observer selects to observe and how the observation is interpreted and recorded (Sapsford & Jupp, 2006).

In order to increase the level of validity observations have to be systematically recorded rather than stored in memory, carefully interpreted and analyzed. Thus in order to reach internal validity the everyday working experience in ID24 was written down. Field notes were taken either during the observation or shortly afterwards. Moreover, researcher should be alert about observer's bias and subjectivity. When a person becomes a member of a group, his/her point of view can be influenced by group. To overcome this limitation every detail of the company's activity was critically analyzed and questioned by the authors. Since the other author was not involved in the activities of the company it facilitated in providing more objective and unbiased view.

Interviews are flexible methods and need a high level of precaution. According to Campion, Pursell and Brown (1988) the validity of structured interviews seems to be higher than unstructured interviews. Authors of this research decided to conduct semi-structured interviews, where respondents are free to add more comments, but the main topic of discussion is in the interviewer's control. Both personal and telephone interviews were recorded with the aim to provide the authors with a better opportunity to take notes and analyze the responses.

3.8.2 Reliability

Although "reliability" is a concept that is mainly appropriate for evaluating the quantitative research, it is frequently used in qualitative as well. This concept rates the accuracy and precision of the whole procedure of measurement (Kothari, 2004) and helps to overcome the limitation of a qualitative research and generate high quality understanding (Eisner, 1991). In this study in order to increase the reliability of the data collection process and to reduce interviewer's bias, prior to the first interview authors performed a pre-test of the interview questions to measure the level of understandability and apprehension and then conducted the main interviews. Pre-tests were conducted with a professional journalist for the interview questions for the mass media representative group, and with one of ID24 employees for the interviews with company and customers.

In main interviews questions were sent to the interviewees in advance, so they could

contemplate about the topic and provide more detailed insights and observations. All the interviews were carried out with a pre-set appointment, letting respondents decide over the time of interview and trying to decrease the level of stress or work pressure.

3.8.3 Confirmability

Confirmability by Lincoln and Guba (1985) is the test of neutrality in a qualitative research and evaluates if the findings of a study are shaped by the respondents perceptions and not researcher's bias, motivation or interest. This concept assures that personal opinions, beliefs and values of the authors are left aside. To achieve confirmability researchers must take steps to demonstrate that findings emerge from the data and not from their own attitudes. According to Riege (2003), they should assure also, that collected data are interpreted in a logical and unprejudiced way.

The authors believe that personal judgements have not affected at any stage of data analysis, and with the aim to assure it, they carefully revised tape recordings and taken notes again afterwards. The amount of gathered information and its quality allowed the authors to build theoretical judgements in open and uninfluenced manner. While reporting empirical results they also avoided evaluating formulations and sentences to achieve neutrality. Under the period on working on thesis, during seminars, they were opened for discussions and criticism, accepting corrections and arguments as the constructive assistance in gaining objectivity. Moreover, the extensive data is provided in the thesis for readers to be able to evaluate how the research was conducted and conclusions drawn.

4. Empirical findings

This chapter provides a description of the empirical data of the study based on the observation and interviews. It starts with the presentation of ID24, the firm that is used as the case. Thereafter the results of observation and conducted interviews are reported.

4.1 Presentation of the company

In this thesis the authors investigate the integration of social media tools in marketing strategy based on case study of ID24, a micro-firm, operating in B2B environment in retailing industry. The company is established in the year 2008 and its main office is located in Uppsala, Sweden. It offers interactive touch-screens, which can improve the customer service in stores. The idea is to present alternative solutions to plastic loyalty cards and to get rid of paper forms and paper receipts. The consumers only need to show their ID rather than carry a wide variety of plastic cards from various retailing companies. When the customer pulls his/her driving licence or other ID card, the contact information appears on the touch screen and the customer can approve membership, check out their bonus or give feedback on the service.

This concept is environmentally friendly since its utilization facilitates reducing carbon dioxide emission, which is otherwise a part of issuing plastic cards. Moreover, digital receipt can be sent to the pre-defined customers' e-mail addresses instead of using usual paper receipts.

In 2011, ID24 were a finalist at the Oracle world retail award. Currently company promotes its product internationally. Apart from Scandinavia the firm has launched its product in Germany, Netherlands and France and plans to make installations in Belgium, Turkey and the UK.

4.2 Observation

Unlike many other micro-firms who perceive marketing communication as a luxury, management of ID24 understands its importance for the growth of the company. Two months of cooperation with the company have provided an opportunity for researchers to obtain valuable information regarding how the company is integrating social media platforms, which social media channels are employed, how professional relationships are built through different social media channels and which combination of traditional and social media platforms is considered to be optimal in the organization.

4.2.1 Integration of social media platforms

Till the beginning of 2012 ID24 had limited resources to invest in the marketing communications. Aiming to improve their marketing activities, its chief executives decided to focus on alternative approaches and utilize an integrated marketing strategy, mixing traditional promotional methods and social media practices.

Since establishment ID24 extensively utilized different traditional marketing tools such as personal sales, participation in exhibitions, direct mail, telemarketing, website, e-mails and newsletters. On the one hand, chief executives believe that traditional marketing channels play an important role in finding new customers and increasing sales. On the other hand, social media are an appropriate instrument for any company, that wants to achieve competitiveness and fame, and therefore they can be very useful for ID24 as well. At the moment ID24 is using some of the Web 2.0 tools and aims to test and utilize others more

extensively in the future. The detailed description of various traditional marketing channels and social media platforms employed by the company is presented in the following and next sections.

One of the traditional channels is personal selling, which was mainly in practice as the starting point. Chief executives considered it to be the fastest way to reach a target market. Besides, at the beginning of each fiscal year directors of ID24 search for the most important international trade fairs and try to get registered there. They believe this is the best way to meet their potential customers and let others know about their product. Trade fairs create an opportunity to meet the CEOs of large and famous retailing companies and develop professional network. In March, 2012 they participated in Retail Business Technology Expo in London and met some potential customers that were interested to receive more information and possibly sign a contract in the future.

The company also makes use of telemarketing, which is done through direct calls to the headquarters, trying to reach CEOs or marketing managers and providing information about the product.

Regarding Internet tools, ID24 has a website with the description of organization, its products and target market. They also send digital newsletters to potential customers, informing about the benefits of the product and successful installations in different countries. To make the product more “visible” pictures are attached to newsletters.

4.2.2 The choice of social media platforms

The active social media platforms in ID24 currently include Twitter, LinkedIn, Facebook and YouTube.

Twitter: ID24 created this account at the beginning of February, 2012, when one of the authors started to cooperate with the company. It was a chance to follow the process of utilizing this network step by step. Profile provides brief information about the company and the link to its web page. ID24 pursued two main purposes with the decision to be presented on Twitter. The first was to use it as a marketing channel to post news and information about organization’s latest achievements and share links to the corporate website or other promotional websites. Secondly, the company planned to create a professional network of mass media contacts to get updates about their latest activity and also to let them know about the company.

LinkedIn: Managers of ID24 are mostly active in LinkedIn. It is a platform that people mostly use for the professional purposes, and therefore they easier accept to be connected to users that they don’t know personally. And when different people with the same name are found, their professional activity and working place allow detecting the right person.

Facebook: Company has a Facebook page, but it is not used or updated actively. There are only 13 “likes”. The page was created with the purpose to be present on Facebook at the moment and utilize it in the future more extensively. It shows company’s contact information, different pictures of the products and links to the video on YouTube.

YouTube: ID24 has uploaded 2 videos on YouTube. They have the same content and the second one is basically a new version of their previous work with additional details. The latest video shows how customers can enhance their in-store experience by utilizing ID24

touch screens. It provides explanation about the product, its functions and utilizations. The video has been viewed about 350 times but with only 4 “likes” and no comments.

4.2.3 Building relationships with social media

With the help of Web 2.0 the company plans to build a network of important contacts, win recognition, find new customers and increase sales. In ID24 social media are perceived as effective channels for contacting both customers and media representatives and creating professional connections.

For these matters employees of ID24 started to search through a list of 300 mass media representatives in different magazines, TV and radio stations around the world specializing in such themes as retailing, environment, entrepreneurship, technology and advertising. The names in entire list were searched in Twitter, LinkedIn and Facebook. The goal was to create a professional network in each of those channels.

LinkedIn: This social media platform is currently the most valuable for the company. It provides a wide range of professional networks where getting connected to a person means gaining an access to personal contact information such as e-mail and phone number, which creates the opportunity for further communication. From the whole list of journalists 150 were found in LinkedIn and half of them have accepted to be connected to ID24.

Twitter: Search for the names of mass media representatives was also performed through this social media channel. Currently ID24 is following 195 people and have 30 followers with only 10 mutual followings. The mutual following is very important for the company, because on Twitter it is only possible to send private messages to those who are in the followers’ group. Direct messages are also limited to 140 characters and do not let the person sending detailed information. Marketing department planned to “tweet” about the press release before and after its publication and send private messages to the limited number of media contacts that started to follow the company.

Facebook: At the beginning mass media representatives were also searched on Facebook through the account of the business development manager. But this platform has limitations in creating a professional network. Searching for a person can result in more than 10 people with the same name and without further professional information. While creating the network of mass media contacts, about 100 names were searched in Facebook, but only 14 were found and just 2 accepted the request to become “friends”.

4.2.4 Offline/online marketing communication

Currently utilization of social media channels in ID24 mostly concerns communication with the mass media representatives and especially with the professionals from trade magazines. The managers think that publications in press and stories on TV and radio will lead to higher customer awareness.

At the meeting with project manager and business development manager different methods to get promoted were discussed:

1. Paid channels: advertisement in newspaper, radio and TV.
2. Non-paid channels: public relations.
3. Own channels: newsletters, website.

According to their point of view, since ID24 is a micro-firm, it is more convenient to focus on the non-paid channels, which means getting articles published about the company. The managers believe that after publishing their latest press release and contacting the mass media representatives through different means of communication (e-mail, phone calls and different social media platforms), they will get presented online and offline in mass media and it will be an assured way to reach their customers. Figure 4-1 presents the idea of ID24 managers over marketing communication.

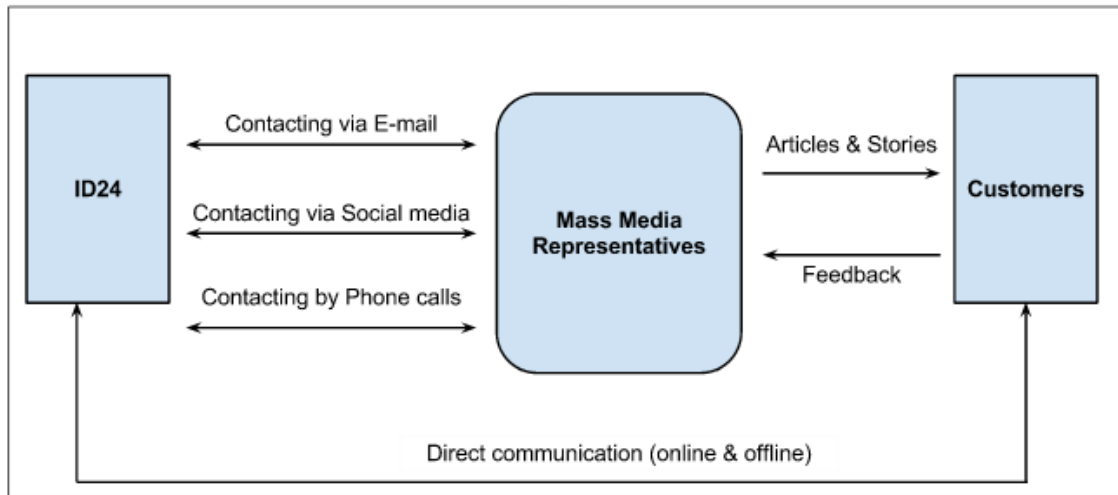


Figure 4-1 Marketing communication at ID24

To find the most appropriate contacts, it was planned to extract an “A-list” from the entire contact list. The “A-list” was shaped first according to the number of subscribers and popularity of mass media channel. 2-3 media were selected in each country where ID24 is currently presented or plans to be presented in the future. The process continued by contacting journalists and editors, who were previously found on social media platforms and appeared to be active, both through social media and with e-mails. They were informed about the press release of the company and asked about a perspective to publish material.

4. 3 Interviews

The authors conducted personal interviews with managers of ID24, telephone interviews with seven mass media representatives (located in the USA, UK and Sweden) and both telephone and personal interviews with one existing and five potential customers. Moreover, the independent expert from a large international corporation with a profound knowledge in social media marketing was proposed the same questionnaire as customers, with some additional questions, requiring deeper explanations and elaborations. Two of the respondents don’t use social media in their marketing communication, therefore they were excluded from the analysis.

Interviews helped to discover the process of integration of social media in marketing strategy from different perspectives, gathering insights and attitudes on the more advanced in comparison with observation level. The names of the respondents are dropped so that readers could concentrate on the content of the chapter and not to be disrupted. Empirical results are presented in a structured way, corresponding with the research questions 1-4: integration of social media platforms, the choice of social media platforms, building relationships with social media and offline/online marketing communication.

4.3.1 Integration of social media platforms

4.3.1.1 Company

As it has already been mentioned, the platform for marketing strategy in ID24 is represented by traditional offline marketing practices such as telemarketing, letters and attendance of the retail fairs. As business development managers notices (personal communication, March, 23, 2012): *“There we can meet our potential clients, exchange business cards and present briefly our products, and, of course, more contacts – more sales”*.

Then after meeting professionals at retail fairs, they can be contacted by letters, e-mails, phone calls or LinkedIn. However, LinkedIn can itself be exploited as a starting point in company’s presentation. It has already provided ID24 with contacts among media representatives. Many profiles on LinkedIn are often linked to accounts on Twitter, and this is a way of first finding a person on LinkedIn and then following him or her on Twitter. Management of the company finds this experience to be very successful.

The scope of work regarding utilization of social media platforms in ID24 is divided in the following way. The project manager is responsible for the website and uploading videos on YouTube, while marketing and communication manager is occupied in integrating Facebook, Twitter and LinkedIn. Business development manager coordinates the utilization of all the social media channels. Other employees in the company are not engaged in social media activities. And as business development manager argues (personal communication, March, 23, 2012) in the nearest future there are no plans to engage the rest of the team members in usage of social media for corporate needs. Nevertheless, he mentions that marketing and business sectors should be represented more broadly on LinkedIn, and specialists from product development sector could start writing blogs in the future. Since the company has started using social media only recently, it has not reached yet stability and periodicity. In the future management of ID24 expresses the willingness to apply Facebook, LinkedIn and Twitter more extensively.

The other topic for discussion raised in interview with the company was the possible challenges while integrating social media channels in marketing communication strategy. The respondents had to choose from the list of risks and threats, also collected from secondary data, those, which are relevant for ID24. Among the concerns, urgent for the company, are the uncertainties how to measure the results and the lack of human resources. Another barrier for expanding social media in marketing communication of the company is the strong tradition for offline communication. Thus, assumes project manager, it can be better for a company to focus on using social media for initiating a contact with potential customers but then switch to the traditional marketing channels for closing a purchase. The fear to lose confidential information was also admitted to be a serious obstacle by the respondents. At the same time, other challenges such as the lack of knowledge how to integrate social media or unpredictability of the discussions among social media users, as well as negative feedback are not considered to be a concern.

4.3.1.2 Mass media professionals

Social media have naturally and smoothly become a part of the reality for mass media professionals. First and foremost it is now almost the same source of information as news agencies, press conferences or private contacts of the journalists. Reporter and social media

correspondent from Alltid nyheter (personal communication, April, 4, 2012) says that she and her colleagues search on social media people for interview. Sometimes those who haven't replied on telephone, answer on Twitter instead. *"Social media allow us "to measure the temperature" – with the help of Twitter or Facebook we are able to see peoples' reactions when something is taking up speed quickly"* - she explains.

Senior publisher of Entreprenör magazine (personal communication, April, 13, 2012) describes, that he uses Twitter and Facebook for obtaining information and keeping track on events in export areas. This is the way of finding interesting people, watching them on entrepreneurship arena and listening to other media. This is also social networking: *"Being out there is being on peoples' top of mind, so they don't forget you"*.

Some of the respondents like associated editor of CRM Magazine (personal communication, March 25, 2012) even think that social media have already taken over offline channels for speed and knowledge. And, as he argues, many companies seem to have realized this and are pushing their online or technological experience for the reader, "tweeting" through conferences or offering an online version.

Social media are the relevant source of information in terms of promptness, agree the majority of respondents. As associated editor of CRM Magazine, USA (personal communication, March, 25, 2012) formulates it: *"I use Twitter to send quick, targeted messages to people I need to reach immediately and follow their news feeds to get up-to-date information"*.

But as for the reliability and objectivity of social media channels, opinions vary. This is just a media channel, and what it really important – content of the message, the sender and the context, argues reporter and social media correspondent from Alltid nyheter (personal communication, April, 4, 2012). At the same time she argues that it is even easier to verify information about a person who is calling to the newsroom on social media, where you can find the history of account. If this person has many followers on Twitter, he will probably not risk their reputation, providing wrong information.

In the nearest future traditional sources of information will not disappear, since they perform the function of a "neutral judge" to verify facts and prove information. This leads to the symbiotic relationship, but not a substitution, considers reporter and social media correspondent from Alltid nyheter (personal communication, April, 4, 2012). Senior publisher of Entreprenör magazine (personal communication, April, 13, 2012) on the opposite is confident that social media will become some kind of reporting studio or newsroom on its own and take a lot of market share and attention from traditional media. He thinks that in the future 80 per cent of information will come from social media.

Just three of the respondents use social media release in their practice, the others are not aware about this form. However, those who are utilizing it in their work are more than satisfied as the freelance reporter for local newspapers (personal communication, March, 25, 2012) who reflects: *"The social media release might be better than the traditional one because of its "reachability". I've been using it a lot in practice, mostly through mynewsdesk.com"*. On the opposite, senior publisher of Entreprenör magazine (personal communication, April, 13, 2012) doesn't see a big difference between press release and social media release because a great amount (around 400 press releases a day) of promotional messages he gets and substantial number of news sources (around 15) he uses.

4.3.1.3 Retailers

First of all, with the aim to find out if the companies can be receptive being contacted on social media by other companies, the authors asked how purchase decisions are usually taken in the organization.

The owner of Butiken (personal communication, April, 17, 2012) claimed that in most cases distributors are trying to reach them, but it also happens the other way around. After having heard about a brand or seen it, they search for information on Google and visit brand's website. They also trust recommendations of the colleagues. Butikens' owners also attend exhibitions. They think that their Facebook page can mostly be useful for communication with consumers, while potential business partners tend to check a website to get a better idea about store. It is preferable for suppliers to have a personal meeting with store managers and see the store in order to understand how consumers will perceive their brand.

The assortment of Trojkabutiken is specific: Russian food or souvenirs. The owner (personal communication, April, 17, 2012) is getting food products from one of the two biggest sale houses located in Germany. And when it comes to souvenirs she knows, which of them she would like to buy and directly contacts producers in Russia sending them e-mails and calling to check if they want to collaborate directly or through dealers.

Sales manager in Marcorossi Srl (personal communication, April, 11, 2012) states that they search for information about new products at different websites and blogs and also get advice from experts who know market prices and fashion styles. Sales manager explains: *"We check the website of the seller and if the offer is interesting, we call them to know more about their conditions and later on we purchase"*.

Store manager at YlloTyll (personal communication, March, 27, 2012) explains that they mostly receive information about products with e-mails or letters or visiting exhibitions like Formex. Also some companies have sellers who come to the store to show their products. When deciding about a purchase, it's important that the product fits into the concept and has a good price. Sometimes in order to buy, it is important to talk with a seller and sometimes communication with e-mails is enough.

Secondly, the respondents were asked if they pay attention to advertising of other retailers placed on social media and if it could influence their purchase decision. The owner of Butiken (personal communication, April, 17, 2012) admits that she notices advertising placed on Facebook as well pages of different brands, but hasn't bought yet any product based on that. Furthermore, it wouldn't be enough to take a decision to purchase after communication with the company on social media. However, when it comes to the brands, which are already presented in store, they upload their information on Butikens' Facebook page and comment uploads of the Butiken. Similar opinions have expressed also the owner of Trojkabutiken (personal communication, April, 17, 2012) and sales manager of Marcorossi Srl (personal communication, April, 11, 2012).

Store manager at YlloTyll (personal communication, March, 27, 2012) argues that Facebook is more appropriate for communication with consumers, however, she is checking FB pages and blogs of the other yarn-shops to see their activity.

The head of community communication, external communication at TeliaSonera (personal communication, April, 20, 2012) admits that he is not sure if he would make a purchase, but thinks that so called sponsored stories on Facebook can be effective: *“If a friend of mine is liking or using some kind of product, I will take an extra-look at it, which I wouldn’t probably do if it were just a commercial itself”*.

Thirdly, the respondents were asked about their attention towards providing customer service on social media. Some of the respondents, like the owner of Butiken (personal communication, April, 17, 2012) support this idea: *“If consumers have some questions, it’s better to answer them on Facebook. It’s important to give consumers extra value so that they would feel a little bit special”*. Her opinion shares the head of community communication, external communication at TeliaSonera (personal communication, April, 20, 2012) who believes in effectiveness of social media for providing a customer service, based on his experience: *“We have measured and found out that people who were in contact with our brands on social media, are very pleased and it increases their loyalty”*.

The owner of Trojkabutiken also meets with enthusiasm the idea (personal communication, April, 17, 2012) in a situation when she is providing customer service. However, she would not choose herself getting a customer service in business questions through social media, since it is not confidential. On the contrary, store manager at YlloTyll (personal communication, March, 27, 2012) thinks that in particular cases social media can be used by business for getting customer service. For example, it is easy and convenient getting information on Facebook if sellers have delayed on packaging or if there are some special closed days. And sales manager of Marcorossi Srl (personal communication, April, 11, 2012) considers LinkedIn to be most relevant among suggested social media channels for providing customer service for businesses since it's a professional network.

Fourthly, the respondents were asked in which way they would prefer to be contacted by suppliers, meaning traditional offline and online methods, social media and mix of those. Majority of the respondents share the opinion that traditional offline and online channels, excluding social media would be a preferred option. Personal meetings, Skype and telephone conversations or e-mails would be the best option. In particular, store manager at YlloTyll (personal communication, March, 27, 2012) believes that using social media would mean to discuss publicly such sensitive questions as prices and the choice of products, therefore personal communication is better. The optimal way for the company to be contacted is through e-mails.

According to the head of community communication, external communication at TeliaSonera (personal communication, April, 20, 2012) the best way to contact a company depends on the type of the company and its offering. He explains: *“Since I’m online all time, digital platforms would be convenient for me. But if I don’t know the company, I would probably need some kind of referral. Maybe, through sponsored story from a friend of mine recommending this company”*.

4.3.2 The choice of social media platforms

4.3.2.1 Company

In the interview the authors suggested respondents to compare affects, that can be achieved with particular social media channels, using AIDAS-model, which was described earlier in the theoretical part. Hereunder there is a summary of the opinions, collected from all three respondents. They had a difficulty to determine the role of Facebook. This

channel is more difficult to be adapted for business matters, since most users exploit it for private communication. It can also be problematic to recognize the identities of needed professionals there.

Twitter can create interest and attraction. It is exploited with the aim to inform about the company and its products. The company can link its Twitter account with the website, so that “followers” could easily find detailed description of the organization and products. It can also be utilized for increasing customer satisfaction, helping to decide their problems or answering the questions. LinkedIn can also be necessary in getting interest and attraction through one-to-one communication online. It is used to connect to the journalists and potential clients. YouTube can be utilized to create attraction and interest. It can be also utilized for creating desire, even though there is no confidence that this channel is relevant for B2B companies enough, since it is mostly used to present some general information, missing specific description of the products. Finally, blogs can be used at all the stages, but mainly for achieving desire and satisfaction.

The choice and utilization of different social media channels should be a subject to the specific purposes of the company. With regard to the motives and intentions collected from secondary data the authors suggested the respondents to detect empirically connections between five explored social media channels and motives to implement them in practice of the organization. LinkedIn was named to be a significant channel in the marketing communication. It is a platform appropriate for getting new contacts and partnerships, developing and reinforcing relationships. The advantage of Twitter is in receiving a prompt feedback from the customers. It is also a news channel to get current information about the actual events in their field of work. Moreover, its utilization lets decreasing marketing expenses, developing relationships with the customers, generating ideas for new products.

Facebook is considered by respondents to be a mean to reach potential customers, develop and reinforce relationships with the customers and partners, increase sales and get a feedback from the customers. YouTube was ranked to be mostly convenient instrument for promotion of a product in videos and pictures. Blogs can also be used for the same purpose as YouTube, but also for getting a prompt feedback, developing and reinforcing relationships with the customers and partners, increasing sales. Mixture of all the channels facilitates generating new ideas about the products and getting a strong competitive advantage for the company, concluded the respondents.

4.3.2.2 Mass media representatives

Reporter and social media correspondent from Alltid nyheter (personal communication, April, 4, 2012) describes her workplace as a consumer-oriented radio news channel on web, which is active on social media: everything that is recorded should also be “tweeted” and “blogged”. Correspondents stream and update all the news on Twitter, and use this channel to find eyewitnesses or collect users’ opinions about actual topics. Twitter is a fast channel, convenient to announce upcoming programmes and events. Blogs wouldn’t be appropriate for this matter, considers the respondent. Facebook is also used to some extent.

Reporter at TV channel SVT (personal communication, March, 21, 2012) is constantly exploring social media channels in his work. As he puts it: “*I use social media for many purposes*”

and all the time. Any information can be found in social media, but the channels that are mainly useful for me to find stories are Twitter and blogs”.

Freelance reporter in a number of local, both online and offline newspapers (personal communication, March, 25, 2012) is utilizing social media channels such as Facebook, Twitter and YouTube for the professional needs. This is mostly a way to find a subject to write about, contact a person for interview and get a better perspective on the events.

Web designer in RLI Magazine (personal communication, March, 22, 2012) explains that this magazine is presented on Facebook, Twitter, YouTube and Blogger. There was an account on Google+, deleted later because of poor performance. Social media platforms are exploited for communication between readers and magazine, and for advertising of media and its events. Also LinkedIn was used to contact employees within different companies.

Reporter in News Bureau (personal communication, April, 6, 2012) notices it is presented both online and offline. He uses his Facebook and Twitter pages, conducting research on different topics and developing professional relationships.

Associated editor of CRM Magazine, published online and offline, (personal communication, March, 25, 2012) uses for professional purposes Twitter, LinkedIn, YouTube and WordPress, mostly for developing professional connections.

Senior publisher of Entreprenör magazine, which has a print and online version (personal communication, April, 13, 2012) explains that social media are used by employees for networking and journalistic work: keeping track on people, checking out what is happening, trying to get readers on the site and to the correspondents' blogs.

4.3.2.3 Retailers

The owner of Butiken (personal communication, April, 17, 2012) explains that this local clothing store is presented on Internet with a website and a page on Facebook. She thinks that social media presence helps to attract consumers to the store, to communicate with them and reach them easy and fast. As soon as new products have arrived, or some famous person has visited the store, it's published on Facebook.

Similarly, the owner of Trojkabutiken (personal communication, April, 17, 2012) has a web page and account of Facebook, where some brief information and pictures are uploaded. She plans using other social media channels, as they are sufficient to disseminate information quickly. However, social media platforms pose a threat, since they can be used for some negative purposes. Also writing a blog would be advantageous, but its very time consuming and thus not relevant.

According to sales manager in Marcorossi Srl (personal communication, April, 11, 2012) this store has a website and blogs about the products of the company. Social media channels are used for some particular events such as end season sale of the samples. They invite fashion bloggers to help with the advertising of the products.

Store manager at YlloTyll (personal communication, March, 27, 2012) explains that this store is presented with a website, blog and Facebook page. She motivates the necessity to be active on social media: *“For us social media is another way of marketing the shop, and also it's a*

solution of being more personal in a way we can't be on the website".

The expert in social media marketing, head of community communication, external communication at TeliaSonera (personal communication, April, 20, 2012) says that company includes 35 brands in 15 countries, and each brand can choose any social media platform they think is appropriate. He clarifies: *"On a corporate level we set social media guidelines, and they are applicable at any platform brands are using"*. There are 33 pages only on Facebook done locally in each country. Some brands also use Twitter, YouTube, Google+ and other social media platforms. Respondent explains that he is the only person in corporation who works solely with social media. But has a network in each of the countries. He is in contact with people in charge for social media who are occupied in different units: in communication, marketing or customer service. His job is to lead, assist, monitor and measure all the brands on social media and, apart from all, to write a blog.

The respondent thinks that social media are relevant for businesses, because this is a digital communication in the form of dialogue. The companies should make their choice of social media platforms by listening and trying to understand where their customers are. He considers Facebook to be the outstanding channel for B2C since this is the biggest platform globally, while blogs are exceptional for B2B. This is because B2C is like mass market and with B2B customers usually have a salesperson that is their contact and helps them.

In order to be efficient with blogs the blogger should be aware of what kind of messages he wants to get across and present them in a nice way and be relevant to the business. But if the blog is not interesting, readers will ignore it. In TeliaSonera there are even two CEOs in Nepal and in Moldova who are writing business blogs themselves, which is quite unusual. In order to not reveal any corporate information, employees sign loyalty and secrecy agreements. They also should avoid incorrect information and complains about competition.

4.3.3 Building relationships with social media

4.3.3.1 Company

The managers of ID24 find social media are efficient platforms for building their professional relationships both with customers and mass media representatives. Marketing and communication manager believes that utilising both traditional and social media platforms make the company able to overcome the limitations of each platform and maintain the best possible outcome in creating professional networks. *"To get initial contact, social media are efficient resources. This is our first step to contact a customer, and to follow up we include letters, e-mails and if we get a response we perform sales calls to them"* (personal communication, March, 22, 2012).

Moreover, as the marketing and communication manager argues, social media *"for micro-firms is a way to save time and resources"* (personal communication, March, 22, 2012). These platforms also empower the companies to maintain and strengthen relationships. Project manager thinks when social media are utilised to build the relationships, they will also help to go to other stages and create and strengthen relationships with customers and other companies. Although all the managers at ID24 believe in B2B environment, social media should always work besides traditional media and can never be utilised solely. *"When both*

sellors and customers are companies, the need to personal relationship is more important. Social media can help to create, maintain and strengthen the relationships, but it should always be alongside traditional media” (personal communication, March, 23, 2012).

Social media tools can be very useful in creation of value for the customers, considers business development manager (personal communication, March, 23, 2012). They are mostly Facebook and blogs, according to his opinion. They allow providing practical and interesting information for the customers, sharing knowledge, answering the questions and finding solutions of customers’ problems. Marketing and communication manager (personal communication, March, 22, 2012) thinks that Facebook can be an efficient tool to understand customers’ behaviour and handle complains. Twitter is also appropriate for this matter.

As a result, social media are a better channel for building and maintaining relationships while traditional media are more effective for sales, concludes marketing and communication manager (March, 22, 2012).

4.3.3.2 Mass media representatives

Majority of the respondents agree that for the companies social media are relevant platforms to build, maintain and strengthen relationships with other companies and mass media. According to SVT reporter, (personal communication, March, 21, 2012) social media are all about making relationships and allow building and facilitating any type of relationships.

“Companies use their social media channels as a bridge or a meeting point to communicate events, developments and standpoints to journalists. Journalists can easily get info and make inquiries” – considers freelance reporter (personal communication, March, 25, 2012). She thinks that maintaining relationships can be achieved through the exchange of information between companies and their customers or journalists.

Associated editor of CRM Magazine (personal communication, March, 25, 2012) highlights the importance of personification with social media that facilitates a better communication: *“Social media are more approachable than e-mailing someone at their corporate account. Others can see my photo, my likes and dislikes, and decide if they want to work with me.”*

Web designer in RLI Magazine (personal communication, March, 22, 2012) considers social media offering the ability to communicate with famous people and business, and as long as it is positive interaction, more and more people will use it. The platform for maintaining relationships, according to his idea, is the improved customer service. He underlines: *“With social media companies don’t have an excuse for bad customer service”*.

But some of the respondents are more sceptical. Reporter of News Bureau (personal communication, April, 6, 2012) reflects that even if social media tools can provide a direct communication, a telephone call or a face-to-face meeting are more efficient. Or as associated editor of CRM Magazine (personal communication, March, 25, 2012) says: *“This is a great way to be relevant and to make “face time” without making “face time”. But it still does not replace the face-to-face, which I believe is the characteristic of real journalism and communication”*.

Senior publisher of Entreprenör magazine (personal communication, April, 13, 2012) finds

social media instantly help to get more of a personal relationship, than if somebody would send a press release, and this is a positive moment. Nowadays it has become a bit easier for companies to get in touch with journalists and attract their attention. But if the company wants to get in into mainstream media, obstacles are still the same. It should constantly update presence and it doesn't matter if the presence is on social media or on the market. And when it comes to relationships, senior publisher of Entreprenör questions the possibility to achieve them between companies and mass media at all: *“If the journalist has written about your company, the chance of writing soon again just because you have relationship is minimal, it doesn't work this way. Business journalism is about finding stories, and we have a good story, we print it or broadcast it. Thus I would use instead of relationships the word “attentionship”.*

4.3.3.3 Retailers

Do social media help companies to communicate with suppliers and journalists, making a product more “visible”? This question found both “pro” and “contra”. Sales manager of Marcorossi Srl (personal communication, April, 11, 2012) believes that social media platforms facilitate communication, helping companies to gain awareness. However, she thinks that personal contact still is more significant in communication with suppliers. To the thought of the owner of Trojkabutiken (personal communication, April, 17, 2012) social media can be valuable in increasing the efficiency of communication, but business relations should be based on confidentiality, which is at risk in this case. The owner of Butiken (personal communication, April, 17, 2012) argues: *“I don't think business questions can be regulated with the help of messaging on Facebook, because this is not private”.*

The head of community communication, external communication at TeliaSonera (personal communication, April, 20, 2012) argues that if to look at Sweden only, Twitter users are usually press- and PR-people, or hard-core technical specialists. And on Twitter one can open a specific account, based on interests, which is very convenient. If someone is a gardener, for example, he can have different accounts: one for carrots, one for apple, etc. And the people, who are interested about it, will follow him automatically and engage with him. Telia could have a specific account only on innovation and digital TV. This is why he thinks it is excellent to get messages across with the help of Twitter.

With the question if social media can help creating, maintaining and strengthening relationships with companies and journalists, opinions again divided. The owner of Trojkabutiken (personal communication, April, 17, 2012) doesn't think that social media will be valuable for this matter. *“Not with the companies, but with the journalists”* – considers sales manager of Marcorossi Srl (personal communication, April, 11, 2012). On the opposite, both the store manager at YlloTyll and the owner of Butiken believe that social media can facilitate building relationships. *“In our case our relationships with the brands are maintained through publishing their information on our Facebook page, or on the opposite. I think this is more effective than if some of them would invite me for dinner”* – provides an example the owner of Butiken.

One aspect, that should be mentioned is so called Brand Individual - a person working for a brand, points out the head of community communication; external communication at TeliaSonera (personal communication, April, 20, 2012). If a brand has a Twitter account, which is run by an employee, consumers will be engaging with the brand. It means they will be talking to this person and getting to know him who is helping them to discuss their matters of interest. The brand becomes more personal with the help of an individual.

4.3.4 Offline/online marketing communication

4.3.4.1 Company

It was decided in ID24 to contact media representatives (editors, journalists, social media correspondents and bloggers) both in traditional way, i.e. calling and sending e-mails, and through the social media. The reason for this decision was a low level of responses from media professionals, contacted previously by telephone and e-mails, explains business development manager (personal communication, March, 23, 2012). *“We observed, that journalists are very active on social media, they “tweet” a lot, often answer the questions and they are connected to many people”*, - argues project manager. Thus the company decided to use a combination of traditional and social media channels and this method appeared to be more beneficial for ID24.

Sending a press release can also be made through the social media. From ID24 practice, utilization of this form also leads to the higher response rate from journalists. The management of the company has chosen to contact journalists on mynewsdesk.com where ID24 has a profile with the description and contact information. This online platform in its essence is the online pressroom where companies can “meet” media representatives, publishing press releases. Moreover, it allows replacing traditional standard press releases with a digital version, more informative and varied social media releases, containing photos, sound records, videos and links. This raises the probability of that editor or journalists will become interested in the information, which company presents. This website allows companies not only publish SMR but also connect it to the social media platforms such Facebook, Twitter, Flickr and WordPress. It gives companies the possibility to find, connect and engage with opinion leaders such as journalists or bloggers. Business development manager (personal communication, March, 23, 2012) describes another advantage of the mentioned website: it provides statistics about media professionals, i.e. how many of them have read company’s message and from which geographical areas they are. This information is essential for the company in getting a better idea about potential media contacts for collaboration.

Furthermore, social media platforms are planned to use for the marketing communication with the customers. The advantages are the opportunity to contact a number of potential customers in a short time and send them more interesting and complete information: photos, videos and a link to a website, contemplates business development manager (personal communication, March, 23, 2012). As project manager highlights (personal communication, April, 22, 2012): *“You always know directly which person you are targeting, his or her name, position in the company, etc.”*

But there is a risk that a chosen person has not received a message or didn’t take it seriously, admit the respondents. In this case, publications in press are still an indispensable mean to let other to know about your company. This is a tried and true method. Information about a new product published in a newspaper or a magazine with a large circulation engenders confidence. A famous and respected journalist performs a role of a reference or advocacy for the company. Publication in press also means, that many people will read the article about the product, claims project manager (personal communication, March, 22, 2012). However, an article in press or a story on TV still doesn’t guarantee that the company, which targets ID24, will see or pay attention to it. Thus each of the methods

has its advantages and limitations.

4.3.4.2 Mass media representatives

In interviews with mass media representatives the authors wanted to find out if the audience of specialised mass media channels such as companies and business professionals use the information from the articles about companies and their products for practical purposes, or if they are interested to get in contact with the seller. Not all the respondents, however, were able to answer this question, since some of the media are a wide target group including individuals as well.

Associated editor of CRM Magazine (personal communication, March, 25, 2012) describes this media channel as a business technology trade magazine published monthly. Its audience is both individuals and companies. If they have read about relevant products, they send e-mail asking to provide further information about a company. The senior publisher of *Entreprenör* magazine (personal communication, April, 13, 2012) also receives telephone calls or e-mails from the readers, who wonder where to find entrepreneur or products. The specialization of the magazine is entrepreneurship and majority of the audience are the entrepreneurs themselves. Interest from the audience observes and web designer of RLI Magazine (personal communication, March, 22, 2012), which is a B2B media channel in Retail and leisure industry. Readers ask to provide information about companies and products in comments to the articles.

The next question was if the social media could be an alternative for the traditional mass media connecting companies. Discussing the role and place of social media in marketing strategy of a company, associated editor of CRM Magazine (personal communication, March, 25, 2012) highlights that from her point of view social media is a tool, a technology, a way of disseminating information, a vessel, but not a media itself with the researched content aggregated through personal or telephone interviews and edited to gain accuracy and clarity. They can't substitute traditional media, since they are the form rather than a story itself. Reporter of News Bureau doesn't also believe that social media can replace traditional mass media (personal communication, April, 6, 2012), however, he points out, that in particular situations on Facebook and Twitter one can find information which is otherwise impossible to get.

On the contrary, web designer of RLI Magazine (personal communication, March, 22, 2012) thinks that social media have already taken a victory in the hearts of 15-30 years old audience, though excluding older generations or those who don't admit technology.

Senior publisher of *Entreprenör* magazine (personal communication, April, 13, 2012) observes that some of the blogs in Sweden nowadays are not social media anymore. They have editorial staff and work in the same way that traditional old school media has worked forever, they don't have a printed circulation but they have a newspaper on the web. It means that a lot of projects on social media emanates from traditional media. He also believes that the efficiency of social media in comparison with traditional media is rather relative, since there are so many Twitter users, and depends on the art to catch the right moment to "tweet".

Freelance reporter (personal communication, March, 25, 2012) predicts that social media will work in combination with traditional mass media, or even will take over in a process of

the natural development. She finds social media to be more efficient in a sense of saving time, decision efficiency and facilitating better communication. Most of the time social media provide better ways to present news. Nearly the same opinion shares SVT reporter, (personal communication, March, 21, 2012) who believes that social media will be used in combination with traditional mass media channels. He finds their utilization can help to save time and facilitate communication, although information gathered on social media channels should be checked with other sources. Similar idea has the web designer of RLI Magazine (personal communication, March, 22, 2012) who thinks that although social media offer great speed of communication, the information requires verification.

4.3.4.3 Retailers

Respondents in their majority think that publications in the press, such as trade magazines or thematic newspapers and online sources, are a relevant source to present a product for B2B companies. The owner of Butiken (personal communication, April, 17, 2012) said that they read a professional B2B magazine “Habit” about fashion industry. The owner of Trojkabutiken explained she has found useful information in one catalogue for professionals. *“Its absolutely relevant, at least for us! We see a huge growth in interest when we advertise in press!”* – states sales manger of Marcorossi Srl (personal communication, April, 11, 2012). But direct communication is always more advantageous, she admits. Same point of view shares store manager at YlloTyll (personal communication, March, 27, 2012) – a huge number of companies are subscribed to those kind of magazines and this is where they get information about new products. But it’s more convenient to communicate suppliers directly. Store manager at YlloTyll claims: *“Most companies use e-mails and letters to show their news and it works. But it’s nice to visit exhibitions, meet people and talk in real life, it gives a better feeling of the product when you can touch it and see the colors. To talk about the market and the future is not something you do on the phone or with e-mails”*.

Other retailers also find it is easier to communicate with other companies (suppliers) directly as through the publications in press. The owner of Butiken explains: *“Before an exhibition we can be contacted by the brands, who want to meet us and present their products, on the telephone or with the help of e-mails”*. The owner of Trojkabutiken also thinks that the direct communication is the most important, but publications in press are also meaningful.

The head of community communication, external communication at TeliaSonera (personal communication, April, 20, 2012) believes that today companies need all the channels they can get. He argues: *“If you just look at Sweden, 4,5 million people in the population have an account on Facebook, which means that 4,5 million still don’t. So if you want to reach a Swedish population, you need try every channel you have an access to”*.

Finally, respondents were asked if social media could replace traditional mass media in the future. Some of respondents consider that social media platforms will not substitute traditional media, however, the combination can be a good solution. The owner of the Butiken claims: *“I don’t think social media will replace traditional ones even in 10 years. However, marketers will come with the good combination of different media channels simplifying all the processes. We are always open to the new possibilities”*. She also explains that in retailing it is important to be modern in order to be visible, otherwise your customers will forget about you.

The owner of Trojkabutiken considers every channel has its advantages and disadvantages. Publication with the traditional media channels is relevant, but can be expensive, while social media are affordable for everyone, but can be not safe. Thus there should be found a

rational combination. Similarly, both store manager at YlloTyll and sales manager of Marcorossi Srl (personal communication, April, 11, 2012) also believe in mix of traditional and social media. The latter argues: “*I think when the company is active at all of them, it can give the idea of being modern and progressive organization*”.

The head of community communication, external communication at TeliaSonera (personal communication, April, 20, 2012) notices that it all depends on a target group: “Where do you find them, what do they like?” If target group is digital then it’s a bigger chance to get succeed with digital media channels than with a physical paper. In any case it's better to rely on a mix of different marketing communication channels. Blend is better because editorial media is still done by professionals whereas anyone can open a blog without being a professional at all. “*So it depends on credibility as well*” – he contemplates. On the other hand, there is already mass media that are active on Facebook, like the “Huffington Post”, which is news blogs video community.

5. Analysis

This chapter presents analysis of the research. Here the empirical findings of the study are discussed in light of theoretical framework and connected to previous research and described concepts.

5.1 Integration of social media platforms

Analysis of the empirical results reveals the fact that integrated marketing communication has become the integral part of B2B environment. Suppliers, according to experience of ID24, find it more efficient to utilize a combination of different marketing channels. And retailers in their turn also tend to apply a variety of sources in search for needed products. This matches theoretical research, showing that combined use of different marketing channels causes the growth of customer awareness (Gilliland & Johnston, 1997).

The need for interaction and employing different marketing channels both for gathering and sending the information, revealed in this research, confirms the mechanisms described in “playing pinball model” (Henning-Thurau et al., 2010). Getting involved in dialogues with the target groups is the conscious choice, built on understanding of the importance of the two-way communication. Empirical results reveal that business-to-business environment has its own specifics, there is no evidence that receivers of information are willing to be engaged in public discussions however they still show interest to information spread through social media channels.

The common place for meeting and product presentation for companies are the exhibitions. ID24 considers them to be an essential element of the marketing communication and attempts to participate in as many events as possible. And retailers are willingly visiting exhibitions and meeting potential suppliers there. Personal sales and telemarketing are the methods that have become a standard in business world. Both of them imply real time live personal communication, and retailers consider this to be a decisive factor. Publications in mass media are also mentioned as an important source of getting information about a new product, which will be analysed further while discussing offline/online marketing communication.

In the last decade websites and web pages have been added to the arsenal of marketing channels explored by the companies. Organizations utilize them for product presentation both in communication with individuals and companies. Visiting a website gives an understanding about a company and provides some practical information like opening hours, address or assortment. The same role was attributed to social media platforms with their emergence. According to the sales manager from Marcorossi Srl, (personal communication, April, 11, 2012) they check information about new products both on websites and blogs. Moreover, due to modern technologies linking websites with social media channels has become a widespread practice. It automatically increases visibility of the organization on Internet. Through linking to YouTube companies also get the possibility to upload promotional videos on a website, increasing its interactivity and modernity. Researchers confirm that integration in a form of linking increases coverage through getting more references for the companies (Brown, 2009).

With the utilization of social media platforms ID24 first and foremost aims to increase customer awareness about their products. They consider that participation in the exhibitions could be more effective for product presentation than presence on social media platforms; however, the costs are incomparably higher. Consequently, visiting an exhibition

is restricted to a number of times in the year while social media marketing can be a continuous activity (project manager, personal communication, March, 23, 2012).

Literature review suggests that integrated marketing communication belongs to strategic decisions of the company, meaning aspects such as long-time perspective, competitive advantage and scope of the activities (Holm, 2006). Interviews with ID24 management present a dual picture. On the one hand, respondents have shown awareness about the necessity and willingness to build marketing strategy, becoming well known in the industry and gaining competitive advantage in the long-time perspective. They believe that a mix of social media channels can create a strong competitive advantage. On the other hand, at the moment the scope of activities when it comes to social media utilization is not there yet. It can be explained by the fact that company has a deficit of human resources. ID24 still has to figure out how to measure the results of social media marketing strategy and how to preserve confidentiality of corporate information. These are the common barriers for companies to overcome while integrating Web 2.0 in marketing communication (Larson & Watson, 2011; Lehtimäki et al., 2009).

In order to make the process of integration of social media channels in marketing strategy more concrete, the managers of the company were asked to correlate 5 different social media platforms with the stages of purchase decision process in AIDAS model (Garber & Dotson, 2002; Barry & Howard, 1990). Researchers such as Wright (2004) suggest that different tools and channels in integrated marketing strategy can be used with the specific goals. In practice it turned out to be complicated to endow different social media platforms clearly separated affects. However, some interesting results were gained. Figure 5-1 illustrates judgements of ID24 managers about specific use of different social media channels.

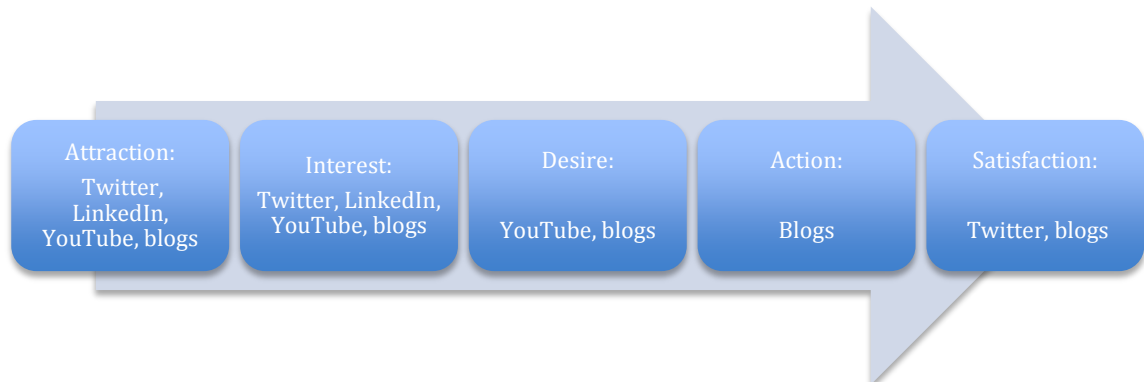


Figure 5-1 Social media platforms with regard to AIDAS model, empirical findings

It suggests that blogs are the most universal tool in the arsenal of the company, which can facilitate purchase process from attraction to the post purchase satisfaction. From practical point of view, they could be utilized for promotion of a product in video and pictures, for getting a prompt feedback, developing and reinforcing relationships with the customers and partners and, consequently, for increasing sales. The relevance of blogs to B2B companies is confirmed from theoretical and empirical studies. If the blogs are utilized for sales, marketing, targeting customers, they are called corporate blogs (Safko, 2010). Some of the retailers confirm visiting blogs for business and find them to be the most appropriate tool for business-to-business. Literature review endorses the positive affect of utilizing blogs for business matters, as they enhance internal and external communication (Singh, Veron-Jackson & Cullinane, 2008) although researchers warn that corporate blogs

should be interesting and valuable in order to attract readers (Hintikka, 2007; Miller, 2007; Lehtimäki et al., 2009; Singh, Veron-Jackson & Cullinane, 2008).

Respondents from ID24 have mentioned that Twitter, LinkedIn and YouTube are proper channels to get attraction and interest. LinkedIn was found to be helpful at reaching potential customers, Twitter - in generating ideas for new products, YouTube – as a convenient instrument for promotion of a product in videos and pictures. In AIDAS model YouTube was also correlated with desire. These assumptions match with the theoretical research finding, that many companies exploit YouTube to disseminate advertising material (Constantinides, Romero & Boria, 2008).

On the opposite, retailers either don't use mentioned channels for search of new products to purchase or don't utilize it at all. However, Twitter and LinkedIn are relevant to gain attraction and interest from another group – mass media representatives that tend to gather “followers” and create networks. Thus these channels can be useful for ID24 in terms of entering specific groups. Both platforms are appropriate for it. With LinkedIn professionals can directly connect through the contacts of their contacts. And Twitter allows companies to create accounts with specific interests. Being a part of one of those interest groups can cause attention to the organization.

Respondents from ID24 did not correlate Facebook with any of particular effects, as they didn't consider this channel to be relevant for B2B companies. From practice of the company this channel was not also very efficient in finding and contacting target audience. In their turn retailers think that Facebook is more appropriate for communication with consumers rather than with companies. However, ID24 still believes that this channel can be used to reach potential customers, while empirical results show that even if retailers were attracted by Facebook pages or sponsored stories (products, locations and business appear on a Facebook page of a person who's friends liked it or visited it), they in majority were not motivated enough to make a purchase.

Considering which of the social media platforms could be more appropriate for providing customer service, the respondents from ID24 specify Twitter. They believe that Twitter facilitates receiving a prompt feedback from the customers. This assumption finds support in theoretical research (Lehtimäki et al., 2009; Safko, 2010). However, even if some of the retailers find that social media can be useful for customer service, they don't identify customer service with Twitter. One of the retailers suggests LinkedIn instead, since this is a professional network. It could actually be an argument for those retailers who don't want to publicly discuss the details of the purchase and prefer person-to-person communication. They could exchange information in the form of messages on site.

In communication with mass media success of ID24 in getting attraction cannot be considered as occasional. According to empirical results this target group is actively utilizing different social media channels as a source of information, searching for news or “speakers” on Facebook and Twitter. These results were quite unexpected by the authors, since according to researchers (Lariscy, Sweetser, Avery & Howes, 2009) a very low per cent of journalists utilized social media platforms in their professional life. This contradiction can be explained by the very fast dissemination of social media usage among individuals and companies.

As for the form of social media release, it is not still familiar to everyone. More than half of

the mass media professionals either have not tried a social media release yet or have not evaluated it because of the intensive information flow.

5.2 The choice of social media platforms

In the current study three groups of respondents (ID24's staff, mass media representatives and retailers) apply different channels to fulfil their professional purposes. Mass media representatives generally have the same overview on the social media and utilise it more extensively than two other groups. They need to be in touch with a wide range of people and have an early access to news before they get widespread. Social media can best help them to stay updated.

On the opposite, respondents from retailing group have quite a different perspective and perceptions of social media usefulness. In contrast, the types of social media channels used by them are normally the same. Facebook is the most applicable channel for these companies, mostly in their relationship with their consumers.

Regarding ID24, the managers understand the important position of social media and try to utilise these channels more extensively. They apply social media to find new customers, establish the platform for building a network of important contacts, win recognition, reach competitive advantage and consequently increase sales. They perceive these networks as effective channels to maintain relationship with customers and mass media representatives. If for the mass media professionals social media is a way to conduct research on different topics and develop professional contacts, for the retailers it is another way of marketing their shops and being more personal in relationships with consumers.

The level of engagement with social media also varies between three groups of respondents. The mass media representatives use extensively a number of social media channels in their professional activities. They consider Twitter to be a fast channel, a network that links them to the latest news about upcoming events. Blogs provide the fresh stories for publishing. LinkedIn is a network for getting connected to the companies, other media professionals and any other groups of people, which are related to their profession. Facebook can be used for the advertisement of mass media channels and its events.

Regarding the type of the social media channels used by ID24 and retailers, the difference between B2B and B2C companies should be taken into consideration. The rules and mechanisms of B2C operation cannot always apply to B2B companies, which do not work with so many customers, and build their business on person-to-person communication. Business-to-business organizations have fewer rivals, get more recent feedback from the customers and are likely to develop long-term relationships with the individual customers rather than with market segments (Wright, 2004; Gilland & Johnston, 1997). According to Stelzner (2011), B2C companies share a bigger interest to Facebook and YouTube, while B2B mainly value Twitter, LinkedIn and blogs. The outcomes of the empirical findings of the research show the same results. ID24 values LinkedIn and Twitter more than other networks. LinkedIn is applied to create a network of professionals. Twitter is exploited with the aim to inform about the company and its products. It is also a news channel to get current information about the actual events in their field of work.

The utilization of social media among retailers ranges from a company with tens of employed media platforms to companies with the only one social media channel developed

by the owner. Among respondents who apply social media, Facebook is the most extended network, implemented to reach consumers in an easy and fast way. This is considered to be an outstanding channel for B2C since this is the biggest platform globally. Updating Facebook does not take much time and it has a wide range of applications employed to publish photos and texts and get connected to the consumers and other companies.

5.3 Building relationships with social media

With the utilization of Internet tools some significant changes occurred in business environment. The main change concerned turning the “supplier perspective” into the “customer perspective”. This transformation made the companies to focus on adapting the customers’ needs to increase customer loyalty. Moreover, companies try to collect information about potential customers, segmenting and targeting them more efficiently. Moreover exchange of information not only by the companies but also by the customers leads to higher customer awareness (Lehtimäki et al., 2009). According to Drury (2008), marketing by means of social media is not just about delivering a message, but also about receiving and exchanging insights and ideas with the customer.

The “playing pinball model” by Henning-Thurau et al. (2010) explains the opportunities that new media created for reaching customer loyalty. Before companies used traditional marketing tools and traditional media to make an impact on relationships with the customers who were considered to be passive receivers of information. This type of communication led to strong control over the marketing messages and minimization of negative coverage in mass media. But with the application of new media marketers can learn more about the customers’ needs and try to improve their opinion about the company and its products. By utilising this new communication channels organization can participate in the talks and react to the responses from other sides, which is like beating back the ball in chaotic environment. However, the risk is that companies can lose control over the information flow.

Unlike traditional media channels, social media facilitate creating relationships and conversations with the customers. A two-way communication can be used by PR-practitioners to provide information on Internet, increase public knowledge and awareness, and establish long-lasting relationships with the audience (Singh, Veron-Jackson & Cullinane, 2008). An important aspect of marketing communication with social media is the concept called Brand Individual. Customers communicate with a company through a social media platform, run by company’s employees and perceive a brand in prism of the communication with them, which leads to maintaining and strengthening relationships.

In ID24 after initial experience with traditional marketing it was decided to utilise social media as a new method of marketing communication and a way to create relationships with customers and mass media. According to the managers, social media tools can be very useful in creation of value for the customers, enabling to provide practical information, share knowledge and reply to their questions. As a result, for ID24 social media is a better channel for building and maintaining relationships.

Nevertheless, there are also the drawbacks. The most important one can be the risk to lose confidentiality. Companies would publish their information on the social media and can never be sure about who will be the next reader. Another barrier is that even though social media marketing can be inexpensive they still require time and resources to manage. In addition, personalized offline communication is a norm in B2B environment, which can

create some difficulties in changing communication patterns among the firms (Lehtimäki et al., 2009).

The results of the primary findings also confirm this fact. Most of the respondents believe that media can be helpful in creating relationship between companies and consumers, but when it is the relationship between companies, still traditional online and offline methods are seen to be more useful.

Some of the mass media representatives believe that direct communication such as telephone calls and face-to-face meetings still works better than social media. However, the majority of the respondents agree that social media are relevant to build, maintain and strengthen relationships for the company with other companies and mass media. According to this group, social media are all about making relationships and they allow building and facilitating any types of relationships. In their point of view this way of communication is more approachable than using other online methods like e-mailing. Through social media one can check a person's photo, interests and then decide if they want to collaborate with him or her or not. Moreover, it provides the possibility to communicate with businesses and famous people.

The existing and potential customers have a range of positive and negative perspectives over the utilization of social media in building relationships between companies, with their suppliers and with the journalists. Regarding their general idea, social media can create a platform to build, maintain and strengthen relationships between companies and journalists. Some of the respondents believe social media platforms have the ability to facilitate communication and can help the companies to gain awareness. But if it is B2B relationships, the situation is different. Many believe that although social media have the power and are useful to create relationships with journalists, in communication with suppliers personal contact is still more significant. Also some respondents insist on the negative side of the social media and think that confidentiality can be an issue.

In the retailer companies, social media are normally used to maintain relationship with the consumers. And this is a fact that nowadays applies to the customer relationship management of different companies. According to Kotler and Armstrong (2008) it is built upon the customer's perceived value and satisfaction. And from respondents' point of view, utilising social media as a platform for maintaining relationships can improve the customer service.

Developing relationships and "playing pinball" with the customers can be done through various social media platforms, believe in ID24. LinkedIn is considered to be the most significant channel to create, maintain and reinforce relationships with the existing business partners, and is used for reaching mass media professionals and potential customers. Twitter and Facebook are considered to be fast channels for receiving a prompt feedback from the customers and building relationships with them.

5.4 Offline/online marketing communication

According to ID24 management, integration of social media channels can increase the response rate from the potential customers. This assumption is based on the successful experience with mass media representatives, who showed considerably higher interest in the company and its products, than being contacted only via telephone and e-mail. It also finds approval from theoretical research. According to survey conducted by Wright and

Hinson (2009 a) 72 % of the PR professionals believe that social media have improved public relations. Even more, 84% think that for organizations social media platforms are the low-cost ways to maintain relationships with members of different strategic groups.

Chief executives of ID24 are nowadays evaluating alternatives to decide whether to focus on social media for contacting other companies or on PR as a tested technology. In order to clarify this issue the authors of the thesis gathered the answers among mass media representatives and retailers.

In favour of prioritising PR, retailers find publications in mass media, especially in the trade magazines and B2B press, to be useful and actual. They consider this is a relevant way to present information about a new product. Interviews with journalists and media related professionals also prove the interest from the targeted audience, who call or write to the media asking for further information about companies.

Choosing between direct contact from the suppliers and publications in the press the majority of interviewed retailers favour the first option, or they prefer to be contacted via telephone, Skype or by e-mails if there is no possibility to meet personally. Regarding social media as “direct meeting point online”, retailers are concerned about the threat to lose confidentiality, they don’t want to negotiate a purchase in front of competitors on social media platforms. It should be mentioned that not all the potential suppliers share this view. The head of community communication, external communication at TeliaSonera (personal communication, April, 20, 2012) who is using social media channels extensively finds it is convenient to be contacted by other companies on social media platforms. It can lead to the conclusion that the level of receptivity of new communication strategies depends on the knowledge and experience of the organization. This conclusion is confirmed by researchers, who claim that the majority of companies-pioneers in integrating of social media platforms in marketing strategy are the large corporations (Constantinides, Romero & Boria, 2008).

Regarding the future of the social media, mass media representatives in their majority think that social media channels will not fetch out traditional sources of information such as press conferences or press releases and will be used in combination. The issue of reliability and trustworthiness of information is mentioned among the respondents, even though social media are considered to be more effective in terms of speed of disseminating news. However, empirical results also show a future trend – convergence of traditional and social media platforms. Blogs, which used to be written by individuals as opposed to traditional mass media nowadays have a form of traditional editorial office with a number of authors. And traditional mass media make a step on social media platforms.

As for the retailers, all of them consider that in the future social media will be used in combination with the traditional mass media for marketing communication. This empirical result finds approval in theoretical research. As Kaplan and Haenlein (2010) claim, social media and traditional media are the one part of corporate image, and should be integrated. Therefore this practice should not also be avoided by ID24. The mix of both methods will help to reach different target groups, both those who are using new technologies and who are not. And in addition it will give the appearance of modern and progressive company.



6. Conclusion

This chapter presents the final conclusions of thesis and attempts to answer the research questions, raised in this study.

The main objective of this study was to analyse how B2B companies can perform the integration of social media channels in marketing strategy. Hereunder the authors consequently provide the answers to the research questions, presenting them in light of the primary and secondary data.

Answering the first research question, *“How can the social media be integrated into the marketing communication strategy of micro-firms?”* Social media should complement traditional media to overcome the limitations of both of them. One way of integration is linking website and social media channels used by the company. Promotional video of the company can be uploaded on the YouTube and linked to the web page. Secondly, integration can be realised through collaboration and products’ cross-promotion with company’s business partners. Preparing a press release or social media release together with a customer and uploading it on different social media platforms is one of the examples of such cooperation. Thirdly, integration of social media as a part of marketing communication strategy should be a consistent practice with regular updating of information. In fourth, companies have to identify social media platforms employed by potential customers and utilize them.

The answer to the second research question *“Which social media instruments (Facebook, Twitter, LinkedIn, YouTube, blogs, social media release) alone or in the combination are more efficient to utilize in B2B operations to serve a target segment?”* implies that it is more sufficient for the company to reach customers both directly and through the mass media professionals as middlemen. For direct contact with customers, blogs seem to be the most appropriate platforms, and for effective PR communication Twitter and LinkedIn are more relevant. Blogs are the most universal platforms at all stages of the marketing communication process. Twitter and LinkedIn appear to be more functional in creating attraction and interest, as well as for providing customer service.

For the third research question, *“What is the impact of social media on relationships with customers and mass media professionals?”* There is evidence that social media facilitate creating, maintaining and reinforcing relationships both with customers and mass media professionals. When it comes to relationships with the customers, this effect can be achieved through prompt providing of useful information, answering customers’ questions and finding solutions for their problems. Building relationships is getting easier with the possibility of getting a fast feedback from the customers. Due to the phenomena of Brand Individual, collaboration between companies becomes more personalized and therefore more solid. In case of mass media professionals, building relationships with those who are active on social media platforms becomes easier because of their active participation on social media platforms and readiness to keep in touch with newsmakers and experts from different areas.

Integration of social media platforms in marketing communication strategy contributes to the promotion of the company and its products, reaching a target group, developing business relationships and improvement of corporate image. Answering the fourth research question, *“Which blend of promotional strategies (both offline and online) is appropriate to utilize for micro-firms?”* In addition to the traditional marketing channels used by the company of interest: personal sales, exhibitions, telemarketing, newsletters, e-mails, traditional letters

and website it is worth to count on Twitter, LinkedIn, YouTube and blogs. The role of mentioned Web 2.0 tools is mainly connected with getting attraction, evoking interest and providing post purchase service for the customers, while traditional channels can be utilized for increasing sales. When it comes to the difference in communication with customers and mass media professionals, the first group can preferably be reached with the help of blogs and YouTube, and the second with Twitter and LinkedIn. First two channels allow to promote a product better among the customers carefully describing or showing in videos its benefits and the second focus more on interactivity and interaction from both the sender and receiver of information which is still hardly acceptable for the retailers but on the opposite taken with enthusiasm by mass media professionals.

The integration of social media channels in marketing strategy should be directed by customers' needs and their presence on social media platforms. The combination of those platforms is not a constant; it can significantly vary from organization to organization and should be timely updated. Finally, implication of social media channels in marketing communication contributes careful preparation and requires considerable time, human resources and knowledge.

7. Discussion

This chapter discusses the outcomes of the research with respect to limitations in order to provide a valid and reliable interpretation of the results. Furthermore, opportunities for future studies are discussed.

7.1 Limitations and self-criticism

This thesis has suggested a perspective on integration of social media channels in marketing strategy of a B2B company. It has shown the evidence of the existing benefits for a micro-firm implementing social media platforms in its marketing communication and limitations that can impede the process of utilization. Different mechanisms of integration of social media were examined and some of them were found to be more relevant than others for business-to-business companies.

The limitation of the study became the fact that in medium and large B2C companies some employees were responsible for finding information about the new products and establishing contacts with the new suppliers, and the others for the development of the social media platforms. It became a barrier for providing a bigger scale of empirical results, as well as the fact, that some of the organizations utilize social media entirely with their consumers excluding suppliers or business partners.

While working on theoretical background the authors of this study anticipated that there will be a possibility to report how the effectiveness of integration of social media channels can be measured. However, at that point of time the company has not yet started to communicate actively with the clients on the social media platforms, which deprived this intention. Moreover, it is hard to state that strategically framed social media efforts would increase sufficiency of marketing communication since the company of a case has not formulated a proper developed strategy yet. Also developing a questionnaire for semi-structured interviews authors included a question about how much time do respondents spend for applying social media in their professional activities, which was excluded from the analysis later on as it didn't provide a reply to any of the research questioned.

7.2 Suggestion for further research

Apart from the answers for the research questions reported in previous chapter in process of collecting empirical data the authors have gathered other valuable information that can become a starting point for further research. One of the aspects mentioned in empirical results chapter was the utilization of corporate blogs by CEOs of the companies and input from the stakeholders.

Another aspect is the deeper look on the utilization of social media platforms by mass media representatives for professional goals. This study has shown the evidence of the increased interest to the social media channels such as Twitter as the tool of gathering information and opinions, which creates a prerequisite for conducting a separate independent research.

Since more and more organizations adopt social media strategy for internal and external communication further research in this area is necessary to reflect significant changes, which are taking place in marketing communication of the companies and influence relationships with the suppliers, customers and business partners. It would be valuable to conduct a longitudinal study, observing conversions within a substantial period of time. Or,

further research could be quantitative in nature and explore the attitude and readiness for adoption of social media among B2B companies on a national scale.

7.3 Managerial implications

This study targeted marketing communication of the company with its customers in retailing industry, which means that utilizing it in other sectors contributes a careful revision beforehand. The same stipulation concerns medium- or large suppliers, since they have better resources, but more sophisticated organizational structure, than micro-firms.

The research aimed to discover integration of social media by micro-firms, as they suffer from the lack of experience and resources in their marketing efforts. From practical point of view it is important to recognize that for business-to-business companies utilization of social media will not automatically lead to the increase in sales. However, with the right attitude it can facilitate customer awareness about products or provide another channel for communication with the customers and developing relationships with them. Sufficiency of this choice cannot be observed under a short period of time, on the opposite it implies a long time perspective.

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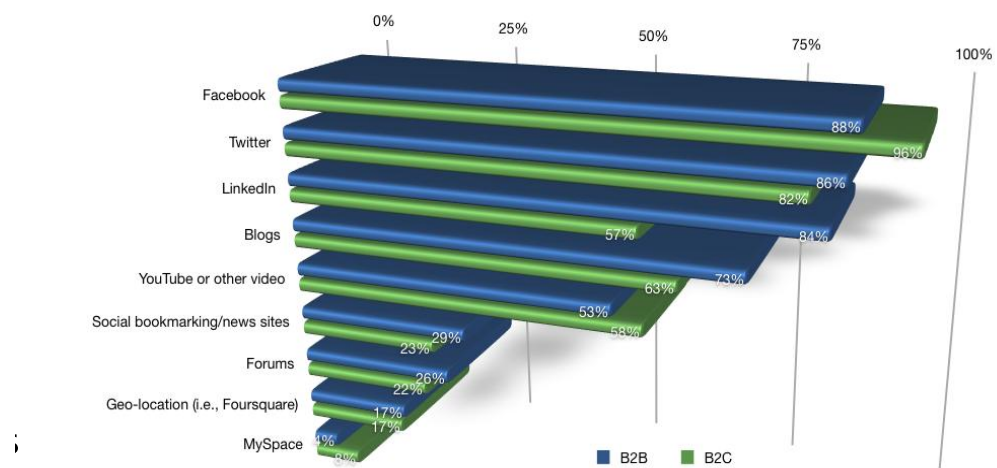
Appendices

Appendix 1: Implementation, benefits and barriers of integration social media tools

Social media	Implementation	Benefits	Barriers	Authors
Blogging	<ul style="list-style-type: none"> - Informing of launches and promotions, answering customers' questions; - Publishing banner advertising on popular blogs; - Getting through blogs links to search engines; 	<ul style="list-style-type: none"> - Strong connections between blogs; - Opportunity to deliver company's message through opinion leaders; - High speed of messages dissemination; - Actively commented; - Informal character of communication; - Useful at reinforcing customer relationships; - Can improve the reputation of the company; 	<ul style="list-style-type: none"> - Corporate blogs may not evoke interest among customers and make them comment it; -Its complicated to get publicity with it; - Frequent updates and interesting content are the must; 	(Hintikka, 2007; Miller, 2007; Lehtimäki et al., 2009; Singh, Veron-Jackson & Cullinane, 2008)
YouTube	<ul style="list-style-type: none"> - Sharing a video with the links to the company's web-site, FB page or/and other platforms; - Uploading online video ads; - Getting through YouTube links to search engines; _ Uploading company's press-materials and key speeches; - Inviting users to share the videos about the products, entering a competition; 	<ul style="list-style-type: none"> - Viral marketing; - Large audiences; 	<ul style="list-style-type: none"> - If the content is not very interesting or creative, video will not get word-of-mouth effect; - Its hard to activate users and make them spread the word; 	(Lehtimäki et al., 2009; Bernoff & Li, 2008; Kaplan & Haenlein, 2010)

<p>Facebook</p>	<ul style="list-style-type: none"> - Publishing targeted banner advertising; - Publishing applications; - Creating communities; - Advertising products in conversations; - Creating brand communities; 	<ul style="list-style-type: none"> - FB is convenient for: - Content sharing; - Developing relationships; - Networking; - Intercompany communication; - Creates opportunity to establish new contacts. 	<ul style="list-style-type: none"> - Not so advantageous for niche B2B businesses; - Fast spread of negative information; - Content should be updated and interesting to evoke interest; 	<p>(Lehtimäki et al., 2009; Safko, 2010; Kaplan & Haenlein, 2010)</p>
<p>Twitter</p>	<ul style="list-style-type: none"> - Delivering company's message through opinion leaders; - Publishing targeted banner advertising; - Informing about products' updates and upcoming events; - Launching contests and gathering voices or feedback with "tweets" - Free marketing research tool; - Getting feedback on products and services; 	<ul style="list-style-type: none"> - Content sharing; - Developing relationships; - Networking; - Opportunity to establish new contacts. 	<ul style="list-style-type: none"> - Fast spread of negative information; - Content should be updated and interesting to evoke interest; 	<p>(Twitter, 2012; Lehtimäki et al., 2009; Safko, 2010)</p>
<p>LinkedIn</p>	<ul style="list-style-type: none"> - Creating communities; - Publishing targeted banner advertising; 	<ul style="list-style-type: none"> - Connecting professionals; - Content sharing; - Developing relationships; - Networking; - Career opportunities; - More structured, than other social media platforms. 	<ul style="list-style-type: none"> - Fast spread of negative information; - Content should be updated and interesting; 	<p>(Morrison, 2006; Lehtimäki et al., 2009; LinkedIn, 2012; Skeels & Grudin, 2009)</p>

Appendix 2: Utilization of social media tools



Utilization of social media tools (Stelzner, 2011)

Appendix 3: Interview guide

Interview guide for mass media representatives

Basic information:

Name:

Position:

Media:

Country:

Is the media published online/offline/both online and offline?

Experience with social media:

1, Please, tell us about your experience with social media:

- Which social media channels do you use in your work (Facebook, Twitter, LinkedIn, YouTube, blogs)
- How? (e.g. for writing a story, for search of the person to make interview with, for interpretation of the events, for developing professional relationships)

2, Approximately, how much time per week do you spend for utilization of social media channels for professional needs?

Integration of social media platforms

1, What is the role of social media as a source of information for you?

- How about other channels?
- Do you think, social media can replace traditional off-line channels for gathering information (news agencies, press-conferences, private contacts) or can be used as an additional source of information?

2, Do you think a Social Media Release (SMR) is a better alternative to the traditional press-release? Did you use SMR in your practice? How about web-site mynewsdesk.com or similar?

Building relationships

1, How can social media help to provide better communication of journalists with the companies (both sellers and customers)? In what way?

2, How in your opinion social media can facilitate building, maintaining and strengthening relationships between journalists and companies (both sellers and customers)?

Direct/indirect marketing communication with social media

1, Please, tell us about your newspaper/magazine/ web-site:

- What is the profile of the media (which topics does it cover: IT, ecology, etc.)?
- Who are the target audience of the media: individuals or companies?

2, Do you observe interest from the target audience in companies, which were mentioned in your articles? If yes, in what way:

- Readers call me to get a telephone or e-mail of the organization;
- They ask me to provide some details about the company in the comments to the article;

- Even if they are interested, in my practice they never contacted me to get additional information.

3, Do you think social media will replace traditional media or they will be used in combination with traditional media? Can you provide any example from your practice or to the best of your knowledge that social media can replace traditional media (taking Facebook, Twitter, LinkedIn, blogs or YouTube)?

4, Do you think social media can be more efficient than traditional media? Do they help to save time, resources, facilitate better communication and decision efficiency and how?

Interview guide for existing and potential customers

Basic information:

Name:

Position:

Organization:

Country:

Is the company active online/ offline/ online and offline? (Sales & Marketing)

Experience with social media:

1, Please, tell us about your experience with social media:

- Which social media channels do you use in your work (Facebook, Twitter, LinkedIn, YouTube, blogs)?
- For what purpose?

2, Approximately how much time per day (week) do you spend for utilization of social media channels for professional needs?

Integration of social media platforms:

1, Please, tell us how purchase decisions are usually made in your company:

- Where do you search for the information about new products?
- What information should be presented to make you interested and willing to make a purchase?
- Do you need to contact the seller and ask some questions before making a purchase to get the details or is it enough to check details on the web-site?

2, Will your company notice advertising or video about a new product, placed on one of the following social media tools: Facebook, Twitter, LinkedIn, blogs, YouTube? Can the page of the company on FB, Twitter or LinkedIn attract your attention? Do you pay attention to blogs of the different companies?

3, Would it be enough for you to take decision about purchase after communicating with the company on Facebook, Twitter or blogs? Can only the interaction on social media lead to the purchase, or do you think there is a need in personal offline communication, telephone conversations and e-mails?

4, Do you find convenient getting customer service through Facebook, Twitter, LinkedIn, YouTube; blogs? Which one is the most convenient?

5, What is the optimal way for you to be contacted by other companies?

- Only with traditional offline and online channels
- Combination of traditional channel and social media channels
- Exclusively with social media channels

Building relationships

- 1, How social media help companies to communicate with suppliers and journalists?
Is it more efficient in terms of saving time, resources and making communication and taking decisions easier in comparison with traditional media? Which way is more efficient?
- 2, Do you think social media can help in creating, maintaining and strengthening relationships with the companies and journalists?

Direct/indirect marketing communication with social media

- 1, Are the publications in the press (trade magazines, thematic newspapers or online sources) a relevant source to present a new product for B2B (business-to-business) companies?
- 2, Is it easier to communicate with other companies (suppliers) directly or with the help of journalists as middlemen?
- 3, What channels are more appropriate nowadays for new product presentation for B2B companies: traditional offline (exhibitions, press publications, personal sales), online (e-mails) or social media (LinkedIn, Twitter, Facebook, blogs, social media release)? Or should it be a mix? Why?
- 4, Do you think social media can replace traditional media in the future, or be used in combination with them?

Interview guide for Company Staff

Basic questions:

Name:
Position:
Working experience with the company:

Company's profile

- 1, Does marketing communication play an important role in the company?
Is there marketing strategy (which means considering 3 moments: competitive advantage, long-time perspective, a planned scope of actions)?
- 2, What is the target segment of the customers for the company?
- 3, What are the objectives and goals of the company for the next 6 months (or one year)?
What is the role of social media in maintaining these goals?

Experience with social media:

- 1, Please, tell us about your experience with social media. How do you use social media for professional needs?
- 2, Approximately how much time per day (week) do you spend for utilization of social media channels for professional needs?
- 3, Please, specify which social media channels do you use in your work: Facebook, Twitter, LinkedIn, YouTube, blogs? Which do you plan to use more extensively? Why and how?

Integration of social media platforms

- 1, Which promotional strategies your company can utilize now and in the future?
- 2, How did the company plan to integrate social media tools? Why did it take a decision to try social media channels?
- 3, How long is it since your company started using social media? Do you consider that experience as successful or dissatisfying?
- 4, Can you compare Facebook, Twitter, LinkedIn, blogs and YouTube in their efficiency on different stages of marketing communication: attraction-interest-desire-purchase-satisfaction? Which one is the most efficient in total?
- 5, Here are the arguments why companies choose to utilize social media channels. Which of the social media tools (Facebook, Twitter, LinkedIn, blogs, YouTube) comes to your mind with each of these options?
 - reach potential customers;
 - promote a product in video and pictures;
 - get a prompt feedback from the customers;
 - increase sales;
 - decrease marketing expenses;
 - lead to new business contacts, partnerships;
 - develop and reinforce relationships with customers and partners;
 - be a source to get a feedback about the company and its products;
 - generate ideas for new products;
 - provide a competitive advantage;
- 6, Do you feel the company may face any of the following challenges regarding the utilization of social media tools?
 - The lack of knowledge how to integrate;
 - It is not clear how to measure the results;
 - The lack of resources to spend on social media (employees, time);
 - Tradition for off-line communication among B2B companies;
 - Unpredictability of discussions among the customers on social media platform;
 - The probability of negative feedback;
 - The probability to lose confidential information;
- 7, Which of these social media tools is appropriate for use to create value for the customers (when employees share knowledge, answer the questions, help to decide a problem): Facebook, Twitter, LinkedIn, YouTube, blogs. Why?
- 8, Do chief executives plan to delegate social media marketing communication to all of the employees, or employees from marketing department, or to outsource?

Building relationships

- 1, How social media help companies to communicate with suppliers and journalists?
Is it more efficient in terms of saving time, resources and making communication and taking decisions easier in comparison with traditional media? Which way is more efficient?
- 2, Do you think social media can help in creating, maintaining and strengthening relationships with the companies and journalists?

Direct/indirect marketing communication with social media

1, What are the benefits and limitations of targeting customers?

- Directly on social media platforms;
- Through publications in press;
- Which one is more efficient?

2, What were the expectations of the company contacting journalists through social media? Which positive and negative aspects were discovered during the process of contacting?

3, Do you think that traditional media: publications in the press (trade magazines, thematic newspapers or online sources) are a relevant source to present a new product for B2B companies? Please, share your opinion.

4, Which channels are more appropriate nowadays for new product presentation for B2B companies: traditional offline (exhibitions, press publications, personal sales), online (e-mails) or social media (LinkedIn, Twitter, Facebook, blogs, social media release)? Or should it be a mix? Why?