Assignment: Social Media Strategy for Competitive Advantage

Winer (2011) suggests an important feature of services is that because they are often distributed by people, their quality may be inconsistent at different points in time. Many services companies are seeking new methods to distinguish themselves from the competition. The Internet and information technology have provided robust, tangible opportunities for such differentiation.

Using the Nord, Paliszkiewicz and Koohang article in the readings and one additional source, write a persuasive essay on how organizations in the tax services industry can rethink their social media strategy to gain competitive advantage.

Your essay should make use of explanation to demonstrate that one proposal is more reasonable than another idea. A persuasive essay tries to convince a reader to accept a definite point of view.

Your paper should range between 2–3 pages of content and include in-text citations for references. APA formatted and citation styled paper

**Article**

The number of individuals engaging in social technologies for both personal and business reasons is staggering. This phenomenon is growing exponentially and fast becoming an integrated, cross platform experience which will impact every individual online. Social technologies used specifically by organizations for business support, the purposes and the benefits realized are addressed in this paper. Based on research results and a review of related literature, two issues are addressed: 1) How organizations can rethink their social strategy to gain competitive advantage: and 2) How social technologies education should be incorporated into the curriculum so students are prepared for life beyond graduation.

Keywords: Social Technologies; Social Technology; Social Media; Facebook; Twitter; Linkedln; YouTube; Curriculum; Education; Social Strategy, Organizations

INTRODUCTION

"When it comes to social tech, playtime is over. The changes that will come because of these technologies will be farreaching, fast, and dramatic. Social tech is not just a few Internet applications or platforms. It is a broad movement that already includes hundreds of companies, each of which provides a unique service." [10] Klososky [10] categorizes social technology to include social relevance, social media, and social networking. Because this paper investigates social platforms and purposes in which these platforms are used for business support, the term social technology coined by Scott Klososky is adopted.

Social technology users have expanded from those who were primarily high school and college aged students to every generation with the greatest increase in new users in the 55-64 year age group experiencing a growth of 79 percent since 2012. [4] "Social media is not an option - it is a must!" [11] The numbers are staggering with over one billion plus active users on Facebook, 500 million plus users on Twitter with an average of 400 million tweets being sent per day, 38 million total users on Linkedln and 1 billion unique monthly visitors on YouTube. [9]

Social technology sites are now translating into unparalleled profits for businesses savvy enough to use social technologies for customer service, increased awareness/exposure, gaining new customers, marketing, and networking and professional relationships. "Social technologies, theories, best practices and strategy are still evolving, but there is one principle that remains constant behind every PR, marketing and advertising campaign: people persuading people." [12] Google has joined the social technologies frenzy as sites like Facebook, Twitter, Instagram, Linkedln and YouTube continue to increase in popularity. Crossplatform integration among social technology sites is gaining momentum with Google already collaborating with Twitter to offer tools beyond the opt-in that Linkedln offers Twitter users that allows every tweet to appear not just on TWitter but also on Linkedln.

Less transparent and somewhat controversial, social technologies are being used by companies to learn more about individuals when making interviewing and hiring decisions. Whether companies use these sites for marketing, establishing relationships or recruitment purposes, students must understand both the positive and negative ramifications of social technologies. With companies saving hundreds of thousands of dollars in advertising costs and increasing profits, social technologies are likely to impact future college graduates more than any other sector of technology.

This new and rapidly changing media bring up questions that must be addressed. What social technology platforms are businesses currently using, for what purposes, which of these results in benefits realized, and how can these social technologies best be leveraged for competitive advantage? What does this mean to those who are about to leave the 'social' world of social technologies and enter the world where everything posted means business and how should this impact the curriculum in higher education? Finally, what does the future of social technologies hold?

METHODOLOGY

Many organizations are currently using social technologies for competitive advantage or realize they need to implement a social strategy in the near future. Numerous social technology studies have been conducted, but few have investigated which social technologies are used for business support, the purpose(s) organizations use a specific social technology platform and whether benefits are realized. Research in this field must be conducted on a continual basis so companies have proven up-todate research results in which to base their social strategies and academicians can better update curriculum to prepare students for the business world. Thus, a questionnaire (see Appendix A) was developed and individuals most closely associated with the organizations' social technologies were interviewed.

PARTICIPANTS AND PROCEDURES

During Fall Semester 2013 and Spring Semester 2014, students from four (two online and two on campus) sections of an Information Networks Technology Management class for MBA students at Oklahoma State University were given instructions to interview an individual in an organization that used at least one of the following social technology platforms - Facebook. Twitter, Linkedln or YouTube and complete the questionnaire based on the interviewee's responses. A place to write in additional social platforms was provided on the questionnaire. Students without corporate experience often think of social technology as it was a few years ago - a network for social interaction among their peers, but certainly not used in the business world. This experience allowed them to learn first-hand about the social strategies of businesses and how research results may provide guidelines to educators for curriculum revision and help other businesses develop social strategies.

DATA ANALYSES

Descriptive statistical analyses were used to give academicians and practitioners alike straight forward applicable results. Analyses of open-ended questions are also included in the following results.

RESULTS

To ensure confidentiality and open responses, the interviewees were assured that individual names, contact information, or the names of their organizations would not be revealed. This information was required, how-ever, to ensure credibility. The total number of usable questionnaires numbered 178 with 80 responding organizations from Oklahoma, 19 from Texas, 9 from Colorado and the remaining 70 from 32 additional states throughout the United States and 5 other countries.

Approximately one-third of the respondents by classification of organization were classified as corporations while sole proprietorship and non-profit made up another one-third of the respondents. The 'other' category was primarily comprised of government. Respondents by classification of organization shown as percentage of total respondents are shown in the graph in Figure 1.

Beyond the classification of organizations, the type of organization was identified. Service, retail, and health were the top three with 41, 26, and 21 respondents respectively. The 'other' category brought in a plethora of responses, including military, construction, and entertainment. Figure 2 illustrates the distribution of the respondents by types of organizations.

The size of the organizations varied greatly with a low of one employee and a high of 123,000 employees. The average number of employees among the 178 respondents was 11,744. The demographic information reveals that organizations studied vary greatly in location, classification, type, and number of employees.

The main purpose of the study was to investigate the business side of social technologies, specifically what social platforms are used, the purpose(s) organizations use a specific social technology platform and whether benefits are realized for stated purpose(s). Facebook, TWitter. Linkedln. YouTube, and a general category of Other Social Technologies were the platforms specified with the first question being whether the specific social technology is used to support business processes or if plans are being made for the future use of these technologies within the respondent's organization.

Facebook

Facebook is the platform used by the largest number of organizations with 168 respondents or 94.4 percent indicating that their organization will use Facebook for business support with seven more planning to within the next year. This calculates to an astounding 98.3 percent of the respondents who currently or will within the next year use Facebook within their organizations! This finding alone suggests that organizations are reaping big benefits from using social technologies and specifically Facebook in this case. Social technology posts by organizations should be designed with an objective of achieving an intended result. In other words, what is the purpose(s) and are the results beneficial?

Table 1 reveals the number and percentage of respondents who use Facebook for the listed purposes and whether benefits have been realized for each. Percentages were calculated based on the number of respondents who use Facebook for business support. Social technologies vary in how and why they are used, but for consistency and comparability reasons, the same list of purposes was used for each social technology platform.

As noted in Table 1, Facebook is used for multiple business related purposes of the responding organizations with the top five being: 1) to gain exposure and create awareness', 2) for marketing; 3) to communicate and collaborate; 4) to network and build relationships, and; 5) to gain new customers. Respondents using Facebook for specific purposes realized benefits related to that specific purpose with an astounding 90% or more of the respondents who indicated that they use Facebook - to communicate and collaborate, to gain exposure and create awareness, and to network and build relationships - realizing benefits.

A somewhat perplexing result is that only 58.3 percent of the respondents indicated the use of Facebook to increase revenue/ profits, yet 81.5% of that group realized a benefit when using Facebook for this purpose. This suggests that many organizations start out using Facebook for a variety of reasons other than the bottom line and realize an increase of revenue/profits as a result.

An analysis of Table 1 shows significant support for using Facebook for competitive advantage and that organizations realize benefits from all of the listed purposes.

Twitter

Twitter continues to grow in popularity and results indicate that not only is it increasingly being used for personal reasons, it is now considered to be a viable tool to support business within organizations. An analysis of the results shows that 110 of the 178 (62%) respondents indicated that they use Twitter for business support and 22 (12.4%) who do not currently use Twitter, plan to in the next year. Thus, according to this study, approximately three-fourths of the business world will be using Twitter within one year for business purposes. Table 2 reveals the number and percentage of respondents that use Twitter for the listed purposes and whether benefits have been realized for each. Percentages were calculated based on the number of respondents that use Twitter for business support.

Of the eight specific purposes listed, the top reasons that organizations use Twitter are 1) to gain exposure and create awareness; 2) for marketing; 3) to communicate/collaborate: 4) to network and build relationships: and 5) to gain new customers. Ironically, the top five of Twitter are identical to the top five for Facebook and in the exact same order from high to low. Also interesting to note is the fact that like Facebook users, the percentage of Twitter users who realized an increase in revenue/ profits was higher than the percentage of those who used the social technology for that purpose - a benefit which is certain to be welcomed by organizations. After all, the purposes listed should ultimately all impact revenues/profits.

Linkedln

Linkedln is the least used social technology platform for business support of the four listed - Facebook, Twitter, Linkedln, and YouTube. Approximately 40 percent of the respondents currently use Linkedln for business purposes, with 14 percent indicating plans to do so within the next year. Thus, 81 or slightly less than half of the respondents do not use Linkedln within their organizations and have no plans to in the near future.

Table 3 reveals the reasons that business users include Linkedln within their social strategies and whether benefits were realized. A comparison of the Linkedln platform to other social technology platforms is discussed.

Linkedln is used for multiple business related purposes of responding organizations with the top five being: 1) to network and build relationships: 2) to gain exposure and create awareness: 3) for marketing: 4) for recruiting employees, and; 5) to communicate/collaborate. All respondents using Linkedln for specific purposes realized benefits related to that specific purpose. Not surprising, networking and building relationships was number one and recruiting employees made the top five list for the first time. Often referred to as the board room of social technologies. Linkedln is known for facilitating connections with like-minded business people which may lead to job recruitment.

YouTube

Almost half, or 49 percent of the respondents use YouTube for business support with an additional 15 percent who do not currently use YouTube planning to do so within the next year. This leaves 36 percent of the respondents who do not currently use YouTube and have no future plans to include it in their social strategy.

Table 4 includes the percentage of responses for each of the listed purposes and benefits realized from using YouTube for business support.

As noted in Table 4, YouTube is used for multiple business related purposes of the responding organizations with the top five being: 1) to gain exposure and create awareness; 2) for marketing; 3) to gain new customers', 4) to communicate and collaborate and; 5) to increase revenue/profits. Respondents using YouTube for specific purposes realized benefits related to that specific purpose, however, the top reason YouTube is used - to gain exposure and create awareness - also provided the biggest benefit to organizations. Ironically, the lowest response rate for the purpose that YouTube is used - for customer service - also resulted in the least benefit to respondents.

Other Social Technologies

Less than half (41 percent) or 73 of the 178 respondents use other social technologies for business support, 15 (8.4 percent) do not, but plan to in the next year, and 90 (50.6 percent) do not and have no future plans to use other social technologies.

The most common 'other' so-cial technologies listed by the respondents included Instant Messenger, Flickr, Sound Cloud, Yelp. Instagram, Google+, Blogspot.com, and HootSuite ©WordPress with Google+ slightly edging out the others.

Table 5 reveals results for social technologies other than Facebook, Twitter, Linkedln, and YouTube.

The top reasons that organizations use a variety of 'other' social technologies include the following: 1 ) to gain exposure and create awareness', 2) to communicate/collaborate', 3) for marketing', 4) to gain new customers and; 5) to network and build relationships. Although not one of the top five reasons for using social technologies for business support, over 90 percent of those using 'other' social technologies to increase revenue/profits realized this benefit.

A comparison of the percentage of respondents indicating the social technology platforms used within their organizations for business support is shown in Figure 3. Figures 4 illustrates the purposes of using social technologies for business support by platform and Figure 5 reveals the benefits realized by purpose and platform by the organizations using these social technologies (shown by percentage).

Facebook and Twitter are the two most popular platforms used for business support at this time, although as shown in Figures 3, 4, and 5, all platforms and purposes listed are used in the business world with the majority resulting in high percentages of user satisfaction in response to benefits.

SOCIAL TECHNOLOGY FOR COMPETITIVE ADVANTAGE

Strategic use of social technologies has saved companies hundreds of thousands of dollars in advertising costs while being attributed to an increase in profits. "Social Media for corporations. small businesses or startups is not just about "engagement". It's much broader than that - often including things like advertising, reputation management and customer service." [16] In addition, companieshaveeffectivelybranded their products online, established professional relationships that have led to profit, and used social technologies for interviewing and hiring decisions. The results of this study and related literature confirms that examples heard and read about aren't isolated cases, rather, the majority of businesses using social technologies for specific purposes are realizing benefits?

Following is a further discussion of research results and related literature on each of the purposes studied and benefits realized as shown in Figures 4 and 5.

Communicate and Collaborate

"Combine a multifaceted schema of communication with a sophisticated set of choices for forming communities, and - bang! - you have a technologically enhanced social system. And once you have a social system that gives people - both as individuals and on the behalf of larger entities - the ability to communicate seamlessly, virtually for free, and with lots of cool filtering systems, you have something that is commercially attractive." [10]

The two platforms used by the most respondents for communicating and collaborating were Facebook and Twitter, however, the benefits realized from using all platforms for communicating and collaborating were 80 percent or above indicating the power of communication and collaboration in the social technology arena.

Customer Service

Customer service can make a difference in return customers, new customers of an organization due to word-of-mouth, and ultimately an organization's survival and success.

"When companies today try to meet their customers where they live, they increasingly find that it is on social media. Now that such sites are an integral part of the culture, using them for customer care is moving from cutting-edge concept to business necessity. Even with its challenges, social media customer care clearly represents a tremendous and growing opportunity for businesses to foster strong customer relationships." [6]

Customer Service was not selected in the top half of the purposes listed by the respondents in the study, but ranked high in benefits by those using Facebook, TWitter, and Linkedln for this purpose. Customer service is most likely handled more by e-mail, telephone or face-to-face, but as the use of social technologies increases even more in the future, customer service will inevitably shift to this mode as well.

Gaining Exposure and Creating Awareness-Branding

To Gain Exposure and Create Awareness was the number one purpose indicated by respondents across all platforms except Linkedln where it came in number two getting trumped by Networking and Building Relationships.

Gaining exposure and creating awareness is the key to effective branding.

Branding can result in higher sales of not just one product, but of all products associated with that brand. Branding is creating a unique value for a product to attract customers. [13]

There are many examples of successful branding using both traditional media and social technologies, yet the majority of the elements necessary for branding may be accomplished effectively through the use of social technologies.

Most importantly, gaining exposure and creating awareness are a must. For example, products including Shredded Wheat and Old Spice have experienced a huge surge in sales primarily because of social campaigns.

Gaining New Customers

"Social media is a vital tool that is readily available and will help your business reach new customers and grow in ways - and at speeds - that more traditional marketing can't accomplish." [5]

Gaining New Customers was listed by respondents as a reason and a benefit of using social technologies and was ranked among the top five purposes for using social technologies for all platforms except Linkedln. Based on the results of this study, Facebook is the best platform to use as far as benefits go for gaining new customers.

Increasing Revenue/Profits

Is profit a dirty word? Without revenue and profit, businesses couldn't exist, yet of the eight purposes listed, to Increase Revenue and Profit, ranked in the bottom half of every platform as a reason for using social technologies, yet spiked up considerably as a benefit realized.

Perhaps this makes a statement that organizations know they must excel in the social technology arena on many levels - communicating, customer service, gaining exposure and creating awareness, gaining new customers, marketing, and networking and building relationships-in order to increase revenue and profits.

It is difficult to isolate the purposes for using social technologies and benefits realized. Many of the purposes listed, most likely translate into profits. For example, does marketing help gain new customers, which results in additional revenues and profits?

'There's no question that social media marketing is a popular and effective way to connect with customers and increase profits." [3]

Marketing and Advertising

Unlike a decade ago, traditional marketing methods were used exclusively to advertise products using media such as television, radio, newspaper, magazines, billboards or mail. Today, many of those same organizations are using social technologies and reaching more people at a lower cost. "If you can harness social media marketing, you don't have to pay for advertising anymore." Millions of people are using social technologies effectively every day. It enhances reach, strengthens relationships, establishes credibility/trust and can work at amazing speeds. [7]

Marketing ranked among the top three purposes for using social technologies across all platforms with considerable benefits realized. Although all platforms are used by organizations for marketing, the top platforms for marketing, according to this study are Facebook and Twitter.

Networking and Building Relationships

Professional relationships are invaluable and with social technologies, relationships that would have been impossible before are now easily cultivated. To realize the most out of a professional relationship, it is imperative to include face-to-face time as well.

Social technologies have allowed individuals to connect and reconnect with businesses increasingly cashing in through professional relationships. MBA Online reports that 8 in 10 social media users in the U.S. would rather connect with companies via social media than via corporate websites. [17] In fact, Rawson [15] indicates that if you're not nurturing relationships online, you're missing opportunities for business.

To Network and Build Relationships was listed as one of the top five reasons social technologies are used among all platforms except YouTube. Linkedln is the platform of choice to network and build relationships with benefits realized from approximately 85 percent of the respondents.

Recruiting - Interviewing and Hiring Decisions

Job candidates now have the luxury of not only searching for jobs online, but also making initial contact with a potential employer. Some would be alarmed to know that approximately three-fourths of companies use social technologies to help with decisions on whether to interview or hire potential job candidates? [1] Some even go beyond this and look at their employees social technology posts as a part of their job performance appraisals.

"Social media for hiring purposes is at an all-time high: 92 percent of companies use platforms such as Twitter, Linkedln and facebook for recruitment, and 45 percent of Fortune 500 firms include links to social media on their career page sections." [1] "Almost three-quarters (73 percent) of recruiters say that they have made successful hires through social media, and, conversely, one third of employers rejected candidates because of something that they found in their social profiles." [1]

Users of social technologies are encouraged to post and share an unlimited amount of personal information, including name, education history, career experience, and personal photos and videos. What is posted speaks to a person's background both personally and professionally and may determine an interviewing or hiring decision. In addition, there are plenty of tools available through social technologies for the job seeker and employer. For example, The Facebook Marketplace is a site where available jobs can be posted for free. The ad requires basic information such as location, job category, subcategory, title, why you need to fill this position, description, and allows a photo or image to be posted. The limitation of a free job posting is that you can't target it to a specific group of people like you can with a Facebook Ad. Linkedln has similar job related services.

By viewing an individual's personal profile and related media, employers can easily find a suitable job candidate. Linkedln allows recommendations and endorsements adding additional information and credibility to an individual's listing.

Linkedln is the platform of choice for recruiting employees with almost 78 percent of the respondents who use Linkedln indicating Recruiting Employees as a purpose and over 80 percent realizing benefits when using this platform for recruiting. Although the other platforms had some activities in the human resource arena, recruiting was among the top five only for those using Linkedln.

Pros and Cons

It is evident that social technologies offer a competitive advantage to businesses through increased profits, branding or creating an awareness of products and brands, professional relationships, and human resources, all while providing a global reach that may not have otherwise been possible. With any technology, the threat of security is always a factor on the negative side as is the concern of corporate image and employee productivity. The bottom line is that companies without the presence of social technologies risk a loss of credibility and ultimately failure.

IMPACT ON CURRICULUM IN BUSINESS SCHOOLS

Students must be exposed to and understand the professional side of social technologies prior to entering the world of work. College graduates' first jobs are very likely to depend on the image portrayed through their social technologies sites, including words, pictures, and videos. Furthermore, keeping in mind that jobs and employee performance appraisals may be impacted by the presence of their social technologies.

What's on a student's Facebook, Twitter, Linkedln, YouTube and why does it matter?

Once something is posted, it becomes "public". So before posting or tweeting, it should be noted that it will have an impact on reputations. One of many examples . . . Two students were suspended and one student was expelled after a negative facebook post about a teacher. The word "pedophile" was used to describe their teacher, which is detrimental to the teacher's reputation and to the reputation of those who posted. Even though the students' parents insisted that posting something from the privacy of their own home shouldn't be punished, using social technologies is public and time after time has resulted in punishment or individuals losing their jobs as a result. [14]

Decisions about college admissions today are based partially on a student's social technologies posts which could be a positive or a negative for the student. Few think about the ramifications of their posts at this age, which paints a picture of their reputation and may be a determining factor in getting admitted to the college of their dreams.

Think before posting! Social technologies impact others, build individuals' professional brands, and may determine a person's fate in life!

Respondents' Experience Using Social Technologies

An inquiry regarding the respondents experience or outcome from using social technologies revealed that 175 were positive and 58 had one or more negative experiences. These numbers reveal that only three of the 178 respondents did not view their experience or outcome from using social technologies as positive and as might be expected, some had both positive and negative experiences.

Valuable comments were offered by the respondents, including positive, negative, the impact of social technologies on the organization and other miscellaneous comments. Emphasizing the importance of social technologies, one of the respondents had the following comment: "Organizations have to be on social media to survive, especially when it comes to marketing. Our organization has Facebook guidelines for posts, best practices, and dealing with negative comments. Users within our organization are realizing the importance of utilizing social media."

In the negative category, the most common complaint was the difficulty of quantifying the results of using social technologies. Following is a respondent's related comment: "It has been difficult to quantify the results of social media. We did put together about 20 special item numbers that were publicized through Facebook and Twitter last year that resulted in approximately $17,000 in net sales. This was our first attempt at using social media in this manner."

While the previous two comments were from respondents from a very large energy corporation and a large industrial corporation respectively, the following comment is from an individual involved in a start-up: "Though we are a young company, social media has already proven useful. By doing online promotions and giveaways, we've already attracted 100+ followers. This will be huge leading up to our grand opening."

Comments from respondents were overwhelmingly positive, which is a reflection of the fact that only three respondents indicated not viewing their experience or social technologies outcome positive.