A study about Social Media Marketing for Local Grocery Stores

How Social media can be used to create a better customer relationship?

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Acknowledgement

We would like to thank all stores involved in making this report possible by contributing their valuable time in our interviews. We would also like to thank our supervisor Jon Engström for his feedback, support and guidance throughout this research. The thesis has given us new knowledge and experience within this field of marketing context and will pave way for future research.
Abstract

The role of internet and the digitalized world are more relevant than ever before. The new phenomena of digital marketing has created a paradigm shift of existing marketing with new ways to market. Social media plays a significant role in this change, since it allows businesses to easily engage with its customers and to maintain relationships. For small and local businesses, this change has created great opportunities to interact more with the local audience. However, not all such businesses have the sufficient knowledge to optimize the usage of social media.

The focus of the study is to explore the current usage of social media in local businesses context. Furthermore, we will suggest social media marketing strategies that will help local business to improve its customer relations. The qualitative approach is applied in this study by using interviews and observations, which is the main source of primary data collection. The conclusion was that local grocery stores still rely much more on traditional marketing methods. However, local grocery stores still use and value social media, but most are unclear of the true benefits and strategies when using social media. Lacking strategies consist of planning the social media marketing, but also lacks the formal management of critical situations on social media. Overall, local stores perform well in building relations with its customers using social media however, there is a scope of further improvements.

Keywords: Local grocery stores, Customer relations, Marketing Mix, Social media marketing, Social media strategy.
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Chapter 1 Introduction

The thesis focuses on how local grocery stores use social media to engage with its consumers. The introduction part is aimed to familiarize the reader with a broader aspect of previous research, towards a narrower path of problem area. Chapter 1 includes the introduction of this research, the related problem area, as well as the purpose and research questions.

1.1 Introduction

Today, the marketing mix is a part of the marketing communication strategy in most businesses (Jobber & Fahy, 2009). This involves knowing and identifying the marketing objective, the market target as well as the customer relations and interactions (Posner, 2015:40).

Focus on marketing has been on the traditional aspect for a long time which has later evolved and adapted to new contexts. Online platforms, such as social media, is one of these contexts where the focus is on the creation and exchange of user generated content (Kaplan & Haenlein, 2010). The era of social media as we know today is rooted back 20 years ago, when Bruce and Susan Ableson came up with an idea “open diary” (Kaplan & Haenlein, 2010). According to Kaplan and Haenlien (2010), this was the early social networking site which brought together different writers at one place. The new generation of digital web services defined as Web 2.0 has laid down the foundations of social media.

Today, digital and social media marketing has made it easier for people to get access to more relevant information but also to communicate with companies in more interactive forms (Tiago & Veríssimo, 2014). To find information, a customer can simply search Google for an answer he or she is looking for. The accessibility to easily find information has created endless possibilities for marketers who can increase their visibility and reach their customers in a more effective way. Digital marketing has also facilitated the convenience in the purchase process of the customers. (Ryan, 2016).

The interactive forms of digital communication such as blogging, social networking and other digital interaction tools has made it easier to develop relationships in marketing field (Kabani,
Brand awareness, information search and purchasing behavior are all aspects which will be improved and facilitated with digital marketing (Mangold & Faulds, 2009).

The basic difference between traditional and digital communication is that instead of having the television, radio or newspaper promoting the business, firms are advertising products/services on their own via online platforms such as social media (Facebook, Twitter or Instagram), search engines (Google) and blog platforms (Wordpress) (Tiago & Veríssimo, 2014).

Today, companies strive for gaining consumer attention in the online world (Kaplan & Haenlein, 2010). Thus, there is increased competition where companies are trying to be more visible. Digital tools such as social media has allowed companies to establish new connections and contacts with existing and new customers who they can interact directly with on the platforms (Kaplan & Haenlein, 2010). Businesses both global and local ones, have great opportunities of using new methods of building greater relationships on the digital platforms (Ryan, 2016). It also makes the business improve their brand image by producing quality digital content on their web pages, which is changing the perception that the customers have about the company (Arslan and Zaman, 2010).

When launching a digital marketing strategy such as on social media, it is important to know how to impact the perception and the behaviors of the consumers you interact with. A social media strategy is a cost-efficient way of reaching customer and receiving constructive feedback to help improve the organization and customer experiences (Angel & Sexsmith 2011). This could involve feedback about product and service development. Furthermore, when developing a social media strategy, it is important to align it with the overall strategies in the marketing mix. However, opening of new communication channel does not imply that companies do not value traditional marketing (Kabani et al. 2010).
1.2 Problem Area

In this thesis, our focus will be on social media marketing in the context of a local business within grocery retailing. The grocery retailing sector is considered to be significant in many ways, due to its sheer size and its strong involvement with a local audience of customers (Adelaja and Adesoji, 1988).

Today, local businesses face several challenges with regards to its use of social media. Firstly, there is a lack of resources and time when managing the different functions such as marketing, finance, purchases and social media simultaneously (Kabani et al, 2010). Secondly, according to a survey by CMO, it shows that a majority of small and local businesses have started to use social media, but that they find it difficult to find an appropriate strategy which corresponds with the rest of the marketing activities. Lastly, there is a lack of motivation in the usage of social media in local businesses. According to a survey by Malta (2015), some businesses feel that it is not worthwhile and does not give any concrete benefits. Thus, the problems lies in not being able to understand social media marketing strategies and how it benefits the organization in terms of better customer relations and return on investment (Kaplan and hanien, 2010).

In an article by Looney and Ryerson (2011), they stated that only 37 percent owners of small and local businesses described themselves competent regarding the usage of social media, whereas 32 percent believed that they have a fair enough knowledge about the subject, but needed more training and practical skills. 20 percent thought they had basic skills and 11 percent though they didn’t know anything about social media marketing.

Due to this lack of knowledge, our thesis will focus on getting a better understanding of how small local businesses within grocery retailing can improve their knowledge within social media and identify the benefits and strategies. The aim is to identify how the usage of social media as a marketing tool can generate further benefits within the specific area of customer relations. Much research has been previously conducted within the field of social media in the context of large corporations (Karimi & Naghibi, 2015). However, there is a research gap regarding the topic of social media in relation to small and local businesses. Thus, this research is important.
because it would provide a more in-depth view of effective use of social media tools with regards to local grocery retailing sector. These businesses don’t have social media as the primary focus since a lot of money is still invested on other traditional marketing activities such as the local newspaper.

The reason why the topic of customer relations within local businesses is so important is because the local customer audience is limited. As a local company, you need to maintain and improve existing customer relations to get loyal customers who will return on a regular basis (Bowen et al, 2010). It will be hard to acquire new customers once the majority of them have left for the local competitors.

The findings of thesis will contribute to the current literature review in the context of social media aspect for small and local food businesses and in addition lay a foundation for future improvements.

1.3 Purpose

The purpose of the thesis is to explore the current usage of social media in local business context. Furthermore, we will suggest social media marketing strategies that will help the local business to improve customer relations.

1.4 Research Questions

1. How is social media marketing integrated as a tool for the marketing mix in local businesses?

2. What are the current practices of social media marketing in a local grocery store?

3. How can social media marketing help improve customer relations within the context of local businesses?
1.5 Definitions

**Local Grocery Stores** “Primarily engaged in the retail sale of food for home preparation and consumption” (Adelaja, 1998; P 88).

**Social media** “Social media is a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of User Generated Content”. (Kaplan & Haenlein, 2010 P:59)

**Social media marketing** “Social media marketing is the utilization of social media technologies, channels, and software to create, communicate, deliver and exchange offerings, that have a value for an organization’s stakeholders”. (Solmon, 2014 P:14).

**Marketing Mix** “The basic definition of marketing mix definition is simply. It is about putting the right product or a combination thereof in the place, at the right time, and at the right price.” (Kotler, Armstrong & Parment, 2011, P:28)

1.6 Outline of Thesis

The first chapter presented the background of the topic which we are going to further describe. It also consisted of problem area of research, research purpose, research questions along with the definitions of important concepts. The second chapter of the thesis consists of the theories, which had been chosen in accordance to our research purpose and research question. The third chapter consists of the method section and how we have conducted our research. The fourth chapter is the data we have collected for our thesis. The last two chapters consists of analysis and conclusion, which were based on the data we have collected.
Chapter 2 Theoretical Framework

This chapter takes in account the breadth of literature within marketing, as well as the definitions and concepts of local businesses and social media marketing. The aim is to acquire knowledge about the subject and execute an interesting and credible research. This chapter has models and theories that are relevant to purpose of our study. Our theoretical framework is divided within the following main standpoints which are local business definitions, foundations of marketing, and social media marketing. These topics will describe the various relevant theories focused on the concepts related to the field of social media marketing.

2.1 The concept of local businesses

2.1.1 Defining locality

A local business is basically a store that is close to its customers. The local store is usually a part of a community such as a particular city area, village or another geographically defined community. A local store is usually characterized as a B2C-company (business to consumer), which basically means that they sell and market product and service its customers (Bennett et al, 2011). These product and services are sold for private usage such as groceries and other household products.

Furthermore, locality can be split into three categories: geography, interaction and identity (Crane et al, 2004). Geography represents people residing within the same geographic region, interaction refer to a set of social relationships found in that particular geographical region. Identity implies to a group of people, which share the sense of identity.

2.1.2 The interaction in local businesses

According to Bowen et al (2010), there are three ways in which organizations can interact with the communities in which they operate. This particularly consists of “Transaction”, “Transition” and “Transformer engagements”. Transactional interaction means “giving back” to the community in terms of investment and knowledge (Bowen et al, 2010). The benefits could be derived for both the communities and the local businesses. Transformational interaction constitutes of two important things, which are joint learning and sense-making.
Transformational engagement calls upon to engage participants through listening and understanding them. There is a creation of shared organizational values, engaging its members and developing a strong connection (Schouten and Remm, 2006). The transitional strategy is characterized by the two-way communication of “consultation” and “collaboration” (Googins and Rochlin, 2000). These are the different strategies in which a local business can interact with the local community.

2.1.3 Marketing implications for local businesses

The basic difference between a local store and larger corporation is that a local store has easier access to data and a deeper knowledge about consumer demand and the identity of the customer (Farrell et al, 2015). A local audience and the market in general is easier to study since the audience is smaller in local businesses compared to large businesses who may have global audience and a mass market. This also creates fewer communication barriers since the customers are closer to the business and it is therefore easier to target the specific geographical group of customers. However, due to the limited market size, the growth of local businesses is constrained (Farrell et al, 2015).

2.2 Foundations of marketing

According to Kotler, Armstrong & Parment (2011), marketing is defined as the profitable customer relations and the management of these relations. In this theoretical framework, we will describe both the marketing mix as a tool for customer relations and how this needs to be further developed with relationship marketing.

2.2.1 The marketing mix

The marketing mix introduced by Neil Borden in (1950) was used for businesses to influence the demand of the product and services. It can now be seen as the toolbox that will help a company to create a solid positioning in the market and to make the customers satisfied with the service and the product offerings (Kotler, Armstrong & Parment, 2011). The traditional definition of the concept can be explained as the 4P - product, price, place and promotion (Doyle and Stern, 2006).
Today, the concept has developed further since the regular 4P marketing mix does not fulfil the purposes for interactive relationships. Thus, many businesses within the service sector have added three additional P which are people (staff), physical evidence and process, now also known as the 7P of marketing (Magnusson & Forssblad, 2009).

- **Product**

The product aspect of the marketing mix involves what products and services the business can offer, and whether they are tangible (goods) or intangible. It also involves how the business can improve the product or service to increase their sales (Kotler, Armstrong & Parment, 2011). For example, what area of product development needs to be improved?

- **Place**

This refers to providing customer access to the products and services within the business and thus providing better convenience for the consumer (Kotler, Armstrong & Parment, 2011). You achieve this by making good decisions regarding where the store is located, but also having a store accessible online. The convenience of the purchasing-process is also important where it should be easy buying the product, finding the product, finding information about the product and several other aspects (Magnusson & Forssblad, 2009). A question a business should ask themselves is, what communication channels will increase their visibility?

- **Price**

This is basically the amount which customers pay for. Businesses need to understand the customer-perceived value for their products and what sacrifices the customer are willing to make to acquire a product. It is therefore important that the business has good price strategies and tactics to satisfy the customer. The price strategies basically mean knowing what value the product and services have and set the price according to it (Magnusson & Forssblad, 2009).

- **Promotion**

This element involves the activities that are used to communicate the benefits of the products and services in the company. One of the most important assets to communicate these messages
are staff that are competent and service-minded (Magnusson and Forssblad, 2009). Examples of communication are direct marketing, internet marketing, sales promotion and sponsorship. These forms of communication help the business to directly engage with the customers. It is important that the activities are customer-oriented and provide valuable information, since it will lead to more loyal and satisfied customers (Blech et al, 2009).

➢ People

To increase the competitiveness in the firm, it is important that the staff is confident in their work environment so that they have the right incentives to treat the customers in a professional way (Jobber & Fahy, 2006).

➢ Physical evidence

In this aspect, the focus is on the customer's perception of the physical environment when the customer is at a store to purchase a product or service. This environment involves the signs, symbols and senses that in some way is significant to the customer perception of the company (Jobber & Fahy, 2006).

➢ Process

This refers to how the process look like when a company get a new order. The process might be how long it takes for the customers to receive their order and how the process can be effectively improved to decrease the waiting time (Jobber & Fahy, 2006).
2.2.2 Relationship marketing

The marketing mix has been used as the general marketing theory for a long time as it serves many practical purposes in the marketing field (Grönroos, 1994). Even though it has been developed to include more interactive marketing via the 7P, it is still not fully built upon relationship-oriented goals. The evolvement of trends such as in service marketing and customer relationships economics have therefore started to demand a different approach (Grönroos, 1994). Philip Kotler (1991) concludes that companies must move from a short-term transaction oriented goal to a long-term relationship-building goal, which is why it is important to further describe the emerging paradigm shift and the concept of relationship marketing.

The purpose of relationship marketing is to maintain and improve the relationship between the company and the customer (Wilson et al, 2011). The concept has started to position itself as a leading marketing paradigm not only in industrial marketing and services marketing, but in most or all marketing situations (Grönroos, 1994). As a company, you should focus on more than only the transaction, but instead on the customer retention and loyalty to the brand (Gummesson et al, 2008). The concept does aim to create a “two-way dialogue” with customers to understand their specific wants and needs. According to Morgan and Hunt (1994),
relationship marketing can be defined as: “All marketing activities directed toward establishing, developing, and maintaining successful relational exchanges”.

The goal with relationship exchanges is to create a valuable long-term relationship with the individual customers (Gummesson et al, 2008). Good customer relationships are according to John Egan (2011) achieved through strategies and techniques such as customer relationship management and inbound marketing.

2.2.3 Customer Relationship Management

Customer relationship management is a business technique (CRM), or a systematic way of meeting the needs of current or future customers to the best possible extent (Raab et al. 2008). There are various definitions and interpretations of CRM.

According to Patil (2014, P:27), customer relationship management “is an enterprise approach to understanding and influencing customer behavior through meaningful communications in order to improve customer acquisition, customer retention, customer loyalty and customer profitability”. The relationship between an organization and its consumer involves a continuous and interactive two-way communication (Patil et al, 2014). CRM is a method of improving the two-way communication between company and customer, with the focus on how the message is being transferred from the transmitter to the receiver. These can be applied in certain situations through reactions, performance measurements and procedures within the particular firms (Calder and Malthouse, 2005).

The goal of CRM is to have a deeper understanding on how an organization can fulfill customer needs at an optimal level. CRM is an approach which is more focused towards the customer information (Patil et al, 2014). The customer data is gathered and analyzed with help of technologies, in order to manage and adapt to the different needs of the customers. Doing this leads to increase of satisfaction (Goran et al, 2002). The analyzed data from technology platforms such as social media is later used to refine marketing efforts such as developing new products and services (Egan, 2011).
Personalized marketing CRM strategies can be implemented to obtain better data and value of knowledge from customers. Personalized marketing in CRM consists of using content strategies that accommodate in-bound messages (Malthouse, 2007). By doing this, they are enhancing their ability to manage customer relationships. This type of strategy is called inbound marketing.

2.2.4 Inbound marketing

Inbound marketing is about producing the right and valuable content that attracts consumer attention (Halligan & Shah, 2009). A good content marketing strategy include some kind of emotion or valuable knowledge. Personalized content is in this case very important, since it shows that you value and respect the personal needs, attitudes and situations of the customer (Light et al. 2014). A good way to create personalized content and attract attention is to use storytelling.

When businesses tell a story to their customer to build a closer connection, they are using the concept of storytelling (Dietz et al, 2013). These stories should be authentic and creative. The purpose of storytelling is to change the customer perception about the brand and relate it to the story (Dietz et al, 2013). Emotions in storytelling is important, since it improves the customer memories of the business compared to regular facts or truths, thus creating a stronger bond to the business which will lead to returning customers if the customer is satisfied (Halligan & Shah, 2009).

Storytelling can be actual stories about the company which the customer can relate to. The story can reflect the personality of the company, which also can be shown through the furnishings in a store and the staff characters (Dietz et al, 2013). A positive aspect with inbound marketing is that the content consists of value which the customer is more likely to share with friends and family. This spreading of messages via customers is also called the word-of-mouth (Henning-Thurau et al, 2004). Managing the content strategies right is therefore important because it could lead to either a negative or positive word-of-mouth, which is affecting the image of the business.
2.3 Social Media Marketing

This definition of social media has been defined by different researchers such as Kaplan and Haenlein (2010) and Mangold and Faulds (2009), who refer to social media consisting of two characteristics which are online marketing and the expression of User-Generated Content (UGC). A formal definition by Solomon (2014, P:14) is “Social media marketing is the utilization of social media technologies, channels, and software to create, communicate, deliver and exchange offerings, that have a value for an organization's stakeholders”.

According to Mangold and Faulds (2009), social media is suggested to be a new hybrid element of the promotional mix. Today, businesses cannot control information from being spread on social media by the people, but they have the ability to review and give their input to the discussion (Mangold and Faulds, 2009). Table 1 shows the main distinctions between traditional and social media marketing practises and how social media can expand as a complement to traditional marketing.

<table>
<thead>
<tr>
<th>Traditional Marketing</th>
<th>Social media</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fixed, Unchangeable</td>
<td>Instantly update</td>
</tr>
<tr>
<td>Commentary limited and not real time</td>
<td>Unlimited real-time commentary</td>
</tr>
<tr>
<td>Limited, time-delayed best-seller list</td>
<td>Instant popularity gauge</td>
</tr>
<tr>
<td>Archives poorly accessible</td>
<td>Archives accessible</td>
</tr>
<tr>
<td>Limited media mix</td>
<td>All media can be mixed</td>
</tr>
<tr>
<td>Committee publishers</td>
<td>Individual publishers</td>
</tr>
<tr>
<td>Finite</td>
<td>Infinite</td>
</tr>
<tr>
<td>Sharing not encouraged</td>
<td>Sharing and participation encouraged</td>
</tr>
<tr>
<td>Control</td>
<td>Freedom</td>
</tr>
</tbody>
</table>

*Table 1 Traditional vs. Social media Source: Stokes (2011, P,334)*
2.3.1 Marketing Mix in Social media

As mentioned before, we are focusing on the two aspects of the marketing mix, which are the people and the promotional activities in the organization, since these focus on the customers more. As an extended version to the traditional marketing mix of the 7P, we are here going to describe the marketing mix for social media. In this model, customer focus has a larger significance, since the information or promotion that is spread on social media platforms is dependent on the interaction between the customers (Mangold & Faulds, 2009). The reason why this is important to include is because it is changing the consumer behavior and the power of the customers (Li & Bernhoff, 2008). Customers are now consuming information from friends and relatives which are affecting their relationship and purchase decisions with different suppliers (Lempert, 2006; Vollmer & Precourt, 2008). This has more relevance since the consumers perceive word-of-mouth as a more trustworthy source (Foux, 2006).

2.3.2 Categorization of Social media Channels

There are various categories in context of social media, such as regular social network sites, media sharing sites, blogs, micro blogging, vlogs, forums and rating sites. (Kaplan and Haenlein 2010). The social networking sites are basically platforms where people share information about their lives. There are a number of platforms where this is possible, such as Facebook, Instagram, Pinterest, Snapchat and Twitter. For example, a Facebook user has usually a circle of friends whom they share their information, photos, and events with (Karimi & Naghibi, 2015). The difference between Facebook and Twitter is the amount of words allowed in posts. On Twitter, the text words are limited to only a certain amount, which requires that the message needs to be short and concise, so that the relevant message is communicated. However, Instagram, Pinterest and Snapchat are focused on visual content in pictures and videos.

The differences in social media channels can be further explained with a framework by Weinberg & Pehlivan (2011) which is called the social media mix. This framework shows that the differences between social media channels depends on two factors, the interest of information spread on the social media platform and richness of information on the platform.
These two factors can show differences regarding social media channels and also give suggestions on what social media channel that fits different marketing purposes.

2.3.3 The seven building blocks

A framework to clarify different building blocks in social media has been developed by Kietzmann et al. (2011) and is called the honeycomb model. The framework describes the building blocks as: identity, conversations, sharing, presence, relationships, reputation and groups. Every building block gives the opportunity to investigate a specific aspect of social media and what consequences it has for the businesses. All aspects of the framework are interacting but not dependent on each other. Each building block is used to understand how different functions within social media can be configured (Kietzmann et al, 2011).

![Honeycomb Model](image)

*Figure 2 The Honeycomb model Kietzmann et al, 2011.*

The word “identity” in reference to the honeycomb model is “*which users reveal their identities in a social media setting*” (Kietzaman et al 2011, p. 243), while the relationship block of honeycomb attributes to “*the extent which users are connected to each other*” (Kietzaman et al 2011, p. 244). In addition, Kietzaman et al (2011, p. 245) referred to “conversations” as “the degree of which customers communicate with each other and with the business”.

The “sharing” block in the honeycomb model focus upon to what extent the user is active on social media by distributing, exchanging and receiving content via a different number of sources.
(Kietzmann et al, 2011, p. 246). The “presence” block is quite similar to the “sharing block”, but refers only to what degree the users of social media are available (Kietzmann et al, 2011).

The last two blocks are the reputation and group aspect, which means to what degree the consumers of social media are perceiving the reputation of the company, and to what extent the consumers are forming a community (Kietzmann et al, 2011)

2.4 Implementation of Social Media Marketing Strategy

Social media has given further opportunities to share opinions, create engagement and impact the relations with the businesses through for example word-of-mouth. This has made it even more important to monitor and build relations with the customers properly (Ramsay, 2010). Currently, most of the firms are employing social media as a tactical rather than a strategic tool. For instance, companies can create its presence on Facebook with the expectation that consumers become a fan of their page. Although, it is shown that many executives or managers are still unable to develop the right strategies and have enough resources on the social media platforms (Kietzmann et al. 2011). According to Culnan et al (2010), the value of social media is not enhanced without proper implementation. Bernoff and Li (2008) suggests that to increase the effectiveness of social media, firms need to adopt a strategic framework for implementing the right actions. Fundamental focus should be tied on the strategic perspective of social media rather than only creating awareness and presence.

From the managerial perspective, social media strategies require planning and constantly updated information. To keep the customers further satisfied, it is important that the business interact and provide customer service frequently. Culan et al (2010) discuss appropriate strategies to maximize the use of social media based on three major components: Planning, Actions and Management.
2.4.1 Planning

Planning phase is what needs to be done before the implementation of the social media plan. In other words, planning means knowing and adopting the right strategy at the right time (Culnan et al., 2010). The overall objectives of the social media strategies should be identified, and what the desired results should look like. Objectives involve brand awareness, to get more people to recognize the brand. Other goals are brand consideration and brand conversation, which basically is to get the customer to read more about the brand product, and potentially making them buy it. In the planning phase, a firm pays a close attention to its local context and where it is operating in (Culnan et al., 2010). Only few companies realize that social media plays an important role in the retail markets and the effect it has on local audiences (Campenhausen & Lubben, 2002). The planning consists of two steps;

- Making decisions about platforms
- Responsibility of Governance and managing risks
There are set of steps that companies should take beforehand when deciding on the selection of social media platforms so that they are appropriate for the desired outcomes. Companies need to make a choice of which social media platform they need to engage in with their respective customers. The choice of selecting social media is dependent upon its organizational culture and the business objectives (Bernoff & Li, 2008). For example, Facebook is a good platform for reaching out to a bigger audience in all ages. If the company wants to respond quickly to its younger customers, Twitter instead may be an appropriate choice (Zarrella, 2010). Producing the right content (text, video or picture) for the right platform is the foremost task for companies (Culnan et al, 2010). The next step comes in who has the responsibility of managing these social media pages.

After the choice of selecting a social media platform, next major step is knowing who to delegate responsibility to. In beginning, it is a challenge assigning the right employees with right responsibilities (Culnan et al, 2010). According to Kane et. al (2009), companies should appoint a team for the social media strategy. The main tasks should consist of planning, utilizing and observing the activities on social media. In addition to that, this team should always be prepared for dealing with how to react in different kinds of situations; both on positive and negative responses (Kane et al, 2009).

There are certain risks associated with social media when many employees are creating content and interacting with the customers. For example, the risks may include that some employees could violate the firm’s policies, guidelines and confidentiality (Culnan et at, 2010).

2.4.2 Actions

The framework presented by Culnan et al (2010) involves a second element of the social media strategy consisting of “Actions”. Actions refers to building and forming a community in social media, which is achieved through creating interesting content and reaching the right customers (Culnan et al, 2010). Here are the actual steps, which are needed to be taken in consideration

- Creating interesting Content
- Building a community
Internet provides endless possibilities for firms to create different kind of content (Simmons, 2008). Companies should aim to create content that are appealing enough for its targeted group and as well to other consumers (Culnan et al, 2010). According to Nambisan and Baron (2010), simply by having an online presence would not guarantee that firms would be able to catch attention of consumers. Without any appealing content, there is no reason for people to visit an organization's social media page.

To produce relevant content that resonate with the targeted audience, you have to deliver messages at a time when people are most active (Culnan et al, 2010). Nowadays, firms are trying to make consumers discuss and share the content which they have produced (Bernoff & Li, 2008). However, the information on social media cannot fully be controlled by the business. In fact, all users in the social media community can add content and give feedback on the page of the business (Kane et al 2009).

Once an organization gets hold of a large number of people following on social media, the aim should be to form a community with two-way communication approach (Stokes et al, 2011). Community building and two-way communication can provide organizations with feedbacks from their fans on social media pages. Stokes (2011) has emphasized that once the community is formed it is important to encourage the members or customers to interact with the business and the other customers in or outside of the community.

**2.4.3 Management**

The third element according to the framework developed by Culnan et al. (2010) is management, which is the internal action of organizations for social media strategies. This implies the ability to recognize, acquire new knowledge, monitor and exploit any knowledge provided by their customers on social media.

- Monitoring
- Acquiring new knowledge

According to Culnan et al (2010), it is important that every employee is responsible for responding to different messages and events on social media. The main role of the employees
should be how to act defensively against possible threats and challenges on the different platforms. A challenge for companies is what content should be ignored or deleted on social media. The responsibility of the managers is to internally provide their social media team with guidelines (Karimi & Naghibi, 2015). The guidelines should be concise and include priorities on how to respond quickly to critical situations (Karimi & Naghibi, 2015). The business can get help developing the guidelines by a consultant who gives training for the employees (Moorman, 2011). Overall, a business has a good overview of the situation on social media since they have the ability to track the number of likes, visitors and comments that are showing on their page (Business & The Environment, 2012). Thus, it facilities the work of responding to the reactions that are received on Social media.

To effectively use the information which is received on social media, firms need to define the constructive feedback and realize what is essential. They can also receive information through observation on the posts of the customers, which will further help them to get more feedback and identify the needs and interests of the customers. Next, they need to know in which context it will be used (Tikkanen and Vassinen 2010). However, it requires a constant follow-up when going through the information and analysis (Culnan et al, 2010). The process of acquiring new knowledge through social media and how it is being utilized varies depending on the firm (Tikkanen and Vassinen 2010).
Chapter 3 Methodology

Methodology refers to a course or path followed to conduct the research. The approach taken and technique for the collection of data is presented, with the main purpose to create a methodological framework for this research.

According to Denscombe (2010, P:134), selection of research method is a matter of “horses for courses”. It means that the researcher needs to employ an appropriate research strategy which should align with the research method. Therefore, the researcher should conduct the research in a systematic way and make use of the best available information (Denscombe, 2010).

3.1 Research Approach

According to Bryman & Bell, (2007, p.5) a deductive research is described as “An approach to the relationship between theory and research in which the latter is conducted with reference to hypotheses and ideas inferred from the former”. There are certain advantages associated with a deductive research. The advantages are that it is significantly faster and therefore able to conduct in a shorter time. Moreover, some experts believe that it is easier to analyze and is more suitable for risk-averse researchers (Creswell, 2002). On other hand, inductive research means “An approach to the relationship between theory and research in which the former is generated out of the latter” (Bryman and Bell, 2007, p.6).

This research approach which was being adopted was deductive since we adopted this research by using theory as a starting point. However, a formal hypothesis is missing in this research. Consequently, the decision of deductive research approach was being made on the basis of our selection of topic, which is “Social Media”. Social media is a relatively new concept and a continuously changing phenomenon with the revolution of innovative technology. The choice of deductive approach was made in order to select our theories and draw some conclusions from our empirical findings.
There are different types of research approaches which are being frequently used in the field of social sciences. These methods include the quantitative and qualitative research (Denscombe, 2008). Each of these research approaches has their own advantages and disadvantages. Quantitative research is about numbers being in the unit of analysis. Qualitative research connects itself to the application of documents and reports, etc. (ibid). This research operated in qualitative data.

### 3.2 Qualitative and Quantitative Research

Saunders et al. (2009) stated that in a qualitative research, the focus is more on the assertion of non-numerical data such as through interviews. The analysis is made by means of data categorization. Qualitative research focus on finding the answers of a complex phenomenon and interpret it in the form of words. These can also be the visual images such as pictures or videos (Denscombe, 2008). Qualitative research is associated with the research strategies such as ethnography, phenomenology and grounded theory. The quantitative research on the other hand focuses more on the assertion of numerical data and the analysis of the data is gathered by using graphs or statistics. It focuses on deciding the relationship between two or more variables.

The main aim of this research was to explore how local grocery store use social media as a way of engaging and building relations with its customers. The qualitative approach was more suitable to fulfill the purpose of the thesis, as we want to “explore” the use of social media. Nevertheless, the overall purpose of any research is to find out the emergent social property rather than drawing attention on the certain phenomena (Bryman & Bell, 2007).

### 3.3 Research method for collecting data

Saunders et al. (2009) state different methods for collecting data for any purpose of research. These include ‘mono method’ and the ‘multiple method”. Mono method involves using only one technique, i.e. either primary or secondary, whereas the multiple methods can use both techniques. According to Bryman & Bell (2007), they stated that a researcher may collect data
under multiple methods by employing primary technique of data collection as well as the secondary technique of data collection.

Primary research has been conducted by interviews. Other data consists of studies from different books, journals or content from websites, reports and articles. To analyze secondary data, the studies have been categorized, filtered and encoded respectively. The main concern for filtering data was to get answers to the chosen topic.

### 3.3.1 Data Collection

Interviews were conducted by us from the local store managers who were mainly responsible for the social media pages. The main idea of collecting data from local companies was to see what their current social media marketing practices were and what difficulties they faced. Here are the following steps in which primary data was collected:

**Step 1: Conducted Semi-Structured interview, managers of social media pages for the local grocery stores**

Interviews are significant way of collecting data and an efficient measure of collecting information from the respondent (Saunders et al. 2007). Interviews can be divided into following categories:
- Structured interview
- Semi-structure interview
- In-depth interview

We decided to use semi-structured interviews because it was more suitable to our research purpose. It gave a high degree of freedom for the respondents to express views on the chosen topic. The first step towards primary data collection was to get information from the most active grocery stores on social media. Overall, the choice of companies was made based on the non-probability sampling and following criteria; activeness, richness of content, and how many followers and likes the page had. Another criterion we had in mind was to interview managers who had the sufficient knowledge in social media, which however was difficult to anticipate beforehand.
During the entire interview process, notes were taken and it was ensured that all answers were being captured by recording the interview. However, some interviews were not recorded as we did not get an approval from the respective respondents. According to Denscombe (2008), interpretation of the interviews is a vital component of analyzing qualitative data, which was why we tried to interpret all data in forms of locality, foundations of marketing and social media marketing. Thus, the interpretation was based on the theories of our thesis.

Designing of questions were less formal and open-ended, which allowed the respondents to express and discuss topics more openly. The main purpose of conducting the interviews was to acquire further and internal insight of the organizational activities, rather than only analyzing it from an external and observational point of view. All quotations and interesting parts of the interview were highlighted and mentioned in analysis. We highlighted the most important answers by using quotations marks. The average duration of interviews was about 25 mins.

3.3.2 Participants of Interview

As mentioned, store managers were being interviewed regarding their social media marketing practices. It is important to note that any in-depth or long interviews could not be conducted from store managers due to lack of time as a potent issue. Here is the following list of participants who were involved in our interviews.
Step 2: Observation on their social media channel (Mainly Facebook)

We will be using online observations where we are going to analyze the social interaction on social media. The analysis will be done by focusing on the structures and patterns between and among social actors in a network. The goal is to investigate the relationships between companies and the customers as well as the information shared between them. We will therefore be using a descriptive approach and see the interrelationship across the different Facebook
pages of local businesses. Each relation between the business and customers can be characterized and defined by their content, direction and strength (Postill et al, 2012).

### 3.4 Observation on Social media

The process of observing was most important, as it tell us what was done by these respective companies. The specific observation and data collection was done on the activity of grocery stores in social media. The data will be in the form of likes, comments and views which the page gets on their posts, videos and pictures. With the help of content and visual analysis, we will be able to see the type of language used on these platforms. The language shown in comments usually figures out what kind of opinions, emotions and overall perceptions a customer has towards the brand (Postill et al, 2012). An emotion could be either negative or positive, which need to be analyzed by us. This does not necessarily need to be comments, but also certain reactions expressed through the functions of Facebook (Newton et al, 2016). These expressions and feelings are either like, love, funny, surprised, sad or anger, feelings which needs to be taken in to account when analyzing a customer. Furthermore, sharing a certain post could also have a high value, since it probably means that the person cares about what is being talked about (Postill et al, 2012).

When all the data collection is done, we will further analyze it to see specific activity patterns from all pages, and what exact posts or strategies that works the best. This will help us to get the data processed and refined, which later will be used to compare with relevant theories. This method will allow us to be more flexible and efficient in our work-process because we will be able to rapidly gather and sort the relevant data we need (Postill et al, 2012). Compared to interviews and real-life observations (ethnography), observations through netnography can trace back conversations from several years ago, which allow us to understand how the development of social media have looked like. You cannot do this with ethnography, because it only studies the current situation (Postill et al, 2012).
3.5 Data Analysis

Qualitative data is usually in a form of interviews where oral exchanges are the unit of analysis. On the other hand, quantitative data is in the form of numeric (Denscombe, 2008,) There are different ways of interpreting qualitative data analysis. The basic definition of qualitative data analysis, according to Gibbs (2002) “Procedures whereby we move from the qualitative data that have been collected into some form of explanation, understanding or interpretation of the people and situations we are investigating”.

The first step of analyzing qualitative data was the collection of (transcripts) or raw data, which was taken during the interview process. According to Thomas (2006, P,224), the main aim of any researcher is to transform the data and try to divide them in categories. If the qualitative data is large in sample, it is recommended to use the computer software for increasing efficiency of qualitative analysis (Thomas,2006). Next step, is that the raw data transcripts should be coded, colored and commented and made sure that it resonates with the purpose of the research. The last step in analysis of qualitative data refers to the “continuing revision” it refers to that each selected category should undercover new information and highlights important points. (Thomas, 2006).

In this thesis, we ensured to follow the proper steps of qualitative data analysis. The first step was to transcript the raw data (interviews) from the store managers. The topic of social media itself is a relatively new concept so a rigorous procedure was followed to clean and filter the data. The transcripts made during interviews were read again and again. We ensured cleaning of data, took those parts which were relevant to the purpose of this research. The process of cleaning the data helped us to save time and stay focused to the research purpose. Once this process of cleaning of data was over, these transcripts were coded and commented. The next step was to categorize the interviews and according to our theoretical framework. The final step of the qualitative data analysis was to interpret our data and use it in the form of direct quotes in our empirical findings and analysis as well.
3.6 Reliability and validity

The result which are being collected has to be reliable and trustworthy. The reliability of qualitative data means that if the same research would be performed by someone else, it would still produce the same results (Denscombe, 2008). A good level of reliability also means that the research instruments produce same data repeatedly if the research would be conducted again. Reliability of the qualitative data could be validated by its degree of relating conformity to reality. Furthermore, clarity and accuracy of primary data was ensured through peer evaluations of the interview questions where errors in language and phrases were identified. After the completion of interviews and the data had been gathered, it was verified by the respondents through verbal approval. The field notes which were being made during interviews were repeated for the managers to get an approval that our field notes were written in accordance to the answers. In this research, we gathered data from scientific resources such as journals, books and articles. This ensured reliability since these resources are seen to be adequate and efficient. To ensure validity in this research of selected companies, we initially observed the Facebook pages of each store by looking at the strategies and the customer interaction. The conclusions we got from the observations were later validated through the interviews, where we relatively got the same answers.

In this research, reliability and validity can be associated with the suitability and accountability of the respondents from the interviews, as well as the observations which were being made on social media platform.
Chapter 4 Empirical Findings

In this chapter, we will give a summary of the answers which have been gathered in the five interviews that have been conducted from local food grocery stores. The answers we got explained the current usage of social media. At the same time, it gives an idea that most resources are still allocated to traditional marketing. The headings are related to the strategies which have been mentioned in the theoretical framework.

4.1 Interviews

4.1.1 Planning of strategies

Most of the stores mentioned that the planning strategy was important. The strategies involved scheduling what specific time a post should be published, so that the timing was right. Store B mentioned in our interviews that;

“We usually announce important news during the evening when most of the people are active. This makes our message reach out to as many people as possible. On the other hand, we post newsletters in the morning since it allows customers to see a specific offer that they might like, and then plan their day to visit the store after work for example”.

This example shows that a planning strategy was being implemented to some extent with scheduling. However, when questioning the planning in other stores, the stores commented that no specific strategy has been developed with regards to planning. The lack of formal and specific strategies was a current problem in most of the local businesses we studied. “Store C” commented that:

“We see great opportunities in the use of Social Media, but we haven’t set up any specific guidelines to consistently try to improve our social media strategies. We think we will put more time into social media activities in the future.”
4.1.2 Implementation of strategies

These are the actual actions which are being taken by the local firms to engage in customer relations. All stores mentioned that they used Facebook as their primary social media marketing tool since it was the most widely used one and where most customers were active. However, other social media channels were being considered, but sufficient time was not available.

The general strategies on Facebook were to interact regularly with the customers, according to the local grocery stores. Social media allowed the stores to do that, as well as reaching out to the right target of customers. However, a lot of time and resources were still being invested in to traditional marketing, since it was still a profitable marketing practice for all stores. “Store E” mentioned that:

“We are used to having our traditional ways of marketing practices since it is working for us. We are not fully used to all the terms and strategies within social media, which is probably why more resources have not been invested in it. Right now, we are mostly seeing social media as a simple tool to communicate with our customers”.

4.1.3 Contests

From our interviews, we got the response that the most used strategy in social media was to increase customer engagement via contests. This type of activity increased the engagement of the customers a lot and made them interact with the business even more. Store D stated that:

“We are creating some incentives for the customer to like our page. For example, we have special conditions which have to be met in order to participate in the contest. These conditions may involve liking and sharing our page with others. The winner usually gets a free product from the store”.

Other stores also mentioned that a contest was a way of getting more customers to engage with the business. Incentives to engage were created with their own product offerings, which was also a good way to get people aware of their products.
4.1.4 Evaluation of strategies

All stores did evaluate their posts on social media and identified the best strategies. Store B stated that:

“We do have come to a conclusion that posts including pictures or videos of our staff works best for us. In addition, other exciting news such as a new assortment of ecological or vegan alternatives are being appreciated when it is promoted on social media. We analyzed it by observing how much more likes, comments and shares it got.”

In general, all local businesses underlined the same aspect, personal and customer-oriented strategies work. “Store B” further explained that they arranged story series on their social media about the company, where each staff had its specific character. An example:

“We made our own advents calendar series during the Christmas season. In this series, we told a funny story about one of the characters. In the end of each story, we offered a free gift for the viewers in forms of a product from the store. This made the customers even more engaged and created incentives to follow along with our brand.”

In conclusion, no given guidelines were given from the franchise owners to the local stores regarding the strategies and tactics to optimize the customer relations. The stores meant that the strategies were being developed from personal references and that it later was being measured in accordance to the likes, comments and views a post got. The business could later identify the popular posts on their social media page and develop better strategies from it.

4.1.5 Management of customer information

All stores valued several opinions, comments and private messages on social media made by customers, which were also being monitored in some way. According to “Store A” and “Store D”, they mentioned that:

“We try to keep track at as much feedback as possible and respond actively. Some constructive feedback helps us a lot with development of the company. Generally, we get really positive
feedback and the more people that talk about us, the more exposure the receive. However, some comments are blocked since they can be offensive and hurt our brand.” – “Store A”

“There are a lot of people with opinions so it is important to be selective with who you choose to listen to. Understanding the customer perspective and identifying constructive feedback is also important to improve areas within the organization.” “Store D”

All businesses mentioned that they were selective in their choice of listening to feedback. They meant that it could be hard to analyze all data coming from customer interaction, since it is very unstructured data which can be hard to show specific patterns. Internal communication was a common practice for the stores to make all the employees aware of the feedback the business has been getting on social media.

4.1.6 Managing customer complaints

Customer complaints were being handled rapidly by all stores and questions were answered on a regular basis. Consistent communication with the customers via conversations on social media was prioritized a lot by the local businesses. They noticed that the customers show more signs of satisfaction, trust and loyalty by interacting with them consistently on social media.

Furthermore, we looked at the reviews of the business page, which had gotten a score of 4.6 out of 5 on average. Most of the reviews had positive ratings regarding the service and the big range of vegetarian and ecological products in the store. On the other hand, some of the negative feedback people expressed was regarding some products which were not readily available at the store.

4.1.7 Responsibilities

All grocery stores had one person responsible for the strategic activities which involved interacting and helping customers out on social media. However, according to the people we interviewed, they included all employees of the store to participate in the social media activities. Each employee could publish new product offers which were relevant to their department. This was to create incentives for the employees to feel more involved, according to the store managers.
4.2 Observations

Through the method of nethnography, we could observe that on the Facebook pages of the businesses, there was a clear pattern which showed what posts that were receiving most exposure in terms of likes, comments and shares. We can separate these posts into different themes, where will show how the level of exposure was dependent on the content of the posts. This table shows a sampling of posts from Store A, but a similar pattern was found when observing all of the Facebook pages of other stores.

<table>
<thead>
<tr>
<th>Posts including:</th>
<th>Likes</th>
<th>Comments</th>
<th>Shares</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ecological products</td>
<td>35 likes</td>
<td>12 comments</td>
<td>5 shares</td>
</tr>
<tr>
<td>Vegan products</td>
<td>50 likes</td>
<td>15 comments</td>
<td>7 shares</td>
</tr>
<tr>
<td>Generic products</td>
<td>20 likes</td>
<td>5 comments</td>
<td>1 shares</td>
</tr>
<tr>
<td>Staff</td>
<td>121 likes</td>
<td>50 comments</td>
<td>21 shares</td>
</tr>
</tbody>
</table>

*Table 3 Observation results*

The table 3 shows that there is a clear difference between the exposure and the content being posted.

In addition, we could observe the different times these posts were published. The timings varied among the businesses, where some businesses did post on specific times of the day, while others posted randomly at any time of the day.

However, we noticed that all stores were prioritizing to be active at responding on comments, reviews and questions they got both publicly and privately. This could clearly be seen when looking at their response rate, which was at a high rate (this is a variable shown by Facebook). All stores replied to messages typically within a day, which also shows the effectiveness and activeness on these platforms. They keep conversations going by replying and making sure the relation between the company and the customer is consistent, not leaving anyone behind.
We further analyzed the Facebook pages in terms of the incentives created for customers to like their posts. On one Facebook page, we could observe that a post involved letting customers decide the price of candy in the store. This was decided by how many likes a certain post got. The more likes, the less the price. This increased the exposure on the page substantially and made them more followers than before. We could also notice by analyzing the Facebook page that the store was trying to attract customers to the store by promoting free sample products if customer visited the store. They published a photo on social media where they explained that they offered free ice cream, and the only condition to get it was to use the special word “vilket härligt väder” in the counter.
Chapter 5 Analysis

In the analysis part, we will answer our research questions with the help of empirical findings which were obtained through interviews and observations. The aim of the analysis is to identify the current practices within the social media in a local business context. Furthermore, we will show how the expansion of the marketing strategies within social media can further help local business.

5.1 Marketing mix in Social media for local businesses

As described in the empirical findings, the local food stores still invest most of their money in traditional marketing since it still seems to have the biggest impact on their sales. It is important to have a solid marketing basis so that a company does not rely on one marketing aspect. The marketing basis of the local stores can be explained with the help of the 7P in the marketing mix.

Firstly, the store does consider the product element of the marketing mix by using social media to receive feedback for product development. For example, feedback regarding expanding the vegetarian and ecological product range have been noticed. Thus, the store did include more vegetarian and ecological alternatives as the result.

The place element of the marketing mix shows that the stores are trying to be more accessible for the customers by having an online store and a social media page. This improved the customer convenience of the purchasing-process but also the ability to find information about the store on their digital platforms (place) (Kotler, Armstrong & Parment, 2011). The convenience also applies in the promotion aspect of company, where the local stores focused on providing customer-oriented offers that valued the customer needs and wants. The customer-oriented promotions got easier with social media, since the store had the opportunities to learn about the customer more through interactions. Also, social media allowed the business to directly engage with the customer and provide them with valuable offers and information.
Setting a price for the products was not facilitated with social media, since it can be hard to fully understand the customer-perceived values only through the tool of social media.

People and the process are aspects that focus more on the customer relationships, which makes social media even more useful for these aspects. Facebook is facilitating the process of helping the customer with valuable information, and it has given more responsibility for the employees to practice customer service. Lastly, the marketing mix describes physical evidence as a way to change the customer’s perception (Kotler, Armstrong & Parment, 2011). The physical evidence in social media was shown through the personal tone that was given in their posts, which the customer later perceives when consuming the information on the platform.

To expand on these aspects of the marketing mix and especially the “people” aspect, we choose to analyze the marketing mix of social media, developed by Mangold and Faulds (2009). The concept of the marketing mix in social media highlights the word-of-mouth phenomenon of the customers. According to the interviews, we could see that the local businesses on social media are trying to manage all customer interactions on the platform by encouraging people to share positive posts from their social media page.

All businesses noticed the power of consumers to share and spread information which was being utilized on social media. This clearly shows that the businesses value word-of-mouth and the importance it has on the customer perception of the business as a trustworthy source.

5.1.1 Choosing a social media channel

The stores interviewed had only Facebook as their primary tool for interacting with customers on social media. They mentioned that it was the easiest and most flexible tool to improve the relationship and communication with customers. However, according to stores, they did consider expanding to other platforms to get a better reach, but they did not have the sufficient time or resources to do it.

From a theoretical perspective, it can be difficult to choose which social media channel that is the best one specifically for local businesses since it can be as useful for large corporations as
well. However, each store may use the social media mix by Weinberg and Pehlivan (2011) to analyze what platform that fit their marketing purposes the best in terms of what type of content they post and the richness of the content. To further analyze how to use the social media strategy and on what platform it fits best, the businesses can make use of Kietzmann et al. (2011) building block to identify the positioning in the market. By doing this, the firm can make most of the different social media platforms and understand how they work.

5.2 Implementation strategies for Social media

There are three ways of implementing a social media strategy which are through planning, action and management (Culnan et al, 2010). According to our empirical findings through interviews and observations on the social media platforms, we noticed that all of the local businesses used Facebook as their main social media marketing tool to improve customer relations and communication.

5.2.1 Planning

According to Culnan et al (2010), selecting a social media platform has to be aligned with the desired objectives of the social media marketing strategy. By choosing the right strategies for the right platform, the company will effectively reach their targeted audience. In our interviews, the majority of grocery retailers agreed that choosing a social media platform required some planning regarding the strategy to reach the targeted customers.

The next aspect of the planning phase consists of “Responsibility of Governance”, which means the delegating the responsibility within the organization (Culnan et al, 2010). According to the managers in the interviews, they took responsibility for the reputation and the messages delivered to the customers on social media. However, employees were delegated responsibility to publish content and manage customer service on the platforms. According to Culnan et al, (2012), delegating too much responsibility could create some risks, if the guidelines are not followed accordingly by every employee, which is why clear policies and guidelines need to be developed.
5.2.2 Actions

The next part of social media marketing strategy, according to Culnan et al, (2010), is actions. Actions is divided in two parts; creating interesting content and building a community.

According to all of our respondents, high quality and appealing content was prioritized a lot. The creation of content differed from every store, however, we noticed a general trend, which was to make the customer aware of the new offers available. Our empirical findings further highlighted the timing and active participation in social media. Some local grocery stores stated that publishing on Facebook usually is dependent the time of the week. For example, Monday mornings was usually a good time to post products news of the week, while other announcements were posted on the evenings where more people were active. These empirical findings clearly explain the importance of timing and content strategies, which Culnan et al, (2010) is emphasizing in his framework for implementation of social media strategies.

Further actions a business might want to apply is to build up a community with their audience. According to Strokes et al (2011), community building is related to developing closer relationships with the customers. Our empirical findings suggested that, companies are striving to build up communities and relationships with the customers. They are doing this by listening and interacting with several customers actively on a daily basis. Our findings suggest that building up communities could be initiated by the conversations and the two-way communication which would encourage customers to interact both directly with the business and other customers (word-of-mouth). Store managers tried to create incentives for the customers to share their thoughts and reactions, which was done by making people share posts to win prizes. The local businesses also noticed that the faster they respond, the more attention and satisfaction it received from the customer.

5.3.3 Management

The last phase of the social media marketing strategy refers to as “Management”. This part is divided into two areas; Monitoring and Acquiring new knowledge. According to Culnan model (2010), monitoring means how the company responds to negative messages or critical situations on social media. According to some stores interviewed, they meant that certain posts received
negative and occasionally offensive comments on social media. The response usually involved ignoring or blocking the comments received. The negativity was being taken with all seriousness and was addressed as soon as possible. However, constructive criticism was appreciated to improve certain areas.

The response of the stores shows on the monitoring of social media, which is described by Culnan et al, (2010). Monitoring consists of developing guidelines internally regarding how to respond quickly and smart in critical situations. Our findings suggest that there are no formal guidelines for these situations within the local grocery business, but certain actions are being taken so that the business is not hurt by any critical situations. When looking at the knowledge of the stores, which we could analyse from the interviews and the nethnography, we can clearly see that there is lack of training when operating in the field of social media.

The lack of knowledge leads us to the next part, which is the acquiring of new knowledge. This is the most important phase of social media marketing strategy. Firms may want to acquire new knowledge on social media to improve the customer relations and increase the maximize the use of the platforms (Kietzmann, et al, 2011; Culnan et al 2010; Mangfold, 2009). The empirical findings showed that local food stores are not intentionally trying to acquire new information about social media. However, active participation is prioritized in the stores to develop closer customer relationships.

5.4 CRM - Customer Relationship Management

A technique specializing on the management of customer relationships is CRM - Customer Relationship Management. This is a systemic process of meeting the needs of current or future customers in order to influence customer behavior (Raab et al, 2008). CRM is the tool to manage and adapt to these needs.

In CRM, focus is on the relationship and communication between the business and the customer and how the messages in this communication are being gathered and analyzed between the transmitter to the receiver (Malthouse et al, 2005). From the local businesses, we interviewed,
we noticed they make use of the customer reviews, comments and customer interaction regarding what customers think about their products and customer service (Kaplan and Haenlein, 2010).

However, in social media, and especially for local grocery businesses, it can be hard identifying the effective means of administering marketing strategies that are customized for different customer segments. From observation on the Facebook pages of the grocery stores, we could although see that the stores are implementing personalized marketing CRM strategies with regards to the many different needs. For example, Facebook posts included offers with student discounts which was appreciated, but also offers including Fairtrade products.

### 5.4.1 Inbound marketing

The personalized strategies of CRM lead us to the further explanation of content strategies, which is inbound marketing. From the observation of the Facebook pages of each store, we could see that they used a lot of inbound marketing strategies to get customers engaged with the posts. This could be either a funny, relatable or inspiring post which the customers valued. Concepts which the stores used to show these kind of emotions is storytelling. Example of this is how some of the stores used advents calendar to daily give the customers an insight of stories in the company. This was shown through funny short films of staff which also integrated a product offer in the video which would make the customers more interested. In our interviews, the stores stated that the videos that included stories about the staff, usually worked the best. It helped them reach out to more customers since more people shared these kinds of videos. The positive effects for the stores when using the inbound marketing strategy is word-of-mouth (Halligan & Shah, 2009), which is also easier achieved through social media.
Chapter 6 Conclusion

In this chapter, we will make conclusion related to the purpose and the research questions of this paper. The conclusion will also include a discussion part where the results of the study will be discussed. This chapter will also give recommendations to local grocery stores and proposals for future research.

6.1 Conclusions

Based on the findings of this research, conclusions will be made to answer the purpose regarding local businesses and how to better understand to market themselves on social media, in order to create better customer relations.

6.1.1 How is social media marketing integrated as a tool for the marketing mix in local businesses?

Social media marketing can be seen as a complement to the marketing mix in a way where more focus is aimed at the customer relations. It is a tool that facilitates the customer interactions on digital platforms, such as the word of mouth, which is related to the “people” aspect of the marketing mix. Furthermore, the strategies of social media marketing have allowed the local businesses to more easily monitor and track service performance, such as by getting feedback and suggestions via social media. For example, improvements are being made in product development by implementing suggested vegan and ecological product from customers, ideas which have come from customer interaction on social media. In general, the increased opportunities for tracking and monitoring services on social media are helping to improve the “process” aspect of the marketing mix in the way which services are delivered to the customer. Our study also showed that social media is allowing for better accessibility and convenience for the customer and the stores to interact regarding questions and concerns for example. This refers to the “place” aspect of the marketing mix.
6.1.2 What are the current practises of social media marketing in a local grocery store?

The current practises of local grocery stores showed a similar pattern. Insufficient knowledge was to be found in most of stores. Thus, there was no formal nor defined marketing practices by any store which they specifically followed. However, we could analyse the most common practices of each store.

Consistent practices of customer service through conversations and a two-way communication is of high value within each store, and something they practiced daily. Internal communication between the employees was also important so that feedback from social media could be shared to all of the employees. Facebook is an important social media channel for local businesses as it is easy and flexible to engage with the targeted audience. However, other social media platforms were also under consideration to expand the marketing practices and increase the exposure.

Further practices in social media included the content strategies, which we analysed from observation and interviews. Planning and timing of posts is not a strategy every store practiced, but it was valued in some stores as a way of increasing the reach by posting during active times, when more people are online.

The monitoring of customer information and interaction are helping the business to keep track of the events that are present on social media, both negatively and positively. Blocking and deleting offensive comments was common, and responding to any concerns or questions of the customer was done in a fast manner by all stores.

6.1.3 How can Social media marketing help improve customer relations within the context of local businesses?

Social media marketing allows for easier use of inbound marketing, which is the technique about producing relevant and valuable content for the customer. With inbound marketing, you can attract the customer attention and make them feel attached to the business by having content that is either emotional, personal or inspirational. This will make it easier to change the
customer perception of the business and make them interact the business more if they found the content valuable.

Furthermore, the customer relations will be improved through social media marketing since it is easier to understand and meet the needs and wants of the customer. Local businesses are identifying these needs with customer relationship management which is gathered from feedback and interaction with the customer. Thus, after identifying, they can adapt their product offers through personalized marketing CRM strategies.

### 6.2 Limitations

The time was a factor that limited our research to only a few local business stores within the grocery sector. We chose to limit ourselves to only active grocery stores on social media within the city of Linköping and its surroundings. Since it made it convenient to collect data and save time and still provide an opportunity to evaluate the role of social media on local grocery stores. However, it was difficult to go any deeper regarding how each theory could be used, since the empirical findings showed that practices were quite general and could not be completely connected to the theories.

Lastly, it was hard to find time for interviews for each manager, since most of them were on busy schedules and could not be interviewed for too long. Nor only that, the subject of social media itself is a relatively new concept in terms of integrating with the businesses, due to this store managers lack in depth information about the chosen subject. This limited the opportunity to get long enough answers which could be used to further analysing.

### 6.3 Discussion

The study shows that several benefits can be found when integrating social media in the marketing activities of the local grocery store. Social media is allowing the business to reach out to more customers compared to only traditional marketing and it do as well facilitating the process of two-way communication. It is important however that a local business should have clear and defined strategies and understand the development of social media in order to keep
themselves abreast with the modern world. The direct response which the local businesses are getting on social media is a strength because of the fast access to thoughts and opinions of the customers, which would help the local business to develop further in areas such as marketing and product development.

Businesses do as well get more personal through the marketing on social media, which means that the businesses get a better chance to develop a relationship with the customer. However, critical responses will always be a part of the relationship, which makes it even more important to respond to these customers in a personal, rapid and flexible way to keep a long-term relationship.

Lastly, it is important to point out that most of our theoretical strategies could not be connected to the empirical findings since most local businesses were confused with the terms we used for social media in the interviews. This proves the problem that there is a lack of knowledge and defined strategies is a necessary condition for local businesses to improve their social media activities.

6.4 Recommendations

The following recommendations have been proposed for local businesses regarding their social media marketing practices.

The study shows that social media marketing can be a beneficial complement to the traditional practices of marketing. The primary aspect which local businesses must consider is to develop clear and defined strategies and that measurable goals are set up. To achieve this, knowledge has to be acquired. Our recommendation is therefore to employ an external consultant who helps the business to initially develop proper and formal guidelines which the employees and managers can follow when coordinating and publishing on social media. When a solid foundation has been created with the guidelines, it is easier for the business to further develop its strategies and also maintain good social media marketing practices. To achieve this, the business need to firstly empower a culture of social media and let go more of traditional
organizational norms. It needs to be a more integral part of the organization and the managers should encourage the employees to more frequently use social media to engage, so that more formal guidelines can be developed.

Another recommendation would be to expand into other social media marketing channels such as Twitter and Snapchat to reach new audiences who do not use Facebook as their primary tool for social interaction with their friends.

### 6.5 Proposal for future research

Examples of good topics which could be further immersed in are how other local businesses are adapting to the emerging field of social media, not only within the area of grocery food retailing. Furthermore, it could be interesting to explore how other digital platforms such as blogging are helping local businesses to communicate and build closer relationships with its customers.

In our research, it was hard identifying the formal practices of local businesses and relate it to theoretical foundations. Another proposal for future research would therefore be to study social media in another business context such as larger corporations who may be focusing on business to business relationships instead.

In our study, we focused on how customer relations could be developed with social media marketing. The research does not have to be limited to customer relations, but instead how social media are affecting the sales transactions or the brand image of business.
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Appendix

Questions for interviews

Interview Guide

- How long have you been working in the food retailing sector? What is your personal experience working in the food industry?
- Who manages your social media channel?
- What is the main reason of using social media? In your opinion, what is the biggest advantage of using social media? And what is the biggest disadvantage?
- How many social media channels is your company currently active in? If only one, why not others?
- Is there a way where you can find out the effectiveness of social media? If so, how does your business measure it?
- Do you listen to your customers on social media and try to improve concrete areas where feedback is given?
- What are the common questions and issues, which are being raised on social media from your customers?
- How often do you interact with your customers on social media?
- Are you monitoring the comments on social media? How do you deal with the Word of mouth (WOM) or negative comments on Social media?
- What actions are being taken once you have received feedback?
- Do you have any formal guidelines on how to deal in a negative or unpleasant situation? If so, can you tell us more about it?
- Do you have any special social media strategy? Can you specify this?
- How do you plan your content? Does this align with your traditional marketing strategy?
- Is there any special time when you put up your post on social media? Motivate why.
- What is your targeted group on social media? Do you believe you are reaching this possible group?
- How does your business locally interact with its customers? Do you plan any contests on social media?
• What do you see the future of social media platforms? Do you think existing marketing practices would re-shape itself with opening of new media platforms?