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Social Media Management and Marketing Strategies in Selected Telecommunication Companies in Hargeisa in Somaliland

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Abstract:

This study determined the impact of social media management on marketing strategies in selected telecommunication companies in Hargeisa, Somaliland. The descriptive correlation design was employed to establish the relationship between the research variables. Using Yamane's formula, the sample size of 222 was computed from a total population of 500 employees from the selected telecommunication companies. The validity and reliability of tools was done using Content Validity Index and Cronbach Alpha coefficient and the coefficients generated were above 0.7. The findings indicated a positive and significant correlation between the constructs of Social Media and Marketing Strategies. Results also indicated that a unit change in all the constructs social media management could result into 0.982 change in marketing strategies (i.e. R-squared = 0.982). It was recommended that the managers of these selected telecommunication companies should design a specified page of Facebook, review and update their information on Wikipedia, encourage their employees to post weekly tweets and also consult experts to introduce YouTube pages in which customers can watch videos, ask questions, and discuss content of the services and products of these telecommunication companies.

Keywords: Social Media, Management, Marketing Strategy, Telecommunication Companies Hargeisa, Somaliland

1. Introduction

In many parts of the world, social media plays a big role in the marketing process of many organizations or companies including telecommunication companies. Employing social media in marketing activities as an organizational function and a set of processes as observed by Kerin (2012), helps in creating, communicating, and delivering value to customers and for managing customer relationships in ways that benefit the organization and its stakeholders. Social media is the social interaction among people in which they create, share or exchange information and ideas in virtual communities and networks (Shaw, 2012). Kaplan and Haenlein (2010) delineated social media as a group of Internet-based applications that build on the ideological and technological foundations and allow the creation and exchange of user-generated content. In a similar perspective, social media can be defined as a faction of internet based applications that subsist on the Web 2.0 platform to allow the Internet users from all over the world to interact, communicate, and share ideas, content, thoughts, experiences, perspectives, information, and relationships (Briscoe, 2009; Kaplan & Haenlein, 2010; Xiang & Gretzel, 2010). Social networks for example Facebook and MySpace, online communities, microblogging tools like Twitter, photo sharing sites such as Flickr and Photobucket, social tagging for instance, Digg, and video creating and sharing services like YouTube, Oic, Seismic, UStream are all examples of social media (Rafiee, & Sarabdeen, 2013). For this study, social media are conceived embrace the use of Wikipedia, Twitter, You Tube and Facebook by telecommunication companies so as to create and share information about their products and services.

Aaker (2008) defined marketing strategy as a process that can allow an organization to concentrate its resources on the optimal opportunities with the goals of increasing sales and achieving a sustainable competitive advantage. Aaker also stated that marketing strategy includes all basic and long-term activities in the field of marketing strategy that deal with the analysis of the strategic initial situation of a company and the formulation, evaluation and selection of market-oriented strategy and therefore contribute to the goals of the company and its marketing strategy objectives. Marketing strategies in this study are conceived to embrace call to action marketing, cloud marketing, community marketing, content marketing and digital marketing employed by telecommunication companies so as to increase their sales and achieve competitive advantage over others. The marketing myopia theory which formed the basis of this study was originally proposed by Theodore Levitt (1990). This theory suggests that to cater for a market, the company not only needs to be technically sound and product oriented but also customer oriented. By suggesting that marketers should look towards the market and modify the company and products accordingly, the marketing myopia theory provides an appropriate plan which can be put in place so as to ensure an effective marketing strategy.

2. Literature Review

2.1. Relationship between Social Media and Marketing Strategies

Rafiee, & Sarabdeen (2013) argues that, as the number of people using social media including but not limited to face book, twitters and my space is growing, companies have appreciated the significance of utilizing social media as a vital tool to enhance their marketing effectiveness and to advance their marketing activities. Social media are utilized by business firms and governmental organizations as communication tools (Parveen, 2012). On a similar note, Kim & Ko (2011) pointed out that business firms and governmental organizations actively make use of social media for advertising and marketing, communicating with customers, building relationship with customers, branding and so on. Therefore, in the vie to investigate the usage of social media within organizations as observed by DeLone and McLean (2003), there is need to consider the informed and effective use of social media which is an important indication of technology success, which in turn have an impact on organizations.

Pradiptarini (2011) noted that a number of businesses had gained some advantages from social media marketing. For example, Dessert Gallery had increased visits by 20% per month after its Facebook fans jumped from 283 to 817 (Woessner, 2011). According to Gary Vaynerchuk, the author of *The Thank You Economy*, social media sites allow companies to enhance the customer interaction that has already been established through traditional media to a more personal level. In addition, social media sites were noted to have enabled businesses to put up closer relationships with their customers as well as expanding the market to the customers that they could not reach before (Rooney, 2011).

Erik et al., (2011) asserted that marketing management relies on various technologies within the scope of its marketing efforts. In this regard the authors noted that computer-based information systems can be employed, aiding in better processing and storage of data. The authors further noted that marketing researchers can use such systems to devise better methods of converting data into information, and for the creation of enhanced data gathering methods. Information technology can aid in enhancing an MKIS' software and hardware components, and improve a company's marketing decision-making process.

Looking way back into the olden times of the internet where social media might have evolved from, past studies have proved the positive impact of internet usage on organizations in various areas such as enhancing customer relationship management practices (O'Leary et al.2004), providing interactional and transactional benefits, improving export marketing performance (Lu and Julian, 2007), providing strategic benefits such as Cost reduction, revenue generation and managerial effectiveness (Teo and Choo, 2001), improving innovation (Anderson, 2001), reducing marketing cost, improving customer relationships as well as improving company image and competitive position (Molla and Heeks, 2007).

Muntinga et al., (2011) also noted that in recent years, the notebook personal computer has gained significant market share among laptops, largely due to its more user-friendly size and portability. Information technology typically progresses at a fast rate, leading to marketing managers being cognizant of the latest technological developments. Moreover, the launch of Smartphone into the cellphone market is commonly derived from a demand among consumers for more technologically advanced products. Thus, the author believed that a firm can lose out to competitors should it ignore technological innovations in its industry. Technological advancements can lessen barriers between countries and regions. Using the World Wide Web, firms can quickly dispatch information from one country to another without much restriction. Kincy (2011) further noted that prior to the mass usage of the internet, such transfers of information would have taken longer to send, especially if done via snail mail, telex, etc. Recently, there has been a large emphasis on data analytics. Data can be mined from various sources such as online forms, mobile phone applications and more recently, social media.

3. Research Methodology

The study employed the descriptive correlation and cross sectional survey design. Using Yamane's formula, the sample size of 222 was computed from a total population of 500 employees from the selected telecommunication companies. The instruments of data collection used in this study included both structured questionnaires and interview guides. Validity and reliability tests were conducted for the questionnaires used using construct validity index and Cronbach Alpha under a Statistical Package for Social Scientists (SPSS). The coefficients generated were above the recommended 0.7 coefficient by social science researchers. The associative and casual relationship between the main variables of the study was established by using the Pearson's linear correlation coefficient and regression analysis.

4. Data Analysis

In the vie to understand and explain the nature of the relationship between the main variables of the study, correlation analysis was done. Correlation analysis determines the relationship between two or more variables or sets of variables. Such analysis explains three fundamental dimensions: significance, direction, and magnitude (Sekaran, 2003).

In this study, bivariate correlation analysis using Pearson correlation was used in order to determine how social media and marketing strategies were related to one another. Accordingly, practical propositions were developed and these were tested by means of hypothesis testing. Two main statistical techniques were used to test the hypotheses that is, correlation analysis and regression analysis. Interpretation of the relationship among variables in this study was based on the classical "five rules of thumb" proposed by Bartz (1999: 184), who states as follows in relation to correlation coefficient (r):

- Between 0 to .20 indicates a very low correlation;
- Between .20 to .40 indicates a low correlation;

- Between .40 to .60 indicates a moderate correlation;
- Between .60 to .80 indicates a strong correlation; and
- Between .80 to 1.00 indicates a high correlation.

The results of the correlation between the constructs of social media management and marketing strategies are presented in Table 1

Constructs of Social Media Management		Marketing Strategies
Wikipedia	Pearson Correlation	0.987**
	p-value	0.000
	n	222
Facebook	Pearson Correlation	0.983**
	p-value	0.000
	n	222
Twitter	Pearson Correlation	0.973**
	p-value	0.000
	n	222
YouTube	Pearson Correlation	0.943**
	p-value	0.000
	n	222
**. Correlation is significant at the 0.01 level (2-tailed)		

Table 1: Relationship between Social Media and Marketing Strategies

Source: Primary Data, 2014

Table 1 indicates that there is strong, positive and significant correlation between Wikipedia and marketing strategies ($r = 0.987^{**}$ $P \leq 0.00$); Facebook and marketing strategies ($r = 0.983^{**}$ $P \leq 0.00$); Twitter and marketing strategies ($r = 0.973^{**}$ $P \leq 0.00$); and finally, between YouTube and marketing strategies ($r = 0.973^{**}$ $P \leq 0.00$).

Decision on Null Hypothesis

→ Ho: There is no significant relationship between the social media management and marketing strategies.

Based on the r-values from table 1, there is a positive correlation between effective use of social media and marketing strategy, it can be said that the null hypothesis that said that there is no significant relationship between social media and marketing strategy among the selected telecommunication companies was rejected.

Regression matrix was also used to determine the influence of each constructs under social media management (Wikipedia, Facebook, Twitter and YouTube) on marketing strategies. The findings regarding these are presented in Table 2.

Variables Regressed	R-Squared		F-value	P-value	Interpretation
Social Media Management Vs. Marketing strategies	0.982		2878.22	0.000	Significant
	Unstandardized Coefficients		t	P.values	Interpretation
	Beta Values	Std. Error			
(Constant)	.069	.026	2.653	0.007	Significant
Wikipedia	.668	.056	11.928	0.000	Significant
Facebook	.394	.050	7.880	0.000	Significant
Twitter	.004	.066	0.060	0.006	Significant
YouTube	.081	.041	1.975	.048	Significant

Table 2: Regression Analysis between Social Media Management and Marketing Strategy

Source: Primary Data, 2014

The following model was generated:

$$Y = 0.069 + 0.668X_1 + 0.394X_2 + 0.004X_3 + 0.167X_4$$

$$(2.653) \quad (11.928) \quad (7.880) \quad (0.060) \quad (1.975)$$

Where: Y = Marketing strategies;

X₁ = Wikipedia

X₂ = Facebook

X₃ = Twitter

X₄ = YouTube

Results from table 2 indicate that a unit change in all the four constructs of social media management results into 0.982 change in marketing strategies. Alternatively, 100 % change in social media management results into close to 99% change in marketing strategies.

5. Discussion of Results

Regarding the relationship between the social media management and marketing strategies among the selected telecommunication companies in Hargeisa, the study findings showed a positive and significant relationship between Wikipedia and marketing strategies (.987** $P \leq 0.00$); Facebook and marketing strategies (.983** $P \leq 0.00$); Twitter and marketing strategies (.973** $P \leq 0.00$); and finally, between YouTube and marketing strategies (.973** $P \leq 0.00$) at a conventional level of 95%. Considering the contribution of different social media towards marketing strategies, the findings indicated that a unit change in social media management would lead to 98.2% change in marketing strategies within the selected telecommunication companies in Hargeisa. Such findings were in conformity with observations made by Kaplan and Haenlein (2010); Motti et al. (2011); and Pajala (2010) who viewed social media as means of interactions among people in which they create, share, and exchange information and ideas in virtual communities and networks. The findings are also consistent with the findings generated from the interviews held with the key informants. From the interviews held, it was reported that social media was working effectively among the youth who happen to have been the beneficiaries of the new products employed by the telecommunication companies. This is affirmed by one of the key informants who is quoted to have said: "The products we advertise through social media have only been consumed by the educated youth and big companies. However sometimes, we employ social media besides other approaches when we want to promote our new services." This statement suggests that social media has been used to track educated youth to the products and services of the telecommunication companies.

6. Conclusion

The predictive power of social media on marketing strategies employed by telecommunication companies within Hargeisa Somaliland was high (r - squared = 0.982). Improvement in social media management can give rise to effectiveness in marketing strategies more so, within the selected telecommunication companies in Hargeisa. This therefore compels managers of telecommunication companies to design a specified page of Facebook, review and update their information on Wikipedia, encourage their employees to post weekly tweets and also consult experts to introduce YouTube pages in which customers can watch videos, ask questions, and discuss content of the services and products of these telecommunication companies.

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