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Brand strategies in social media

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Abstract

Purpose – The purpose of this paper is to: first, examine why companies create brand pages in social media, how they use them, what policies and strategies they follow, and what outcomes do they expect; and second – from firms' point of view – how users are benefited from such pages.

Design/methodology/approach – A qualitative study approach was employed for this study. Data were collected from personal interviews with 14 marketing managers responsible for the social media activity of their company, providing preliminary evidence about the actions firms take, the motivations that led them to getting involved, and the derived outcomes.

Findings – The main actions of the firm are making prize competitions, announcing new products/ services, interacting with fans, providing advice and useful information, and handling customer service issues. The basic motivations are the increasing popularity of social media, competitors' presence, headquarters' strategy, and cost reduction pressure. Interact with customers, create/enhance relationships with customers, brand awareness, customer engagement, promote products/increase of sales, and the more targeted acquisition of new customers, were referred to as the main expected outcomes for companies.

Research limitations/implications – Given the qualitative nature of the study and the emerging field of research about social media, findings should be considered as preliminary and exploratory. Interviews with companies from more sectors and also with social media users will provide a more comprehensive view of the topic.

Practical implications – The paper identifies several opportunities for company managers, suggesting practices for effective social media handling.

Originality/value – Considering the rapid development of social media and their penetration in business marketing actions, this paper is an exploratory step toward the ways firms utilize social media channels.

Keywords Internet marketing, Social media, Brand communities

Paper type Research paper

Introduction

During the past decade, the rapid evolution of the internet has offered consumers many new opportunities. Besides the obvious use of searching for information and communicating without boundaries, it is nowadays possible to express feelings and thoughts through social media. As defined by Kaplan and Haenlein (2010, p. 61), social media are "a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0 and allow the creation and exchange of User Generated Content." Showing explosive growth in just four to five years since their birth, social media are establishing themselves as the media of choice across the whole world (Dong-Hun, 2010).

Attracted by the rapid penetration of social media into society (Dickey and Lewis, 2010), firms are increasingly using them as a part of their marketing and brand building activities (Gallaugher and Ransbotham, 2010), although only a small number of firms feel comfortable in the new environment (Kaplan and Haenlein, 2010).

In fact, social media provide the opportunity to connect with customers using richer media with a greater reach (Thackeray *et al.*, 2008). The interactive nature of these digital media not only allows sellers to share and exchange information with their

customers, but also allows customers to share and exchange information with one another. Firms have the opportunity to shift relationships with consumers from dialog to trialogue, in which consumers engage in meaningful relationships with one another and with the firms (Hlavinka and Sullivan, 2011; Lipsman *et al.*, 2012; Mangold and Faulds, 2009). Using social media, organizations can forge relationships with existing as well as new customers and form communities that interactively collaborate to identify problems and develop solutions for them. These interactions change the traditional roles of both seller and customer in exchange relationships. Indeed, customers add value to the interaction, generating content, and they can influence purchase decisions of others in peer-to-peer interactions (Sashi, 2012).

Even though social media have been recognized as potentially the most powerful medium for relationship building (Bartlett, 2010; Hackworth and Kunz, 2010; Monseau, 2009; Selina and Milz, 2009), there is a lack of understanding in terms of how and why firms are actually using them. Most of the relatively limited academic studies consider social media as a new marketing tool (e.g. Berinato, 2010) that increases marketing communication effectiveness (e.g. Dholakia and Durham, 2010; Kozinets *et al.*, 2010; Trusov *et al.*, 2009), and very few focus on how firms may benefit from them (Dong-Hun, 2010). To the best of our knowledge, there is a lack of studies examining the motivations, the expected benefits and the strategy that firms use for their corporate fan pages in a social medium like Facebook, Twitter, or YouTube.

Considering this gap, the present study has two main purposes: first, to bring empirical insights on why companies create brand pages in social media (also called fan pages), how they use them and what they expect from them; and second, to investigate – in the firms' point of view – what benefits users get from using such pages.

The paper is organized as follows. First, the concepts of online brand communities and social media are introduced. Second, the methodology of the field study is presented, followed by a presentation of the findings. We conclude by discussing the results and offering managerial implications, limitations, and directions for future research.

Literature review
Web 2.0, brand communities, and social media
The term Web 2.0 has been used since 2005, when it was first proposed by O'Reilly (2005). Constantinides and Fountain (2008, p. 232) define Web 2.0 as "a collection of open-source, interactive and user-controlled online applications expanding the experiences, knowledge and market power of the users as participants in business and social processes. Web 2.0 applications support the creation of informal users' networks, facilitating the flow of ideas and knowledge by allowing efficient generation, dissemination, sharing and editing/refining of the informational content." Web 2.0 gives businesses new opportunities for getting and staying in touch with the markets, learning about the needs and opinions of their customers as well as interacting with them in a direct and personalized way (Constantinides and Fountain, 2008; McKinsey, 2007). Marketers have recognized these opportunities and are increasingly engaging this concept as part of their marketing strategy (McKinsey, 2007). According to Constantinides and Fountain (2008), there are five main categories of Web 2.0: blogs, social networks, forums, content aggregators, and communities.

One type of communities based on Web 2.0 is brand communities. Muniz and O'Guinn (2001, p. 412) define brand community as "a specialized, non-geographically

bound community, based on a structured set of social relationships among admirers of a brand." A brand community is a collective of people with a shared interest in a specific brand, creating a subculture around the brand with its own values, myths, hierarchy, rituals, and vocabulary (Cova and Pace, 2006). Brand communities form one important platform for engagement behaviors of customers, which firms employ to engage their customers (Brodie *et al.*, 2011; Dholakia *et al.*, 2004; Kane *et al.*, 2009; McAlexander *et al.*, 2002). While companies aim at engaging with loyal customers, influencing members' perceptions about the brand, disseminating information, and learning from and about customers (Algesheimer *et al.*, 2005), customers gain value through the variety of practices that they perform online and offline (Shau *et al.*, 2009). In such communities, people may engage in several types of behaviors, such as helping other customers or sharing experiences with them (Nambisan and Baron, 2009). Furthermore, many consumers engage in non-interactive behaviors such as reading others' comments. According to Park and Cho (2012), this is one of the reasons that consumers will go to social networking sites, that is, to learn about previous product or service experiences, which will be posted on these sites.

Although originally an online brand community referred to a community on the World Wide Web, recently social media have been added to marketing and brand building activities of companies (Kaplan and Haenlein, 2010). Attracted by the large number of users, companies have created brand communities in social media, such as Facebook, which boasts having more than a billion monthly active users (Facebook, 2013). Social media channels are inexpensive, user-friendly, scalable internet, and mobile-based technologies that allow for the sharing of user-generated material (Sigala and Marinidis, 2009). Various definitions describe social media as "content that has been created by its audience" (Comm, 2009); as "online tools and platforms that allow internet users to collaborate on content, share insights and experiences, and connect for business or pleasure" (Strauss and Frost, 2009, p. 326); or as "a group of Internet-based applications that build on the ideological technological foundations of Web 2.0, and that allow the creation and exchange of User Generated Content" (Kaplan and Haenlein, 2010, p. 61). There is no definitive typology of different types of social media (e.g. Kaplan and Haenlein, 2010), but it is common to differentiate among social networking (e.g. Facebook), professional networking (e.g. LinkedIn), video-sharing (e.g. YouTube), picture sharing (e.g. Flickr), social bookmarking (e.g. Delicious, Digg), social sharing of knowledge (e.g. Wikipedia), microblogging (e.g. Twitter), blogs (e.g. Blogger), and user forums. The common characteristic is that these social media allow individuals and entrepreneurs to engage in social interactions, in a way and on a scale that were not possible before (Fischer and Reuber, 2011).

Burson-Marsteller (2012), one of the largest public relation agencies in the world, surveyed the world's top 100 companies across Europe, USA, Asia-Pacific, and Latin America between February and July 2012. Today, 87 percent of the Fortune 100 Best Companies use at least one social media platform. Twitter is the most popular platform with 82 percent of the companies having a Twitter account. YouTube comes second with 79 percent of the companies having a company channel. Facebook is in the third position with 74 percent of companies having a brand page, counting 152,146 average users per company page and about 6,100 people talking about the brand.

Why firms use social media

Recent research shows that the marketing budgets directed toward social media are constantly growing, suggesting that brands are increasingly interested in establishing

a presence in social media, interacting with their fans, helping shape their experiences, and even leveraging their voices for a greater marketing impact (Lipsman *et al.*, 2012). This shift toward social media can be explained by several factors (Gillin, 2007):

- Declining response rates. Consumers increasingly ignore conventional online marketing such as banner and e-mail advertisements due to disinterest and spam.

- Technology developments. The developing IT infrastructures, new tools, and an increasing online population contribute to social media attractiveness.

- Demographic shifts. People, especially young individuals, have moved online and the use of traditional media channels has declined.

- Customer preference. Trust is important on the internet and people trust their friends and other internet users more than companies.

- Low cost. A viral campaign can produce many more engaged customers than a television campaign at a much lower cost.

Given these trends and the high potential for marketing use of social media, the key question for marketing managers became how to take full advantage of social media and find ways in which social media can contribute to marketing objectives and support marketing strategies.

Early studies on online communities have tried to explain why firms may be interested in social platforms. Kozinets (2002) proposes two reasons this interest in online brand communities: word of mouth and market research. Indeed, the emergence of internet-based media has facilitated the development of word of mouth online (eWOM) (Chu and Kim, 2011). eWOM occurs on various online channels, such as blogs, forums, virtual communities, and social networks (Dwyer, 2007; Hung and Li, 2007; Phelps *et al.*, 2004; Thorson and Rodgers, 2006). Social media are ideal tools for eWOM, as users freely create and spread brand-related information in their networks composed of their friends (Vollmer and Precourt, 2008). Second, as social media provide new opportunities for consumer interaction, they also open up new possibilities for marketing researchers to get close to the consumers and collect info about their preferences, desires, and needs (Kozinets, 2002).

Propositions of consequent studies on the motivations, expected benefits, and objectives related to the use of social media can be summarized as follows:

- Brands can effectively develop and enhance relationships with customers (Bartlett, 2010; Hackworth and Kunz, 2010; Monseau, 2009; Selina and Milz, 2009). Social media not only intensify the existing firm-to-customer and customer-to-firm relationships, but also create new variations on conventional options, increasing the ability of firms to interact in firm-customer dialog, strengthening their communications. There are fundamental changes in the ease of contact, volume, speed, and nature of these interactions (Gallaugher and Ransbotham, 2010).

- Firms can reach out to people that otherwise could not be reached (Dong-Hun, 2010; Newman, 2003). Social media transfer content to a more diverse range of people compared to the mass media. They create a "small-world" network (Newman, 2003) where content is easily distributed to a large number of people, as the network is formed through voluntary connection and requires fewer steps for sharing information.

- Social media can establish and raise brand awareness (Fanion, 2011; New Media Age, 2010). Social media tools allow firms to access millions of people. Since a huge number of people are already visiting social media, a brand's name presence all over those networks can help inform people about it and become familiar with the firm, creating brand awareness (O'Flynn, 2012).

- Social media relationships can boost sales (New Media Age, 2010). By having people visiting a brands page in social media, it is likely to create traffic for the web site and make more online sales. A good example is Sony, which announced in February 2012 that they have earned an extra million pounds in sales through Twitter. Similarly, Dell also announced in June 2012 that they have earned three million dollars increase in sales from their presence on Twitter (O'Flynn, 2012).

However, because of the constant evolution of social media platforms and the multiple applications that they offer, companies in fact experiment constantly by testing various ways of using social media and observing their use by competitors. Expected results and benefits are still unclear and need to be further studied.

It should be noted here that besides the benefits that social media offer to firms, there are some risks concerning their use. For instance, one of the most frequent unpredictable situations is negative Facebook comments made by users (Dekay, 2012). Recent studies reveal that many companies do not respond to such comments and/or delete them. Moreover, even those firms that respond to negative comments do not adopt explicit strategies that transform these comments into useful opportunities for communication (Dekay, 2012). Ineffective handling of such situations may lead to negative word of mouth among social media users. As a result, a major challenge for social media active companies is to develop appropriate response strategies to negative word of mouth (Hennig-Thurau et al., 2010; Roehm and Tybout, 2006); otherwise, social media marketing may have negative impacts on a firm's brand image and sales (Corstjens and Umblijs, 2012).

The present study focusses on the positive aspect of social media marketing, and aims to examine why companies create brand pages in social media, how they use them, and what benefits they expect from this use. Also, it intends to provide preliminary evidence of what benefits users may get from using such pages, according to the opinions of managers.

Methodology
Social media is a relatively recent and rapidly developing environment for which both academics and companies have yet no solid knowledge. For these reasons, qualitative exploratory methodology was used to fulfill the needs of the present study. The population of the study is companies that have developed brand pages on Facebook. In order to obtain a reliable but also a balanced sample of firms, target companies were chosen according to the number of fans they have on their Facebook pages and their product type, in order to cover a wide range of sectors. Facebook is the most popular social media platform in Greece, the country of the study. Almost 94 percent of firms in Greece that are active on social media use Facebook fan pages (Advocate/Burson-Marsteller, 2012). Facebook reached 3,971,980 users in Greece (35. 2 percent of population) in February, 2013 (Socialbakers, 2013). This number represents the 78.7 percent of the total internet users in Greece (Socialbakers, 2013).

In total, 18 firms operating on the Greek market with the largest number of fans on their Facebook page (Socialbakers, 2013) were contacted, and 14 agreed to participate

in the survey. These 14 firms operate in the following sectors: computers and technology, consumer electronics, telecommunications, mobile telephony, food and drink, travel services and media. The collection of the necessary data has been carried out through personal in-depth interviews (Churchill and Iacobucci, 2005) with the digital marketing managers responsible for the social media activity of each company. The interview process was based on an interview guide that was designed according to the needs of the study.

The interview guide was divided into three parts. The first part referred to the company's use of social media. More specifically, questions focussed on "when" the company adopted the use of social media, the factors that pushed them to do so, "which" social media platforms they use, and what kind of activities they have on the social media they use. The second part consisted of questions concerning the reasons of the brand page development and the expected outcomes. Actually, there were questions about "why" they got involved with social media, and what the expected outcomes toward the brand are. The third part consisted of questions about the way that customers use the brand's fan page and the benefits they gain, as these are perceived by the company.

The duration of each interview was approximately 90 minutes. All interviews were recorded with the use of a voice recorder; also notes were taken during each interview. Transcripts were used to convert the tapes. To analyze the data content analysis was implemented to develop categories of common themes. In the analysis the researchers were looking for consistent reference to elements which had been identified in the literature. Literature definitions were also used to categorize discussion points. The process of data analysis followed three major phases: description (relying heavily on verbatim quotes from respondents), analysis (identifying important factors, themes and relationships), and interpretation (making sense of meanings in the context) (Wolcott, 1994). The meaningful results were grouped into higher level constructs and elaborated by topic.

Results

External factors that lead brands to use social media

Regarding the year when brands started their social media activity, there is a range of answers from 2007 to 2011, with 2010 being stated by eight companies as the year that they first appeared on at least one social media platform. Then, managers explained the factors that led them to the decision to get involved with social media. The most frequent factors that were mentioned are:

(1) Social media growth and popularity. All interviewed managers consider social media as the fastest internet trend that continuously gains popularity among people. Thus, trying to keep up with the technological developments, they decided that their brand had to follow this evolution.

(2) Viral nature of social media. Another factor that was mentioned is the viral nature of social media platforms. Digital managers definitely desire everyone to talk online about their brand. They know that social media are the best place for spreading the brand name. Many of them gave examples on how this may happen: Facebook applications, Like or Share buttons, and re-Tweet options are some of the ways for making a brand's message or name very quickly known.

(3) The presence of competitors on social media. The fact that a competitor is already active on a social media platform is, according to many interviewed managers, a good reason for getting involved too. Many of them believe that it is a mistake when a brand does not follow a competitor who creates a page on social media, as it will give a great advantage.

(4) Headquarters' social media strategy. Some managers, especially of multinational firms, were forced to follow the common strategy adopted by headquarters. So, if the multinational brand had a presence on social media, the Greek department had to be aligned with that, creating a domestic page.

(5) Cost reduction pressure. Because of the financial crisis, firms try to find cheap solutions for promoting their brand; social media allow them to make their brand better known at a low cost.

Activities on social media brand pages
All interviewed companies have a fan page on Facebook, while seven have also created a Twitter account and nine a channel on YouTube. Besides these popular platforms, one company has an active presence on Foursquare, and one on Flickr. Nevertheless, all firms totally agreed that Facebook is the most frequently used social network by them.

Concerning the activities that companies have in their social media, all managers answered that the two most common and important activities are making competitions with prizes, such as coupons, discounts, or even gift products and communicating daily with their users. Daily communication includes simple messages like "Good morning," "Have a nice week," asking users how they feel or what they intend to do within the day or the weekend, etc.

A third significant activity, mentioned by eight companies, is the introduction of new products/services. Firms announce a new product giving details and information, such as price, technical characteristics, and points of sale.

Giving advice and providing useful information for everyday life is also something that most of the interviewed companies do through their fan pages. Although this can be considered as part of the communication between firms and users, managers explained that this is more than communication, as they give their users tips and a kind of knowledge about everyday-life issues. Finally, four brands stated that even if it was not in their initial intentions, they started providing a first level of customer service or complaint handling following users requests. Indeed, complaint management was not a planned activity; however, as social media are a 24-hour direct firm-user channel, it is almost inevitable to avoid handling such situations. A common policy of these firms about customers' comments and complaints is that they systematically respond to each and every comment or question.

Expected benefits from social media brand pages
On the question on the objectives pursued and the expected outcomes of company brand pages on social media, managers' answers were grouped into six categories:

(1) Create, strengthen, and enhance the relationships with customers: almost all of the interviewed managers said that by communicating with customers through social media channels, personal relationships are developed between the firm and the users. The company can now communicate on a daily basis with its customers creating a "sense of relationship" to both users

and the firm. This relationship is strengthened by the fact that this type of communication is more personalized and customized to each customer.

(2) Easily interact-engage with customers and listen to their needs: it was a common statement that social media interactions are the easiest and most convenient way to communicate and listen to customers' needs, just like friends do in everyday life. As managers said, "customers do not hesitate to send a message to the company or express something they desire. Moreover, through the social media environment we (the firm) have the ability to instantly respond to customers' messages concerning questions, demands, or ideas." "Every day, fans post messages on the company's Facebook wall and talk to us like they talk to a friend of theirs. They feel comfortable to express their feelings about the brand, or even tell us what their mood is."

(3) Gain brand awareness – create positive word of mouth: more than half the interviewed managers stated that through social media, customers have a great opportunity to become familiar with the brand. The various competitions, the gifts, and most importantly the viral effect of the messages spread among social media users, makes a brand very quickly known and discussed among a wide number of users. As it was mentioned, "through a well-operated fan page, it is possible to make the world talk about you." Thus, firms use Twitter re-Tweets, and Facebook's news feed and "Like" buttons to encourage customers to spread a message.

(4) Access new audiences in a more targeted way: through social media channels, companies expect to reach a wider range of people. An even more important benefit for the brand is the possibility to target its actions on specific groups of their fans. The majority of the popular social media platforms, offers various tools that allow firms to access the demographics of their fans, so they can implement their social media strategy according to their fans' profile.

(5) Support the implementation of marketing actions, promote product use: the managers from almost half the companies agreed that they can easily and effectively promote various marketing actions through Facebook posts. As it was stated, "Through experimentation, we realized that we can post some marketing-related messages without annoying our fans, by combining these messages with messages concerning competitions and fun. Doing so, we can promote everything the company wants, in a more indirect way." In particular, firms use social media to remind, promote, and develop the use of their products or services. Typical examples are the messages fast food chains or coffee brands post during lunch time or early in the morning.

(6) Engagement: all interviewed firms said that the most important benefit that they expect to gain is the engagement with people who like them. As it was mentioned, "Social media are the best way to talk with your fans." Firms have a 24-hour open low-cost channel, which offers an every-day dialog with their fans. People can talk to their favorite brand like they talk to a friend and get an answer within minutes. This direct way of communication can create a sense of engagement between people and brand. In this direction, brand loyalty, increase of sales, and the acquisition of new customers were also stated as expected benefits.

Brand page visitors' benefits

Concerning the customers' activities on the brands' social media pages, almost 50 percent of it concerns competitions, 30 percent relates to communication with other users, and 20 percent involves questions, feedback, complaints, or thanks to the company.

In terms of the benefits that motivate customers to be active on the brand's page, managers answered that beyond the obvious prizes and other financial benefits that customers gain, they mainly benefit from social interactions with other users. Even through competitions, users interact with each other, asking questions or having fun with the whole procedure. Beyond that, visitors seek information and ask for previous experiences from users that already used/bought a service/product. Through repeated conversations and exchanges, some users have developed friendships that may continue at an interpersonal level on their Facebook personal profiles. Some of the interviewed managers stated that they often see brand-related conversations among users including messages like "hey, add me if you want," or "I'll tell you more through private messages." Such conversations indicate that some users continue to interact beyond the brand's fan page. Thus, such Facebook brand pages often become a great place for socialization and users can benefit from the potential friendships they may develop.

Discussion

The objective of this paper was to contribute to a better understanding of the way firms define their social media strategy. To this end, findings can be integrated on a flow chart (see Figure 1) that presents the firm's decision-making process regarding its social media presence.
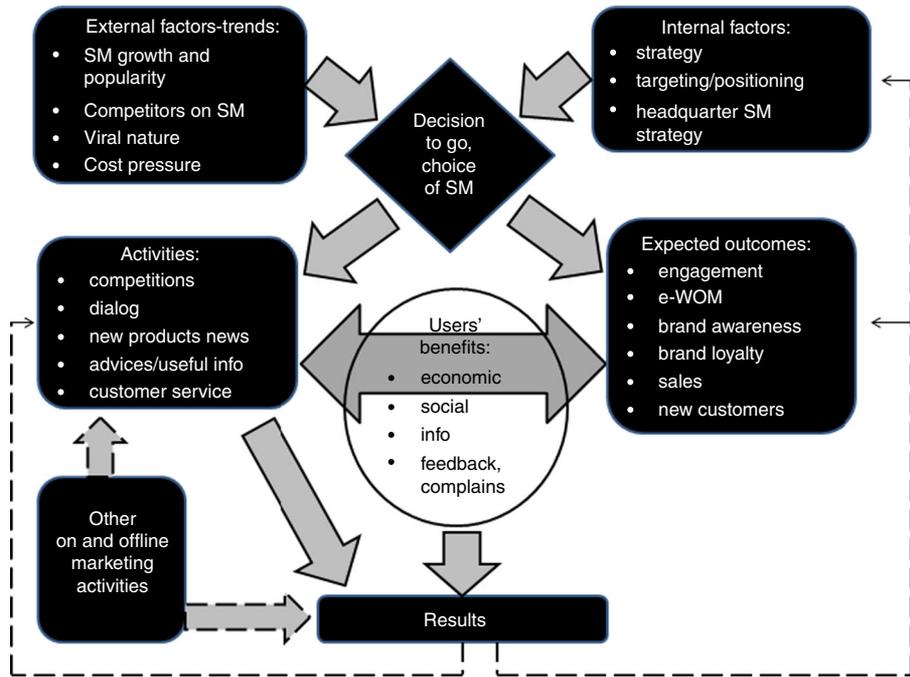
Figure 1.
Flow chart of the social media decision-making process

Note: SM, social media

Several factors, internal and external, may lead a firm to getting involved with social media. As it was analyzed above, these external factors are the fast growth and popularity of social media, their viral nature, the competitors' presence on social media, and the low-cost solutions offered by social media platforms. The internal factors include the strategy followed by headquarters as well as company's strategy, positioning, and targeting, the latter being the general framework into which all marketing activities should fit. For example, if a brand's target group is young people, it is more likely that this brand will have a strong presence on social media. Also, brands which include technological products are more likely to join social media. Given these external and internal factors, a firm decides whether to activate on social media, and which social media platforms are more appropriate for its campaign. A Facebook fan page would be more appropriate for a firm that desires to have a full interactive communication with its audience. A Twitter account would more likely be chosen by media firms, such as TV/Radio channels or newspapers or online news portals, which can spread short informational messages. Brands that have visualized messages such as advertising spots are more likely to prefer a YouTube channel. However, most of the interviewed firms prefer a combination of several social media platforms, utilizing each one according to the needs of their social media strategy. An additional issue especially relevant to companies with a multinational presence is the choice of the appropriate social media platform for each target country.

Once a firm has decided to get involved with social media, it has to define, implement and follow up specific activities on the selected social media. Popular actions are the creation of competitions which will offer users fans and prizes, communication with the users, announcement of new products or services, provision of advice and useful information, and a first level of customer service. All these actions should be in accordance with other online and offline marketing activities that the firm may have and create synergies among them.

Companies expect a number of specific benefits from their presence on social media. Customer engagement was mentioned as the most important one. The emergence of the customer engagement concept acknowledges the opportunities offered by the interactive aspects of Web 2.0 technologies and tools to transform the relationship between customers and sellers. Its importance has primarily been recognized by practitioners seeking to exploit social media to build enduring relational exchanges with strong emotional bonds and improve business performance (Mitic and Kapoulas, 2012; Pagani and Mirabello, 2011; Sashi, 2012). Many companies also considered word of mouth as an important benefit. This finds many experts in total agreement – they believe that social media are a powerful tool that can help a company to become better known, and can take the most persuasive form of promotion (Kumar *et al.*, 2007), "word of mouth," to a global level (Burrus, 2011). Social media operate like a giant word-of-mouth machine, catalyzing, and accelerating the so-called viral distribution of information (Chan and Ngai, 2011; Dellarocas, 2003; Godes and Mayzlin, 2004; Jalilvand and Samiei, 2012). These mechanisms are amplifiers, piggybacking on customer word-of-mouth while integrating with content that is more observable than other forms of online advertising (Neff, 2010). However, firms should beware; these same mechanisms can spread outrage, discontent, and ridicule just as rapidly. Monitoring of customer-customer dialog yields market intelligence and lets a company amplify positive messages, correct inaccuracies, and mitigate damage. Of course, the ultimate goal is to increase sales, be it through new customer acquisition, increased consumption, or up- or cross-selling.

Finally, the evaluation of the results of a firm's overall social media presence will trigger a feedback mechanism at different levels. First, the company may revise its strategy, targeting/positioning ("internal factors"). Then, the company can reconsider the expected outcomes of its social media presence; third, based on the produced results, a firm may adjust its current social media activities or design new ones.

As far as users' benefits are concerned, findings indicate that besides the economic benefits arising from competitions, customers mainly benefit from the social interactions with other users and the potential friendships that may develop among them. This confirms the existence of social benefits, which seem neglected so far in the internet environment (Colgate *et al.*, 2005; Yen and Gwinner, 2003). As part of these interactions, users seek feedback and previous experiences from users that have already used/bought a service/product, as some authors have suggested (Garretson, 2008; Hart and Blackshaw, 2006; Hennig-Thurau *et al.*, 2004). Finally, the fact that some users make complaints which are visible to everyone is an additional feedback mechanism that gives the opportunity to others to evaluate firm's complaint handling (Jin, 2012).

Finally, it is worth mentioning the difficulty of measuring the results that can be directly attributed to the firm's social media presence, in the way objectives were set: engagement, WoM, loyalty, sales, and new customers. Due to such difficulty, there is an issue of developing key performance indicators (KPIs) for assessing the outcomes of SM brand's activities.

Implications for managers

By taking advantage of the daily and direct communication offered by social media, managers keep users and potential customers close to the brand name and have the great opportunity of turning a simple user into a fan and a loyal customer. Besides bringing customers close to the brand, activities such as special discounts, offers, competitions, marketing messages, or even using the page as a direct selling channel can increase sales.

Managers of social media brand channels should focus on spreading positive word of mouth among social media users. The opportunity for customers to connect and interact in rich ways with other customers and non-customers gives them the ability to influence others in their social networks. They can corroborate or refute the brand experiences of others. Customers with strong emotional bonds can become advocates for sellers in interactions with other customers and non-customers.

Interviewed executives said that one of their basic motivations for getting involved with social media is to increase brand awareness. As more social media are attracting internet users, firms should consider expanding their presence to several social networks.

Additionally, as the number of social media active firms is continuously increasing, managers should take into account what actions the competitors do and try to be a step ahead. This may require the firm to develop a distinct strategy solely for social media, supported by the appropriate specialized staff. Firms should clearly know if social media are a substitute or a supplementary tool to the rest of their marketing activities. Possible synergies of social media with other online and offline actions should be carefully examined and systematically managed. Such synergies can for instance increase firms' web site or store visitors. Also, the development of KPIs would provide firms with the ability to assess their performance of their social media actions.

Since engagement is a key benefit for a brand's social media presence, firms should encourage active commentators and "likers" in their pages, in such a way that leads not only to more commenting and liking, but also to purchase behavior. Together with handling this user-generated content, companies should create their own content that adds value for social media brand page users and encourages them to engage in transactional behaviors. Competitions seem to be an appropriate kind of such content but several additional information-based opportunities should be explored. Users who are more active on the page should be rewarded and encouraged to be more active to receive maximal relationship benefits from the community.

Finally, firms should monitor what motivates social media users to be a member of a brand's fan page, what content they enjoy more, and what benefits they perceive in order to find ways to create added value for the customers and meet – or even exceed – their expected benefits.

Limitations and implications for future research

This study is a preliminary attempt to understand how brands use the available social media channels and how they expect to benefit from them. Given the qualitative nature of the present study and the fact that social media is an emerging field of research which is continuously developing, findings should be considered as exploratory. Although the interviewed firms are popular and successful brands with a strong presence in social media cover a variety of market sectors, companies from more sectors should be reached to provide a better-grounded view of firms' social media actions. Also, a longitudinal examination of social media practices is needed, in order to observe how firms adjust their strategies over time.

As there are various social media, each one with different characteristics and audiences, brands should answer the question of which social media are more appropriate for their campaigns. The issue of how to simultaneously handle different social media platforms in different countries also needs to be addressed. Thus, considering that every social media platform transmits messages to the audience differently and that the participating firms have activities mainly on Facebook, Twitter, and YouTube, the results of the study cannot be generalized on all available social media platforms.

Many firms consider customer engagement as an important benefit arising from their activity in social media. It has also been recognized as a key research priority of the Marketing Science Institute (Bolton, 2011, p. 272). Thus, considering also the increasing number of people spending more and more time on social media, it is meaningful to study consumers' engagement in this context (Kaplan and Haenlein, 2010; Ouwersloot and Odekerken-Schroder, 2008). Customer engagement is believed to be directly and positively related to a number of relationship outcomes such as satisfaction, trust, affective commitment, and loyalty (Brodie *et al.*, 2011). A future empirical measurement of the impact of engagement on the perceptions and attitudes toward the brand will help managers to better design and implement their social media strategies.

Further in this perspective, there is no actual examination of the customers' side about their actions and their motives for participating in a brand's social media fan page. While firms believe that customers are becoming engaged with their brand through social media interactions, literature proposes that customer engagement is supposed to lead to perceived relationship benefits of engaging in a brand community (Gummerus *et al.*, 2012). By studying how engagement with social media may be

related to aspects of relationship benefits, we will be able to better understand what customers seek from such relationships through the use of social media and if such relationship-building efforts are effective. Future quantitative research should focus on what relationship benefits customers expect to gain and what benefits actually perceive from their involvement with social media as a part of their relationship with a company. For instance, customers may gain – the so far neglected from an online context – social benefits (Colgate *et al.*, 2005; Yen and Gwinner, 2003), and practical information benefits (Dholakia *et al.*, 2004) by engaging in community behaviors. It is also likely that consumers experience other types of relationship benefits, such as entertainment benefits (Gummerus *et al.*, 2012).

Another topical issue related to the use of social media by a company concerns the risks of such use and its potential negative consequences. These risks include the uncontrolled and unpredictable behavior of brand fans on social media, the handling of negative comments, rumors, and word of mouth and so on (Hennig-Thurau *et al.*, 2010; Roehm and Tybout, 2006).

While the present study discusses solely how social media can affect customer-brand relationships, an extension of the impact of the use of various social media at a public policy and society level would be an interesting future direction. For instance, further research on how social media can possibly enrich the citizen-public services relationship will provide insights on how these tools can influence quality of life. In the same direction, the relationship between government/politicians and citizens would be impacted through social media channels. A typical example is the use of Twitter by Barak Obama, during the US presidential elections of 2008. As a social medium brings the customers closer to the firm, similarly it can turn them into more participative citizens, and transparency of public policies may be improved. Finally, the interactive nature of social media tools could result in new forms of socializing between citizens, leading to collaborative initiatives and actions, which will benefit the society as a whole.

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Further reading

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