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For the degree of Master of Science

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SOCIAL MEDIA MARKETING IN A SMALL BUSINESS: A CASE STUDY

A Thesis

Submitted to the Faculty

of

Purdue University

by

Sarah Lynne Cox

In Partial Fulfillment of the

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of

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West Lafayette, Indiana

To my family and friends,

thanks for always being there for me.

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ABSTRACT

Cox, Sarah L. M.S., Purdue University, May 2012. Social Media Marketing in a Small Business: A Case Study. Major Professor: Mihaela Vorvoreanu.

In today's social media driven environment, it is essential that small businesses understand Facebook, Twitter, and the strategies behind using social media for growing their business. Unfortunately, many small businesses do not have a strategy when they begin using social media. The purpose of this study is to understand how the owner of a small business, recognized for using social media to grow the business, uses social media to engage consumers. A case study is presented, followed by an in-depth interview with the small business owner, and accompanied by an analysis of the business's Facebook and Twitter posts. The results of the case study reveal the different strategies the owner uses to build and maintain relationships with consumers. The study concludes with a discussion of the lessons learned from the research: networking and creating relationships with other businesses, increases brand exposure; focusing more on relationships than sales, increases sales; interesting content promotes interaction; and one main barrier to entry is a learning curve.

CHAPTER 1. INTRODUCTION

This chapter provides a brief overview of the study presented in this thesis. This chapter introduces the reader to the scope, problem statement, significance of the research, and research question, as well as the assumptions, limitations, and delimitations of the research. The overview prepares the reader for chapter 2; the review of literature.

1.1. Background

Social media plays a vital role in marketing and creating relationships with customers. With limited barrier to entry, small businesses are beginning to use social media as a means of marketing. Unfortunately, many small businesses struggle to use social media and have no strategy going into it. As a result, without a basic understanding of the advantages of social media and how to use it to engage customers, countless opportunities are missed. The research aims to acquire an initial understanding of how a small business recognized for using social media to grow the business, uses social media to engage customers.

1.2. <u>Significance</u>

The purpose of this research is to identify the strategies that aid small-to-medium enterprises' (SME) use of social media to engage consumers. Small firms are extremely important to the U.S. economy, representing 99.7% of all employer firms (Small Business Administration (SBA), 2011). Because the SME sector is important within most economies, it is important to understand how small businesses are taking advantage of marketing techniques and social media best practices to help promote business to consumer relationships.

However, many small businesses struggle to use social media. A small business survey conducted by the Deluxe Corporation found that 49% of small business owners surveyed claim that effectively reaching customers with limited resources is their biggest challenge (Small Business Trends, 2011). Social media affords SMEs with a variety of marketing opportunities for little to no monetary cost. SMEs should embrace such opportunities since they often face resource constraints in terms of time and money. Social media provides businesses the opportunity to engage and interact with consumers to create lasting relationships. The results gained from this study provide an initial understanding of how a small business uses social media to engage customers and build long term relationships, which helps the business grow.

1.3. <u>Statement of Purpose</u>

The prime research objective of this project is to identify the strategies that aid an SME's use of social media to interact with consumers. The project deals

with two specific topics that are rarely discussed together: SME's marketing strategy and social media. The majority of academic literature discussing social media strategy in organizations only researches strategy in large organizations. The weakness of such literature, however, is that those same strategies do not necessarily work for small businesses.

The study examines a small business recognized for its success of using social media. The goal is to gain insight to how the business uses social media to engage consumers. The research provides a set of techniques that the small business uses for their social media strategy, an analysis of these techniques, and lessons from the techniques that may benefit others.

1.4. Research Question

The research aims to answer the question: How does a small business recognized for using social media to grow the business, use social media to engage consumers?

1.5. Assumptions

The assumptions inherent to this study include:

1. Participant uses social media to not only share content, but interact with the external public as well.
2. Participant in the research will be truthful in his/her responses.
3. Participant will respond to the best of his/her ability.
4. Participant will not answer the interview items he/she finds unclear.

5. A sufficient amount of data will be received for research validation and analysis.

1.6. Limitations

The limitations relevant to the research include:

1. Because a variety of companies exist, it was unfeasible for the scope of this research to cover every industry.

2. The limitations of the collected data make it difficult to make generalizations across industries, companies, and locations.

3. The research lacks a comparison between the practices of a company recognized for using social media marketing successfully and a company using it less successfully.

1.7 Delimitations

The delimitations relevant to the research include:

1. Companies that have not used social media successfully will not be included in the research due to time constraints.

2. Companies must not have a marketing or public relations department.

3. The company must be classified as a small business.

1.8 <u>Definitions of Key Terms</u>

marketing - research conducted by Reijonen (2010) found that from a

SMEs general point of view, marketing can be described as "a

means to inform the customer about the firm, its products, and

services." SMEs believe marketing is also interested in creating

and maintaining customer relationships.

small business – a business having fewer than 500 employees (SBA,

2011).

small-to-medium enterprise (SME) – a business employing fewer than

250 people (Gilmore, Carson, Donnell, & Cummins, 1999).

social media – "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).

social media marketing (SMM) – marketing through the use of social

media or social networking sites. SMM techniques often exist to

increase brand awareness, increase sales, improve customer

service, and implement marketing campaigns (Mangold &

Faulds, 2009).

1.9 <u>Summary</u>

This chapter provided a brief overview of the research project and

addressed the background, significance, purpose, research question, scope, and

definitions. Assumptions, limitations, and delimitations were also discussed. The lack of research into social media use in a small business environment provides the motivation for the study. The study addresses this gap and contributes to existing literature. The paper opens by reviewing existing literature on small business marketing, integrated marketing communications, social media, and social media marketing.

CHAPTER 2. REVIEW OF RELEVANT LITERATURE

Marketing is a crucial activity for the survival and success of a business. Businesses today have more marketing opportunities than ever (Bresciani & Eppler, 2010). In small businesses, marketing relies heavily on word of mouth recommendations for customer acquisition (Stokes & Lomax, 2002). Today's economy, distinguished by relationships, technology, and networks, favors some of the characteristics of SMEs (Walsh & Lipinski, 2009).

Social media enables companies to network with customers in order to build relationships and achieve a better understanding of customer needs. Businesses want their message to reach as many people as possible. To maximize this reach, a business must have a presence where customers are hanging out. Increasingly, they are hanging out on social networking sites (Halligan, Shah, & Scott, 2009). Social media provides multiple opportunities for small businesses to market to consumers and build closer and more profitable relationships. However, small businesses still struggle to reach customers.

Much of the existing literature on small business and SMEs includes studies of organizations with the number of employees ranging from one to five hundred people. The research presented in this paper focuses on the typical problems of very small businesses. The literature review first defines small business and identifies why the success of small businesses is important to the U.S. economy. Second, it provides insights into marketing opportunities and challenges for small businesses to engage customers. Third, it examines integrated marketing communications which small businesses use to overcome the challenges they face. Fourth, it discusses social media, its importance, advantages, and applications, as a means of engaging customers. Lastly, it investigates social media marketing for small business, its impact, strategy, process, empirical studies, and applications.

2.1. Defining Small Businesses

Generally there is no universally agreed-on definition of small business or SME. Many efforts have tried to define the term small business, using criteria such as number of employees, sales volume, and value of assets. Much academic literature adopts the European Commission definition of SME. According to this definition, SMEs employ fewer than 250 people (Gilmore et al., 1999). In the United States, small business is defined as having fewer than 500 employees (SBA, 2011). The literature reviewed for this study adopts either of the definitions and often uses small business and SME interchangeably. For the

purposes of this study, the definition of small business will be used; however, SME will be identified with its original source where appropriate.

Small firms represent 99.7% of all employer firms in the U.S., making small businesses extremely important to the U.S. economy(SBA, 2011). According to the U.S. Small Business Administration Office of Advocacy (2011) estimates, there were 27.5 million small businesses in the United States in 2009. The latest available Census data show that in 2007, there were 6 million firms with employees and in 2008, there were 21.4 million without employees. Small firms with less than 500 employees represent 99.9% of the total (employers and nonemployers) and there were about 18,311 large businesses (SBA, 2011). Small businesses are the backbone of the U.S. economy. They create employment opportunities and it is important for them to survive to sustain or increase their contributions to the economy.

Marketing from a SMEs point of view is a way to inform the customer about the firm, its products, and services; and to create and maintain customer relationships (Reijonen, 2010). With the amount of resources available today, small businesses have numerous marketing opportunities available to them.

2.2. Marketing Opportunities of Small Businesses

Numerous marketing opportunities exist for small businesses, namely networking and word of mouth marketing. Not only do owner-managers of small businesses rely on their personal contact network, but they rely on the networks of their customers as well. Small businesses often rely on word of mouth

recommendations for new customers. Word of mouth marketing provides small businesses with an opportunity to give customers a reason to talk about products, making it easier for word of mouth to take place.

Networking is a widely cited marketing activity for SMEs and is important during their establishment, development, and growth (Walsh & Lipinski, 2009). Siu (as cited in Walsh & Lipinski, 2009) found that in marketing their firms, SMEs rely heavily on their personal contact network. Traditionally, economic structures favor larger firms; however, today's economy is distinguished by relationships, network, and information, favoring some of the characteristics of SMEs (Walsh & Lipinski, 2009). Rather than relying solely on their personal contact network, small businesses rely on the networks of customers as well. Today, these customers can be reached through electronic word of mouth, or eWOM.

Marketing in small businesses relies heavily on word of mouth recommendations for customer acquisition. Stokes and Lomax (2002) claim that "a number of studies have indicated that the most important source of new customers for small firms is recommendations from existing customers" (p. 351). For many owner-managers, reliance on customer recommendations is more suited to the resources available to their business (Stokes & Lomax, 2002).

Word of mouth marketing involves monitoring what is being said for marketing purposes, engaging in brand related discussions, involving people and their social networks for marketing purposes, and more (WOMMA, 2011). The Word of Mouth Marketing Association (2011) recognizes all word of mouth marketing techniques as being based on the concepts of customer satisfaction,

two-way conversation, and transparency. The association describes the basic elements of word of mouth marketing as: "Educating people about your products and services; Identifying people most likely to share their opinions; Providing tools that make it easier to share information; Studying how, where, and when opinions are being shared; and Listening and responding to supporters, detractors, and neutrals" (WOMMA, 2011).

In 2011, Linkdex, a company that helps businesses increase online marketing performance, conducted a survey on small and medium-sized businesses in the UK and USA to find out which marketing tools were most important. Of the companies surveyed, 81% considered word of mouth to be the most important marketing tool for SMEs (Straw, 2011). According to Straw (2011) "The perceptions by companies match the changing ways in which consumers find information about the products and services they want to buy."

Small firms are generally at an advantage because their small size makes it easier to get close to customers and obtain valuable feedback (Gilmore et al., 1999). Such an advantage enables small businesses to take advantages of the marketing opportunities networking and word of mouth marketing provide. But small business owners face many challenges when it comes to marketing as well.

2.3. <u>Marketing Challenges of Small Businesses</u>

Researchers widely agree that marketing practiced in small firms is different from that of large organizations (Coviello et al., 2000; Gilmore et al., 2001; Hill, 2001; Reijonen, 2010). Small firm marketing has been described as

informal, unstructured, spontaneous, and reactive (Gilmore et al., 2001; Reijonen, 2010). According to Stokes (2000), in small firms, marketing is used for immediate needs and little attention is paid to plans and strategies. SMEs direct their attention to sales in order to survive (Stokes, 2000). For all issues outside of advertising, such as customer satisfaction measurement and improvement and design of customer service and support, the sales function has a slightly greater influence (Walsh & Lipinski, 2009; Harris et al., 2008).

One of the most prevalent areas in which a small business has problems is marketing (Huang & Brown, 1999). This is due to the inability to employ a marketer to carry out marketing activities for the business (Berthon, Ewing, & Napoli, 2008; Moss, Ashford, &Shani, 2003; Gilmore et al., 2001). Leppard and McDonald (as cited in Hill, 2001) stated that the owner-manager has a significant impact on every aspect of the SMEs marketing activities. The SME owner-manager is often responsible for the performance of functions within an organization, such as banking, purchases, advertising, and recruitment. They will often decide which marketing strategies to use because the use of specialists is rare and they do not often have a marketing manager as an employee (Berthon, Ewing, & Napoli, 2008). Moss, Ashford, and Shani (2003) state that "Relatively little is known about SME marketing activities…" There exists a lack of knowledge about marketing activity in small businesses, suggesting that "such functional specialization may rarely exist" (Moss, Ashford, &Shani, 2003).

According to Walsh and Lipinski (2009), marketing in SMEs is not as well developed or influential as it is in large firms. Large organizations are often large

enough to have a marketing department that permits the delineation of functions and activities. This difference can be attributed to certain limitations that small firms face including limited resources in terms of finance, time, and marketing knowledge (Gilmore et al., 2001; Reijonen, 2010). Complex theories may be considered inappropriate in small enterprises (Hogarth-Scott, Watson, & Wilson, 1996). According to Reijonen (2010) "it is argued that owner-managers of small firms tend to view marketing narrowly" (p. 279). Furthermore, it is argued that SME marketers may consider marketing the same as selling or advertising (Reijonen, 2010).

Traditional marketing theories fail to account for the marketing carried out by small firms (Reijonen, 2010). Rather than viewing the marketing concept as simply a business philosophy, Stokes (2000) also examines marketing as a strategy and as tactics. Reijonen (2010) recognizes "marketing as tactics/methods focuses on the use of marketing mix (4 P's: product, place, price, promotion); in other words, on the implementation of marketing strategy" (p. 280). Because definitions of marketing generally interpret the marketing carried out by large businesses, there is no clear definition of marketing in SMEs (Reijonen, 2010).

One solution to the marketing challenges faced by small businesses is social media. Social media enables small businesses to overcome the challenges of limited budget, lack of expertise, and positioning against larger competitors. Small businesses are not the same as big businesses and therefore cannot be expected to have the same marketing resources. Competitive

advantage often has to be sought from other sources and by other means (Gilmore et al., 1999). Several models of marketing exist that provide guidelines for businesses to survive and grow. However, marketing theory that a large organization uses cannot be generalized to a small business which has different characteristics and requirements. As a consequence, small firms are moving from conventional marketing practices towards more affordable, interactive, and integrated marketing.

2.4. Integrated Marketing Communication (IMC)

Marketing practices have traditionally centered on the marketing mix model (product, price, promotion, and place) termed the 4Ps of marketing. Integrated marketing communication (IMC) emerged in the past few decades as a response to the changes in the domains of marketing and marketing communications, changes brought about by the impact of information technology. Various interpretations and values of IMC exist, making it nearly impossible to agree upon a universal IMC definition (Mangold & Faulds, 2009). Caywood, Schultz, and Wang define IMC (as cited in Grunig & Grunig, 2001) as a concept that combines the disciplines of general advertising, direct response, sales promotion, and public relations to provide clarity, consistency, and maximum communication impact.

In the traditional promotional mix, the elements of the marketing mix (advertising, personal selling, sales promotion, public relations, and direct marketing) are designed by businesses in coordination with paid advertising

agencies and marketing firms (Mangold & Faulds, 2009). More recently, the

arrival of social media has added a new dimension to the promotion mix. In a

traditional sense social media enables businesses to engage their customers. In

a nontraditional sense it enables customers to interact directly with other

customers (Mangold & Faulds, 2009). The tools and strategies for interacting

with customers have changed with the advent of consumer-generated media.

Managers' control over the content, timing, and frequency of information is

diminishing in the era of social media (Mangold & Faulds, 2009).

Several scholars suggest that, despite the constraint of resources, SMEs

are likely to be more entrepreneurial, flexible, and innovative than their large

organization counterparts. This enables them to be more responsive to customer

needs and they have more of an opportunity to get close to customers and obtain

valuable feedback (Gilmore et al., 1999). Such opportunities can be exploited

through the use of social media, but it is also important to know how small

businesses use social media to engage customers.

2.5. <u>Relationship Marketing</u>

Relationship marketing, also called one-to-one marketing, focuses on

establishing a learning relationship with each customer, rather than a dominant

focus on sales (Peppers, Rogers, & Dorf, 1999). It is concerned with providing

value to both the business and the customers. Small businesses often have the

advantage of knowing their customers on a more personal level. Such

relationships result in higher customer loyalty and higher levels of customer

satisfaction. Small firms also have the ability to quickly react to customer needs. However, studies have shown that small firms have a short-term orientation and long-term perspective to market planning is unlikely (Coviello, Brodie, & Munro, 2000). Social media enables small business owner-managers to begin creating relationships with consumers in the beginning.

2.6. Social Media

Kaplan and Haenlein (2010) describe social media as "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." Web 2.0 technologies on the Social Web permit two-way conversations with consumers enabling brands to listen to consumers and respond (Fournier & Avery, 2011). Consumers and organizations alike are increasingly using the web to discuss, share, and collaborate (Jones, 2010).

Social media offers an abundance of services on the Internet. This makes it complicated for companies to know which ones to use and how to use them. The types of social media include: social networks (Facebook, Myspace, and LinkedIn), micro-blogs (Twitter, Plurk, and Friend Feed), reviews and ratings (Yelp, Amazon, and Trip Advisor), video (YouTube and Vimeo), and more.

Social media is very popular. Facebook has more than 800 million active users with over 50% of active users logging on every day (Facebook, 2011). According to Twitter's CEO Dick Costolo, Twitter has 200 million registered users with 50 million active users logging in every day. The micro-blogging service

hosts roughly 230 million tweets every day (Taylor, 2011). It comes as no surprise that businesses want to embrace the opportunities these services provide.

Social media enables firms to engage consumers in a timely and direct manner at relatively low cost and higher levels of efficiency than with more traditional communication tools. This makes social media not only appropriate for large organizations, but for small and medium size companies as well (Kaplan & Haenlein, 2010).

Social media sites such as Facebook and Twitter let consumers 'friend' or 'follow' favorite brands and comment or post questions as a form of engagement. Through the use of social media sites, managers can find out what is being said about a brand and they can also connect with consumers (Reyneke, Pitt, & Berthon, 2011). Consumers are able to generate new business and promote or help a brand by tweeting, blogging, reviewing, following, etc. Loyal customers also help generate "online word of mouth" which is very important for SMEs. Engagement with consumers provides SMEs with opportunities to use social media as a tool for their marketing strategies (Reyneke et al., 2011). However, many small business owners struggle to effectively reach their customers (Small Business Trends, 2011).

2.7. Social Media Marketing

Social media has caused a significant change in the strategies and tools companies use for communicating with customers. Mangold and Faulds (2009)

argue that "social media combines characteristics of traditional IMC tools (companies talking to customers) with a highly magnified form of word-of-mouth (customers talking to one another) whereby marketing managers cannot control the content and frequency of such information." Companies are limited in the amount of control they have over the content and distribution of information. Ignoring such user-generated content is not an option. Companies must be able to monitor and respond to conversation, both positive and negative, surrounding the brand. There are ways however, that companies can influence discussions in a way that is consistent with the organization's mission (Mangold & Faulds, 2009). Social media marketing enables companies to achieve a better understanding of customer needs in order to build effective relationships.

2.7.1. Impact

A unique role of social media is that enabling customers to talk to one another is, in a sense, an extension of traditional word of mouth communication (Mangold & Faulds, 2009). Managers are faced with the question of how this power can be harnessed to benefit the organization. Although companies cannot directly control what consumers are saying, they do have the ability to influence the conversations consumers are having (Mangold & Faulds, 2009). But how can managers use social media to influence customer conversation or interact with customers?

2.7.2. Strategy

A study conducted by The SMB Group found that one in five small businesses have no social media strategy. Without strategy or goals, a business is unable to determine whether or not they are gaining anything through their efforts, or simply wasting time. Those businesses without a strategy also reported being less satisfied with social media's ability to generate new leads (SMB Group, 2012). Small businesses need to have a plan when using social media.

Because social media is applied to marketing in various methods, no one strategy fits all. Businesses use social media in many ways including: monitor conversations about their business, feedback, drive traffic to company web site, customer service, promotions and deals, and build community among others (Business.com, 2010). The tools and strategies for communicating with consumers have changed. Social media tools help companies communicate with individual consumers, which can in turn help establish long-term relationships. Social media tools such as forums, blogs, or chat rooms create an interactive dialogue for companies to engage consumers. However, at the same time, consumers are able to produce information about a company and educate other consumers about products, brands, services, and more.

One may question the advantages of having a presence on social networking sites such as Facebook or Twitter when the business already has a website. The answer is reach. A business wants their message to reach as many people as possible. To maximize this reach, a business needs to have a

presence where customers are hanging out; and increasingly they are hanging out on social networking sites (Halligan, Shah, & Scott, 2009). The question becomes: how does the manager decide which strategy is best for what they want to accomplish?

Not all social media are the same. Marketers recognize "different purposes or ways in which consumers respond to or use these media" (Weinberg & Pehlivan, 2011). Those individuals in charge of social media strategy within a company must take into account the various types and uses of social media when deciding where to direct their marketing efforts. A study by Weinberg and Pehlivan (2011) identified two factors explaining the variation in social media: the half-life of information and the depth of information. With respect to a company's marketing objectives and purpose, these factors can be used to direct decision making. The half-life of information refers to "the longevity of the information in terms of availability/appearance on the screen and interest in a topic." The depth of information refers to "the richness of the content, and the number and diversity of perspectives." Micro-blogs such as Twitter enable fast, brief conversations and engagement. The information shared on Twitter is relatively shallow with a relatively short half-life. This type of social media may be best used with the marketing objective of creating brand awareness and recall. Blogs such as WordPress are considered to have a relatively long information half-life compared to microblogs but are still shallow in terms of information depth. Marketing objectives and purpose of blogs include brand building and to convey product knowledge. Online communities allow interaction/conversation on a

variety of topics. Because conversations can be deep and carry on for years, the information for this type of social media is described as having a relatively long half-life and being deep (Weinberg & Pehlivan, 2011). Online communities are well suited for establishing and maintaining relations between consumers and organizations. Social networks such as Facebook have a relatively short half-life of information and are deep. This social media can be used to influence and track beliefs and attitudes of consumers (Weinberg & Pehlivan, 2011). Now that the key factors for differentiating and guiding utilization of social media have been identified, it is imperative to discuss the processes for using social media to address social objectives.

2.7.3. Process

With social objectives in mind, a marketer "first monitors all vehicles for content of interest (e.g., mentions of a brand or product); then identifies individuals associated with that content (e.g., a customer indicating satisfaction or dissatisfaction); then decides whether to target those individuals and, if so, with what action (e.g., continue to monitor, engage in conversation, offer appreciation); then, ultimately, funnels them toward evangelism" (Weinberg & Pehlivan, 2011). At present, the consumer voice is more dominant than the organization's voice in the social space. Organizations must devote resources to building relationships with consumers in able to leverage the social currency of others. Companies need to engage in topics of interest with others, show support, share, collaborate, and co-create (Weinberg & Pehlivan, 2011).

2.7.4. Empirical Studies

Social media can be used to supplement a company's existing marketing efforts. Social media strategies can be developed alongside other marketing and communication efforts in order to maintain consistency across all channels. One way that companies can influence discussions is to use blogs and other social media tools to engage customers (Mangold & Faulds, 2009). When consumers are able to submit feedback, they feel more engaged with products and organizations. For example, Starbucks enables its customers to provide feedback and submit suggestions to help shape the future of Starbucks via its "My Starbucks Idea" site (Starbucks, 2011). Users are allowed to submit their own suggestions to be voted on by other Starbucks consumers, vote on other people's ideas, discuss ideas, and even see what actions Starbucks is taking on the most popular ideas. Starbucks empowers its consumers by directly asking them what they want. By publicly acting on this information, Starbucks strengthens its relationship with consumers.

Many companies including Comcast, Southwest Airlines, and Starbucks have Twitter accounts to assist customers, apologize for mistakes, share specials, and interact with their public. Using social media in such a manner helps create transparency which can increase trust from consumers. By using Twitter as a customer service platform, these companies are able to successfully promote a positive brand image and solve customer problems often with less cost than call centers or email service (Parr, 2009). Providing great customer service enables better brand loyalty. Such well known companies, however, have

the resources to dedicate to creating relationships with consumers. The research intends to find how a small business with limited resources is able to achieve similar results and customer relationships.

In Social Media Examiner's *2011 Social Media Marketing Industry Report*, over 3,300 marketers were surveyed about their use of social media. One major finding of the study is that social media marketing takes a lot of time. Approximately 58% of marketers are using social media for 6 hours or more each week while 34% invest 11 or more hours weekly (Stelzner, 2011). Marketers reported the number one advantage of social media marketing as generating more business exposure, indicated by 88% of marketers. Other major advantages of social media marketing were increased traffic (72%) and improved search rankings (62%). Slightly more than half reported social media had generated qualified leads. A significant 90% of marketers surveyed claimed social media was important for their businesses. The self-employed and small business owners were more likely to strongly agree. "A direct relationship between how long marketers have been using social media and their weekly time commitment" exists (Stelzner, 2011). For those just getting started with social media, 59% spend between 1 and 5 hours per week; those with experience of a few months or longer spend 6 or more hours per week on social media activities. Marketers reported reduced overall marketing expenses. The main financial cost of social media marketing was recognized as the time it takes to gain success. The survey found that the top two social media choices for marketers just getting started to those using social media for three or more years were Facebook and

Twitter (Stelzner, 2011). The interview will address the reasons the owner-manager chose these two platforms for their social media efforts.

A few questions arise from the findings of these studies. How much time does an owner-manager have to devote to social media to see results? Did they have a strategy when beginning to use social media? Why are Facebook and Twitter chosen for the small business's marketing strategies? Each of these questions will be addressed by the study.

2.7.5. Applied to Small Businesses

Social media marketing enables companies to achieve a better understanding of customer needs in order to build effective relationships. The foundation of any business is the customer. Social networking provides small businesses with multiple opportunities to build closer and more profitable relationships with customers. However, not all social media are the same and some are better suited for certain marketing strategies than others. The research aims to find the strategies a small business uses to engage consumers through social media.

2.8. Summary

This chapter has provided an overview of the literature relevant to the focus of this study. Topics covered included small business marketing, integrated marketing techniques, social media, and social media marketing. The literature review revealed the need for research in the area of small business and social

media strategy and the relevance of the research question. Small businesses struggle to use social media to reach customers. Research on how small businesses use social media exists, however the results are based solely on surveys or interviews. The research fails to gain insights on the strategies owner-managers use to engage customers on social media and check what the participants say against what the participants do. The research on social media use by small businesses also fails to investigate the types of messages, comments, or replies participants post on the social media sites. The methods described in this paper aim to bring new insights to existing literature. This review and the additional research will result in an initial understanding of how a small business recognized for using social media, uses social media to engage customers.

CHAPTER 3. FRAMEWORK AND METHODOLOGY

The research aims to answer the question of how one small business recognized for using social media to grow the business, uses social media to engage customers. The research used a qualitative approach and adopted the case study methodology. This chapter provides an outline of the methods used in this study and explains the research design and data collection methods.

3.1. Case Study Strategy

The case study approach is used in qualitative studies to answer questions such as "how" or "why." This approach is suitable for studies involving a small number of respondents. It is an empirical inquiry that investigates a phenomenon in depth in order to understand the underlying patterns and causes (Yin, 2009). A case study methodology was chosen for the research because a deeper understanding of the chosen case company was desired. A single case study is presented as a representative case, which captures the circumstances and conditions of small businesses using social media to successfully grow their business (Yin, 2009). The lessons learned from the case are assumed to be informative about the practices of an average small business that has experienced growth through social media. The researcher can discover the .

strategies the owner-manager uses for social media, as well as the perceived opportunities and challenges. A deeper understanding can also be achieved through the analysis of the small business's social media activity. Such an analysis can address the questions of what messages the business is sending to customers and what conversations they are having. Case studies require multiple sources of evidence because findings are likely to be more accurate if they are based on several different sources of information (Yin, 2009). The study relies on two sources of evidence: interview and documentation. Both thematic analysis and content analysis are used to identify themes and meanings from the data.

3.2. Sampling

The sampling approach of qualitative inquiry typically focuses in depth on relatively small samples rather than all possible cases. Information-rich samples are selected purposefully in order to illuminate the questions under study (Patton, 1990). Because the researcher chose the respondent to be included in the study, purposeful sampling was used. Several different strategies exist for purposefully selecting information-rich cases (Patton, 1990). Criterion sampling serves "to review and study all cases that meet some predetermined criterion of importance" (Patton, 1990, p. 238). The study has many criterions for the sample. The company must be a small business having fewer than 500 employees. The company must not have a marketing employee and the owner-manager must be in charge of the business's social media activities. As the literature review suggests, small business owner-managers are often responsible for the

performance of functions within an organization. They often decide which marketing strategies to use because limited resources prevent them from hiring employees dedicated to functions such as marketing. The business must also have been recognized for using social media to grow the business.

Patton (1990) defines an intensity sample as "[consisting] of information-rich cases that manifest the phenomenon of interest intensely (but not extremely)." Intensity sampling was also chosen for the research in that the researcher is seeking excellent or rich examples of the phenomenon of interest. The research is able to select a case that "manifests sufficient intensity to illuminate the nature of success" (Patton, 1990, p. 234). In order to answer the research question, the researcher looked for a business recognized for using social media. Such sampling relies on prior information and considerable judgment. Exploratory work must be done in order to determine the nature of the variation in the situation. Then the researcher may sample intense case of the phenomenon of interest (Patton, 1990). The sample was collected through an Internet search using keywords such as small business, success, and social media marketing. From the search results, the researcher chose which sites to view based on relevance to the research question. The researcher found it rather difficult to find articles that recognized small businesses. Many of the search results were tips or recommendations for small business social media marketing. When the researcher did come across a small business recognized in the article, the business was recorded on a list to create a sample. The Facebook and Twitter accounts of each business were viewed. This was done to determine if

the small business was actively and frequently participating on the social media channels. The researcher scanned the posts to make sure that consumers were engaging the business as well. The researcher also noted the number of 'fans' and 'followers', recognizing that the higher the number, the more likely the business has something to offer consumers. The researcher also reviewed the business's website and any online articles mentioning the business, in order to confirm that the owner-manager was in fact in charge of the social media activity. From the sample, one business that fit the criteria for the study was contacted through email, explaining the purpose of the study and seeking assistance and support. Once the business agreed to participate in the study, the company was contacted for an interview.

3.3. Data Collection Methods

An interview and unobtrusive methods were used to collect the study's data. The researcher wanted to know what strategies an owner-manager uses on social media to engage customers. How the owner-manager perceived her own efforts was also identified. The interview provided enough detailed information of how the owner-manager uses social media that the results could be analyzed deeply. Review of documents was also relevant to the case study topic and the researcher collected data through collection of the business's social media activity.

3.3.1. Interview

The researcher intended to understand what activities the owner-manager uses to engage customers through social media. It was important to understand what type of messages they send, the experiences they have, the challenges they face, and their investment in their efforts. Such information may be easily missed in a survey. An interview enabled the researcher to have a structured conversation with the participant.

The interview is one of the most important sources of case study information (Yin, 2009). Interviews can be in-depth, focused, structured, or unstructured. A focused interview was used for the study because it provided for a short period of time in which the interview was open-ended but still followed a predetermined set of questions. The owner-manager in charge of the company's social media activity was interviewed. The interview addressed topics mentioned in the literature review such as social media strategy, challenges, experiences, and engagement. Questions that were asked included: "What is the purpose of your use of social media?"; "What methods have you used to engage your audience?"; "Can you tell me about some of the challenges you have faced when introducing social media in your business strategy?" The questions can be found in Appendix A. The focused interview enabled the researcher to gain insights on the owner-manager's social media strategy. The interview was immediately transcribed by the researcher. Thematic analysis was used to analyze the data, as it is a process for encoding qualitative information (Boyatzis, 1998). It provides the researcher with a way of seeing and making sense out of seemingly

unrelated material. The researcher must be able to sense themes, recognize the codable moment and encode it consistently, develop codes, and interpret the information and themes in the context of a theory (Boyatzis, 1998). For this study, the researcher allowed the themes to emerge from the information being analyzed.

3.3.2. Unobtrusive Methods

Unobtrusive methods are ways of collecting data that do not interfere in the ongoing flow of everyday events (Marshall & Rossman, 2010). The research data collected in this manner for the study was categorized as documents. Unobtrusive methods were deemed a suitable data collection method to complement the interview that was conducted. For the study, the business's publicly available social media profiles chosen to be documented were Facebook and Twitter, recognized in the literature review as the two most popular social media sites used by small businesses. The types of messages and conversations from the owner-manager are important to understand. By looking at the content of the social media activity, the researcher was able compare what the owner-manager says against what the owner-manager does. This comparison could only be achieved through content analysis of a representative sample of the social media accounts' messages.

Berg (2007, p. 303) defines content analysis as "a careful, detailed, systematic examination and interpretation of a particular body of material in an effort to identify patterns, themes, biases, and meanings." Content analysis is a

scientific tool that provides new insights and increases a researcher's understanding of the phenomenon under study (Krippendorff, 2004). In the process, content analysis is performed on texts in order to make inferences that answer the research question. For the research, content analysis was performed on the business's Facebook and Twitter messages. This allowed the researcher to compare the content against the responses made by the owner-manager in the interview. In doing so, the researcher could see if the business was engaging customers and what type of content is being exchanged.

The research used qualitative content analysis. Qualitative content analysis explores the meanings underlying physical messages. If the study were to use quantitative content analysis and simply count textual elements, semantic information embedded in the text may be missed (Weber, 1990). According to Zhang (2009) "Qualitative content analysis pays attention to unique themes that illustrate the range of the meanings of the phenomenon rather than the statistical significance of the occurrence of particular texts or concepts." Qualitative scholars use "known literature to contextualize their readings of given texts, [rearticulate] the meanings of those texts in view of the assumed contexts, and [allow] research questions and answers to arise together in the course of their involvement with the given texts" (Krippendorff, 2004, p. 87). For the purposes of the study, it was more appropriate for the researcher to read through the Facebook and Twitter content to find significance, rather than simply count themes.

In content analysis, texts must be sampled from populations of texts that can inform analysts' questions (Krippendorff, 2004). Content analysis was performed on the social media activity of the company. The small business's Facebook and Twitter accounts provided the necessary information. Before gathering the data, the researcher scanned the posts on the business's Facebook and Twitter pages, starting with the day before, March 11, 2012, and moving back in time. From a review of the posts, the researcher determined that sampling a two month time period provided enough data for an analysis, representative of the population of posts. The data was gathered by saving each entire web page with posts dating back to January 11, 2012. By performing content analysis on the social media activity, the researcher was able to explore the conceptions that were manifest in the conversations (Krippendorff, 2004).

The texts acquired significance in the context of their use decided upon by the researcher. Krippendorff (2004) states that "the context embraces all the knowledge that the analyst applies to given texts." Familiar with the social media marketing best practices, the researcher used these best practices to guide the data analysis. The data was read repeatedly to achieve immersion and derive codes from the text that appeared to capture key concepts. Next the researcher investigated the text noting first impressions, thoughts, and initial analysis. Through this process, labels for codes emerged and became the initial coding scheme. Codes were then sorted into categories depending on the relationships between codes and how they were linked. These categories group codes into meaningful clusters. Clustering is based on intuitively meaningful similarities

among codes (Krippendorff, 20040). Clustering provides a better understanding of the relationships between the different groups of codes and categories.

The researcher aimed to acquire an initial understanding of the type of social media activity the business conducts. The analysis was based on Facebook and Twitter data. Each set of data was analyzed and content organized into categories. Initially, the researcher expected categories such as content generation, promotional offer, and customer response. The main objective of the study was to identify how the company uses social media, specifically focusing on message content. The researcher wished to find what type of content the small business uses to engage customers. Such information provided insights into the small business's social media strategy. The codes used for the interpretation of data are explained in detail in Chapter 4.

3.4. Reliability and Validity

Research has to be reliable and trustworthy. It is important for the conclusions that are made to be verified in one way or another. With qualitative research, reliability and validity have a slightly different meaning in comparison to quantitative research (Sekaran & Bougie, 2009). Reliability in qualitative data analysis involves category reliability and interjudge reliability. Interjudge reliability is not relevant for this particular study because only one coder, the researcher, was used. Intracoder reliability refers to consistency within a single coder. The researcher repeated the coding procedure in order to see if the same results were yielded on repeated trials. The researcher reread, recategorized, and

reanalyzed the same text to be sure that nothing was missed (Krippendorff, 2004). According to Kassarijan, (as cited in Sekaran & Bougie, 2009) category reliability depends on the analyst's ability to formulate categories and define those categories in order to determine "which items of a certain population belong in a category and which do not." Higher category reliability can be achieved through well-defined categories (Sekaran & Bougie, 2009). The researcher produced well-defined categories in order to ensure reliability.

Sekaran and Bougie (2009) recognize the validity of qualitative data as "the extent to which the research results (1) accurately represent the collected data (internal validity) and (2) can be generalized or transferred to other contexts or settings (external validity)." Internal validity may be achieved through respondent validation. By soliciting feedback about the study's conclusions from the individual being studied, the possibility of misinterpreting the responses of the interview were ruled out (Maxwell, 2005). Internal validity was also achieved through triangulation. Data triangulation involves collecting data from several sources, allowing a better assessment of the generality of the explanations developed (Maxwell, 2005). The data collected for the study included an interview and the posts from the business's Facebook and Twitter accounts. By using this strategy, the risk that the conclusions reflect only the limitations of a specific source was reduced. A broader and more secure understanding of the issues investigated was gained. External generalizability is often not a crucial issue for qualitative research (Maxwell, 2005). Although the study cannot claim generalization, the results are useful to other small businesses looking for

strategies to use social media. The validity of the research was also enhanced by providing an in-depth description of the project which will allow anyone to transfer the results to another context (Sekaran & Bougie, 2009). Maxwell (2005) recognizes validity as a goal rather than a product and something that can never be proven.

3.5. Summary

For the purposes of this research, a case study was chosen as a research strategy, in which an interview and unobtrusive methods were the main data collection sources. As the collected data was analyzed, different themes were identified in order to give clarity and organize the data. The themes were modified as new codes emerged from the data.

The information obtained through the analysis of interviews and social media activity provided insight into how the small business uses social media to engage customers. Through thematic and content analysis the researcher aimed to acquire an initial understanding of the type of content shared by the business and for what purpose. Such information provides a thick description of the phenomena. The research is not argued as the absolute truth but an attempt to explain a particular phenomenon.

From the review of literature and previous research, the researcher predicted that the business devotes a considerable amount of time to social media activity. The owner-manager will recognize social media as a source of

networking and generating business leads. The business's social media activity includes engaging customers, promoting the business, and sharing content.

Because small businesses are central to the U.S. economy, it is important for them to survive to sustain or increase their contributions to the economy. Small businesses often face resource constraints in terms of employee expertise and money that larger organizations may not. Therefore, small business owner-managers must take advantage of social media for the opportunities it provides. The problem however, is that a major ch'allenge for small business owners is how to effectively reach customers with limited resources. The research provided a description and understanding of a small business's social media strategy. Such insights may be used by other small business owner-managers for their social media strategies. The next chapter reports and interprets the findings of the research.

CHAPTER 4. RESULTS

As previously stated, much research has been done into the social media practices of large organizations; however, there have been limited studies conducted relative to social media usage and experience specifically targeted at very small businesses. It is important to study how a small business uses social media to engage the public because the nature of this channel allows for the cultivation of relationships between businesses and individuals. For the research, it was necessary to interview a small business owner recognized for using social media to identify what strategies they use to engage the public. It was also important to analyze the business's Facebook and Twitter posts. This chapter provides a detailed description of the research findings from an analysis conducted for one small business.

The business was selected because of its recognition in The Miami Herald as a small business that used social media to grow the business (Cordle, 2011). The business's Facebook and Twitter page were also investigated, confirming that the business was an active and frequent participant on both. The researcher also recognized the large number of 'fans' and 'followers' the business had and deemed the business appropriate for the case study. The section begins by

presenting the background of the study's participant. For the study, the real name

of the business and the owner are used.

4.1. Background of Participant

The Bandee, established in 2009, is an Internet-based accessory retailer

and wholesaler. Located in Weston, Florida, the business is owned and operated

by Dede Parise. The business was an entrepreneurial endeavor that started as

an assignment for a marketing class Dede took in the fall of 2009. Laid off after

23 years in the mortgage-lending business, she decided to take the class to

reinvent her career. During the class, she was asked to create a marketing plan

for a new or existing product (Cordle, 2011). As a golfer, Dede wore hair bands

to keep her hair out of her face, rather than hats and visors. The problem with the

hair bands however, was that they would slide off her head and the hard plastic

and metal materials would cause headaches. Dede created a unique adjustable

fabric hair band with a small magnet inside for female golfers to hold their golf

ball marker. The product has since expanded to include hair bands without a

magnet for other activities such as soccer, softball, gymnastics, and more. The

business's target customers are young ladies and women.

Prior to starting the business, Dede did not have or even want a social

media profile; however she knew that it was necessary for starting the business.

The marketing class suggested that the best way to market was with social

media. Although she was introduced to social media strategies in the class, she

started learning more once she became more involved with Facebook and

Twitter. Dede joined Facebook on February 22, 2010 and Twitter over a year later on May 2, 2011. At the time of data collection, The Bandee had 47,127 Facebook fans and 3,788 Twitter followers.

Starting out, Dede was on her own. She did not work with anyone and felt that it took a lot longer to learn social media on her own. She recognized that there is a learning curve and social media does take a lot of time, especially in the beginning. Dede would often search Google to learn more about social media strategies. Some examples are that she would search how to use hashtags and how to communicate with consumers. She would also read through blogs to see how social media was affecting other people and benefiting other businesses. Through these Internet searches Dede was able to learn from other companies.

Dede also received some social media advice from Facebook during the summer of 2011. The Bandee was one of the top ten Big Break Finalists for the American Express OPEN "Facebook Big Break for Small Business" contest. When she entered the contest, she had to write an essay about her small business and how she was utilizing social networking. Through this contest, Dede did receive advice from Facebook on how to use Facebook and the benefits of social networking in general. She found the information very beneficial.

The Bandee recognized that the more fans they have the more business they have. Social media has doubled the clientele, and has more than doubled the awareness of the product. The business considered social media important for communicating with customers and creating relationships. Social media

enabled The Bandee to develop many relationships with other businesses and clients that would not have normally developed. One accomplishment of using social media that Dede had gained was contacts that are more personal than other types of marketing. The use of Facebook and Twitter enables one on one contact.

The Bandee uses Facebook and Twitter actively to maintain and strengthen its relationships with customers and other businesses alike. On Twitter, Dede talks about other businesses' products more. She has found that by talking about other's products, they are appreciative and in turn will talk about The Bandee. She also has contests every once in a while to bring in some excitement. To avoid talking about the product too much, Dede talks about interests of the audience.

The Bandee's Facebook feed automatically generates posts on Twitter. Because Twitter messages are limited to 140 characters, the posts have a link to The Bandee's Facebook page. Dede chose to not have Twitter messages post to Facebook, however, because Twitter messages are more personal.

Dede has set Facebook up so that any comments or posts on her profile, she sees almost immediately on her iPad. This allows her to respond to others when she is not at a computer. In regards to moderating comments, Dede only deletes those that are spam. Any negative comments or comments about the product, she responds to, is positive, and addresses on a customer service basis.

Because she interacts with people all over the world, Dede chooses different times of the day and night to post. She has recognized that when posting something on Facebook or Twitter, it receives immediate feedback as opposed to 2 or 3 hours later. She also looks at when The Bandee is getting sales, what time of the month, which days of the week, and posts messages based on these measures.

Dede felt that she has gained much experience using social media. She has been able to learn from other companies and has made many contacts. Dede considers using social media as a completely different way of doing business than from traditional methods.

4.2. Interview

One qualitative phone interview was performed on March 3rd, 2012. The interview took approximately 15 minutes to complete and mostly followed the questions that were predetermined, but because the interview was semi-structured, additional questions were sometimes asked, based on the direction of the answers at the time. The following discusses the actual content and methodology for how the interview was completed. Finally, the presentation of codes will be detailed.

4.2.1. Interview Questions

The interview questions were developed based on social media strategies and experiences from existing literature. The topics asked in the interview

included: Purpose, Strategy, Challenges, and Results. The questions can be found in Appendix A.

4.2.2. Conducting the Interview

The interview was conducted over the phone and voice recorded utilizing Google Voice's call recording option. This method enabled easy and secure storage of the audio file and the ability to easily play back the recording during transcription.

The participant was contacted via email, requesting their participation and agreement on a time to set up the interview. The interview began with a short explanation of the research and allowed the participant to ask any questions about participation or the research. Both the recruitment materials and participant information sheet documents can be found in Appendix C and Appendix D. After a brief introduction, the researcher asked the first question and allowed the participant to answer accordingly. Once the question was answered, the participant was asked the next question, and so on.

Upon completion of the interview, the researcher thanked the participant and the interview ended. The interview was then transcribed.

4.2.3. Interview Transcription

The researcher was able to transcribe the audio recording manually given the small amount of audio recorded. The audio recording was transcribed by hand using the audio playback provided by Google Voice. The transcript was

revised, removing minor grammar errors so as not to distract the reader. This revision was done to increase the readability of the final transcript. The final transcript was formatted to correctly identify the text spoken by the researcher versus the text spoken by the participant.

4.2.4. Thematic Analysis

The researcher's strategy for analyzing the transcribed interview began by reading through the interview transcript and underlining potential answers to the research question. The first time a theme was noted, the researcher highlighted the text in which it was observed. Afterwards, the same color was used to highlight text each time a theme was observed. At the end of the document, a brief description of each theme was written. The transcript was reviewed again to identify themes that the researcher may not have noticed on the first reading and to revise theme descriptions. The following section explains the major themes found from the analysis with selected quotes that help clarify why the themes were identified.

4.2.5. Presentation of the Data

Three themes emerged from the interview transcript regarding how the business uses social media to engage consumers: networking and relationship building, e-WOM, and information sharing. Although it does not immediately answer the research question, an additional theme, learning curve, emerged and will be discussed. Each theme is listed below, with evidence from the transcript.

4.2.5.1. <u>Networking and Relationship-Building</u>

When the interviewee was asked about her goals and what she hopes to accomplish through social media, she responded that her use of social media was primarily to communicate with consumers and build personal relationships. The participant argued that social media enables contacts that are more personal than other types of marketing such as newspaper advertisements:

> That type of marketing isn't as personal as having one on one contact with someone like you get with Facebook and Twitter.

The participant began using Facebook around the time the business website was launched. A marketing class that the participant took suggested that the best way to market was with social media. As the participant started learning more about social media strategies, she became more involved with Facebook and Twitter. Through her efforts, the participant has built many relationships:

> I know that I have created friendships that I probably wouldn't have had with other businesses and with my clients.

The theme of networking and relationship-building is in line with the strategy found in the literature review of using social media to communicate with individual consumers, which can in turn help establish long-term relationships.

4.2.5.2. <u>e-WOM</u>

An interesting theme that materialized from the interview was e-WOM. The literature review mainly intended to look at e-WOM as consumers helping generate new business or promote the business by tweeting, following, etc. One of the main strategies of social media suggests a business promoting their own product. The researcher found that the business promoted other business's products as well. When asked what methods the participant has used to engage consumers, the participant explained that she will talk about her audiences' products more:

> Because if you are talking about their products, they are appreciative and they in turn talk about yours.

The participant argued that not only are the other businesses talking to the participant's followers, but they are talking to their own as well:

> So it's doubled. It's always better when you get someone else to talk about your product.

The participant has also used contests for promoting the product and engaging consumers:

> Sometimes I'll have a little contest every once in a while just to bring in some excitement.

The researcher found it to be an interesting strategy that the participant will promote others' products in hopes that they will do the same for her business. e-WOM could therefore contribute to the previously discussed theme of networking and relationship-building. This finding not only aligns with, but adds to marketing opportunities discussed in the literature review. This novel finding demonstrates that small businesses may be receiving e-WOM from other businesses as well. The participant has recognized that when her business is promoted by others, the business reaches hundreds if not thousands of consumers. Small business owner managers not only rely on their contacts, but they rely on the networks of their customers as well.

4.2.5.3. Information Sharing

Information sharing means that the business talks about content the audience would find interesting. This theme was to be expected as far as engagement on social media goes. Businesses should follow the 80/20 rule of content. The rule recommends that 80% of what is shared should be content from around the web, with only 20% from the business (Cohen, 2012). If a business only talks about their product and nothing else, consumers will no longer follow or friend the business because of too much spam:

> If you talk about too much of your own product, it gets too salesy and you start losing your followers.

The participant keeps the business's audience engaged and interested by sharing information with regard to the audience's interests:

> For me it's been better to talk about other things that they're interested in such as 'What are the fall colors' or just something that is interesting to them.

By talking about something other than the business or product, the participant is able to provide an informal "human" voice to help foster engagement. When a business posts links to interesting content it provides the audience with an opportunity to share their opinions or start a conversation.

4.2.5.4. <u>Learning Curve</u>

Though this theme does not answer the research question, the researcher nevertheless found it very interesting and important. Through the interview it was found that social media does take a lot of time, especially for someone unfamiliar with it. The participant recognized that although social media is free and necessary for businesses today, there is a learning curve and it does take a lot of time, particularly in the beginning:

> In the very beginning it was a learning curve. I'm almost 50 years old and it's not something that I am around every single day as if a younger person would be with technology. But it was a learning curve, and it was hard to find some information.

When asked if she did any research on the benefits of using social media, the participant responded that she would often search Google:

> I Googled a lot to find how to use hashtags and to try to communicate.
>
> I Googled keywords like social networking and social media to read through some blogs, to see how it was affecting other people, how it was benefitting other people's businesses, and I learned from those.

This finding does align with those found in the literature review. Although social media is free, it can take a lot of time.

In light of her own experience, the participant recommends that any small business should try to find someone to mentor them and teach them what they have learned:

> …they've learned the hard way, because anyone that has been in business for almost a year has been using social media and has learned the tricks and what works for them and what doesn't. So any new business is going to spend a lot of hours trying to figure it out on their own and I highly suggest that they work with someone to find out some shortcuts.

4.2.5.5. Summary of Themes

Four themes emerged from the interview transcript. The participant primarily uses social media for networking and creating relationships with others. She has found that by promoting other business's products, she receives e-WOM from their networks and increases brand exposure. The participant has recognized that it is important to share interesting content to her audience and

limit the amount of posts about the product. The interview also revealed that one

main barrier to entry with social media is that there is a learning curve. This

section has identified the themes found from an analysis of the interview

transcript. The next section will identify themes resulting from a content analysis

of the business's social media data.

4.3. Social Media Data

Posts collected from the business's Facebook and Twitter pages served

as the second research source that corroborated and supplemented evidence

gathered from the interview. The following describes the coding process of the

data, followed by the presentation of the data.

4.3.1. Coding

Prior to coding, the researcher reviewed industry reports and scholarly

literature on social media marketing best practices. The researcher created an

initial codebook of items expected to be present in the data, including the key

themes from the interview. Because objectivity was critical to the study, these

themes were used as a guide to interpretation of latent meaning. The initial

codebook recognized seven themes: asking questions, networking, providing

information about the company, posting interesting content, response, special

promotions, and tips.

The researcher read through the data to identify the relevant excerpts that

contributed towards answering the research question and that were linked to the

initial codebook themes. During the examination of the data, the coding scheme was continuously revised and updated. Codes emerged during the analysis, prompting the review of the previously coded themes. After examining the data multiple times, additional variables were identified and included in the coding scheme to evaluate how the small business uses social media to engage consumers. The coding sheet can be found in Appendix B. The following section explains the major themes found from the analysis with quotes that help clarify the themes that were identified.

4.3.2. Presentation of the Data

The focus of the research is specifically on the messages through which engagement occurs. The units of analysis in the research are the message themes through which the business interacts with consumers. The content analysis yielded four main categories: engagement: specific, content sharing, announcements and engagement: general. Categories may be divided into further themes. Each category and theme is listed and defined below, with evidence from the data. First, the count for each category of posts and some descriptive statistics are provided.

4.3.2.1. <u>Categories of Posts</u>

Table 1 Post Frequencies by Category

Category	Facebook	Twitter
Engagement: specific • General Discussion • Other's Experience • Customer Service	 8 1 2	 257 145 1
Content Sharing	11	93
Announcements • Support Others • Business/Product Related • Deal/Promotion	 2 16 2	 87 35 2
Engagement: general • Ask Questions • Other • Contests • Solicit Information	 6 4 3 2	 15 7 4 1
Total	57	647

A count of posts reveals that posts are more frequent on Twitter. This is to be expected as the micro-blog enables fast, brief conversations and engagement (Weinberg & Pehlivan, 2011). Overall the category distribution of posts on Facebook was close: engagement: specific (19.3%), content sharing (19.3%), announcements (35.1%), and engagement: general (26.3%). The distribution of posts on Twitter was very extreme: engagement: specific (62.3%), content sharing (14.4%), announcements (19.2%), and engagement: general (4.1%). Twitter was most often used for specific engagement, or one on one discussion. Facebook on the other hand, was more often used to post announcements, particularly about the business or product.

4.3.2.2. <u>Engagement: Specific</u>

Specific engagement involves posts that are directed toward an audience member. This was the most common category the social media posts fell under. The frequency of engagement: specific posts reveals that the business is using relationship, or one to one, marketing.

4.3.2.2.1. General Discussion

General discussion includes the business's response to audience posts, questions, etc. The business answers questions posted by the audience, not necessarily relating to the product. By responding to the audience, even if the question has nothing to do with the business or product, the business is playing an active part in creating a relationship with the individual. The owner shows that its involvement extends beyond responding to questions about the product.

> Mark: Here's a question for you: Why don't PGA golfers ever use a ball marker attached to their caps?
>
> The Bandee: Maybe their sponsors won't let them. Do you know why?
>
> Mark: I have no idea! It's not macho? Also, men's golf caps don't have tee holders, whereas some women's caps and visors do. Again, no idea why that is.

The business reports or comments on a first-hand experience not necessarily pertaining to the product or business:

The Super Bowl Commercials this year were GREAT! Now you can watch them all again. Which one was your favorite?

By sharing experiences, the owner is able to bring the brand's personality to life through an authentic and consistent voice.

4.3.2.2.2. Others' Experience

The business comments or reports on information relating to an audience member's experience:

Hi Samantha! Cool Product

Looks like you've been busy, busy

NICE!! :) "@FreshTips my wife uses The Bandees; she loves how they feel and look, but I think she looks really hot with them on."

The owner is able to create a relationship with the consumer by showing interest in what they post. During the interview, the participant recognized building personal relationships as one of the most important aspects of social media. From the data, it is apparent that she is able to utilize this strategy on Twitter. This finding is in line with the participant's argument that Twitter is more personal.

4.3.2.2.3. Customer Service

The business directly responds to customer's questions, complaints, or inquiries about the product. Social media is a real-time broadcast channel giving consumers an easy way to communicate with businesses.

> Rachelle: Have you had feedback on if these work with thin hair? The original ones wouldn't go on correctly because of the lack of the hair weight. Disappointed because they were so cute.
>
> The Bandee: Rachelle, My friend has thin hair and she has problems keeping any type of hair band on. She uses bobby pins and says that works great. She couldn't do that with the metal and plastic bands. She hasn't tried these yet. We start selling them this Friday.

When a customer commented that the hair band would not stay in her hair, The Bandee was able to respond with support within a few hours. Because consumers are increasingly transacting online, there is an expectation that businesses will respond to customer queries in the social media channels. Some consumers have recognized that customer service tends to respond more quickly in the social space (Stokes, 2011).

4.3.2.3. Content Sharing

The business posts information to the audience such as news links, videos, pictures, and other information relevant to the audience's interest. Sharing links and more also helps make the business more 'humanized'.

Beauty Tips from Marie Claire. How to conquer puffiness and dark circles under your eyes.

The post was linked to a YouTube video that the audience could watch right from the business's wall. Because the product is for women, a post about beauty tips is relevant to the audience's interests.

With the Super Bowl on many people's minds, the business posted a link to Super Bowl party appetizer ideas:

Superbowl Party!!! List of 25 treat/appetizer ideas. I like the Jalapeno Popper Dip and the Caramel Cheesecake Apple Dip.

The post was liked and shared by members of the audience. Studies have shown that "photos and videos generate up to 200% higher interaction rate than links do on social sites" (Awareness, 2011). Images on a page immediately draw attention from a user and naturally promote interaction. Posted videos and links with photos take less user investment than articles. By keeping the content fun and interesting, the business is able to connect with consumers.

4.3.2.4. <u>Announcements</u>

The third most common type of post is announcements. The types of announcements include support for others, product release, and deal/promotion.

4.3.2.4.1. Support Others

The business promotes other businesses or products:

Vote for our friends over at BoggBag!

Vote for our friends Fresh-Tips in the #Walmart Contest. Text to 383838 and type in 4509. Vote everyday ☺ Thanks for your support! #GetOnTheShelf

In doing so, the business builds a relationship with other companies. A company may, in turn, promote the participant's business and product. This finding aligns with the theme of e-WOM that emerged from the interview. The participant argues that it is always better when someone else is talking about the product and recognizes that in doing so, her business or product is then visible to a larger network. Supporting other businesses also helps with networking and relationship-building.

4.3.2.4.2. Business/Product Related

The business announces information specific to the business or product to the general audience. The Bandee will post which product was the most popular that particular week:

Most popular Hair Band this week was the Pink Hippie Chick with peace signs and flowers.

This particular post was accompanied by a thumbnail of the product and a link to the product shop. The post received 11 likes, one share, and a comment from a consumer.

The business also announces when new products will be released:

Skinny Bandees will be out next week with 40 colors and patterns to choose from. They are 1 inch wide, made of cotton and secure with velcro. Super comfortable and less headaches

The business posts about new designs for the product, sometimes accompanied by photos. By posting photos of the product, the business is able to capture a viewer's attention visually, which then directs them to the message.

4.3.2.4.3. Deal/Promotion

The business offers a deal or promotion to the audience. Promotions encourage the audience to keep coming back to the site.

Buy a Hair Band and Get a Ball Marker/Bot FREE. Now thru February 14th. Code is FreeBot

One of the number one reasons why most people follow a brand is to get a special offer. "Over 54% of social media users follow at least one brand" (Awareness, 2011). By offering deals or promotions to consumers, the business effectively plays to that desire and increases engagement.

4.3.2.5. <u>Engagement: General</u>

General engagement involves posts that are not directed toward any individual, rather the entire audience. General engagement includes ask questions, contests, solicit information, and other.

4.3.2.5.1. Ask Questions

Different from soliciting information, the business asks questions that do not pertain to the product or business. The questions are general ones that the audience would be interested in answering.

Who has a birthday this weekend? Did you know your astrological sign is Pisces and your stones are Aquamarine and Bloodstone?

This question generated eight likes and the participant also had the opportunity to start a short conversation with one of the individuals that commented on the post.

The questions may also be directed at an individual.

Hi stranger! How have you been?? Any new designs?? ☺ you know I <3 the ankle bracelets. Anything in turquoise?

The result in both situations is increased engagement.

4.3.2.5.2. Other

The theme includes greetings and other short messages that do not fit in the other themes.

Happy Valentines Day! <3 <3

Hello friends!

The business posts simple greetings and messages to the audience, not necessarily soliciting feedback, but making the opportunity to interact available.

4.3.2.5.3. Contests

The business generates engagement by holding contests and giving away products on occasion:

We're giving away new Skinny Hair Bands at random until we reach 46,000 fans (sometime over the weekend). Get creative and we'll choose our favorite posts!

Such contests consistently build readership base and encourage the audience to keep coming back to the site. Members of the audience are encouraged to 'Like' and comment on posts in order to be eligible for contests.

4.3.2.5.4. Solicit Information

The business requests information specifically about the product or

business. The business asks the audience to engage through commenting, liking,

or sharing.

> Big question – if you could attach something on your hair band, what would it be? Smiley, peach sign, skull, your name, pet photo, or something else???
>
> Let's give this print a name for the hair bands. Pink with flowers and butterflies. What should we call it?

Explicitly asking the audience for feedback or ideas enables consumers to

feel more connected and invested in the product.

4.3.2.6. General Characteristics of the Data Set

The business uses a variety of strategies to engage consumers. By

posting content not only about the business or asking questions to the audience,

the business is able to keep the audience engaged and facilitate two way

communication. Through review of the messages, the researcher found it

apparent that the owner is able to show interaction in an authentic way.

4.4. Interpretations

The interview addressed topics such as purpose, strategy, challenges,

and results. A content analysis of the study's Facebook and Twitter accounts

supplemented the answers provided in the interview and analyzed the owner-manager's online activity. Four observations were gleaned from the analysis of data and are described below.

Observation 1: The business uses e-WOM mainly as a means of promoting other businesses.

The researcher found it interesting that the participant put emphasis on promoting other businesses and products. The literature suggests e-WOM as a means of a business drawing consumer attention to itself (Stokes & Lomax, 2002). Although relevant literature suggests to 'Like' or follow another business, it does not elaborate to what extent to promote others. The participant argued that doing so creates relationships with other businesses, and in turn, their customers. The other businesses are then more likely to talk about the participant's product, which can be seen by the business's audience.

An analysis of the data revealed that users and other businesses are sharing, liking, and retweeting the content that the business posts. Over the two month time period, various Facebook posts were shared a total of 19 times and were liked a total of 378 times. On Twitter, approximately 10 of The Bandee's posts were retweeted and the business was mentioned in many 'Follow Fridays.' Tweets such as this have the potential to reach tens of thousands of users, exposing the business to new consumers. A strategy such as this helps with networking and e-WOM.

Observation 2: The business is practicing more advanced marketing than would be expected of a small firm. The business focuses on the long term strategy of creating relationships.

Previous research has found small firms have a short-term orientation and long-term perspective to market planning is unlikely (Coviello, Brodie, & Munro, 2000). Marketing is often used for immediate needs with little attention paid to strategy (Stokes, 2000; Reijonen, 2010). The study reveals that the small business is more strategic than would be expected. The small business practices relationship, or one to one, marketing. She has recognized the long-term value of a customer relationship and works at knowing her customers on a more personal level. In this case, the business did not focus solely on sales with short term tactics, the business was involved in more of a long-term strategy. The owner also recognized a relationship between the number of fans and followers and sales. The more followers she had, the more sales.

Observation 3: The business practices the 80/20 rule of content. Posts about the business or product are limited.

The data analysis revealed the ways in which the business engages its audience. By using a variety of strategies, the business not only talks about the product but also incorporates general posts that the audience would find interesting. When the participant shares a photo of a cute animal or a news article she finds interesting, she brings the business's personality to life. The participant also pairs a question with posts such as this, further encouraging

interaction. Providing customers with an opportunity for engagement can develop

relationships (Kaplan & Haenlein, 2010).

The business does post about the business or product, however it is

limited. To keep the audience interested, the participant has used contests and

deals. For the contests, the audience is encouraged to 'Like' and comment on

posts in order to be eligible. These promotions encourage the audience to return

to the site often. The business also requests information from the audience

specifically about the product. The participant asks users to name new fabric

prints for the product. This strategy of asking the audience for feedback or ideas

helps consumers feel more connected and invested in the product.

> Observation 4: The business is continually developing experiential
> knowledge gained by doing business.

During the interview, the participant discussed that she monitors how

customers have responded on the different platforms given time of day and how

fast they respond to posts. The participant posts at different times of the day

because she interacts with people all over the world. The participant also looks at

when the business is getting sales - what time of the month and during which

day(s) of the week. Being aware of the customers' activity gives the business the

ability to customize the material it wants to publish to get the customers involved.

This also encourages immediate feedback.

The participant recognized that it is important to keep content fresh and

interesting. Otherwise, consumers may gain the impression that the business is

not interested in and does not care about them. Consumers are exposed to hundreds, if not thousands of ads per day, trying to sell them something. Consumers want to be informed and not sold to all the time.

4.5. Chapter Summary

This chapter presented the results of the data collected during the course of this study. The qualitative interview was discussed including how the interview was conducted and coded. The interview revealed four themes: networking and relationship building, e-WOM, information sharing, and learning curve. The chapter also discussed how the social media data was collected and coded and identified four main categories: engagement: specific, content sharing, announcements, and engagement: general. The chapter then explained the major themes found from the analysis, detailed why the themes were identified, and provided examples from the data set. Finally four observations of the data were presented in recognition of existing literature. The next chapter will discuss the implications of the research and conclusions.

CHAPTER 5. DISCUSSION

The main goal of this study was to identify how a small business, recognized for using social media to grow the business, uses social media to engage customers. It was important to interview the participant as well as collect data from their social media activity to see if the activities aligned with the participant's strategy. The previous section interpreted the results obtained during the data collection stage, which involved an interview with the small business owner and review of the business's social media activity. This study has found a number of characteristics related to the use of social media to engage consumers.

5.1. Discussion of Case Small Business Characteristics

It is important to first discuss the demographics of the business that participated in the research. The participant was an owner of an Internet-based accessory retailer and wholesaler. Prior to starting the business, the participant did not have a Facebook or Twitter account. The participant was introduced to social media and social media strategies through a marketing class. After the class, however, the participant learned more and more as she started to get involved with Facebook and Twitter.

At the time of the data collection, the business had 47,127 fans on Facebook and 3,788 followers on Twitter. The business joined Facebook on February 22, 2010 and joined Twitter May 2, 2011. These numbers show that the participant has been building and maintaining relationships with consumers. The business has implemented a variety of engagement strategies to grow its audience and keep them interested. Users would not fan or follow a business if they had nothing to gain from the relationship.

5.2. Implications

The study provides important implications for small businesses. Before discussing the implications, it is first important to be aware of the limitations of this study. This study analyzed the social media marketing strategy of one very small business. There is no evidence to show whether the results can be generalized to all small businesses. The results provide an example of one small business's use of social media to engage consumers and should be interpreted as such.

The following implications for small business owners emerged from the study:

1. Networking and creating relationships with other businesses, increases brand exposure. By promoting another business or their product, they may promote yours. Engaging others makes your business visible to their audience and has the potential to reach hundreds or thousands of consumers.

2. Focusing more on relationships than sales, increases sales. Social media provides businesses the opportunity to engage their audience on many different levels, including personal. In the beginning, it is important for a business to focus on creating relationships with consumers. An owner can show interest in its audience by commenting on individual's posts or asking questions. Doing so also exposes the business to friends of fans and followers, increasing the business's reach. Rather than simply posting messages about the business or product, it is better to include photos or questions. Asking for feedback is a great start to encouraging engagement. People do not want to follow a business that only posts about itself.

3. Interesting content promotes interaction. It is important to post content that the audience will find interesting. Posts such as links to videos and pictures are more attention grabbing than large amounts of texts. The posts can be supplemented with the owner's own opinion or a question to further encourage audience engagement.

4. One main barrier to entry is a learning curve. Although social media is free, it has the potential to take up one of an owner's most valuable resources: time. Small business owners may learn by involvement or ask for help in the beginning. For those unfamiliar with social media, it may take a lot of time in the beginning to learn.

Individuals may want to consider consulting with a social media marketer when they decide to join the social space. They may also use social media channels to ask other businesses for tips and tricks.

5.3. <u>Conclusions</u>

This study began with the fundamental question of how a small business uses social media to engage consumers. A case study approach focused on one business was proposed as a means of answering this question. Both thematic and content analysis were used. Data from the study was presented. Results of this case study revealed that the business uses a variety of strategies to build and maintain relationships with others and keep consumers interested. It contributed to theory by demonstrating one example of the intersection between small business and social media strategy. The study demonstrates that from the beginning, the participant recognized social media's importance and utilized it to the best of her ability. Although the participant had taken a marketing class that covered social media marketing strategies, the participant still had to learn how to use social media and struggled in the beginning. The study illustrates the choices a business has in deciding how to engage consumers and makes an argument for why each strategy should be used.

The literature suggested that often small businesses do not have a strategy when they begin using social media. This can potentially end in wasted time and effort. It is important for businesses to recognize what they want to

achieve by using social media. No longer is it enough to create a Facebook or Twitter account and post to or check it once a week. Businesses must be active participants on these channels and to do so they should have some knowledge on how to use them, including strategies for engaging the audience.

In today's social media driven environment, it is essential that small businesses understand Facebook, Twitter, and the strategies behind using social media. With this mostly controlled medium, businesses have the opportunity to communicate with a wide variety of publics. Therefore, determining how a small business used social media to engage consumers was important.

For many new small businesses, social media may be a new endeavor. They are learning through active participation which may be an overwhelming task for those without a solid understanding of the opportunities the sites offer. Small businesses need to understand how to use social media sites to engage customers and create relationships which will in turn grow their business.

5.4. Recommendations

Future researchers may perform a similar case study with multiple small businesses in order to compare the strategies among the owner-managers. Future researchers may also study a small business which has considered its social media efforts to be unsuccessful. Through an investigation of the owner-manager's strategy and the business's social media posts, the research can identify why such a business may be struggling in its social media efforts.

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APPENDICES

Appendix A. Interview Questions

Purpose

1. What were your businesses's marketing strategies, prior to using social media?

2. What encouraged you to use social media?

3. What is the purpose of your use of social media?

4. What do you hope to accomplish through social media?

5. Did you do any research on the benefits of social media prior to using it for your business? If so, what resources were most helpful?

6. How have you gone about assessing which social media service might be of value or appropriate for your company's use?

Strategy

7. What methods have you used to engage your audience?

8. How do you make sure participants are satisfied with the experience? What is your policy on moderating comments? Transparency?

9. What type of content do you share?

10. Do you post the same message on Twitter that you post on Facebook? Why or why not?

11. How are you currently listening to your customers?

12. Are you listening to customer conversations that aren't about your brand, per se?

13. Are you listening to conversations about your competitors?

14. What tools/technologies are you using to monitor conversations?

15. What tools/sites/applications are you most comfortable with?

Challenges

16. Can you tell me about a time when something you've done online has not gone as planned? How did you handle it?

17. Can you tell me about some of the challenges you have faced when introducing social media in your business strategy? How did you overcome them?

Results

18. How do you measure success in social media?

19. How do you identify what strategies are working and not working?

20. Do you feel that you have acquired new customers through your social media efforts?

21. Do you feel that through your social media efforts, you have created loyal customers?

22. How much time and money are you willing to dedicate to social media projects?

23. How much time per day do you dedicate to social media?

24. What experience have you gained of using social media applications?

Appendix B. Coding Sheet

Category	Definition
Engagement: specific	Posts that are directed toward an audience member
General Discussion	Response to audience posts, questions, etc., not necessarily relating to the product
Others' Experience	Comments or reports on information relating to an audience member's experience
Customer Service	Directly responds to customer's questions, complaints, or inquiries about the product
Content Sharing	Posts information to the audience such as news links, videos, pictures, and other information relevant to audience interests
Announcement	Public notice announcing something
Support Others	Promotion of other businesses or products
Business/Product Related	Announcement specific to the business or product
Deal/Promotion	Offer a deal or promotion
Engagement: general	Posts not directed toward any individual, rather the entire audience
Ask Questions	Questions that do no pertain to the product or business
Other	Greetings or other short messages
Contests	Contest is held which encourages engagement to be eligible
Solicit Information	Requests information specifically about the product or business

Appendix C. Recruitment Materials

<u>Text for email to potential participants:</u>

Hello _____,

My name is Sarah Cox and I am a current graduate student at Purdue University conducting research for my MS thesis. I am contacting you to ask for your participation in my research project, which seeks to understand how small business owner-managers use social media to engage customers. Your participation will consist of a 30-minute telephone interview.

Please let me know if you are willing to participate and what is the best way to schedule a convenient time for the interview.

Although there may be no direct benefits to you, the research will provide a set of techniques that small businesses use for their social media strategy. Such insights may be used by other small business owner-managers for their social media strategies. Participation is voluntary, and you may skip any questions that you are not comfortable to answer.

Your response and time is greatly appreciated.

Sincerely,
Sarah Cox

P.S. please find below an information sheet about this project (see APPENDIX F, Information Sheet)

Sarah Cox
Graduate student
Computer Graphics Technology
Purdue University
coxsl@purdue.edu

Appendix D. Participant Information Sheet

This information sheet will be emailed to each participant as part of the recruitment process and before starting data collection.

RESEARCH PARTICIPANT INFORMATION SHEET
Social Media Marketing in Small Business: Case Studies
Mihaela Vorvoreanu, Ph.D.
Purdue University
Computer Graphics Technology

<u>Purpose of Research</u>

This research project aims to understand the strategies that aid small businesses' use of social media to engage consumers.

<u>Specific Procedures</u>

To participate in this research, you will be asked to participate in an in-depth, open-ended telephone interview, which will be recorded and transcribed using handwritten notes.

<u>Duration of Participation</u>

Participation should take approximately 30 minutes.

<u>Risks</u>

The risks associated with completing this research are minimal risks which are found in everyday life.

Benefits

There are no direct benefits to you for participating in this research. The research data may benefit society at large, because it may provide small business owner-managers with a set of techniques for their social media strategies.

Compensation

There is no compensation for participating in this research study.

Confidentiality

The interview data will be stored in a password-protected computer until May 2013, after which, they will be destroyed. The project results will be disseminated in an academic research journal. The project's research records may be reviewed by departments at Purdue University responsible for regulatory and research oversight.

Voluntary Nature of Participation

You must be 18 or older to participate. You do not have to participate in this research project. If you agree to participate you can withdraw your participation at any time without penalty.

Contact Information:

If you have any questions about this research project, you can contact:
- Dr. Mihaela Vorvoreanu, 765-496-7709, mihaela@purdue.edu

If you have concerns about the treatment of research participants, you can contact the Institutional Review Board at Purdue University, Ernest C. Young Hall, Room 1032, 155 S. Grant St., West Lafayette, IN 47907-2114. The phone number for the Board is (765) 494-5942. The email address is irb@purdue.edu.

Documentation of Informed Consent

By participating in the interview, I certify that I have had the opportunity to

read this information sheet and have the research study explained. I have

had the opportunity to ask questions about the research project and my

questions have been answered. I am prepared to participate in the research

project described above. I can print out a copy of this information sheet for my

records.

Appendix E. Research Exemption Approval

PURDUE
UNIVERSITY

HUMAN RESEARCH PROTECTION PROGRAM
INSTITUTIONAL REVIEW BOARDS

To:	MIHAELA VORVOREANU KNOY
From:	JEANNIE DICLEMENTI, Chair Social Science IRB
Date:	02/02/2012
Committee Action:	**Exemption Granted**
IRB Action Date:	02/02/2012
IRB Protocol #:	1201011791
Study Title:	Social Media Marketing in Small Business: Case Studies

The above-referenced protocol is considered exempt after review by the Institutional Review Board pursuant to Federal regulations, 45 CFR Part 46.101(b)(2) .

If you wish to revise or amend the protocol, please submit a new exemption request. Please refer to our guidance "Minor Changes Not Requiring Review" on our website. Please contact our office if you have any questions.

We wish you good luck with your work. Please retain copy of this letter for your records.

Below is a list of best practices that you should be aware of and keep in mind when conducting your research.

Category 1
- Written permission from preschools, primary and/or secondary schools should be obtained prior to the investigator engaging in research, such as recruitment and conducting research procedures. If the written permission was not submitted with the protocol at the time of IRB review (e.g., the school would not issue the letter without proof of IRB approval), the investigator must submit the written permission to the IRB office immediately upon receipt from the school. This is an institutional requirement.

Categories 2 and 3
- Surveys and data collection instruments should note that only participants 18 years of age and over are eligible to participate in the research, state that participation is voluntary and that any questions may be skipped, and include the investigator's name and contact information.
- Investigators should explain to participants the amount of time required to participate. Additionally, they should explain to participants how confidentiality will be maintained or if it will not be maintained.
- When conducting focus group research, investigators cannot guarantee that all participants in the focus group will maintain the confidentiality of other group participants. The investigator should make participants aware of this potential for breach of confidentiality.
- Written permission from businesses, preschools, primary and/or secondary schools should be obtained prior to the investigator engaging in research, such as recruitment and conducting research procedures. If the written

permission was not submitted with the protocol at the time of IRB review (e.g., the school would not issue the letter without proof of IRB approval), the investigator must submit the written permission to the IRB office immediately upon receipt from the school. This is an institutional requirement.

Category 6
- Surveys and data collection instruments should note that participation is voluntary.
- Surveys and data collection instruments should note that participants may skip any questions.
- When taste testing foods which are highly allergenic (e.g., peanuts, milk, etc.) investigators should disclose the possibility of a reaction to potential subjects.

General
- To recruit from Purdue University classrooms, the instructor and all others associated with conduct of the course (e.g., teaching assistants) must not be present during announcement of the research opportunity or any recruitment activity. This may be accomplished by announcing, in advance, that class will either start later than usual or end earlier than usual so this activity may occur. It should be emphasized that attendance at the announcement and recruitment are voluntary and the students attendance and enrollment decision will not be known by those administering the course.
- When conducting human subjects research at non-Purdue colleges and universities, investigators are urged to contact that institution's IRB to determine requirements for conducting research at that institution.
- When conducting human subjects research in places of business, investigators must obtain written permission from an appropriate authority from the business prior to engaging in research activities such as recruitment or conducting study procedures. This is an institutional requirement.