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Factors that affect the use of Facebook and Twitter as marketing tools in the UAE

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Abstract

The Arab Spring has brought a lot of attention to the use of social media in the Arab world. Whether social media was one of the catalysts or the sole agent of the socio-political movement has been an object of endless debate. Nevertheless, it can be agreed that social media usage has increased in the region and is paving the way for enduring changes in all spheres of public and private life. Globally, social media is increasingly being used as a marketing tool replacing traditional media. In the UAE however, businesses seem to be wary of using the medium. This reticence could be due to the negative sentiments created by the use of social media against establishments during the Arab Spring. Also social media is a late bloomer in the Emirates. The public as well as firms need time to warm up to this medium effectively. This paper attempts to explore the use of social media, in particular - Facebook and Twitter - as marketing tools by businesses in the UAE. Facebook and Twitter are two of the most popular social media in the region. The restrictions on sites like Orkut and VOIP like Skype could have contributed to increased traffic to these social media sites. The identification of restricting factors will help media and marketing professionals to use social media as an effective marketing tool.

Keywords: Facebook, Twitter, Marketing tools , UAE , social media use

1.0 Social media as a Marketing tool

Kaplan and Haenlein (2010) define 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". The exchange of content and the possibility for interaction with other users and the company/brand makes it an ideal tool in marketing. It is this advantage that has seen new media out performing traditional marketing communication media. In spite of the low cost of implementing the

output is disproportionately higher and the possibility for timely direct contact with consumers makes it an attractive option for firms.

In the past decade consumers of all ages have increasingly engaged in using social media as a tool to empower decision making. All aspects of social life including the facet of 'consumer' have been affected by increasing virtual communication. This has led to greater power for the consumer through multiple, credible information sources within their on-line network and through virtual advertisements. Customer exposure to product/brand information through formal and informal online channels has increased staggeringly. Their disgruntled voices also reach multitudes of ether friends who pay more attention to it than to formal advertisement channels. Through the same channels customer feedback resonates to marketers. Today, customer generated content and buzz has much more value than company created hype.

Laroche et al (2013) draw attention to the role of social media in information sharing and customer relationship marketing by boosting brand trust and loyalty. Social media generated brand communities help consumers interact with the product, brand, firm and other consumers enhancing brand loyalty. As mentioned earlier consumers convey candid opinions to their virtual friends. Researchers can collate valuable data from fan pages, number of friends, likes and other virtual interactions. However, as Patino et al (2012, p235) point out accurate demographic information of respondents is not always available. Ardent fans can post multiple entries on Facebook and blog spots making it difficult to accurately estimate opinions. Lipsman et al (2010) identify two cohorts of audiences for Facebook accounts of firms : "Fans of brands on Facebook (those who have explicitly "liked" a brand) … [and] Friends of fans" who are a much larger group than the first one. But as Brian Wallace, VP-global at Research In Motion cautions "A Facebook fan has no value. Getting a Facebook fan to do something does" (cited in Creamer 2010).

2.0 New Media gaining popularity in the UAE

New media including Facebook and Twitter are growing in popularity the world over as well as in the UAE. Facebook broke the 1 billion user mark in mid 2012 (Vance 2012) while Twitter has half-billion accounts (Lunden 2012) making these the most popular social media globally. The July 2012 edition of the Arab Social Media Report (2012) states that Facebook has attained 30% penetration in the UAE (the penetration rate is

52.9% in the US) with 3,293,660 followers of whom 54% are between age 15-29 and 46% over 30 years of age. Twitter penetration reached 3.25%, with 263,070 active Twitter users and Arabic continued to be the fastest growing language on Twitter (Arab Social Media Report 2012).

A 2010 worldwide survey by Robert Half a recruitment firm concluded that "professionals from the UAE are among the most active users of social and professional networking sites like Facebook, LinkedIn and Twitter" more than their European counterparts. While the global average was 49% a majority (66%) of UAE respondents indicated they were active users of social or professional networking sites. "Only respondents from Brazil (75%), Spain (72%) and Ireland (70%) were more likely to identify themselves as more active users than those from the UAE". The survey also noted that this was in spite of the high restrictions imposed by employers (UAE professionals active social media users 2010) .

However, the majority of over 900 IT professionals questioned in a survey by Gulf Business Machines (GBM) say they have partial or complete social media restrictions at their work places. 35% of the respondents stated they have a complete social media sites ban, while 33% mentioned they have partial access limitations. 32% of the participants said they have no restriction when it comes to social media activities (Pascal 2012).

3.0 Customers' use of new media as a marketing tool in the UAE

The role of traditional advertisements in customers' purchase decision process is rapidly reducing with the place being taken by popular social media. A 2010 survey by YouGovSiraj confirms that 80% of consumers in the UAE used social media to inform their decision making process (ameinfo.com, 2010). Of the sample of 750 individuals surveyed 41% confirmed that they use Facebook and Twitter to interact with their favourite brands. A recent survey of 15,758 respondents in 12 countries by Bayt.com on the corporate use of social media in the MENA region revealed that 46% respondents believed that firms were not using social media effectively. An explanation for this could be seen in the opinion of 82% respondents who believed in the potential for negative word of mouth. However, 51% respondents confirmed that the firms they worked in used social media. 47.5% respondents believed that use of social media had increased traffic

to their company's website. 38.2% reported that fans of their company's social media were converted to customers (Sahoo 2012).

Research conducted by Barry and Bouvier (2011) point out that respondents from the UAE opined that "exchanging information" was one of the key motives of Facebook users. The Arab Social Media Report (2012) confirms this and adds that "we now see a wider scope of uses for social media in the region, ranging from civic engagement and political participation to business entrepreneurial efforts, and social change". A recent survey by Zarca Interactive and Golin Harris of 444 UAE consumers of which 51% were below 41 years of age reports that while purchasing a car only 10% were affected by TV advertisements, 5.4% by billboards and 2.7% by radio advertising while 26% based their decision of auto purchase on online media. It is an anomaly that the expenditure on traditional media like TV, radio and outdoor advertising for the UAE's automotive industry in 2011 amounted to AED161 million while only AED 24 million was invested in online platforms (Zarca Interactive study reveals insights from brand and type preference to colour and country of origin choice 2012).

A comparative study of social media users in the UAE and Saudi Arabia found that logging into their Facebook account is the first internet activity for a majority of UAE users and 52% confessed they cannot live without Facebook. One third of users also admitted that they accessed social media during office hours. (Infographic: Social media usage in UAE, Saudi Arabia 2012). This is in spite of the restrictive conditions in UAE offices which is 17% higher than the global average of 37%. But compared to their peers in Saudi Arabia UAE users were reticent to use social media to obtain brand/product information and the figures are 54% for Saudi and 23% for the UAE. While for 20% Saudi respondents liking/following a brand is linked to buying it, the rate is only 10% in the UAE. However, 72% confirmed that social advertising increased their interest in brands/products. Use of social media by firms helps in developing an interest in the brand, creates brand familiarity and generates positive word of mouth (Skaff 2011).

The study of social networking sites by McKechnie et al (2012, p60) indicates that social media was primarily being used in Dubai as a communication tool specifically to "keep in touch" with family and not for business purposes. The age group ranging from 26-34 were recorded as using social media the most for building business and relationships

(54%) and as a key tool for advertising and promotion (69%). Also Facebook was considered the most secure site.

4.0 Use of social media by firms in the UAE

The most frequent marketing activities on social media engaged in by firms in the UAE have been identified to be "increasing brand awareness; advertising; giving feedback on products or services; promotional offers; directing to the organizations website, and inexpensive reach of potential customers and market intelligence gathering" (Al Tenaiji and Caader 2010). This study also confirms that the most popular social media sites used for these marketing activities are Facebook and Twitter. The researchers point out that the predominant use of social media to advertise "products, services and events" seems to deter prospective customers from active engagement with the media. Research by DLA Piper (2011) also shows that the main social media use in the Middle East is for communicating with customers, raising brand awareness and marketing. More than half of the firms used social media for advertising corporate events. Only 41 per cent of UAE businesses use social media and even they are not exploiting its benefits. Digital media agency Grafdom conducted a Social Media Brands Index for the UAE including 100 social media savvy brands and individuals with a total of close to a million followers. The indices show that some industries are more successful at social media use than others. For example Communications and Technology was the most active category while Real Estate was the least active (UAE-social-media-brands 2011). This may indicate that for low involvement products use of social media was more than that for high involvement products.

5.0 Identifying factors that inhibit social media use

 A survey by Bayt.com, revealed that 80% of firms in the Middle East are reticent to use social media because of fear of possible damage to reputation and fear of customer comments. The CEO of Bayt.com a company which engages actively in social media marketing and has 70,000 plus Facebook fans commented that customers had many alternative on-line avenues to post negative comments. He recommends giving training to staff to handle on line interaction with consumers and carefully planning the implementation process (Bayt.com 2012). Firms were also not convinced about how

engaging with social media could affect the bottom line. Posting the right contents on line and responding to customer posts are other challenges (Sahoo 2012).Another factor is the power of social media to inform public opinion and affect the course of history as seen in the Arab Spring (Prasanth Kumar cited in Sahoo 2012). This has created a latent fear of possible negative word of mouth being publicised on new media. There is also reticence in using media to interact online due to cultural and religious reasons. This has caused the telecom regulatory authority to regulate social media use. Below are a list of website types blocked in the UAE:

1.   Internet Content that contradicts with the ethics and morals of the UAE including Nudity and Dating.

2.   Internet Content that contains material which expresses hate to religions.

3.   Internet Content that is not in line with UAE Laws.

4.   Internet Content that is relevant to gambling.

(Internet censorship in Dubai and UAE, 2013) .

Added to this are the complete or partial restrictions on use of social media in the work place. This reduces the time available to spend on social media for business purposes as it is primarily a tool for communication with family members. Only less than half of UAE firms use social media but their overt use of it to promote products and brand cause customers to distrust the medium. The relative inexpensiveness of the media is not being utilised effectively. Also customers seem to engage less with the media for high involvement and high risk products like real estate and vehicles while they use it for less expensive and less risky products like electronics and consumer goods.

6.0 The future course

Social media is a late bloomer in the UAE and its primary use is not for business purposes. As social media use catches on among the population the purpose of use will also become more diverse to include commercial information exchange. Companies should not hold back but continue to invest in social media not just finances but also time

and dedicated personnel. Internal marketing is necessary to educate staff about the importance of interacting sensitively and sensibly with customers online. Attempts at overt marketing and creating hype should be contained as these do not build customer confidence. Negative comments should be seen as creative feedback for further improvement. Staff has to be trained in legal issues pertaining to use of social media as well as in dealing with negative feedback. Once customers and firms are convinced of the benefits of the use of social media it will be a win-win for both entities.

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