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SOCIAL MEDIA FOR SUCCESS: A STRATEGIC FRAMEWORK

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SOCIAL MEDIA FOR SUCCESS: A STRATEGIC FRAMEWORK

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Abstract

Social media is a phenomenon widely used by companies. Studies report that up to 94% of companies that have a marketing department make use of social media. Which social media platforms to adopt and how to use them to support the business strategies is often not a deliberate choice in companies. Therefore a strategic framework is proposed here that guides companies in making the choices that together entail their social media strategy. The research starts with an inventory of social media by Europe's 50 largest software product companies. Eight companies are selected for an embedded multi-case study using purposive sampling. The results indicate three components of a strategic framework for social media: (1) scope comprises decisions about actors, platforms and the interaction, whereas (2) capabilities refer to the objectives and activities. (3) Governance requires decisions along the value, resources and risks. The framework, which has been evaluated by experts, is elaborated in this paper. Learnings from comparing the case studies are shared in the form of trends identified and challenges experienced during the study. The framework helps practitioners to develop and improve their social media strategy. It also stimulates thinking about the impact of social media beyond the marketing function.

Keywords: Social Media, Strategy, Framework, Social networking.

1 INTRODUCTION

Social media is a socio-technical phenomenon and is used by 94% of companies that have a marketing department (Stelzner, 2012). The potential of social media for companies is demonstrated by the number of people that can be reached through them. As an example, the most popular service Facebook presently exceeds one billion active users (Helms, 2013). Literature presents manifold business benefits and purposes of social media. Benefits seem to be dominated by marketing objectives, such as brand awareness and word-of-mouth (Larson & Watson, 2011). Nevertheless, also other departments, such as human resources, sales, and customer services have been reported to benefit from its use (Braun & Esswein, 2012). Yet, literature has still to suggest a systematic way of deriving to a company's social media strategy. On the downside, there are also risks involved in using social media. McDonalds had to experience the negative sides of using social media, when stimulating customer to share positive experience at McDonalds through Twitter using the #McDStories hashtag (Hill, 2012). Instead of sharing positive experiences, customers started to share their negative experiences forcing McDonalds to take actions to prevent damage to their reputation. Such risks are also looming when a company is not active on social media, making it even worse because negative content or rumors might go unnoticed.

Companies need to consider different actors when planning their external social media engagements (Haahr, 2012). Such actors often represent a department, function, region or the entire corporation. Moreover, different audiences can be approached with customized messages depending on the actors chosen. Addressing these decisions in formulating a social media strategy in a systematic way increases a company's benefits, but also avoids negative effects of inappropriate social media management. However, social media managers seem to be left alone when it comes to theoretical support of social media strategy formulation. Current social media strategy frameworks have a particular focus such as risk mitigation (Aula, 2010) or community building (Culnan et al., 2010), but a more holistic framework is missing. Therefore, a more holistic social media strategy framework is proposed that assists companies in developing and assessing their own social media strategy. The framework is grounded in literature and evaluated through a multi-case study with eight cases from the software product industry, concluding with four expert interviews as the final validation step. Applying this framework will help companies to improve coordination and future vision of their external social media activities.

The paper continues by explaining key concepts and reviewing current literature on this subject in the background section. After presenting the suggested framework in further depth, the applied research approach is documented in section 4. The presentation of the analysis and results is subject to section 5. Following a discussion of the results, the paper ends by concluding the research and pointing out some limitations.

2 BACKGROUND

2.1 Social Media

Social media is a collection of applications that include blogs, social networking sites, multimedia sharing sites, collaborative projects, and others (e.g., Faase, Helms & Spruit, 2011; Kaplan & Haenlein, 2010). To define social media at a more abstract level, several definitions have been proposed. An often cited one is from Kaplan and Haenlein (2010) who 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" (p.61). Therefore, they distinguish social media from web 2.0, a term coined by O'Reilly (2005) what they define as the underlying structure. Moreover, this definition stresses that the focus is on the users who generate

content rather than the owner of the platform. Along the same lines, Kietzmann et al. (2011) state that “social media employ mobile and web-based technologies to create highly interactive platforms via which individuals and communities share, co-create, discuss, and modify user-generated content“ (p. 241). Both definitions have in common that it addresses the foundation, subject and purpose of social media. In line with the two definitions, this research defines social media as: a web-based service or platform based on web 2.0 technology that enables the sharing, co-creation, discussion and modification of user-generated content.

2.2 Strategy

Strategy is an abstract concept that has been defined in literature many times. Hall and Saias (1980) define strategy as “a statement of vital missions of an organization, the goals which must be attained, and the principal ways in which the resources available are to be used” (p. 151). So Hall and Saias define strategy as a documented plan or blueprint. In contrast, Porter (1980, 1985) defines strategy as “an integrated set of actions aimed at increasing the long-term well-being and strength of the enterprise relative to its competitors”, hence stressing that strategy aims to position the organization against the competition. According to Mintzberg (1978) strategy is “when a sequence of decisions in some area exhibits a consistency over time“ (p. 935), therefore it is a pattern that can be identified in retrospective. Mintzberg (1978) also distinguishes between intended and realized strategies, and explains that organizations should not rigidly follow a planned strategy. He argues for the need to adapt an organization’s strategy based on changes that occur, as these affect the assumptions underlying the initial strategy. In this research strategy is considered as a sequence of decisions in some area and is hence focusing on the emergent strategy rather than the planned strategy. The purpose of the strategy is to increase the strength of the organization relative to its competitors. Considering the strategy as a sequence of decisions makes it possible to observe strategy of a particular organization as the pattern of decisions that they have made.

2.3 Social media strategies for companies

Many companies jumped on the social media bandwagon and are applying social media for branding, online marketing, sales, customer service and support, and product development (Culnan, Mchugh, & Zubillaga, 2010). Goals that are pursued by companies from applying social media may include brand loyalty, increased revenue, customer satisfaction and cost savings (Culnan et al., 2010). Although there is a wide variety of applications of social media, many times its focus is on the company’s communication with their customers (Larson & Watson, 2011). Typically, this is the domain of marketing and sales, thus it is also referred to as Social Customer Relationship Management (Baird & Parasnis, 2011; Faase, Helms, & Spruit, 2010). In this research the focus is on the application of social media by companies for communication with their customers. For this reason, we have an external focus of social media in contrast to enterprise social software (e.g. Yammer), which aims on the internal use of social media for communication and knowledge sharing (Richter & Riemer, 2013).

Rather than jumping onto the bandwagon, because competitors do so, companies can take a more strategic approach towards the use of social media and carefully plan where and how they want to engage. However, research on social media strategies is still fragmentary. As an example, Aula (2010) presents four risk mitigation strategies as part of a multi-case study, analyzing the influence of social media on a company’s reputation, stakeholders and communication. These strategies reflect different levels of embracing social media by a company. Another study, focuses on the development of strategies to form connections and presents predictive practitioners, creative experimenters, social media champion, social media transformers as four strategies emerging from this view (Wilson & Guinan, 2011). Culnan et al. (2010) perform a quantitative study about the social media use of Fortune 500 companies. They call out three elements of an effective use of social media leaning towards the foundation of a strategy: mindful adoption, community building and absorptive capacity. Powell et al. (2011) distinguishes influencers, individuals and consumers as three levels one needs to keep in mind

when developing a strategy and the corresponding tactics. When describing the motivating concepts behind the communication collaboration, persuasion and awareness have been mentioned (Larson & Watson, 2011). Although all these researchers show some activities in the area of social media, particularly focusing on a particular aspect of social media deployment such as risk mitigation or community building, there is not a framework that can assist companies in establishing their external social media strategy.

3 SOCIAL MEDIA STRATEGY FRAMEWORK

All too often social media is seen as a sub-activity or channel of the marketing department. The manifold use of social media within a company shows the need to link it not only to the marketing strategy, but also to the business strategy itself. Therefore, the framework presented in Figure 1 takes three key components into consideration when developing a social media strategy. *Scope*, mentioned by various authors as an important part of every Strategy (Bower & Yves, 1979 as cited in Galbraith & Schendel, 1983; Henderson & Venkatraman, 1993; Ward & Peppard, 2002), refers to the selection of actors, their interacting and desired platforms keeping the business strategy in mind. *Capabilities* help the company to establish a competitive advantage (Bower & Yves, 1979 as cited in Galbraith & Schendel, 1983; Grant, 1991). They refer to the business supporting objectives (Ward & Peppard, 2002) and corresponding activities (Porter, 1996) that social media offers. Examples include social media as a communication channel for marketing (Powell et al., 2011) or gathering further customer insights (Blanchard, 2011), cutting costs (Culnan et al., 2010), etc. Moreover, a strategy requires *Governance* (Henderson & Venkatraman, 1993), which refers to the structure of the organization and their responsibilities (Hall & Saias, 1980; Bower & Yves, 1979 as cited in Galbraith & Schendel, 1983), the organization's view towards social media as a value contributing tool and the way this is measured (Ward & Peppard, 2002), as well as managing risks associated with it (Noy & Ellis, 2003).

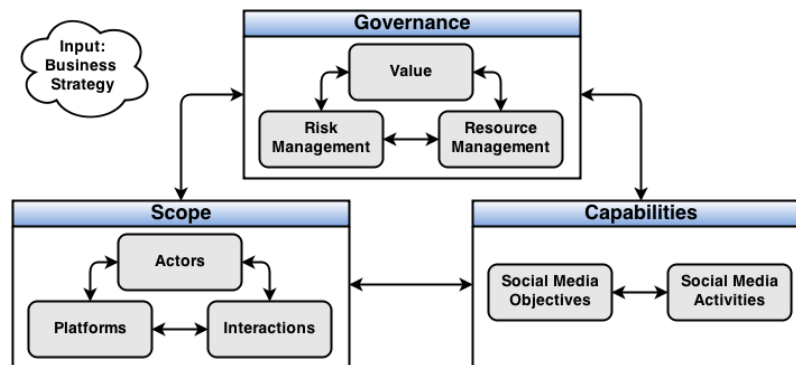


Figure 1. The social media strategy framework.

3.1 Scope

When defining the scope of a strategy three components need to be looked at. The platforms a company wants to use, the actors involved in the social media activities and the interaction between these actors.

Haahr (2012) defines three main categories of **actors**, namely internal, external and company actors. Consumers or customers are the most common external actors, but they can also include citizens, NGO's, other companies or agencies. Unofficial company accounts and communities, both created by employees are considered internal actors. Company actors are created at different levels in the company and for different purposes, i.e. companywide, local branches, (sub-) brands, recruitment, customer service or special activities (Haahr, 2012). A broader set of actors lists Firm, Employees, Citizen-Customer, Investors, Government, Supplier & Corporate Customers, as presented by other

scholars when analyzing the social media ecosystem (Larson & Watson, 2011). When selecting the right external actors, factors such as diversity of the audience, a common language or shared racial, sexual, religious or nationality-based identities should be considered (Boyd & Ellison, 2007). Furthermore, in a study comparing follower community of company's internal vs. external audiences, competitors and unique followers were identified as groups (Helms & Werder, 2013).

While Kietzmann et al. (2011) provide a framework that helps to identify the focus of each **platform** using building blocks, most academic literature presents different segmentations. Kaplan and Haenlein (2010) present blogs, SNS, virtual social worlds, collaborative project, content communities and virtual game worlds as a possible categories. Except for virtual game worlds, this categorization is supported by Aula (2010). Moreover, a platform can be activity focused, such as Flickr and YouTube, or people-focused, such as Facebook and Google+ (Keenan & Shiri, 2009). Having an activity-centered segment extended with an identity-driven (e.g. skyrock.com, i.e. a French speaking social network) or affiliation-focus (e.g. classmates.com), is proposed by Boyd and Ellison (2007).

Based on the example of the Firm/Customer social media dyad, firm-to-customer, customer-to-firm, development of communities by firm, customer-to-customer and firm monitoring customer-to-customer content are identified as the main types of **interaction** (Larson & Watson, 2011). Especially the community development is supported by other scholar who see the role of the company evolving to facilitate the collaboration of customers (Baird & Parasnis, 2011). More traditional views of communication, such as ordering, consultation, registration and reporting are built on the assumption that one actor is more powerful than another (Rosengren, 1997). However, there is no clear power position in social media, as it can shift between actors and is often not clear (Baird & Parasnis, 2011). Finding the right spot between creativity and constraints is another challenge of communication in social media, i.e. a company needs to be creative as it competes for attention while keeping in mind that there is certain information it has to share. (Eisenberg, Goodall Jr., & Trethewey, 2009).

3.2 Capabilities

Capabilities, the second framework component, help the organization to gain competitive advantage over its peers and reflecting (Bower & Yves, 1979 as cited in Galbraith & Schendel, 1983; Grant, 1991). Literature sometimes refers to it as competences that can be understood as attributes supporting a strategy and helping to establish a company's competitive advantage, contribute or support the strategy on an organizational level (Henderson & Venkatraman, 1993). However, in order to separate itself from the competition a company needs to identify the right objectives (Ward & Peppard, 2002) and align the corresponding activities (Porter, 1996).

Social media objectives should be derived from and support the business objectives, who represent core characteristics of an organization (Ward & Peppard, 2002). Social media is about engagement, which is often a means of contributing to the achievement of company's goals and objectives. Marketing could strive for viral marketing campaigns or brand awareness (Culnan et al., 2010), opinion mining or general information advantage (Kettles & David, 2008) and affecting reputation (Aula, 2010) are other possible motivations. Sales might increase turnover (Culnan et al., 2010), triggered by building stronger relationships (Bulearca & Bulearca, 2010), attracting additional leads and engaging influencers, while customer service and support increase turn over, customer satisfaction and cost reduction (Culnan et al., 2010), customer loyalty (Culnan et al., 2010; Kettles & David, 2008) and customer retention (Culnan et al., 2010). Product development can benefit from social media to engage employees, increase turnover (Culnan et al., 2010), reduce costs (Kettles & David, 2008) and increased innovation (Helms, Booiij, & Spruit, 2012). Human Resource is known to benefit from social media for recruitment processes (Kluemper & Rosen, 2009).

Braun and Esswein (2012) suggest a framework with different **social media activities** linked to one of five business functions that benefit the most of social media. Affecting all functions, they present interactivity and communication, such as the initiation of feedback, questions or comments, as well as the contribution of interesting and targeted content, such as exclusive content or apps. Active users can

be identified and influenced to enhance word-of-mouth effects (Ermecke, Mayrhofer, & Wagner, 2009) and generally build on viral marketing as marketing centered efforts (Kaplan & Haenlein, 2011). The sales function can use social media in combination with CRM to perform marketing campaigns and targeted advertisement (Faase et al., 2010; Heidemann, Klier, Landherr, & Probst, 2011). Human resources can assess the suitability of a candidate for a given job (Kluemper & Rosen, 2009). Generating ideas through crowd sourcing inspired process can help the research and development department to stay innovative (Braun & Esswein, 2012), while the support function can use content communities to upload tutorials and training videos (Braun & Esswein, 2012).

3.3 Governance

The third component of the strategy is governance referring to value and its measurement, the structure of the organization and their responsibilities. Especially the organization structure is said to be intertwined with the strategy (Hall & Saias, 1980). Besides these, it has been said that risk is an often neglected part of strategy (Noy & Ellis, 2003). Therefore governance comprises three aspects, a) resources and their deployment (Bower & Yves, 1979 as cited in Galbraith & Schendel, 1983; Grant, 1991), b) risk identification and mitigation (Noy & Ellis, 2003), and c) value and value measurement helping to manage expectations (Ward & Peppard, 2002).

Despite widespread adoption, the **value** of social media is still challenged by many people. Visualizing the social media ecosystem and subsequently identifying and tracking KPI's (Key Performance Indicator) are critical for strategy development, the measurement of success (Hanna, Rohm, & Crittenden, 2011). However, it is still a challenge to measure actual performance on social media due to lack of metrics (Larson & Watson, 2011). Many metrics are based on convenience and just measure what can be collected from the social media platform that is used, e.g. likes, retweets, etc. Measuring social media with traditional measures is difficult, but measures can be adapted to each SNS profile, such as cost per user, page views, page visits, returning visits, rate of interaction, etc. (Fisher, 2009). Culnan et al. (2010) propose metrics looking at financial, organizational, personal, and system relevant factors. Hoffman and Fodor (2010) developed an entire social media matrix suggesting different measurements by brand awareness, brand engagement and word-of-mouth for each platform. Other scholars suggest focusing on activity indicator, i.e. the direction of interaction, and the motivation consequences, i.e. awareness, persuasion or collaboration (Larson & Watson, 2011).

Resources can be either centralized or de-centralized depending on the trade-off of control versus velocity and initiative (Blanchard, 2011). Based on a definition of Luftman and Kempaiah (2007), authorities need to be clearly defined and managers need to set the right priorities to allocate resources. Some things, such as resources and responsibilities may also need to be discussed and aligned with business partners (Luftman, 2003). In the IT domain it has been shown that the commitment of senior management is critical to the success of a strategy (Ward & Peppard, 2002). Thus, some suggest not only to hire a social media manager as a tactical role, but also a social media director as a strategic role, establishing an organizational program, possibly with the installation communication hubs (Blanchard, 2011).

Literature also presents the notion of **risk** when discussing about social media (Aula, 2010; Culnan et al., 2010; Heidemann et al., 2011). Heidemann et al. (2011) present five major risks of social media negative word-of-mouth, trolling, shitstorms, which could be caused by the unpredictability of the crowd fake, but also profiles and data exhibitionism, which root in privacy concerns. A shitstorm is public outrage expressed mainly through posts in social media (Mavridis, 2012). In the field of online reputation management, Aula (2010) developed 9 tenets for corporate leaders to mitigate the risks from social media. The idea of being social requires a company to be active, interesting, humble, unprofessional, and honest (Kaplan & Haenlein, 2010). Following these standards increases trust of the audience. Others suggest developing policies and giving guidance to employees for their behavior in social media (Culnan et al., 2010). Privacy issues are mostly researched in the connection with individuals (Boyd & Ellison, 2007), however this can also affect companies and their employees.

4 RESEARCH APPROACH

The goal of this research is to develop a strategic framework for the use of social media by companies, investigating how such a framework can be constructed. Moreover, social media is a contemporary phenomenon. Therefore a qualitative research approach with an embedded multi-case study has been selected as the main research method (Yin, 2008). Furthermore, this research focuses on the external use of social media by companies.

Sample - Based on the 2012 version of the list Truffle 100, Europe's top 50 software product companies were selected as an initial sample scope. The selection of the software products industry as a subset of the information technology domain looks at an industry that is at the forefront of social media adoption according to Culnan et al. (2010). Moreover, such as firms find some characteristics of social media in their own products, such as being intangible and no cost of duplication (cf. Suarez, Cusumano, & Kahl, 2013). Based on a desk research, the 50 companies were categorized in a point-based system along four criteria. The criteria are a) promotion of social media accounts on the corporate website, b) number of accounts, c) number of followers, and d) the use of social media in general. Eight cases were selected for further analysis. Within these eight cases thirteen interviews accumulating 16 hours and 41 minutes of interview recordings were conducted. The recordings were processed after the interview. Transcripts fed the case reports that were evaluated by the interviewee.

Company	Roles	Located	Experience (years)	Medium	Duration (h:mm)
UNIT4	Regional Marketing Manager	NL	3.0	In-person	1:24
UNIT4	Business Marketer & Social Media Online Marketer	NL	3.5	In-person	1:05
ESET	Digital PR Specialist	SK	2.0	Phone	2:00
Wolters Kluwer	Communication Manager	NL	5.0	In-person	1:45
Wolters Kluwer	Social Media Strategist	US	5.0	Phone	0:52
Software AG	Senior Manager Public Relations	DE	2.0	In-person	1:25
Software AG	VP Global Communities	DE	3.5	Phone	0:43
Case 5	Specialist Online Communication	EU	3.0	In-person	1:20
Swift	Head of Digital	BE	6.0	Phone	1:54
Swift	Head of Corporate & Supply Chain Markets	BE	4.0	Phone	1:07
Hexagon	Online Marketing Programs Manager	US	6.0	Phone	1:17
Exact	Marketing Communications Specialist	NL	4.0	In-person	1:33
Exact	Senior Corporate Recruiter	NL	4.5	Phone	0:16

Table 1. Overview of case study interviews and participants with their years of experience in social media throughout their career.

Data collection – In preparation of the data collection, a preliminary version of the framework was developed, guiding the data collection. The importance to align a social media strategy with the business strategy lead to an initial set of codes created based on the strategic alignment framework of Henderson and Venkatraman (1993). This set of codes is extended by an extensive literature study that reviews literature related to at least two of three domains, helping to identify relevant literature: social media, (business) strategy and business alignment. As the notes and paper summaries from the literature review were coded using the initial set of codes, new (sub-) codes emerged and existing ones were modified. The data collection relied on two important sources. On the one hand are the documentary evidence, mainly reflected by capturing data available from the company's websites, annual reports, official accounts and guideline or policy documents. On the other hand are the interview(s) conducted with people in charge of the social media efforts (Table 1). The interviews

were intentionally requested without a specified role as such a role may vary from company to company. The interviews followed a semi-structured questionnaire. All information was fed into the case study database, helping to evaluate and further develop our framework.

Data analysis - All interviews were transcribed and coded, using a pre-formed set of codes that resulted from an initial literature study. However, these codes were enhanced as new codes emerged and existing codes were restructured initially through an extensive literature study followed by the coding of the transcribed interviews and other information related to the cases (Seaman, 1999). NVivo, a qualitative data analysis software tool, helped to structure and maintain the research database. Each case was concluded with a case report that includes a qualitative case description. Each report ranges between 23-29 pages, including the following sections: Company Background, Social Media Overview, Social Media Status Quo, Social Media Opportunities, Conclusions and Appendices. The case reports helped to foster and further define the details of the framework. As the coding of the cases proceeded, existing codes were adjusted. Thereafter, cross-case synthesis was used to compare the different cases and find similarities and differences across them. At the end, four experts were confronted with the results. Two academics and two professionals validated the framework and identified possible improvement opportunities.

5 ANALYSIS AND RESULTS

5.1 Cross-case comparison

Starting with the *scope*, the different aspects of the framework across the different cases are compared. The results of the multi-case study indicate corporate accounts (N=7) to be the most popular company actor, being the higher level of abstraction makes it easier to attract a larger audience and find relevant up-to-date content to share. These company actors are often supported by either regional (N=5) and/or product (N=4) related accounts. All cases make use of the major platforms. It is in the niche platforms, such as Spiceworks (N=1), Vimeo (N=1) and Instagram (N=1), where the companies distinguish themselves. For the interaction, sharing (N=8) and monitoring activities (N=8) are the most dominant and popular ways of using social media. Engagement (N=6) is another desired interaction, but most companies still struggle with it and vary in term of their understanding. Some see it as part of a mutual interaction and discussion, whereas others include the active development of a community as part of these efforts (N=2). One of the companies has a VP global communities role for managing the company's product related communities. Further the importance of communities was emphasized during another interview:

- “Because our goal is to work with the community and to be inspired by the community.”
- “This is the community. I’m not saying fans, intentionally. But it’s the community. The communities are the mainstream customers [...]”
- “The social network for us is the community.”

The *capabilities* are represented by the objectives and activities. The tendency is to manage two (N=5) to three (N=2) objectives and support these with corresponding activities. The most popular objective is to use social media for brand awareness and/or brand reputation (N=8). The dominance of marketing related social media literature seems to fuel this tendency. Using social media for customer service and support efforts is also very common (N=6). Next in line is the support of recruitment efforts by companies (N=5). Generally, the software product companies seem to prefer their own independent tools when it comes to the research and development department, e.g. for gathering new ideas. The selected activities are linked to at least one objective. Ideally an activity can support multiple objectives, e.g. by running contests or promoting user generated content. All companies (N=8) use some tooling to support the implementation of their objectives and activities, mostly by means of automation. Most companies mentioned HootSuite (N=6) explicitly as one of their tools:

- “Ok, so I use that [HootSuite] a lot, every day to monitor, and if something is said I will get a mention in my email inbox.”
- “Whereas we use HootSuite to schedule tweets as well.”

Governance implies the value and value measurements, the resources and risks. The value and appreciation of social media varies significantly across the different companies. Some see it as another marketing or communication channel (N=4), whereas others see it as a way to connect to customers, building a community and identify it as industry trend. Even though some already capture basic measurements (N=4), quantifying the value of social media is still a struggle for the companies. All cases focus resources on this subject. The main differences are whether or not they have dedicated roles assigned to the subject and which company they are part of. In order to avoid the risk, most companies develop a social media policy or guideline (N=7). The document is shared with employees to give a better understanding of the company’s perspective towards this phenomenon. Further, trainings are provided by some companies, either trying to create awareness or going a step further in preparing people to use those platforms for themselves. Risk adverse companies limit social media engagement towards official spokespeople.

5.2 Validation

The validation was done through four expert interviews in semi-structured interviews lasting between 55 and 70 minutes. We interviewed two practitioners and two academics. For the practitioners, we interviewed Entrepreneur with expertise in online marketing and entrepreneurship as well as social business consultant with expertise in social media and social business. In order to get feedback from the academic side, we interviewed an associate professor with experience in Media, Communication and Education as well as a PhD student and project manager with expertise in Innovation, social media and knowledge management. Following common practices, the interviews were twofold. Initially the interviewees were asked to share their opinion on such a framework and what it should entail. Following the framework was presented and the experts were asked to share their thoughts and comments about it. Resulting, the value equation was given higher priority by moving it to the top of the framework. The component initially called (organizational) competences was renamed to capability, as this is considered more appropriate and a better representation of content and meaning.

6 DISCUSSION

We do not see differences in adoption between B2B and B2C companies in our data sample. However, it seems to be more challenging for B2B companies to find the right actors, given the various levels of abstraction that can be applied (e.g. Brand vs Product). It is suggested that the B2B domain requires more time to use social media and increase engagement.

The data suggest some level of homogeneity across the software companies. The concept of institutional isomorphism explains the homogeneity in a specific industry along three types (DiMaggio & Powell, 1983). First, coercive isomorphism results from political influence and problems of legitimacy (DiMaggio & Powell, 1983). In this case, the lack of resources dedicated to this subject often combined with the competitive pressure and the need to increase efficiencies leads to further consolidation yielding economies of scale and helping companies to be more efficient. This suggests being a key driver for the consolidation efforts and the selection of platforms. Second, mimetic isomorphism results as default response to uncertainty (DiMaggio & Powell, 1983). Since social media is often referred to as a disruptive trend, it also fuels ideas such as the networked society leading to great organizational uncertainty. In turn, this explains the commonality across the different objectives. Third, the continuous professionalism leads to normative isomorphism (DiMaggio & Powell, 1983). The lack of clearly defined roles with clear goals embedded in work plans and the continuous development of the social media manager role indicate the need for orientation. Thus organizations tend to model the roles of other organizations in the same environment.

We see companies struggle to implement measurements. However, literature makes initial suggestions to measure general concepts (Fisher, 2009) and performance elements (Hoffman & Fodor, 2010).

6.1 Learnings

We learned more about the current use of social media and its main challenges resulting from our observations from practice. These learnings give insights into and assist in making decisions along the framework.

On *Scope*, a first trend we observe relates to the **consolidation** of social media accounts by companies as part of their chosen actors. Some companies recently went through consolidation efforts, thus having fewer accounts:

- “Well, when we started with social media we had more accounts, because we experimented”.
- “Since I’m there, I killed a lot of accounts.”
- While others are in the process of or plan to reduce the number of accounts.
- “[...], we are really moving to a different system - we are not there – and everything has that consolidation theme.”
- “A lot of them [social media manager] do want to roll up the accounts into one master account.”

The general understanding is that one account with 100 followers is preferred over 100 accounts with one follower each. However, the targeting of certain user groups or audiences, e.g. due to cultural and language barriers in different countries can be one reason to deviate from a single account. For example one company made the following comment:

- “We have a [company] group account worldwide. From there on we have the country accounts, which are quite important because of the language issue.”

Moreover, our research suggests a **standard portfolio** (Table 2), as each platform has its own focus and some platforms are more suitable to reach certain groups than others. In this respect LinkedIn facilitates the connection and discussion with experts and professionals. Facebook is used to connect with people, mostly related to their personal lives. Companies use Facebook to give the company a (human) face. Individuals, private and professionals, use Twitter because of its strength to quickly diffuse information. Google+ on the other hand is appreciated to reach experts and technically savvy people, thus being more suitable for beta tests and alike. Examples from different cases include:

- “So for example we are speaking different on Facebook and we are speaking different on LinkedIn.”
- “[...], because LinkedIn is the platform for recruitment basically.”
- “But for a lot of people it [Facebook] is still a private tool, where Twitter and LinkedIn are more business tools.”

Although the European Union is relatively homogeneous, going beyond this scope reveals other large networks, such as VKontakte for Russia or Qzone for China.

Social Media	Facebook	Twitter	YouTube	LinkedIn	Google+	Blog	SlideShare	Flickr	Pinterest
# of companies	29	37	32	29	7	25	5	4	2
# of accounts	57	93	57	42	9	59	11	5	2

Table 2. Summary of platform adoption by Europe’s 50 largest software product companies.

A more detailed view of the adoption and promotion of platforms and accounts through the international websites by the companies can be found in Appendix A. The companies are sorted according to the number of accounts, whereas the rank is based on the software product revenue in year 2011. Besides the platforms mentioned in Appendix A, Spiceworks (N=1) and App.net (N=2) were observed in the case of Sophos, Instagram (N=1) was observed in the case of DATEV and Vimeo (N=1) in the case of Civica. The companies that do not promote official channels on any

platform seem to deny or reject social media without a vivid interest to actively manage it. These companies may have some “pirate-ship” accounts (Blanchard, 2011), i.e. unofficial accounts created and managed for example by employees.

As part of *Capabilities*, we see a **delay in adoption**, as the B2B (business-to-business) domain requires more time to adapt and to increase engagement versus B2C (business-to-consumer) companies, i.e. identifying the right capabilities and translate them into ways to interact. Some cases argue that B2B companies cannot benefit from social media to the same extent as B2C companies due to the complexity of the products:

- “[...], because we are sole B2B company and have little touch points with B2C communication.”¹
- “But if you’re a B2B company selling very complex and sometimes very abstract products, it’s just a completely different story of how you’re going to sell. [...] So the context is just completely different from the B2C space.”

Within *Governance*, the **value measurement** of social media activities through concrete KPI’s is still a challenge for the companies and only few capture basic measurements. However, companies often find it difficult to deduce the right conclusions indicating a rather implicit investment of resources and efforts to support this phenomenon. The lack of quantification could explain the lack of leadership support and the communication of the value through anecdotal evidence. During the study it was mentioned:

- “Like the KPI’s, that’s something we are working on. That’s really a challenge and that’s something, which we are not doing at this moment the way I want it to.”
- “The second one [big challenge] that we are struggling with is measurement. So how to measure, what to measure and how to show to senior management the value of social media through useful metric. That’s really something that we find pretty tough.”

Referring to conversation measurements and the need to understand why people are visiting the social channels:

- “That’s more difficult to measure. At this moment, we can’t measure that. That’s one of the things we are working on.”

Key Learnings:	Type	Description
Consolidation	Trend	Shift from serving every niche target audience to a consolidation of accounts.
Standard Portfolio	Trend	While some platforms (e.g. Facebook, Twitter, and LinkedIn) can be considered to be standard portfolio, others are less frequently observed.
Delayed Adoption	Trend	B2B companies still seem to find harnessing some benefits more difficult than B2C companies.
Value Measurement	Challenge	Quantifying the value and getting financial support by upper management still remains a key challenge.
Risk	Challenge	Understanding social media as a catalyst for risk and counteract potential threats accordingly.

Table 3. Overview of key learnings

Risk management is an important element of our framework. The study shows that against some perspectives, social media yields little additional risks, but rather works as a catalyst, e.g. a non-qualified employee could always talk to the press, whereas it is much easier for him/her to publish a statement using social media. However, the nature of the risk that an employee exposes internal information is the same in both scenarios. As one interviewee points out:

¹ This is a best effort translation by the authors.

- “So for risk mitigation, it's been discussed extensively with the legal and risk management. So what we actually found, with some exceptions, a lot of the risks are not exclusive to social media. It's just that social media might make violations more visible.”
- “Of course social media has an extra risk, because if you do it in the wrong way, it's out in the open and it's something else with a one on one telephone call or one on one letter.”

7 CONCLUSION

Based on desk research amongst 50 European software vendors, followed a by a multi-case study of eight of these software vendors, a social media strategy framework is presented. The framework helps social media manager in making decisions concerning their external social media strategy along three components: Scope, Governance and Capabilities. Scope involves selecting the right actors, platforms and ways to interact with your audience. Capabilities involves setting the right objectives and supporting these with corresponding activities. Finally, governance involves value, risk and resources that need to be addressed for governing purposes. Validation of the framework was done by interviewing four experts who were asked to challenge the framework.

The theoretical contribution of this paper is twofold: (a) a social media strategy framework and (b) key learnings that are shared in the form of trends and challenges. The framework stresses the need to consider a broader perspective and manifold external uses of social media by companies. Such a framework is still missing in literature, as was demonstrated in the background section and provides a common denominator to describe and categorize social media engagements of companies. The key learnings help scholars to understand the changes occurring in the application of social media by companies. A first trend is that coming from an era in which social media was used to reach specific target groups, it is now going to an era in which official accounts are being consolidated to increase reach, reduce duplication and leverage scale. Moreover, the purpose of each platform varies, i.e. Facebook is often used to approach consumers with strong visual support, while LinkedIn enables companies to approach professionals. The third trend is the slower progression of B2B companies versus B2C companies. Value measurement is still a major challenge for the companies of our study and only few cases have basic measurements in place. A second challenge is to understand that social media acts as a risk catalyst and counteract potential threats accordingly.

To practitioners, the strategic framework provides key decision points while formulating a social media strategy. Hence, it can be used by companies to assess their current social media efforts, assisting them in laying out a future plan clearly indicating the strategic choices to be made. Furthermore, key learnings provide insights into and access to experiences by other companies. These can be incorporated in the social media strategy from the beginning. In other words, plan to use different platforms for different purposes, prevent a wild fire of official accounts and be careful with huge investments in B2B use of social media for the time being. When implementing social media, value measurement is important to monitor whether the social media objectives and underlying business objectives are reached. However, companies should realize that the framework is descriptive rather than prescriptive, meaning that applying the framework is situational and can have different outcomes for different companies.

One limitation of this study is the focus on the most used social media platforms by companies. Hence, some key learnings might have gone unnoticed and potential applications of rare use, or new social media remain unidentified. Another limitation is the selective choice to focus on product software companies as a sub-set of the IT industry. Nevertheless, when comparing the applications of social media in this sector with social media applications reported by other studies (cf. Section 2) much similarities are found. However, more research is needed to demonstrate generalizability of our framework. Other industries and small and medium sized businesses can yield additional learnings due to their specific organizational context, thus possibly requiring additional adjustment of the framework.

Appendix A

Rank	Company Name	Legal Entity	Twitter	YouTube	LinkedIn	Facebook	Blogs	Google+	SlideShare	Flickr	Pinterest
1	SAP	Public	10	10	3	10	13	1	6	0	0
6	Software AG	Public	14	4	6	9	3	0	2	2	0
12	Unit4	Public	17	0	1	9	1	1	0	0	1
2	Dassault Systemes	Public	1	10	1	1	7	0	0	0	0
27	Sophos	Private	5	1	2	2	1	2	0	0	0
17	Fidessa	Public	7	2	3	1	1	0	0	0	0
50	Comarch	Public	3	4	2	2	1	0	0	0	0
5	Hexagon	Public	3	1	2	2	1	2	0	0	0
36	Exact	Public	0	1	1	1	6	1	0	0	0
38	AVG Technologies	Private	1	1	1	1	6	0	0	0	0
8	DATEV	Private	2	1	1	1	0	1	0	1	0
10	SWIFT	Private	1	1	1	1	1	0	1	1	0
3	Sage	Public	1	1	0	1	1	0	1	1	0
9	Wolters Kluwer	Public	1	1	1	1	0	0	1	0	1
44	ESET	Private	1	1	1	1	1	1	0	0	0
22	Centric	Public	2	1	1	1	1	0	0	0	0
32	Qliktech	Public	1	0	0	1	4	0	0	0	0
11	Acision	Private	1	1	1	1	1	0	0	0	0
23	Visma	Private	1	1	1	1	1	0	0	0	0
30	Gemalto	Public	1	1	1	1	1	0	0	0	0
45	Civica	Public	1	1	1	1	0	0	0	0	0
48	F-Secure Corp.	Public	1	1	0	1	2	0	0	0	0
47	Total Specific Sol.	Public	3	1	1	0	0	0	0	0	0
13	Misys	Public	1	1	1	0	1	0	0	0	0
26	IFS	Public	1	1	0	1	1	0	0	0	0
32	Zucchetti	Private	1	1	1	1	0	0	0	0	0
34	Axway	Public	1	1	0	1	1	0	0	0	0
39	SimCorp	Public	1	1	1	1	0	0	0	0	0
43	Torex	Private	1	1	1	1	0	0	0	0	0
19	Micro Focus	Public	0	1	1	0	1	0	0	0	0
29	Sopra Group	Public	1	0	1	1	0	0	0	0	0
35	AVEVA Group	Public	1	1	1	0	0	0	0	0	0
41	RM	Public	1	1	0	0	1	0	0	0	0
4	Wincor Nixdorf	Public	1	1	0	0	0	0	0	0	0
15	Temenos	Public	1	0	1	0	0	0	0	0	0
25	Avaloq	Private	1	0	0	1	0	0	0	0	0
28	Invensys	Public	1	0	1	0	0	0	0	0	0
40	Kofax	Public	0	1	1	0	0	0	0	0	0
16	Swisslog	Public	0	0	0	0	1	0	0	0	0
46	PSI	Public	1	0	0	0	0	0	0	0	0
49	IRIS Software	Private	1	0	0	0	0	0	0	0	0
7	Asseco Group	Public	0	0	0	0	0	0	0	0	0
14	Cegedim	Public	0	0	0	0	0	0	0	0	0
18	Murex	Private	0	0	0	0	0	0	0	0	0
20	NIS	Private	0	0	0	0	0	0	0	0	0
21	GAD	Private	0	0	0	0	0	0	0	0	0
24	Compugroup Holding	Public	0	0	0	0	0	0	0	0	0
31	Cegid	Public	0	0	0	0	0	0	0	0	0
37	Reply	Public	0	0	0	0	0	0	0	0	0
42	Nemetschek	Public	0	0	0	0	0	0	0	0	0

Table 3. Overview of platform usage by companies based on their international Website.

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