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THE ROLE OF SOCIAL MEDIA AS A
PLATFORM FOR E-COMMERCE

How Social Media is gradually becoming a major role in

E-commerce

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ABSTRACT

Over the past quarter century there has been a shift from the traditional way of marketing to a new electronic age. This research looks at the role of social media as a platform for e-commerce. The research objectives are to determine the awareness and usage patterns of social media tools to users, to establish if social media has reduced firms operating cost and to analyze the impact of social media on customer relationship. The goal is also to show that social media has numerous benefits to the marketer if adopted in one's marketing strategy.

The primary source of information was a questionnaire. The population of this study was students of Vaasa University of Applied Sciences and employees of the marketing department of Vodafone Ghana (Head Office). A questionnaire was used to obtain information from selected sample on the research topic. A purposive sampling technique and convenience sampling technique are used. Through the analysis of the questionnaire it became clear that social media was used daily and awareness was high; This has reduced operating costs for firms in establishing and maintaining customer relationship. This information is likely to impact the marketing strategy of companies to customers and suppliers.

In addition, The research revealed that e-commerce has brought about a reduction in distribution costs through the elimination of intermediaries. It also revealed that the multi-media nature and real-time capabilities of the internet have fostered an environment that is conducive for relationship building between firms and their customers

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1.0 Introduction

This chapter introduces the study. It consists of the background study, statement of the problem, objective for the study, significance of the study, the scope and limitations of the study and definition of terms.

1.1 Background of study

According to Weber (2007), the social web will become the primary centre of activity in our lives. To put it differently people use the social web as the world wide web is sometimes called, instead of the old media for most of the services supplied. On top of that, social web has brought a lot of new opportunities to exchange knowledge worldwide. According to the Internet World Statistic in June 2010, there were more than 1.96 billion people online. Given this, it can be concluded that social web has great impact on the people. For instance people now interact and communicate as a society and use the web to extend existing relationships. In recent times, firms have adopted this knowledge to target and reach customers as well

The relevance of social media in improving commerce both internationally and locally cannot be over-looked due to its numerous benefits. In recent times social media has served as an instrument for businesses to transmit information about old and existing product; has enabled customers to make online purchases and has aided in the sustenance of commerce globally (Weber, 2007).

According to Håkansson and Snehota (1995), social media marketing is the act of gaining attention through social media sites. Social media has inproved communication for organizations, fostered brand awareness and has improved customer service relationship of firms So therefore, social media is considered a relatively inexpensive means for organizations to implement marketing to build and improve their brand value.

We live in the midst of a global communication boom where the use of social media between individuals for personal and professional use is widespread. Carlsson (2010) predicted that 2010 is the year when the use of social media for branding purposes will really take off in the corporate sector. He further indicated that marketing managers have also predicted that 2010 will be the year when social media are integrated in the organizations and really start to become useful for companies and become an important tool in the communication.

Others have argued that it is crucial for marketers to look to the web for new ways of finding customers and communicating *"with"* (relationship based marketing) them, rather than *"at"* (transaction based marketing) them, and various kinds of social media are the most promising way to reach new customers (Webber, 2009).

The combination of coordinating marketing messages across all medias including the social media, the real impact that social media (as an example the social network, Facebook with more than 400 million active users) has for both individuals and companies, the speed with which things move in this domain (Carlsson, 2010).

1.2 Statement of the Problem

In most recent times, customers have attributed the collapse of business firms to insufficient funds, employee incompetence and employer lack of business strategies. However, from an administrative point of view, management is attributing collapse of businesses to firms' inability to meet the growing cost of managing brands (Webber, 2009).

As a result, of management not being aware of the opportunities social media offers in reducing the cost of firms advertising campaigns, increasing of sales, finding of new customers and sustaining e-commerce globally. The desire to undertake this research to probe further into this untapped avenue of social media, to bring to light its numerous opportunities to management, marketers and stakeholders.

1.3 Objectives of the Study

The objectives of the study are,

1. To determine the awareness and usage patterns of social media tools to users.

2. To establish if social media has reduced operating cost for companies

3. To analyze the impact of social media on customer relationships.

1.4 Significance of the Study

This study will benefit the marketers, customers and academicians alike. The practioner marketer will gain greater understanding of the opportunities social media has to offer customers. It will inform them about a cost-effective way to transmit information to their target markets.

1.5 Scope and Limitations of the Study

This study is limited to only students in Vaasa University Of Applied Science and employees of Vodafone Ghana (Head Office). The use of survey was be adopted to obtain data from respondents identified from the various target population for the research. The limitation of this study is the concentration on some selected universities and Vodafone Ghana (Head office).

1.6 Definition of Terms

Social media

What is social media? Kaplan and Haenlein (2010, P 60) define social media as "a group of internet-based applications that build on the ideological and technological foundations of web 2.0, and that allows the creation and exchange of user-generated content" . Web 2.0 is a platform on which social media is based (Carlsson, 2010).

Social media can take many different forms including social networks, internet forums, web logs, social blogs, micro blogging, wikis, podcast, pictures, video, rating and social bookmarking (Kaplan and Haenlein, 2010; Webber, 2009). Webber also includes search engines in the definition of social web, and describes them as reputation aggregators with the task of aggregating sites with the best product or service to offer and usually put things in order of reputation (Webber, 2009).

E- Commerce

According to investors words (online dictionary), E-commerce is defined as "the buying and selling of product and services by businesses and consumers through an electronic medium, without using any paper documents".

E-commerce is referred to as the process of buying and selling of product over the internet. E-commerce can be grouped into three categories: business to business or B2B , business to consumer or B2C and consumer to consumer or C2C .

1.7 Organization of the Study

The research study is structured into five chapters namely; chapter one, chapter two, chapter three, chapter four and chapter five.

Chapter one deals with the background of the study which entails introduction, the background of the study, the statement of the problem, the objectives of the study, the significance of the study, the limitations of the study and definition of terms.

Chapter two discusses review of relevant literature of the study by making references to relevant authors whose works relate to our research study.

Chapter three consists of research population techniques, data collection procedures and procedures for analyzing the data.

Chapter four deals with analysis, interpretation and discussion of data collected during the field survey.

Chapter five of the study is looking at a summary, conclusions and recommendations to the research study.

2.1 Introduction

The aim of this literature review is to locate and critique relevant theory relating to the research problem, and identify concepts and themes (Ghauri & Grønhaug, 2005). This chapter will consist of the history of social media, definition of social media, the ecommerce concept, social media and marketing, Social media and branding, the effectiveness of social media in modern business and exploring marketing and strategy

2.2 History of Social Media

In the decade of information systems, social media has played a vital role in transforming business and communications. We believe that the fastest way to grow a business entity is through social media and networking. In 2000, many social networking sites emerged to ease interaction with people that share common interest in music, education, movies and so on. This also affected how businesses conducted their transactions and advertisements, and also their products. It is difficult to study social media without encountering the phrase social networking. Therefore, both concepts are discussed in this article (Webber, 2009).

 The Merriam-Webster dictionary defines social media as "forms of electronic communication (as Web sites for social networking and blogging) through which users create online communities to share information, ideas, personal messages, and other content (as videos)".

The same source defines networking as "the exchange of information or services among individuals, groups, or institutions; specifically: the cultivation of productive relationships for employment or business." There are many ideas about the first occurrence of social media. "Throughout much of human history, we have developed technologies that make it easier for us to

communicate with each other" (Carton, 2009). The earliest information encountered by the writers of this article referred to 1792 and the use of the telegraph to transmit and receive messages over long distances (Ritholz, 2010). Emile Durkheim, a French sociologist known by many as the father of sociology, and Ferdinand Tonnies, a German sociologist, are considered pioneers of social networks during the late 1800s. Tonnies believed that social groups could exist because members shared values and beliefs or because shared conflict. His theory dealt with the social contract conceptions of society. Durkheim combined empirical research with sociological theory. Also, in the late 1800s, the radio and telephone were used for social interaction, albeit one-way with the radio (Rimskii, 2011; Wren, 2004). Social networks have evolved over the years to the modern-day variety which uses digital media. However, the social media is not that new.

Social media, it did not start with the computer but instead the telephone. During the 1950s, phone phreaking, the term used for the rogue searching of the telephone network, began. This process was accomplished through the use of homemade electronic devices that facilitated unauthorized access to the telephone system to make free calls. "Phreaks" were able to find telephone company test lines and conference circuits to complete their task. Brett Borders stated phreaks were able to hack into corporate unused voice mailboxes to host the first blogs and podcasts (Borders, 2010).

During the 1960s, the public saw the advent of email. However, the internet was not available to the public until 1991. Email was originally a method to exchange messages from one computer to another, but both computers were required to be online (Borders, 2010).

Today, email servers will accept and store messages which allow recipients to access the email at their convenience. In 1969, ARPANET, created by Advanced Research Projects Agency (ARPA), a U.S. government agency, was developed. ARPANET was an "early network of time-sharing computers that formed the basis of the internet." CompuServe, the third development of the 1960s, was also created in 1969 with a mission to provide time-sharing services by renting time on its computers. With very high fees, this service was too expensive for many (Rimskii, 2011; Ritholz, 2010).

2.2.1 Computer Technologies

Social media was further developed during the 1970s. MUD, originally known as Multi-user Dungeon, Multi-User Dimension, or Multi-User Domain, was a real-time virtual world with role-playing games, interactive fiction, and online chat. MUD is primarily text based which requires users to type commands using a natural language. BBS(bulleting board system) was created in 1978, the same year as MUD. BBS is a synonym for bulletin board system. Users log in to the system to upload and download software, read news, or exchange messages with others. In the early years, bulletin boards were accessed via a modem through a telephone line by one person at a time. Early on, bulletin boards did not have color or graphics (Ritholz, 2010).

Bulletin boards were the predecessors of the World Wide Web. Conceived in 1979 and established in 1980, the Usenet is similar to a BBS. Usenet is a system to post articles or news. The difference from a BBS is that Usenet does not have a central server or devoted administrator messages are forwarded to various servers via news feeds (Ritholz, 2010).

As a professor at Murray State University in Murray, Kentucky, a project was initiated to work with a BBS to meet area educators needs (Shirky, 2011)With the 1980s came the introduction of The WELL, GENIE, Listserv, and IRC. The "WELL", which originally began as a BBS, is short for the Whole Earth Lectronic Link. It was founded in Sausalito, California by Stewart Brand and Larry Brilliant and is one of the oldest continuously operating virtual communities. GENIE is the acronym for General Electric Network for Information Exchange. It was an online service using the ASCII language and was considered competition for CompuServe. General Electric Information Services (GEIS) ran GENIE on the time-sharing mainframe computers during non-peak hours. GEIS initially refused to expand the network to allow GENIE to grow. Listserv, launched in 1986, was the first electronic mailing list software application. Prior to its creation, email lists had to be managed manually. The software allows the sender to send one email to reach several people. Originally, Listserv was freeware but is now sold commercially. A free version is available for a limit of ten lists with no more than 500 subscribers. IRC, Internet Relay Chat, is designed for group communication. It is a form of real-time chat, also known as internet text messaging, or synchronous conferencing. IRC"s main purpose is for group communication, but it allows private messages, chat, and data transfers between two users (Ritholz, 2010).

2.2.2 Social Networking

Many social networking sites were created in the 1990s. Some examples include Six Degrees, BlackPlanet, Asian Avenue, and MoveOn. These are, or have been, online niche social sites where people can interact, including sites for public policy advocacy and a social network based on a web of contacts model.

 Blogging services such as Blogger and Epinions were created. Epinions is a site where consumers can read or create reviews of products. ThirdVoice and Napster were two software applications created in the 90s that have since been removed from the market. ThirdVoice was a free plug-in that allowed users to post comments on web pages. Opponents of the software argued that comments were often vulgar or slanderous. Napster was a software application that allowed peer-to-peer files sharing. Users were allowed to share music files bypassing normal distribution methods, which in the end was determined to be a violation of copyright laws (Ritholz, 2010).

 In 2000 social media received a great boost with the witnessing of many social networking sites springing up. This highly boosted and transformed the interaction of individuals and organizations who share common interest in music, education, movies, and friendship, based on social networking. Among those that were launched included LunarStorm, six degrees, cyworld, ryze, and Wikipedia. In 2001, fotolog, sky blog and Friendster were launched, and in 2003, MySpace, LinkedIn, lastFM, tribe.net, Hi5 etc. In 2004, popular names like Facebook Harvard, Dogster and Mixi evolved. During 2005, big names like YouTube, cyword, and Black planet all emerged (Junco, Heibergert & Loken, 2011)

2.3 Definitions of Social Media Marketing

Michael Stelzner, the author of Social Media Marketing defined it as, ''Social media marketing refers to the process of gaining website traffic or attention through social media sites''. This implies that Social media marketing programs usually center on efforts to create content that attracts attention and encourages readers to share it with their social networks. A corporate

message spreads from user to user and presumably resonates because it appears to come from a trusted, third-party source, as opposed to the brand or company itself. Hence, this form of marketing is driven by word-of-mouth, meaning it results in earned media rather than paid media.

Social media are distinct from industrial or traditional media, such as newspapers, televisions, and film. They are relatively inexpensive and accessible to enable anyone (even private individuals) to publish or access information compared to industrial media, which generally require significant resources to publish information (Webber, 2009).

Social media technologies includes, blogs, picture-sharing, vlogs, wall posting, email, instant messaging, music sharing, crowd sourcing and voice over IP, to name a few. Many of these social media services can be integrated via social network aggregation platforms like mybloglog and Plaxo (Webber, 2009).

Weber uses the term "social web" instead of social media and defines the social web as "the online place where people with a common interest can gather to share thoughts, comments and opinions. It includes social networks such as Myspace, Gather, Facebook, Blackplate, Eons, LinkedIn, and hundreds more. It includes branded web destination like amazon, Netflix and eBay (Webber, 2009).

It includes enterprise sites such as IBM, Best Buy, Cisco and Oracle. The social web is a new world of unpaid media created by individuals or enterprises on the web and includes:

➢ Social Networks Sites (SNS): The websites where people can build their personal profiles connect and share information with their friends (Mayfield, 2008). The most popular social network websites are Facebook, LinkedIn and MySpace.
➢ Wikis: Wikis allows people to add and edit information and create an online database (Mayfield, 2008). Such like Wikipedia.
➢ Podcasts: The websites, which offer audios and videos subscription services to users (Mayfield, 2008). ITunes is the most popular podcast platform.
➢ Forums: Forums are the online discussion places where users create and discuss specific topics (Mayfield, 2008).

- ➢ Reputation aggregated: search engines such as Google, Yahoo!, Ask and Live. The aggregate site with the best product or service to offer and usually put things in order of reputation (Webber, 2009).

- ➢ Blogs: online journals where people can post ideas, images, and links to other web pages or sites. Some appear on personal or corporate sites, while others are hosted on Blogger, BlogHer (for women), Weblog, Tumblr, and other blogging sites (Webber, 2009).

- ➢ Topic-specific e-communities are generally advertising supported all though some are free. Hewlett Packard for example has communities on it websites, and there are communities' involving sports such as kayakMind for people who enjoy kayaking. Password-protected e-communities are growing especially quickly (Webber, 2009).

2.4 The Difference between E-commerce and E-business

Many use the terms electronic commerce (e-commerce) and electronic business (e-business) interchangeably. For the purpose of our study, I seek to differentiate the two. Allen and Fjermestad (2000) suggest that e-business tends to be used as a more general term to describe the use of the internet or any type of electronic mechanism to conduct an organization's business processes. This definition implies that e-business is a term used to describe utilizing internet technologies to improve the productivity or profitability of a business. Andam (2003) describes e-commerce as on-line trading. In other words, e-commerce consists of the buying and selling of products or services over electronic systems such as the internet and other computer networks.

Kalakota and Robinson (1999) argue that e-business is the function of deploying technology to maximize customer value while e-commerce is the function of buying and selling over digital marketing.

 Kenneth and Traver (2003) expand his definition arguing that e-commerce encompasses digitally enabled commercial transactions between and amongst organizations and individuals while e-business refers primarily to the digital enablement of transactions and processes within a firm, involving only the information systems under the control of the firm.

In a summary e-business is a super-set of e-commerce. This implies that incorporating e-commerce into a company's flow would transform the company into an e-business. E- Business thereby can be broadly defined to encompass all internal and external electronically based activities and processes.

Bakos (1998) summarizes e-commerce as part of e-business which focuses on the electronic commercial transactions between and amongst organizations and individuals. In this research we are interested in business-to-business (B2B) and business-to-customer (B2C) e-commerce.

2.4.2 B2B and B2C E-commerce

Fruhling and Digman (2000) argue that B2B e-commerce is a way for business to create value by alignment with factors which include customers, suppliers, and employees among other factors. Andam (2000) defines B2B e-commerce simply as e-commerce between companies. He further argues that this type of e-commerce deals with relationship between and among businesses.

Types of business-to-business electronic commerce applications include: electronic data interchange, electronic funds transfer, electronic forms, integrated messaging, and shared databases. Business-to- business processes provide sharing of data and increased information access through corporate extranets.

B2C e-commerce involves customers gathering information; purchasing physical goods or information goods which are goods of electronic material or digitized content, such as software, or e-books (Andam, 2000).

2.4.3 The Benefits of E-commerce

E-commerce presents a number of opportunities for business organizations and individuals alike. Metzger (2004) suggests that e-commerce companies have a widened market base. The wide market base gives the companies an opportunity to grow at very low costs. Hoffman et al (2004)

contend that there are distribution, marketing and operational benefits that can be realized from e-commerce.

In other words e-commerce can bring about a reduction in distribution costs through the elimination of intermediaries. Since online transactions involve very little costs e-commerce can also bring about a reduction in transaction costs (Kiggundu, 2002).

Internal and external processes can also be integrated to lower transactions costs. As worldwide companies are adopting more collaborative relationship with key suppliers in product development, key business process now require cross-functional information sharing on a wide range of issues (MClvor, Humpreys & McAleer, 2000). This means that firms can utilize e-commerce to expand distribution channels at lower costs. According to MClvor et al (2000), these low costs can be achieved through the reduction of clerical procedures and paper handling.

E-commerce can also accelerate ordering, delivery and payment for goods and services while reducing operating and inventory costs.

Schaeffer (2003) argues further that e-commerce dramatically reduces the time for information search and transaction for buyers and sellers. The important point here that e-commerce transcends geographic and time boundaries. Since time is saved, this has cost saving implications. However, geographic and legislative constraints continue to present significant barriers to the distribution of goods and services in practice. Even though such constraints exist, personalized product offerings combined with free market access provide the customer with a wider availability of hard-to-find products. Added to this wider selection of items, customers can test products online before a decision is made to purchase (Karavdic, 2002)

Lumpkin, Drogee and Dess (2002) argue that even though the internet makes possible new opportunities for strategic success, ignoring business fundamentals and basic financial requirements results in business losses. According to this line of argument many e-commerce companies have been unsuccessful at making a profit due to heavy spending on mass marketing, intensive price competition, and lowered customer's search and switching costs. De Figueiredo

(2000) stresses this argument, contending that increased customer power and lowered entry barriers due to the internet can heavily lower a company's profitability.

2.4.4 How the Internet affects E-commerce

Zwass (1998) argue that popularity of the internet for e-commerce is unquestionable. Schaeffer (1999) contends that this popularity emanated from the fact that the internet offers a channel where buyers and sellers are able to complete transactions cheaply, instantaneously and anonymously whilst overcoming geographic and time barriers.

He contends that it provides a channel to remove multiple layers of middlemen by bringing companies and their customers and suppliers together directly and cheaply (Schaeffer, 1999). As such, e-commerce is thereby expected to widen markets and lower transaction costs.

2.4.4.1 Positive Effects on a Business

Shingh (2003) contends that the internet enables a company to expand its market reach. Jensen (1999) agrees and contends that a little company is able to utilize the internet to reach markets far beyond its traditional vicinity while also gaining access to markets beyond its current customer base. Given this advantage to small companies, Jensen (1999) further argues that small companies can also have greater visibility against large companies and hence a chance to level the playing field to some extent.

Schaeffer (2003) adds to the debate that on the internet each company is reduced to the common size of the customer's browser window. While creating the original web presence may not be expensive, the cost of subsequent maintenance is minimal (Schaeffer, 2003).

Jensen (1999) argues that the internet provides cost advantages for businesses in being able to update information, post features, and simply maintain a site that is perennially current at a

minimal cost and time lag. These features stated by Jensen (1999) combine to generate greater presence within the present target market while gaining a greater component of their mind share.

Schaeffer (2003) further agrees that one of the greatest benefits of doing business online rests in its ability to promote relationship building with customers and partners. Straub (2001) contends that the internet is unmatched in its ability to increase responsiveness.

Examples of this responsiveness are clearly visible in companies such as Dell, UPS, and FedEx that now allow both partners and consumers to check various facets of their transactions directly by logging onto their web sites (Straub, 2001). This interconnectedness comes at a lower cost and on demand thus, providing a more efficient method to respond to customer needs and wants.

Straub (2001) agrees with Schaeffer (2003) that the internet provides the benefits of shared information that can be enjoyed by organizations of all sizes big or small at a fraction of the cost. Straub (2001) argues that access to real-time data enhances efficiency, which improves productivity, and profitability. Schaeffer (2003) further contends that the nature and content of information that can be shared has broadened in scope. He states that the multi-media nature and real time capabilities of the internet are fostering an environment that is conducive for relationship building.

The blossoming and adoption of the internet has seen businesses realize enormous cost savings by moving a myriad of service online. The range of business areas positively impacted are vast, from customer service centers, online tracking of packages, to online brokerages, the list is endless. Berryman, Harrington, Rodin and Renolle (1998) contend that the ability to digitize offerings and provide products or services on demand has lead business to realize two allied goals of enhanced service at a reduced cost of product, support, and service. The above information strongly suggests that the internet can also be used to gain competitive advantage through linkages with suppliers which will cut costs.

2.4.4.2 Negative Effects to a Business

Given the above potentials of e-commerce, there are a number of challenges as e-commerce takes root as a business tool. Schaeffer (2003) argues that e-commerce is limited to the transmission of information that can be interpreted by two of the five senses alone namely sight and sound. As such the internet is unable to communicate taste, smell and feel.

Wigand et al (2004) argue that there are possibilities of reduced profits as competition intensifies. In agreement Straub (2001) states that e-commerce tends to reduce entry barriers as there are very little and sometimes no setup costs required to setup an internet based business. Straub (2001) further states that companies involved in e-commerce lose their bargaining power and this tends to reduce the companies' ability to push their products thus driving down profits.

The UNCTAD Report (2002) states that one of the major challenges facing companies doing business in an e-commerce environment is the issue of security.

The problem is generally about how to address the issue of security while preserving the benefits and ease of use of the internet and its open nature. According to the UNCTAD Report (2002) possibilities of fraud abound on the internet for both the buyers and the sellers. Another challenge that may be faced by internet based companies is the issue of costs especially in relation to network access. Network access providers may monopolize access and change premium charges for network access (UNCTAD Report, 2002).

2.5 Social Media and Marketing

According to Weber, marketing to the social web means to adopt a completely new way of communicating with an audience in a digital environment. Instead of continuing as broacasters, marketers should become aggregators of customer communities. It is not about broadcasting marketing messages to an increasingly indifferent audience. Instead, when marketing to the social web marketers should participate in, organize and encourage social networks to which people want to belong. Rather than talking at customers, marketers should talk with them (Webber, 2009).

The task of aggregating customers is done in two ways: by providing compelling content on your web site and creating retail environments that customers want to visit and by going out and participating in the public arena (Webber, 2009).

Marketing to the social web is not only for the largest multinational corporations; It may be smaller and more effective, argues Webber (2009) for a relatively small or medium-size company to take maximum advantages of the social media.

Also the way of segmenting changes radically with the advent of the social web. Demographics like gender, age, education and income, lifestyle factors have become less relevant, and what really counts is segmenting according to what people do and feel their behaviour as well as their attitudes and interests. The goal for the marketer is to identify groups of customers within the larger market that can be reached and affected through the marketing (Webber, 2009).

Harris and Rae (2010) have looked at the role of social networking in establishing an integrated marketing strategy. They argue that online communities have evolved considerably since the early days of news groups and chat rooms. For example Cisco has put forward a customer community which allow customers to help themselves to technical support information via web communities. After Cisco put the technical support function online, customers began to compete with each rother to answer queries that had been posted with similar interests who will trust and act upon the recommendations of others in the group.

Harris and Rae claim that business are recognizing the potential of generic online social networking such as Facebook and Myspace for the development of their brands ad to build relatiomships with key customers, but that is a very recent trend in the UK (which the data comes from) and that is difficult at this stage to draw conclusions on how successful companies have been in using social networks in the marketing work (Harris & Rae, 2010).

2.6 Social Media and Branding

Webber (2009) compares the traditional way of looking at brand equity in terms of brand recall and points to that in the era where social network have become an important media channel, brand equity is a living thing and should be measured not in terms of brand recall but by dynamic measures such as customer word of mouth.

A strong brand ought to be based on the dialogue you have with your customers and prospects- the stronger he dialogue- the stonger the brand. The social web allows companies to have these kinds of dialogues more efficiently and less expensively than in the past (Webber, 2009).

Webber (2009) view on how the blog should be used as a marketing tool, is that through this means of comunication it is not possible to control your message. But you can present your view on a specific matter, and by that you are able to become part of the conversation. Blogs can be used for different reasons, for small start-up companies, to have a blog is a way for an executive in the firm to talk about the industy.

2.7 The Effectiveness of Social Media in Modern Business

According to Mirzaei1, Jaryani, Aghaei, Salehi, Saeidinia Management and Science University, Kuala Lumpur, Malaysia are of the view that due to the internet, a key happening across industries today is the emergence of a global marketplace just a mouse click away. Since the advent of the internet, the number of companies using e-services continues (Masoomeh, Shahbazi & Moghadam, 2011).

Optimistically in these days, the greater parts of people have access to the internet and some of them use it in their transactions. The Internet as a global medium is quickly gaining interest and attractiveness as the most revolutionary marketing tool. The global nature of communication and shopping has been well redefined, seeing that it is the perfect vehicle for online shopping stores (Salehi, 2012).

The methods of communicating among people have changed appearances in conducting business among the other nations. Customers can find their needs, neither wasting time nor wasting cost, just with a quick click and use an internet search engine (Salehi, 2012). By developing countries and technology, many new concepts and instruments have been created. Among these issues the role of computer, internet and e-commerce is highlighted.

To increase the speed of trading and many other factors, investigating and exploring the main factors will contribute immensely to researchers to better analyze market, organization structures, and success's methods (Manafi & Aghaei, 2011).

In recent years, a number of businesses have been increased by using electronic media in their advertising efforts giving the possibility for electronic marketing to develop in a very remarkable and active way. They further go on to say, there is a new type of marketing which marketers use to operate the new factors like electronic media, digital technology and internet to get to their business goals is electronic marketing. Email Marketing is a form of direct marketing which utilizes electronic means to deliver commercial messages to an audience (Salehi, 2012) that it is one of the oldest and still one of the most powerful of all E-marketing tactics.

Email marketing allows people to do both that an excellent email marketing campaign which can help people:

- ➢ Enhancing " Sales Conversion "
- ➢ Cross-sell and up-sell goods and services, Introduce the new goods or services while update by email
- ➢ Get important opinion from visitors, adapt to the market needs of customers and improve business by using email as a feedback tool
- ➢ Make offline purchases by driving web users; if we run a conventional offline business we can use email marketing to drive foot traffic through the door.

2.8 Exploring Marketing and Strategy

Since this study seeks to identify the impact of social media on E-commerce, this section begins by exploring strategy and examines the importance of organizational effectiveness and efficiency. It then explores marketing strategy in organizations, and ends with a choice of marketing paradigm.

2.8.1 What is Strategy?

"Strategy is the route to achievement of specific objectives and describes how objectives will be reached", (McDonald, 2007, p.298). Porter (1987) argues that a company has two levels of strategy: Organizational strategy and business unit strategy. The latter seeks to create a competitive advantage whilst the former's roles are to define what business (es) the firm should compete in, and how the business units should be managed as a whole.

Competitive strategy theory (Porter, 1980) broadly states that firms can follow a cost leadership strategy (low prices, standard product), or a differentiated strategy (added value, higher price). In a further article entitled 'What is Strategy?' described as 'seminal' by various authors (Prasad, 2010; Rukstad, 2008). Porter (1996) set out a range of ideas which set a benchmark for the understanding of competitive strategy. Porter states that "strategy is the creation of a unique and valuable position" that is obtained by carrying out a set of activities that are different from the competition (Porter, 1996, p.68). Strategy is also about making trade-offs when competing, and "creating fit among a company's activities" (p.75). Strategic fit creates competitive advantage.

Piercy (2002) seems to agree:

Strategy is about competitive advantage through differentiating against the customer's alternatives, continuous innovation to sustain that advantage and organizing to achieve 'fit' in maintain the advantage (p.276).

2.8.2 Effectiveness and Efficiency

Wilson and Gilligan (2005) argue that in the UK those organizations that are inward-looking are adopting the wrong approach to strategy. By making themselves more efficient e.g. cutting costs, instead of more effective e.g. achieving strategic goals such as a competitive position, they threaten their own survival. Brennan et al (2008) distinguish between effectiveness – "doing the right things" (p.13) and efficiency "doing things right" (p.14). They assert that organizations must seek to achieve both since an absence of either can threaten long-term survival.

For Porter (1996), operational effectiveness includes, but is not restricted to, efficiency and means "performing similar activities better that rivals" (p.62). For him, success is all about adopting a

strategic position and either "performing different activities from rivals or performing similar activities in different ways" (p.62).

2.8.3 Impact of the Internet on Strategy – A Model for Web 2.0?

Porter considered the impact of the internet on strategy and how it might inform as to Web 2.0's likely impact. Porter (2001) states that many people thought that the internet would make strategy redundant, but argues that the reverse is true.

He is critical of those who thought that the internet would provide first-mover advantage it did not as switching costs were lower, not higher and the promised benefit of network effects did not materialize at first. The latter has now been realized e.g. eBay (Kumar, 2004).

The web, the 'third knowledge revolution' after printing and broadcasting, has either eroded or nullified competitive advantage traditionally enjoyed by firms (Wilson & Gilligan, 2005) or any advantage that it might have offered is neutralized by its mass adoption by companies (Porter, 2001). Piercy (2002) suggests that "strategy is redundant" (p.206) because of the speed of change brought about by the internet. As a consequence of the web, we should "redefine strategy as the art of surviving rapid transition" (Evans & Wurster, 2000; Piercy, 2002, p.206).

2.8.4 What is Marketing Strategy?

There are a wide range of definitions of marketing strategy which suggests little consensus amongst scholars. Dibb et al (2006) state that it is: the selection of which marketing opportunities to pursue, analysis of target market(s), and the creation and maintenance of an appropriate marketing mix that will satisfy those people in the target market(s) (p.20).

In the Author's view, although this definition aligns with the marketing concept, it seems to give marketing strategy a tactical emphasis. 'Old' hierarchy structure 'New' hierarchy structure Source: Chakravarthy and Henderson(2007, p.650).That of Webster (1997) is similar but considers the environment as well: Marketing (strategy) seeks to develop effective responses to changing market

environments by defining market segments and developing and positioning product offerings for those target markets (Webster, 1997; Hooley et al, 2008, p.8).

But neither of the above definitions mention value, suggesting something is missing because the essential idea of marketing is to create value (Sheth & Uslay, 2007; Doyle, 2008), a theme which features throughout this study.

Doyle (2008) defines a value-based marketing strategy as "a set of coherent decisions about the firm's approach to the market, which aims to maximize shareholder value" (p.189). He offers that "businesses not offering value to customers are seeing their market shares eroding at accelerating rates" (p.12). Cravens and Piercy (2009) include value for the customer, instead of shareholder value: Marketing strategy seeks to deliver superior customer value by combining the customer-influencing strategies of the business into a coordinated set of market-driven actions (p.13).

In reality value is now jointly created between the customer and the producer (Prahalad & Ramaswamy, 2004; Payne et al, 2008). However, Day et al (1990) and Sudharshan (1995) conceive that the focus of marketing strategy is generating a competitive advantage for the organization (Varadarajan & Jayachandran, 1999). From these definitions it is clear that for some academics marketing strategy is a practical process that ensures the right products are served to the right markets, whilst others place it on a higher strategic plane and consider that it is about achieving value, even having a specific role of providing a competitive advantage.

2.8.5 Values Marketing as the Marketing Paradigm

Numerous scholars assert that relationship marketing has been displaced as the current paradigm (Wilson &Gilligan, 2005; Piercy, 2002; Kotler, 2008). However, there is no consensus amongst academics on the replacement marketing paradigm (Egan, 2008). However, based on his reading, i choose Value marketing as the current paradigm. This is not controversial, value is a universal requirement and need, and as shown above, seeking it is the objective for marketing and marketing strategy, making it the logical choice.

Additionally, there is strong support for it by many academics. Value is also strongly associated with co-creation, innovation and engagement, key properties of social media. For practical support

for this new paradigm, Coca Cola talks now about 'value marketing' and not 'brand marketing' (Piercy, 2002).

2.9 The Relationship between use of Social Media and Customer Relationship

This section will explore social media, the form of social media, e-commerce and customer relationship management.

2.9.1 Social media

There is still no widely accepted definition of social media. According to Constantinides and Fountain (2007), social media is often interchanged with the term of Web 2.0. While Web 2.0 is described as:

"A collection of open source, interactive and user controlled online applications extending the experiences, knowledge and market power of the users as participants in business and social processes.
Web 2.0 applications support the creation of informal users' networks facilitating the flow of ideas and knowledge by allowing the efficient generation, dissemination, sharing and editing/refining of informational content" (Constantinides & Fountain, 2007).

Web2.0 applications gradually changed the market power structures, which produced more benefits to the consumer than to the company (Constantinides & Fountain, 2007). However, SpannerWorks (2007) claim that Web 2.0 is a broader description of online applications, while social media is only the social aspect of Web 2.0 applications. Bruns and Bahnisch (2009) further defined social media as: "Websites, which build on Web 2.0 technologies to provide spare for in-depth social interaction, community formation and the tackling of collaborative projects."

On the other hand social media is also referred to as consumer-generated media (CGM), which emphasizes the power of consumers. Consumer-generated media (CGM) is produced by consumers, which offers the non-commercial, detailed, consumer self-experiential information through word of mouth without access boundaries (Yoo & Gretzel, 2011).
According to Blackshaw and Nazzaro (2004), consumer-generated media is defined as:
The media that describes a variety of new sources of online information that are created, initiated, circulated and used by consumers intent on educating each other about products, brands, services, personalities and issues

According to Shao (2009), the common activities of an individual, which is performed through social media, are consuming, participating and producing content. Consuming information, which is displayed by social media, is the primary behaviour. Also, individuals like to participate in the social media that interact with other users. Furthermore, they may create information on social media, such as upload pictures or video. Also, since social media is a big content and these is still no specific definition, we will use the definition of consumer-generated media (CGM) when we are referring to social media in this case.

Mayfield (2008) summarized that social media is characterized by participation, openness, conversation, community, and connectedness. Participation shows that social media enables everyone to be a content creator and it blurs the line between media and user. Most social media applications have the openness that allows and encourages users to give feedback, comment and share information on it with few barriers. Unlike the one-way information transmission of traditional media, such as broadcasts, social media is a two-way communication tool that promotes conversation among users. Social media enable communities to form quickly and effectively communicate. The community is a platform where people share their common interests. The last feature of social media is connectedness. There has some connection between various social media forms.

The Form of social media

Mayfield (2008) suggested that it's easy to understand social media as a group of new kinds of online media. Social media consists of a large range of word-of-mouth online forms (Huffaker, 2006) and the new form is continuing to emerge. In 2008, the common social media forms were: blogs, forums, content communities, virtual worlds, wikis, podcasts, social networks and Microblogs (Karjaluoto, 2008; Mayfield, 2008). In 2010, media sharing sites, social bookmarking and voting sites and review sites appeared as the new social media forms (Zarrella, 2010).

According to Li and Bernoff (2008), the various social media forms have been classified into six basic categories based on the different user activities. Creating information (e.g. Blogs), connecting with others (e.g. SNS), collaborating (e.g. Wiki), reacting to each other (Forums), organizing (e.g. Tag), consuming (e.g. RSS) are the most common activities.

In 2010, Mckee (2010) proposed the Social Trinity Model, which describes the three main using purposes of the most common used social media applications. The three main purposes are networking, conversation and community.

2.9.2 E-commerce: The Role in Customer Relationship

E-commerce has developed rapidly in recent years and will continue growing in the future (Karakaya & Shea, 2008). But until now, there still has not been a single definition of e-commerce. According to the Organization for Co-operation and Development (OECD), e-commerce has been identified as using information technology and electronic processing to conduct commerce activities.

From the view of Beynon-Davies (2004), e-commerce is the use of information and communication technologies (ICT) to enable all trading activities, in the phases of pre-sale, sale execution, sale settlement and after sale.

According to Song and Dong (2010), the transaction of information, products and services can all be seen as e-commerce. However, Turban et al (2002) argued that e-commerce is not only a transaction via Internet, but also associated with customer servicing and partners collaboration. Also, Lawrence (2000) referred to e-commerce as a group of networks, which are open to everybody and include the internal and external relationship of a company.

Companies that adopt e-commerce can be motivated by different reasons. In the e-commerce research area, most researchers explore the motivations form the customers' perspective (Karakaya & Shea, 2008). E-commerce can contribute to enhancing the relationship between a company and its customers from both a short-term and a long-term perspective.

Karakaya and Shea (2008) explored nine motivators and classified them into two categories, which are short-term productivity and long-term company competitiveness. In the short-term, e-commerce improves customer service. Also, companies may generate long-term benefits by adopting e-commerce, which meets the online shopping demands of customers (Karakaya & Shea, 2008). Rajaobelina and Bergeron (2009) suggested that long-term customer relationships could be regarded as an important business asset of a company. Now, many e-commerce companies are treating people as a critical factor of their business and becoming more people-oriented (Song & Dong, 2010).

2.9.3 Customer Relationship Management

Since e-commerce is a transaction channel as traditional commerce, a well-managed customer relationship is required. Ma et al (2009) argue that customer relationship management is a key component of e-commerce.

E-commerce companies need to find their target customer segments and adopt an appropriate customer relationship management strategy to attract and keep customers (Cao & Ye, 2007).

Singh et al (2008) also claimed that the customer plays the central role in the relationship between customer and company, and it is becoming more active in the relationship building process.

According to Lang et al (2002), customer relationship management (CRM) is a business philosophy that touches upon many independent parts of the organization. To enhance customer acquisition and increase customer satisfaction, it is necessary to develop a customer centric business model, which links all relevant departments around Sales, Marketing and Services. Richards and Jones (2008) claimed that customer relationship management is management of mutually beneficial relationships from the seller's perspective. While Rigby et al (2002) describes that CRM puts customer strategies into business process, which improves customer loyalty.

There are many different expressions about customer relationship management and for different organizations, CRM turned into different concepts. However, they can be summarized into two main categories: customer relationship management strategy and customer relationship management software. From the strategy point of view, CRM is a customer-driven business strategy, which aims to attract new customers and keep old customers (Wang & Feng, 2010). Also, Hurwitz Group argued that customer relationship management contributes to improving the business process, like sales, marketing and customer service, which are all related to the customer (Wang & Feng, 2010). From the software point of view, CRM is one kind of system, which relies on information and communication technologies (ICT) to help a company manage its customers. CRM can be regarded as an instrument that organizations use to manage customer relationships, customer needs, customer access information and the purchased products (Customer Relationship Management, 2006).

3.0 Methodology

Research methodology is the theory of how research should be undertaken (Saunderset al, 2009) and is very philosophical in nature (Fisher, 2007), involving both the social and natural sciences (Bryman and Bell (2007). For clarity, the term methods refer to techniques and procedures used to obtain data (Saunders et al, 2009).

This chapter will present the methodology to be employed for data gathering as well as the relevant statistical analytical tools that will be employed for analyzing the survey results gathered during the study.

3.1 Type of Research

In this study, descriptive survey is employed since it is the role of social media as a platform for e-commerce. Essentially, it is aimed at establishing the status of the subject or phenomena under examination. According, to Seidu (2006), "A descriptive survey is an organized study that analyzes, interprets and reports the present status of an organization, institution, community or school". Fraenkel and Wallen (2000) believe that descriptive survey is versatile and practical especially to the administrator. "A descriptive research indicates how the research is to look and summarizes the general nature of the data obtained" (Furlong et al 2000).

The study qualifies to be an exclusively descriptive study because it gave a fair description of the concept of social media and e-commerce in the world presently, the benefits of social media, its implementation and profitability to firms, convenience of customer buying via electronically and the various perceptions held by most renowned marketers.

3.2 Population

The target population for this research study is Vodafone Ghana (Head Office), Vaasa University of Applied Science and students in Vaasa. The entire population for the study is three hundred (300). The sample size is one hundred (100) comprising of eighty (80) university students and twenty (20) marketing employees of Vodafone Ghana. I believe the sample represent a cross-section of the total population who are information technology inclined to best understand and answer the questionnaire. The population of the study is a section of students on the various campuses and employees of Vodafone Ghana (Head Office).

3.3 Sample and Sampling Technique

According to Furlong et al (2000), "A sample population is a subset of the entire population, and inferential statistics is to generalize from the sample to the population". Hundred respondents (100) were selected out of the population as the sample. Convenience sampling technique was employed to obtain data from the university students.

Also, the purposive sampling technique was employed to obtain data from employees of Vodafone Ghana (Head Office), also known as judgemental sampling which enabled the researchers to use their judgement to select respondents that best answered the research questions and met the research objectives.

3.4 General Information on Sample Firm

Vodafone Ghana, formerly Ghana Telecom, is the national telecommunications company of Ghana. In 2006, it had around 400,000 customers for fixed and mobile telephony and Internet services.

On 3 July 2008, the sale of the company for $900 million to Vodafone group was announced. After the transaction closed, Vodafone had a 70% stake in the company, while the Ghanaian government retained a 30% stake. On 16 April 2009, the company was rebranded as Vodafone Ghana.

Painting the World Red

Our brand is one of the strongest and most identifiable things about us. In fact, we're one of the most widely-known brands across the world.

But what is a brand? It's not just our logo, or advertising, or the events sponsored.

Our Values

- ➢ From speaking to, and most importantly listening to, our people we've consistently found three things sum up what we're all about:
- ➢ Speed - We are focused on speed to market. We relentlessly prioritize and pursue the outcomes that matter to our business.
- ➢ Simplicity - We make things simple for our customers, partners and colleagues.

➢ Trust - We are reliable and transparent to deal with. We deliver for others, and trust others to do likewise.

3.5 Data Collection

This section presents the type of data, source of data, instrument for data collection, instrument validity and instrument structure to meet research objectives.

3.5.1 Type of Data

The quantitative type of data is used in this research. Quantitative data involves numerical data that could be quantified to help answer research questions and can be analyzed by using graphs and charts.

3.5.2 Source of Data

The source of data used is primary data. Primary data is data collected purposely for a particular reason or study (Saunders, 2009). Primary data used was gathered from questionnaires that were administered to the selected sample.

3.5.3 Instrument for Data Collection

The main research instrument used is a questionnaires which included close-ended questions and open-ended questions. Close-ended questions are to provide the respondents with alternative answers to choose from whilst open-ended questions gave respondents the freedom to express their thoughts. A Questionnaire is preferred because of the ability to compare the responses and express them in statistical formats like charts and also to allow respondents to respond at their own leisure time, and also not to be under pressure.

3.5.4 Instrument Validity

Instrument validity is the extent to which an instrument measures what it is supposed to measure. Thus the researchers ensured that all instruments used were designed in line with the objectives of the study. The use of questionnaires is one of the dependable tools used for extracting data from selected respondents for the study. Questions is designed in a manner to ensure understanding by the respondents. To further ensure the validity of the instrument a pilot study was conducted.

3.5.5 Instrument Structure to meet Objectives

The questions asked are structured specifically to meet the objectives of the study as well as the research problem. Two different questionnaires were structured to meet the research objectives. One was designed specifically for students to meet objective one of the research whilst the other was structured specifically for employees of Vodafone Ghana (Head office) to meet specifically objective two and three of the research objectives.

3.6 Procedure for Data Collection

Questionnaires were gathered and sent to the Case company and Students residing in Vaasa

3.7 Method of Data Analysis

Quantitative data analysis is done using Statistical Package for Social Science (SPSS). Frequency distribution and percentages are used for the quantitative data analysis. It was used to determine the proportion of respondents who chose the various responses. This was done for each of the relating research questions. The proportions are to show the diverse views of respondents on the various sub issues. Tables, charts and graphs are employed also to ensure easy understanding of the analysis.

4.0 ANALYSIS, FINDING AND DISCUSSION OF DATA

The focus of this chapter is to analyze the field data and examine the findings in light of the objectives of the study. Since data collected for the study was only quantitative, the survey was coded for the analysis.

4.1 General Information

This section provides the results of the various levels of the respondents.

4.2 The Awareness and Usage Patterns of Social Media Tools to Users

Table 4 shows the various levels of respondents.

Table Level

YEAR	Frequency	Percent
1ST	11	14.3
2ND	25	32.5
3RD	12	15.6
4TH	29	37.7
Total	77	100.0

From Table 4 it can be concluded that majority of the respondents with a percentage of thirty-seven point seven (37.7%) are in their Final year of study. The Second largest group of respondents are those in second year with a (32.5%).

 Lastly, we have respondents in their first year constituting a small group with (14.3%) and (15.6%) respectively.

The table below shows the usage of internet in a day.

Table 4.2: Frequency of Internet Usage

Variable	Frequency	Percent	Cumulative Percent
1-2 times a day	10	13.0	13.0
3-4 times a day	14	18.2	31.2
5-6 times a day	16	20.8	51.9
more than 6 times a day	37	48.1	
Total	77	100.0	100.0

From Table 4.2 majority of the respondents with(48.1%) tend to use the internet more than six times in a day. Also, it was noticed (20.8%) use the internet 5-6 times in a day, (18.2%) also said they used the internet 3-4 times in a day, while (13.0%) tend to use the internet 1-2 times in a day. It can be concluded that most of the respondents use the internet more than six (6) times in a day.

The table below shows the duration spent on surfing the internet.

Table 4.3: Duration spent on the Internet Surfing

Variable	Frequency	Percent	Cumulative Percent
Less than 30 mins	19	24.7	24.7
An hour	37	48.1	72.7
2hrs and above	21	27.3	
Total	77	100.0	100.0

Table 4.3 shows that (48.1%) tend to spend an hour during a session, (27.3%) said they spend more than two hours (2hrs) in a session. Lastly, (24.7%) spend less than thirty (30) min in a session. It was concluded that most of the respondents spend an hour surfing the internet in a session.

The table below shows the various purposes for internet usage.

Table 4.5: Main Purpose for Internet Usage

Variable	Frequency	Percent	Cumulative percent
Academic	39	50.6	50.6
Business	12	15.6	66.2
Lifestyle	26	33.8	
Total	77	100.0	100.0

Table 4.5 shows that (50.6%) tend to use the internet mostly for academic purposes. Respondents constituting (33.8%) indicated that they use the internet mostly for lifestyle, while, (15.6%) use

the internet for lifestyle purposes. Based on Table 4.5 it can be concluded that most of the respondents use the internet mostly for academic purposes.

The table below shows the awareness of online shopping sites.

Table 4.6: Awareness of Online Shopping sites

Variable	Frequency	Percent	Cumulative Percent
Yes	72	93.5	93.5
No	5	6.5	
Total	77	100.0	100.0

Table 4.6 shows that (93.5%) are aware of online shopping sites.

The table below shows the number of respondents that shop online.

Table 4.7: Online Shopping

Variable	Frequency	Percent	Cumulative Percent
Yes	23	31.2	31.2
No	51	68.8	
Total	77	100.0	100.0

Table 4.7 shows that (66.2%) of the respondents do not shop online. Even thou, they are aware of online shopping sites.

The table below shows who invited respondents to join the social network.

Table 4.8: Invitation to Join Social Network

Variables	Frequency	Percent	Cumulative Percent
Friends	52	67.5	67.5
Relatives	11	14.3	81.8
Colleague	6	7.8	89.6
Lectures	1	1.3	90.9
Family	7	9.1	
Total	77	100.0	100.0

Table 4.8 (67.5%) were invited by friends to join the social network; (14.3%) were invited to join the social network by their relatives.

Also respondents constituting (9.1%) were invited to join the social network by their families; (7.8%) by their colleagues.(9.1%) were invited by family while (1.3%) by lecturers. We concluded based on the statistics in Table 4.8 that most respondents were invited by their friends to join the social networks.

The table below shows how frequently Facebook is used.

Table 4.9: The Frequency of Facebook Usage

Variable	Frequency	Percent	Cumulative Percent
Daily	43	55.8	55.8
A few times a week	14	18.2	74.0
Once a week	3	3.9	77.9
A few times a month	11	14.3	92.2
Once a month	4	5.2	97.4
Never	2	2.6	
Total	77	100.0	100.0

Table 4.9 shows that (55.8%) use Facebook daily. We believe if firms also communicate to their customers through this social network "app" it will be an effective medium to reach their target audience.

The table below shows how frequently Google+ is used.

Table 4.10: The Frequency of Google+ Usage

Variable	Frequency	Percent	Cumulative Percent
Daily	38	49.4	49.4
A few times a week	17	22.1	71.4
Once a week	7	9.1	80.5
A few times a month	3	3.9	84.4
Once a month	3	3.9	88.3
Never	!> 9	11.7	
Total	77	100.0	100.0

From Table 4.10 it can be seen that majority of the respondents constituting a percentage of (49.4%) use Google+ daily.

The table below shows how frequently LinkedIn is used.

Table 4.11: The Frequency of LinkedIn Usage

Variable	Frequency	Percent	Cumulative Percent
Daily	10	13.0	13.0
A few times a week	3	3.9	16.9
Once a week	10	13.0	29.9
A few times a month	8	10.4	40.3
Once a month	5	6.5	46.8
Never	41	53.2	
Total	77	100.0	100.0

Table 4.11 shows that majority of the respondents constituting (53.2%) never use LINKEDIN. Thus, we concluded that it will not be effective for firms to reach their target audience through this social network "app" alone.

The table below shows how frequently Twitter is used.

Table 4.12: The Frequency of Twitter Usage

Variable	Frequency	Percent	Cumulative Percent
Daily	20	26.0	26.0
A few times a week	8	10.4	36.4
Once a week	10	13.0	49.4
A few times a month	10	13.0	62.3
Once a month	5	6.5	68.8
Never	24	31.2	
Total	77	100.0	100.0

From Table 4.12 it can be seen that majority of the respondents constituting (31.2%) never use Twitter. Thus, we concluded that it will not be appropriate for firms to reach their target audience through this social network "app" alone.

4.3 Establishing if Social Media has Reduced Firm's Operating Cost

This section provides the results of various respondents view on whether social media has reduced firm's operating cost.

4.1: General Information

This section provides the results of the various academic qualifications of respondents and the number of years they have worked with the firm.

The table below shows the various academic qualifications of sampled respondents.

Table 4.14: Academic Qualifications

Variable	Frequency	Percent	Cumulative Percent
HND/DIPLOMA	6	30.0	30.0
First Degree	9	45.0	75.0
Masters	5	25.0	
Total	20	100.0	100.0

 Table 4.14 indicates that all respondents have had some level of education. (45.0%) being first degree holders, (25.0%) being Masters Holders and (30.0%). It can be deduced that for one to be part of the marketing team of Vodafone Ghana, that person should at least have a minimum requirement of first degree.

The table below shows the number of years respondents have been with the firm.

Table 4.15: Number of Years with the Firm

Variable	Frequency	Percent	Cumulative Percent
1-4yrs	6	30.0	30.0
5-9yrs	12	60.0	90.0
10yrs and above	2	10.0	
Total	20	100.0	100.0

The above field data in Table 4.15 suggests that all respondents had been working with the firm for at least 4 years. Majority of the respondents constituting sixty percent (60%) had been working for 5-9 years. Ten percent (10%) of the respondents have been working for more than 10 years. Also other respondents with thirty point zero percent (30.0%) had been working for 1-4 years. This

could be explained that the respondents are really experienced as majority have been working for than 5 years.

The table below shows the cost effectiveness of social media as compared to traditional system.

Table 4.16: The Cost Effectiveness of Social Media

Variables	Frequency	Percent	Cumulative Percent
Strongly disagree	1	5.0	5.0
Disagree	1	5.0	10.0
Partially agree	1	5.0	15.0
Strongly agree	11	55.0	70.0
Agree	6	30.0	
Total	20	100.0	100.0

From Table 4.16, it clearly shows that (55%) are of the view that the use of social media as a communication tool is cost effective as compared to the traditional system. Also respondents representing thirty percent (30%) also concord to the effectiveness social media has over the traditional system. Furthermore, (5%) are uncertain of social media's cost effectiveness, (10%) are of the view that social media is not cost effective. This clearly concludes that a large number of the respondents believe that social media is cost effective as compared to the traditional system.

The table below shows social media's impact on reducing advertising expense.

Table 4.17: Social Media Reduces Advertising Expense

Variable	Frequency	Percent	Cumulative Percent
Strongly disagree	2	10.0	10.0
Disagree	2	10.0	20.0
Partially agree	3	15.0	35.0
Strongly agree	4	20.0	55.0
Agree	9	45.0	
Total	20	100.0	100.0

Table 4.17 shows that (45%) agreed that social media reduces advertising expenses, Also, of (20%) are strongly convinced that social media reduces advertising expenses. (15%) of the respondents partially agreed that social media reduces advertizing expenses.(10%) strongly disagreed and ten percent (10%) disagreed that social media truly reduces advertizing expense. Lastly, (10%) of respondents also do not agree that social media reduces advertizing expense. In conclusion, the table highlights the fact that social media reduces advertizing expenses of firms.

The table below shows how online purchases have maximized firm's profit.

Table 4.18: Online Purchases Maximizes Firm's Profit

Variable	Frequency	Percent	Cumulative Percent
Strongly disagree	2	10.0	10.0
Partially agree	4	20.0	30.0
Strongly agree	10	50.0	80.0
Agree	4	20.0	
Total	20	100.0	100.0

Table 4.18 shows that (50%) strongly agreed that online purchases have increased the firm's profit. In addition, 20% of respondents are also of the view that online purchases have indeed increased firm's profitability. 20% partially agreed to the view that social media has increased firms profitability. Lastly, 10% strongly disagreed that online purchases have increased firm's profit considerably. In conclusion it can clearly be seen that 50% are of the view that online purchases thus have a positive effect on firm's profitability.

The table shows the extent to which social media reaches prospect.

Table: 4.19: Social Media Reaches Prospect

Variable	Frequency	Percent	Cumulative Percent
Strongly disagree	1	5.0	5.0
Disagree	1	5.0	10.0
Partially agree	1	5.0	15.0
Strongly agree	12	60.0	75.0
Agree	5	25.0	
Total	20	100.0	100.0

From Table 4.19, (60%) strongly agreed that social media reaches more prospect than the traditional system. The second largest group constituting (25%) also agreed that social media reaches more prospect than the traditional system. 5% of respondents partially, while 5% are against the view that social media reaches more prospect than the traditional system.

The table below shows whether there is a reduction in transportation cost.

Table 4.20: Transportation Cost has Reduced

Variable	Frequency	Percent	Cumulative Percent
Strongly disagree	1	5.0	5.0
Partially agree	4	20.0	25.0
Strongly agree	5	25.0	50.0
Agree	10	50.0	
Total	20	100.0	100.0

From Table 4.20 50% agreed that transportation cost has been reduced with the advent of social media as compared to the traditional system. 25% strongly agreed that social media has indeed reduced transportation cost. Five percent 5% and twenty percent 20% strongly disagreed and partially agreed respectively that social media has had a positive impact on transportation cost. Thus, it can be deduced from the above table that social media has reduced transportation expense for most firms.

4.4 Analyzing the Impact of Social Media on Customer Relationship.

This section provides the results for the usage of social media in customer relationship of the respondents.

The table below shows whether social media has aided with customers interaction with the firm.

Table 4.21: Social Media Usage on Customer Relationship

Variable	Frequency	Percent	Cumulative Percent
Strongly disagree	1	5.0	5.0
Disagree	1	5.0	10.0
Partially agree	2	10.0	20.0
Strongly agree	7	35.0	55.0
Agree	9	45.0	
Total	20	100.0	100.0

Table 4.21 indicates that 45% agreed that social media usage has created an opportunity for customers to interact with the firm. 35% strongly agreed that social media usage has created an opportunity for customers to interact with the firm. 5% strongly disagreed and 5% disagreed that social media usage has created an opportunity for customers to interact with the firm.10% partially agreed that social media has created a platform for customers to interact with firms. In conclusion, social media has created a platform for customers to interact with the firm.

The table below shows the attention given to request and complaints given sent through blogs.

Table 4.22: Request and Complaints are Always Welcomed

Variable	Frequency	Percent	Cumulative Percent
Strongly disagree	2	10.0	10.0
Disagree	2	10.0	20.0
Partially agree	6	30.0	50.0
Strongly agree	5	25.0	75.0
Agree	5	25.0	
Total	20	100.0	100.0

From Table 4.22 30% partially agreed that request and complaints sent to companies through blogs are not always welcomed. 25% agreed that request and complaints sent through the blogs are always welcomed. 25% agreed that request and complaints are always welcomed. Whilst, 10% strongly disagreed that request and complaints are always welcomed. In addition, 10% disagreed also that request and complaints are always welcomed. The table clearly indicates that a large number partially agreed that request and complaints are always welcomed.

The table below shows the attitude attached to request and complaints sent through the blog.

Table 4.23: Responsiveness to Request and Complaints

Variable	Frequency	Percent	Cumulative Percent
Strongly disagree	1	5.0	5.0
Partially agree	8	40.0	45.0
Strongly agree	5	25.0	70.0
Agree	6	30.0	
Total	20	100.0	100.0

From Table 4.23 forty percent (40%) partially agreed that request and complaints are immediately acted upon. Twenty-five percent (25%) strongly agreed that indeed request and complaints are acted upon immediately. In addition, thirty percent (30%) also agreed that request and complaints are acted upon immediately, while five percent (5%) of respondents strongly disagreed that request and complaints sent to a firm's blog are immediately acted upon to improve customer relationship.

The table below reveals if social media has aided in responding to customer needs.

Table 4.24 Response to Customer Needs

Variables	Frequency	Percent	Cumulative Percent
Strongly disagree	2	10.0	10.0
Partially agree	5	25.0	35.0
Strongly agree	5	25.0	60.0
Agree			
	8	40.0	
Total	20	100.0	100.0

From Table 4.24 40% agreed that social media helps in responding to the needs of the customers. Also, 25% agreed that social media helps in responding to the needs of the customers. Twenty-five percent 25% partially agreed, while 10% disagreed that social media helps in responding to the needs of customers. The use of social media as a marketing strategy provides firms with another avenue of responding to customer's needs.

The table below shows whether customers are delighted in using the blog for transactions.

Table 4.25 Customers Delightedness Using the Social Blog

Variable	Frequency	Valid Percent	Cumulative Percent
Strongly disagree	3	15.0	15.0
Disagree	2	10.0	25.0
Partially agree	7	35.0	60.0
Strongly agree	8	40.0	100.0
Total	20	100.0	100.0

From Table 4.25, 40% of the total respondents strongly agreed that customers are delighted using the social blog for their transactions. Also, 35% partially agreed that customers are delighted using the social blog for their transactions. 10% disagreed that customers are delighted using the blog for their transactions, while 15% strongly disagreed to customers being delighted using the social blog.

The table below shows customers access to the social blog.

Table 4.26: Customer's Access to the Blog Always

Variables	Frequency	Percent	Cumulative Percent
Strongly disagree	2	10.0	10.0
Disagree	1	5.0	15.0
Partially agree	5	25.0	40.0
Strongly agree	8	40.0	80.0
Agree	4	20.0	
Total	20	100.0	100.0

From Table 4.26, 40% strongly agreed that the blog can always be accessed by customers. 20% agreed that the blog can always be accessed by customers. 25% partially agreed, while five percent 5% disagreed that customers can access the social blog always. Ten percent 10% strongly disagreed that the blog can always be accessed by customers.

The table below shows whether social media usage has improved delivery services to customers.

Table 4.27: Social Media Usage in Improving Delivery Services

Variable	Frequency	Percent	Cumulative Percent
Disagree	2	10.0	10.0
Partially agree	4	20.0	30.0
Strongly agree	11	55.0	85.0
Agree	3	15.0	
Total	20	100.0	100.0

From Table 4.27, 55% strongly agreed that social media usage has improved the delivery services of customers. 15% agreed that social media usage improves the delivery services to customers, while 20% partially agreed 10% strongly disagreed that social media usage increases service delivery to customers. The usage of social media has indeed improved service delivery to customers.

The table below shows whether social media is used to communicate system failures.

Table 4.28: Communication of System Failures to Customers

Variable	Frequency	Percent	Cumulative Percent
Yes	7	35.0	35.0
Neutral			
No	9	45.0	80.0
	4	20.0	
Total	20	100.0	100.0

From Table 4.28, 45% are unsure whether social media is used in communicating system failures to customers. 35% agreed that social media is used to communicate system failures to customers, while 20% did not believe that social media is a medium used to communicate system failures to customers. Social media will have to be used regularly than often to communicate system failures.

The table below shows whether customers are involved in the co-creation of service.

Table 4.29: Customers Involvement in Co-Creation of Service

Variable	Frequency	Percent	Cumulative Percent
Yes	8	40.0	40.0
Neutral	7	35.0	75.0
No	5	25.0	
Total	20	100.0	100.0

From Table 4.29, 40% agreed that customers are involved in the co-creation of service. 35% are neutral to the question. Whilst, 25% responded that customers are not involved in the co-creation of service.

The table below shows whether firms have an updated database on their customers.

Table 4.30: Updated Database of Customers

Variable	Frequency	Percent	Cumulative Percent
Yes	11	55.0	55.0
Neutral	2	10.0	65.0
No	7	35.0	100.0
Total	20	100.0	

From Table 4.30, 55% of the respondents agreed that they have an updated database of their customers. 10% were neutral whilst, 35% percent said they did not have an updated database of their customers.

4.5 Discussion of Research Findings

This sections deals with discussion of the various objectives of the study.

4.5.1 Awareness and Usage Patterns of Social Media Tools to Users

From the study it was realized that the most popular and frequently used social network was Facebook. This finding reinforces Mayfields (2008) position that these are websites where people can build their personal profiles connect and share information with their friends and that the most popular social network websites are Facebook, LinkedIn and Myspace. However, field study revealed that LinkedIn is not a popular and frequently used.

Schaeffer (1999) is of the view that this popularity emanated from the fact that the internet offers a channel where buyers and sellers are able to complete transactions cheaply, instantaneously and anonymously whilst overcoming geographic and time barriers.

4.5.2 Establishing if Social Media has Reduced Firm's Operating Cost

It was deduced that social media is cost effective as compared to the traditional system when employed as a firms marketing channel. From the data analysis it was realized that majority of the respondents strongly agreed that the electronic age has reduced advertising expense, had maximized firms profit and had reached more prospects as compared to the traditional system. Webber (2009) further goes on to say, social media are distinct from industrial or traditional media, such as newspapers, televisions, and film. They are relatively inexpensive and accessible to enable anyone (even private individuals) to publish or access information compared to industrial media, which generally require significant resources to publish information. His statements confirms that social media helps in reducing advertising expenses of firms.

Furthermore, Kiggundu (2002) is of the view that e-commerce brings about a reduction in distribution costs through the elimination of intermediaries. Since online transactions involve very little costs e-commerce can also bring about a reduction in transaction costs. This view of Kiggundu (2002) reinforces the position that online purchases have maximized firm's profit.

Also, according to MCLvor, Humpreys and McAleer (2000) internal and external processes can also be integrated to lower transactions costs. As worldwide companies are adopting more collaborative relationship with key suppliers in product development, key business process now require cross-functional information sharing on a wide range of issues. This means that firms can utilize e-commerce to expand distribution channels at lower costs.

MClvor et al (2000), further says these low costs can be achieved through the reduction of clerical procedures and paper handling. Thus, affirming majority of respondent's view, that agreed to the statement that social media has reduced firms transportation cost considerably.

4.5.3 To Analyze the Impact of Social Media on Customer Relationship

It was discovered that the general perception held by respondents was positive. Majority concluded that social media has helped in building and sustaining customer relationship.

Respondents fifty-five percent (55%) strongly agreed that social media usage has improved delivery services to customers.

This statistics affirms the position of MClvor et al (2000) who stated that e-commerce accelerate ordering, delivery and payment for goods and services while reducing operating and inventory costs for most firms. Schaeffer (1999) further affirms this benefit of social media when he stated that the internet offers a channel where buyers and sellers are able to complete transactions cheaply, instantaneously and anonymously whilst overcoming geographic and time barriers.

Karavdic (2002) stated that personalized product offerings combined with free market access provide the customer with a wider availability of hard-to-find products. Added to this wider selection of items, customers can test products online before a decision is made to purchase.

This interconnectedness comes at a lower cost and on demand thus, providing a more efficient method to respond to customer needs and wants (Straub, 2001). The above statements confirms that social media helps in responding to the needs of customers.

Statistics revealed that majority of respondents constituting forty-five percent (45%) agree that social media has created an opportunity for customers to interact with the firm as Schaeffer (2003) agrees that one of the greatest benefits of doing business online rests in its ability to promote relationship building with customers and partners. Schaeffer (2003) further contends that the nature and content of information that can be shared has broadened in scope. He states that the multi-media nature and real time capabilities of the internet are fostering an environment that is conducive for relationship building.

5.0 SUMMARY, CONCLUSION AND RECOMMENDATIONS

This chapter focuses on the summary of major findings, conclusions and recommendations of this study. I investigated into the role of social media as a platform for e-commerce among some selected university students and a selected organization.

5.1 Summary of Major Findings

The background of the study revealed that in recent times social media has been the backbone and lifeline of e-commerce globally. Thus, it is imperative that marketers and firms adopt social media as a marketing strategy in reaching to their target audience effectively. It is therefore necessary for marketers and firms to tap into the endless opportunities social media has to offer.

Furthermore, the research revealed that, e-commerce has brought about a reduction in distribution costs through the elimination of intermediaries. Since online transactions involve very little costs, e-commerce has brought about a reduction in transaction costs. It further revealed that the internet offered a channel where buyers and sellers are able to complete transactions cheaply, instantaneously and anonymously whilst overcoming geographic and time barriers.

 From all the possibilities listed in the questionnaire it was realized majority of respondents strongly agreed that the electronic age has reduced advertising expense, has maximized firm's profit and has reached more prospects as compared to the traditional system.

Thus, firms and marketers in their quest to build brand value will have to adopt social network in their communication strategy alongside the traditional way of disseminating information to ensure that they reached their target audience efficiently.

Also, another interesting major revelation was that the respondents had a positive view about social media. The respondents revealed that the multi-media nature and real time capabilities of the internet have fostered an environment that is conducive for relationship building between firms and customers. However, it was revealed that a large number of respondents partially agreed that they were delighted in using the social media specifically, the blog for their transactions. The blog was not always timely with information needed by customers.

5.2 Conclusion

It can be concluded that the daily usage of content generation "Apps" such as Facebook builds engagement between customers and firms. Once this relationship has been established through these techniques, loyalty will follow.

In addition, the study concludes that e-commerce accelerates ordering, delivery and payment for goods and services while reducing operating and inventory costs for most firms.

Lastly, It is concluded that social media can be used to increase customer loyalty through its ability to communicate directly with customers.

5.3 Recommendations

Based on the findings of the study, the following recommendations outlined below are suggested:

I recommended social media to most firms since through social media businesses can communicate information in a flash, regardless of geographical locations.

Also, firms need to integrate social media in their communication strategy since social media allow firms to tailor their content for each market segment and give the businesses the opportunity to get

their messages across more widely than ever before. Indeed, once a piece of content goes viral there is no limit to the amount of people it could potentially reach at no extra cost for the business.

I recommend also for Job vacancies in E-Commerce to be published in various Social media platforms due to the increase patronage in this era. Various advertisements can be broadcasted which can be easily accessed by everyone.

To add, I recommend various firms must publish transactions in a very common and understandable manner and language in order to be easily accessed by the publicS

Lastly, It is also recommended that, firms should disseminate information and communicate to their customers through Facebook and other social media platforms to ensure effective reach of messages. In addition, we recommend that firms use these social media sites as a channel for communicating system failures to generate loyal customers.

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VAASA UNIVERSITY OF APPLIED SCIENCE

QUESTIONNAIRE

Dear Respondent,

I am a final year student of Vaasa University of Applied Science, pursuing International Business. As a part of the requirements, I will appreciate it if you could answer the following questions on the research topic: **THE ROLE OF SOCIAL MEDIA AS A PLATFORM FOR E-COMMERCE.** This will enable me obtain information to achieve my research objectives. Answers provided with respect to this questionnaire will be treated as confidential and used for academic purposes only. Kindly tick (√) where possible or provide responses. Thank you for your cooperation.

.**Section A: Demography**

1. Which department/faculty are you?

    ……………………………………………...

2. Which Year are you?

    [   ] 1st   [   ] 2nd   [   ] 3rd   [   ] 4th

PART B

Evaluation of the usage and awareness patterns of social media tools to users.

Kindly indicate the extent to which you agree or disagree with the following statement by ticking [√] the option that best applies to you.

1. How often do you use the internet in a day?

   [   ] 1-2 times a day   [   ] 3-4 times a day   [   ] 5-6 times a day

   [   ] more than 6 times a day

2. How long do you spend on the internet surfing in a session?

   [ ] Less than 30mins   [   ] An hour   [   ] 2 hours and above.

3. What do you use the internet mostly for?

   [   ] Academic [   ] Business   [   ] Lifestyle   [   ] Others Specify…………

4. Are you aware of online shopping sites?

   [   ] Yes   [   ] No

5. Do you shop online?

   [   ] Yes   [   ] No

6. Who invited you to join the social network?

   [   ] Friends   [   ] Relative   [   ] Colleagues   [   ] Lectures   [   ] Family

7. How frequently do you use each of the social media applications listed below for work/professional, business, lifestyle, and academic reasons?

   Instruction: Using the scale below, tick (√) to indicate your response to the question

   1-Daily   2- A few times a week   3- Once a week   4- A few times a month

   5- Once a month   7-Never

APPENDIX B

	1	2	3	4	5	6	7
FACEBOOK							
GOOGLE+							
LINKEDIN							
TWITTER							
WHATSAPP							

VAASA UNIVERSITY OF APPLIED SCEINCES

QUESTIONNAIRE

Dear Respondent,

I am a final year student of Vaasa university of Applied Sciences, pursuing International Business. I will appreciate it if you could answer the following questions on the research topic: **THE ROLE OF SOCIAL MEDIA AS A PLATFORM FOR E-COMMERCE.** This will enable me obtain

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information to achieve our research objectives. Answers provided with respect to this questionnaire will be treated as confidential and used for academic purposes only. Kindly tick (√) where possible or provide responses. Thank you for your cooperation.

Section A: Demography

1. Level of Education:

   [   ] HND/Diploma

   [   ] First Degree

   [   ] Masters

   Others, (please specify)……………………………………………………

2. How long have you been with the firm?

   [   ] 1-4 years   [   ] 5-9 years   [   ] 10 years and above

Establishing If Social Media Reduces Firms Operating Cost.

Kindly indicate the extent to which you agree or disagree to the following statement by ticking [√] the option that best applies to you.

1=Strongly Disagree   2=Disagree   3=Partially Agree   4=Strongly Agree   5=Agree

1. Electronic system is cost effective as compared to the traditional system.

   [   ] 1   [   ] 2   [   ] 3   [   ] 4   [   ] 5

2. Social media reduces your advertising expense.
   [   ] 1   [   ] 2   [   ] 3   [   ] 4   [   ] 5

3. Online purchases have maximized firms profit considerably.
   [   ] 1   [   ] 2   [   ] 3   [   ] 4   [   ] 5

4. Social media reaches more prospect than the traditional system.

[ ] 1   [ ] 2   [ ] 3   [ ] 4   [ ] 5

5. Reduced Transportation Cost as compared to the traditional system.

[ ] 1   [ ] 2   [ ] 3   [ ] 4   [ ] 5

The Impact of Social Media on Customer Relationship.

Kindly indicate the extent to which you agree or disagree with the following statement by ticking [√] the option that best applies to you.

1=Strongly Disagree   2=Disagree   3=Partially Agree   4=Strongly Agree   5=Agree

1. Social media usage creates an opportunity for customers to interact with the firm.

   [ ] 1   [ ] 2   [ ] 3   [ ] 4   [ ] 5

2. Requests and complaints sent through your blog are always welcomed.

   [ ] 1   [ ] 2   [ ] 3   [ ] 4   [ ] 5

3. Requests and complaints sent to your blog are acted upon immediately to improve customer relationship.

   [ ] 1   [ ] 2   [ ] 3   [ ] 4   [ ] 5

4. Social media helps in responding to the needs of your customers.

   [ ] 1   [ ] 2   [ ] 3   [ ] 4   [ ] 5

5. Customers are delighted using the social Blog for their transactions.

   [ ] 1   [ ] 2   [ ] 3   [ ] 4   [ ] 5

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6. Customers can access the social Blog always.

[ ] 1   [ ] 2   [ ] 3   [ ] 4   [ ] 5

7. Social media usage improves delivery services to customers.

[ ] 1   [ ] 2   [ ] 3   [ ] 4   [ ] 5

Kindly indicate the extent to which you agree or disagree with the following statement by ticking [√] the option that best applies to you.

1=Yes   2 = Neutral   3=No

8. Is social media used to communicate system failures to customers?

[ ] 1   [ ] 2   [ ] 3

9. Are customers involved in the co-creation of service?

[ ] 1   [ ] 2   [ ] 3

10. Do you have an updated database on your customers?

[ ] 1   [ ] 2   [ ] 3