



**THE DIFFERENCES IN THE SOCIAL MEDIA MARKETING
COMMUNICATIONS BETWEEN FINNISH ELECTRONIC RETAILERS**

Lappeenranta–Lahti University of Technology LUT

Bachelor's degree in marketing

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Examiner: Post-doctoral Researcher, Heini Vanninen

ABSTRACT

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The importance of social media for firms has grown immensely and continues to do so in the future. The goal of this thesis is to gain an understanding on how Finnish electronic retailers utilize social media and the possible differences they have. The theoretical background for this study is based on research on social media and marketing communication.

This study was conducted using qualitative content analysis. A month of data was gathered from the retailers' social media pages which was both analysed and used as a sample for the semi structured interviews conducted.

The interviews and the analysis both showed that Gigantti and Power have a very different way of utilizing social media, both had similar activity levels, one was informative and the other entertaining with the media they posted. Both retailers have improvements to make on interaction with customer, but Power was slightly superior on that front. The interviews showed a slightly negative reaction to the retailers' social media communication.

TIIVISTELMÄ

Lappeenrannan–Lahden teknillinen yliopisto LUT

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Kauppatieteet

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EROT SOSIAALISEN MEDIAN MARKKINOINTIVIESTINNÄSSÄ SUOMALAISTEN ELEKTRONIIKKAJÄLLEENMYYJIEN VÄLILLÄ

Kauppatieteiden kandidaatintutkielma

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34 Sivua, 1 kuvaa, 1 taulukko ja 1 liite

Tarkastaja: Tutkijatohtori, Heini Vanninen

Avainsanat: sosiaalinen media, markkinointiviestintä

Sosiaalisen median merkitys yrityksille on kasvanut valtavasti ja jatkaa kasvamista myös tulevaisuudessa. Tämän kandidaatintutkielman tavoitteena on ymmärtää miten suomalaiset elektroniikkajälleenmyyjät hyödyntävät sosiaalista mediaa ja mahdolliset eroavaisuudet näiden välillä. Tutkielman teoriatausta perustuu tutkimuksiin sosiaalisesta mediasta ja markkinointiviestinnästä.

Tutkielma on toteutettu laadullisena sisältöanalyysinä. Kuukauden verran dataa kerättiin jälleenmyyjien sosiaalisen median sivuilta, joka sekä analysoitiin että käytettiin myös näytteenä toteutetuissa puolistrukturoiduissa haastatteluissa.

Haastattelut sekä analyysi osoittavat, että Gigantilla ja Powerilla on hyvin erilaiset tavat hyödyntää sosiaalista mediaa. Molemmilla jälleenmyyjillä oli samanlaiset aktiivisuustasot, toisen ollessa informatiivinen ja toisen viihdyttävä median suhteen, jota lähettivät. Molemmilla jälleenmyyjillä on parannettavaa asiakkaiden vuorovaikuttamisen suhteen, mutta Power oli hivenen parempi tässä. Haastattelut osoittivat jokseenkin negatiivisen reaktion jälleenmyyjien sosiaalisen median kommunikaatiota kohtaan.

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1. Introduction

My bachelor's thesis is about the differences in the social media marketing communication between multiple Finnish electronic retail stores. This is an interesting topic to me and to many others as is shown by the countless studies done on social media and marketing communications (Bocconcelli et al., 2017). However, most studies on the subject tend to be narrowed into subtopics that do not fit my research topic by themselves. Specifically, my thesis is narrowed to the electronic retail stores which reside in Finland. This topic first gained my interest when I noticed how there may be possible improvements that could be found in the different retail store's social media usage. As a marketing major, this subject is something that could help me gain more knowledge on a subject that may help me to succeed in a job in the future. Both Gigantti and Power have high follower counts on social media and if that is used as a metric of success on social media, understanding their utilization of social media can help in improving other firm's social media usage as well.

The main research question is "How do electronic retail stores utilize social media marketing communication" to help answer this question I also have a two sub-research questions. The sub-research questions are the following:

- 1. How well do potential customers react to the store's social media marketing communication?*
- 2. Are there differences in activity and platform focus between the stores?*

These sub questions should help look at the situation from different angles and thus reach a clearer answer

This thesis is conducted with qualitative research methods. I will be using two different main ways to reach an answer to the research questions. First, I will be studying the things that the retail companies upload to different social media platforms. I will then try to find differences between the retailers by analysing the material with content analysis. I also conducted multiple interviews to get the perspective of a potential customer, that views these social media messages. My goal was to have the interviewees be from different stages in their life, students, graduates, and someone that is well into their working life. The interviewees react to the material that I collected from social media and answer multiple questions. Due to looking at this from the customers point of view it enabled me to reach a larger number of interviewees than I would have if I tried to contact the retail side for interviews.

1.2 Literary review

While there exists a lot of research on social media and marketing communication or even social media marketing, studies where the focus is social media marketing communication are lacking in number. While there is some overlap in in the research findings between the subjects it is not ideal. According to Valos et al (2016) there currently does not exist a framework for service marketers to help incorporate social media with marketing communications. Li, Larimo and Leonidou (2020) explain how customers have been empowered by social media and are thus taking control of marketing communication process, in the process becoming a source and assistant for the messages.

While there are many very specific subject studies regarding social media marketing such as customer relationship management or brand management, the current literature does not give a holistic framework for social media marketing, or at least not at the strategic plane (Felix, Rauschnabel and Hinsch, 2017). According to Dwivedi (2020) Social media communication is essential to any company that wants to grow their brand. On the other hand, CMO survey (2018) shows that many marketing practitioners have a hard time seeing the connection between this communication and brand performance,

1.3 Structure of the study

This thesis consists of 5 chapters. The first chapter is the introduction to this thesis where the subject of the thesis is explained and earlier literary on the subject is introduced. After that is the theoretical part of the thesis in chapters two and three where I will go through what research has already been done about social media and marketing communications. Fourth chapter is the empirical part of the thesis in which I will go through what was found in the interviews and analyse the social media content of the electronic retail stores to find any differences between them while the fifth chapter will be the conclusions.

2. Social media

Social media is at the core of this thesis and so in this section I will go through what social media means to help understand its importance for companies. Social media is defined as internet-based applications that grew from the ideological and technological foundations that is Web 2.0, allowing the creation and sharing of user created content. There exist many social media platforms that have different focuses. Facebook being a social networking tool platform, LinkedIn being professional networking site and YouTube with the focus of media sharing. The most obvious reasons why firms are interested in social media is the fact that you can reach a great number of people with no real geographical restraints for relatively low cost since you do not have to pay for it aside from the wages of your workers. In comparison, on the traditional marketing channels there are great costs associated with getting your message on the TV for example. (Valos et al., 2016) Social media is something that has revolutionized personal and organizational communications and interaction, and it is believed to keep doing so in the future as well (Ngai et al.,2015).

Social media has shaped the way people communicate today with instantaneous interaction between people and firms. This instantaneous interaction has brought new ways for marketers to use as feedback such as online customer reviews which they can use to formulate their marketing strategies. This has brought a change from traditional one-to-many marketing model to one-to-one mass customization. (Ngai et al.,2015)

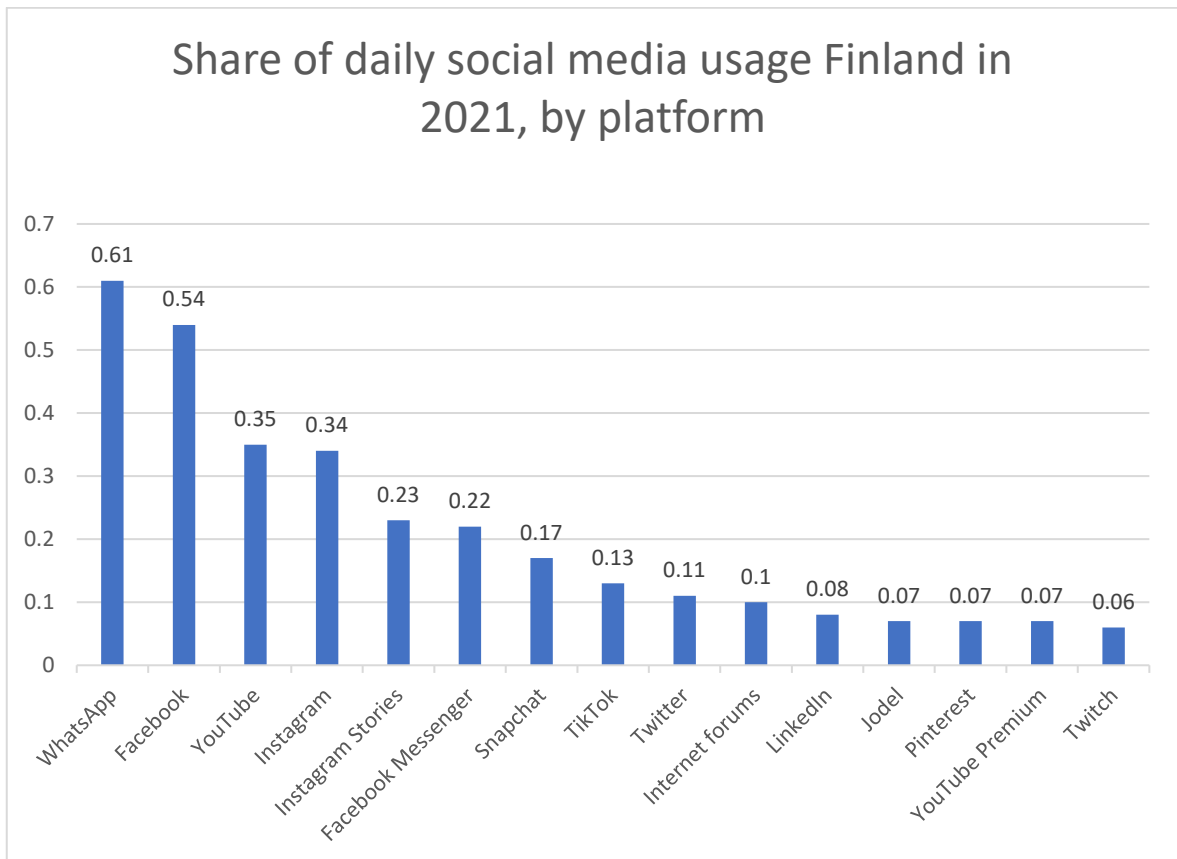


Figure .1 Share of daily social media usage Finland in 2021, by platform, (Statista, 2021)

Since this thesis's subject geography is Finland, figure 1 is quite helpful by showing which social media platforms are used daily by Finnish individuals in 2021. This can help in understanding why certain platforms are preferred over others by retailers. Though this does not give the whole story since age demographics etc. vary between platforms so if a product fits a certain niche, it might do better on a lower used platform. Market segmentation in this fashion is essential since it enables a deeply tailored marketing mix to target the groups the marketer wishes to reach (Dolnicar., et al 2012). While WhatsApp is considered the most used social media daily usage of 61% (Statista, 2021) it is not too relevant for this thesis since for now it simply superseded the SMS messaging and functions in very similar way. The fact that it is basically a free version of SMS due to different mobile data plans also increases the percentage of people using it. Past research (De Benedictis et al., 2019) has shown that healthcare workers have started to use it to not just communicate with their peers but also with patients. This obviously makes communication easier but does raise some data security risks. While there are some additional functions WhatsApp allows that regular SMS

does not, such as group messaging, there is not really a way for firms to benefit from it in a B2C sense in any major way. This is believed to be in part due to lack of awareness to any possibilities regarding marketing via WhatsApp (Lo Presti et al., 2022). While there are some examples of firms trying to use it that way, such as Ilta-Sanomat (Ilta-Sanomat, 2022) asking for pictures or videos taken that are related to articles to be sent via WhatsApp to a provided number. However, this does not really give any additional value over something like email. In the future however, firms should try to leverage this new platform in a conversationalist way and open dialogue with customers to get the benefits it brings forth such as support for the brand (Lo Presti et al., 2022).

Facebook is the second most daily used social media with a percentage of 54% (Statista, 2021). What makes Facebook an attractive platform for firms is the fact that its users self-select themselves into communities that help firms tailor and target very specific types of potential customers (Dolnicar., et al 2012). This is mostly in the ads type for marketing, however. This type of Facebook marketing is unfortunately above the scope of this thesis since gathering data from Finnish electronic retailers such as Gigantti's ad penetration on Facebook is something not possible. Thus, Facebook is merely looked at as a platform that is used directly by the firms to produce content on their own pages on the platform and possibly communicate with their customers. Facebook is an interesting platform for retailers since it is the predominant social media platform for senior people. (Bui, 2022) While Statista (2021) data might seem to contradict that at first since social media usage goes down as age goes up. However, jumping from age range of 36-45 to 46-55, Facebook is the only platform of which percentage goes up from 73% to 74% while all other major platforms see a decent decrease. This may make Facebook especially attractive to an electric retailer that may have products that are targeted towards seniors such as electric blankets.

Instagram has a daily userbase of 34% but the platform can be argued to be more desirable than that for some brands since the age demographic for it is very unbalanced towards younger people. 33% of age 56 and older say they use Instagram but when we look at age 15-25 it is over 84%. An added dimension to this is the fact that 68% of females say they use Instagram while only 39% of men say the same. Of all the different social media

platforms, Instagram has both the strongest unbalance in both age and gender. (Statista, 2021) What this means is that certain products and brands may do better than expected on Instagram, such as makeup etc. that are both used by younger females. What differentiates Instagram from some of the other platforms is how visual it is and the fact that users of Instagram were more likely to be motivated to use the site by the stronger social interactions on it. (Teo et al., 2019)

What shows the visual aspect of Instagram is how it became a social instead of commercial media which caused it to become more informal. This informality is showcased by celebrities that started avoiding professionally taken studio quality pictures and instead started to prefer the amateur selfies that most of the users of the platform use. This caused brands to follow, and they too started to follow this amateur aesthetic or “snapshot aesthetic” when communicating with their followers. It is an interesting contradiction to find that most of existing marketing literature seem to accept that better quality images tend to do better than lower quality ones. This is probably because these studies were conducted on non-social media setting. (Colliander & Marder 2018)

During the past decades after social media’s emergence, the market philosophy’s essence has seen a change as it has changed from a transactional concept to a relational one, from mass production to a greater customization of products, and from direct marketing to one where there is interaction between both parties. So not only has social media and Web 2.0 changed the way individuals use the internet but also the way firms conduct business. Social media and e-selling can be seen to have blurred the lines between marketing activities and sales due to salespeople engaging customers and trying to build “social capital” via interaction. This has great implications on the kind of skills and behaviour an organization and its salespeople must develop to achieve effective business results today. This includes being ready to respond 24 hours a day, and 7 days a week to customer’s requests. This is all part of increasing the proximity between salespeople and the customers in an interactive fashion. At the end of the day, it is not only the firm’s competence but also commitment to social media that can be seen as the deciding factor of social media’s effect on sales. (Bocconcelli et al., 2017)

Mathwick (2002) found after investigating the norms and behaviours of online consumers that they can be clustered in to four different groups, transactional community members, lurkers, socializers, and personal connectors. The first two are the opposites of each other, transactional members lead in the interaction they have with the online retailers they purchase from and to a certain extent, fellow patrons of the firms as well, while lurkers have the lowest interaction. Socializers do interact a lot, but instead of doing so with the firms, they do so with friends, family, and community sites. Personal connectors on the other hand make and use internet to remain in communication with family and professional associates, in a way, internet is to them an extension of a mobile phone and not an entirely new platform. (Mathwick, 2002)

Building on the research of Mathwick (2002) Bocconcelli et al (2017) believe that firms should invest in community-building infrastructures such as chatrooms and interactive events if they wish to build customer loyalty. While it was found that Facebook was good at enhancing relations that work through trust, customer satisfaction, perceived value, and commitment, customer satisfaction is still the key determinant of loyalty. So, a social media platform like Facebook can be used to enhance but isn't able to bring forth loyalty from nothing. (Bocconcelli et al., 2017)

A great example of the possible benefits of social media can be seen in the case of a mechanical firm Gamma that after interaction with their customers managed to diversify their product greatly and, in the end, had a product that was highly customized to their customer's needs both in specifications and price. This was not enough however since due to the customizations made to meet the customer's needs, the margins went down in relation to the competition's products for distributors. This meant that there was no support for sale activities from their existing network. Gamma then started focusing strongly on social media starting with YouTube and spreading to other platforms later as well. The reason they started with YouTube was the fact that they found they could be very transparent and show everything about their products via videos, something their competition wasn't willing to do. Of note is that the products in question were machinery that were traditionally thought the complicated and the videos showcased Gamma's machinery to be easy to use. This

resulted in huge turnover increases for Gamma as the potential customer's got interested enough, distributors eventually joined in as well. In the end Gamma gained a lot of publicity and customers for a relatively low cost compared to what would have been necessary with traditional marketing and may not even have been possible. Gamma credited this success to the new sales manager they hired that had no work experience and that was straight out of university but had knowledge of social media marketing. This example highlighted how committing to social media paid off greatly to a firm. (Bocconcelli et al., 2017)

In the field of marketing social media is a platform that allows creating networks and sharing information. Social media has changed the marketplace via three fundamental shifts. (Li, Larimo and Leonidou, 2020) The first shift is the fact that it allows companies and customers to connect in a way that was previously impossible. Depending on the specific platform, social media allows this connection to be empowered via shared interests and values. The strength of this connection that has also been called "social ties", is an important determining factor in customer referral behaviour. This means that if the social ties are strong, customers are more likely to engage in word-of-mouth communication with other potential customers. (Li, Larimo and Leonidou, 2020)

The second shift caused by social media is how the customers and companies influence each other. Basically, this shift is about how word of mouth affects others' choices and consumption behaviours. It has been known for a long time in social medias studies that social influence has a great importance in affecting consumer decisions. As was mentioned earlier, social ties tie in to this due to how the strength of these ties may show the intensity of social interactions. (Li, Larimo and Leonidou, 2020)

The third and final shift is about how the spread of social media data has made is easier to handle customer relationships and strengthen decision making process in business. Social media alongside digital data are well described by the 3Vs which are volume, variety, and velocity. Volume and variety are self-explanatory and what velocity means in this context is the fact that the information is real time. This vast amount of data can easily be extracted via modern technologies and this source can then be used to analyse customers, working on

market research, and even used as a source for new ideas (Li, Larimo and Leonidou, 2020). Instead of simply having a firm's market team working on ideas, they can use the free information on social media as is ideas or to augment their own existing ideas etc. According to Godey et al (2016) this is called social interaction, meaning that users contribute somehow to the brands social media platform. This contribution stems from wanting to meet likeminded individuals and the need to talk about specific products.

Looking at social media from the point of view of a customer does give an interesting change to the reasons why it is used. While firms are looking for monetary gains from investing time and money into social media, that does not matter to the customers themselves. What customers do however look for when they are using social media is entertainment. Multiple studies show that that entertainment plays a big part as a motive for social media consumers. This entertainment can be to relax or as simply passing time. (Godey et al., 2016) It is common to see serious firms using memes and jokes on their social media platforms to increase the entertainment value of their content. A well-done meme can reach people via word-of-mouth that had no clue about the firm, and if the meme is properly connected to their product, going viral can thus bring in a lot of new customers.

It is possible to divide social media into two different groups which are profile-based and content-based the difference of the two are the nature of interaction and connection. Profile based social media is as the name suggest focussed on individual members. This type of social media has the main purpose of connecting people with specific topics and information. Due to the nature of profile-based social media, certain platforms such as Facebook and twitter work the best. Content based social media on the other hand works best on platforms where it is possible to interact with the content a specific profile provides, example platforms would be YouTube and Instagram. This interaction can be commenting, discussion or simply viewing the content and the cause of it is the enjoyment the viewer gets. (Godey et al., 2016)

To help visualize the different types of interactions, the 3-M framework is used. The 3 Ms being megaphone which means firm-to-customer, magnet being customer-to-firm and, monitor which is customer-to-customer interaction. The ways a firm can help boost social

interaction is by providing unique content, being active and open in discussions and being helpful regarding practical matters. (Godey et al., 2016)

3. Marketing communication

While communication simply means transferring ideas and sharing something with someone be it a person or an organization, marketing communication is a more specific process that has the goal of simplifying the marketing process to satisfy indirect and/ or direct needs. The term has also been used to imply a strategy used by an offeror to reach a target market recipient. The way American Marketing Association put it, marketing communication is “coordinated promotional messages and related media used for communication with the market”. (Baruk and Wesołowski, 2021)

In its simplest form, social media marketing can be defined as the use of social media channels to promote a firm and its products. It can be thought of as a subset of traditional online marketing such as email newsletters and online advertising campaigns. It does however add interesting new dimensions since it can be thought to convert consumers themselves as marketers and advertisers of a firm’s products, services, and message. This can be a double-edged sword, however. The reason for this is that since the firm is not able to control these converted advertisers, if the quality of the product or service is not up to par, they can and will promote a negative message about the firm. The fact that people that view these messages that are not controlled by the firm’s themselves, can make them be perceived as more reliable or truthful, can hurt the message the firms are trying to bring forward. In the end, peer opinion becomes a major influencing factor on buying behaviour. (Akar et al., 2011)

Modern marketing communication in the 21st century brings both a great potential due to the high number of possible channels through which to communicate but also having to coordinate the channels, keeping their composition proper which is managed by constantly verifying their applicability. To add to that, due to a fact that many researchers agree with, traditional marketing communication channels will bit by bit lose their importance in the future, and thus defining the communication channels is of great importance. (Baruk and Wesołowski, 2021)

One great benefit of social media as a channel for marketing communication is the fact that using it, this communication can reach the target during times when it wasn't possible before. People use social media all the time due to wanting to stay connected and thanks to this, it is possible to reach the target while they are commuting to work, or even when they are doing actual work as was shown in a research that showed that 77% of people use social media while working. This new channel that is called mobile marketing channel is one that is defined by any marketing activity that is done via network that consumers are never disconnected from. There are some mobile social marketing channels such as Multimedia message (MMS) that never really took off, mobile social marketing as whole is booming. (Baruk and Wesolowski, 2021)

Social media is still somewhat young and thus its part in marketing communication is constantly evolving. While in the last decade social media has become an integral part of most firms' marketing as two in three firms utilize it, due to its nature, it can be challenging for firms to use for marketing communication. This nature can cause the loss of control over the firm's brand message. This loss of control is caused by the fact that it is hard to control what is said on a platform by the customers and strict moderation is visible and can cause its own problems. Social media has been acknowledged to have a great potential for a firm yet there is a lack of understanding on why firms use it and how to utilize it properly. Existing integrated marketing communications cannot be used as they are since social media is rather different than the traditional forms of marketing channels. Due to this, these existing integrated marketing communications need to be modified to fit the current state of the world. (Valos et al., 2016)

Major difference between social media and most traditional media is the fact that traditional media is mostly one-way compared to social medias two-way interaction. The correct way to utilize social media in marketing communication can vary between the sold goods. Services need communication that emphasise the quality of the service while something like fast-moving consumer goods and durables require a brand approach. This is in part caused

by the fact that services are more heterogeneous and are more likely to have both good and bad word of mouth. (Valos et al., 2016)

There are two views to integrated marketing communication. The first is the prevailing perspective that is inside-out orientation which has the characteristics of push communication. The second view is supported by more recent concepts and is called outside-in orientation which has the characteristics of pull communication. In inside-out orientation firms are the ones that communicate from start to finish and in a way demote customers role to a passive receiver. This allows the firm to have complete control of their message and ensures message consistency. (Bruhn and Schnebelen, 2017)

In outside-in orientation it is somewhat the opposite and is considered customer centric. In this orientation firms try to align their communication activities with customers. Communications are initiated by the customers and only directed by the firm. So, the firm changes their position from pushing their message to listening and learning from the customers. Due to these changes caused by transitioning to outside-in orientation, changes need to be made to how firms produce content on social media. Major change is the loss of their sovereignty on communications and to combat any possible issues caused by this, implementing a comprehensive content-marketing strategy is necessary. Key is providing consistent content which is both relevant and useful to customers meaning it is tailored for customers specific needs. In addition, firms need to be flexible, react quickly and be receptive to user generated content. (Bruhn and Schnebelen, 2017)

While social media marketing is attractive due to its benefits it does have its own set of troubles. Important marketing capabilities such as pricing, product development, channels, market research, promotion etc. need to be adjusted and complemented by new adaptive measures in orders to deal with the marketing capabilities gap caused by the rapid changes to the marketing scene. The root of this change is in great part due to how social media has changed the way we communicate, collaborate, and consume. This increases the complexity of marketing and is the reason this marketing capabilities gap exists. It is not enough that

firms use the internet to increase sales directly, a firm's internet capabilities should include things such as online market research and online after sales. (Drummond, et al. 2020)

Of note is the fact that social media marketing capabilities are not innate nor instinctual and such take time to learn and build. The how this is learned and leveraged is by interaction. What this means is this capability is not learned at an individual firm level and is instead learned as a collective between multiple firms in a network. A huge benefit of social media marketing is that it allows smaller firms to overcome some of the traditional limitations that come with marketing such as cost and lack of existing networks. These benefits are not limited to B2C but are also clearly appreciated in B2B sense as well since you are less limited and reliant on local firms for your network. (Drummond, et al. 2020)

The way social media is often defined and, in a way, confined as a communication tool that is used for lead generation, a way to improve customer engagement, and for customer service. Social media capabilities on the other hand can be defined with 4 abilities, connect, engage, collaborate and, coordinate. While the first 2 are useful at a B2C level, the last two may be more visible in B2B networking. Connect and engage are somewhat self-explanatory but the ways collaborate, and coordinate can be used are by teaming up with a different firm to push your marketing at the same time for both of your products when one is a complementary good to the other. This is a basic example of collaborating but there is proof in recent years of increasingly complex ways to collaborate between firms such as co-created activities. (Drummond, et al. 2020)

4. Empirical research

Next, I will go through the empirical part of this thesis. It consists of going through the methodology by which the research was conducted, going through the data collected and analysing the interviewee answers and finally conclusions.

4.1 Methodology

Due to the type of data available online about the retailer's social media usage, and the interview questions, the research for this thesis was conducted with qualitative content analysis. The goals of qualitative research are many depending on the context of the project, but the main thing is to gain essential representations of salient findings by the means of analytical synthesis of any data collected. Content analysis is methodical examination of visuals and texts be it a product or media and to analyse their latent meanings and manifest. Manifest here means something that is apparent and clear on the surface such as helmet is something that is an accessory that is worn, usually on a two wheeled vehicle to protect the head. Latent is something a bit more vague, suggestive. Riding a regular bike with a helmet on can carry some different latent meanings. While someone wearing a helmet while riding a motorcycle can be considered a manifest, wearing a helmet while riding a bike can be seen as someone that is very safety oriented about something that many consider to be okay to do without. (Saldana et al., 2011) When possible, any data collected would be analysed with prior research in mind to get reliable conclusions.

While the interviews were planned to be semi-structured since it is the most used interview technique in qualitative research. The reason for its popularity is in part due to its versatility and flexibility and that its rigidity can be changed to serve the researcher's purpose. One of the main benefits of semi-structured interview is that it tends to be successful in allowing an exchange between the interviewer and interviewee. This allows the interviewer to improvise additional questions based on the way an interviewee responds to the original questions.

(Kallio et al., 2016) Instead the interviews ended up very rigid and following more of a structured interview instead of a semi-structured one. I believe this to be partly my lack of experience conducting interviews be it developing good questions or how I ask the questions. The other reason I believe is that the interviewees were not particularly invested in the questions nor the subject and agreed to the interviews simply as a favour to help me and my research. This may have effect on the quality of answers I got as well. The length of the interviews ended up averaging approximately 30 minutes while 60 minutes was reserved in case it was needed.

4.2 Interviews

The interviewees consist of five Finnish people from different age and gender demographics, and income levels to get a more diverse pool of answers and increase the reliability of any results. Age especially effects social media usage greatly as shown in chapter 2 and Statista's (2021) social media usage by age. Different incomes I believe to be important for multiple reasons. Electronic products vary in great deal when it comes to price and thus higher income individuals can have different reactions to possible sales and contests the retailers upload to their channels. The platforms chosen for the interview sample were based on a few factors. First due to the great number of possible platforms I decided to limit it to just two, so that the interview lengths would stay relatively short. Then the platforms were chosen to be Facebook and Gigantti, mostly due to the data shown by Statista. The four most used daily social medias were WhatsApp, Facebook, YouTube, and Instagram (Statista, 2021). Since WhatsApp was not used by the retailers, there was no data to gather, and it was cut off. YouTube on the other hand went out due to duration of videos which would have increased the length of the interview greatly due to the number of videos shown since I would have had to have multiple ones if any sort of reliability on the research was to be kept. The amount of social media the interviewees had to view was a month of media from both retailers and both platforms.

The interviews were conducted in Finnish since the Social media content was in Finnish and I did not want to add any un-needed and unrelated difficulty to the interviews. I approached

the interviewees directly with a phone call to ask if they would be willing to answer some questions regarding the research I was conducting. I told them that any information they provide will be handled completely anonymously. This was to both both make it safer to them and simply to make them more agreeable to join, and to a certain extent, increase their truthfulness.

The interview questions (Appendix 1) were ordered in a way that I could hopefully improvise any additional questions if I felt there was a need. Question 1 was to set a baseline of the interviewee's social media habits and to find out if they had any experience with the platforms or might need some help navigating the sites layout. Question 2 was to find out if there was any possible bias that would lower the reliability of the answers given. If an interviewee was already a follower, their responses might not correlate with the actual social media data truthfully. Questions 3 to 8 were there to help with answering both the main research question and the sub-question 1. Questions 3-5 also asked for a scale to help interviewees answer it.

1. How well do potential customers react to the store's social media marketing communication?

Interview question 1 ended up with very similar answers across the board. Most said they use social media daily or weekly but two did say that there was some variance with their usage, and they might use it daily for a while and then forget social media for a week or so. While a few did laugh that if WhatsApp was included, the only answer would have been "daily". Interestingly age demographic did show itself a little as the younger responders, 30 or lower and male, said their most used platform was YouTube. Two of these were students while the third has been working for a few years. The two older interviewees, over the age of 50, female and middle income said that Facebook was their most used platform and they used it daily most of the time. One of those used it to interact with people from their hobby communities, while the other used it to attend a lot of contests and to interact with friends. Of note is that this person has gotten a lot of free stuff due attending contests for years.

Question 2 ended up with 4 interviewees saying no while the fifth, over 50 female was already following Power on Facebook, she said it was mostly to attend contests they had. This was something that had the risk of lowering the reliability of the answers provided so I considered removing her answers at first but ended up coming to a decision partly due to low number of interviewees, to keep her answers and simply make sure to refer to the possible bias when relevant.

Question 3 included a scale of 0-5 to help interviewees answer it after a test run showed people having trouble with it. The results agreed with what my own analysis found (table 1), no one found Gigantti entertaining enough to comment or rate it on either platform, while power did much better. While no one found Power worthy of an Oscar with their entertainment, on both platforms it did better than Gigantti. On Instagram Power averaged around 3 and on Facebook a 2. One reason given for why they found power entertaining was that they did not feel like it was a commercial, nice, and pretty pictures with relevant comments by the retailer, said one of the older interviewees. One under 30 male commented that he would rather read a dictionary than browse Gigantti's Facebook page for entertainment. The same person did comment that he preferred Power's Instagram over its Facebook since the Facebook page was riddled with contests he was not interested in. Getting a good score on entertainment, at least compared to Gigantti, is a great indicator for social media marketing communication skills of Power since as Godey et al (2016) found, entertainment is a great motivator for a consumer to follow a firm's social media.

Question 4 was the opposite of 3 and Gigantti did much better than Power on both platforms. Gigantti average a score of 3.5 on informativeness, while power only got a 2 on Facebook. One male under 30 commented that he thought the edge Gigantti had was that you had to click for additional information on Powers Instagram to get any real information while Gigantti's included texts on the images themselves. However, he did acknowledge that the pictures with informative text did look a lot uglier than Power's non informative ones. This may have been the reason why Power did not get a score on Instagram but did get one on Facebook, since texts with information were readily available under the Facebook pictures. In addition, while Power does not advertise contests on Instagram, they do on Facebook with

the pictures having a big “WIN” on them that may have been the reason older female interviewee gave it a decent score of 3 without additional comments, of note is that it was the one interviewee with possible bias.

Question 5 got a low score with most giving Power a simple 0 on both platforms while Gigantti did a bit better with an average of 2. Two of the older interviewees commented that they found Gigantti more relevant to them simply because they advertised a big summer sale that might have something they “need”. One of the under 30 males did say that he found Gigantti relevant to him simply due to them advertising a phone that was on sale since he was looking to upgrade his existing phone.

On question 6, none of the interviewees said they would be interested in attending a contest from either retailer on either platform. Reasons given varied from no interesting or relevant prizes to “the odds of actually winning are so low that it is not worth the time”. Only person that gave a maybe was the older female with possible bias on Power’s Facebook, the contest in question was about winning a free air conditioner. The reason she gave a maybe instead of a yes was that she did not know if she could fit the big AC in her house, but found the expensive prize interesting, nonetheless. Question 7 was also one that received negative answers all around. I was not surprised by it but added the question because research on social media has shown that interaction with social media is crucial for marketers (Ngai et al.,2015). The reasons given were simple, they saw no reason to. One of the older females did say that if she saw that one of her Facebook friends had liked or commented on a post she might consider interacting in that case.

Question 8 was a difficult one partly since none of the interviewees had Instagram accounts so following was simply impossible for them. None seemed interested in the idea of creating an account simply to follow a retailer either. While this may seem a weird coincidence, it is not that surprising when you look at the age and gender demographics of the interviewees. All the younger interviewees were male while the female ones were older. Statista (2021) shows that in 2020, 68% of females said they use social media while only 39% of men said the same. Statista also shows that going from age 15 to 56 and older, the user percentage

drops from 84% to 33%. This shows that the way interviewees were chosen was unideal and higher number of interviewees would have been better for reliable results. On Facebook, all the interviewees had an account but only the older females replied with a yes and only on Gigantti's Facebook. Reason both older interviewees said yes was that they would not mind if a good product on sale popped into their social media feed every now and then. Power on the other hand does not advertise products on sale on Facebook nor Instagram so it was not surprising that it was not mentioned. The under 30 males simply were not interested in advertisements on their social media feed. I find this a bit surprising since the incomes of the older people were higher than the younger ones, especially compared to the students, yet the students were apparently valuing their social media feed space over any possible savings. One of the under 30 males did comment that if he was looking for a sale, he would simply wait for Black Friday.

4.3 Social media analysis

For the analysis, I went through the same month of data that was collected for the interviews and coded the data in a way so that I could compare them between platforms and retailers (table 1). Update rate was self-explanatory and helps answer both the main research question and the sub-question 2

2. Are there differences in activity and platform focus between the stores?

Communication type means the type of content the retailers upload to their social media be it informative that consists of information on products or any news about the retail store or entertainment that lures the consumers to their page and keeps them coming. Sales message simply means any content that has a product that is on sale with a cheaper price. Contests are media that have the consumer join for a chance of winning prize for free. Collaboration means the types of media that showcase B2B collaboration between the retailer and another firm. These all help with answering the main research question "How do electronic retail stores utilize social media marketing communication".

Update rates had very small differences between both retailers, but of note is the fact that Gigantti has some consistency issues with their Facebook page since they take occasional weeklong breaks. Communication type was very clear on showing that the retailers do the opposite of each other, Gigantti does informative communication while Power entertains. Interaction showed that Gigantti has no interaction at all with customers on social media and Power at least is active on Facebook, while doing little on Instagram. Again, on sales messages we can see that the retailers have very different approaches to social media with power having zero sales media on either platform while Gigantti has them on both. Surprisingly both retailers keep contests on just one platform which must have a reason since cross posting would require very little effort. Collaboration ended up being the weird one out since there was only one collaboration post in the one-month period and thus does not give a lot of information. Of note is that Gigantti decided to post that collaboration only on Instagram in similar vein to how they do contests so it might have been deliberate choice.

	Gigantti Instagram	Gigantti Facebook	Power Instagram	Power Facebook
Update rate	Twice/three times a week	Daily, occasional weeklong breaks	twice a week	varies, daily or twice a week
Communication type	Mostly informative	Informative	entertainment+informative	entertainment and informative
Interaction with consumers	no	no	Very little	active
Sales messages	yes	yes	no	no
contests	yes	no	no	yes
Collaboration	yes	no	no	no

Table 1. Gigantti & Power social media marketing communication

4.4 Limitations and reliability

Both the number of interviewees and the number of social media they went through were at an amount that costs some reliability for this thesis. The number of interviewees could have been increased to give a more diverse and reliable answers but the amount of social media you can expect people to go through for free is limited and thus in my opinion not fixable. A higher number of retailers would increase reliability as well and should be done if similar research is conducted in the future, same with number of platforms analysed. With platforms there are some limitations such as, they cannot be increased for interviews due to different retailers simply not using one platform while the other does, so comparing them in an interview is not meaningful. On analysis this problem does not exist and even the lack of usage is valuable information on its own. Lack of experience with interviews and researcher biases effect on the results of the interviews are also possible due to the subject being one I am deeply invested in. The fact that I was previously acquainted with the interviewees is also something to take note of. It is possible that they were not entirely truthful or tried to spice up their answers due to knowing me. Collaboration is somewhat rare in social media for retailers, so a month of social media does not tell us enough about it to make any reliable conclusions on which retailers use it and so on.

5. Conclusions

The aim for this thesis was to gain a deeper understanding of social media and answer the Main research question “How do electronic retail stores utilize social media marketing communication”. I believe this thesis has succeeded greatly in the first and decently on the second part. The electronic retail stores value social media which can be seen by the number of platforms they use and the frequency they do so with. While both are active, it is shown that Gigantti needs to focus on its consistency, since it takes random weeklong breaks from Facebook where it has over 400 0000 followers. It is possible that this shows that Gigantti does not quite value social media or at least Facebook as much as Power does. This and the Table 1 answer the sub question “2. *Are there differences in activity and platform focus between the stores?* Both retailers seem to focus on both platforms with similar update rates but there are some differences in activity within both platforms by the retailers. Both seem to keep contests on just one platform, Gigantti on Instagram, and Power on Facebook. This is quite interesting since it would take little effort to cross post them on both platforms and thus seems to be an intentional decision. It is possible that the retailers have found it the past for this method to work the best, but it is impossible to say why this is.

While the possibility of generalisation with the number of retailers and platforms is not the best, taking into consideration that these are two very large retail chains in Finland and that the platforms focused on were carefully chosen with reliable data, I am somewhat confident with the results. Clearly Gigantti focuses more on informative content that leads to less entertaining media but provides customers with knowledge on current sales. Power does the opposite and focuses on entertaining and leaving sale information out of their social media and thus keeping their appearance appealing. Both seem to be successful strategies since both have amassed great number of followers. Differences in how the retailers value interaction with consumers is also showcased and while both retail stores have a lot of improvements to make there, Power did slightly better than Gigantti. Interaction is something that is highly valued in social media as research has shown and thus is something that both retailers should focus on if they want to improve their social media marketing communication. (Ngai et al.,2015)

Looking at the interactions of these retailers' social media with the 3-M framework we can tell that most of the interaction is firm-to-customer megaphone. While there is a small amount of customer-to-firm magnet interaction, customer-to-customer monitor interaction is entirely absent. Due to this, these retailers are missing on valuable feedback from their customers that these discussions would provide. (Godey et al., 2016)

Sub question 1 "*How well do potential customers react to the store's social media marketing communication?*" was answered quite clearly with the interviews, however with limited reliability. Overall, the interviewees reacted quite poorly to most questions involving this. Especially question 7 which was about interacting with the retailers, shows that the interviewees saw no reason to interact with the retailers. This is something that the retailers should improve since it is one of the greatest benefits of social media. (Ngai et al., 2015)

If the goal of using social media was to simply gain followers, then both Gigantti and Facebook are utilizing social media very successfully, in very different ways. However, it is unclear from publicly available data how well these social media numbers actually affect the revenues for these retailers. It is possible that Gigantti gets more direct revenue due to sales communication but something like customer loyalty that Power achieves with more interaction with the customers is even harder to measure. Lardo et al. (2017) found that while social media metrics can be influenced in multiple ways such as buying followers, overall success in social media does translate to higher revenue.

Future research should on a similar topic should increase the number of interviewees and the amount of social media analysed. In addition, doing this research for a company would allow for a higher understanding on how the utilization of social media would translate so success of a firm especially in terms of revenue.

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APPENDICES

Appendix 1: The interview questions

The interview questions

1. How active are you on social media? (Daily, weekly, or monthly etc.)
2. Are you already follower of any of the following retailers' social media platforms?
3. Do you find the content of any of the retailer's social media entertaining, if yes which retailer and which platform?
4. Do you find the content of any of the retailer's social media informative, if yes which retailer and which platform?
5. Rate how relevant/useful the content posted by the retailers is to you.
6. Would you attend a contest from any of the samples? If yes, which platform and which retailer
7. Would you try to interact with the retailers on their social media (non-contest related)
8. After viewing the samples, would you consider following any of the retailer's social media if you haven't done so already