Utilizing Social Media in Modern Business

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INTRODUCTION

Social media has become one of the most popular applications over the Internet (Zhang, Lin, & Wang, 2013). Social networking sites (SNSs), such as Facebook and Twitter, gain the increasing popularity for sharing information in modern business (Wu, Chen, Yu, Han, & Wu, 2015). Social media is the modern technology used to engage with consumers, promote business products, and build business brands (Sarabdeen, 2014). Social media is influenced by ease of use, affordability, and the availability of technical support (Brooks, Heffner, & Henderson, 2014). Social media provides a unique opportunity to gain the valuable insight into information flow and social networking within a society (Stefanidis, Crooks, & Radzikowski, 2013).

Social media initiates the various channels of communication among stakeholders such as businesses, universities, research institutes, suppliers, customers, users, and competitors in modern advertising (Kasemsap, 2015). SNSs have attracted the worldwide attention because of their useful potential to address millions of users and future customers (Krombholz, Merkl, & Weippl, 2012). The strength of this article is on the thorough literature consolidation of social media in modern business. The extant literature of social media provides a contribution to practitioners and researchers by describing a comprehensive view of the functional applications of social media to appeal to the different segments of social media in order to maximize the business impact of social media in modern business.

BACKGROUND

Previous research has greatly recognized the impact of social media on a firm's competitiveness (Hanna, Rohm, & Crittenden, 2011; Kaplan & Haenlein, 2010; Xiang & Gretzel, 2010). Liu et al. (2012) stated that the fast development of multimedia technology and the growing availability of network bandwidth provide an abundance of network data as a result of the ever-booming social media and websites in recent years. The widespread use of SNSs invites sustained ethical reflection on emerging forms of online friendship (Vallor, 2012). SNSs have become a mainstream communication channel for users in recent years (Chua & Banerjee, 2013). SNSs help organizations to provide knowledge for customers and keep them abreast of changes in their products and services (Padula, 2008).

Social media and Web 2.0 technologies change the technological mechanisms and the distribution of information (Fieseler & Fleck, 2013). Beltran et al. (2013) stated that the current collaborative context and resource sharing that drives Web 2.0 is gaining importance within academia and industry, which is stimulating the development of new information technology for content retrieval, sharing, and analysis over user-generated media content. Social media has been an enabler of information dissemination, collaboration, and coordination for reasons ranging from personal to political perspectives (Lapointe, Ramaprasad, & Vedel, 2014).

UTILIZING SOCIAL MEDIA IN MODERN BUSINESS

This section describes the theoretical and practical overview of social media and the utilization of social media in modern business.

Overview of Social Media

Social media is the Internet platform used to disseminate information through social interactions that provide the decentralized user-level content and the public membership (Abrahams, Jiao, Wang, & Fan, 2012). Social media is highly accessible and allows for a variety of social interactions such as social viral activity and intimate community engagement (Li & Shiu, 2012). The most widely used social media mechanisms are the online forums such as blogs, chat rooms, discussion boards, and SNSs (Kaplan & Haenlein, 2010; Mangold & Faulds, 2009). SNSs leverage direct selling to reach the social networks of family, friends, and co-workers, thus extending the application of direct selling (Glenn, 2011).

Social media is described as a website that interacts with its user by posting and sharing comments, documents, video, and audio (Murphy, 2013). Social media is defined as an array of technological innovations in terms of both hardware and software facilitating the inexpensive content creation, interaction, and interoperability by online users (Berthon, Pitt, Plangger, & Shapiro, 2012). Social media has transformed the traditional marketing communication, thus resulting in companies toward customer approach and integrating social media into their marketing strategies (Pletikosa Cvijikj, Dubach Spiegler, & Michahelles, 2013). The prevalent motives for companies to use social media enhance trustworthiness, brand attitude, and customer commitment (van Noort & Willemsen, 2011; Weinberg & Pehlivan, 2011).

Social media can allow the establishment of knowledge value chain to customize the information and delivery for a technological business growth (Kasemsap, 2014a). Social media promotes the organizational productivity by facilitating the communication and collaboration of employees toward making organizations more productive (Kasemsap, 2014b). Social media has changed the way that people interact with each other among organizations (Hanna et al., 2011; Kietzmann, Hermkens, McCarthy, & Silvestre, 2011). Social media changes how individuals gather information (Smith & Denali, 2014). Social media is an important social interaction mechanism for young people (Luchman, Bergstrom, & Krulikowski, 2014).

Social media preserves the valuable portions of life (Elder, 2014). Social media enables consumers to access the product-related information from commercial and non-commercial sources (Cao, Meister, & Klante, 2014). Web 2.0 has brought a great amount of social media data containing considerable information about people's opinions and ideas toward various products, services, and social events (Fan, Zhang, Dang, & Chen, 2013). Firms employ social media to manage relationships with partner organizations (Bharati, Zhang, & Chaudhury, 2014). As businesses strive to stay competitive and customer-centric in their efforts, social media provides a new dimension toward reaching business goals (Singh, 2013).

Utilization of Social Media in Modern Business

The application of social media has immensely grown over the past decade, with technological and Internet innovations achieving massive adoption (Brenner, 2013). There is the proliferation of social media and the success of SNSs toward increasing the volume of community-shared media resources, images, and videos (Tang, Wang, Hua, & Chua, 2012). Social media becomes the preferred communication channel for personal and business interactions (Ramsay, 2010).

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