3. Session 1 – 12:15-1:45 PM

Social Media as a Communication Channel in B2B – a Case Study

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Abstract: The purpose of this study is to enhance the understanding of social media adaptation strategies and their possible related benefits and challenges for business-to-business (B2B) firms. There is evidence provided by academics and supported by empirical studies thus far, accounting for social media as an advantageous medium in a business-to-consumer (B2C) context apart from the individual use. However, the focus and attention of academic research on adaptability of social media and social networks (SNs) to a B2B context is still under-researched. Previous research on social media usage and adaptation strategies emphasizes rather on adaptability of these communication tools to individual needs or a business-to-consumer context, whereas this paper attempts to demonstrate findings in adapting social media to the B2B domain. However, the results did not confirm any classification of SNs such as Facebook to be only a business-to-consumer medium within the commercial context. In this respect SNs appeared to be as effective and efficient for communication in the B2B context as in the B2C domain.

The second part of the study, focusing on the benefits offered and challenges posed by using social media, reveals the B2B corporations facing rather similar factors as in the B2C context. The study validates previously introduced benefits of social media adaptation to be advantageous in the B2B corporations studied in this research such as: building and developing direct relationships with customers, increasing website traffic, creating communities, distributing content and collecting customer feedback. On the other hand the challenges to corporations are explored to include external or internal negative word of mouth, leading to limitations in content control by the firm, as well as insufficiency of technical support, training and differences in stakeholders’ online behavior.

This paper examines two global B2B corporations as cases demonstrating customized approaches towards social media communication. The study is assisted by an in-depth qualitative research method.
**Key words:** case study, business to business, social media, strategy, communication channel, benefits and challenges

**Introduction**

Chappuis et al (2011) regards social media as the dominant digital communication channel. It has developed new ways of communication, assisting not only individuals but also firms to adapt it as a different communication channel (Mangold et al, 2009). Users have embarked on deploying the technology for both personal and professional reasons. While emphasizing social media’s influence and its considerable exposure in the popular press these days, Kietzmann et al (2011) regards the new era as an “altogether new communication landscape”, which will change the way in which information is distributed and used.

However, still many including scholars, consider social media and specifically social networks such as Facebook as a consumer-oriented network and tend to classify different platforms like LinkedIn as business oriented (Palmer et al, 2009). Meanwhile there is a challenge among marketers who don’t trust social media as a communication channel for B2B firms (Kho 2008), or some might not be convinced by its proof of return on investment (Weinberg et al, 2011).

Despite the existing body of literature on adaptation of social media in B2C, research on deployment of this technology in the B2B sector is still in the infancy phase (Michaelidou et al, 2011). Moreover, clarifying benefits and challenges to the B2B firms by social media can enlighten both academics and practitioners on advantage of this widely used medium (Kaplan et al, 2010), as well as providing insights in order to be prepared for the risks in advance.

To present more guidelines both for future academic research, as well as marketers using social media, this paper aims to explore and describe B2B sector’s adaptation strategies of social media into the communication system, and begins by looking at emergence of social media in the B2B sector. The paper then attempts to clarify the benefits and challenges to the B2B firms by social media and make a comparison with the similar findings and guidelines of academics so far in B2C (Palmer et al, 2009; Kaplan et al, 2010; Swidan et al, 2013). The case studies
on two global corporations headquartered in Sweden, focus on adaptation of social media and examine how this process has been developed. Finally the findings are discussed and the future research opportunities are presented.

Social media in B2B

Described by Kaplan et al (2010) social media is a combination of internet applications in a Web 2.0 environment, facilitating the creation and exchange of user generated content. Social media tools serve both internal communication, as well as reaching existing customers in organizations (Treem et al, 2012). These platforms also help in creating brand awareness, cultivating relationships (Michaelidou et al, 2011; Vuori 2012) and reaching target markets (Mangold et al, 2009). Social media enables rapid interaction between the marketer and customers (Kaplan et al, 2010), which helps to collect information and conduct market research (Kozinets 2002).

Apart from the body of research carried out on adaptation of social media in B2C, researchers (Shih 2009; Bulte et al, 2007) emphasize the importance of social media for B2B firms. These platforms and specifically SNs such as Facebook and LinkedIn are currently being regarded as important investments to ensure the firm’s survival (Copp et al, 2001; Pitt et al, 2006). They could be used to communicate with customers and suppliers, helping build relationships and trust, and to identify prospective partners in B2B selling. Moreover by penetrating the social networks and mini-blogs, and posting direct links from the corporate websites to Facebook and Twitter, companies can manage to promote brands and support the creation of the brand communities (Kaplan et al, 2010; Michaelidou et al, 2011).

Social media benefits and challenges

Previously published authors have referred to different benefits offered and challenges posed to the firms by social media (Palmer et al, 2009; Kaplan et al, 2010; Kietzmann et al, 2011; Treem et al, 2012). Some studies introduced social media and specifically social networks as business-to-consumer platforms (Palmer et al, 2009; Michaelidou et al, 2011), mentioning their benefits and challenges in the B2C context.

Drawing on previous research, improving network activities and better use of resources are mentioned as benefits of social media in the non-commercial context, (Gemünden et al, 1997), while enhancement of economic value has
been emphasized in the commercial context (Stephen et al, 2010). Social networks are deemed critical both for the small firms’ survival, as well as helping them compete with the larger businesses (Copp et al, 2001). Some commercial intentions in using social media including SNs are mentioned as building and developing direct relationships with customers, increasing website traffic, identifying new business opportunities, creating communities, distributing content, collecting customer feedback, and supporting the brand (Enders et al, 2008; Kaplan et al, 2010). Palmer et al (2009) regards the benefits of such communities as spreading the positive word of mouth and obtaining information about buyers’ needs and preferences.

The role of social media as a promotional tool explained by Mangold et al (2009), allows companies talking to their customers, as well as customers to communicate with one another. This effectively expands the power of word of mouth advertising that has been traditionally limited to a small geographical region. Other benefits acquired by B2B firms through adaptation of social media are regarded as enhancement of long term relationship between the sellers and the customer by sales staff using the platforms to interact with the customers (Schultz et al, 2012; Metz et al, 2011). Also Rimlinger (2011) refers to social media tools such as Facebook, Twitter, LinkedIn and YouTube as critical low-cost methods of developing customer relationships.

Social networks are found to be useful in influencing and tracking customer beliefs and attitudes toward a product or brand (Weinberg et al, 2011), whereas online communities facilitate bringing customers and organizations together for interaction or conversation on different topics (Peypoch 1998; Rheingold 2000). While micro-blogs help companies spreading short topics or posts in a fast and easy way (Jansen et al, 2009), blogs tend to feature a smaller number of perspectives in more depth; which makes them a better platform to convey the product knowledge (Singh et al, 2008). The study also attempts to explore and compare the role of these platforms in the B2B firms, based on the previous studies classification.

There are some challenges of using social media including buyers’ lack of interest in seller dominated communities for being perceived as restricting the opportunities of community involvement from customers’ perspective (Palmer et al, 2009). Meanwhile three most important reasons for barriers of SNs adaptation by small and medium-sized enterprises (SMEs) are mentioned as: first, SNs not being important within the industry
the company operates. Second, uncertainty whether or how the SNs could help brands, and finally staff not being familiar with SNs, (Michaelidou et al, 2011). Other obstacles include executives being reluctant or unable to develop strategies, as well as the lack of resource allocation to engage effectively with social media (Kietzmann et al, 2011). More barriers in adaptation of social media technology in B2B are referred to as “lack of money, time and training, negative views about usefulness”, firms having less control over communicated content, and “unfamiliarity with the particular technology” (Michaelidou et al, 2011; Buehrer et al, 2005; Venkatesh et al, 2000). The attempt of this research is to make a comparison between current body of literature and similar findings out of the two B2B cases of the study, in order to explore the benefits offered and challenges posed to B2B firms by such platforms.

Objectives and method

Given the existing literature in adaptation of social media to personal selling (Schultz et al, 2012), relationship building (Rimlinger 2011; Schultz et al, 2012; Metz et al, 2011), as well as introducing decision making factors in social media selection by Weinberg et al (2011) the main objective of the study is to explore and describe the strategies of the global B2B corporations regarding social media deployment considering the related benefits and challenges. The aim is to explore the adaptation approaches of the B2B corporations against current guidelines such as Weinberg et al (2011), and to provide a basic ground for more advanced academic research and future developments on social media adaptation into the B2B sector. The aim is to make a between and within case analysis to study the two firms’ social media adaptation behavior vs. their target customers.

To aid in the development of such guidance, a case study methodology was adapted (Yin 1989). The reason for choosing a case study approach was to develop an in-depth understanding of the specific topic under examination. Therefore, two global corporations headquartered in Sweden were chosen for analysis while primary data was collected through semi structured in-depth face to face interviews with either of digital manager strategists, the head of content management or a communication manager, all holding key managerial roles globally or at the Nordic level. To ensure the case similarities, interviewees were asked for their brand choices with which they preferred their strategies to be compared. Therefore the two global brands Ericsson, and Scania were chosen.
**Ericsson**

Ericsson established in 1876 is a Swedish B2B shareholder company with more than 109,000 employees internationally. It is a world-leading provider of telecommunications equipment and services to mobile and fixed network operators (Ericsson 2013). The company provides network equipment in more than 180 countries, and more than 40 percent of the world’s mobile traffic passes through its networks. Being the driver of Networked Society and the leading innovator in mobile networks and the mobility industry, Ericsson tends to target ‘influencers’ through social media. Influencers can be technical consultants, business advisors, industry analysts, and technical experts within the customers’ organization, or bloggers who can influence the decision makers. This is mainly due to highly technological information Ericsson communicates to the customers.

To manage social media platforms Ericsson has a set of central or global channels with different purposes and target groups. The ‘Ericsson’ cluster of channels (blogs, mini-blogs, social network and content communities) is the broadest in terms of content, aiming at providing information about the company, while also telling people Ericsson’s vision and marketing stories. The ‘ericssonpress’ Twitter targets press and media, and is primarily used to spread press releases and press material (Steyn et al, 2010). For questions related to Sustainability and Corporate Social Responsibility, the ‘Technology for Good’ cluster of channels (Twitter, blog, YouTube, Pinterest and Facebook) is used. To drive the vision of Networked Society as an industry term and not specifically marketing, a blog and a Twitter account called Networked Society are managed.

Twitter is being adapted comprehensively through the whole cluster of channels. It is a platform for daily and current event updates for sending traffic to the blog. Since events are important channels in industry where many customers and suppliers meet, Ericsson usually appoints one person to act as a conduit to update Twitter and communicate to the followers through this medium. Moreover having Facebook and google plus in their channel, Ericsson expects the posts to last or be discussed on these platforms for approximately one week. Their attempt is to maintain discussions with their target groups by posting technical material such as white papers. One challenge is to make the online discussions happen as it takes time for the reader to download or read the white papers after being directed to the blogs. This means that one has already left Facebook or the google plus page by the time of reading, which in turn minimizes the chances to comment.
Benefits of social media perceived by Ericsson are of three types including: receiving immediate response and reaction from the market, having the direct contact with what is called the end user, and employer branding. As a B2B company, Ericsson is not in a direct contact through the sales cycle neither to those who actually use their product nor to the influencers. Using social media assists Ericsson finding out who they are, and what they say or need. In addition Ericsson regards social media as “an amazing tool” to reach the top students of the other countries.

Similar to what Palmer et al (2009) refers to as challenges, Ericsson’s concern about adaptation of social media into their system consists of the two main factors including negative or aggressive comments, as well as the former employees’ attempt to contact the central part of Ericsson for different sorts of issues rather than the local parts. In case of aggressive posts or comments, Ericsson tends to cover and respond such matters in the fastest time possible; whereas in the case of employees, Ericsson tries to educate them to find a better way to solve such issues internally instead of posting external comments, or reaching the central part.

**Scania**

Scania established in 1891 is a shareholder owned company mainly by Volkswagen group with more than 40,000 employees internationally. It is a Swedish automotive industry manufacturer of commercial vehicles specifically heavy trucks and buses. Scania is present in more than 100 countries, and as a business-to-business corporation, its main objective is to provide the best profitability to the customers (Scania 2013). The company started using social media officially in 2008, and Newsroom (a storytelling blog) was the first channel initiated.

Currently Scania aims to reach drivers (trucks, buses, etc...) as well as customers like fleet owners as the major part of its target group through Facebook. Newsroom and Twitter are the channels to communicate sustainability reports to stakeholders group (the employees of past, present and future) and financial market including analysts and journalists. The reports will be posted on Facebook after being published on Newsroom. The third target group are government figures, specifically politicians and municipality decision makers, and Scania tries to reach them through Twitter since they don’t usually use Facebook. To choose the right channel for truck launches Scania
usually refers to the factors such as earlier knowledge and statistics to see the patterns, as well as checking when the most traffic happens during the day or in the week, except the launch day itself.

Scania gets the best advantage out of social media when it comes to two things in their planning. First is the huge global driving competition run every second year, that in 2014 will cover 87,000 drivers globally. Before the event starts, they want to encourage drivers to register for the competition. Adapting social media into the communication plan resulted in achieving a registrant figure (17,000) higher than the actual target (12,000) in 2013. The second scenario is when it comes to launching a new product which is communicated both through social media and the company’s corporate website. Ignoring social media during such events would likely dramatically reduce the number of visitors to the events as well as the websites and other advertising methods.

The most important benefit offered to Scania by social media is relationship building with drivers, stakeholders and the customers as it gives the opportunity of having active dialogues with them. Scania talks from the corporate level and they have distributors, marketing companies and dealers who are in the contact with the customers. Adapting Social media results in a better knowledge building, as it assists the company knowing about the needs and how to trigger the stakeholder group.

Based on Scania’s experience a challenge to use social media is the technical perspective, since having new devices nowadays triggers a new online behavior, which is subject to change over the time. For instance, the number of smart phone users varies in different countries, which can directly affect the level of technical support required for such online behavior. The load capacity is regarded as another issue, especially when there are new launches and the traffic is directed to a specific place such as a web casted launch, which ultimately might cause a service crash.

Discussion

The result of the case study analysis provides support for the guidelines introduced by Weinberg et al (2011) on factors explaining social media variation. The analysis of the two Global corporations revealed several similarities and differences in various aspects of social media adaptation strategies. The strategies in this study are classified under: types of adapted platforms, pursued target market, type of content or posts used by the firm, screen
longevity of the posts or information (Weinberg et al, 2011). Additionally some findings regarding benefits and challenges of social media adaptation is discussed.

The first similar approach refers to both corporations employing multiple platform adaptation strategy by using mini-blogs (Twitter), Blogs (WordPress), social networks (Facebook, Google plus and LinkedIn) and content communities (Flickr, YouTube, SlideShare, etc …). Both corporations need more active and directed presence in online communities. Ericsson manages its social platforms under an overarching classification of conversational and repositories, as well as global and central for different purposes and slightly different target groups. As a result of this Ericsson uses mini-blogs and social networks for conversational objectives (Palmer et al, 2009), in addition to content communities as repositories on the global level. Weibo and Youko (Chinese YouTube) are used for Chinese market.

Ericsson sets its online communication channel classification by defining three different channel layers including: ‘Ericsson’, ‘ericssonpress’, and ‘Technology for Good’, each targeting different groups. Hence, social media channels are adapted based on this classification, depending on how formal the nature of the communication would be. However, Twitter is present as a conversational channel in all three layers, while Facebook is used to support ‘Networked Society’ and ‘Technology for Good’ blog for enhancing the interaction level. To achieve this goal Ericsson posts the links of their blogs to their Facebook account (Kaplan et al, 2010; Michaelidou et al, 2011).

Ericsson pursues more technically advanced but less formal discussion with engineers and influencers on Facebook and google plus, which is a convincing reason to adapt social networks to influence and track beliefs and attitudes, Weinberg et al (2011). However, to establish and maintain a relation, online communities (Peypoch 1998; Rheingold 2000) have been recommended as more effective platforms, which could be a reason in Ericsson’s case for having more thumbs up and shares in social networks than comments.

Similar to Ericsson, Scania chooses the channels depending on what the desired message is and to whom it is intended. Although the main approach is the same for two cases, the adaptation strategies differ due to the nature of the target group. One reason Scania utilizes Facebook is to reach and influence drivers to register for Scania’s global driver competition, which has significantly increased the number of registrants. Moreover Scania’s main
focus is on three platforms of Twitter, Facebook and Newsroom with a flat rather than hierarchical structure as in Ericsson’s case. However, despite the fact that Scania’s online social communication structure is rather simple compared to Ericsson’s, the strategy fits Scania’s target group and goals effectively.

With respect to the screen longevity and how they manage the desired life-time of posts, both corporations believe that experts are needed to actively moderate the dialog with the target groups, which emphasises on the principals of relationship building in B2B (Rimlinger 2011; Schultz et al, 2012; Metz et al, 2011) as deemed essential in social media channels of communication. Other factors mentioned were the language, type of statement and tone of voice as influencers of the post longevity, which could assist firms in maintaining the interest in the relevant discussion on screen. However, the analysis of the findings reveals that this might be a possible solution in social networks, but not for the detailed and in-depth technical matters like in the case of Ericsson. This approach can be more efficient in situations such as global driving competitions on SNs (case of Scania), which is combined with fun and joyfulness (Kramer 2012; Pink 2005); while again online communities might be better choices for achieving deep technical discussions requiring extended longevity as in the case of Ericsson, where there is a need for more comments on their white papers (Peypoch 1998; Rheingold 2000; Weinberg et al, 2011).

Drawing on Weinberg et al (2011) and results of the study by Michaelidou et al (2011), uncertainties of the B2B firms concerning social network’s importance in the industry can be rooted back to the adaptation strategies. Social networks are platforms to influence and track beliefs and attitudes, but with a rather short screen life that causes the posts to move off the screen faster (Weinberg et al, 2011). This means that social networks might not be as effective as blogs for goals such as conveying the product knowledge; or in spreading the information social networks might not be as efficient as mini-blogs, depending on the social media orientation of the customers.

With regards to benefits of social media in B2B firms, “improving network activities and better use of resources” (Gemünden et al, 1997) were observed in both cases. This particularly emphasizes that advantages provided by social media such as network improvement not only benefit the non-commercial, but also the commercial use even in the B2B context. Referring back to promoting driving competition registrants or introducing the new products in Scania’s case, Facebook has appeared to be an efficient means of communication satisfying the needs
of the firm in reaching out the target audience. The study explored the same results in Ericsson’s case while approaching and targeting influencers, bloggers or top students.

Such analysis might raise the point that Scania’s case of registrants or introducing new products is still towards the consumers; therefore the term advantages to B2B firms might be irrelevant. However, the findings of this research highlight two important points worth considering. First is the benefit a B2B firm acquires through the immediate direct communication with the end users, which would lead to the second benefit of the customer or end-user feedback process. The feedback process could happen either directly through social media, or indirectly through retailers or distributors, who tend to be in a direct contact with the end-user. This can facilitate the process of interaction for sharing ideas and opinions, both with the firm and the community (Miller et al, 2009).

Conclusion
The comparison of the two global B2B corporations demonstrates that both cases use the same social media platforms in order to reach different target groups, and achieve different goals. This reveals that social media and more specifically social networks can be considered as a communication medium both in the B2B and B2C context, with focus on targeting individuals. The significance of the study is to highlight the importance of the individual’s role in B2B context that could be reached through social media and SNs, assisting B2B firms in network development process, and reaching different target groups. Benefited by such medium, the B2B companies can bridge to the end-users or experts to enhance their business, and even support their customers (retailers, wholesalers etc...) for a better customer relationship building. Further research opportunities suggested by the author are exploring various strategies of social media channel alignment, with other communication channels adapted by the business-to-business firms.
References


