

Challenges and dilemmas: the organizational aspects of social media marketing

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Challenges and dilemmas: the organizational aspects of social media marketing

The past 10-15 years have seen a surge in the accrued knowledge in the field of digital, social media and mobile marketing. Considerably less effort has been put into understanding the organizational antecedents and consequences of the successful implementation of social media marketing. Current paper aims to narrow the gap in knowledge by reporting the results of an empirical research focusing on the organizational aspects of this transformation. In our research we found three dimensions of how social media effected firm organization. First, it led to the growth of marketing organization both in size and domains covered. Second, this transformation requires changes in skills, competencies and talents in almost all company areas. Third, the effective use of social media requires a change in corporate culture, which best can be driven by top management support. These findings are consistent with our theory review that went beyond the marketing literature, including IT and innovation domains.

Keywords: *marketing organization, social media, organizational transformation*

Track: *Digital Marketing & Social Media*

1. Introduction

Social media (SM) induced immense changes in corporate marketing becoming widely used in several markets (usage rate by businesses passed 90 % in the U.S. – eMarketer (2019)). Much research has already been done to describe the nature of these changes and help decision makers to navigate on the erratic landscape. While most studies focus on consumer acceptance of SM, metrics and market players, only a smaller fraction of extant research discusses the organizational antecedents and consequences of social media marketing. When discussing the different SM use dimensions Leeflang et al. (2014) argue that filling “talent gaps”, adjusting the “organizational design” are among the biggest challenges that are not fully addressed by companies.

Previous research has established the relationship between social media marketing and organizational change. Felix et al. (2015) pointed out that corporate culture plays a decisive role in how social media related marketing activities are implemented by the organization with various aspects of the organization being affected including the internal structure and leadership style. This is a two-way process: new types of communication tools induce organizational changes but organizational changes can be more effectively managed by using social media, mobile applications (Reynolds, 2015).

2. Literature review

2.1. The disruptive nature of social media in marketing

The emergence of social media is one of the technological challenges marketers face continuously. Even before SM has become a mainstream area in marketing, Day (2001) called for changing marketing capabilities and for developing new ones, becoming more vigilant in learning, becoming more open and adaptive. This view has later been echoed by Lamberton and Stephen (2016) claiming that the use of digital, social and mobile media change marketing processes and researchers have to look for areas that – among others – describe coordination of offline-online processes and define boundary conditions for successful DSMM marketing.

Handling elements of the external environment, such as user-generated content, consumer co-creation, the pressure of immediacy and the need being in sync with customers all add to the disruptive nature of social media in marketing. This disruption may require the change processes, responsibilities and the way of thinking as well. In an IT context Polites and Karahanna (2013) called for the use of habit-disruption strategies to change incumbent system

habits. We believe that similar changes can be needed in the marketing domain as well, not only on the technical, but rather on the conceptual-thinking level.

2.2. The talent gap

Changing habits can happen by changing the mindset of existing employees and by hiring new mindsets and capabilities. Finding the right talents can be critical due to the lack of specific skills. In managing social media firms have to take into account the changes in platforms and outlets regarding operation and measurement. Latter – analytical capabilities – is considered to an important challenge by Laroche and Haji (2019). A further issue relates to someone's capability to identify him/herself with customers, or to active-listening capabilities.

Since firms often hire New talents with new capabilities require careful management within the organization in order to avoid internal conflict based on different values or behavioral norms. This multigenerational phenomenon may require different approaches from management regarding knowledge transfer, or leadership style (Woodward et al, 2015).

2.3. New capabilities and organizational requirements

New business models require new competencies and capabilities. In case of social media it is strongly driven by IT capabilities (solutions, support, processes), new analytics and measures, SM solution dependent skills (e.g managing AdWords), understanding of new audiences (e.g. how crowdfunding works) and social network skills (e.g. empathy). Social media is more than social media marketing and Kane et al. (2014), argue that while marketing is an early adopter of social media but social media can create value for the whole organization. The building elements of social business value include social media platforms (e.g. Facebook), social software (e.g. wikis) and enterprise level social networks (e.g. forums).

In the marketing domain the use of social media extends beyond technical skills and analytics, it requires understanding of consumer behaviour, adoption of user contents and the creation of unique content. As Kumar et al. (2016) argue knowing the customer (susceptibility), driving the right emotional reactions (valence) and creating the right format (receptivity) of company created content, can lead to better economic results.

Marketing should be managed across functional boundaries – conflict avoiding role ambiguity and misalignment that can be achieved by the development of a culture that support social media usage and can effectively deal with conflicts (Felix, 2015).

2.4. Leadership and organization culture

Beyond functional roles, management's attitude and support can influence of the success of social media application within the firm. As a result of an explorative research Deans (2011) identified four C-level ownership patterns of social media; CIO-owned, CMO-owned, CIO-CMO shared and C-level ownership solutions claiming that the best outcome can be provided by the last one.

Leadership for social media has not only to care about distributing work and creating sharing among top management, but to foster a culture where the effects of social media in creating joint knowledge can flourish. According to Felix et al. (2015) top management „have to believe in social media and take the risk” rather than being „conservative, encapsulated and internal focused and risk-averse”

3. Research questions and methodology

3.1. Research questions

As indicated in the literature review several dimensions should be studied to provide a better understanding of the organizational aspects of social media marketing. Current research is exploratory in nature so qualitative method was applied that has the advantage of providing new insights into the research domain (e.g. information that could not be inferred from the researcher's own knowledge or the literature). Based on the literature review we formulated the following research questions:

RQ 1. What type of organizational challenges do companies face in the implementation of social media marketing?

RQ 2. What different types of new marketing skills do companies need to acquire to be successful in SM?

RQ 3. How does the implementation of social media marketing transform the knowledge and competencies of a marketing organization?

3.2. Research design and data collection

Part-time master level course participants of a European university provided reports of their employers' social media practices as a part of course requirement for credit. Their average age was 27.4 and average work experience was 4,8 years. The male/female ratio was almost equal.

After being introduced to the subject and the research methodology they were provided with relevant literature and asked to a. describe the profile of their company; b. do interview(s)

with the relevant decision maker(s) or manager(s). Participants' main task was to examine whether or how social media has transformed the organization's marketing department and marketing responsibilities. Overall, 25 company reports were filed. Two papers had to be excluded because of the students' privacy request, and 8 more works had to be omitted because of the low quality of collected data. The below table provides a summary of the company cases:

Code	Industry	Background	Code	Industry	Background
A	Telecom.	Multinational	I	B2B Trade	Home SME
B	Guidance	Multinational	J	Telecom.	Multinational
C	Finance	Domestic	K	Logistics	Multinational
D	Public utility	State-owned	L	B2C Provider	Home SME
E	Consultancy	Home SME	M	B2C Provider	Home SME
F	High tech	Multinational	N	FMCG	Multinational
G	(literature review)		O	Marketing	Home SME
H	Finance	Multinational		Agency	

Table 1: Overview of corporate case studies

Source: own elaboration

While qualitative research enables the understanding, interpretation and in-depth study of social phenomena (Johnson-Christensen, 2008), it has its own limitations. While the validity of research is high, its reliability is low and does not permit the generalizability of the results on statistical grounds (Sayre, 2001). Current research has other limitations as well, mainly due to the indirect nature of the interviews.

4. Results

Three main types of factors that seem to influence the implementation of social media marketing at corporate levels - as shown in the following table:

Organizational factors	Skills and competencies	Inter-organizational and environmental factors
Organizational culture	General skills (employees)	Subsidiary-parent company relationship
Strategy	Management skills	Disruptive nature of social media
Structure	Knowledge transfer	Environmental impacts and factors
Roles and responsibilities of the marketing unit	Commitment of board members/senior	

(within the organization)	management	
Organizational learning capabilities	Use of social media applications	
	Leaders' personal perception of social media	

Table 2: Summary of observed effects in empirical research

Source: own elaboration

4.1 Organizational factors

The scope of organizational changes varies from a mere scaling up of operations to restructuring and organizational redesign. Multiple papers reported a growth in the size of marketing departments due to the increased workload from social media marketing related activities. *The number of employees in the online marketing team has grown over the years, as the focus has been placed more and more on online marketing* (J). *“The department had 5 employees in the past, now its 15”* (B). There were multiple mentions of need for new skills that in some cases changed the role of marketing department within the organization: *“to provide measurements we needed to add new capabilities to the marketing team and hire a new employee. With his arrival department has -in many cases- taken an advisory role as some kind of internal ‘service center’”* (N)

Organizations might respond in various way:

- Transforming existing structure: *“marketing department has become more flexible and efficient in its operation”* (D)
- Creation of new organizational units: *“A new group has been set up within the department. Its main aim is to map industry-related innovations. The formation of the organization played an important role in keeping the ...company up to date with the knowledge of new technologies”*(C)
- Outsourcing tasks to external service providers, agencies (even at a strategic level): *“The ...company, has commissioned a consulting firm for creating marketing strategy and also to operate communication tools”* (J)

Embedding social media marketing in the daily work might also change the way marketing tasks are being handled. Marketing tasks are disseminated in the organization (other departments also perform tasks that traditionally are the tasks of the marketing organizations). The potential that lies in social media was noticed by other organizational units (e.g. HR -

recruitment) and other departments are involved in performing related tasks (e-g. IT or legal department).

Current research suggests that this process is supported by the marketing department. *"Tasks that were done by HR department have now been complemented with marketing elements. For example, recruiting videos for the counselling or the audit department were finalized by marketing. The short film was eventually uploaded to social media with the aim of showing a modern image of the ...company"* (B).

The marketing department establishes a close working relationship with other organizational units, which was not previously known. *"Digitization requires closer cooperation with the IT department. With larger projects, the marketing department often requires the help of regional or even global IT specialists"* (C).

The role of marketing is growing, its function is expanded, and its position within the organization is changing positively: *"The position of the department has changed, as different sales areas have created online units"* (H); *"SM marketing is becoming a strategic area. The central marketing team, created a few years ago, was the first step. In this year, one of the major goals is to increase sales on online sites across the EU"* (F). This shift was not observed in companies where the Hungarian marketing team as a subordinate of the foreign HQ (and operates merely as an executor of the decisions made abroad).

At certain (but not all) organizations a change of company culture is taking place in parallel with the introduction of SM tools. The findings suggest that it is more or less in direct connection with the expanding use of social media. *"At the ... company, the leadership is best described as authoritarian. This organizational culture has been constant. However, environmental challenges may require the ... company in this area to be renewed. The senior management now strongly supports the view that an organization should behave as an explorer in order to protect its domestic and international market position. This leadership style does not encourage creativity"* (H). *"To improve the success of SM marketing, there is definitely a need for organizational culture to change and give way for a more open way of thinking"* (I).

In other cases a relationship in the opposite direction can be seen: *"The corporate culture was open and supportive, this helped a great deal in the spreading of SM applications"* (M).

4.2. Skills and personal traits

Marketing organizations need to employ workers with new skills, and existing knowledge should be used in new frameworks.

IT skills	Artistic skills	Marketing skills	Analytical skills
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Search engine optimization PPC marketing Creating a database	Creative writing Graphics, video editing,	Social media marketing	Analytical software and applications (e.g. Google Analytics) "Big data" and data visualization
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Table 3: Skills within the organization

Source: own elaboration

This new environment requires new capabilities and the transformation of existing (old) capabilities. Based on current research, the following challenges were identified in three different groups (operational, IT, and measurement):

Operational field		IT field		Marketing field	
Challenge	Skills	Challenge	Skills	Challenge	Skills
Data driven operation and development	A new management approach	UX (User eXperience) planning	Graphic skills Programming Web editing	Monitoring of campaign performance	Statistical-analytical skills
Customer service	Use of tools (e.g. online channels) Changes in the tone and style of communication	Integrating new payment methods (e.g. Apple Pay)	IT know-how	New way of thinking in advertising	Time and resource management
				Sales	Customer communication through SM

Table 4: Organizational skills and challenges

Source: own elaboration

Multiple reports showed the inescapable and decisive role of top management. Not only their commitment is crucial but several cases showed the personality traits of the leaders to be a major factor in the company-wide application of social media. The accounts of personal affections show two directions:

- Technological openness and sensitivity ("*the leader should be present in the online space*" (H))
- Sensitivity to the needs of younger generations

Leadership skills learned from the research can be compared to the needs of a rapidly changing, dynamic, turbulent environment in the past. Factors such as flexibility, rapid

response, project manager skills, analytical skills, or the ability to adapt to environmental change have been mentioned.

4.3. Inter-organizational factors

Some companies perceived a fair amount of threat arising from social media to their own activities (products, services they offer). All together three different types of attitudes were observed:

- Some firms see it as a realistic threat that has no solution (yet).
- The company sees the threat but also feels it has come up with a successful solution: *"The design and operation of the web site killed the paper-based publication, their own product for which the company was created. Yet, the development of the new platform proved to be an excellent decision. The popularity of the web site outperforms the book"* (M).
- The company was the one to come up with a disruptive innovation idea: *"In the past, people typically participated in courses where they had to attend physically (e.g. private tutors). In recent years, this has increasingly shifted towards online education, the very field we operate on"* (L).

Finally, social media has a transforming effect on the relationship between the company and its environment. Rapid reactions, continuous environmental change and the ability to adapt the change have been highlighted. *"Digital transformation demanded a much faster adaptation from ...company than anything else before. Customers and potential employees wanted to get information much faster"* (B).

5. Conclusions and limitations

In our research we found three dimensions of how social media effected firm organization. First, it led to the growth of marketing organization both in size and domains covered. Second, this transformation requires changes in skills, competencies and talents in almost all company areas. Third, the effective use of social media requires a change in corporate culture, which is best can be driven by top management support. These findings are consistent with our theory review that reached the marketing literature, including IT and innovation domains.

Our research has several limitations including the nature of the sampling process and the sample itself. Further, had no control variables to test the validity of the responses and cases. Despite of these we felt that we were able to contribute to an under-researched area

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