Research note

The social strategy cone: Towards a framework for evaluating social media strategies

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ARTICLE INFO

ABSTRACT

Social media is growing rapidly. Providing both risks and opportunities for organizations as it does. The social strategy cone is developed for evaluating social media strategies. This framework comprises of seven key elements of social media strategies as based on a systematic literature review and case studies. The results of 21 interviews have contributed to the construction of the social media strategy cone for analyzing social media strategies. Three levels of maturity of social media strategy are proposed: initiation, diffusion and maturity. Initiation includes the key elements: 'target audience' and 'channel choice' while all case organizations studied payed attention to these elements. Diffusion includes the elements: 'goals', 'resources' and 'policies'. Maturity adds the elements of 'monitoring' and 'content activities'. Only 3 of the 9 organizations studied are in this phase of maturity. Although, theory suggests the importance of the element of 'monitoring' our research shows the need for more attention in practice.

1. Introduction

Organizations are challenged by the rise of social media. They face a changing environment where customers and employees have adopted social media on a massive scale. Furthermore, competitive pressure forces companies towards a presence on various social media channels as customers expect them to be there (Larson & Watson, 2011). Yet organizations are struggling to professionally implement social media. Just using social media is not enough. Organizations should be using social media strategically to reap the benefits (DiStaso & McCorkindale, 2013). There are best practices in literature such as Starbucks (Gallaugher & Ransbotham, 2010), Proctor & Gamble, FedEx (Berthon, Pitt, Plangger, & Shapiro, 2012), Doritos, Dove (Thackeray, 2008), Zappos, BMW Mini (Faust & Householder, 2009), Lego, SAP (Kiron et al., 2012), Dell, Adidas, Lacoste and AT&T (Keath, 2012 in Ng &Wang, 2012). However, many companies find successfully deploying social media strategies a difficult task (Bottles & Sherlock, 2011; Kietzmann, Hermkens, McCarthy, & Silvestre, 2011; Hvass & Munar, 2012; Ng & Wang, 2013). They often struggle to adapt to increasingly consumer-oriented communication via social media (Gallaugher & Ransbotham, 2010; Ng & Wang, 2013). Furthermore, companies failing to disclose information in their social media campaigns can damage their reputation and credibility to the public (DiStaso & McCorkindale, 2013). Yet reports from Coca Cola and a study regarding 500 retail sites by IBM Smart Commerce, state that there is no significant impact on revenues based on social media marketing (Ng & Wang, 2013). Time spent on social media can be a waste of organizational resources.

Increasingly, managers stress the importance of using social media in a more competitive way (Kiron et al., 2012; Harrison & Barthel, 2009). Moreover, companies would like to have a predictable return on their investment in social media (Hoffman & Fodor, 2010). Organizations could benefit from a more thorough understanding and theoretical grounding, underpinning the design and implementation of social media strategies.

However, there is a lack of comprehensive frameworks, theories, methods and research instruments to develop and analyze social media strategies. Kietzmann et al. (2011) Honeycomb framework, e.g., does provide a framework to look at the various functions of social media, but only focuses it on the practical operational level.

The aim of this paper is to develop a framework for the analysis of social media strategies. The framework emerges from a systematic literature review and by conducting case studies.

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Therefore the following research question is raised.

Main question: how can we evaluate the comprehensiveness of social media strategies in practice?

We construct a framework by evaluating key elements of social media strategies from literature as a comparative lens in case studies. The case studies provide us with a thorough review of the comprehensiveness and stage of maturity of the social media strategies within selected organizations.

The remainder of this paper is structured as follows. First, we present a systematic literature review and its results. Second, we elaborate upon the research method underpinning the case studies. Third, we introduce case results and structure them based on maturity stages of social media strategies. In Section 5 we present our social strategy cone framework based on the results of this study, present limitations and derive a future research agenda.

2. Literature review

2.1. Definition of social media strategy

Before we elaborate upon our findings from the systematic literature review we constructed a definition of social media strategy. It is important to explore a few definitions of the underlying terms. Social media is defined as "a group of Internet-based applications that build on the ideological and technological foundations of Web 2.0, and that allow the creation and exchange of User Generated Content" (Kaplan & Heinlein, 2010, p. 61). Porter (1996) defines strategy as the "creation of a unique and valuable position, involving a different set of activities" (p. 68). Mintzberg defines strategy as a plan driven by a predefined decision (in Ng & Wang, 2012). He describes strategy formulation as involving the interplay between a dynamic environment and some of the crucial processes in an organization, and as having distinct change-continuity cycles. A strategy needs to have specific objectives, a targeted audience and the required resources (Dutta, 2010). Social media; however, is a specific part of strategic decision making based on digital resources, more specifically a group of internet based information systems. Woodard, Ramasubbu, Tschang, and Sambamurthy (2013) define a digital business strategy as "a pattern of deliberate competitive actions undertaken by a firm as it competes by offering digitally enabled products or services". Another study, by Bharadwaj, El Sawy, Pavlou, and Venkatraman (2013), define a digital business strategy as "an organizational strategy formulated and executed by leveraging digital resources to create differential value". The definition of Information Strategy stated by Kapovsky, Hallonoro, and Galliers (2013) and followed by Henfridsson and Lind (2014) does not differ that much: "a process of goal-directed activity intended to realize a strategy for using information systems in an organization".

Given the definitions above, we define social media strategy as: "a goal-directed planning process for creating user generated content, driven by a group of Internet applications, to create a unique and valuable competitive position".

2.2. Systematic literature review

To analyze research regarding social media strategies, a systematic literature review was conducted. In a systematic review clarity exists in the approach, the selection of the items and the meta-information (Webster & Watson, 2002). The objective of the literature review is to discover key elements of social media strategies and review existing frameworks, methods, theories and standards for the development of social media strategies. Therefore the following question is underpinning the literature review.

Sub question 1: which elements does a comprehensive social media strategy comprise of?

The systematic literature review was conducted in 2013 and was repeated in the first half of 2014. Scopus and web of science were used as international library services which have access to a vast number of multi-discipline academic databases. The abstracts of the results were carefully read and assessed on criteria for relevance, excluding articles that used the word strategy in another semantic way e.g., search strategies. Table 1 provides an overview of the selection process.

Table 1 shows that 5207 articles were retrieved from international databases regarding this subject. After careful evaluation of the abstracts and the removal of duplicates, 66 studies remained in the final selection of articles. The scarcity of literature indicates a literature gap regarding social media strategy. Table 2 provides details of metadata from the selection.

Based on the literature review we find that research regarding social media strategy is a rapidly growing field of interest. Furthermore, the review indicates a lack of effective frameworks for analyzing and comparing social media strategies. Some classification frameworks exist to categorize social media practices (Hofmann & Fodor, 2010; Kietzmann et al., 2011; Kaplan & Haenlein, 2010; Larson & Watson, 2011) and some articles provides us with pointers for specific social media strategies (Gallaugher & Ransbotham, 2010; Munar, 2010; Ng & Wang, 2014; Guinan, Parise, & Weinberg, 2011). However, the current literature pays little attention to defining more refined and comprehensive ways of comparing and evaluating social media strategies. Researchers have just started giving their attention to the subject of social media strategy. The studies conducted so far were exploratory, to establish theory or were based on case studies. The current insights mainly rely on untested theories and only a few exploratory case studies have been conducted. Although the literature is not yet well developed, our analysis of current work led to the identification of initial patterns in the literature regarding the importance of certain elements of social media strategy development. Given the findings of the review we were able to derive a list of key elements of social media strategy. These key elements are target audience, channel choice, goals, resources, policies, monitoring and content activities. Each of these elements will be further described. An overview of the references used and the core contributions of these studies in regard to the key elements of the social media strategy framework are presented in Appendix A.

2.2.1. Target audience

Organizations should define which target groups to address using social media channels because companies: "must be able to segment their priority populations, that is, be able to identify, isolate, and know the degree to which these populations use and access web 2.0 social media" (Thackeray, Neiger, Hanson, & McKenzie, 2008, p. 342). This population could consist of various 'stakeholders', groups, and cultures (e.g., personal or professional, generation X or Y) (Berthon et al., 2012; Dutta, 2010; Larson & Watson, 2011).

2.2.2. Channel choice

The choice of the channel largely determines the effectiveness and even the appropriateness of communication through a certain social media channel. Klang and Nolin (2011) say that affordances and limitations are set by the technological infrastructure. Kaplan and Haenlein (2010) provide a matrix with various social media channels with different characteristics and capabilities in terms of media richness and self-disclosure. Dutta (2010) makes clear that different target groups have to be addressed by different social media channels.