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**Effects of Social Media on Business : the  
use of Twitter by retail companies in  
Saudi Arabia**

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## **Abstract**

Where communication, even online, was once usually one way, from author to audience, the new social media technologies have revolutionized it, making it essentially multi-way. Content is no longer static and delivered to a passive audience, but dynamic, created with the collective participation of the audience. Retail companies in Saudi Arabia have used these new social media technologies to engage with their customers, adapting their business strategies and procedures accordingly. Three such companies are taken as case studies, examining their use of Twitter, the most important social media platform in Saudi Arabia, to enhance their customer relationship management (CRM). A questionnaire survey and interviews are used to identify customer attitudes to retailers' use of social media. Consumers appear to be receptive to retailers' Twitter communications, but they also expect multi-way conversations and timely response to queries and complaints. The results show that the changed dynamics of online communication give companies the opportunity of value co-creation, where increased interaction with consumers allows them to do more than merely satisfy the immediate customer. The use of social media extends traditional CRM and marketing, creating social CRM. Finally, the research finds that there is a need for instant, on-demand communication, which companies cannot ignore if they wish to succeed in today's marketplace.

## **Keywords**

Customer knowledge management, Customer relationship management, Social customer relationship management, Social media, Twitter, Web 2.0

## **Introduction**

In the current business scenario, the patterns of communication and interaction among individuals and businesses have undergone many changes, progressing towards the interactive use of online platforms by individuals and businesses. Web-based interaction allows businesses to promote their brands, products and services over social media platforms including Twitter and Facebook. Improved patterns of interaction with potential customers has a direct influence on revenue creation and profitability. Retail companies have adopted the strategy of using Web 2.0 technology to contact and interact with existing, new and potential customers. This study examines this phenomenon in an emerging economy with rapid social media growth: Saudi Arabia.

## **Aims and Objectives**

The study aims to explore the key characteristics of social media platforms relevant to their use by retail companies in Saudi Arabia in developing strong relations with consumers. It examines the ways in which customer relationship management (CRM) tactics can be used to enhance customer satisfaction. The key objectives are:

- To assess the impact of online communication on the business prospects of retail companies.
- To investigate prevailing patterns of communication based on Web 2.0 technology among retail companies and consumers.
- To explore the effects of this communication, specifically via Twitter, on reputation, brand loyalty and customer satisfaction.
- To analyze the ways in which retail companies use social media to develop knowledge and awareness among consumers.
- To identify the Web 2.0-based CRM tactics and practices that Saudi retail companies use to enhance satisfaction among their customers.

## **Justification**

Web 2.0 technology has significantly changed patterns of online communication and content creation. Retail companies are consistently involved in seeking benefits from the latest technologies. Chui et al (2009) found that approximately equal numbers of retail companies that had implemented Web 2.0 technology were satisfied and dissatisfied with the results. Success was limited by the fact that managers of these companies often encountered serious difficulties in understanding such advanced

technologies and then in applying them to their businesses. Andriole (2010) found that there had been little research on the role of Web 2.0 technology in improving the prospects of management and productivity at corporate level, irrespective of its active use by the businesses concerned. Other unanswered questions about the use of Web 2.0 technology concern approaches to its implementation, the success of these approaches and techniques for assessing its effects on business performance.

The current study is conducted at an opportune time because it addresses the evolution of retail with respect to changes in the business environment, using case studies and in-depth analysis of the response of retail businesses to the growth of Web 2.0 technology.

According to the Statistic Brain website (2015), there are approximately 646 million registered Twitter users around the world, making this one of the most important online social networks. Marcello (2013) reports that Twitter is the world's fastest-growing social platform, especially in Saudi Arabia, where there is the highest percentage of active users among the online population, growing at the staggering rate of 56% over the last few years. Twitter provides Saudi Arabian companies with an opportunity to build a superior image and reputation by developing strong relationships with existing and potential customers, which in turn will help them to grow their market share and create new products. This research therefore explores various aspects of the impact of Twitter on retail companies in Saudi Arabia, seeking ways for them to change their business practices, especially their use of CRM, benefiting from the application of advanced technologies to sustain a competitive position in the retail sector.

## **Literature Review**

### **Web 2.0**

The technologies underlying Web 2.0 emerged in the early 2000s. O'Reilly (2009) states that the term does not mark a sharp distinction from earlier web technologies, but a cumulative gradation leading to the practices and principles of Web 2.0. The main distinctions are the amount of activity and involvement by the user. Earlier, the direction of communication and content development on the web was only from author/publisher to audience, whereas the focal technologies of the Web 2.0 platform have greatly modified communication on the web and have led to the collective development of content.

## **SCRM and Business Strategy**

Stone (2009) relates continuous modifications of Web 2.0 technology to social customer relationship management (SCRM). In order to provide the data needed for the management of the relationship between a company and its customers, the company has to ask them questions. Various types of information are required for different services and products, in relation to e.g. developing, selecting and packaging a desired product for the consumer. SCRM has a major role in convincing consumers that this is advantageous to them, and in developing associations based on trust, which is crucial. Those retail companies which have successfully adopted SCRM and the associated technologies have the potential to increase market share and profits by making better decisions based on the circulation and collection of consumer data. In both the financial services and retail sectors, the social aspects of CRM have fostered the development of close associations with customers (ibid).

According to Greenberg (2009), the strategy of using social CRM facilitates the offering of good value in a trusted and transparent business environment, where there is mutual ownership of communication between customer and business. Harrigan and Miles (2014) state that SCRM is the incorporation of social media technologies into the CRM arsenal, for the purpose of developing close relationships with potential customers in real time. Durgam (2011) notes that it is the real-time structure of transactions within social networks that distinguishes SCRM from traditional CRM. Thus, SCRM is an extension of the concept of CRM in its traditional form, rather than its replacement (Choudhury and Harrigan, 2013). Collective and social connections with prospective customers result from the leveraging of the technology. There has been an increase in analytical and social CRM concurrent with the decline of the operational use of CRM (Assaad & Gomez, 2011; Greco & White, 2009).

The reorientation of traditional CRM towards SCRM, with its focus on customer engagement rather than customer management, has increased the personal satisfaction of customers, as well generating greater profits (Greenberg, 2009). There is a growth of communities around a focal point, as firms use Web 2.0 technologies to engage with consumers. Online platforms host groups whose members interact and exchange vital information, which companies can tap and exploit. Significantly, customers control the conversation, boosting their authority within the business ecosystem (ibid). Thus, the evolution in the ways that businesses develop relationships with their customers, from

CRM to SCRM, involving the addition of new features to the traditional mode of CRM, has not been driven by changes in the conduct of business, but by societal changes in human communication.

According to Greenberg (2009), there is a cultural issue of trust in relation to social CRM, because customer and company are in a relationship, sharing a collective chain of value in which transparency and authenticity are important. Durgam (2011) explains that SCRM is differentiated from CRM by putting the emphasis on this important relationship, as well as on high value, rather than on the products and services of the company. Nambisan (2009) found that very few organizations shared a platform with potential customers and recommended that retailers should exploit the tremendous scope of SCRM for growing their business. Recently, Baporikar (2012) notes that firms have preferred the customer-oriented approach to product-centric techniques for gaining market share. Within a culture of customer service, CRM has become increasingly important and it is strategically necessary to seize the new opportunities offered by SCRM and to confront the challenges arising from the technological revolution.

According to Prahalad and Ramaswamy (2013), value co-creation depends on close and healthy relationships with customers, who play a major role in the development of the products and services they consume, thus assuming a share of the decision-making power once exercised exclusively by providers. For example, customers should no longer be considered responsible for defects or damage to products. Value is created in the market, where customers are mainly responsible for identifying and forming that value. Figure 1 shows the spectrum of co-creation proposed by Prahalad and Ramaswamy (2013).



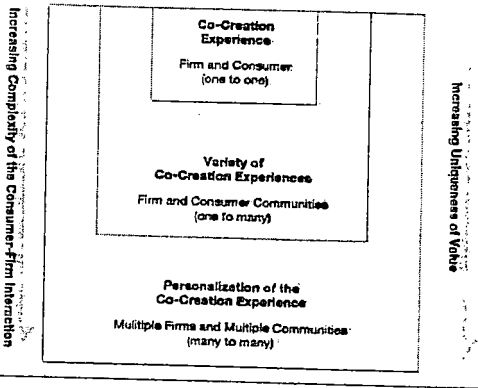


Figure 1: Co-creation Experiences Spectrum (Source: Prahalad and Ramaswamy, 2013).

Prahalad and Ramaswamy (2013) also list some challenges associated with co-creation: it can be time-consuming, especially for retailers with a large customer base; operational efficiency may suffer when trying to interact with many customers; if customers make a major contribution to product design, quality may be compromised; the emphasis on transparency may make it difficult to strike a balance between sharing openly and controlling customer access to the co-creation process; legal issues of risk and accountability may arise if too much control is ceded to consumers; finally, future demand is difficult to predict because it depends on fluid customer dynamics.

Many authors see SCRM as closely related to knowledge management (KM), because handling knowledge of customers in a holistic way is supplemented by CRM in its traditional form. A review of current literature shows that many firms continue to address a question posed by Gibbert et al. (2002): How do companies whose main focus is their customers acquire information by direct means? The traditional techniques of market research have been greatly modified as the databases on which traditional CRM relied have been made redundant by changes in the macro-environment. The close association between customer and retailer is a vital link in the collective value chain. To maintain good relations with customers and respond actively to their needs, SCRM and customer knowledge management (CKM) are crucial. Table 1 lists the distinguishing characteristics of CKM, KM and CRM, based on Gibbert et al. (2002).

Table 1: KM vs. CRM vs. CKM

	KM	CRM	CKM
Area of knowledge	System, team, company and workers	Customer database	Originality, customer skills
Adage	"If only we know what we knew"	"Retention is cheaper than acquisition"	"If only we knew what our customers know"
Objectives	Knowledge sharing among employees in relation to customers	Knowing more about customers	Sharing, expanding, gaining customer knowledge in view of competitors, future solutions, etc.
Customer role	Receptive and passive	Loyal to the products, therefore captive	Partners in knowledge
Taker of initiatives	Employees	Customers	Customers
Corporate role	Collecting and exploiting knowledge	Capturing customers	Customer emancipation
Objectives of business	Not reinventing the wheel	Nurturing the customer base	Joining hands with customers, value creation
Conceptual base	Customer retention	Customer satisfaction	Customer success, organizational learning, innovation
Business metrics	Performance in relation to budget and customer retention rate	Customer satisfaction and loyalty	Growth, innovation, performance and customer success, compared with competitors

Sain and Wilde (2014) argue that retail business objectives such as improving profits, maximizing market share, increasing customer value, ensuring customer satisfaction and retaining existing customers can be all attained via CKM, which is also concerned with policy and customer education. The correct implementation of CKM bestows competitive advantage and SCRM provides a route to this goal. Thus, Stone and Woodcock (2013) consider the use of social media channels for acquiring more customers; Chua and Banerjee (2013) explore examples of retail companies adopting a strategy of encouraging innovation and development in the field of branding by employing social media tools in relation to CKM; and in the hotel sector, Chaves et al. (2014) discuss ways to encourage customers to share knowledge via the semantic web and social media.

## Business Strategy and Web 2.0

Chui et al. (2009) state that enterprise resource planning (ERP), supply chain management (SCM) and CRM are significantly affected by Web 2.0 technology, which differs strategically from earlier technologies by its bottom-up approach, encouraging interaction, collaboration and participation, whereas ERP and SCM follow a top-down strategy (Figure 2).

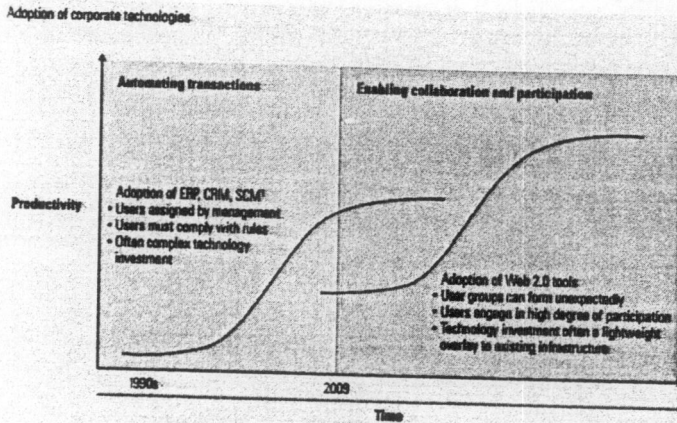


Figure 2: Older technologies vs. Web 2.0 (Source: Chui et al, 2009)

According to Chui et al. (2009), organizations which use Web 2.0 benefit from “cognitive surplus” as a driver of growth. New narrative solutions emerge from interactions between groups of specialists, both internal and external. Community development is a good way to create a product, add value or build brand loyalty, because of the user content and the communities that are created when customers use Web 2.0.

O’Reilly (2007) asserts that the collective intelligence activated by Web 2.0 technology is one of its main benefits to retail companies. Links to other URLs can be used to focus content and to build connections between individuals and content of a specific nature, increasing its importance to them. Google’s categorization of results with the help of ranking algorithms has been successful in this regard. Websites such as eBay and Wikipedia develop horizontal links based on each user’s activity. The development of technology in the form of RSS and blogs has allowed access to the self-

publication of material by individuals. Companies use Web 2.0 technology to analyze behavior patterns and data locations, creating effective business strategies. Real-time interaction is a core competency for operational management.

Andriole (2010) categorizes Web 2.0 technology according to its internal or external focus and argues that traditional KM is being replaced by informal Web 2.0 tools; in retail, the relevant applications have external focus. As to CRM, it has steadily absorbed both internal and external Web 2.0 technology, but Andriole (2010) contends that it is difficult for organizations to make profits in this way; however, Web 2.0 does offer reduced cost and easy deployment in both internal and external training.

### **Applications of Social Media Marketing Tools**

There is a direct link between CRM and marketing, which it can be seen as augmenting by offering a different view of consumers as individuals (Lamb et al., 2008). In relation to some retail functions such as selling and marketing, software applications incorporate the CRM concept (Mohan et al., 2008; Buttle, 2004). Therefore, the effective use of social media in marketing, including via CRM, should be explored, according to Quinton (2013).

Molesworth and Denegri-Knott (2012) observe that the relationships of companies with customers have changed along with society itself, while Simkin and Dibb (2013) claim that digital marketing unquestionably adds value by supporting innovation in CRM. Similarly, Baltar and Brunet (2012), while differentiating between marketing by social media and the development of marketing by technology, note the important strategic use of these methods and the focus on knowledge with regard to social media.

A fundamental change is underway in information flow. Once, this was predominantly from producer to consumer, but the horizontal flow of information among consumers is increasingly important. According to Christodoulides (2009), companies no longer enjoy the same level of authority in the production of product information, which is increasingly provided by prosumers (professional consumers), bloggers and individual review websites. Social media thus supports the democratization of data communication. Quinton (2013) states that internet technology also makes in-depth consumer knowledge and perceptions of products increasingly important for brand development and business success. Social media tools allow firms to observe collective consumer behavior. Two related methods cited by Humphreys and

Grayson (2008) are crowd sourcing and crowd funding, which shift the balance of power from businesses towards prosumers, raising ethical questions in relation to value addition and consumer input (Cova and Dalli, 2009; Bonsu and Darmody, 2008).

Quinton (2013) identifies a knowledge gap with regard to the role of social media in channeling product information and its implications for marketing and CRM, while Patino et al. (2012) assert the need for marketing professionals to fully understand this phenomenon. The present research aims to address these academic and practical aspects of the phenomenon.

## **Methods**

The current research depends on both primary and secondary data concerning the use of Web 2.0 technology and the business strategy of retail companies. The secondary data was collected by means of the literature review above and the case studies of three Saudi retail companies that use Twitter to communicate with their customer base, while the primary sources were first an online survey of potential customers, providing numerical data on Twitter usage, then semi-structured interviews with a smaller sample of consumers to yield supplementary data, rich in content, in areas of interest identified from the survey process. Together, the questionnaire and interviews delivered in-depth information on users' attitudes towards social media and their responses to the online activities of the business organizations using social media as a promotional platform.

This mainly qualitative research study thus utilizes the concepts of bricolage and gestalt (Tracy, 2012), assembling disparate elements of data to obtain a view of a cultural phenomenon as a whole. These methods were helpful in gathering data from a sample of individual consumers on the nature and implications of their use of the companies' Twitter pages and in analyzing the retailers' application of Web 2.0 technology to develop relations with their customers via this online communication platform.

The target population for the secondary data collection was consumers in Saudi Arabia involved in using the Twitter social media platforms, while the participants were selected by purposive sampling.

The survey was written in everyday language, to allow participants to respond on the basis of a proper understanding of the context of the study. The questionnaire

items were specific closed questions (i.e. with limited response options), some factual (e.g. age, frequency of Twitter use) and others attitudinal (e.g. How should companies improve customer satisfaction?). The interviews used more open questions, to elicit in-depth information on some of the same topics from the participants (Bryman, 2012).

## **Results and Discussion**

### **Secondary Data: Case Studies**

Three retail companies were identified as having strong market share in Saudi Arabia and were chosen as case studies: Jarir, Panda and eXtra.

#### **Jarir Marketing Company**

The Jarir Marketing Company established its first store in Riyadh in 1979 and has been listed in the Saudi capital market since 2003. Jarir now has 33 showrooms in 14 Saudi cities and five in neighboring countries. It is considered one of the leading listed retail companies in Saudi Arabia. The company sells office and school supplies, toys and educational aids, Arabic and English books, computer peripherals, software, mobile phones and accessories. Its two divisions (retail and wholesale) trade under the brand name Jarir Bookstore.

Jarir has gained greater recognition for its brand through the important strategy of laying great emphasis on the use of social media, rather than advertising in conventional mass media such as TV and newspapers. This can be deduced from the relative rarity of its advertisements in these media. In particular, Jarir has focused on Twitter, with more than a million followers (Figure 3). By comparison, its competitor in Saudi Arabia, Obeikan, has fewer than a thousand Twitter followers, indicating that Jarir is a market leader in books and computers on Twitter in Saudi Arabia.

#### **Twitter Campaigns**

In an innovative Twitter campaign, Jarir promotes special offers for teachers and students, involving major discounts on the latest collection of bags and school supplies, in addition to reductions on the latest smart devices and computers.

#### **Twitter Strategy**

Jarir joined Twitter in April 2011, heading its page with a message to customers: "We are happy to answer your questions and inquiries here". The company

does not tweet on a daily basis, indicating that it does not want its feed to be bombarded with vacuous messages. This also allows it to concentrate on producing high quality tweets, making its Twitter activity more interesting. Its promotions do not follow a direct and plain pattern through seasonal offers. Instead, for example, it provides tips about new devices with quick responses to any queries from its Twitter followers.

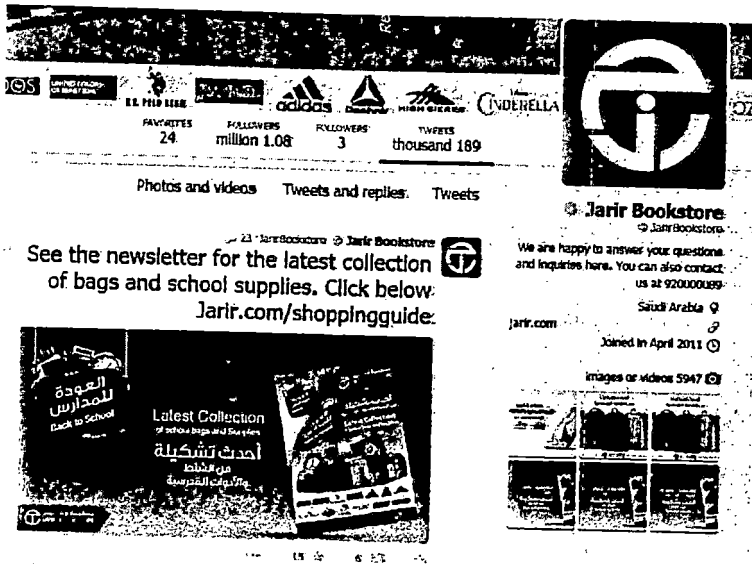


Figure 3: Jarir company's Twitter page

### eXtra Retail Company

The eXtra Retail Company was established in 2003 to provide a complete shopping experience for consumers of electronic goods and domestic appliances in Saudi Arabia. It deals in the leading international brands of 12,000 products, including computers, mobile phones, TVs, audio systems, IT, communications and home appliances. It operates 35 stores in Saudi Arabia and one each in Bahrain and Oman. It is approved by the Saudi Arabian General Investment Authority (SAGIA) and is one of the fastest growing retail companies in that category (sagia.gov.sa).

### Twitter Strategy

In September 2009, eXtra began to use Twitter and other social media platforms. It has since developed and sustained its social media presence, gaining greater recognition and promoting its brand. As Figure 4 shows, it has more than half a million followers and uses its Twitter page to assure them that “eXtra serves its valuable customers with the biggest range of latest technologies at the best value”.



Figure 4: eXtra’s Twitter page

The company has successfully adapted to changes in the external environment. For example, it recently tweeted to invite its customers to visit an eXtra store in order to upgrade their computers to Windows 10. In order to utilize social media most effectively, it is recommended that this should be aligned with its overall business strategy; however, this is hard to achieve because the company is concerned only with brand management. If it does not achieve the desired success, an ineffective business strategy will be held responsible, rather than its social media activities. This illustrates the inseparable intertwining of business strategy and social media strategy.



## Azizia Panda United

Azizia Panda United, now one of the most important food retail companies in Saudi Arabia, was formed when Azizia merged with Panda in 1994. The company has the largest market share in the Saudi retail sector and had over 100 million visitors in 2010 alone. It operates and manages over 260 supermarkets and hypermarkets within Saudi Arabia. It exclusively sells Panda products, which are marketed as offering high quality at competitive prices.

### Twitter Strategy

Panda established a Twitter account in June 2010, as part of its strategic focus on social media activities, within a management plan to reach and engage with a greater number of customers. It now has more than 265,000 Twitter followers (Figure 5), who are guaranteed to see the latest offers and promotions before other consumers. In order to maintain the evident success of this strategy, the company sees it as a challenge to develop an assurance that attractions are refreshed sufficiently often to retain the attention of existing customers.

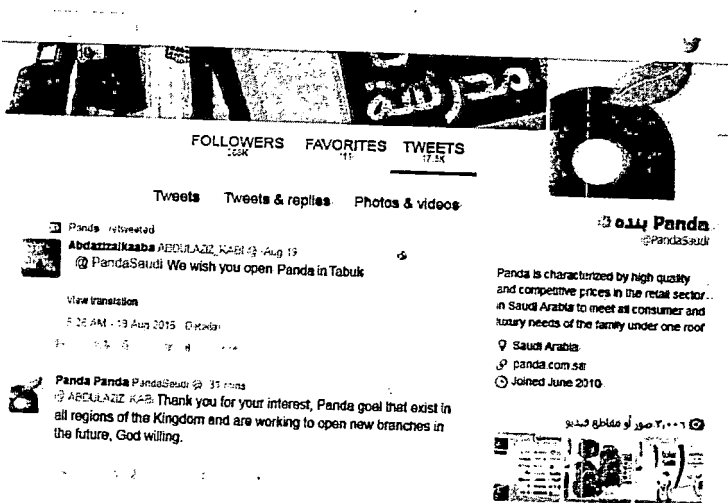


Figure 5: Panda's Twitter Page

### Primary Research Results

The researcher used Google Docs to share the online survey with others, to count participants and to generate graphs of statistics automatically. For ten days, a link to the survey was publicized to colleagues, family, friends and others. The questionnaire was thus distributed to 300 people and 231 were returned, a response rate of 77%. Eleven questionnaires were incomplete, leaving a final total of 220 respondents. All participants fully understood the purpose of the study and consented to take part.

#### Demographics

Figure 6 shows that more than two-thirds of respondents were aged between 19 and 40 years, which is not surprising because most Saudi internet users are young. The sample was overwhelmingly male (Figure 7) and four-fifths had received a university education (Figure 8).

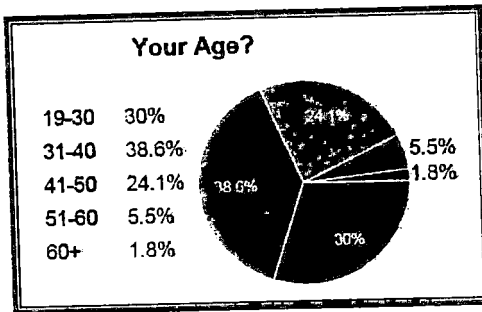


Figure 6: Age of respondents

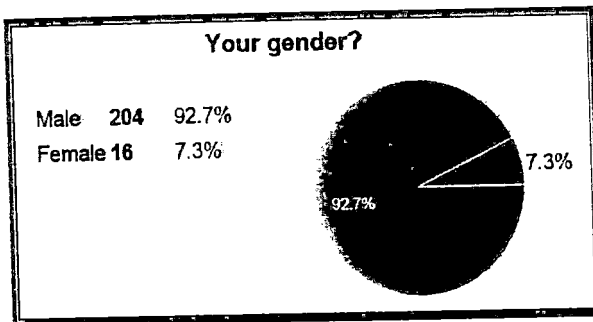
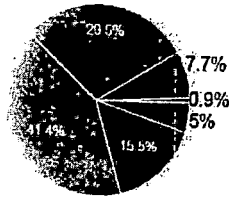


Figure 7: Gender of respondents

**What is the highest level of education that you have completed?**

Primary or Secondary	5%
Diploma	15.5%
Bachelor's Degree	41.4%
Master's Degree	29.5%
Doctorate or higher	7.7%
None	0.9%



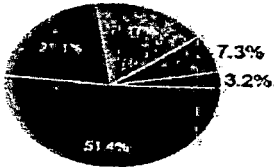
**Figure 8: Education level of respondents**

**Twitter Usage**

Only ten respondents reported not having a Twitter account, while 210 (95.5%) did. Figure 9 shows that over 70% of these account holders accessed them at least once per day, while very few never used their Twitter account.

**How often do you access your Twitter account?**

More than once a day	51.4%
Daily	21.1%
Weekly	17%
Monthly	7.3%
Never	3.2%



**Figure 9: Frequency of Twitter use**

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Participants were asked why they used Twitter and were offered five multiple options, listed in Table 2, which shows more than half used it to connect with people and a similar number for entertainment (including news), while education and business were less important uses.

**Table 2: Purposes for using Twitter**

For what purposes do you use Twitter?	
Connecting (contact with people)	53.2%
Entertainment (news and sharing videos or images)	56%
Education (learning or contact with college)	21.8%
Business (contact with companies)	19.4%
Other	5.6%

**Attitudes to Companies' use of Twitter**

When we asked about reasons to follow a company account on Twitter, the most frequent choice was to look for new products, followed by news and promotions, while approximately 30% of respondents were interested in learning about other customers' experience of a product before buying it or subscribing to services (Table 3).

**Table 3: Reasons to follow a company on Twitter**

What attracts you to follow a company on Twitter?	
New products	42.3%
Newsletter	37.6%
Promotion	31.5%
Communication with customers	29.1%
Other	1.4%

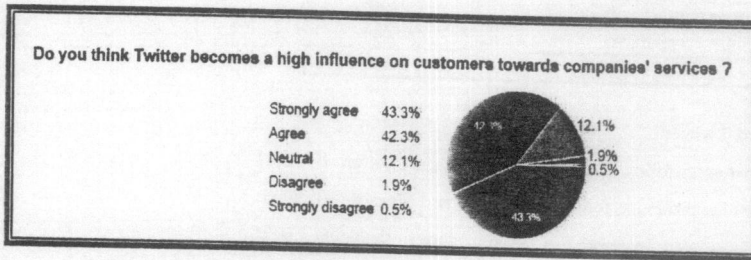
When asked whether retail companies should open Twitter accounts, an overwhelming 96.7% of respondents replied that they should. They were then asked why. More than half of respondents said that they would like companies to establish Twitter accounts so that they could contact them easily. Table 4 shows that additional reasons, in order of preference, were to learn about promotions, to receive news about the company and to read other customers' feedback.

**Table 4: Reasons for wanting a company to open a Twitter account**

Why should a company establish a Twitter account ?	
Easy to contact	54.2%
Easy to learn about promotions	42%
Easy to receive news of the company	37.7%
To know the other customer feedback	37.7%
Other	0.5%

As customer feedback is an influential factor in business success, the voice of customers should be heard. The questionnaire responses indicate that younger members of the Saudi population have become very interested in social media, which they see as

influencing their purchasing decisions. Indeed, over 85% of respondents agreed that Twitter has a strong influence on customers' attitudes to companies' services (Figure 10).



**Figure 10: The influence of Twitter on customers' attitudes to companies' services**

Next, respondents were asked in what ways retail companies should do more to improve customer satisfaction by means of Twitter. Table 5 shows that two-thirds would like to see faster response times, while other popular suggestions were being active and providing special offers for their followers.

**Table 5: Suggestions for improving customer satisfaction**

How should companies use Twitter to improve customer satisfaction?	Percentage
Quick response	67.3%
Be active	42.5%
Provide special offers for their followers	37.9%
Keep data up to date	26.6%
Other	0.5%

**Communication with companies through Twitter**

When respondents were asked if they preferred to use Twitter to contact a company with which they had an issue, 70% replied affirmatively. They were then asked what they would do if a company to which they had complained in this way failed to reply to their tweets. Would they share their bad experience with their own Twitter followers? A heavy majority (82.5%) stated that they would do so. As 95% of respondents had a Twitter account, tweeting about bad service could have a high impact on a company's reputation. However, this would depend on the extent to which other users allowed such negative tweets to affect them. Only 30% of respondents stated that

a tweet about someone else's bad experience of a particular company would affect them strongly, while 59% said that the effect would be moderate and ten percent that it would be low. Focusing on people's perceptions of Saudi retail companies, 114 of the 220 respondents (54%) had contacted a retail company in Saudi Arabia through Twitter, while almost as many (96) had not. Of those who had made such contact, more than 40% said that they were not satisfied with the company's response. This is too large a proportion of dissatisfied customers to be ignored; customers can be lost through such inadequate communication. A response might be considered unsatisfactory because there was none at all, because the answer was unspecific or because the explanation was not adequate.

### Interview analysis

In order to supplement the survey data and to understand more deeply the experience of Saudi consumers in using Twitter to communicate with companies, as well as their attitudes to these companies' use of Twitter, the author interviewed ten people face to face and by telephone, asking a number of open questions.

The first question was designed to elicit participants' experience of using Twitter to contact retail companies in Saudi Arabia. All interviewees had used Twitter in this way and all were happy to recommend it to others as providing quick answers. For example:

*I bought an iPad from Jarir but after a few days it stopped working, so I tweeted a message to Jarir. A few hours later, they replied with an apology and asked me to go to any Jarir branch to get another one. (Participant 10)*

The second question sought to identify the best retailers in Saudi Arabia in terms of using Twitter to interact with consumers. Two participants nominated Saudi Telecom as working hard to ensure customers satisfaction, while four others praised Panda for retweeting good tweets and responding quickly to inquiries. When asked how firms could use Twitter to improve their performance, interviewees suggested the use of simple language, quick response, providing offers and launching new products. Finally, all interviewees agreed that Twitter is useful in solving problems with products and answering inquiries quickly, thus strengthening a company's reputation, its relationships with customers and their loyalty.

## **Discussion**

Greenberg (2009) notes that organizations using social media risk losing control of the conversation, which passes increasingly to the customer. However, online communication, such as via Twitter, offers the opportunity for engaging large numbers of customers, holding their attention and improving customer service and satisfaction. Customer participation is considered an essential element of Web 2.0 success and this is confirmed by the present study of Saudi retail companies, which have changed their focus from one-way communication to customer interaction, including retweeting and replying to comments.

In the context of the primary research findings, it is clear that people use Twitter to find updates on specific brands. Companies have numerous followers, showing that they target demographics that use Twitter extensively and that they seek to stimulate strong brand loyalty as part of an effective marketing strategy.

Overall, the findings suggest that social media platforms connect companies with an exacting but receptive audience. Customers expect retailers to use social media and thus to provide excellent customer service. By sharing their opinions of products through social media, consumers give suppliers the opportunity to create value, consistent with the findings of Prahalad and Ramaswamy (2013). It can be concluded that social media growth has substantially enhanced the significance of CRM and that customers are increasingly receptive to developing close associations with brands.

## **Conclusion**

The existing literature shows that marketing and CRM strategies have been changed by social media use and its multiple patterns of communication. Content is published by independent reviewers, consumers and competitors, among others, obliging companies to adapt to the competitive environment by running attractive promotional campaigns and advertisements. Opinions of products will be widely shared with or without the retailers' consent, so they must capitalize on this growth opportunity.

Responsiveness is a key criterion, as customer loyalty can evaporate in a single click. Study participants revealed dissatisfaction with companies which were unresponsive via social media. It appears that Jarir's success in attracting and keeping customers is related to its strategy of value co-creation by responding quickly to users'

comments and queries, which in turn requires the appropriate training and development of employees.

To enhance consumers' awareness of the company's offerings and products, consistency in the communication pattern is important and social media provide this opportunity. The results of the study show that successful companies make consistent changes in their patterns of communication, using social media to enhance their market reputation and fulfill customer expectations. They use technologically advanced SCRM techniques to create value by establishing close relations with customers, offering timely information and satisfactory responses to queries. Even large companies must respond sensitively to each individual consumer, meeting the changing expectations of customers for increased levels of satisfaction.

### **Further Research**

The present research could be usefully augmented in a number of ways. It has been limited to the use of Twitter, so future research should extend to other social media sites, such as Facebook, Instagram and Vine, which are widely used by businesses. It has been found that a well defined online strategy is essential in the current market environment and that not all social media interaction is positive. Some retail companies have found that customers use their Twitter feeds to express frustration or objections to corporate policies, especially in the context of corporate taxation. Thus, future research work should consider the use of different social media tactics within the firms' marketing strategy, to gain an insight into the prospects of developing a more effective business strategy.



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