

How can your bio-based business benefit from social media?

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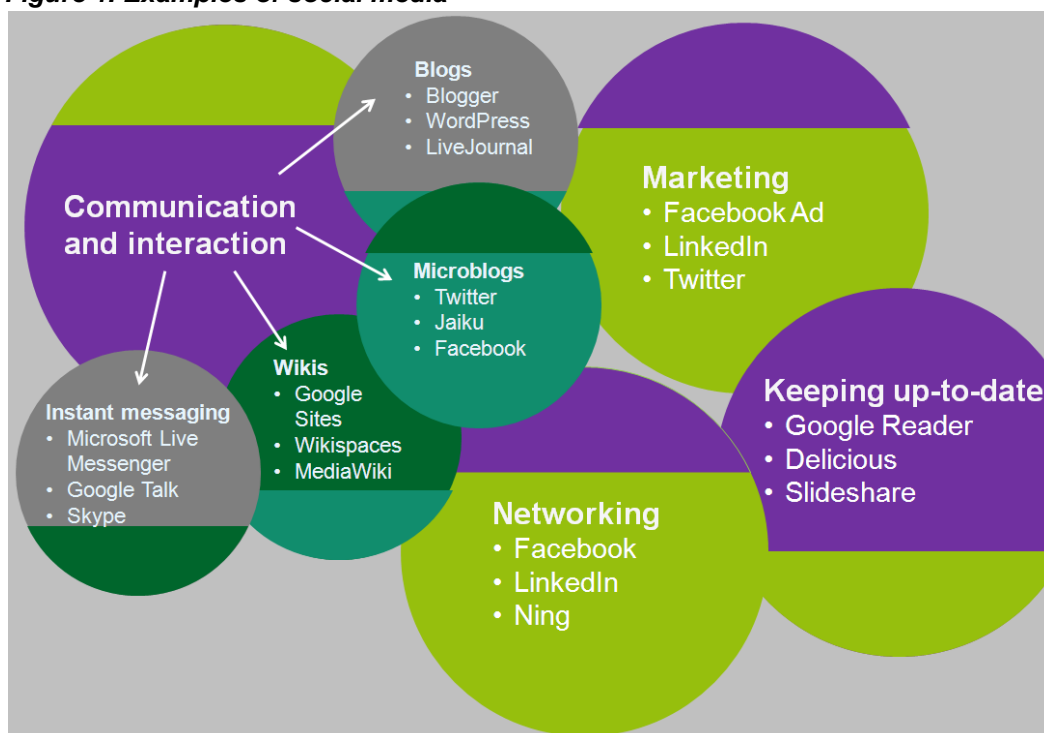
What are social media?

Social media refer to digital services and web applications, but also to processes involving the interaction of people. In social media, people are creating, sharing, exchanging and commenting contents in virtual communities and networks. Social media has become extremely popular because it allows people to connect and form relationships for personal, political and business use.

It is even claimed that social media is a shift in how people discover, read and share news, information and content. Interaction and participation of people will transform monologues (one to many) into dialogues (many to many) and turn people from content readers into publishers.

Activities in social media are still strongly associated with leisure and amusement while the direct benefits to businesses may yet be undiscovered. Most organisations do not utilise social media consistently or systematically. Most of their use is limited to marketing and other communications.

Figure 1. Examples of social media



What possibilities do social media offer?

SMEs operating in the area of bio-based products may benefit from the social media in at least the following ways:

- **Communication and interaction**

Blogs (web logs) include regular entries of commentary and other material such as graphics or video, displayed in reverse-chronological order. They are usually maintained by an individual but most blogs are interactive, allowing visitors to leave comments.

As for SMEs, blogs may be utilised for sharing of information, establishing authority and stimulating discussion. Creating an attractive blog demands time and devotion. Blogs offer, however, an easy channel for publishing and expressing various facts, viewpoints, ideas and thoughts - and, ultimately, an opportunity for personal/organisational/product branding and establishing authority within a certain field of activity.

Microblogs feature very short posts. They serve as snapshots and news updates but are also becoming a platform for marketing and public relations.

SMEs may be interested in utilising microblogs in their networking, sharing of information, marketing and interaction. E.g. Twitter is utilised in market communication and in promoting and advertising ideas and products. Its coverage is, however, marginal compared to e.g. Facebook.

Wikis are workspaces for creating collaborative works that serve different purposes, e.g. learning and knowledge management. The software can also be used for personal note taking. Wikis enable interaction in editing and easy tracking of changes. The level of access varies from open to closed. Wikipedia is a free encyclopedia that anyone can edit and Wikiversity an open learning community.

Wikis are suitable for e.g. product development, content creation and learning. Wiki-types of working environments as well as project management tools (e.g. Basecamp) can be utilised for collaborative working within an organisation or together with business clients.

Instant messaging is real-time text-based communication between two or more people using personal computers or other devices, along with shared clients. The user's text is conveyed over a network, such as the Internet. More advanced instant messaging software clients also allow enhanced modes of communication, such as live voice or video calling.

- **Networking**

Social network services make it possible to connect with people who share the same interests. They allow users to create profiles, enter personal information, search for other users with similar interests, join interest-based groups, and create personalised networks of friends and like-minded individuals. Within their individual networks, users are able to share ideas, activities, events, and interests.

Social network services are ideal for networking, interaction, communication and client service. Facebook is currently among the most popular applications for social media. Even if it is often perceived as an informal meeting point, it can also be utilised as a more official channel for business communication and a tool for branding. SMEs can easily create a presence for their company and individual brands and begin to build

communities. LinkedIn is a professional network on the Internet. It can be utilised as a discussion forum for work-related questions as well as a search engine for competences and recruiting.

- **Marketing**

There are lots of ways to advertise on social media sites. Facebook Ad involves targeting filters such as age, college level and location while LinkedIn allows targeting ads by job function, job seniority, industry, and company size. There are also new opportunities to collaborate with business partners or consumers on product development, service enhancement and promotion. Many company employees have created wikis to list answers to frequently asked questions about their product, and networks such as Twitter and Facebook are now becoming common elements of multichannel communication and customer loyalty strategies.

- **Being up-to-date**

There are numerous services designed for sharing information, presentations (Slideshare), bookmarks (Delicious) and keeping up with news and blogs. These may come handy when dealing with an information overload.

Finding the role for businesses

A recent (4/2010) U.S. surveyⁱ of 552 small business executives revealed that most small businesses today are not leveraging the basic online tools readily available to them to help grow their businesses:

- 84% of them did not sell their goods or services on the Web
- 81% of them did not utilise social media in any way
- 65% were not placing online ads to expand their business
- 62% were not using basic email for marketing their business
- 37% of them did not use a Web site for marketing or expanding their business

Still, another study carried out in the UK in 10/2009ⁱⁱ indicates that three in four people (85%) under the age of 35 welcome brands on sites such as Facebook, Twitter and Youtube. The survey also found that more than two thirds of the people (67%) who use Twitter every day expect brands to use social media to either understand customers (67%), provide better service for those customers (58%), involve users in the design of future goods and services (52%), discuss market issues (55%) or to draw attention to new products and initiatives (64%).

In the case of B2B businesses, the same attitude change is happening amongst their business clients which are becoming acclimated to and expect a higher level of engagement in social media from companies of all types.

So what keeps businesses from utilising social media in communication, networking, marketing and keeping up-to-date? The usual reasons are related to:

- lack of knowledge on opportunities
- lack of skills within the organisation
- difficulties in the management of reputational risks in the social media

In other words, businesses have doubts about the efficiency of time and money invested in the social media. In addition, they see gaps in their competences as well as challenges in the emerging culture of openness and dialogue.ⁱⁱⁱ

How to get started?

Obviously, SMEs need to evaluate how the social media fit into their marketplaces, brands, budgets, organisational structures and skills.

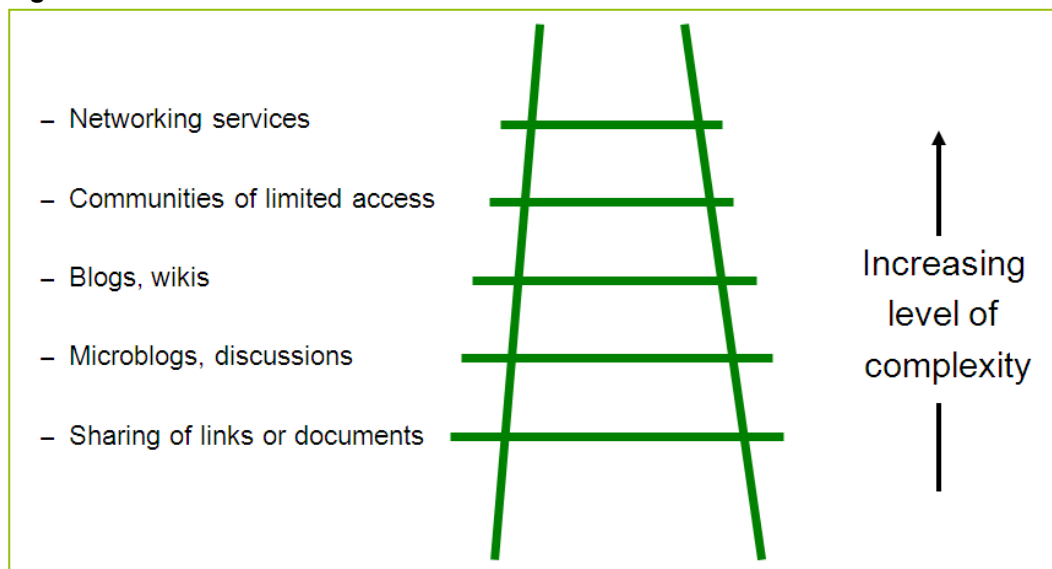
The starting points are the company objectives (e.g. improvement of internal communication and / or working processes, support for telecommuting, e-learning, establishing an authority in a given field, selling products, providing better customer service, acquiring customer insight, recruiting, etc.) and the target audience (what kind of information it is looking to receive, and how it uses the Web). These issues will play a major role in the selection of the most appropriate and effective social media tools.

Common rules may be needed to determine the company rules for the participation of its employees in social media, the key questions being

- What is the company policy regarding social media?
- What is my role in social media?
- Where can I discuss?
- Which issues can I discuss?
- How do I react on questions related to the company?
- What information can I disclose?

It is wise to start with one application and work one's way up the social media "ladder" (Figure 2), remembering that different services work differently for different companies. It is not a one-size-fits-all proposition because companies have different goals and different kind of target audiences.

Figure 2. Social media ladder



Links

- **“Mashable’s Social Media Guide for Small Businesses”**,
<http://mashable.com/2009/12/04/small-business-guide/#>
- **“The Entrepreneur’s Guide to Web 2.0: Top 25 Applications to Grow Your Business”**,
<http://www.quicksprout.com/2010/03/02/the-entrepreneurs-guide-to-web-2-0-top-25-applications-to-grow-your-business/>
- **“137 Twitter tips: how small businesses get the most from Twitter”**,
<http://smallbiztrends.com/wp-content/uploads/2009/07/smbiz-twitter-tips-2.pdf>
- **“5 Step Social Media Monitoring Strategy”**,
<http://blog.listenlogic.com/2010/02/social-media-monitoring-strategy/#>
- **“5 free brand monitoring tools for small businesses”**,
<http://www.socialsmallbiz.com/2009/12/09/5-free-brand-monitoring-tools-for-small-businesses/>
- **“Why Do Small Businesses Need To Be Blogging?”**,
<http://www.blogworld.com/2010/02/22/why-do-small-businesses-need-to-be-blogging/>
- **“The benefit of LinkedIn in promoting small businesses”**,
<http://www.wmps.com/blog/uncategorized/the-benefit-of-linkedin-in-promoting-small-businesses/>

Sources

ⁱ **“Citibank Survey Finds Small Businesses Not Leveraging Online Tools to Drive Their Business”**,

http://www.businesswire.com/portal/site/home/permalink/?ndmViewId=news_view&newsId=20100421005319

ⁱⁱ **“Marketing News: Webtrends consumer survey reveals social media Rules of Engagement”**,

<http://www.marketinguk.co.uk/Social-Media-Marketing/Webtrends-consumer-survey-reveals-social-media-Rules-of-Engagement.asp>

ⁱⁱⁱ e.g. **“Enterprise 2.0 and social media in business”**, <http://www.winnovation.fi/enterprise-20-and-social-media-business-survey-2010-finland>