

# Social media marketing for improved branding and valorisation in small family businesses

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## Abstract:

*Social Media is changing the nature of marketing by utilizing the power of Word of Mouth through a bottom-up approach and crowd-sourcing. When used for valorisation (the French term used for dissemination and exploitation) of project results and outcomes it adds to the value of the project for diverse stakeholders (society, community, institutions, and individuals) and boosts its impact through strategy development, communication to stakeholders and brand creation. Small Greek family businesses are identified to have limited valorisation skills and in particular lacks knowledge of contemporary valorisations tools, such as social media marketing and branding. We describe the VALO project, a lifelong learning project, which is identified to fill the gap by raising awareness of the need for valorisation, by creating skills in dissemination and exploitation activities, in the use of contemporary marketing tools, such as social media marketing, that offers the potential and opportunity to achieve brand growth and appreciation in a short time, to an affordable price and with immediate global reach. Finally we describe experiences from two family businesses that introduced social media marketing as a result of a master students' project in a social media networking module.*

**Keywords:** social media marketing, branding, small family businesses, InCIVE

## 1. INTRODUCTION

All projects, and all companies, independent of size, need to valorise (disseminate and exploit) their results from activities, innovation and research for maximising their achievements and increasing sustainability. However, the outcomes and outputs, in particularly from projects supported by external finances, such as European programmes, are often forgotten or poorly disseminated and exploited once the projects are completed. Valorisation can contribute to the enhancement of the impact of EU funded projects, but can also be an important practice for reaching potential customers and other stakeholders. The emphasis of valorisation is on optimising the value of the project (activity) for diverse stakeholders (society, community, institutions, and individuals) and boosting its impact through strategy development and communication to stakeholders. This includes an understanding of stakeholder requirements for creation of a valorisation strategy and utilisation of marketing tools to reach potential stakeholders.

In this paper we mainly refer to Small and Medium Sized Enterprises (SMEs) and in particular to family businesses. Previous work identified that SME-sized family businesses make very limited use of marketing tools (Vlachakis et al, 2013). The aims of the paper are to demonstrate how valorisation and Social Media Marketing can support organisational survival, sustainability, improvement, long term productivity and economic growth. In order to launch new products and results of innovation to the market, competences in dissemination and exploitation are required.

Valorisation is defined as '*the process of sustaining value created through innovation and hence optimising its impact among the direct and indirect beneficiaries*' (Della Corte et al., 2009). We describe the importance of valorisation tools, including tools, such as social media marketing tools, to be used to reach potential customers and other potentially interested stakeholders.

Valorisation tools include the tools for dissemination and exploitation of the results from research, innovation and lifelong learning so that the project results / products are more valuable to everybody, meaning that "others" may also make use of the product, the results and the outcomes. Many projects, such as European educational project, are well managed, provide good results and products and are highly useful for the development of different institutions but unfortunately only few projects are valorised in well-managed and sustainable ways. This results in the unsatisfying situation, that many good products and project's results are not further used, because the target groups have neither been informed nor involved throughout the project duration.

Valorisation includes publication and presentation of the results and the best practices in scientific journals, conferences and other dissemination events (exhibitions, workshops, meetings, round tables, seminars, working groups, mass media events, face to face etc.) and organising of such events. Other tools include building up a community around a topic, by creating, updating and maintaining the topic's interest, through creation, participation and maintenance of web-sites and social media, mass customisation, massive media diffusion, open innovation and public relations. For all the aforementioned considerations a dissemination plan and strategy is needed.

This paper is organised as follows: Section 2 describes different valorisation channels and section 3 valorisation tools. Section 4 illustrates the two cycle InCIVE Framework, that facilitate incremental quality delivery of outputs for improved valorisation and sustainability and section 5 demonstrate the results of two small family businesses that used the incisive Framework through the implementation of a social media strategy. Conclusions are presented in section 6.

## **2. VALORISATION CHANNELS**

The main objectives of valorisation are to build consensus, to assure the availability and transferability of outputs and to increase the visibility. In general terms, it is important to stress that early planning of ongoing valorisation processes is essential for informing and involving the addressed target groups. The involvement of target groups is considered as a key issue supporting project valorisation.

Valorisation can be clustered into four sub-categories, namely macro and micro level valorisation, as well as formal and informal valorisation.

### **2.1 Macro and Micro Level Valorisation**

Macro level valorisation aims to achieve full and sustainable integration into local, regional, national and/or European systems and practices. Macro level valorisation means valorisation to national decision makers and/or European policy makers. It is essential to feed policy developments with project results and gain a broad reach within the target groups. The valorisation channels for macro level valorisation can be newspapers, radio, TV, events, relevant data basis, such as ADAM for Leonardo da Vinci Projects, co-operations with local, regional, national or European councils etc (Reubsæet, 2005).

Micro level valorisation occurs within the frame of the project and its target groups. Micro level valorisation means valorisation inside local communities; local authorities and/or other projects in order to promote the project to the target groups. The valorisation channels for macro level valorisation can be e-mail, social media, events, newsletters etc. However, many channels can be used for both macro and micro level valorisation. An example can be social media activities as they can be used to inform the broader target groups about the project. Social media can also be used to get in contact with the direct target groups of the project.

### **2.2. Formal and Informal Valorisation**

Formal valorisation is defined as valorisation which is planned well ahead within a valorisation plan in the beginning of the project. No random valorisation activities should be conducted within the formal valorisation. It consists of a planned process and all activities need to be conducted with consistency to the valorisation plan. The valorisation channels for formal valorisation can be a website, a newsletter, stakeholder events (conferences, seminars, workshops, round tables, meetings etc.), exhibitions, fairs, relevant data base, social media, newspaper articles etc.

Informal valorisation includes valorisation activities which are not planned previously. These activities happen on a random basis, mostly through person-to-person communication between different parties. The valorisation channels for informal valorisation can be person-to-person communication e.g. at events, Social Media etc.

## **3. VALORISATION TOOLS**

Communication is simply the act of transferring information from one place to another. A good brand communicates a clear message about what it stands for and how it differs from competitors. Communication affects and helps in changing lifestyle and public awareness. It helps in identifying the target audience (target market) and in the image and brand strength analysis (Schivinski and Dąbrowski, 2013).

### **3.1 Traditional Valorisation Tools**

The traditional way of communication is divided into visual, audio and audiovisual. Traditional instruments such as letters, newspapers, magazines, posters, billboards are purely visual means. The phone and radio headsets are audio means, while cinema and television are audiovisual. Understanding traditional media can create efficient communication. Each media has its own characteristics and its own strength. Naturally power lies in media and the TV is the predominant means of communication. The main drawback of traditional media (except phone), is that it is not interactive; the transmitter sends information and feedback is almost impossible.

The rapid spread of mobile telephony in recent decades demonstrates an individual's need for more communication. The huge growth of the Internet combined with the integration of mobile phones, has shown that the potential for improving communication is huge with the use of innovative technologies. The advent of interactive television that incorporates all

the above technologies, connecting them with the strongest traditional form of communication (TV) leads the integration of all the forms of communication through a single, portable or fixed device.

### 3.2 Digital Valorisation Tools – Social Media

The internet is a powerful tool for promoting the results and outcomes of projects. Internet technology is fast-moving and offers new and innovative ways to disseminate project results and outcomes. For example there are 'blogs', podcasts or video-sharing sites such as YouTube. Networking projects use massively email for spreading information, having a high amount of contacts and mailing lists related to topic of interest. The projects give priority internally to e-mail communication to exchange information almost daily. The use of internet calls and video conferencing is increasing. For example Chats by e.g. Skype can be copied and stored elsewhere. Much of the material for dissemination, such as newsletters, flyers, and others are sent electronically to mailing lists created for the project. Virtual exhibitions allow presenting products online. E-journals can provide regular update of the progress of a project and collect original contributions relevant to the project topics. E-conference allows the reach to a wider number of stakeholders regardless of their location. It is possible to use web banners for advertising a project or a product and attract people to a website

Contemporary Valorisation tools include digital communication with potential stakeholders and consist of:

- Business to Business (B to B);
- Business to Consumer/Customer (B to C);
- Business to Government (B to G);
- Consumer/Customer to Government (C to G).

The effective operation of an electronic tool helps diffusion of information and facilitates the exchange of ideas and views among its members. Social networks are online platforms or sites focusing on the building of social relations among persons and/or organisations by sharing interests, activities, backgrounds or real-life connections. Social networks are communities developed from the bottom-up (Ernestad and Henriksson, 2010). They have clear boundaries – you are either a member or not. They capitalise on Wisdom of Crowds. The more people add their knowledge to a social media (eg. Wiki) the more useful it becomes. An emergent challenge is tapping collective explicit and tacit knowledge and intelligence of users (customers and consumers) by social media networks and thus reaching beyond the conventional boundaries of the organisation. A key factor in tapping collective knowledge is the leverage if disparate assets of people from different cultures, different disciplines and different organisations (Siakas et al., 2012). Different types of social media tools that could be useful for informal valorisation, and in particular in Small and Medium Sized Enterprises (SMEs) and family businesses are social platforms (e.g. Face book, Twitter, LinkedIn), blogs, diverse forums, chats, wikis etc. All these tools are supportive for personal and commercial interaction usually to very low cost or without any added cost.

Social media is an important technological trend that has big implications on how people communicate and collaborate. Current trends in digital media focus upon crowd-sourcing, collaboration and bottom-up approaches and collaborative content creation (Ernestad and Henriksson, 2010). Projects and products can benefit from engaging in social media within various aspects of their work. Social media offer a range of tools which can facilitate finding, using and disseminating information. Social media can open up new forms of communication and dissemination. It has the power to enable engagement in a wide range of dissemination activities in a highly efficient way.

Regular users of social media, consider it a great place to find others working in the field, to share and build on information, rather than multiple users reinventing the wheel. With an increased focus on authenticity, trust and relationships are built through regular interaction, whether that is with new external contacts, or for internal communications. Users become adept at adapting to each new system.

Potential outcomes of using Social Media for Valorisation include:

- Direct interaction and communication with members inside and outside the group;
- Horizontal and vertical flow of information;
- Strengthened relations and exchange of views;
- Development of creativity and openness;
- Tools for project management and team organization.

In the preparation for adopting a suitable social media platform it is important to:

- Ensure that adequate equipment is available for fast and secure access to cyberspace;
- Identify the reasons why the company/project is interested/aims to start using social media;
- Browse through diverse social media platforms to find their advantages and disadvantages;
- Select a suitable platform.

Efficiency of social media lies in the details. The social media platform is a source of information and knowledge; it has a clear identity and gives the user multiple options of interaction. In order to be effective it should be updated frequently.

### 3.2 Public Relations (PR)

The objective of Public Relations (PR) are to create and maintain a favourable image of the organisation or the products to a specific target group, but also more generally to the whole public opinion.

The survival and growth of a business depends on its image. PR are informational in nature, rather than promotional and aim to create and maintain a favourable image while advertising/promoting products and services. PR have a social message while advertising includes financial matters.

### 3.3 Open Innovation

Open innovation is a paradigm that assumes that firms can and should use external ideas as well as internal ideas, internal and external paths to market, as the firms look to advance their ideas and innovations to the market. Users' explicit and tacit knowledge can be tapped through reflection in practice by launching prototypes for user tests before the product is launched on the market. Today the ICTs provide opportunities, such as social media, to connect people together in a totally different fashion than before and also to shape artificial intelligence prototypes that can evoke tacit opinions by customers (Siakas et al., 2012).

## 4. THE INCIVE FRAMEWORK FACILITATING CONTINUOUS VALORISATION

In a competitive world, the need to innovate often underpins the development strategies of most business organisations. Modern organisations spend relentless effort, time and resources on innovative ventures and projects in order to gain advantage over competitors. The assumption that innovation is positively correlated with value creation is implicitly enfolded in this drive. Value is the ultimate goal of every business organisation, if not of every human activity (Sherif et al., 2013). Many organisations see innovation as the Holy Grail for creating value and gaining competitive advantage. Effective innovation should not only facilitate the creation of value but should also ensure that such value is sustained and shared to its optimum potential. This is obviously a challenge to funding agencies/sponsors as well as beneficiaries of the myriads of innovative projects around the world. The European Union recently responded to this challenge by funding a specific 'Valorisation' project<sup>1</sup> – here after called VALO – aiming to the development of training material and training of the European industry in valorisation.

The rationale for the VALO project is derived from the observation that many projects are often carried out in isolation and hence they provide very little or no lasting impact. These projects tend not to imagine and plan for continuing dissemination and exploitation of their results and deliverables beyond the allocated funding period; and even when they do, there is little evidence that they succeed. The impact/benefit of a sustainable project translates into added value gained by a diverse group of stakeholders and/or specific target groups well beyond the lifespan of the project. All projects and activities in organisations therefore, need to valorise their results for maximising achievements and increasing sustainability after their lifetime.

Under the auspices of the VALO project the InCISIV framework which facilitates the study of the relationships between Innovation, Communication and Valorisation was built (Siakas and Georgiadou, 2012).

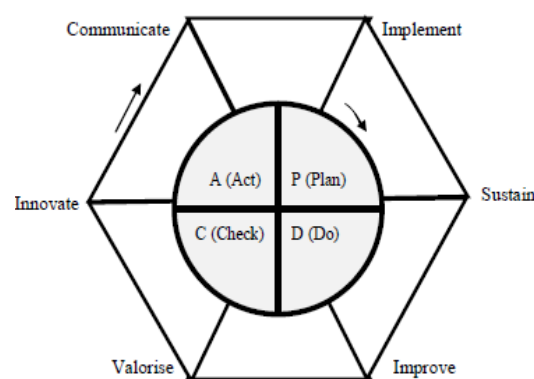


Figure 1: The InCISIV framework (Georgiadou and Siakas, 2012)

The Deming Plan-Do-Check-Act Cycle, also called PDCA cycle (Deming, 1986) is embedded in this new process quality model in an effort to focus project managers, project teams as well as evaluators to identify, plan, monitor, evaluate and improve their valorisation of projects, activities and innovation. The framework is depicted in figure 1 and shows two cycles which interact at every stage, delivering outputs incrementally. InCISIV allows for agile responses to

<sup>1</sup> [www.valo.teithe.gr](http://www.valo.teithe.gr)

change, planning the quality strategy, continuous reviewing and evaluation of project progress and quality of deliverables as well as improvement suggestions.

At each stage activities are planned, carried out, outputs are evaluated and processes improved. The quality of outputs is thus continuously monitored, and sustainability is improved. As shown in the InCISIV framework every stage goes through the PDCA cycle and slowly the journey approaches its ultimate goal via different levels that have different characteristics (Georgiadou and Siakas, 2012).

## 5 CASE STUDY: TWO VERY SMALL FAMILY BUSINESSES USING THE INCISIV FRAMEWORK

Two small family businesses introduced social media marketing as a result of a project in a first semester Social Media Networking module<sup>2</sup> at the new Masters Programme in Web Intelligence at Alexander Technological Educational Institution of Thessaloniki, Department of Informatics. The Masters students worked in groups of three and their task was to create a Social Media Marketing Strategy for an existing or imaginative company. The aims of the task were also to implement the strategy and measure the outcomes. The following steps included the following phases:

- Vision: Determination of desired state;
- Strategy: Identification of target group and differentiating activities;
- Aims and objectives: Identification of core competencies (differentiation from competitors);
- Measurement of strategic success: Determination of Key Process Indicators (KPIs) and targets;
- Action plans: Roles and responsibilities, content creation and improvement;
- Follow-up and continuous improvement.

In practice this meant that the InCISIV framework was implemented. The first step, the Innovation stage, comprised the new innovative way of communicating the core competencies to potential stakeholders (the target group) through the implementation of the social media strategy. Valorisation is a continuous process that starts in the early stages of a lifecycle of a project and/or a product and is continuously improved according to the feedback from the target group/potential stakeholders for increased sustainability. The valorisation strategy and the embedded PDCA cycle helped to identify, plan, monitor, evaluate, improve and manage the valorisation of activities and core competences.

Two very small family businesses implemented the InCISIV Framework through a social media marketing strategy with the help of the students.

### 5.1 A very small family business hotel in Northern Greece

The family business hotel<sup>3</sup> consists of 10 rooms with a fire-place and jacuzzi in the rooms. The main customers until now were Greek clients who wanted to discover the hot springs or the ski centres in the surroundings of the hotel mainly during weekends. Most of the bookings were made through the Internet. Since the hotel owner is a young person he was open to new innovative ways of reaching the customers, in particular customers from abroad. Figure 1 shows the main areas of social media use in a hotel.



Figure 1: Uses for social media in a hotel (source: logannathan.com.au)

Gaining customer loyalty is an important hotel objective. Satisfied customers tend to come back and also tend to recommend the hotel to family and friends. The social media is an important mean for word-of-mouth marketing and customer participation (comments, photos and ratings). The main social media means that were implemented are: Facebook, Twitter, Foursquare and Youtube, as well as Trip Advisor and Booking.

<sup>2</sup> <http://www.it.teithe.gr/masters/mscsemesters>

<sup>3</sup> <http://www.naiades-hotel.gr/> & <https://www.dropbox.com/sh/vgwdn6tvocd9gu/ulWTnjPLvZ>

The use of social media increased the bookings with 7-8% in November compared to previous year, despite the drawback of the financial crises. The branding was identified to have improved, the new customer base come mainly from abroad and bookings were extended to week days and Sunday evenings. Customers comments were positive and customer ratings at Booking.com was 9,6/10. The owner is very satisfied with the results of the social media marketing.

## 5.2 A very small family business 'cold-cuts and cheese' shop in Northern Greece

The cold-cuts and cheese shop in Drama, Northern Greece demonstrated a significant improvement in brand name and customer comments and ratings after the implementation of the social media strategy. The students together with the owner carried out a SWOT analysis identifying the Strengths, Weaknesses, Opportunities and Threats. The Social Media Tools that were used are blog, Google+, Facebook, Twitter (multiple options of interaction), Google maps-places (interaction between customer and shop), as well as Recipe competitions and Campaigns through Facebook and Google AdWords. The results were very promising with a big number of visits in the blog, likes and posts and rating 4.9/5 in Facebook, as well as improved branding and increased sales. The owner is enthusiastic about the results. The Facebook is the far most popular social media used in particular by the younger generations, who ask for specific ingredients from the recipes. This movement has created a search for new innovative products and uses of existing products.

## 6. CONCLUSION

In this paper we mainly referred to the use of social media in favour of SMEs and in particular to family businesses. The contribution of the paper includes the demonstration of how valorisation can improve branding and support organisational survival, sustainability, improvement, long term productivity and economic growth. In order to launch new products and results to the market, competences in valorisation are required. The InCISIVE Framework, developed under the auspices of the Lifelong Learning Project VALO, was described and case studies of two small family businesses, using the InCISIVE Framework to introduce Social Media were presented. Further work will concentrate on studying a bigger sample of SMEs and their use of contemporary valorisation tools.

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