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RIT KOSOVO

The use of Social Media as a marketing tool in Kosovo: current trends and opportunities

Honors Project

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31.05.2017

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List of Acronyms

UGC- User Generated Content

IMC- Integrated Marketing Communications

VBC- Virtual Brand Communities

UGA- User Generated Advertising

eWOM-electronic Word of Mouth

ROI- Return on Investment

OECD- Organization for Economic Cooperation and Development

Abstract

The purpose of this Honors project paper is to explore the current trends of social media marketing in Kosovo. More specifically, the study aims at determining what the most used social media outlets are, what viewpoints do representatives of various companies have on the credibility of social media as a marketing channel and whether they measure the effectiveness of their social media campaigns. Furthermore, the study's aim is to explore the other side of the picture; how responsive are customers to marketing campaigns perpetrated in social media and how is their purchasing behavior influenced by these campaigns. The research methodology for this paper includes literature review, in-depth interviews and surveys.

I. Chapter 1- Statement of problem

The emergence of social media as widely used and highly interactive platforms of communication is bound to change the way firms approach marketing. As of January 2016, approximately 3.4 billion people have access to the internet worldwide (Chaffey par.3). At the same time WeareSocial estimates that there are around 2.3 billion active users of social media, with continuous growth trends expected in the future (Chaffey par.5). The average user is spending an increasing amount of time online; a study by Ofcom in the UK found that the average Brit now spends a staggering 20.5 hours per week on the internet (Hurst par.2). Faced with the reality of skyrocketing social media usage, global businesses are faced with abundant opportunities of expanding their marketing efforts into this elusive field.

While the potential benefits of utilizing social media as a marketing tool are irrefutable, there are reasons for firms to be cautious. Social media have enabled communication about brands to occur outside of the brands control; Facebook users can post, share and comment their opinions about certain brands, and there is nothing that brands can do about it. For example, United Airlines experienced the power of social media first-hand, when Dave Carroll (a passenger) recorded a video of his guitar being broken during a flight administered by United Airlines. Carroll posted the video on Youtube and within one week, the video was viewed 9.5 million times! (Kietzmann et al. 242). Carroll's viral video resulted in negative public relations for United Airlines on a level that was not imaginable prior to the Social Media era. Thus the challenges inherent in social media marketing operations are far greater than firms would prefer.

In Kosovo, firms appear to be on the fence when it comes to using social media as a proper marketing tool; they have still not figured out whether the opportunities outweigh the challenges. Furthermore, the topic of social media usage among Kosovar businesses has not received the appropriate research attention. While acknowledging that the topic needs more extensive research, this paper will attempt to shed light on the usage of social media as a marketing tool by firms in Kosovo and the attitudes that customers have towards marketing campaign perpetrated through social media.

II. Chapter 2- Literature Review

Globally, research on social media marketing is growing in stature and substance. The initial phases of research evolved around the issue of defining what social media actually are. Thus, I start the review of literature with the prominent works that define social media.

A. What are Social Media?

In the context of this paper, social media are defined as “a group of internet based applications that build on the ideological and technological foundations of Web 2.0, and allow the creation and exchange of user-generated content.” (Kaplan and Haenlein⁶¹) According to Kaplan and Haenlein, the leading experts on the definition of social media, in order to fully grasp what media qualify as social, one must first understand the concept of Web 2.0 and User Generated Content. While social media is often used interchangeably with these terms, they represent the underlying mechanisms which social media is built on.

1. Web 2.0

The term Web 2.0 was popularized by Tim O'Reilly and Dale Dougherty back in 2004 (O'Reilly par.2). The term originated as an attempt to describe a new way through which end-users and web developers were utilizing the World Wide Web (Kaplan and Haenlein 2). This new approach meant that content was not created by a sole contributor; rather it was being modified in a collaborative fashion by virtually all users. This means, Web 2.0 is not a new technology in itself, but it represents the underlying ideological and technological foundations of social media (Kaplan and Haenlein 3).

2. User Generated Content (UGC)

In contrast to Web 2.0, UGC can be thought of as the sum of all the various ways that people make use of social media (Kaplan and Haenlein 3). In general terms, UGC refers to content that is published entirely by the end-user. According to the Organization for Economic Cooperation and Development there are three criteria that need to be fulfilled in order for content to be considered user generated; (1) Content needs to be published on a publicly accessible website, (2) it needs to show a certain amount of creative effort and

(3) it needs to be a result of non-professional practices (OECD 13). When these criteria are put into perspective, each of them disqualifies certain types of content from being branded UGC. The first condition excludes privately exchanged emails. The second excludes content that has been merely reposted or restated from other sources. The third excludes content created by firms with marketing and commercial usage intended (Kaplan and Haenlein 3). Combining Web 2.0 and UGC as the building blocks of social media results in a definition that encompasses and describes today's most prevalent social media sites, such as: Facebook, Twitter, Youtube, LinkedIn, Wikipedia, Instagram, Snapchat.

B. Social Media and Integrated Marketing Communications (IMC)

Marketing can be thought of as a tool which firms use to achieve their organizational objectives. According to Boone and Kurtz, in the modern era of marketing, a firm's objectives are best achieved when all elements of the promotional mix - advertising, public relations, personal selling, direct marketing and sales promotion - are used to generate a "unified and customer-oriented message." (488) Integrated Marketing Communications (IMC) is a term used to describe the guiding principle behind firms' attempt to coordinate the aforementioned elements of the promotional mix (Mangold 357). The principle of IMC, like the discipline of marketing, has been altered with the emergence of social media.

1. Social media's hybrid role in IMC

IMC is used by firms to communicate powerful messages to target markets. In the IMC model these messages are deeply reflective of a firm's core values. Traditionally firms used to have total control over the conversations with their customers; a situation which made IMC a precise science that marketing managers could master. With the introduction of social media, and its underlying mechanism of user generated content (UGC), firms saw their control over conversations with customers diminish greatly. In the social media era, customers are empowered to communicate freely with one another, oftentimes a firm may find that its products or services have become the subject of this inter-customer conversation enabled by social media. The magnitude of these conversations is more striking than many people realize; Paul Gillin puts it into perspective: "Conventional marketing wisdom has long held that a dissatisfied customer

tells ten people. But that is out of date. In the new age of social media, he or she has the tools to tell 10 million” (4). Thus, marketers are now faced with a conundrum; how to successfully integrate social media in their IMC.

Failure to recognize social media as an integral part of marketing can result in catastrophic outcomes. To illustrate this point, Gillin recalls a story centered on AOL and their neglect of the power of social media. An AOL representative’s overly stubborn attempt to convince a blogger, named Vincent Ferrari, not to cancel his account had been recorded and posted online by Mr. Ferrari (Gillin 5). The post was shared roughly 300,000 times and became a viral story within weeks. Clearly, had AOL had a better understanding of social media, they would have been more careful not to engage in inappropriate customer service practices. Even if firms have a solid understanding of social media, failures of integrating that into a coherent IMC could be equally damaging. For example, Dell responded inappropriately to a blogger named Jeff Jarvis, as he went on a rampage of negative Facebook posts regarding a Dell product. Dell’s inadequate response led to the company receiving large scale criticism online (Gamboa et al. 712). Similarly, Nestle was caught red-handed as the company deleted a Facebook video that was critical towards their purchasing practices (Gamboa et al. 712). BBCBusiness Editor Tim Weber provides a detailed account of negative social media integration: “Thesedays, one witty tweet, one clever blog post, onedevastating video—forwarded to hundreds offriends at the click of a mouse—can snowball and kill a product or damage a company’s share price.” (Kietzmann et al. 242).

Having discussed some ways in which a negative integration of social media in a firm’s IMC can hurt the firm, it is important to also analyze how a successful integration can lead to fulfillment of organizational goals. Procter & Gamble provides an excellent example of a company that has successfully integrated social media into its IMC. During the 2012 London Olympics, P&G launched a campaign consisting of short video clips that expressed gratitude towards women and their role in nurturing great sporting icons (Gamboa et al. 712). The campaign was called “Thank you, mom” and it received several thousands of shares on Facebook, exemplifying the positive reception from customers. Countless similar successful stories are surfacing each day, as marketers become more

aware of the potential that lies in social media marketing. Thus, it is crucially important for marketers to embrace social media as a genuine component of their IMC and work towards creating innovative campaigns centered on social media outlets.

2. Making social media work

While social media have resulted in continuous empowerment of customers, through user generated content, that does not mean firms have no say in shaping conversations on social media. Having reviewed relevant literature on the topic of social media integrated IMC's, Mangold and Fauldshave come up with the following practices for firms to follow in order to shape the social media conversation about their brand or products:

Provide networking platforms: Companies can leverage an individual's need for belonging by providing online platforms where likeminded individuals can interconnect. Unilever's Dove brand utilized this concept when they launched a "Campaign for Real Beauty" that brought together like-minded people who "wish to enhance girls' and women's self-esteem by helping to establish realistic standards of beauty" (Mangold et al. 361). Similarly, many Hollywood movies establish fan pages on Facebook where fans of a particular movie share their views. Networking platforms have also been a prominent feature of the presidential election in the United States. Both candidates, Hillary Clinton and Donald Trump, have set up campaign websites where supporters can get together and share their views.

Use internet-based promotional tools: Engagement-incentives of a product tend to have a positive effect on a customer's social media activity regarding that product (Mangold et al. 362). Companies such as Pepsi and Coke regularly run social media campaigns that reward customers with loyalty points if they engage with the respective brands on social media. Other companies have utilized social media contests as a means of shaping the online conversations on their brands. Procter and Gamble's Gillette brand ran the GillettePhantom contest which asked participants to record a video demonstrating their skills in ball sports. The winners were eligible for prizes of up to \$30,000 (Mangold et al. 362).

Provide information: Customers are more likely to engage with a product or brand the more knowledgeable they feel about it. The Mattel toy company fully utilized this concept on its website, www.mattel.com, where they dedicate a special section titled “Grown-ups & Parents” with all the relevant information on the company’s toy’s made available for parents.(Mangold et al. 363).

Provide exclusivity: It is no secret that people like to feel special. Roadrunner Records, a music records company, utilizes this tool by providing its social media followers with previews of songs that are yet to be released (Mangold et al. 363).

C. Conceptual frameworks on social media

Conceptual frameworks are useful analytical tools that organize complex ideas in a systematic and often times easy-to-remember structure. As is the case with any other academic field, various conceptual frameworks have surfaced within the topic of social media marketing. This section discusses the most prominent models in the literature and analyzes their implications for firms.

1. The honeycomb framework

Kietzman et al. came up with a framework for describing the functionality of social media based on seven building blocks that resemble a honeycomb structure: identity, conversations, sharing, presence, relationships, reputation, and groups (243). These functional building blocks are used to describe both, features of social media and their implications for businesses. It is important to note that the authors at no point claim that all social media need to meet these functional blocks, instead they provide a solid framework for analyzing social media in the context of marketing. Next, I discuss each building block of Kietzman’s honeycomb framework.

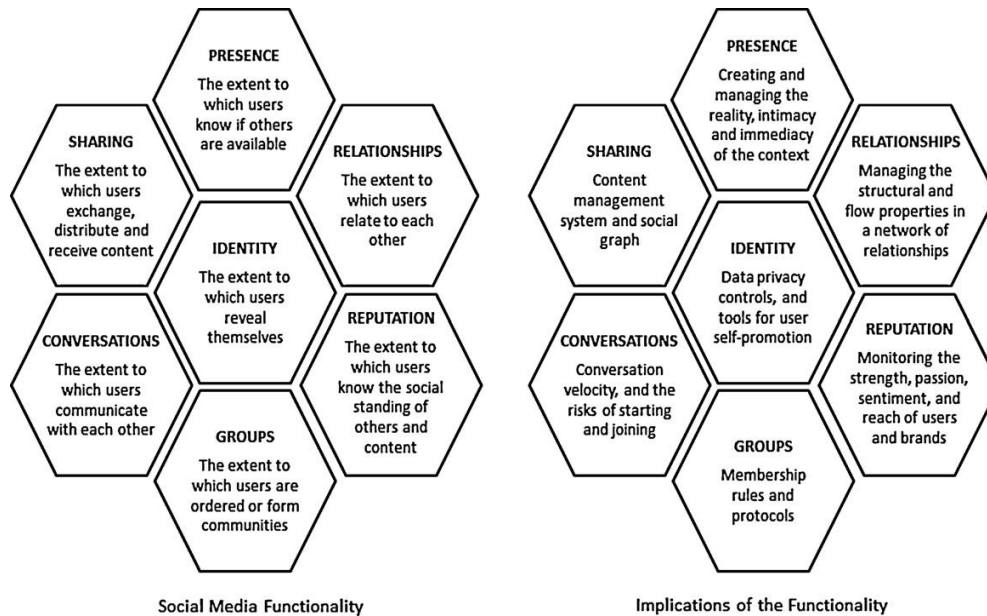


Figure 1: The honeycomb functional framework of Social Media

Identity: this functional block represents the “extent to which users reveal their identities in a social media setting” (Kietzmann et al.243). Social media users may choose to reveal several aspects of their identity, including but not limited to: name, gender, age, marital status, employment, hobbies etc. Many social sites that run on the principle of identity have become the modern equivalent of business cards; many hiring companies look at a candidate’s Facebook profile prior to making a decision, and LinkedIn has become a primary medium for professional networking.

Conversations: this functional block refers to the extent of inter-user communication on social media. Users may join a social media conversation for all sorts of reasons, starting from needs of self esteem, needs of self-expression, informative needs all the way to socializing needs. Firms need to develop the necessary tools to monitor the direction and the frequency of the social media conversation regarding their brand or product (Kietzmann et al. 245).

Sharing: this functional block refers to the “extent to which users exchange, distribute, and receive content.” (Kietzmann et al. 245). Facebook, the world’s leading social network, has raised the level of content sharing to new heights. Firms must

utilize this concept by providing engaging content for social media users to share amongst each other (i.e. contests, giveaways).

Presence: this functional block “represents the extent to which users can know if other users are accessible” (Kietzmann et al. 245). Firms may leverage presence either by (1) providing opportunities for users to “check-in” on the firm’s location on social media or (2) retrieving demographic information such as the location of target customers.

Relationships: this functional block refers to the various ways social media users relate to one another; Facebook allows users to be “friends,” whereas Twitter and Instagram relate users by making them “follow” one-another.

Reputation: this functional block refers to “the extent to which users can identify the standing of others, including themselves, in a social media setting” (Kietzmann et al. 247). Reputation may take various metrics depending on the type of social media; Facebook users stand out by the number of “friends” they have, whereas Youtube users gain reputation by the number of views their videos receive. This concept may be relevant for targeting influencers in a firm’s target market.

Groups: this functional block refers to “the extent to which users can form communities and sub-communities” (Kietzmann et al. 249). Almost every social media platform allows users to organize in groups. These groups may range from open groups (available to everyone) to secret groups (invitation required). Firms may harness the concept of social media groups by opening up brand-related groups where potential customers can join.

2. Customer-centric model of brand communities

While significant controversy has been sparked over the role of brands within social media platforms (some believe firms to be “uninvited crashers”), there has been no shortage of brand based communities forming online (Fournier & Avery 193). Muniz and O’Guinn provide the following definition for brand communities: “specialized, non-geographically bound communities, based on a structured set of social relations among admirers of a brand” (412). In the social media era, brand communities form online leading to a new type of brand community termed Virtual Brand Community (VBC).

Michael Laroche et al. have formulated the customer centric model of virtual brand communities (See Figure 7 in Appendix A). According to their model, brand communities operate on the relationships that a focal customer forms with (1) a brand, (2) a product, (3) a company and (4) other customers (78). Furthermore, Laroche et al claim that the interactions within a VBC lead to consumers being more loyal to a firm, an attainment that is often regarded as the “holy grail” of marketing (79). However, it must be noted that brand loyalty is not the direct outcome of the interactions within a VBC, instead it is a byproduct created through increased brand trust. According to Chaudhuri and Holbrook, brand trust refers to “the willingness of the average consumer to rely on the ability of the brand to perform its stated function.” (81). The implications of increased brand trust via VBC is that when customers lack information about the offerings of a firm, they are more likely to adopt a positive attitude if brand trust is high (Laroche et al 79).

After analyzing data on social media users, Laroche et al. found that all elements of their customer centric model have a positive and statistically significant effect on brand trust (80). Furthermore, they found that brand trust, as literature predicted, is an antecedent leading to increased customer loyalty. These findings should serve as an incentive for businesses to run well organized social media campaigns so as to facilitate VBC which would in turn result in a highly trusted brand and more loyal customers.

3. Social currency and User Generated Advertising (UGA)

Social currency is closely linked to the idea of User Generated Content discussed earlier in this chapter. It refers to the various connections an individual has on social media, and the possibility of brand’s capturing those connections for their organizational purposes. Zinnbauer and Honer acknowledge that social currency, as a manifestation of UGC, is often times out of the control of firms (53) Nonetheless, social currency remains an important advantage for firms who are active on social media, as they can utilize it to run beneficial advertising campaigns.

The feature of UGC on social media has enabled the emergence of User Generated Advertising (UGA), which are advertising campaigns created entirely by the VBC of a firm (Paquette 15) Muñoz and Jensen Schau describe UGA as “unpaid advertising and marketing efforts, including one to one, one to many, and many to many commercially

oriented communications, undertaken by brand loyalist on behalf of the brand” (35) Studies by Pehlivan et al found that UGA differs significantly from advertising by firms, in that UGA is perceived to be more trustworthy (Paquette 17). The reason for this high rate of trust regarding UGA has to do with the underlying mechanism of electronic WOM- word of mouth that is spread through electronic channels (Pauwels et al. 639). Traditional WOM has long been considered “the world's most effective, yet least understood marketing strategy” (Pauwels et al. 640). These characteristics also apply, with a greater magnitude, to eWOM perpetrated through social media.

The question for businesses then becomes: How do we create social currency in the form of CGA that spreads through eWOM? One possible answer is to create social media advertising campaigns that match the identities and self-concepts of the target audience (Paquette 18). Research by Taylor et al found that consumers are more likely to share social media advertisements that they perceive to be consistent with their identity (Paquette 18). The motivations behind such customer behavior could be explained by the psychological needs of self-enhancement and the social need of belonging.

D. Facebook and measurement problems

In this section I focus on Facebook, as the predominant social media platform, and analyze how businesses can make use of Facebook posts to achieve higher post engagement. Then, I provide an analysis of one of social media’s central problems: measuring the Return on Investment (ROI)

1. Factors influencing popularity of commercial Facebook posts

The number of Facebook’s daily active users is skyrocketing. More interestingly, people use Facebook to showcase their preferences; brandwatch estimates that Facebook users generate 4 million likes per minute! (Chaffey par.3). Facebook, as the world’s most widely used social media platform, operates on many of the principles discussed so far in this paper (UGC, VBC, eWOM). Within Facebook, content posted by brands is “consumed” by users in several ways; users may like, comment or share the content. All these interactions from one single user result in the branded content potentially showing up on the timeline of the user’s other friends. Thus businesses are incentivized to create engaging content that increases the probability of a user interacting with it. Next, I

discuss two models developed to determine the factors that influence brand post popularity.

Sabate et al. developed a conceptual model (See figure 8 in appendix A) for branded Facebook post popularity that focus on hard criterion (measurable content features, objective) instead of the more accurate but hard to measure soft criterion (topic of the post, subjective). The authors propose that the following factors have a positive effect on the popularity of branded content on Facebook:

Richness: refers to how vivid a brand post is. According to Brookes, Images receive 22% more engagement than video posts and 54% more than text posts, but videos receive 27% more engagement than text posts (33) Thus, the inclusion of vivid images, informative videos and interactive links is highly advisable for businesses seeking to increase their brand's post popularity.

Time frame: Brand posts can very easily get lost in the enormous amount of information being published on Facebook each hour, making the time frame of publishing an important predictor of post popularity. Sebate et al argue that time frame should be investigated by looking a (1) the day of the week when content is published and (2) the hour of publishing within one day (1003). A study by the Buddy Media Inc. supports the first assertion by revealing that roughly 86% of all brand postings are done from Monday through Friday, and that customer engagement rates on Thursday and Friday are 18% higher than on other days of the week. (Sebate et al 1003). The second assertion is supported by a study from Golder et al who found that "users' interaction increases towards the evening, maintaining a steady high level during the night" (52). It is important to note that the temporal component of brand post popularity may vary across countries due to cultural differences in time management. Thus, firms are encouraged to analyze the time frame of their target markets prior to posting on Facebook.

In addition to Sebate et al model for brand post popularity, a similar model on the same topic, developed by L. de Vries et al (see figure 4 in appendix A) adds some important predictors of brand post popularity:

Interactivity: refers to “the degree to which two or more communication parties can act on each other, on the communication medium, and on the messages and the degree to which such influences are synchronized” (Liu and Shruum 54). Considering that businesses aim at receiving responses from customers when they post on Facebook, it is advisable that their content have more interactive features. Some common ways of inducing the interactivity of a brand post include: providing links, asking a question, asking customers to fill in a sentence etc.

Position of brand posts: recent research on banner positioning on websites found that “position plays an important role for click-through rates; namely, ads on top of the page generate more clicks” (L. de Vries et al 85). On Facebook, the most recent brand posts will be positioned on the top of the page; the preceding posts will move downward as new brand posts are created. Thus L. de Vries suggest that the number of days a post has spent positioned on top of a brand page will result in higher popularity for that particular post (85).

2. Measuring Return on Investment (ROI)

Return on investment is probably the most important measure for marketing managers to evaluate their marketing efforts. Current literature on measuring the ROI of social media marketing is underdeveloped as marketers are struggling to come to terms with metrics for evaluating conventional media (TV, Radio, Newspaper) and let alone metrics for novel marketing platforms such as social media (Grainger 13). The ubiquitous rise of social media marketing is confirmed by a study conducted by Mazinga and Babson Executive Education who found that 86% of marketing professionals use social media as part of their integrated marketing communications (Grainger 2). The same study also pointed out the severity of the measurement problem; 84% of marketing professionals do not measure the ROI on their marketing efforts (Grainger 3).

Given the lack of breakthroughs in establishing appropriate ROI measurements, it is no wonder that interest on the topic is increasing rapidly; a Google search for “ROI social media” results in over 15 million hits (Hoffman et al. 41). Marketing managers are accustomed to basing most of their decision on numbers (Key Performance Indicators), and the lack of metrics for evaluating social media causes increased confusion. Authors

Hoffman and Fodor purport that social media are inherently different from any other marketing platforms, hence making the search for “numbers” futile. In fact, the authors propose that managers must turn the way they measure social media ROI on its head (Hoffman et al. 43). The reverse method proposed by Hoffman and Fodor requires that managers evaluate the return on the investment undertaken by customers when they engage with a firm on social media, rather than calculating the return on a firm’s investment (Hoffman et al.3). Thus, a proper measurement system for evaluating social media should be customer-oriented and take into account the distinctive features of social media platforms. These features are:

Brand awareness: typical measures of brand awareness include surveys and polls, however in the context of social media brand awareness can be achieved each time a user is confronted with a firm’s presence on a social media platform. BlenderTec is the case in point. The CEO of the blender-producing company appeared on a series of videos titled “Will it Blend?” where he would blend a host of products that would not normally blend with conventional blenders. This campaign became viral as it reached over 100 million views on Youtube, creating significant brand awareness for BlenderTec.

Brand engagement: typical measures of brand engagement include surveys, however in social media platforms engagement can be achieved through creative and captivating campaigns. Contests and giveaways are a popular way of increasing engagement with a brand. Measures of engagement can vary depending on the social media platform (i.e likes on Facebook, retweets on Twitter).

Word of Mouth: traditional measures of word of mouth include surveys. In social media platforms WOM can be tracked using analytical software or by simply utilizing the search engines of the host social media platform.

Hoffman and Fodor advocate their reverse approach to ROI because they believe traditional marketing metrics which define ROI in conventional ways lead to short-term benefits all the while neglecting customer motivations and the long term (Hoffman et al 44). The authors argue: “The result tends to be campaigns that expect the customer to work for the brand. In contrast, effective social media strategies *put the brand to work*

for the customers by satisfying their needs to create, consume, connect and control in the social Web.” (46)

III. Chapter 3- Methodology

In order to get a better understanding of the social media marketing efforts by Kosovar businesses and the responsiveness of customers to these efforts, a mixed method research design was used; I used secondary data, in-depth interviews and surveys as means of gathering the required information.

Firstly, I researched the existing literature and studies on the use of social media marketing in Kosovo. While data relating specifically to social media marketing was not available, I was able to identify studies that examine other aspects of the digital marketing sector in Kosovo. I relied on KPM's (Independent Media Commission) analysis of the entire advertising market in Kosovo, which provided comparison opportunities between conventional and digital (social media included) marketing channels. Next, I examined a study on internet penetration in Kosovo conducted by STIKK, which provides insights to the potential social media user-base in Kosovo.

The next research phase consisted of qualitative in-depth interviews with representatives of the marketing departments of eight companies in Kosovo. These companies operate in various industries: Sportswear, Retail, Supermarkets, Shopping Mall, Sweets, Education, Food & Beverages, and Telecommunications. The sample was selected based on three criteria. First, the companies were selected based on the economic sector they operate in; no more than one company for each sector was chosen, so as to get more revealing insights about how social media marketing usage might vary across sectors. Second, I only considered companies with a significant social media presence, as these companies were expected to have more experience in running social media campaigns. This was in turn determined by the number of followers each company had on social media sites (Facebook, Instagram, Twitter and Youtube). The final criterion was company size. I only looked at companies with more than 35 employees, as a study by KPM suggested that the larger a company, the more likely it is to rely on both social

media and traditional marketing channels. Thus, larger firms would provide insights as to how social media compare to conventional marketing channels. Interview requests were sent via email, and the eight companies that responded became part of the sample. The interviews were scheduled across two weeks, and were conducted in-person. Each interviewee was provided a consent form (see Appendix B) and permission to record the interview was obtained. The interview questions were designed to get insights into the various aspects of social media usage by these companies; the social media channels utilized, advantages of using these channels, the ROI measurements of social media marketing and social media specific education received by members of the marketing departments (Appendix C).

The final research phase consisted of quantitative surveys designed to measure the responsiveness and attitudes of customers to the social media campaigns of businesses. The sampling used was convenient sampling; surveys were distributed to shoppers in Albi Mall and Grandstore. The surveys were conducted during three different days, Monday, Friday and Sunday, corresponding to differing amount of customer traffic in the malls. Refer to Appendix D for the full list of questions included in the survey.

The survey participants were fairly even split in terms of gender. While in terms of age, the participants belonged to varying age groups and provided insights as to how perceptions of social media vary based on the user's age. Most of the respondents were employed, indicating they had a stream of income that would make them potential targets of social media marketing campaigns. The demographic break-down of the sample is provided in the figures below:

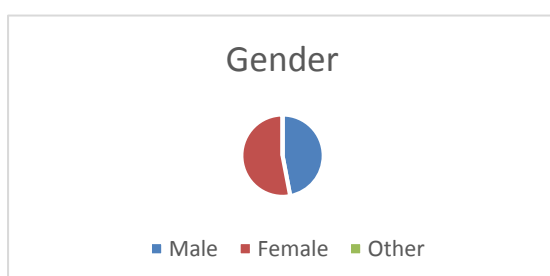


Figure 2.1: The sample was fairly evenly split with regard to gender, with 48% of respondents identifying as male and the remaining 52% identifying as female.

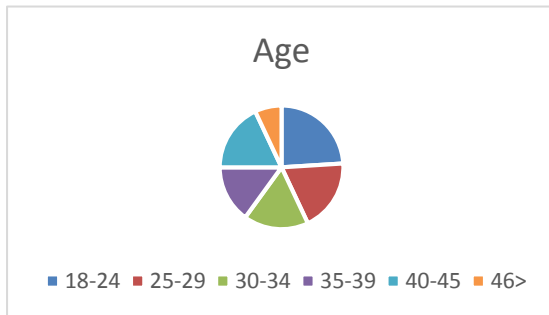


Figure 2.2: The sample was very diverse with regard to age; 24% belonged to 18-24 group, 19% were 25-29 years old, 17% were 30-34 years of age, 15% belonged to 35-39 group, 18% were 40-45 years old and an additional 7% were above 46 years of age.

It is also important to point out the limitations of each research phase. The secondary research of current works on digital marketing in Kosovo only provide insights into general aspects of this area; data relating specifically to social media marketing in Kosovo is not available. Furthermore, the sample sizes of the qualitative interviews and quantitative surveys (8 and 100 respectively) mean that the samples are not representative of the entire population. Nonetheless, given the lack of social media marketing in Kosovo, my research will provide some insights into this neglected area. The results and conclusions drawn from this research project should serve as a foundation for further research on the topic.

IV. Chapter 4- Results

This chapter discusses the key findings from each component of the research design; secondary research, qualitative interviews and the quantitative surveys.

A. Secondary-data research

Most of the research conducted on digital marketing in Kosovo revolves around the internet penetration rate and the advertising market as a whole. While research thus far has largely neglected the usage of social media as a marketing tool by Kosovar businesses, it still provides some interesting insights about the potential that lies in conducting comprehensive social media marketing campaigns.

Despite the relatively low living standards in Kosovo, data suggests that the country has gone digital. According to a STIKK study, internet penetration in Kosovo is 76.62%, which is comparable to developed countries (1). The study suggests that a staggering 73.3% of internet users in Kosovo are active users of Facebook. (see *Figure 10* in

Appendix A). The popularity of Facebook, as a mainstream social medium, exemplifies the enormous potential for businesses to appeal to their target markets through social media.

In Kosovo, the most prominent marketing efforts are advertising campaigns. A 2013 study by KPM found that advertising on the internet only comprises 3% of the total advertising expenditure in Kosovo (see *Figure 2* below). The apparent discrepancy between the high internet penetration rate and low usage of internet advertising highlights the potential that lies in using social media as digital marketing tools. The KPM study also indicates that the relationship between company size and use of digital marketing channels is negative; larger companies prefer the more conventional marketing channels, whereas small companies rely on social media and other digital tools, primarily due to the lower costs. The final insight provided by the KPM study is regarding the perception that Kosovar companies have with regard to the future of digital marketing; 50.7% believe that the quality of marketing will improve as we move towards the digital era and an additional 14% of companies believe that digital marketing will result in lower costs in the future (38).

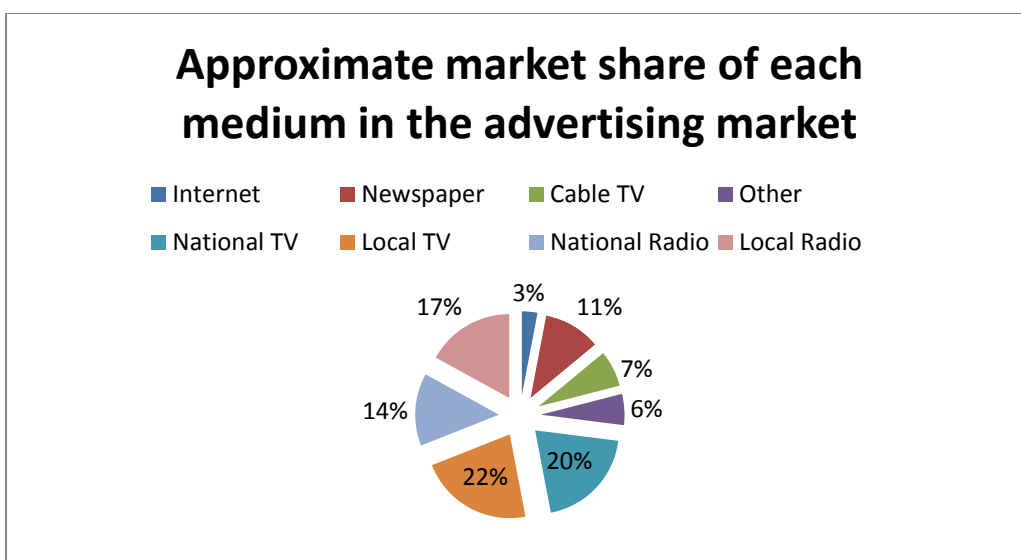


Figure 2: The approximate market share of each medium in the advertising market in Kosovo, as of 2013. KPM Analiza e Tregut te Reklames ne Kosove.”

B. In-depth Interview Results

The analysis of the qualitative in-depth interviews, conducted with representatives of the marketing departments of eight Kosovar businesses, has yielded several common themes which relate to most of the concepts discussed in the literature review section of this paper. Furthermore, the interviews provided insights as to how the sampled businesses, all of them with considerable social media following, organize, manage and measure their social media marketing efforts. The major findings of my research are summarized and discussed in this section.

1. The social media marketing department

All of the firms interviewed had well-established marketing departments with the smallest department sampled having two employees. It must be noted that the duties performed by a marketing department within a firm may be conducted through a plethora of channels: TV advertising, Out-of-Home (OOH) marketing, In-store communication, radio ads, public relations, newspaper ads, online marketing and social media marketing. Bearing this diversity in mind, the sampled businesses were asked whether they have a specialized social media marketing department or do they conduct their social media marketing efforts through a generic marketing department. All but one of the businesses interviewed utilize a generic marketing department for their social media activities.

Two key factors that explain the lack of specialized social media marketing departments are (1) the relative share of social media marketing of total marketing efforts and (2) the size of total marketing expenditures. The businesses for which the relative share of social media marketing efforts was low, simply decided to merge social media marketing within the activities conducted by their generic marketing department. On the other side of the spectrum, businesses for which the relative share of social media marketing efforts was high, decided to merge other types of channels (TV, Radio, OOH) into the activities of their marketing department, making it a generic department rather than a specialized one. The one business that reported to conduct social media marketing through a specialized department was also the business which spent the most on marketing. This phenomenon could be explained by the overall size of the company (measured by the number of employees). The higher the expenditures on marketing, the

larger the size of the company is likely to be. Consequently, larger companies tend to specialize with departments, explaining why the only sampled business that relies on a specialized social media marketing department is also the largest business in the sample.

Financial cost, among other reasons, oftentimes determines what types of channel a company will utilize for marketing. Several studies have shown that social media marketing is cheaper than traditional marketing channels (Ahmeti 70). When asked to compare the costs of social media marketing to traditional marketing channels, all of the sampled businesses believed social media marketing to be less costly. Despite its lower cost, the majority of the sampled businesses (five of them) reported using social media marketing less than the traditional channels. However, four of those businesses admitted that their social media marketing efforts had experienced significant growth in recent years, with a projected growth trend in the future. Given its lower cost, it is no surprise that in the near future social media marketing might overcome the use of traditional marketing channels.

2. Facebook as the prevalent social medium

Given the definition provided in the literature review, the number of platforms that qualify as social media is growing by the day. The social media utilized by the businesses in my sample are: Facebook, Instagram, Snapchat, Twitter and Youtube. Unsurprisingly, all of the sampled businesses reported that Facebook is the main social medium through which they conduct their social media campaigns.

Three main reasons for Facebook's dominance emerged from the responses of the interviewees. First, all of the sampled businesses believe that Facebook is the most widely used social medium in Kosovo, making it an appropriate medium for generating the biggest bang for buck (i.e reach as many people) for marketing campaigns. To put this potential reach in context; the sampled business with the largest following had 184,000 likes on its Facebook page.. The second most cited reason for Facebook's dominance is the ease at which multiple types of content can be shared. A company that operates a Facebook page may choose to share text, video, pictures, slideshows, polls, or combinations of these contents. This ease of posting content makes it attractive for users to generate content of their own, a finding resembling the concept of user generated

advertising discussed in the literature review. The final reason that the respondents provided for Facebook's dominance is its cost-effectiveness. All of the sampled businesses agreed that sponsored content on Facebook is relatively cheap, compared to other social media platforms.

To summarize, the sampled businesses reported that Facebook is a social medium that has (1) a large potential reach among Kosovar customers, (2) allows potential customers to interact with a wide variety of content and (3) allows businesses to show their sponsored content to customers at relatively low prices.

3. Social media and market targeting

The usefulness of a marketing channel is oftentimes measured by how effective it is in reaching the target market of a business. Social media and their inherent properties, as conceptualized by the Honeycomb structure (refer to section 2.a), provide ample opportunities for businesses to reach the customers that matter to them (i.e. their target markets). All of the sampled businesses agreed that social media provide excellent targeting opportunities. This positive attitude of the sampled businesses towards the effectiveness of social media targeting becomes even more significant when considering the diversity of their target markets.

Two of the businesses admitted to having wide target markets and using mass marketing techniques so as to reach as many people as possible. A representative of a business in the department store sector illustrates the point on mass marketing and social media:

“Recently we have shifted to include almost every customer group in the population. We offer something for families, kids, athletes, tech-lovers and even for the ordinary hunger needs via our food court. Social media are versatile when it comes to targeting, but when considering the fact that we have such a wide target group, then traditional media who have mass-marketing reach work just as fine.”

The other six businesses reported having narrower target markets. Their products and services are more likely to appeal to certain demographics. For example, the representative of a business in the sportswear industry gives the following account of narrow target markets and social media:

“Our target market consists of people who are engaged in any type of physical activity. We provide products for most sports and thus our target market is quite large. Both Facebook and Instagram allow us to narrowly target potential customers by adjusting the age range, interests and location of the people to whom you want to show you social media post.”

After analyzing the responses from the interviews, social media were evaluated as being effective in reaching target markets. The effectiveness was deemed to be greater compared to traditional marketing channels, whenever the business had a narrower target market. In the case of large target markets, social media were deemed to be as effective as traditional mass marketing channels (TV, Radio). After taking into account the functional blocks of the honeycomb structure of social media, these findings are not surprising. For example, businesses with narrow target markets can utilize the **identity** aspect of social media by targeting people with certain demographic characteristics. Further, businesses can rely on social media **conversations** by encouraging like-minded members of the target market to start a discussion around their brand. Finally, businesses may utilize social media **relationships**, by targeting influential members of society who will then influence many other members of the target market.

4. Social Media and Electronic Word of Mouth

The inter-customer conversation regarding a brand, if it's negative in nature, can have a devastating effect for that particular brand. The emergence of social media has magnified the effect of these conversations through eWOM, and Kosovar businesses seem to be aware of the dangers. Half of the businesses that I interviewed reported experiencing negative eWOM on their social media sites. In each instance, the form that eWOM embodied was through reviews of the brand pages on Facebook. The social media giant allows fans to rate brand pages on a scale from 1 to 5 stars.

While most companies would regard a low rating, oftentimes accompanied with negative comments, as a harmful occurrence, other businesses may use this feedback to improve their services. Indeed, all of the businesses that reported negative eWOM also said that they used it as an opportunity to address the issue that customers were complaining on. Adopting the viewpoint of negative reviews as a mechanism towards improved services can minimize the future occurrence rates of such negative eWOM. One

final observation from the interviews is the low share of negative ratings to overall Facebook page ratings. All of the surveyed businesses had a rating of 4 stars and above, indicating that healthy and positive reviews far outnumber the negative eWOM experienced on social media

5. Engagement of Social Media content

The premise of users interacting with content posted by brands on social media is one of the key factors leading to their enormous success as marketing tools. The manner in which users engage with content varies across types of social media; while Facebook users can like, comment, share and react to content, Twitter users may respond to content by retweeting it. The sampled businesses each had their own ways of generating user-engagement with the content their brand pages' post. Given the diversity of the engagement techniques used by the sampled businesses, it was difficult to define clear patterns of what techniques work best in a given industry. Therefore, I have summarized all the unique methods that the interviewed businesses utilize to get more engagement. This summary will serve as a descriptive overview of the most commonly used content types by Kosovar businesses.

Vivid Imagery: All of the interviewees reported that more vivid pictures and videos tend to generate more engagement on their social media pages. Considering that this method of engagement generation is the only one on which consensus was achieved among the interviewed businesses, it is very likely to be the most effective one. A major explanation could be that images and videos with vivid colors tend to stand out more. Thus, users are more likely to engage with content that they notice more. This technique is also supported by the findings of Sebate et al discussed in the Literature review.

Value proposition: Four of the interviewed businesses reported higher engagement on content that highlights their brand's unique value proposition. Insights into this technique are provided by a representative of the marketing department of a business in the food and sweets sector:

“We primarily use social media to advertise our cakes and drinks that are more unique or custom-made. I would say that our custom made cakes when photographed professionally tend to generate the most engagement amongst customers.”

Customers tend to neglect brand posts that don't differentiate the brand from competitors. Thus, whenever a post on social media expresses a unique value proposition of the brand, it is likely to be met with higher engagement from social media users.

Giveaways and contests: people love to be given the opportunity to win prizes. The popularity of contest campaigns, such as Gillette's Phantom contest, proves this point. Contests and giveaways are also popular with the businesses that I interviewed. The majority of them (five businesses) reported to have used contests and giveaways as means of generating higher post engagement on their social media sites. The manner by which the contests and giveaways were designed varied from business to business, but the end result was always the same; contests and giveaways generated far more engagement than other types of content.



Figure 3: A sample contest taken from the Facebook account of one of the businesses that I interviewed. They organized a contest, in which users were asked to (1) like the brand's Facebook page and (2) correctly predict the football team that would score the most goals during a Premier League weekend. Three winners with the correct prediction were then chosen randomly and awarded footballs. The post resulted in considerable engagement as more than 1,100 people liked the post and 960 others commented. Besides post engagement, this contest also resulted in increased page likes.

Promotional offers: It is no secret that people want more of a scarce resource. The sampled businesses in my research seemed to understand this concept fairly well, as six of them reported to have used promotional offers as a means towards higher engagement on their social media sites. Some of the businesses also utilized the concept of **exclusivity** by making their offers redeemable only to social media users. This technique is likely to result in even more engagement of potential customers.

6. The social media manager

The discussion of results so far has only focused on the activities of the businesses as coherent units. However, when it comes to social media marketing, most of the decisions are undertaken at the individual level, by a social media manager. The analysis of the responses to questions pertinent to social media managers yielded three major findings.

Organizational strategy: in all of the interviewed businesses, the social media managers supported the organization's overall strategy, through their social media

campaigns. This holds true even after taking into account that in six of the businesses, the social media managers stated they had significant degrees of freedom when it comes to the way they run the social media marketing campaigns.

Learning by doing; in the majority of the interviewed businesses (six of them), the social media managers said they have had a learning by doing experience when it comes to managing social media. In the other two businesses, the social media managers had received training in forms of workshops on social media marketing. It must also be noted that none of the social media managers have received specialized education on social media marketing. When coupled with the lack of specialized social media departments in the sampled businesses, the lack of specialized education and training highlights the need that businesses have for experts on social media marketing.

Shaping the conversations; in all of the interviewed businesses, the social media managers felt that their major role was to shape the direction of the social media conversation regarding their brand. This is achieved via the various techniques that have been discussed thus far. It must be noted that the social media manager has a role to play even after accounting for the fact that most of the content generated on social media is user-driven.

7. Measuring Return on Investment

The lack of appropriate metrics for measuring ROI of social media campaigns, a major theme of the literature review on the topic, is also a common feature amongst Kosovar businesses. None of the interviewed businesses had instituted well-defined metrics for measuring the ROI of their social media campaigns. This finding, however, does not automatically suggest that there has been a lack of effort towards creating appropriate metrics. Half of the interviewed businesses reported that they are continuously working towards implementing metrics that would allow them to translate the efficiency of their social media campaigns into financial terms.

Proxy-metrics for measuring ROI had been established in all of the businesses where measurement efforts have been undertaken. While these proxies do not measure the ROI in financial terms, they do allow businesses to gain a rough idea as to how effective the

social media campaigns are. Oddly enough, each business had developed their unique method (proxy-metric) of measuring ROI. These methods varied depending on the sector where the business was operating. While a business in the sportswear sector chose to focus on sale-monitoring of products featured in social media campaigns, a business in the food and beverages sector was more interested in measuring of user-engagement (i.e. likes, comments, shares) of a particular social media campaign. Other forms of proxy-metrics for ROI included: tracking the number of traffic in stores during social media campaigns (retail sector) and measuring the increase in subscriptions to loyalty-programs (supermarket sector).

While each of the reported proxy-metrics used by the sample businesses are unique, they do share one thing in common; none of them apply a customer-centric approach that is recommended by Hoffman and Fodor in the literature review section of this paper. Thus, Kosovar businesses run the risk of undertaking inefficient social media marketing campaigns, simply because they are focusing on the wrong metrics. The majority of the interviewed businesses confirmed this concern, as they reported the establishment of a ROI metric system among their top priorities.

8. Attitudes towards a digital future

As confirmed by the findings of the STIKK study, discussed in part A of this chapter, Kosovo can be considered a digital country in terms of internet penetration rates. As an increasing portion of the population gains access to the internet, the prospect of using social media channels as main marketing tools becomes more enticing. Therefore, one would expect the attitudes of Kosovar businesses towards the digital future to be overwhelmingly positive. The study of the advertising market by KPM (2013) found that half the respondents believed digitalization to result in more abundant marketing opportunities in the future.

These findings were also confirmed by the in-depth interviews with Kosovar businesses. Virtually all of them agreed that in the digital future, social media marketing will become a more important part of marketing efforts. This projected increase in importance is expected to result in lower marketing costs and improved measurement possibilities, two defining features of social media. The optimistic attitudes towards the

digital future are embodied in the following response by a representative of a business in the education sector:

“Considering that our primary beneficiary is youth, and youth highly utilizes social media and the web, the digital marketing is a great way to collect, analyze and use data for better marketing planning. Data nowadays portrays certain behavior, and understanding that behavior is crucial in producing the right message, imagery and other content that reinforces your value proposition in the market. As more people are linked and on their phones, the digital marketing in Kosovo will increase.”

C. Survey Results

The findings of the quantitative portion of my research project, which takes the form of a survey conducted with randomly-sampled shoppers in Prishtina, provide insights into the role of social media marketing through the customer's (the social media user) perspective. These findings complement the results of the secondary data and the qualitative research in gaining a complete picture of the social media marketing trends in Kosovo. The themes that emerged from this research are broken down, and analyzed in the following section..

1. Social Media usage

Despite significant age differences, all of the respondents were active participants in at least one social media platform. This finding only goes to confirm the movement towards the digital era of Kosovar households, as discussed in previous sections of this paper. The high social media participation rate also meant that each of the respondents were qualified to answer the majority of the survey questions.

Some findings confirmed the responses from the qualitative research. Facebook was by far the most heavily used social media platform with 68% of respondents using it as their primary social media platform. The second most popular platform was Instagram, followed by Twitter in third place.

Interesting observations also surfaced after analyzing the timing and frequency of social media usage. According to research by Golder et al , users tend to increase activity in social media at evening, while maintaining high activity rates throughout the night (52). My survey showed similar results as the majority of respondents 42% reporting the period between 19:00-23:00 pm as their most active time frame. The findings on the

frequency of social media usage are even more staggering than the 100% participation rate discussed earlier. A whopping 83% of respondents said they use social media platform on a day to day basis. The high number of regular users of social media provides further incentive for businesses to focus their marketing efforts in the realm of social media. A detailed breakdown on the frequency of social media usage can be found in Figure 12 on Appendix A.

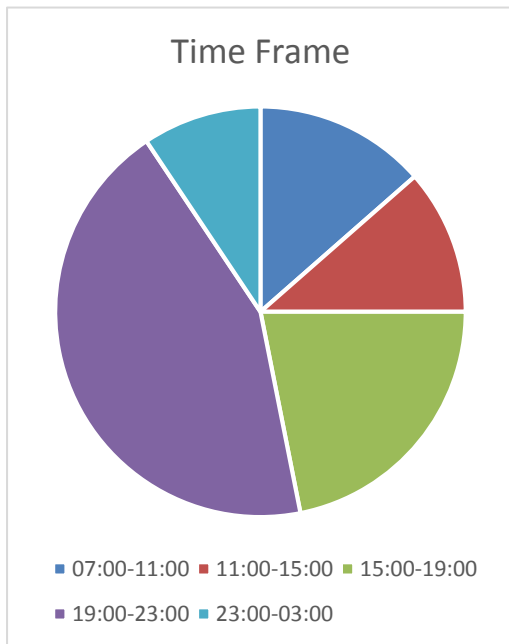


Figure 4: The most active time frame amongst the respondents was 19:00-23:00 pm with 42% of respondents being active during this time. The second most active time frame is the period between 15:00-19:00 pm. 13% of respondents are active in the morning during the period 07:00-11:00 am, with an additional 15% being most active during lunch time. The lowest level of activity was reported at the late night period of 23:00 pm-03:00am, as only 9% of respondents were active during this time period.

2. Customer-brand relations within social media

The migration of marketing to the social media realm was confirmed when all the respondents reported to have come across social media profiles dedicated to a specific brand. This made the sample even more appropriate for providing insights into a customer’s viewpoint towards social media marketing. The various themes and characteristics that emerged after analyzing the responses can be grouped as follows:

Magnitude of brand presence on social media: the magnitude of brand pages’ presence on the social media experience of the respondents was measured by the number of brand profiles they followed in various social media platforms. Only 6% of respondents said they did not follow any brand profiles on social media. The most frequent response, 28% of the sample, indicated to have followed up to 5 brand profiles on social media. On the extreme end of the spectrum, a significant 17% of the total sample, admitted to following more than 20 brand profiles on social media. Furthermore,

the data suggests that there is a negative correlation between age and the number of brand profiles followed; younger respondents (18-24 years of age) were more likely to follow upwards of 20 brand profiles on social media. For a detailed breakdown of these findings refer to Figure 13 on Appendix A.

Engagement generation and its magnitude: as has already been established thus far in this paper, there are numerous ways for users to engage with content in social media platforms. When asked whether they had ever engaged in any way with such content, the majority of the respondents 63% percent of them, reported to have done so in more than one occasion. Only 8% of respondents said they had never engaged with content posted by brand profiles. When asked on what type of content they are more likely to engage with, participants responded as illustrated in the figure below:

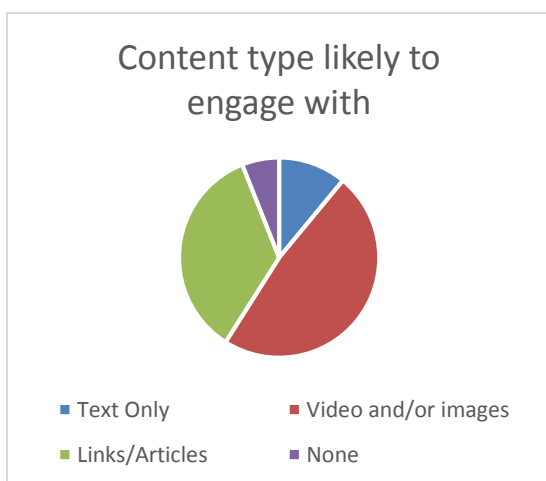


Figure 5: The majority of respondents preferred to engage with content that either includes videos and/or images (48%) or includes links and/or articles (35%). 11% of respondents preferred to engage with content posted in plain text whereas 6% were not likely to engage with brand posted content at all. These findings are in alignment with the analysis of literature, where more vivid

imagery and links were shown to increase brand post engagement. These findings are also in alignment with what type of content businesses reported to be engagement-drivers.

Finally, the engagement incentives of a post were also analyzed. The results mirrored the responses from the interviews with Kosovar businesses; social media users prefer to engage in posts that take the form of giveaways and contests (42%) and posts asking about the user’s opinion on a specific issue (38%), while posts that provide information on products and services were less popular (20%).

User Generated Content and Purchase decisions: having discussed the advantages and perils of UGC, as a major driving force behind social media marketing, it was important to investigate whether Kosovar customers did create UGC about brands on social media. While most of respondents indicated they had engaged in UGC about brands, 38% of them had done so only once with 53% having done so on multiple occasions. These findings affirm that customers are willing to generate content on behalf of the brands, making it an invaluable marketing vehicle that could translate in increased sales. In fact, a significant 89% of respondents had purchased products/services based on information retrieved from social media. Even more interestingly, out of these 89%, 58% had purchased on multiple occasions whereas the remaining 31% had only engaged in one social media motivated purchase. A demographic breakdown of purchase decisions revealed that women are more likely than men to make a social media motivated purchase; 67% of respondents who made such purchases were female.

3. Attitudes and Comparison

The emergence of social media marketing has enjoyed mixed receptions in the global community; some believe them to be genuine marketing tools whereas others perceive them to be “uninvited crashers” on social media. After analyzing the responses from my surveys, it became clear that Kosovar customers have an overwhelmingly positive attitude towards social media marketing, with 74% agreeing that social media marketing is useful as it helps customers make more informed purchasing decisions. The sample respondents also shared a positive attitude towards the digital marketing future with 46% believing it will create improved customer-business relationships and an additional 31% believing it will lead to even more informed purchasing decisions.

Finally, customers were asked on what channel they are most likely to turn to when seeking information about products/services. The purpose of this question was to provide comparison opportunities between social media and other marketing channels. The results are summarized in the figure below:

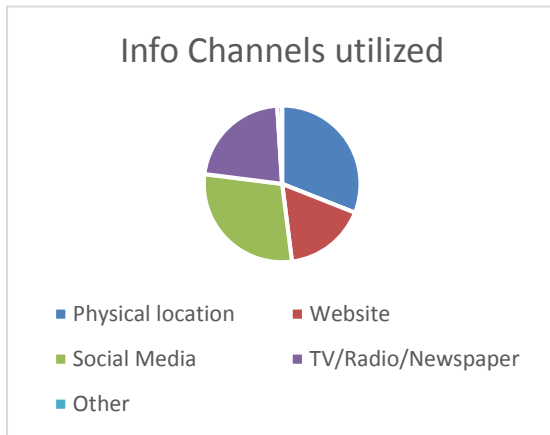


Figure 6: The most popular channel for gaining information regarding products/services remains visiting the business' physical locations. Social Media are the second most popular channels with 29% respondents utilizing them. Traditional channels such as TV, Radio and Newspaper are utilized by 22% of customers whereas a firm's website is preferred by 17% of customers.

V. Chapter 5- Recommendations

The overall consensus on social media marketing is unequivocally clear; literature suggests it's the future of marketing, businesses believe it to be the future of marketing and customers perceive it as highly interactive and informative. Kosovar businesses seem to be doing a lot of things right, as most of their social media marketing practices are in line with literature suggestions. For example, businesses in Kosovo understand that social media channels are inherently different from traditional marketing channels, and as such they are creating content that is optimized to generate engagement on social media. Yet, ample challenges remain in the field of social media marketing in Kosovo, as my research unearthed some key areas that need improvement. In this section I have highlighted some recommendations so as to solve problems in key areas of social media marketing, where progress has been lacking.

Establish proper social media departments: while most businesses did have some person responsible for social media marketing, most of these efforts were conducted through a generic or traditional marketing department. The lack of specialized social media departments may be a reflection of social media's perceived inferiority to traditional marketing channels. However, the evidence is mounting that social media may in fact be more cost-efficient than traditional channels all the while allowing more freedom in creating engaging marketing campaigns. Having a specialized department may result in more comprehensive social media campaigns and a more inclusive integration of social media within a firm's IMC. Furthermore, as businesses run more immersive social

media campaigns, enabled by specializing in departments, this could lead to a chain effect where competitors follow suit. The net effect would be an inflow of resources towards social media marketing that would make better use of its plentiful potential as a marketing channel.

Create Social Media Education programs: one common theme amongst Kosovar businesses is that social media managers lack social-media specific education; they have gained most of their knowledge through learning by doing or workshops. This comes to no surprise, as there is not any social media specific program offered in any Higher Education Institution in Kosovo. This lack of programs cannot be explained by lack of demand. Businesses are in clear need for social media managers and the youth are embracing technology and digital platforms as serious career opportunities. Thus, the higher education institutions should seriously consider offering social media marketing as part of their program packages. This would create qualified personnel which would further boost the quality of social media campaigns and the diversion of resources towards this marketing channel. An alternative method would be to offer more social media marketing courses within the Marketing program, considering the high cost of setting up new programs.

Develop ROI measurement metrics: this paper has identified ROI measurement problems on a couple of scales; they are causing headaches both internationally and at the national level. However as more research is done on the topic of social media marketing, appropriate metrics are likely to be established in the near future. For the time being, Kosovar businesses should start to develop frameworks as per Hoffman and Fodor and adapt a customer-oriented perspective towards ROI. In other words, business should think about ways of capturing social media related variables such as: Word of Mouth, UGC and Brand awareness. One possible explanation to the lack of such an approach in Kosovo could precisely have to do with the absence of social media experts. Thus, the pressure to establish proper ROI measurement metrics serves as a further incentive for specializing in departments and establishing educational programs.

VI. Chapter 6- Conclusion

The aim of this honors project was to examine the current trends of social media marketing in Kosovo from varying perspectives: the point of view of businesses as creators and that of customers as receivers were analyzed. These objectives were achieved by reviewing the relevant literature on the subject matter, analyzing secondary data, conducting in-depth interviews with representatives from Kosovar businesses surveying potential customers.

The literature review provided a thorough definition of social media in the context of the underlying mechanisms of UGC and Web 2.0. While these mechanisms made social media inherently different from traditional marketing channels, they still had a central role on the IMC for any business striving to achieve its organizational goals. Next, two conceptual models (Kietzman's Honeycomb and Laroche's customer-centric model) provided the framework for analyzing social media and their building blocks. Next, Facebook was identified as the prevailing social medium and several factors that affect brand post popularity were discussed. Finally, the literature review addressed the global struggles towards developing ROI measurement metrics.

The analysis of secondary data suggested that (1) social media had become widely used platform in digital Kosovo and (2) social media's market share compared to other channels remains relatively low.

The in-depth interviews with Kosovar businesses showed that social media marketing is receiving increased attention as businesses look for ways to connect with potential customers in the digital era. The common themes that emerged from the interviews were (1) the lack of specialized departments, (2) use of Facebook as primary social medium, (3) social media as cost-effective alternatives to traditional channels, (4) lack of expertise on social media marketing (5) lack of ROI measurement metrics and (6) a positive attitude towards the digital future

The survey with potential customers revealed that they were receptive to campaigns perpetrated on social media. Furthermore they deemed social media to be an excellent

source of information for products/services and creating relationships with a brand; all the while maintaining a positive attitude towards the future of social media marketing.

Finally, the creation of social media specific education programs was encouraged so as to create qualified personnel. The emergence of experts would cause firms to specialize in social media marketing departments, leading to more efficient campaigns. As more and more resources are devoted to social media marketing, the ROI measurement problem is more likely to be solved

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VIII. Appendices

A. Graphs and Charts

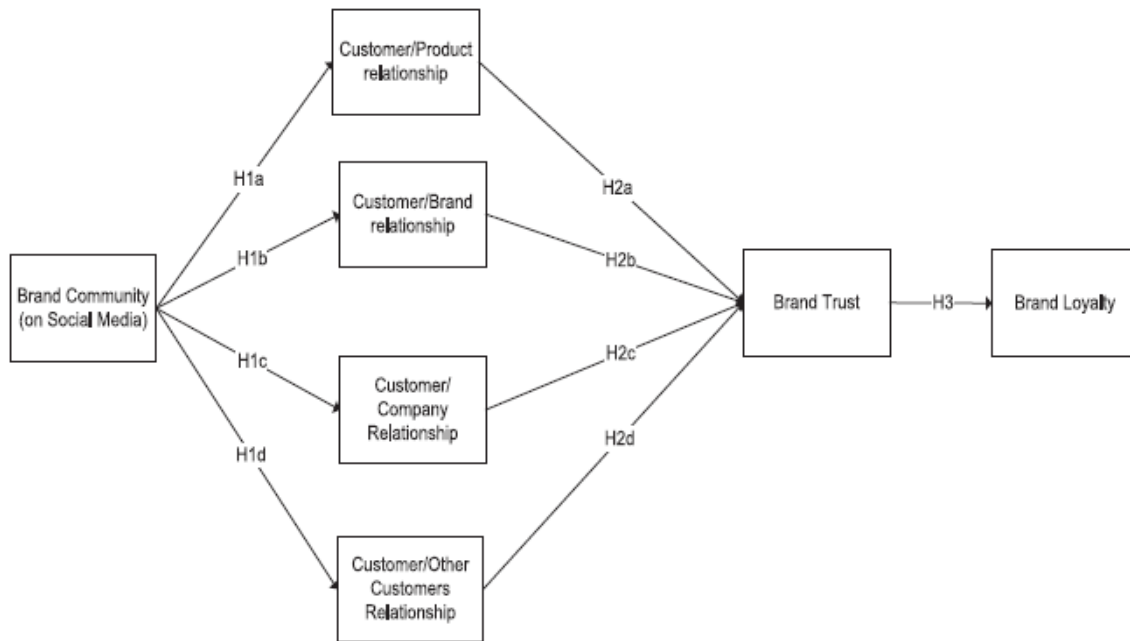


Figure 7: Customer-centric model of the effects of brand communities.

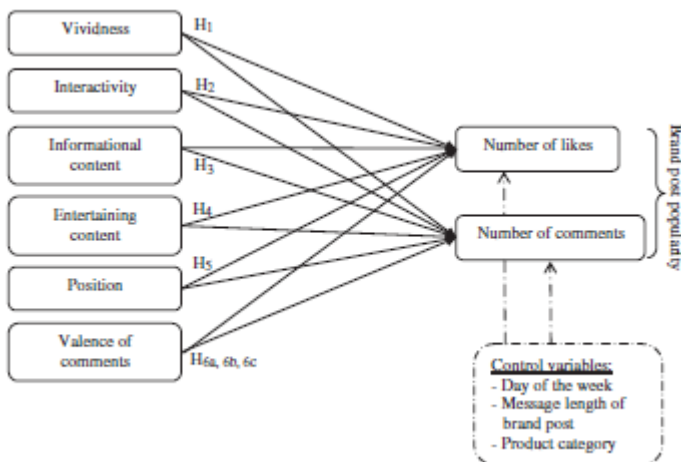


Figure 8: Conceptual framework of brand post popularity

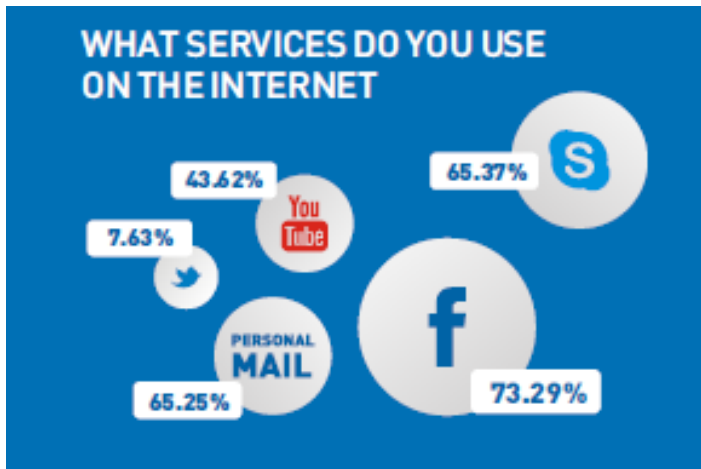


Figure 9: Usage of social media outlets in Kosovo, as of 2013. STIKK Internet Penetration and Usage in Kosovo.

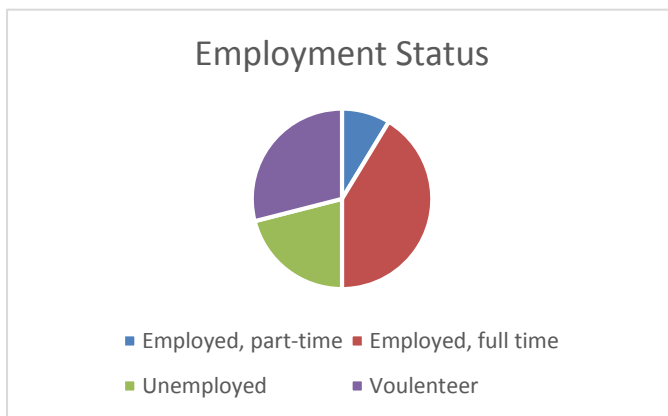


Figure 10: Most of the respondents were employed, either full or part time, with them constituting 69% of the sample. 29% of respondents were unemployed with an additional 4% resorting to voluntary activities.

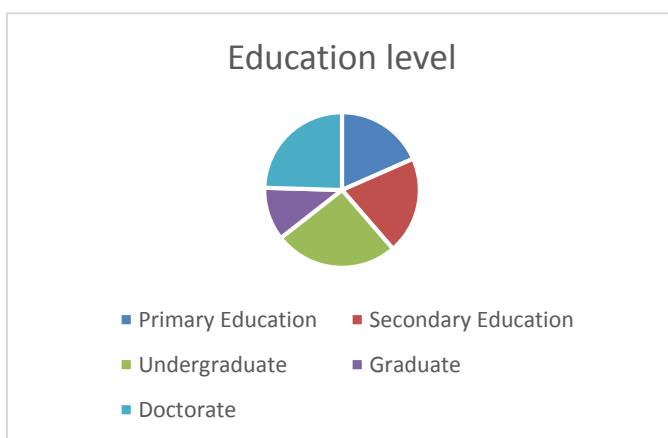


Figure 11: Most of the respondents had finished either secondary education or an undergraduate program, with this group accounting for 75% of the sample. Only 3% had finished just primary education while 4% had doctorate degrees. The remaining

18% had a graduate degree.

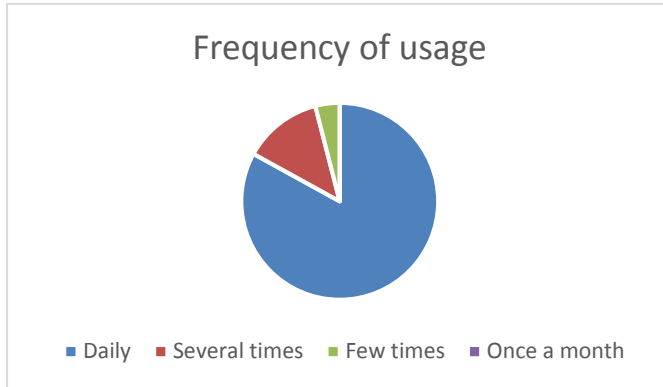


Figure 12: The majority of the respondents were daily users of social media platforms with 83%. 13% said they use social media several times a week.

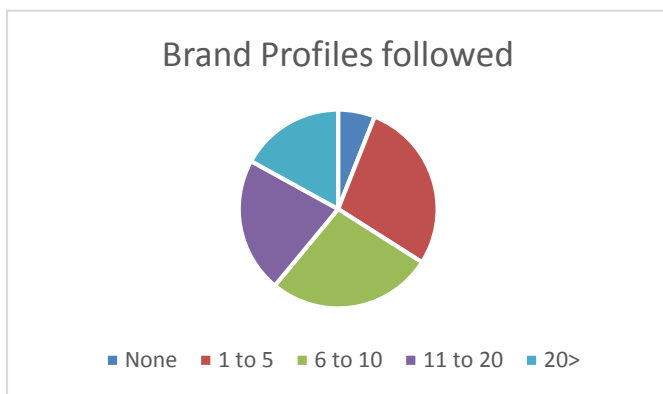


Figure 13: Only 6% of respondents did not follow any brand profiles on social media. A significant 28% followed up to 5 brands on social media. Another 27% followed between 6-10 brand profiles whereas 22% followed between 11-20 profiles. Finally 17% reported to be active followers of brand profiles with more than 20 profiles followed on social media.

B. Consent Form

Informed Consent Form for Social Science Research RIT Kosovo

Title of Project: The use of social media marketing in Kosvo: Curent trends and opportunities

Principal Investigator: Robert Ejupi, RIT Kosovo student

21, SejdiKryeziu, Prishtine

045-260-472; roberte@aukonline.org

1. **Purpose of the Study:** The purpose of this research study is to explore *the usage of social media marketing by Kosovar businesses*
2. **Procedures to be followed:** You will be asked to answer *12 questions* during this interview.
3. **Duration:** It will take about *25 minutes* to complete the interview.
4. **Statement of Confidentiality:** Your participation in this research is confidential. The data will be used only for qualitative insights into the usage of social media marketing among Kosovar businesses.
5. **Voluntary Participation:** Your decision to be in this research is voluntary. You can stop at any time. You do not have to answer any questions you do not want to answer.

You must be 18 years of age or older to take part in this research study. If you agree to take part in this research study and the information outlined above, please sign your name and indicate the date below.

You will be given a copy of this form for your records.

Participant Signature

Date

Person Obtaining Consent

Date

C. Interview questions

1. Does your company have a special social media marketing department or do you conduct social media efforts through the traditional marketing department?
2. What are the social media platforms that your company utilizes?
3. Would you be able to tell me more about the advantages of using _____ social media platform?
4. How do your social media marketing efforts compare to traditional marketing efforts in terms of cost and reach?
5. Does your company have a particular target market, and do social media help in targeting customers?.
6. Based on your experience, what kind of content tends to generate more engagement on social media?

7. Have you had any instances of negative word of mouth regarding your company spreading on social media?
8. One conception of social media is that it is free and user generated. If so, then why does an organization need a social media marketing manager?
9. Have you received any education or training in social media marketing specifically, or have you had learning by doing experience?
10. Do you as social media marketing manager have a strategy, or do you primarily support the company's strategy?
11. Do you measure the return on investment of you social media marketing campaigns?
12. What are your attitudes toward the future of digital marketing in Kosovo?

D. Survey questions

- 1) What is your age?
 - a) 18-24
 - b) 25-29
 - c) 30-34
 - d) 35-39
 - e) 40-45
 - f) 46>
- 2) What is your gender?
 - a) Male

- b) Female
- 3) What is your highest level of education?
 - a) Primary education
 - b) Secondary education
 - c) Undergraduate
 - d) Graduate
 - e) Doctorate
- 4) What is your current employment status?
 - a) Employed, part-time
 - b) Employed, full-time
 - c) Unemployed
 - d) Volunteer
- 5) Do you use any social media platforms (i.e. Facebook, Instagram, Twitter, Youtube, Snapchat, LinkedIn and others)?
 - a) Yes, only one platform
 - b) Yes, multiple platforms
 - c) No
- 6) Which social media platform do you use most frequently?
 - a) Facebook
 - b) Twitter
 - c) Instagram
 - d) Snapchat
 - e) Youtube
 - f) LinkedIn
 - g) Other
- 7) How often do you engage in social media platforms?
 - a) Daily basis
 - b) Several times a week
 - c) Few times a week
 - d) Once a month
 - e) Never
- 8) During which time period are you more likely to engage in social media platforms?
 - a) 07:00-11:00 am
 - b) 11:00 am-15:00 pm
 - c) 15:00-19:00 pm
 - d) 19:00-23:00 pm
 - e) 23:00 pm-03:00 am
- 9) Have you come across brand profiles in the social media platforms you take part in?
 - a) Yes
 - b) No

- 10) How many brand profiles, if any, do you follow on social media platforms?
 - a) None
 - b) 1-5
 - c) 6-10
 - d) 11-20
 - e) 20>
- 11) What is your attitude towards businesses advertising on social media?
 - a) It is disruptive and doesn't belong on social media
 - b) It does no harm as it can easily be ignored
 - c) It is useful as it informs customers
- 12) Have you engaged in any form (liked, watched, commented, shared etc.) with content posted by brands on social media?
 - a) Yes, only once
 - b) Yes, more than once
 - c) No, never
- 13) What type of brand posted content, if any, are you more likely to engage with?
 - a) Content that includes text only
 - b) Content that includes videos and/or images
 - c) Content that includes links to website/article
 - d) None
- 14) Which of these brand posted material, if any, are you more likely to engage with?
 - a) Posts asking for my opinion on a specific issue
 - b) Informatory post about product/service features
 - c) Contests and giveaways
 - d) Other (Please specify)
 - e) None
- 15) Have you ever posted about a particular brand's product or services on social media?
 - a) Yes, once
 - b) Yes, more than once
 - c) No, never
- 16) What channel are you most likely to use in order to get informed about a company's offerings?
 - a) Visit physical location
 - b) Visit website
 - c) Visit social media page
 - d) Radio/TV/Newspaper ads
 - e) Other (Please specify)
- 17) Have you ever purchased a product/service based on information received in social media?
 - a) Yes, once

- b) Yes, more than once
 - c) No, never
- 18) What is your attitude towards digital marketing in the future?
- a) It will become too disruptive as more businesses advertise digitally
 - b) It will provide more information about products and services
 - c) It will result in a better customer-business relationship
 - d) Other (Please specify)