A theoretical model of social media monitoring capability: Exploring its components and potential impact on organizational competitiveness

by

Maral Mayeh

MBA, BSc. Software Engineering

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Doctor of Philosophy

Deakin University

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To my beloved parents and husband for their unconditional love.
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Abstract

In recent years, social media has emerged as a new source of external intelligence with significant value for businesses to better understand their external environment. It is, therefore, not surprising that many organizations are also contemplating or taking tentative steps to harvest this opportunity by developing social media monitoring (SMM) capabilities. However, as a fairly recent phenomenon, many organizations appear uncertain about how to develop their capabilities to yield this external intelligence. Currently, there is little guidance about what and how organizational elements such as processes and resources could contribute toward the development of an SMM capability. Furthermore, the conditions under which an SMM capability is more, or less, effective has remained largely unexplored in the academic literature. More importantly, there is currently a lack of understanding of how an SMM capability could contribute toward organizational competitiveness. The absence of this knowledge makes it difficult to identify ways to benefit from social media data and, therefore, presents a challenge for managers who are seeking to build or improve an SMM capability in organizations.

This research is an attempt to better understand an organizational SMM capability. It explores the phenomenon of SMM that involves the scanning of social media platforms to identify and analyze information about an organization’s external environment in order to utilize the acquired intelligence for various business purposes. The study utilizes a qualitative, multiple case study method conducted in a number of Australian organizations. In particular, it follows the theory-building approach, suggested by Eisenhardt (1989) and Paré (2004). The theory-building had two main phases in which the study benefited from (1) relevant works on external intelligence and IS capabilities, and perspectives in resource-based and dynamic capabilities literature, and (2) empirical investigations of the SMM capability in five case organizations.

As a result, the study makes a theoretical contribution by developing a theoretical model of an organizational SMM capability, its components and potential impact on organizational competitiveness. In doing so, the study offers several contributions to the domain of SMM. The study (1) defines an organizational SMM capability and conceptualizes it as part of an organizational external intelligence capability; (2) identifies the components of an SMM capability and develops an initial analytical framework from the existing literature, which is subsequently refined according to the analysis of evidence from the case studies; (3) identifies that the phenomenon of SMM in organizations has a dual nature by demonstrating the utilization of social media data at (a) operational and
(b) strategic level; (4) explores the characteristics of an SMM capability that makes it more, or less, effective; (5) illustrates that the extent to which the case organizations utilized social media data can be assessed using three attributes: utilization level, type and range; (6) illustrates how the refined analytical framework could be used to identify the maturity stages of an SMM capability. As such, the study conceptualizes three stages of maturity of an SMM capability, and describes the typical characteristics of each of these stages; (7) articulates how the impact of various maturity stages of an SMM capability on organizational competitiveness could be assessed by integrating resource-based and dynamic capabilities perspectives, thereby showing that an SMM capability could impact on organizational competitiveness both in a direct and indirect ways; (8) illustrates that an integration of resource-based and dynamic capabilities provide a richer theoretical explanation of the overall impact on organizational competitiveness; (9) argues that in addition to the three known types of interactions between organizational resources (i.e. destroying, compensating, and enhancing), an additional type of interaction (i.e. transforming) is pertinent to explain the impact of an SMM capability on organizational competitiveness; and finally, (10) develops a comprehensive theoretical model of an SMM capability (including its components), subsequent utilization of social media data and the potential impact on organizational competitiveness.

The theoretical model of SMM capability developed in this thesis should be considered an initial attempt in theorizing a fairly recent phenomenon that awaits further refinements and testing. The study provides insights for future research and discusses practical implications.

Keywords: Social media monitoring, capability, utilization of social media data, external intelligence, resource-based theory, dynamic capabilities, theory-building, multiple case study
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1 INTRODUCTION

1.1 Research background

In recent years, there has been a mass global adoption of a range of social media platforms by both consumers and organizations that has also led to the exponential growth of user-generated content (Brooks, Heffner, & Henderson, 2014; Chau & Xu, 2012; Xie & Lee, 2014). As a result, social media seems to offer organizations rich, real-time insights into opinions, thoughts and behaviors of customers, competitors, suppliers, opinion leaders, and policy makers (Jones & Liu, 2013; Patino, Pitta, & Quinones, 2012). Also social media provides more “naturalistic” insights into consumer behavior compared to surveys or focus group approaches used in traditional marketing research (Patino et al., 2012).

Indeed, social media has emerged as a new source of external intelligence with significant value for businesses that helps organizations to better understand their external environment. Given the nature of social media data (discussed in further details in Section 2.7), it can be used for a broad range of business decisions, and therefore the use of social media data could contribute to organizational competitiveness in many ways. The potential of social media data in business decision-making and the importance of developing social media monitoring (SMM) capabilities have also been recognized by several academics and practitioners (Chan, Lacka, Yee, & Lim, 2015; Chau & Xu, 2012; Culnan, McHugh, & Zubillaga, 2010; Di Gangi, Wasko, & Hooker, 2010; Dinter & Lorenz, 2012; He, Wu, Yan, Akula, & Shen, 2015; Holsapple, Hsiao, & Pakath, 2014; Mayeh, Scheepers, & Valos, 2012; Salampasis, Paltoglou, & Giachanou, 2014; Wan & Paris, 2014; Zhang & Vos, 2014). Given the fact that social media data is often equally available to all competing organizations, the ability to leverage this intelligence in business decision-making appears to be crucial in today’s competitive business environment and a potential source of competitive advantage.

It is, therefore, not surprising that many organizations are also contemplating or taking tentative steps to harvest this opportunity by developing SMM capabilities (He, Zha, & Li, 2013; Mayeh et al., 2012; Owyang, 2011). Some organizations have invested resources and have started to develop related processes. Some have also established a social media command center with dedicated roles and individuals and advanced analytics software (Bharadwaj, El Sawy, Pavlou, & Venkatraman, 2013; Owyang, 2011). In other words, SMM is becoming a common organizational practice (Bekkers, Edwards, & de Kool, 2013).
However, despite the growing popularity and adoption of social media, few organizations describe themselves as effective adopters of social media analytics (Bekmamedova & Shanks, 2014). Many organizations appear uncertain as to how to develop their capabilities to yield this external intelligence (Versluis, 2013). In other words, as a fairly recent phenomenon, there is, currently, a lack of understanding about an organizational capability of SMM. The absence of this knowledge makes it difficult to identify ways to benefit from social media data (Chan et al., 2015; Holsapple et al., 2014). Moreover, organizational capabilities are dynamic, and their performance can be improved over the course of their development (Helfat & Winter, 2011). Therefore, understanding various stages of an SMM capability development and their potential impact on organizational competitiveness would provide further insights.

The present research is an attempt to better understand an organizational capability of SMM. The study contributes to the literature by developing a theory of organizational capability of SMM, its components and potential impact on organizational competitiveness. The study aims to explore the phenomenon of SMM and to make a theoretical contribution to the domain of social media monitoring by adopting a qualitative case study method and following a phase-based approach (Eisenhardt, 1989; Paré, 2004; Patton, 2002; Yin, 2014). Therefore, the conduct of this study is deemed timely and useful at this early stage of social media adoption.

This chapter is structured as follows: it first defines the concept of social media and SMM; next, the need for research in this emerging area is articulated. The chapter then presents the research questions of this study and discusses the structure of the thesis and the arrangement of the chapters followed by the contributions. At the end, the key terms are defined.

### 1.2 Social media

To date, several authors have defined the concept of social media and efforts have been made to distinguish it from other, similar concepts, such as Web 2.0 and social networking (Dinter & Lorenz, 2012; Sinha, Subramanian, Bhattacharya, & Chaudhary, 2012). A comprehensive review of these terms is provided by Cao, Basoglu, Sheng, and Lowry (2014). The present study uses one of the most frequently cited definitions of social media by Kaplan and Haenlein (2010) as “a group of Internet based applications that build on the ideological and technological foundations of Web 2.0 and that allow the creation and exchange of user-generated content” (p. 61).
Social media platforms include, but are not limited to social networking (e.g., Facebook, Twitter), professional networking sites (e.g. LinkedIn), media sharing sites (e.g. YouTube, Instagram), commerce communities (e.g., Amazon), blogs and discussion forums (Agarwal & Yiliyasi, 2010). Some argue that email should also be considered a social media platform. However, for the purpose of SMM, the present study only considers publicly available social media content.

Social media is recognized as one of the major technology trends in recent years. It has also become one of the main communication channels for personal and business interactions (Ramsay, 2010; Sensis, 2015). Industry reports show that, in general, organizations have significantly increased their spending on social media in recent years and this growth is expected to continue (Sensis, 2015; Xie & Lee, 2014).

1.3 Statement of problem

Social media has evolved as one of the growing areas of research over the past few years (Urquhart & Vaast, 2012). At this early stage of scholarly research on social media, several streams of literature have emerged. As with any new phenomenon, the early works mostly focused on the definition of social media and its potential benefits (Brooks et al., 2014; Holsapple et al., 2014; Kaplan & Haenlein, 2010). The benefits of using social media have been discussed from two main perspectives: the benefits from the use of social media as a technology enabler for communication purposes; and the use of social media as a source of information in business decision-making, with significant potentials to impact organizational competitiveness.

Within the second stream, which is the focus of this research, there are several studies on the technical aspects of SMM (i.e. tools and techniques in capturing and analyzing social media data). Nevertheless, relatively little research has been conducted to examine the organizational aspects of an SMM capability, such as required resources, processes and the structure of the capability. Furthermore, the conditions under which an SMM capability is more or less effective has remained largely unexplored in the academic literature. More importantly, there is currently a lack of understanding of how an SMM capability could contribute toward organizational competitiveness.

Most of the existing studies have provided cursory insights about the above-mentioned issues, but they did not provide a systematic and theoretically-based explanation of the organizational capability of SMM, its underlying components and potential effects on organizations' competitiveness. All of these gaps present challenges for managers who
are seeking to develop their organization's SMM capability as there is little guidance. Indeed, more in-depth studies in this area are required for a systematic development of the field. In particular, there is a need for theory-building in this emerging field of social media (Urquhart & Vaast, 2012).

1.4 Research questions

In response to the issues discussed in Section 1.3, the present study proposes several research questions. The main objectives are (1) to identify the underlying components of an SMM capability, (2) to explore the characteristics of an SMM capability that make it more or less effective, and (3) to explore the potential impact of an SMM capability on organizational competitiveness. As such, the following main research questions are proposed:

1. What are the essential components of an SMM capability and how could these components be assessed analytically? (discussed in Section 2.8)
2. How could an SMM capability impact on organizational competitiveness? (discussed in Section 2.8)
3. How do different characteristics of an SMM capability impact on the utilization of social media data? (discussed in Section 5.10)

The framing of the above-mentioned research questions are discussed in detail in Chapter 2 and 5. The next section explains the approach of this study in addressing the above questions.

1.5 Thesis structure

This study aims to explore the organizational capability of SMM and to make a theoretical contribution to the domain of social media monitoring. In doing so, the author adopts a case study method. In an attempt to build a theory of an organizational SMM capability, the study benefits from (1) prior relevant works (i.e. a literature review) and (2) empirical investigations of the SMM capability in several case organizations. This study was conducted in two phases in an iterative process of data collection, data analysis, literature review and gradual theory-building as suggested by Eisenhardt (1989) and Paré (2004). The following describes the aims of each chapter of this thesis.

Chapters 2, 3 and part of Chapter 8 present the of literature review. The process of literature review in the present study was initially guided by the research questions and the need for developing an analytical framework (Webster & Watson, 2002). However,
as a result of empirical investigation, the need for identifying suitable constructs and theoretical explanation from literature was continued. For example, Chapter 8 introduced two theoretical perspectives; resourced-based and dynamic capabilities.

Various keywords were used to electronically search and identify relevant studies in different stages of research in Google Scholar and several electronic databases such as Web of Science, EBSCOHost, ProQuest Central, Science Direct and Emerald. The researcher reviewed the relevant publications and their related references in some cases. As discussed in Chapters 2, 3 and 8, the literature review was mainly focused on publications in Information Systems (i.e. Concepts related to SMM) and Marketing literature (external intelligence, competitive intelligence, marketing intelligence, processes of external intelligence and the utilization of external intelligence) and Strategic Management literature (i.e. resource-based and dynamic capabilities). Moreover, given the novelty of the topic, a majority of useful publications emerged during the course of the study which required constant review of new relevant studies (Constantinides, Romero, & Boria, 2008). Therefore, the researcher set up a number of online alerts to receive the most recent publications during the course of PhD.

*Chapter* 2 introduces the phenomenon of SMM. Since research in SMM is still in its infancy, the approach is to first identify and describe a similar phenomenon to SMM that could be a useful platform to ground this study. In doing so, the researcher argues that social media can be a source of external intelligence and that this intelligence could be a form of competitive or market intelligence (which is an established area of research in the marketing literature). Therefore, the researcher argues that existing studies on external intelligence gathering and utilization can be relevant in an initial understanding and conceptualization of SMM. The chapter then conceptualizes the practice of SMM as an organizational capability, followed by a review of existing views of the potential of an SMM capability in contributing towards the organizational competitiveness. The chapter concludes by proposing the first two research questions (RQ1 and 2).

*Chapter* 3 develops an initial analytical framework to facilitate a systematic empirical investigation of the SMM capability (in preparation for data collection). This framework addresses key issues and practical matters that could be pertinent in analyzing an organization’s SMM capability. It includes the structure of the SMM capability, roles, SMM tools and analytics and the process of the SMM. This initial framework is then continuously refined through iterative comparisons between the literature and the case
findings during the research process. The final (refined) analytical framework is discussed in Chapter 5.

*Chapter 4* describes the overall research design including the research method, research paradigm and strategy of inquiry. It also provides details about the design of the case studies and the process of theory-building. The chapter also explains the data collection procedure and the analysis of the evidence from the case studies.

*Chapter 5* first presents a summary of the analyses of Phase 1. The analyses of the case studies in Phase 1 were guided by the initial analytical framework articulated in Chapter 3 (Figure 3-1). By working through the case study evidence, the researcher identified emerging attributes pertinent to each component of the analytical framework. Accordingly, the initial analytical framework was refined to incorporate these emerged attributes of each component of the SMM capability (Figure 5-1).

The refined analytical framework was then used as an instrument to enable a systematic within-case and cross-case analysis of the SMM capability in the case organizations. The chapter then describes the SMM capability of the four cases conducted in Phase 1 based on the refined analytical framework. A summary of the cross-case analyses is also provided in Chapter 5. As a result, Chapter 5 addresses the first research question. Moreover, the analyses also illustrated that the extent to which the case organizations utilized social media data were related to the characteristics of their SMM capability.

As such, the case studies during Phase 1 allowed the researcher to build a more accurate picture of the SMM phenomenon, which could not be gleaned easily from the existing academic literature on social media. Having gained this level of understanding of the SMM phenomenon, the researcher was able to formulate a further research question (RQ3), namely, ‘how do different characteristics of an SMM capability impact on the utilization of social media data?’.

*Chapter 6* addresses the third research question and develops twelve theoretical propositions based on the insights gained in Phase 1. In developing the theoretical propositions, the outcome of interest is the utilization of social media data. Thus, the researcher compares the various characteristics of the SMM capability with the utilization of social media data by the case organizations. As a result, the propositions have two aspects; the characteristics of the SMM capability and the utilization of social media data. Moreover, as an important part of theory-building, the researcher also compared the
theoretical propositions with the relevant literature, referred to as ‘enfolding literature’ by Eisenhardt (1989) and Paré (2004).

As such, Chapter 5 presented the findings from Phase 1 of the study. These findings raised an additional research question (RQ3), which led to the development of several theoretical propositions (Chapter 6) and the need for additional data collection in the second phase of the study.

Chapter 7 presents the findings from the second phase of the research. The goal of Phase 2 is, therefore, twofold: (1) to demonstrate the replicability of the findings (Yin, 2009) from Phase 1 with the intention of conceptually distinguishing the stages of an SMM capability development; and (2) to assess the propositions developed in Chapter 6 in an in-depth case (Miles & Huberman, 1994; Paré, 2004; Patton, 2002). The chapter concludes with a conceptualization of various stages of an SMM capability. This conceptualization is used in Chapter 8 to address the second research question.

Chapter 8 addresses the second research question by first introducing the two most influential theories in strategic management literature: the resource-based and dynamic capabilities. The chapter then argues that an integrated view of the resource-based and dynamic capabilities theories can be a more comprehensive perspective in analyzing the impact of an SMM capability in its various maturity stages. Three propositions are also developed to explain the effects of various maturity stages of an SMM capability on the organizations’ competitiveness. Moreover, a theoretical model of an SMM capability, including its components and impact on organization competitiveness is presented. The chapter concludes with several potential contributions to the literature of the resource-based and dynamic capabilities theories.

Chapter 9 provides a summary of the study and discusses the theoretical and practical contributions. The chapter concludes by discussing the research limitations and areas for future research.

Figure 1-1 presents the research design and the process of theory-building. It also presents the inputs and outputs of the theory-building process in each stage of the study.
In answering the research questions discussed in Section 1.4, the study makes several contributions. The study (1) defines an organizational SMM capability and conceptualizes it as part of an organizational external intelligence capability; (2) identifies the components of an SMM capability and develops an initial analytical framework from the existing literature, which is subsequently refined according to the analysis of evidence from the case studies; (3) identifies that the phenomenon of SMM in organizations has a dual nature by demonstrating the utilization of social media data at (a) operational and (b) strategic level; (4) explores the characteristics of an SMM capability that makes it more, or less, effective; (5) illustrates that the extent to which the case organizations utilized social media data can be assessed using three attributes: utilization level, type and range; (6) illustrates how the refined analytical framework could be used to identify the
maturity stages of an SMM capability. As such, the study conceptualizes three stages of maturity of an SMM capability, and describes the typical characteristics of each of these stages; (7) articulates how the impact of various maturity stages of an SMM capability on organizational competitiveness could be assessed by integrating resource-based and dynamic capabilities perspectives, thereby showing that an SMM capability could impact on organizational competitiveness both in a direct and indirect ways; (8) illustrates that an integration of resource-based and dynamic capabilities provide a richer theoretical explanation of the overall impact on organizational competitiveness; (9) argues that in addition to the three known types of interactions between organizational resources (i.e. destroying, compensating, and enhancing), an additional type of interaction (i.e. transforming) is pertinent to explain the impact of an SMM capability on organizational competitiveness; and finally, (10) develops a comprehensive theoretical model of an SMM capability (including its components), subsequent utilization of social media data and the potential impact on organizational competitiveness.

As such, the study makes contributions to the domain of SMM in four categories; (1) Developing a model of an SMM capability, (2) formulating several propositions that articulate the relationships between an SMM capability and the utilization of social media data, (3) conceptualizing a maturity model of SMM capability, and (4) understanding the impact of an SMM capability on organizational competitiveness. The detailed contributions are discussed in Chapter 9, Section 9.2.

1.7 Definition of key terms

Social media: “a group of Internet based applications that build on the ideological and technological foundations of Web 2.0 and that allow the creation and exchange of user-generated content” (Kaplan & Haenlein, 2010, p. 61).

Social media monitoring: an organizational capability that involves scanning social media to identify and analyze information about an organization’s external environment in order to utilize the acquired external intelligence in supporting business decision-making.

Social media data: in this study, social media data refers to the publicly and legally available content in online social media platforms. This includes texts, images, sounds, videos, as well as social media users’ demographics, activities and interactions.

External intelligence: collective insights resulting from the systematic and purposeful analysis of interrelated data on factors in the external business environment, such as
customers, competitors, markets, technology trends, suppliers, partners, and other relevant external factors.

*Capability:* “the ability of an organization to perform a set of coordinated tasks, utilizing organizational resources, for the purpose of achieving a particular end result” (Helfat & Peteraf, 2003, p. 999).

### 1.8 Summary of the chapter

The chapter provided a brief introduction of the practice of social media monitoring and the need for a comprehensive study in this area. The chapter then introduced the research questions, followed by the contributions of this study. Next, the structure of the thesis and the aims of each chapter were presented. At the end, the chapter defined key terms used throughout this thesis.
2 SOCIAL MEDIA MONITORING

2.1 Overview

The purpose of this chapter is to introduce the phenomenon of social media monitoring (SMM). Since research in SMM is still in its infancy, the approach is to first identify and describe a similar phenomenon to SMM that could be a useful platform to ground this study. As such, the researcher argues that social media can be a source of external intelligence and the intelligence obtained from social media could be a form of competitive or market intelligence (which is an established area of research in the marketing literature). Therefore, the researcher argues that existing studies in external intelligence gathering and utilization can be relevant in an initial understanding and conceptualization of SMM.

Thus, this chapter addresses the following issues: first, the concept of external intelligence is defined; then social media is discussed as an emerging source of external intelligence; the chapter then discusses the challenges of social media data; it then conceptualizes the practice of social media monitoring as an organizational capability, followed by a review of existing views of social media monitoring and its potential contributions towards organizational competitiveness; finally, two research questions are outlined.

The next section introduces the concept of intelligence followed by a discussion of the importance of intelligence gathering from external sources.

2.2 External intelligence

Intelligence has long been regarded as a necessary element of business decision-making (Ansoff, 1980; Popovič, Hackney, Coelho, & Jaklič, 2012; Slater & Narver, 2000). Past studies explored how organizations acquire information from both internal and external sources and utilize it in business decision-making (Aguilar, 1967; Dinter, Lahrmann, & Winter, 2010; Ghoshal, 1988; Keegan, 1974; Menon & Varadarajan, 1992). Business intelligence systems then transform these data (obtained from internal and external sources) into intelligence which supports decision-making (Chen, Chiang, & Storey, 2012; Popovič, Turk, & Jaklič, 2010).

Internal sources of intelligence often include internal data repositories that collect data from enterprise information systems (IS), such as ERP (enterprise resource planning), CRM (customer relationship management) and SCM (supply chain management) systems. These applications systematically collect data from organizations’ daily
activities. Other sources of internal intelligence include internal employees of the organization (Wagner, 2006).

Although internal intelligence sources are capable of providing insights about an organization’s internal situation, they are unable to report on factors outside the organization’s boundaries (Bose, 2008). In order to detect new opportunities and to remain alert to potential threats, organizations need to monitor what is happening in their external environment (Albright, 2004; Zhang, Majid, & Foo, 2011). The external environment refers to the relevant social and physical factors outside the typical boundaries of an organization that have the potential to influence managerial decision-making (McGee & Sawyerr, 2003). Acquiring this intelligence is especially necessary in dynamic markets and volatile business environments where timely responses to competitors’ actions are necessary to secure organizations’ market position (Menon & Varadarajan, 1992; Wee, 2001; Zhang et al., 2011).

External sources are numerous and emerging. They provide intelligence about the market (e.g. trends in customers’ needs and preferences, new markets and creative segmentation opportunities), competitors (e.g. changes in competitors’ structure, new product substitutes and new industry entrants), technology (e.g. new technological trends and customers attitudes toward them), consultants, partners, and other related factors (Ghoshal, 1988; Rouach & Santi, 2001). As such, similar to Koh, Hubbard, Seet, and Tan (2009), and based on Mayeh et al. (2012), this study defines external intelligence as collective insights resulting from the systematic and purposeful analysis of interrelated data on factors in the external business environment, such as customers, competitors, markets, technology trends, suppliers, partners, and other relevant external factors.

The practice of external intelligence gathering is not a new phenomenon. It is considered a legal business practice, as opposed to industrial espionage, because the intelligence is gathered from publicly available sources (Dey, Haque, Khurdiya, & Shroff, 2011; Weiss, 2002). Organizations have been using different methods and sources of information over years, consequently, researchers have studied this phenomenon for years (Aguilar, 1967; Jaworski, Macinnis, & Kohli, 2002; Xu & Kaye, 1995).

In particular, the concept of external intelligence gained considerable attention in the marketing and strategic management literature (Calof & Wright, 2008; Gilad, 1989). Various terms have emerged in the literature for describing this phenomenon, such as environmental scanning (Aguilar, 1967), market (or marketing) intelligence (Kohli &
Jaworski, 1990; Maltz & Kohli, 1996; Moorman, 1995), and competitive (or competitor) intelligence (Bose, 2008; Calof & Skinner, 1998; Dishman & Calof, 2008).

The practice of acquiring information from a company’s external environment was first termed ‘environmental scanning’. Aguilar (1967) defined environmental scanning as acquiring intelligence about events and relationships in a company’s external environment, the knowledge of which would assist top management in its task of charting the company’s future course of actions. Similarly, Ontrup, Ritter, Scholz, and Wagner (2009) described environmental scanning as a method of understanding the business environment in order to integrate this knowledge into business planning and decision-making processes.

Closely related to the concept of environmental scanning is the notions of market and competitive intelligence. Prior studies conceptualized market intelligence and competitive intelligence as both a process of intelligence gathering and a product resulting from that process. For example, Kohli and Jaworski (1990) described market intelligence as exogenous market factors, such as competition and regulations that affect current and future needs and preferences of customers. In contrast, Dishman and Calof (2008) conceptualized competitive intelligence as “a process involving the gathering, analyzing, and communicating of environmental information to assist in strategic decision-making” (p. 767). Environmental information refers to information obtained by monitoring the competitive environment, including customers, competitors, suppliers, regulators, technology, or potential business relationships. While some authors limit the scope of market intelligence topics to customers’ activities, competitive intelligence often includes broader intelligence topics, such as customers, competitors, technology advancements, economic policies and social change.

Prior studies investigated the business value of environmental scanning, and competitive and market intelligence and argued that effective utilization of external intelligence can affect organizations’ performance in several beneficial ways (Albright, 2004; Calof & Skinner, 1998; Daft, Sormunen, & Parks, 1988; Jaworski & Kohli, 1993; Jaworski et al., 2002; Keh, Nguyen, & Ng, 2007; Kohn, 2005; Lester & Waters, 1989; Narver & Slater, 1990; Zhang et al., 2011).

External intelligence provides strategic understanding of external influences which assists organizations to overcome uncertainties and to identify opportunities and threats (Koh et al., 2009; Kohn, 2005). Organizations, therefore, utilize this intelligence to formulate appropriate strategies based on a comprehensive understanding of the industry, their own
organization, and competitors (Bose, 2008; Daft et al., 1988; Dey et al., 2011; Zhang et al., 2011).

Moreover, effective gathering and utilizing of external intelligence could assist organizations to detect early signals before it becomes obvious to their competitors and to develop timely responses to the changes in the external environment (Dey et al., 2011; Jaworski et al., 2002; Zhang et al., 2011). Strategic responses could include price adjustments, revisions of production plans, and offers of new products/services.

Some authors also argued that external intelligence enables organizations to gain a competitive advantage (Bose, 2008; Calof & Skinner, 1998; Keh et al., 2007; Prescott, 1995; Slater & Narver, 1995; Wright & Calof, 2006). Calof and Wright (2008) suggested the utilization of competitive intelligence can support decision-making in several business areas, such as corporate or business strategy, sales or business development, market entry decisions, product development, R&D/technology decisions and regulatory/legal responses.

Furthermore, Zhang et al. (2011) noted that by obtaining more accurate market and industry insights, organizations are likely to address current customer needs, explore new market segments, successfully develop and market new products/services based on trend analysis, and establish better brand images, all of which would ultimately contribute to the financial performance of the organization. Similarly, Lackman, Saban, and Lanasa (2000) noted that market intelligence is one of the drivers of both strategy and success in the marketplace. They argued that those organizations that fail to recognize the importance of market intelligence may lose their strategic and competitive advantages.

External intelligence can be obtained from several sources. The next section explains the emergence of social media as a new source of external intelligence.

2.3 The emergence of social media as a source of external intelligence

In recent years, the increasing adoption and popularity of social media has led to the exponential growth of user-generated content (Chau & Xu, 2012). Several authors found support for the potential of social media as a new source of external intelligence with significant value for businesses (Bose, 2008; Chan et al., 2015; Constantinides et al., 2008; Dinter & Lorenz, 2012; Haataja, 2011; Holsapple et al., 2014; Mayeh et al., 2012; Phillips-Wren & Hoskisson, 2015; Quinton, 2013; Vuori & Väisänen, 2011; Zhang & Vos, 2014). In particular, Bose (2008) noted that
CI [competitive intelligence] has attracted plenty of attention lately because of the explosion of information now publicly available through blogs, wikis, text messages, e-mail and other electronic communications, which form the basis for building meaningful CI. Additionally, social networks like MySpace and FaceBook and business networks like LinkedIn are also expanding sources of information, including employees, current and former executives and others who have valuable insight regarding a company’s information (p. 511).

Social media data are mostly generated from the conversations and activities of social media users who are typical business constituents, such as customers (current and prospective), fans of different brands/products, critics of products/services/companies, employees, competitors, influencers, opinion leaders, policy makers, as well as the media (Chen et al., 2012; Ramsay, 2010). Dinter and Lorenz (2012) also noted “social media is an emerging source of personal and individual knowledge, opinion, and attitudes of stakeholders” (p. 1). Thus, social media data analysis can provide insights about customers, their experience, their preferences, new market needs, and trends in customers’ behavior and technology (Chau & Xu, 2012; Chen et al., 2012; Constantinides et al., 2008; Mayeh et al., 2012; Sinha et al., 2012; Stodder, 2012).

Furthermore, interactions between organizations and their customers generate valuable social media content. For example, in the context of customer data, Larson and Watson (2011) adopted the view of Piccoli and Watson (2008) and proposed the following six information items that can be obtained from social media in a given organization/customer interaction. These items are

when the interaction occurs (i.e., time/date stamp), where (i.e., within which particular social media application), the nature of the interaction (i.e., is it a persuasive customer to-firm message), how it was executed (i.e., Facebook like button click, wall posting, or personal message?), who initiated the interchange and to whom it was directed (i.e., firm-initiated toward the customer, customer-initiated toward the firm or to other customers), and the outcome (i.e., strengthened brand community, alerting customers about a potential problem with a particular product) (Larson & Watson, 2011, p. 11).
Social media users’ interactions also can be analyzed to identify cause-and-effect relationships in a way that reveals their behavior in respect to several issues and topics within social media (Oktay, Taylor, & Jensen, 2010). Moreover, tracking customers’ conversations in various stages of the buying process provides valuable insights about customers’ behaviour in each stage, which in turn may impact on marketing decisions (Brooks et al., 2014; Järvinen, Töllmen, & Karjaluoto, 2015).

In addition, organizations might conduct some activities, so called information seeding, to trigger conversations on particular topics to generate specific social media content for certain purposes. For example, they might seed purposeful conversations/content in certain social media platforms and track responses of targeted groups of people, such as customers or competitors to inform particular business decisions/activities (Constantinides et al., 2008). It is also suggested that organizations initiate some more advanced research activities in social media that help to answer certain questions, such as why consumers do or do not buy their products and services (Brooks et al., 2014). It is important to note that organizations should be mindful of possible negative effects of unsolicited social media conversations as they may be interpreted as 'pushy' or unwanted and negatively impact the desired outcome (Brooks et al., 2014; Ramsay, 2010).

Some authors have compared social media with market research and argued that social media can provide higher quality insights in less time and at a lower cost compared to traditional market research methods (Constantinides et al., 2008; Cooke & Buckley, 2008; Patino et al., 2012; Quinton, 2013). It is argued that social media provides more “naturalistic” insights into consumer behavior compared to surveys or focus group approaches used in traditional marketing research (Patino et al., 2012).

2.4 Challenges of social media data

Despite many benefits, there are also several challenges associated with collecting, analyzing and utilizing social media data for business decision-making. In general, the practice of external intelligence gathering and analysis is understood as a challenging task as there are numerous sources with various structures (Aguilar, 1967; Wright & Calof, 2006). This task becomes even more challenging in the case of social media as a source of external intelligence due to the complex nature of social media data. Aspects such as its sheer volume (scale of the data), variety (different forms of data), velocity (dynamic nature) and veracity (uncertainty of data) add to the complexity of social media data
Social media data is typically unstructured as it is generated from a broad range of social media platforms, such as Facebook, Twitter, LinkedIn, Instagram and YouTube. Social media data comprises text, image, audio and video (Dai, Kakkonen, & Sutinen, 2011; Oelke, Hao, Rohrdantz, Keim, Dayal, Haug, & Janetzko, 2009). This variety of data formats also makes it difficult to meaningfully analyze social media data (Aihua & Xi, 2012). Moreover, the dynamic nature of the social media data and its exponential growth create the problem of information overload (Heppes & du Toit, 2009). This poses further complexity in the sense that this information is often useful if it is captured and analyzed in real-time (Bontcheva & Rout, 2014; Zeng, Chen, Lusch, & Li, 2010).

In addition, social media data, and particularly the textual social media data, includes spam, noise, colloquialisms, emoticons, and abbreviations which need to be identified and removed prior to the analysis (Dey et al., 2011). For example, there are some intentional misspellings used to show commenters’ sentiment, such as “This is so coooooooool!” which are non-interpretable for machines. Similarly, the use of slang, which is sometimes intensified within the cultural context, is another challenge in the analysis of social media data (Deng & Luo, 2007; Töllinen, Järvinen, & Karjaluoto, 2012). Moreover, due to the increasing privacy protection awareness of social media users, some data attributes, such as age, gender and location are not readily accessible (Patino et al., 2012). Last, social media data tend to be context-dependent, which complicates analyses.

In summary, despite the above-mentioned challenges, given the importance of information in the current competitive business environment, monitoring social media holds much potential for organizations as a means of gathering and utilizing new forms of external intelligence (Brooks et al., 2014; Holsapple et al., 2014; Zhang & Vos, 2014). Currently, many organizations are considering the harvest of this intelligence through social media monitoring (SMM) (Aihua & Xi, 2012; Mayeh et al., 2012; Zhang & Vos, 2014). Some organizations have begun to establish formal social media command centers with dedicated roles, started hiring individuals with advanced analytics skills, and purchased sophisticated social media analytics tools.

The next section reviews some existing studies on SMM and conceptualizes SMM as an organizational capability.
2.5 What is social media monitoring?

A review of the literature reveals that several authors use different terms to refer to the practice of identifying, gathering, analyzing and utilizing social media data. These terms include social media monitoring (Bekkers et al., 2013; Järvinen et al., 2015; Kaschesky, Sobkowicz, Hernandez Lobato, Bouchard, Archambeau, Scharioth, Manchin, Gschwend, & Riedl, 2013; Mayeh et al., 2012; Paris & Wan, 2011; Töllinen et al., 2012; Zhang & Vos, 2014), social media listening (Rappaport, 2011) and social media analytics (Bekmamedova & Shanks, 2014; Holsapple et al., 2014; Kurniawati, Shanks, & Bekmamedova, 2013; Yang, Li, & Kiang, 2011; Zeng et al., 2010).

Since social media analytics also refers to the tools and technologies used for SMM (Grubmüller, Götsch, & Krieger, 2013a; Grubmüller, Krieger, & Götsch, 2013b), to avoid confusion and to be consistent, the term, social media monitoring is used throughout this thesis. However, the researcher considers studies with the above-mentioned terms (i.e. social media listening, social media analytics and social media monitoring) for the purpose of the literature review. Consequently, several definitions exist for these terms. Examples of the terms and the associated definitions are listed below.

1. Social media analytics (Zeng et al., 2010): “developing and evaluating informatics tools and frameworks to collect, monitor, analyze, summarize, and visualize social media data, usually driven by specific requirements from a target application” (p. 14).

2. Social media analytics (Yang et al., 2011): “developing and evaluating informatics tools and frameworks to measure the activities within social media networks from around the web. Data on conversations, engagement, sentiment, influence, and other specific attributes can then be collected, monitored, analyzed, summarized, and visualized” (p. 1).

3. Social media monitoring (Mayeh et al., 2012): “scanning social media to identify and analyze information about a firm’s external environment in order to assimilate and utilize the acquired external intelligence for business purposes” (p. 2).

4. Social media analytics (Kurniawati et al., 2013): “a rapidly emerging capability that provides organisations with the ability to analyse and interpret large amounts of online content to determine the attitudes and behaviours of people” (p. 1).

5. Social media monitoring (Bekkers et al., 2013): “the continuous systematic observation and analysis of social media networks and social communities” (p. 335).
6. Social media monitoring (Zhang & Vos, 2014): “listening, interpreting and taking action on what people are saying or otherwise conveying” (p. 372).

7. Social media analytics (Bekmamedova & Shanks, 2014): “SMA uses advanced techniques to analyze patterns in social media data to enable informed and insightful decision-making. It provides organizations with new ways to create value and gain competitive advantage” (p. 3728).

8. Business social media analytics (Holsapple et al., 2014): “all activities related to gathering relevant social media data, analyzing the gathered data, and disseminating findings as appropriate to support business activities such as intelligence gathering, insight generation, sense making, problem recognition/opportunity detection, problem solution/opportunity exploitation, and/or decision-making undertaken in response to sensed business needs” (p. 4).

A review of the above-mentioned definitions suggests that while the focus of the earlier definitions (Kurniawati et al., 2013; Sinha et al., 2012; Yang et al., 2011; Zeng et al., 2010) was mostly on the technological aspects of SMM, Mayeh et al. (2012) was the first to emphasize the utilization of social media data. Recent definitions by Holsapple et al. (2014) and Bekmamedova and Shanks (2014) have also tended to view SMA as incorporating both technological and organizational intelligence capabilities in utilizing data for business decision-making.

Building on the above definitions, in particular the initial definition suggested by Mayeh et al. (2012), and sharing a similar perspective with Holsapple et al. (2014), Bekmamedova and Shanks (2014) and Ruhi (2014), the present study views SMM as an external intelligence practice which involves complex tasks, tools and techniques, requiring a range of different skillsets (Holsapple et al., 2014). The researcher thus suggests that the term, capability (Helfat & Peteraf, 2003; Peppard & Ward, 2004) is a suitable theoretical construct to explain this phenomenon. As such, this study conceptualizes SMM as an organizational capability that involves the scanning of social media to identify and analyze information about an organization’s external environment in order to utilize the acquired external intelligence in supporting business decision-making.

The next section defines the concept of capability.
2.6 Defining the concept of capability

The concept of capability has attracted a lot of interest in different disciplines. Examples of organizational capabilities include product development, customer relationship management, knowledge management, supply chain management, and IS capability (Maier, Moultrie, & Clarkson, 2012; Peppard & Ward, 2004). Several definitions have been proposed for the concept of capability in the literature on strategic management (Helfat & Winter, 2011; Peppard & Ward, 2004; Schreyögg & Kliesch Eberl, 2007).

In general, an organizational capability represents an organization’s capacity to deploy its resources, typically through its processes, in order to achieve a particular objective (Amit & Schoemaker, 1993; Eisenhardt & Martin, 2000; Maier et al., 2012). More specifically, Helfat and Peteraf (2003) conceptualized an organizational capability as “the ability of an organization to perform a set of coordinated tasks, utilizing organizational resources, for the purpose of achieving a particular end result” (p. 999). It is important to note that in order to recognize a capability, its performance must be minimally satisfactory (Helfat & Winter, 2011).

A review of the literature suggests that capabilities have several characteristics. They are viewed as collective and socially embedded in nature and can be built at the departmental, divisional or corporate level (Schreyögg & Kliesch Eberl, 2007). Also, organizational capabilities are internally-focused and firm-specific (Helfat, Finkelstein, Mitchell, Peteraf, Singh, Teece, & Winter, 2007; Helfat & Winter, 2011; Winter, 2003). Moreover, in contrast to ad-hoc activities, capabilities are patterned behaviors which enable the repeated and reliable performance of an activity (Schreyögg & Kliesch Eberl, 2007; Wade & Hulland, 2004; Winter, 2000, 2003). The repetitive nature of capabilities also indicate that they involve substantial learning (Zollo & Winter, 2002) that results in capabilities that are heterogeneously distributed across organizations (Ray, Barney, & Muhanna, 2004).

Therefore, capabilities are dynamic, and their performance can be improved over the course of their development. As Helfat and Peteraf (2003) put it, “some versions of a capability are better than others” (p. 999). The “better versions” of capabilities are otherwise known as best practice (Teece, 2014). Examples of famous best practices of capabilities include Wal-Mart’s superior logistics and supply chain management, and Dell’s cost management capability. Helfat and Peteraf (2003) also argued that an organizational capability may progress through various stages of development with certain development paths and recognizable patterns, termed capability lifecycles.
Several organizational mechanisms may contribute to the improvement of the performance of organizational capabilities. Learning is a common explanation for the performance improvements of capabilities over time. It is a process that improves the performance of tasks by repetition and experimentation (Ambrosini & Bowman, 2009; Teece, Pisano, & Shuen, 1997). The literature highlights the role of learning-by-doing in the evolution of organizational capabilities (Teece, 2007; Winter, 2000; Zahra, Sapienza, & Davidsson, 2006; Zollo & Winter, 2002). Capabilities are therefore fruits of organizations’ historical experience that are developed over time as a result of organizational learning (Helfat & Peteraf, 2003; Winter, 2000). While learning might be unintentional and non-systematic in the early stages of a capability development, it typically becomes more systematic at the later stages of capability development (Helfat & Peteraf, 2003).

As discussed above, resources are the most fundamental components of an organization's capabilities. Several definitions are offered for the concept of resource. One of the earliest definitions was offered by Amit and Schoemaker (1993) who conceptualized resources as “stocks of available factors that are owned or controlled by the organization” (p. 35). Barney (1991) proposed three categories of organizational resources, namely, physical capital resources (e.g. technology, plant and equipment, geographical location and access to raw material), human resources (e.g. training, experience, judgement, intelligence, relationships, and insights of managers and staff), and organizational capital resources (e.g. formal reporting structure, formal and informal planning, controlling and coordinating systems, and informal organization’s internal and external relationships).

More specifically, a recent conceptualization by Helfat and Peteraf (2003) classified organizational resources as tangible and intangible assets that an organization owns, controls, or has access to on a semi-permanent basis. Examples of an organization’s tangible assets are physical properties, infrastructure, financial assets, human capital, and intellectual properties. Intangible assets include knowledge and the organization’s reputation (Coombs, 2007; Gilpin, 2010; Grant, 1996; Rindova, Williamson, & Petkova, 2010).

Another important concept in understanding organizational capability is the concept of process. A business process refers to interrelated organizational activities aimed to accomplish a certain objective(s) (Ray et al., 2004). The concept of process first emerged from the manufacturing industry where a series of actions are required to produce a final product. Other examples of an organizational process include the process of ordering raw
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materials for the purpose of production and the process of quality control (Ray et al., 2004). This concept was later applied to other contexts, including information systems (Peppard & Ward, 2004).

### 2.7 Potential contributions of an SMM capability to organizational competitiveness

An SMM capability can contribute to the organizational competitiveness in several ways. For example, SMM in its simplest form can assist organizations to identify relevant comments and conversations in social media, and provide a speedy response. With the growing adoption of social media, more customers are using social media as a preferred channel of communication (Ellison, 2007; Gallaugher & Ransbotham, 2010; Larson & Watson, 2011). Social media users communicate with businesses using different social media platforms by creating messages in the form of tweets, Facebook wall postings, comments in a blog, or posts to a hosted online forum (Chan et al., 2015; Culnan et al., 2010).

SMM can also inform marketing decisions. A social media profile can reveal a variety of information about the person, such as gender, age, religion, education level, geographical location, marital status, and political view that can potentially inform various marketing decisions. Therefore, all this information, if publicly available\(^1\), can be captured through SMM and can inform decision-making on personalized products or services (Brooks et al., 2014; Clark & Melancon, 2013; Desmond, Guo, Heath, Bao, Khabiri, Krasikov, Modani, Nagar, Ohno, & Srinivasan, 2014). This information can also be utilized for targeted advertisement in social media (Cooper, 2011; Hensel & Deis, 2010).

Another example is related to the performance of a particular operation of the organization. Through SMM, an organization might identify issues, such as its customers’ misunderstanding about a product or service that can subsequently be addressed by developing or refining marketing content.

In a similar vein, organizations could monitor social media to identify potential threats. Due to the network structure of social media, negative issues and customers’ dissatisfaction sometimes spread very quickly in social media. For example, comments about a service failure might be spread virally in social media. In this case, SMM can be

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\(^1\) Some social media users might choose not to share their personal information publicly.
useful in identifying early warnings in order to take remedial action to address this situation to protect its reputation (Constantinides et al., 2008).

Some organizations might also automate some parts of their SMM. For example, when sentiment around a particular product or service becomes unusually negative or positive (through application of business rules), an alert is triggered through workflow and the appropriate authority is notified to take action (Greenberg, 2010). George, Haas, and Pentland (2014) noted that

many companies now use digital intervention labs that track social media on a real-time basis around the world, thereby creating longitudinal data structures of millions of posts, Tweets, or reviews. Any deviations from normal patterns that invoke their brand or products are immediately flagged for action to provide rapid responses to consumer reactions, shape new product introductions, and create new markets (p. 325).

In addition to the content created outside the company, Culnan et al. (2010) discussed some other risks in using social media, such as breaches of client confidentiality, leaks of intellectual property, and leaks of information regarding the launch of new products. An effective SMM can be useful in early the detection of such information.

Moreover, the literature has discussed the possible value of social media data in helping to make financial decisions. Chung, Animesh, Han, and Pinsonneault (2014) suggested that investors (organizations or individuals) might also gather information about their desired companies from their social media activities and utilize this information in their investment decisions. For example, they might monitor communication between an organization and its consumers on social media, which can indicate the organization’s commitment to improving its relationship with its customers. This information may then impact on their investment decisions.

Furthermore, social media content might be generated as a result of performing social media-based activities (i.e. social media campaigns). Increasingly, organizations are using social media in their business functions, such as marketing, communication, customer service, advertising, public relations, and recruitment (Guidry, Waters, & Saxton, 2014; Hensel & Deis, 2010; Mitic & Kapoulas, 2012; Roth, Bobko, Van Iddekinge, & Thatcher, 2013). The analysis of data generated from these activities in turn enable organizations to measure the success of these business initiatives (Ruhi, 2014).
More importantly, large scale analyses of conversations and activities of social media users could offer strategic insights, such as emerging consumer trends, competitor moves, emerging developments in technology, and emerging markets (Mayeh et al., 2012). For example, an organization might identify a trend in their customers’ conversations in social media about a particular quality issue of its product or service that might indicate an improvement opportunity in a service or operation. Similarly, the organization might identify a new product/service opportunity that can be addressed accordingly. As such, business decisions could be triggered by either one social media comment (i.e. a Facebook wall post or a tweet), or by aggregated analysis of a large volume of social media data.

As discussed in this section, given the nature of social media data and the level of analysis, the generated insights could be used for a broad range of business decisions, which subsequently impact on variety of capabilities. As a result, an SMM capability could contribute to organizational competitiveness in many ways. However, it is important to emphasize that the present study focuses on the impact of the SMM capability on organizational capabilities, not the affected business decisions. In other words, the present study focuses on the affordances of SMM as an organizational capability (i.e. the actions that an SMM capability enables the organization to perform) (Majchrzak, Faraj, Kane, & Azad, 2013; Scheepers & Middleton, 2013; Treem & Leonardi, 2012).

In recent years, several “success stories” have been reported from several businesses that gained a competitive advantage using social media data (Kurniawati et al., 2013). Table 2-1 presents a list of studies that have reported the value-generating business potentials of social media data in various areas of business.
Table 2-1: Areas of Value-Generating Business Potentials of Using Social Media Data

<table>
<thead>
<tr>
<th>Area of business</th>
<th>Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer service</td>
<td>(Modoran, 2015)</td>
</tr>
<tr>
<td>Marketing communication</td>
<td>(Järvinen et al., 2015; Töllinen &amp; Karjaluoto, 2011)</td>
</tr>
<tr>
<td>Branding</td>
<td>(Chua &amp; Banerjee, 2013)</td>
</tr>
<tr>
<td>Relationship marketing</td>
<td>(Stauss, 2000)</td>
</tr>
<tr>
<td>Marketing Campaign</td>
<td>(Bekmamedova &amp; Shanks, 2014)</td>
</tr>
<tr>
<td>Advertising</td>
<td>(Cooper, 2011; Hensel &amp; Deis, 2010)</td>
</tr>
<tr>
<td>Public relations</td>
<td>(Constantinides et al., 2008)</td>
</tr>
<tr>
<td>Recruitment practices</td>
<td>(Roth et al., 2013)</td>
</tr>
<tr>
<td>Reputation management</td>
<td>(Seebach, Beck, &amp; Denisova, 2012)</td>
</tr>
<tr>
<td>Content marketing</td>
<td>(Järvinen &amp; Taamminen, 2015; Kim, 2015)</td>
</tr>
<tr>
<td>Product development</td>
<td>(Constantinides et al., 2008)</td>
</tr>
</tbody>
</table>

The next section discusses the proposed research questions of the present study.

2.8 Research questions

At this early stage of scholarly research on social media, several streams of literature have emerged. In particular, two main aspects of the use of social media in organizations have been examined: (1) the use of social media as a technological enabler to support business operations such as communication, marketing and customer service; and (2) the use of social media as a source of external intelligence.

Within the second stream, which is the focus of the present study, some studies have investigated the characteristics and challenges of social media data and explored possible techniques to capture and analyze social media data (Chau & Xu, 2012; Zhang, Liu, Lim, & O’Brien-Strain, 2010). Other authors have focused on the potential value of social media data for businesses, as discussed in Section 2.7 (Bekmamedova & Shanks, 2014; Brooks et al., 2014; Culnan et al., 2010; Di Gangi et al., 2010; Grubmüller et al., 2013b; Holsapple et al., 2014; Kaschesky et al., 2013; Ruhi, 2014; Salampasis et al., 2014; Schniederjans, Cao, & Schniederjans, 2013; Wan & Paris, 2014; Zeng et al., 2010; Zhang & Vos, 2014).

However, despite the increasing attention paid to the potential of social media data in generating business value, there is still a lack of theoretical understanding about an organizational SMM capability, its components and potential impact on organizational competitiveness. Therefore, the present study examines the following research questions. An additional research question will be discussed in Chapter 5, Section 5.10.
1. What are the essential components of an SMM capability and how could these components be assessed analytically?
2. How could an SMM capability impact on organizational competitiveness?

To address the above questions, the researcher will develop an analytical framework (discussed in Chapter 3) that enables a systematic investigation of the components of an SMM capability in the case organizations. The next chapter explains the development of this analytical framework.

2.9 Summary of the Chapter

This chapter defined the concept of intelligence, and discussed the importance of intelligence gathering from external sources and its utilization in current business environment. The researcher then conceptualized social media as an emerging source of external intelligence and introduced the practice of SMM. The chapter then reviewed existing views of SMM and conceptualized SMM as an organizational capability. The challenges of SMM and the business value potential of social media data were also discussed. Finally, the chapter concluded by presenting the first two research questions of this study.
3 DEVELOPING AN INITIAL ANALYTICAL FRAMEWORK

3.1 Overview

As discussed in the previous chapter, social media monitoring (SMM) is a relatively recent phenomenon. At present, no specific framework exists in the research literature to enable a systematic investigation of an SMM capability. Therefore, the researcher develops an analytical framework of an SMM capability in this chapter. The analytical framework will be used to guide the empirical investigation of this research.

This chapter is structured as follows: the researcher first explains the approach of this study in developing the analytical framework; second, the underlying components of the analytical framework are discussed; and finally, the schema of the analytical framework is presented.

3.2 Developing an analytical framework

Chapter 2 identified the first two research questions of this study. Following the theory-building approach suggested by Eisenhardt (1989) and Paré (2004), the next step is to develop an initial analytical framework to facilitate a systematic empirical investigation. This framework addresses key issues and practical matters that are pertinent in analyzing an organization’s SMM capability. Consistent with the research design of this study, as discussed in Chapter 4, this initial analytical framework is loosely structured, in which the pre-structuring is kept to a minimum. As suggested by Yin (2014), this prior theorizing is deemed to be tentative and, therefore, it only provides a sufficient blueprint for exploring the phenomenon of SMM. However, during the research process, the researcher continuously refined this framework through iterative comparisons between the literature and the case findings. The final (refined) analytical framework is discussed in Chapter 5.

The advantage of this approach was that the researcher remained open and receptive to new ideas and local idiosyncrasies as suggested by Miles and Huberman (1994). It is argued that this approach is useful when little is known about the phenomenon, which is the case with SMM at relatively early stage of academic research. In particular, Miles and Huberman (1994, p. 17) suggested this approach in situations that (1) something is known conceptually about the phenomenon but not enough to house a theory, (2) the researcher knows where to look to investigate the phenomenon, in which settings and among which actors, and (3) the researcher has some initial ideas about how to gather the information.
The researcher positions this initial framework as a starting point in building an analytical theory (Gregor, 2006). According to Gregor (2006), analytical theories (type I: theory) analyze “what is as opposed to explaining causality or attempting predictive generalizations” (p. 622). Fawcett and Downs (1986) also described analytical theories as

The most basic type of theory. They describe or classify specific dimensions or characteristics of individuals, groups, situations, or events by summarizing the commonalities found in discrete observations. They state "what is." Descriptive theories are needed when nothing or very little is known about the phenomenon in question (p. 4).

In building the analytical framework, the researcher first reviewed the literature to identify aspects that were seemingly important in building an SMM capability. The previous chapter established a context for developing a framework of SMM, conceptualized social media as a source of external intelligence, and considered SMM as an external intelligence capability. Therefore, as an early conceptualization of SMM, this study benefited from prior research on organizational capabilities, particularly external intelligence capabilities (including works in competitive and market intelligence, and environmental scanning as discussed in Chapter 2).

In addition, studies in marketing information processing, intelligence utilization, IS capabilities, big data capabilities, and initial studies in social media monitoring and analytics were deemed useful to ground this study, and relevant in developing the initial analytical framework (Heijnen, 2012; Kleindienst, Pfleger, & Schoch, 2015). For example, more recently, Kleindienst et al. (2015) noted that “SMA can also contribute to a better understanding of a company’s environment and therefore enhances the methods referred to by the term environmental scanning…” (p. 11). Moreover, Heijnen (2012) noted that

… the unstructured nature of the data and the huge amount of data that is generated makes it that social media data can be labelled as ‘big data’, implying that the problems of big data may also be applicable on social media data (p. 92).

In short, the purpose of reviewing the above-mentioned literature was to identify components that could be used in defining an SMM capability. As a result of this review,
four main candidate components were identified. Influenced by the work of Peppard and Ward (2004) in IS capabilities, these four components were categorised into three levels: (1) the resource, (2) the process, and (3) the organizing level. The resource level explores the role of resource components that include technological (i.e. SMM tools and analytics) and human resources (roles). The process level explores activities involved in the SMM process, such as the collection of data from social media, analysis of social media data to generate intelligence for decision-making, dissemination of the findings to decision makers, and utilization of social media data in business decisions. Finally, the organizing level is concerned with how these resources and processes are coordinated and marshalled via the structure of the SMM capability. Table 3-1 provides a list of studies that support each of these components. Further detailed discussion regarding each component is presented in the following sections.

Table 3-1: Potential Components of an SMM Capability based on the Literature on External Intelligence and Social Media

<table>
<thead>
<tr>
<th>Potential Component of an SMM capability</th>
<th>Discussed in the literature on external intelligence</th>
<th>Addressed in the literature on social media</th>
</tr>
</thead>
<tbody>
<tr>
<td>Process level</td>
<td>(Bose, 2008; Deshpande &amp; Zaltman, 1982; Lester &amp; Waters, 1989; Maltz &amp; Kohli, 1996; Marin &amp; Poulter, 2004; Menon &amp; Varadarajan, 1992; Moorman, 1995; Weiss, 2002)</td>
<td>(Aihua &amp; Xi, 2012; Culnan et al., 2010; Fan &amp; Gordon, 2014; Kleindienst et al., 2015; Larson &amp; Watson, 2011; Mayeh et al., 2012; Spiller &amp; Tuten, 2015)</td>
</tr>
<tr>
<td>Resource level</td>
<td>(Bose, 2008; Deshpande &amp; Zaltman, 1982)</td>
<td>(Bekmamedova &amp; Shanks, 2014; Culnan et al., 2010; Grubmüller et al., 2013b; Ruhi, 2014)</td>
</tr>
<tr>
<td>Organizing level</td>
<td>(Deshpande &amp; Zaltman, 1982; Jaworski et al., 2002; John &amp; Martin, 1984; Menon &amp; Varadarajan, 1992; Salojärvi, Sainio, &amp; Tarkiainen, 2010)</td>
<td>(Culnan et al., 2010; Kane, Palmer, Phillips, Kiron, &amp; Buckley, 2014; Martin, 1984; Menon &amp; Owyang, 2011)</td>
</tr>
</tbody>
</table>

The next section will explain the process of SMM and the main activities involved in this process.
3.3 Process level

As with the development of any information-based capability, the development of an SMM capability requires a systematic and routinized approach. Section 2.6 discussed the importance of organizational processes in building capabilities (Amit & Schoemaker, 1993; Eisenhardt & Martin, 2000; Maier et al., 2012). In the context of social media, Culnan et al. (2010) also suggested that organizations need to develop processes to benefit from the content created in social media. Peppard, Lambert, and Edwards (2000) also stressed that in developing IS capabilities, organizations should focus less on technology and more on the management of information.

The literature on SMM has yet to address the process of SMM in sufficient detail (Fan & Gordon, 2014). In other words, it is not clear how organizations internally process social media data in order to transform them into actionable insight and to effectively utilize them in various business decisions (Dinter & Lorenz, 2012). Therefore, in developing the initial analytical framework, this study mostly referred to the literature on external intelligence capabilities as deemed appropriate based on the argument in Chapter 2.

Existing views on external intelligence processes suggest that they involve several activities (Albright, 2004; Daft & Weick, 1984; Dishman & Calof, 2008; Jaworski et al., 2002; Zhang et al., 2011). A synthesis of prior literature identified various activities involved in an external intelligence process as collection, analysis, dissemination and utilization. While these activities have been examined in the external intelligence literature, they have not been received sufficient attention in the literature on social media. As such, this study investigates the activities involved in the SMM process. A detailed discussion of each of these activities is provided in the following sections (3.3.1, 3.3.2, 3.3.3 and 3.6).

3.3.1 Collection

The process of external intelligence generation begins with the collection of the required information (Dishman & Calof, 2008; Weiss, 2002). Moorman (1995) describes information acquisition/collection as “bringing the information about the external environment into the boundary of the organization” (p. 320).

The literature discusses several important matters when collecting external intelligence. The collection basically covers issues, such as types, sources, and acquisition method. As such, in collecting external intelligence, the first issue is to identify types of information to be collected. In the traditional external intelligence gathering, key intelligence topics
often include company profiles, competitive benchmarking, early warning alerts, market or industry trends, customer or supplier profile, technology assessment, economic/political analysis, and executive profiles (Wright & Calof, 2006). The second collection issue is identifying the sources of information (Bose, 2008; Daft et al., 1988; Zhang et al., 2011). Traditional sources include employees, suppliers, trade publications, competitors and suppliers' Web sites, as well as personal sources, such as customers and business associates (Aguilar, 1967). Finally, the third issue concerns the acquisition method (Daft et al., 1988).

Moreover, the literature on external intelligence emphasizes that an effective external intelligence gathering process requires adequate planning prior to the collection of any data (Bose, 2008; Dishman & Calof, 2008; Gilad, 1989; Wright & Calof, 2006; Zhang et al., 2011). The purpose of the planning activity is to make sure that the collected intelligence can inform particular business decisions. In other words, the collection needs to be aligned with business objectives/strategies. Therefore, some authors have recognized planning as a separate activity in the process of external intelligence, where organizations need to pre-define the requirements of intelligence gathering (Bose, 2008; Zhang et al., 2011).2

In particular, Dishman and Calof (2008) noted that “effective intelligence processes do not attempt to collect all possible information or research everything related to a subject, but focusing on those issues of highest importance to senior management” (p. 768). As such, two groups of people may contribute in the planning activity: (1) intelligence officers who perform the intelligence gathering task; and (2) decision makers who are the ultimate users of the generated intelligence (Bose, 2008).

In the context of SMM, as discussed in Section 2.4, social media content generates data about a broad range of topics, such as customers, competitors, products and employees. This data can be generated in different social media platforms and in different forms, such as wall posts in Facebook, tweets in Twitter, photos in Instagram, audio files in SoundCloud and video files in YouTube. Moreover, this data can be collected in several ways, manually or using various SMM tools (see Section 3.4.1).

2 The Author did not consider planning as a separate activity in the analytical framework because at this early stage of SMM adoption, planning is not part of the process in many organizations.
Similar to the traditional external intelligence practices, some authors stressed the need to set objectives and to identify expected benefits prior to the collection of social media data (Kleindienst et al., 2015). For example, Nagle and Pope (2013) argued that without a key understanding of the value SMM can offer, it is not possible to identify the appropriate social media platforms to monitor. Larson and Watson (2011) also highlighted that the key in deriving value from social media data is “to determine which aspects of these data should be analyzed and compared, and how that might be accomplished” (p. 11). They also suggested that the decision for the above-mentioned issues should derive from the stakeholders’ goals.

Given the nature of social media data (as discussed in Section 2.4), the collection of this data can be challenging and different from traditional sources of external intelligence. Thus, as an important part of an SMM capability, this study explores the ways organizations collect social media data and examine important issues.

The next section covers issues regarding the analysis of social media data, which is the next activity in an SMM process.

### 3.3.2 Analysis

The next activity in the process of external intelligence is to analyze the collected data in order to generate actual intelligence which can be utilized in decision-making (Dishman & Calof, 2008). Bose (2008) noted that

> analysis encompasses a systematic examination of relevant data, information, and knowledge collected, for applicability or significance, and the transformation of the results into actionable intelligence that will improve planning and decision-making or will enable the development of strategies that offer a sustainable competitive advantage (p. 513).

In the context of SMM, there is also an analysis activity that helps to interpret social media data. Several techniques have been developed with varying levels of sophistication. They range from quantitative measures to a more advanced analysis of quantitative and qualitative social media content (Spiller & Tuten, 2015; Töllinen & Karjaluoto, 2011). For example, basic analyses include platform-based statistics, such as the frequency of ‘likes’, ‘comments’ and ‘shares’ in a Facebook page, or the number of ‘followers’, ‘favorite’ ‘retweets’ in Twitter (Gamon, 2004; Ostrowski, 2010). Other common measurements include the number of ‘mentions’ of a company's brands or products as
well as measuring the positive, negative or neutral mentions, so called ‘sentiment analysis’ (Heijnen, 2012; Ostrowski, 2010; Zhang & Vos, 2014). In addition to the quantitative analysis, social media content also can be analysed in the form of text (i.e. qualitative data analysis) (Töllinen & Karjaluoto, 2011). This analysis ranges from basic sentiment analysis to advanced text mining and data modelling techniques.

Spiller and Tuten (2015) proposed three categories of social media metrics: activities metrics, interaction metrics, and return metrics. Activity metrics measure the social media presence of the organization, such as the number, frequency, and recency of the company’s blog posts, comments, and Tweets or Tags. Interaction metrics measure the engagement of the brand/company, such as share/invite, traffic/visits/views, reviews/testimonials and sentiment. Finally, return metrics measure the financial value of the social media activities of the organization, such as lead conversion rate, average new revenue per customer, shift in average sales/site traffic/search engine ratings, and share of voice.

Kleindienst et al. (2015) suggested that in order to generate business value, the analysis of social media data should be goal-oriented. They conceptualized a 5-level, hierarchical framework of business goals, business unit goals, critical success factors, information requirements and the required social media analysis. They argued that the type of analysis determines the information requirements that are also derived from critical success factors. The critical success factors are also obtained from business unit goals and business goals.

Organizations also might conduct social media campaigns for different purposes. Specific metrics are required to assess the effectiveness of each campaign according to the objectives of each campaign. For example, in a typical marketing campaign, organizations often monitor and analyze posts about marketed products or brands to track and measure the impact of the campaign (Kleindienst et al., 2015). Similarly, the performance of an advertising campaign might be assessed in terms of ‘reach’ and ‘virality’ (Larson & Watson, 2011). The constant measuring of the effectiveness of the campaigns are necessary to help organizations to align their social media initiatives with organizational objectives (Culnan et al., 2010). These measurements are also used to assure the social media activities create business value.

The more advanced analysis of social media data includes influencer analysis, trend analysis, demographics and profiling analysis, insight mining, customer segmentation, and market trend analysis (Chen et al., 2012; Derczynski, Yang, & Jensen, 2013; Dey et
al., 2011; Guerini, Strapparava, & Özbal, 2011; He et al., 2015; Kleindienst et al., 2015; Xiang, Schwartz, Gerdes, & Uysal, 2015). Detailed description of the above-mentioned types of analysis of social media data is provided by Kleindienst et al. (2015). The analysis of social media data has also been shown to be useful in predicting sentiment, and in sales and product adoption (Aihua & Xi, 2012; Tuarob & Tucker, 2013). Thus, as an important part of an SMM capability, the present study explores the ways organizations analyze social media data and examines important issues.

The results of the analysis might be stored for possible future use or disseminated to decision makers for immediate use (Menon & Varadarajan, 1992; Zhang et al., 2011). The next section discusses the dissemination of the results of the analysis.

### 3.3.3 Dissemination

The next activity in the process of external intelligence is disseminating the intelligence to those who have the authority and responsibility to act according to the intelligence (Dishman & Calof, 2008; Kohli & Jaworski, 1990; Maltz & Kohli, 1996; Moorman, 1995). Various labels have been used in the literature on external intelligence to describe the concept of dissemination, such as information transmission (Moorman, 1995) and communication (Dishman & Calof, 2008). Moorman (1995, p. 320) defines dissemination as “the degree to which information is diffused among relevant users within an organization”. In this study, dissemination is referred to the activity of sharing information (acquired by certain individuals or teams) among other relevant individuals or teams within an organization.

Dissemination may occur in a formal or informal manner (Bose, 2008; Maltz & Kohli, 1996; Moorman, 1995). A formal dissemination is often organized and structured in a way that the results of the analysis are discussed in a formal meeting, presentation, training session, or sent as a report (Moorman, 1995; Narver & Slater, 1990). In contrast, informal dissemination may occur during casual conversation (often between two individuals) (Moorman, 1995).

Maltz and Kohli (1996) discussed two criteria to assess the formality of dissemination: verifiability and spontaneity. Verifiability refers to “the ability of a third person to substantiate that certain intelligence was transmitted by a sender to a receiver in the course of a dissemination event” (Maltz & Kohli, 1996, p. 48). Thus, meetings with three or more participants, and communications by written memos are high in verifiability. A one-on-one telephone conversation or passage-way talk, on the other hand, are low in
verifiability. Moreover, spontaneity is described as “whether the dissemination of information was planned ahead of time” (Maltz & Kohli, 1996, p. 48). Accordingly, dissemination during an unexpected meeting is spontaneous and considered informal, whereas dissemination during a monthly review meeting is nonspontaneous and, therefore, is considered formal.

The way organizations disseminate the generated intelligence is important, as prior studies argue that this affects the utilization of intelligence by decision makers (intelligence utilization is discussed in Section 3.6). In particular, Menon and Varadarajan (1992) noted that “information must be produced and disseminated to the various departments and managers in the most appropriate form to enhance use” (p. 53). For example, the result of an empirical study by Maltz and Kohli (1996) found that dissemination formality had a positive impact on intelligence utilization. They also found that dissemination frequency affected the utilization of intelligence, in that the more frequent dissemination of intelligence was likely to enhance the utilization of intelligence.

As with any external intelligence, it is expected that the insights generated from SMM are delivered to the right people at the right time. While issues regarding collection and analysis of social media data have been discussed in the contemporary literature on social media, the dissemination process has not received sufficient attention. For example, Culnan et al. (2010) highlighted the need for developing formal dissemination processes as they suggested that organizations need to develop new procedures for message processing as needed for identifying and responding to both routine and urgent messages, exception-handling, and answering messages on a timely basis. However, they did not provide further details. A literature review of emerging studies on social media analytics by Holsapple et al. (2014) noted that

We were able to locate very few references specifically identifying and addressing challenges pertaining to post-analytics processing in the reviewed literature. This may perhaps be an artefact of our particular literature review procedure. We believe, though, that there will very likely be considerable difficulties encountered with suitably packaging and disseminating actionable SMA [social media analytics] results, especially with substantial levels of automation and in real-time, given the many pre-processing and processing challenges noted. As such, research on semi-automated and automated, real-time post-SMA processing, if not already
underway, should see growing interest in the years ahead … (p. 6, 7).

Thus, as an important element of the SMM process, this study investigates the ways that the case organizations disseminate the insights generated from SMM to decision makers. The next section will articulate the resources required for an SMM capability.

3.4 Resource level

As discussed in Chapter 2, Section 2.6, resources are an important element of an organizational capability. In particular, the literature in external intelligence stresses the need to acquire and utilize certain resources when developing an external intelligence capability (Bharadwaj, 2000; Daniel, Ward, & Franken, 2014; Teece, 2007; Wang & Ahmed, 2007). In a similar vein, in the context of SMM, certain resources are required to support the activities of SMM. Reviewing the literature, this study suggests two types of resources are important when developing an SMM capability: (1) technological resources and (2) human resources. The needs for these resources are explained in the following sections.

3.4.1 Social media monitoring tools and analytics

As discussed in Section 2.4, social media content tends to be unstructured, contextual, and at times, of uncertain credibility. This makes it quite time-consuming and sometimes impossible for individuals to manually find, read, evaluate, summarize and organize usable social media data (Bose, 2008; Sinha et al., 2012). Therefore, there is a need for a technological solution to capture and analyze social media content (Grubmüller et al., 2013b).

These systems includes social media monitoring tools and social media analytics (Bekmamedova & Shanks, 2014; Holsapple et al., 2014). Grubmüller et al. (2013a) described social media analytics as “technology tools to implement social listening and measurements programs based on user-generated public content (e.g. postings, comments, conversations in online forums) with different features like reporting, dashboarding, visualization, search, event-driven alerting, and text mining” (p. 4).

There is a wide range of SMM tools and analytics suites available from different vendors with various price ranges (Brooks et al., 2014; Grubmüller et al., 2013a). The tools vary in terms of the type of social media platforms they support. The level of analysis also differs, ranging from simple platform-based quantitative measures, so called metrics, to
highly sophisticated predictive and prescriptive analyses (Holsapple et al., 2014; Kalampokis, Tambouris, & Tarabanis, 2013). It is important to note that the predictive and prescriptive analyses cannot be simply automated, and they often require considerable human involvement.

In its simplest form, the SMM tools identify and capture relevant social media content and provide basic analysis such as number of mentions of company’s name, brand or products (Grubmüller et al., 2013a). It is important to note that the SMM tools require an initial set-up and specification of a set of keywords, such as company names, brands, key spokespersons, influencers, key issues, and other topics of interest which enable the system to extract relevant content (Ruhi, 2014; Zhang & Vos, 2014).

The more advanced analytics software can assist in in-depth analysis of social media content using sophisticated techniques and algorithms (Chen, Haber, Kang, Hsieh, & Mahmud, 2015). An in-depth analysis of social media data may involve multiple, advanced analytics. Organizations might also gain further insight by integrating social media data with their internal databases (e.g. CRM).

As such, as an important enabler of SMM, this study considers SMM tools and analytics as part of the analytical framework. The study investigates the technological systems used for SMM and how their use facilitates the activities involved in an SMM process as discussed in Section 3.3.

As noted earlier in this section, despite the wide range of SMM tools and analytics available, it is not possible to fully automate an SMM process. Therefore, in order to extract strategically relevant and meaningful intelligence from unstructured social media data, there is a need for individuals who can interpret social media data for specific business purposes (Holsapple et al., 2014). The next section discusses the organizational roles involved in developing an SMM capability.

3.4.2 Roles

The literature on IS has long emphasized the importance of individuals in generating business value from IS (Soh & Markus, 1995). Peppard and Ward (2004) noted that “technology by itself has no inherent value; this value must be unlocked, a task that can only be achieved by people” (p.184). Similarly, emerging research in the data analytics literature also emphasize the crucial role of individuals in building an analytics capability (Chen et al., 2012; Davenport, Harris, & Morison, 2010; Marchand & Peppard, 2013). In
particular, Marchand and Peppard (2013) emphasized placing people at the center of analytics initiatives, as they make information valuable for utilization.

Although SMM tools and analytics play a significant role in various stages of the SMM process, there is still a need for the human element when developing an SMM capability (Spiller & Tuten, 2015). Most social media comments need to be read by a human who can filter the irrelevant data and evaluate their credibility, tasks that cannot be easily automated. More importantly, individuals are needed to interpret social media data in the context of an organization’s decisions for the purpose of the analysis. This point has also been emphasized by Spiller and Tuten (2015) who noted that “the real task [social media analytics] lies in making sense of the information retrieved, a human brain is needed to mine and analyze the data to determine sentiment, topic aggregation, information flow, source of opinion, trends, competitive association, and geography” (p. 4).

In fact, the above-mentioned tasks of SMM require substantial human effort, depending on the volume of social media data generated in different social media platforms for a given organization or a specific topic related to the organization (Dey et al., 2011). In a similar vein, given the variety of tasks, tools, techniques and activities involved in the SMM process (discussed in Section 3.3), it requires different expertise or a range of skill sets (Holsapple et al., 2014). For example, capturing social media data using SMM tools often requires basic knowledge of social media platforms and monitoring tools, whereas the more sophisticated analysis of social media data requires specialized and technical skills in data modelling and analytics to drive actionable intelligence for decision makers. On the other hand, strategic and managerial skills might be needed for planning SMM and utilizing social media data. Brooks et al. (2014) suggested that “even small companies should have a part-time or a portion of a full-time employee’s time dedicated to this area in order to be able to increase their competitive advantage” (p. 29).

As a result, several roles might be involved in an SMM process at varying levels. Also the degree of formality that organizations assign SMM roles can be different. According to Jaworski et al. (2002), a formal structure is evidenced by an official allocation of staff and resources to the competitive intelligence activities. Similarly, Salojärvi et al. (2010) noted that formalization “reflects the degree to which the firm has established standard operating procedures to coordinate activities and rules in order to define roles and authority” (p. 1397). In contrast to a formal structure, some organizations might only occasionally allocate people to do a specific task or function on a random basis.
Previous studies in external intelligence observed various degrees of formalization of the intelligence practice within organizations. While some organizations conduct intelligence practice in an informal and non-structured manner, others devoted a formal intelligence unit with a clear and well-communicated definition and mission of their intelligence effort (Dishman & Calof, 2008; Fahey & King, 1977; Jaworski et al., 2002). Green, Inman, Brown, and Hillman Willis (2005) noted that formalization enhances the utilization of market intelligence.

Thus, as an important part of an SMM capability, this study explores the roles and the degree of their formalization in the SMM process. The next section discusses the organizing level in the analytical framework.

3.5 Organizing level (structure of the social media monitoring capability)

Sections 3.4.1 and 3.4.2 highlighted the importance of organizational resources, such as technological systems and human resources in capturing and analyzing social media data. However, it is not clear how these resources could be linked together to build an organizational capability and to generate the desired outcomes. This section discusses the arrangement of the resources and processes via the structure of the SMM capability.

An organization’s structure is basically referred to as the arrangement of people in different business units to perform processes, tasks, and projects (Mintzberg, 1979; Robbins, 1990). In other words, the structure dictates how the tasks should be performed and coordinated between individuals and teams within different business units (Dishman & Calof, 2008; Peppard & Ward, 2004). However, in accordance with the capability perspective of SMM in this study and based on Helfat and Peteraf (2003), the conceptualization of structure in this study extends beyond its conventional definition by including all the components of the capability (i.e. people, technology and processes).

It is suggested that the ways organizations allocate their people to different tasks, processes and projects are different. Moreover, these differences are likely to impact on the performance of those activities, particularly those that require the involvement of multiple business units (Peppard & Ward, 2004). For example, organizations differ in terms of the degree they centralize/decentralize their activities within different business units (or departments) (Deshpande & Zaltman, 1982; Menon & Varadarajan, 1992).

It can be argued that centralization of certain activities (or processes) might improve the efficiency of those activities. However, the opposite case might also be true, meaning that some organizational activities might perform better with a decentralized structure. For
example, Menon and Varadarajan (1992) and Deshpande and Zaltman (1982) suggested that centralization has a positive effect on intelligence utilization. In contrast, in the context of IS, Peppard (2013) suggested that leveraging value from IS is a knowledge practice, and the necessary knowledge to interpret the generated intelligence from those systems is distributed throughout the organization; therefore, organizations need to decentralize the IS function across different business units.

This study defines centralization as the extent to which the SMM capability is located within one particular business unit in the organization. As discussed in Chapter 2, the content generated in social media platforms can be related to various business units (Klein, Rai, & Straub, 2007). Moreover, a study by Culnan et al. (2010) suggested that organizations need to build processes and expertise related to social media in different business units, such as public relations, customer service, and product development for processing customer communications received from social media. However, industry reports have indicated that at present, most organizations tend to centralize their SMM tools, roles and processes in the marketing business unit (Kane et al., 2014).

Thus, as an important part of an SMM capability, this study explores the structure of the SMM capability. In particular, it investigates how the SMM resources (i.e. roles and SMM tools and analytics) and processes are arranged organizationally.

The next section discusses the utilization of intelligence.

3.6 Utilization of social media data: An outcome of the SMM capability

The purpose of the entire process of collecting, analysis and disseminating intelligence is to utilize the generated intelligence in organizational decision-making (Citrin, Lee, & McCullough, 2007; Menon & Varadarajan, 1992). No matter how effective the process of intelligence generation and dissemination, it is the utilization of the intelligence that delivers business value (Peppard & Ward, 2004). The importance of intelligence utilization is stressed by several authors who have argued that intelligence is useless unless it is utilized by decision makers and generates business value (Citrin et al., 2007; Deshpande & Zaltman, 1982; Keh et al., 2007; Menon & Varadarajan, 1992). Salojärvi et al. (2010) noted that “knowledge [intelligence] utilization may be the most crucial
aspect, since all the benefits of the earlier phases should accumulate in the utilization process and provide tangible benefits for the firm” (p. 1396).³

The utilization of intelligence is regarded as one of the complex areas of research (Deshpande & Zaltman, 1982; John & Martin, 1984; Menon & Varadarajan, 1992), and organizations vary in their ability to utilize this information in decision-making (Citrin et al., 2007). Despite the crucial importance of intelligence utilization in generating business value, organizations tend to not use most of the intelligence available to them. The problem of underutilized external intelligence generated by organizations has long been discussed by both academics and practitioners (Jaworski et al., 2002; Menon & Varadarajan, 1992). Therefore, understanding the dynamics of intelligence use would be useful in identifying ways to improve intelligence utilization. Given the challenges of social media data as discussed in Section 2.4, it is expected that the use of social media data is more complex than other forms of external intelligence.

There is a great diversity in the literature in the ways intelligence utilization is defined and measured (Deshpande & Zaltman, 1982; Keh et al., 2007; Menon & Varadarajan, 1992; Salojärvi et al., 2010). The most frequently used conceptualization of the utilization of intelligence is offered by Menon and Varadarajan (1992), which is based on a comprehensive review of studies on intelligence utilization in various disciplines (Deshpande & Zaltman, 1982; John & Martin, 1984; Menon & Varadarajan, 1992).

Menon and Varadarajan (1992) proposed three categories of intelligence utilization: (1) action-oriented, (2) knowledge-enhancing; and (3) affective. Action-oriented use is similar to instrumental use (Deshpande & Zaltman, 1982) in that it leads to some sort of action which is often reflected in changes in the users’ activities, practices, or policies. On the other hand, knowledge-enhancing (or conceptual use (Deshpande & Zaltman, 1982)) does not affect any action, and only enhances users’ understanding and knowledge about the studied topic. It should be noted that action-oriented and knowledge-enhancing use are not mutually exclusive, as findings of a given study can be used both for knowledge-enhancing (e.g. learning about customers) and action-oriented uses (e.g.

³ As noted by Menon and Varadarajan (1992), terms such as ‘knowledge utilization’, ‘intelligence use’, ‘information use’, ‘research knowledge utilization’, and ‘use’ are used interchangeably in the literature. Therefore, this study considers these terms to signify the same phenomenon and are relevant to our discussion in this study.
undertaking an action or developing a product or service according to the acquired knowledge) (Jayachandran, Sharma, Kaufman, & Raman, 2005).

The third category of intelligence utilization is affective use which is similar to knowledge-enhancing use in that it does not lead to any action, but only changes the user's psychological status (Keh et al., 2007; Menon & Varadarajan, 1992). According to Menon and Varadarajan (1992) affective use is “related to general levels of satisfaction or dissatisfaction, confidence or lack thereof, and trust or mistrust” (p. 62). They note that the affective dimension is the use of research with the intent of "feeling good” about the decision that was made.

Other classifications of intelligence utilization offered by scholars have mainly been based on the initial conceptualization of Menon and Varadarajan (1992). For example, Keh et al. (2007) measured information utilization by the extent to which an organization directly applies market information to influence marketing-related decisions, in particular, product, price, promotion and place. This type of intelligence use is basically a sub-category of action-oriented use.

This study follows the measurement approach suggested by Menon and Varadarajan (1992) and investigates the use of intelligence in terms of type and extent of use. The reasons for adopting this approach are twofold: (1) the parsimonious application of this approach in analyzing evidence from the case studies; (2) its extensive use by other researchers that adds further credibility to the measure (Keh et al., 2007; Salojärvi et al., 2010).

Given that the benefits of an SMM capability can only be realized if organizations utilize the acquired data or intelligence, this study explores the utilization of social media data, as an outcome of an SMM capability, in the case organizations. In particular, it investigates how social media data could be utilized in business decision-making.

Next, the initial analytical framework is presented.

### 3.7 An initial analytical framework of social media monitoring

As discussed in this chapter, the initial analytical framework (adapted from Dishman and Calof (2008) and Peppard and Ward (2004)) is presented in Figure 3-1.
This chapter developed an analytical framework to enable a systematic investigation of an SMM capability in the case organizations. Based on a review of existing works in external intelligence capabilities, the chapter proposed three main components of an SMM capability. As discussed, these components include the process of SMM, the required resources, and the structure of the SMM capability. The next chapter describes the research design of the study.

**Figure 3-1.** An initial analytical framework of an SMM capability

### 3.8 Summary of the chapter

This chapter developed an analytical framework to enable a systematic investigation of an SMM capability in the case organizations. Based on a review of existing works in external intelligence capabilities, the chapter proposed three main components of an SMM capability. As discussed, these components include the process of SMM, the required resources, and the structure of the SMM capability. The next chapter describes the research design of the study.
4 RESEARCH DESIGN

4.1 Overview

Chapters 1, 2 and 3 argued that social media can be used as a source of external intelligence for organizations. Many organizations have started to develop social media monitoring (SMM) capabilities to harness this intelligence. This study aims to explore the phenomenon of SMM and to make a theoretical contribution to the domain of social media monitoring by adopting a qualitative, multiple case study method conducted in a number of Australian organizations. In particular, it follows a theory-building approach, using a process suggested by Eisenhardt (1989) and Paré (2004). This chapter presents the research design.

The structure of this chapter is as follows: first, the overall research design is described; second, the details about the design of the case studies and the process of theory-building are discussed; third, the data collection procedure is explained; fourth, the process of the data analysis of the case study evidence is presented; finally, the chapter concludes by assessing the quality of the research design.

4.2 Overall research design

This section describes three main components of a research design. It then explains the research method adopted in this study, provides a brief description of dominant research paradigms in the IS discipline, and continues with the discussion of the research paradigm of the current study. The discussion then concludes by explaining the strategy of inquiry for the study.

4.2.1 Research method

This study adopted a case study method. This method has been extensively used in the IS discipline to study phenomena such as system development, implementation and usage (Benbasat, Goldstein, & Mead, 1987; Darke, Shanks, & Broadbent, 1998; Dubé & Paré, 2003; Keil, 1995; Klein & Myers, 1999; Lee, 1989; Myers, 1994; Paré & Elam, 1997). In particular, Broadbent, Weill, and O'Brien (1996) adopted a case study method to examine IS capabilities, and Beknamedova and Shanks (2014) used the method for exploring a social media analytics capability in a single case organization.

A case study is defined as an empirical inquiry that investigates a contemporary phenomenon in depth and within its real-life context (Yin, 2009). A case study is a preferred method when the boundaries between the phenomenon and context are not...
clearly evident (Yin, 2014). The focus of this method is on understanding the dynamics present within a single setting (Eisenhardt, 1989).

The case study method was deemed useful in the present study because of its several conditions (Dubé & Paré, 2003; Eisenhardt, 1989; Paré, 2004; Yin, 2003, 2009, 2014). First, it is suggested that the case study method is especially suitable to explore new phenomena, as is the case with SMM, which is at an early stage of scholarly research (Eisenhardt, 1989). In particular, Broadbent et al. (1996) emphasized the usefulness of the case study method for areas that ‘research and theory are at their early, formative stages’ (p. 369). Second, case studies are particularly suitable for answering ‘how’ questions (Yin, 1994), which is the case in this study (see Chapters 2 and 5 for the research questions).

Third, the focus of this study was on the organizational aspects of an SMM capability and these aspects could not be separated from the context in which an SMM capability was developed (Pettigrew, 1985, 1989; Yin, 2009). Therefore, the case study method allowed the researcher to examine the SMM capability in the natural setting of the case organizations (Benbasat et al., 1987; Darke et al., 1998; Yin, 2014). In particular, Darke et al. (1998) noted that the case study is an appropriate method to understand the interactions between information technology-related innovations and organizational contexts. Fourth, the researcher had no control over the actual behavioural events under study, which made the case study a suitable method for this research (Yin, 2014).

Given all of the above considerations, the case study method enabled an in-depth investigation of the SMM capability within its context. Moreover, it was important to compare and contrast characteristics of an SMM capability within and across the cases. Thus, to gain a rich understanding of the phenomenon, the researcher conducted multiple case studies (Broadbent & Weill, 1993; Cavaye & Cragg, 1995; Yin, 2014).

Compared to the single case study that can richly describe the existence of a phenomenon (Markus, 1983; Myers, 1994), the multiple case study approach enables researchers to compare and contrast findings in diverse settings, thereby offering a deeper insight (Darke et al., 1998; Eisenhardt & Graebner, 2007; Walsham, 1995; Yin, 2009). As a result, the multiple case study approach can be more comprehensive and it is expected to produce more robust results (Yin, 2009).
4.2.2 Theoretical positioning

The case study method can be used for various purposes: to provide descriptions of phenomena (Darke et al., 1998); to build theory (Eisenhardt, 1989; Gersick, 1988; Montealegre & Keil, 2000; Paré & Elam, 1997); to test theory (Pinfield, 1986; Sarker & Lee, 2002); or a combination of these. Given the state of the phenomenon of SMM in the academic literature and the lack of theoretical understanding (as discussed in Chapter 1), the present study aimed to make a theoretical contribution by following a theory-building approach offered by Eisenhardt (1989) and Paré (2004). This section first defines the concept of theory and the meaning of theoretical contribution, and then continues with a brief explanation of the process of theory-building in the present study. More details of the process of theory-building are described in Section 4.3.

Several definitions exist for the concept of theory. In general, Gregor (2006) views theories as “abstract entities that aim to describe, explain, and enhance understanding of the world and, in some cases, to provide predictions of what will happen in the future and to give a basis for intervention and action” (p. 616). Moreover, Corley and Gioia (2011) defined theory as “a statement of concepts and their interrelationships that shows how and/or why a phenomenon occurs” (p. 12). In a similar vein, a theoretical contribution is expected to advance the understanding of such concepts and relationships (Ågerfalk, 2014).

The process of theory-building was conducted in two phases (explained in more detail throughout this chapter). Phase 1 focused on describing and exploring the phenomenon of SMM. This phase began by reviewing the literature and conducting four case studies. The researcher then used some prior theorizing (i.e. developed an analytical framework as discussed in Chapter 3) that provided basic ideas of the components of an SMM capability to be investigated. As such, in Phase 1, the study began with a fairly loose pre-structuring, involving an analytical framework, and an initial data-gathering instrument (Miles & Huberman, 1994). The researcher then gradually refined and sharpened the analytical framework according to empirical evidence and a literature review.

Phase 2 continued to deepen the understanding of the phenomenon using replication logic by conducting a final case, which enhanced the initial theoretical insights obtained in Phase 1. Phase 2 concluded with further investigation of an in-depth case (Miles & Huberman, 1994; Paré, 2004; Patton, 2002) (that was purposefully selected from examining the SMM capability in 7 organizations in the second phase). Moreover, the
second phase conceptualized various maturity stages of an SMM capability and their potential impact on organizational competitiveness.

This phase-based approach offered several advantages. It gave the researcher the opportunity to first explore the phenomenon and to identify potential areas for research and theory development. Moreover, this approach was beneficial for guiding the design of Phase 2 from the findings of Phase 1 (Miles & Huberman, 1994). As such, this ensured that the research process, questions and the choice of the cases were grounded in the ‘real world’ (Peppard et al., 2000).

A case study can be undertaken in different ways depending on the research paradigm and strategy of inquiry (Shanks & Parr, 2003). The following two sections provide details about the choice of this study in terms of the research paradigm and inquiry strategy.

### 4.2.3 Research paradigm

A research study is guided by the beliefs and philosophical assumptions or philosophical worldview of the researcher/s about the nature of social reality, that is, the nature of the world and the individual’s place in it (Guba & Lincoln, 1994; Neuman, 2003). Creswell (2011) defines this philosophical worldview as “a general orientation about the world and the nature of research that a researcher holds” (p. 6). These beliefs and assumptions influence the practice of research (Creswell, 2011). Therefore, it is important to understand these philosophical assumptions, and how they affect the research process of this study.

The philosophical worldview of a researcher is often determined by his/her assumptions in regard to three main aspects of a research study, namely, ontology, epistemology and methodology (Guba & Lincoln, 1994; Neuman, 2003). Ontology concerns the form and nature of reality and asks ‘what is there that can be known about it?’ Epistemology addresses the nature of the relationship between the knower and what can be known. Finally, methodology concerns the inquirer’s approach of finding out whatever he or she believes can be known. Thus, depending on the assumptions of a researcher in regard to these issues, a research study can undertake several research paradigms which are defined as “a general organizing framework for theory and research that includes basic assumptions, key issues, models of quality research, and methods for seeking answers” (Neuman, 2003, p. 94).

In general, research in the IS discipline follows three paradigms: positivist (Sarker & Lee, 2002), interpretivist (Walsham, 1995) and critical theory (Myers & Klein, 2011;
Orlikowski & Baroudi, 1991). A review of case studies in the IS discipline by Dubé and Paré (2003) reported that the positivist paradigm is a dominant one in IS followed by the interpretivist paradigm. Examples of positivist case study research in IS include Paré and Elam (1997) and Keil (1995).

In terms of ontology, the positivist paradigm assumes that an objective physical and social reality exists that is independent of humans and can be systematically and rationally investigated through empirical evidence (Orlikowski & Baroudi, 1991; Shanks & Parr, 2003; Shanks, 2002). With respect to epistemology, in positivist research “the researcher and the phenomena being investigated are assumed to be independent, and the researcher remains detached, neutral and objective” (Shanks, 2002, p. 77). Accordingly, the researcher plays a passive, neutral role, and does not intervene in the phenomenon of interest. Methodologically, “general theories are used to generate propositions that are operationalised as hypotheses and subject to empirical testing that is replicable” (Shanks, 2002, p. 77). As such, the positivist paradigm understands a phenomenon through modelling and crafting measures and in this way aims to detect the dimensions of the objective reality (Paré, 2004).

In contrast to the positivist paradigm that proposes social reality exists independent of humans, an interpretive paradigm assumes that social reality is “largely what people perceive it to be; it exists as people experience it and assign meaning to it” (ontological position) (Neuman, 2003, p. 102). As such, the interpretive paradigm believes that understanding phenomena should be based on the meanings that participants assign to them (Orlikowski & Baroudi, 1991). The aim of interpretive research is “to understand how members of a social group, through their participation in social processes, enact their particular realities and endow them with meaning, and to show how these meanings, beliefs and intentions of the members help to constitute their social action” (Orlikowski & Baroudi, 1991, p. 11). Thus, in terms of epistemology, “understanding social process involves getting inside the world of those generating it” (Orlikowski & Baroudi, 1991, p. 14).

Given the above assumptions, field studies are considered to be suitable methodological approaches for interpretivist research as they examine humans within their social settings (Orlikowski & Baroudi, 1991). Unlike the positivist paradigm which tends to use a pre-defined set of constructs and instruments to investigate the phenomena, an interpretivist paradigm does not use externally defined categories. Constructs are likely to be derived
from the field by in-depth examination and exposure of the researcher to the phenomenon of interest (Orlikowski & Baroudi, 1991).

As mentioned earlier, the conduct of this study was mainly guided by the process of theory-building described in Eisenhardt (1989) and Paré (2004). Although both of these seminal studies characterize their works within a positivist paradigm (Benbasat et al., 1987), it can be argued that their theory-building process draws not only from positivists but also from grounded theorists (Glaser & Strauss, 1967) and interpretivists (Klein & Myers, 1999). This argument is also supported by Kirsch (2004), Leidner, Pan, and Pan (2009) and Madill, Jordan, and Shirley (2000) and they described this hybrid approach as ‘soft positivism’.

On the one hand, this approach (i.e. soft positivism) is consistent with positivism because it assumes that the phenomena exist and the researcher can discover these phenomena and the relationships among them using a prior conceptualization and an initial analytical framework to ground the study (Kirsch, 2004; Leidner et al., 2009). On the other hand, consistent with interpretivists and grounded theorists, the researcher allows certain attributes and explanations to emerge from the data (Kirsch, 2004; Leidner et al., 2009). These explanations often cannot be gleaned from a literature review and prior data collection. Soft positivism, which benefits from multiple paradigms, is often useful for studying complex phenomenon and helps the researcher to overcome the limitations associated with using a single paradigm (Leidner et al., 2009; Mingers, 2001).

Following the hybrid approach of the above mentioned studies, the present study adopted a soft positivism paradigm. This approach was compatible with the research scope and enabled the researcher to address the research questions. Using the hybrid approach, the study drew from positivist view and assumed that SMM is relatively stable and is an objectively existing phenomenon (while bringing prior theory to data analysis) (Burda & Teuteberg, 2013). Moreover, consistent with the interpretive perspective, the researcher also allowed some unexpected findings and explanations to emerge from the data, as is more typical of interpretivist approaches (Ravishankar, Pan, & Leidner, 2011).

The next section describes the choice of inquiry strategy in this study.

4.2.4 Strategy of inquiry

This study adopted a qualitative strategy of inquiry. The choice of research strategy often comes after selection of the research paradigm where it provides specific direction for the procedures in the research design (Guba & Lincoln, 1994). As discussed in Section 4.2.2,
given the state of the phenomenon in the academic literature, a qualitative approach was considered appropriate because it could provide a more holistic and in-depth investigation. The next section provides details about the design of the case study and describes the various steps of the theory-building process from the case studies in this study.

4.3 The process of building theory from case studies (the case study design)

The previous section discussed the overall research design, including the research method, theoretical positioning, research paradigm and strategy of inquiry. This section provides details about the process of theory-building in the present study. The process of theory-building connects the initial research questions with the data to be collected and the conclusions to be drawn (Darke et al., 1998; Yin, 2014).

Torraco (2002) identified five methods of theory-building: (1) Dubin’s (1978) theory-building method which uses a quantitative and hypothetico-deductive approach for knowledge creation, (2) grounded theory-building which uses an inductive approach to generate or discover theory in a highly iterative process of tying data to the emergent theory, (3) meta-analytic theory-building, (4) social constructionist theory-building, and (5) theory-building from case studies, which is the approach followed in the present study. Urquhart and Vaast (2012) noted that the aim of the process of theory-building from case studies “is to produce explicit theoretical statements about the case study context” (p. 5).

The case study design and the process of theory-building in the present study were inspired by the roadmap suggested by Eisenhardt (1989) and Paré (2004) who have had a strong influence on the conduct of case study research in the IS discipline (Urquhart & Vaast, 2012). Their roadmap was used in several IS studies (Dibbern, Winkler, & Heinzl, 2008; Watson-Manheim & Bélanger, 2007). To supplement the above-mentioned works, this study also benefited from other seminal works such as, Patton (2002), Miles and Huberman (1994), Kirsch (2004) and Yin (2014). This study endeavoured to be inclusive in considering the mentioned works.

Eisenhardt (1989) and Paré (2004) suggested several activities in the processes of theory-building from case studies, such as identifying initial research questions, the unit of analysis, prior theorizing and case selection strategies. The following sections describe these activities. As mentioned earlier, the process of theory-building in the present study also benefited from the phase-based approach which facilitated the gradual building of theory (Paré & Elam, 1997). In a phase-based approach, the activities of each phase are
informed by the insights obtained from the previous phase (Wacker, 1998). Table 4-1 provides details of the theoretical inputs and outputs of each phase in the process of theory-building in the present study.

Table 4-1: Theory-Building Process of the Present Study

<table>
<thead>
<tr>
<th>Phase</th>
<th>Theory-building input</th>
<th>Theory-building output</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phase 1</td>
<td>Understanding the SMM phenomenon: Conceptualizing SMM as an external intelligence capability (Chapter 2)</td>
<td>Developing an initial analytical framework of an SMM capability (Chapter 3)</td>
</tr>
<tr>
<td></td>
<td>Conducting four case studies based on the initial analytical framework (Chapter 5)</td>
<td>Refining the initial analytical framework based on the evidence from four case studies (Chapter 5)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Descriptive* analysis of an SMM capability in the four case organizations according to the refined analytical framework (Chapter 5)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Developing theoretical propositions (Chapter 6)</td>
</tr>
<tr>
<td>Phase 2</td>
<td>Case selection to meet specific attributes for Phase 2, including an in-depth case (Chapter 7)</td>
<td>Conceptualizing maturity stages of an SMM capability (Chapter 7)</td>
</tr>
<tr>
<td></td>
<td>Identifying theories to explain the impact of an SMM capability on organizations’ competitiveness (Chapter 8)</td>
<td>Adopting an integrated view of resource-based and dynamic capabilities (Chapter 8)</td>
</tr>
</tbody>
</table>

* According to Dubé and Paré (2003), “in descriptive case research, investigators attempt no theoretical interpretation of the phenomena; rather, they present what they believe to be straightforward, objective, factual accounts of events to illustrate some issue of interest” (p. 604)

4.3.1 Identifying research questions

Identifying research questions is the first and foremost activity in any research study, as it determines the boundary and focus of the study and assists researchers to specify the kind of data to be gathered (Eisenhardt, 1989; Paré, 2004). In the present study, consistent with the phase-based approach, the researcher identified the first two research questions based on a review of the literature; however, as a result of the insights gained from Phase 1, the researcher was able to formulate an additional research question based on the real situation (Peppard et al., 2000).
This approach was similar to a phase-based study conducted by Peppard et al. (2000) who noted that “while the research objective was clear, the novelty of the topic under study for the IS discipline meant that many of the questions were unknown and would evolve over the duration of the research project” (p. 298). This was also supported by Miles and Huberman (1994) as they noted “the important research questions will come clear only gradually; meaningful settings and actors cannot be selected prior to fieldwork” (p. 17).

4.3.2 Identifying the unit of analysis

The unit of analysis or ‘case’ is the primary focus of data collection. In other words, the unit of analysis is what a researcher wants to be able to say something about at the end of his/her study (Patton, 2002). The choice of the unit/s of analysis often stems from the research question(s). Typical units of analysis in the IS discipline include an individual (Scheepers & Scheepers, 2004; Scheepers, 1999; Watson-Manheim & Bélanger, 2007), a project (Bennett & Weill, 1997; Dibbern et al., 2008), or an event (Sabherwal & Robey, 1993).

In the present study, the primary unit of analysis was an SMM capability. This primary unit of analysis had several embedded sub-units which were the key components of an SMM capability (Paré, 2004; Yin, 2009). These sub-units included roles, SMM tools and analytics, the process of SMM and the structure of the capability, and organizations’ internal environment which presented the outer context (Pettigrew, 1985, 1989). As discussed in the next section, the sub-units (i.e. components) were initially identified from existing literature (see Chapter 3) and were refined in an iterative process based on the evidence from the case studies during the data collection and analysis.

4.3.3 Prior theorizing (analytical/conceptual framework)

The next activity in the process of theory-building is called prior theorizing, which develops an initial conceptual/analytical framework to prepare the ground for theory-building (Eisenhardt, 1989; Paré, 2004). According to Miles and Huberman (1994), this conceptual/analytical framework includes a set of analytic categories that help to describe and analyze patterns of relationships of a phenomenon. A conceptual framework “explains, either graphically or in narrative form, the main things to be studied - the key factors, constructs or variables - and the presumed relationships among them” (Miles & Huberman, 1994, p. 18).
In a typical case study, researchers can benefit from prior theorizing in several ways. Prior theorizing, together with the research questions, enable researchers to remain focused and direct the data collection and analysis process (Gray, 2009; Yin, 2014). In this sense, prior theorizing is also useful for researchers to avoid being overwhelmed with large amounts of data that might be irrelevant (Paré, 2004).

Moreover, prior theorizing contributes to a stronger research design and enhances the researchers’ ability to interpret data. Importantly, it also plays a critical role in analytic generalization, which is generalizing the lessons learned from case studies (Yin, 2014). By using the rationale of analytic generalization, replication may be claimed when two or more cases support the same theory (Paré, 2002). Eisenhardt (1989) noted that “if these [initial] [theoretical] constructs prove important as the study progresses, then researchers have a firmer empirical grounding for the emergent theory” (p. 536).

Researchers take different approaches in prior theorizing, depending on the existing literature in a given topic (Perry, 1998). For example, when the phenomenon under study is well-researched and well-delineated and constructs are available in the literature, researchers can start with a tighter design in which they tend to use pre-developed structures and constructs (Perry, 1998). This approach is likely to be more “confirmatory” and it seeks to test or further explicates a pre-developed conceptualization (Miles & Huberman, 1994; Yin, 2009).

However, in a situation where (1) only something is known conceptually about the phenomenon but not enough to build a theory, (2) the researcher knows where to look for investigating the phenomenon, in which settings and among which actors, and (3) the researcher has some initial ideas about how to gather the information, researchers can begin with a loosely structured, emergent approach to data collection in which the pre-structuring is kept to a minimum (Miles & Huberman, 1994; Yin, 2009). The advantage of this approach is that the researcher remains open and receptive to new ideas and local idiosyncrasies (as the theoretical framework can be refined during the data collection and analysis process) (Miles & Huberman, 1994; Yin, 2009). In-line with the soft positivism approach, the researcher had a neutral observer role in the conduct of case studies (Miles & Huberman, 1994).

In terms of prior theorizing, the present study followed a developmental approach using a combination of the above-mentioned two approaches (i.e. tight and pre-structured design plus a loose and emergent design) (Wacker, 1998). Consistent with the phase-based approach, the study began with a fairly loose design in Phase 1, and then moved
toward a tighter design in Phase 2. The intent of Phase 1 was more descriptive and exploratory, whereas the intent of Phase 2 was to confirm or further explicate the findings of Phase 1 using replication logic (Yin, 1994).

In building an initial conceptual framework, researchers can follow two approaches: deductive or inductive. In the deductive approach, researchers typically borrow from existing literature, whereas in the inductive approach, the analytical categories and the relationships between them gradually emerge by relying on the case study evidence during the analysis process. Each of these approaches has its pros and cons. While pure induction might prevent the researcher from benefiting from existing theory, pure deduction also might prevent the development of new and useful theory (Perry, 1998).

Consistent with the rationale of the phase-based approach, this study used a combination of inductive and deductive theory-building approaches (Eisenhardt, 1989; Miles & Huberman, 1994; Paré, 2004). The study began with a partially inductive approach in Phase 1 and then moved toward a partially deductive approach in Phase 2. As such, in Phase 1, an initial analytical framework was developed based on the existing literature on external intelligence and IS capabilities and the researcher’s own understanding of the phenomenon (Paré, 2004).

The inductive part established patterns, themes and meanings, whereas the deductive part sought to corroborate, or modify the emergent theory based on empirical evidence (Gray, 2009; Miles & Huberman, 1994). In other words, although the initial categories/concepts were adopted from the literature, the ultimate theory emerged from the continuous interplay between the inductive and deductive theory-building approaches (Perry, 1998). To increase the fit between the generated theory and reality, the researcher needed to go back and forth between the framework, data collection, data analysis and the literature. As such, data was not forced to fit the pre-defined analytic categories, but new categories were also developed from the fieldwork.

The next section describes the case selection strategies and the number of cases conducted in each phase.

4.3.4 The case selection strategies and number of cases

As mentioned earlier, this study adopted a multiple case study approach (Benbasat et al., 1987; Eisenhardt, 1989; Yin, 2009). Multiple case studies support an analytical generalization of the research findings by literal and theoretical replication (Yin, 2014). However, in order to enable an analytical generalization, each case needs to be carefully
selected. Yin (2009) suggested that the decision to choose a new case follows the following rules: the new case either (a) predicts similar results (a literal replication) or (b) predicts contrasting results for anticipated reasons (a theoretical replication).

Unlike surveys in quantitative studies where sampling seeks to generalize characteristics of a certain sample to a whole population, the sampling or case selection strategy in a multiple case study approach provides rich theoretical insights about the phenomenon that forms the groundwork for an analytical generalization of the theory rather than to test or prove it definitively (Perry, 1998). In an analytic generalization, “the investigator is striving to generalise a particular set of results to a broader theory” (Yin, 1994, p. 36).

It is suggested that the researcher should focus on information-rich cases, because the study of them can illuminate the questions under study (Paré, 2004; Patton, 2002). According to Patton (2002), “information-rich cases are those from which one can learn a great deal about issues of central importance to the purpose of the inquiry” (p. 230). The information-rich cases are often selected purposefully in a process called purposeful sampling (Patton, 2002), in which the researcher decides on the purpose that he/she wants the cases to serve. This purpose often has theoretical reasons, in which the cases are chosen because they can shed light on certain aspects of the theory-in-progress (Eisenhardt & Graebner, 2007). This type of sampling is called theoretical sampling (Eisenhardt & Graebner, 2007).

The present study considered two case selection strategies to gain a richer understanding of the SMM capability and to enhance the analytical generalization in the process of theory-building, (Paré, 2004; Patton, 2002; Yin, 2014). The goal of the case selection was to collect data in sufficient breadth and depth. Therefore, the study began with a selection of diverse cases with various levels of SMM capability maturity in Phase 1 that covered the breadth of the phenomenon. The study then continued in Phase 2 with identifying a case organization with the most mature SMM capability (among all the candidate organizations) to add depth and support replicability of the findings (Yin, 2009).

The first sampling strategy was maximum variation or heterogeneity (Miles & Huberman, 1994; Paré, 2004; Patton, 2002). Maximum variation sampling, called polar types, is similar to theoretical sampling whereby the researcher chooses extreme cases (e.g. very high and very low performing). The study of the extreme cases enables the researcher to easily recognize patterns, relationships and logic of the focal phenomenon (Eisenhardt & Graebner, 2007).
Adopting maximum variation sampling helped the researcher to cover the breadth of the phenomenon by investigating characteristics of various maturity stages of an SMM capability in Phase 1. The researcher identified five organizations in Australia that were active in several social media platforms. The researcher then contacted key informants (Kumar, Stern, & Anderson, 1993) from each organization (e.g. their marketing or digital manager) and explored whether they were also monitoring social media and using social media data to inform business functions.

The organizations were asked to roughly evaluate the maturity of their SMM capability. This initial evaluation was simply based on their use of SMM tools and analytics, dedicated roles, and their history of SMM. Based on this initial evaluation and the organization’s willingness to participate in the study, four organizations with different maturity levels of their SMM capability were selected. The capability of SMM in these four organizations could tentatively be categorized as basic (CarCo), moderate (EduConsultCo) and advanced (InsuranceCo and TechCo).

The researcher conducted these four case studies at the same period from November, 2011 to March, 2012. The concurrent conduct of the cases and the analysis of the data enabled the researcher to compare and contrast the characteristics of the cases and to enhance the interview protocol at the same time (this issue will be discussed in further detail in Section 4.4). Moreover, the insights yielded in Phase 1 provided guidance for the selection of additional cases in Phase 2 (Dubé & Paré, 2003; Mays & Pope, 1995). In other words, the simultaneous data collection and data analysis, and constant comparison of the case study evidence with the emergent theory-in-progress also provided insight into what data to collect next (Eisenhardt & Graebner, 2007).

Following the rationale of the case selection in Phase 1, Phase 2 sought to add more depth to the initial theoretical insights obtained in Phase 1 and aimed to: (1) demonstrate the replicability of the findings (Yin, 2009) from Phase 1 with the intent to conceptually distinguish stages of an SMM capability development and; (2) assess the theoretical propositions developed in Phase 1 in an in-depth case study (Miles & Huberman, 1994; Paré, 2004; Patton, 2002). In other words, the cases in Phase 2 served as additional examples that were expected to replicate the initial emergent patterns and to elaborate the

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4 The role of a digital manager is to oversee the digital marketing strategies, which often include several digital platforms, such as web and social media.
initial findings. Therefore, by conducting Phase 2, the researcher added more richness, depth and credibility to the emergent theory (Patton, 2002).

This sampling strategy was consistent with intensity sampling (Miles & Huberman, 1994; Paré, 2004; Patton, 2002), which involves studying an information-rich case that manifests the phenomenon intensely. This case should illuminate success or failure in sufficient intensity. In order to identify the in-depth case, the researcher conducted ten interviews with key informants from seven additional organizations (one to two interviews were conducted per organization): ConvenienceCo, DonorCo, AusUni, MediaCo, BankCo, Telco and FinancialCo. The desired in-depth case needed to exhibit high utilization of social media data, so that the effects of various characteristics of the components of an SMM capability on the utilization of social media data could be explored in-depth (this issue is discussed in further detail in Chapter 7).

As discussed in Chapter 7 (Table 7-1 and 7-2), Telco and FinancialCo represented the most mature SMM capability. After several considerations, FinancialCo was selected based on: (1) their level of advancement of the SMM capability; (2) their willingness to participate in the second phase of the study; and (3) logistical reasons in terms of access to the company (it required the researcher to visit the organization several times). The interviews of the candidate organizations in Phase 2 were conducted between July, 2013 and December, 2013. A new set of interviews at FinancialCo was conducted in September, 2014. Pseudonyms were used throughout the study to maintain confidentiality of the organization. Table 4-2 provides information about the nature of the business and size of the case organizations.
### Table 4-2: Case Organizations’ Nature of Business and Size

<table>
<thead>
<tr>
<th>Organization (pseudonym)</th>
<th>Nature of business</th>
<th>Size</th>
</tr>
</thead>
<tbody>
<tr>
<td>CarCo*</td>
<td>Car Distributor, Importer and Retailer</td>
<td>Medium</td>
</tr>
<tr>
<td>ConvenienceCo</td>
<td>Convenience Retail Chain</td>
<td>Medium</td>
</tr>
<tr>
<td>EduConsultCo*</td>
<td>Education Consulting</td>
<td>Medium</td>
</tr>
<tr>
<td>TechCo*</td>
<td>Global Technology and IT Services Provider</td>
<td>Large</td>
</tr>
<tr>
<td>DonorCo</td>
<td>Donation Service</td>
<td>Large</td>
</tr>
<tr>
<td>AusUni</td>
<td>Public University</td>
<td>Large</td>
</tr>
<tr>
<td>Telco</td>
<td>Telecommunication</td>
<td>Large</td>
</tr>
<tr>
<td>BankCo</td>
<td>Banking and Financial</td>
<td>Large</td>
</tr>
<tr>
<td>InsuranceCo*</td>
<td>Insurance</td>
<td>Large</td>
</tr>
<tr>
<td>MediaCo</td>
<td>Media Broadcasting Service</td>
<td>Large</td>
</tr>
<tr>
<td>FinancialCo*</td>
<td>Financial Services</td>
<td>Large</td>
</tr>
</tbody>
</table>

* Main case studies

The researcher also conducted three follow-up interviews 12 months after the initial interviews at CarCo, EduConsultCo and InsuranceCo. The evidence from these interviews indicated that the case organizations showed progress toward a greater maturity (This finding will be discussed in Chapter 7). Table 4-3, which summarizes the case selection strategy in each phase, shows that the SMM capabilities of the 11 organizations were classified according to their level of maturity. Chapter 7, Section 7.4 provides further discussion regarding the maturity stages of an SMM capability.
Table 4-3: Case Selection Strategy in Each Phase

<table>
<thead>
<tr>
<th>Phase</th>
<th>Purpose</th>
<th>Case sampling</th>
<th>Basic capability</th>
<th>Moderate capability</th>
<th>Advanced capability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Phase 1</td>
<td>Provide breadth</td>
<td>Case sampling maximum variation</td>
<td>CarCo</td>
<td>EduConsultCo</td>
<td>InsuranceCo</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>TechCo</td>
</tr>
<tr>
<td>Phase 2</td>
<td>Provide depth</td>
<td>Search for the in-depth case (interview candidate organizations)</td>
<td>ConvenienceCo</td>
<td>DonorCo</td>
<td>Telco</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>FinancialCo</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Intensity sampling</td>
<td></td>
<td></td>
<td>FinancialCo</td>
</tr>
</tbody>
</table>

One of the important issues in conducting multiple case studies is knowing when to stop adding new cases. It is suggested that this occurs when theoretical saturation is achieved, in which further incremental learning from new cases is minimal, and does not add any additional richness to the theoretical findings of the study (Eisenhardt, 1989; Paré, 2004). In the present study, the cases conducted in Phase 1 were instrumental in developing the theoretical propositions. However, the in-depth case in Phase 2 did not add any further richness to the developed theoretical propositions, but it enhanced the theoretical propositions through replication logic (as discussed in Section 4.6, the cases in Phase 2 enhanced the external validity).

4.4 Data collection

Data were collected from both primary and secondary sources (Neuman, 2003). The primary data source involved the formal, semi-structured interviews (Yin, 2009). An interview, as a source of evidence, has some advantages. It focuses directly on the case study topic and, therefore, can be very insightful for the investigator. An interview provides explanations as well as personal views (Yin, 2014).

The researcher also used secondary data sources as contextual evidence to gain more insights for the analysis. For example, the researcher observed the case organizations’ activities on their social media platforms (e.g. the number of posts, the level of engagement and the number of followers). Additional information about the
interviewees’ roles and responsibilities and previous experience were also obtained from their LinkedIn profile.

In addition, in some cases, the researcher also gained access to the press releases on the Web (e.g. publicly available interviews and news about the case organizations’ social media monitoring activities) (Yin, 2009). In some cases, the researcher also attended public presentations held by the case organizations about their SMM activities. One organization (EduConsultCo) also shared its internal social media reports with the researcher. Other sources of data included email and telephone conversations with the interviewees. Table 4-4 provides further details about the type of data sources accessed in each case.

Table 4-4: Primary and Secondary Data Sources in Each Case Organization

<table>
<thead>
<tr>
<th>Organization (pseudonym)</th>
<th>Primary source</th>
<th>Secoundary sources</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Number of interviews</td>
<td>Observed social media activities</td>
</tr>
<tr>
<td>CarCo*</td>
<td>3</td>
<td>Yes</td>
</tr>
<tr>
<td>EduConsultCo *</td>
<td>4</td>
<td>Yes</td>
</tr>
<tr>
<td>InsuranceCo*</td>
<td>4</td>
<td>Yes</td>
</tr>
<tr>
<td>TechCo*</td>
<td>3</td>
<td>Yes</td>
</tr>
<tr>
<td>ConvenieceCo</td>
<td>1</td>
<td>Yes</td>
</tr>
<tr>
<td>DonorCo</td>
<td>2</td>
<td>Yes</td>
</tr>
<tr>
<td>AusUni</td>
<td>2</td>
<td>Yes</td>
</tr>
<tr>
<td>Telco</td>
<td>1</td>
<td>Yes</td>
</tr>
<tr>
<td>BankCo</td>
<td>1</td>
<td>Yes</td>
</tr>
<tr>
<td>MediaCo</td>
<td>1</td>
<td>Yes</td>
</tr>
<tr>
<td>FinancialCo*</td>
<td>6</td>
<td>Yes</td>
</tr>
</tbody>
</table>

* Main case studies

To protect confidentiality of the case organizations, the evidence from the secondary data sources are not provided.
As mentioned earlier, these secondary data sources were used to provide contextual evidence and to gain more insights for the analysis. The interviews were the main data source used in the present study.

4.4.1 Selection of the interviewees

A two-step approach was adopted to identify competent interviewees or key informants in each case organization (Kumar et al., 1993). The first informant in each case organization was chosen on the basis of his/her formal role. As such, given the focus of this study, the initial interview involved the most senior person responsible for SMM within the organization. This person was often in functions such as marketing, branding and digital marketing, which were often the first areas within the case organizations to undertake SMM (Kane et al., 2014). This person could often help the researcher to gain an overall understanding of the case organization’s capability of SMM, so that the researcher could decide if the case was suitable for the study (Huber & Power, 1985; Kumar et al., 1993).

In the second step, the researcher used snowball sampling to identify other potential interviewees in each case organization in consultation with the first interviewee (who was also the key contact of the organization) (Miles & Huberman, 1994). Due to the early stages of social media adoption, the number of informants (formal roles relevant to SMM) was limited in most of the case organizations. However, the researcher interviewed individuals with senior roles who were highly knowledgeable about the SMM activities in the case organization (Eisenhardt & Graebner, 2007), so that they could provide a complete strategic view of what was happening in the organization in terms of SMM (Cavaye & Cragg, 1995; Huber & Power, 1985).

The interviewees, in general, held two types of roles (Cavaye & Cragg, 1995): (1) individuals who collected, analysed and disseminated social media data in the organization, and (2) people who utilized social media data toward business decision-making (i.e. business users)6. The interviewees were also chosen from different levels of the organizational hierarchy, thereby providing a comprehensive understanding of the SMM capability. Prior studies have found that social media data can be useful for different areas of business and that SMM activities could be completed by staff from different functional units and at different hierarchical levels (Kane et al., 2014).

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6 The interview protocol had some additional specific questions for each type of interviewees.
Therefore, interviewing staff with different functional roles and from various hierarchical levels were likely to enable the researcher to gain broader and more in-depth insights, and to increase the chance of obtaining a more accurate and comprehensive picture of SMM. Further details about the interviewees’ roles are presented in Table 4-5.

Table 4-5: Role of Interviewees

<table>
<thead>
<tr>
<th>Organization (pseudonym)</th>
<th>Role of Interviewees</th>
</tr>
</thead>
<tbody>
<tr>
<td>CarCo*</td>
<td>Digital marketing manager, General marketing manager, Digital marketing manager-follow up</td>
</tr>
<tr>
<td>ConvenienceCo</td>
<td>Insight manager/marketing department</td>
</tr>
<tr>
<td>EduConsultCo*</td>
<td>Marketing manager/marketing department, Brand manager/marketing department, Brand marketing coordinator/marketing department, Marketing manager/marketing department-follow up</td>
</tr>
<tr>
<td>TechCo*</td>
<td>Digital leader, Marketing and communications strategic lead, Market segment manager</td>
</tr>
<tr>
<td>DonorCo</td>
<td>Marketing manager, [Social media] community manager</td>
</tr>
<tr>
<td>AusUni</td>
<td>Social media manager/marketing department, Social media consultant+ digital insight officer</td>
</tr>
<tr>
<td>Telco</td>
<td>Head of social media</td>
</tr>
<tr>
<td>BankCo</td>
<td>Head of social media</td>
</tr>
<tr>
<td>InsuranceCo*</td>
<td>Manager, digital channels/branding department, Digital communications advisor/branding department, Senior manager, proposition development/marketing department, Senior Manager, value proposition development/marketing department-follow up</td>
</tr>
<tr>
<td>MediaCo</td>
<td>Head of social media</td>
</tr>
<tr>
<td>FinancialCo*</td>
<td>General manager, customer analytics and research, Manager of a centralized coordination unit for social media, Digital channel development manager, Social media community manager, Head of digital marketing, Data analyst</td>
</tr>
</tbody>
</table>

* Main case studies

To avoid the risk of response errors, key informants were selected as their role was closely associated with the phenomenon under study (Kumar et al., 1993). They were chosen based on their knowledge about the SMM processes of the case organizations (Kumar et al., 1993). In addition, to avoid informant bias (Kumar et al., 1993), the researcher often interviewed people with complementary roles to the first interviewee (i.e. other individuals in the same team or other managerial roles in other relevant teams) (Huber & Power, 1985; Kumar et al., 1993). Thus, the choice of interviewees reflected a diverse set of roles in various levels of hierarchy, which was well suited for obtaining a rich set of ideas and insights.
In total, 28 interviews, including three follow-up interviews (in Phase 2) were conducted in 11 organizations. All interviews were audio recorded and transcribed to facilitate the analysis process. The median duration of the interviews was approximately 45 minutes. Also, for competitive reasons, one organization chose not to participate after the first interview. Therefore, the researcher did not include any data from that organization in this thesis.

4.4.2 Interview guideline (protocol)

An interview guideline was used for the semi-structured interviews, so that a consistent procedure and interview structure were followed in conducting the interviews (Yin, 2014). The researcher began interviews with a brief introduction of the research project. In addition, a visual, simplified version of the analytical framework with an abstract of the study (one page) was shown to the interviewees at the beginning of each interview to help the interviewees to understand the main objectives of the study. This document is Appendix C. The interviewees were then asked to explain their role in the organization in respect to SMM activities. They were also asked to first provide a broad picture of the SMM capability of the organization. After the interviews, interview transcripts were sent to the interviewees to review and make possible changes.

Questions in the interview guideline were initially derived from the review of the literature corresponding to the analytical framework. However, during the data collection, the interview guideline was modified to some extent to suit the purpose of each phase of the study. Also, a different version of the analytical framework was developed for the follow-up interviews. As such, three main versions of the interview guideline were developed, as follows:

1. Phase 1: An initial version of the interview guideline was developed from the literature, covering the key issues that could be relevant to an SMM capability (Eisenhardt, 1989; Paré, 2004) (Appendix D).
2. Phase 2: A refined version of the initial interview guideline was used in Phase 2 with more focused questions (compared to the more open-ended questions in Phase 1).
3. Follow-up interviews: A different interview guideline was used in which the questions were customised to assess the progress of the SMM capability in the case organization since the last interview.
In general, the interview questions focused on several issues; (1) the structure of the SMM capability, (2) the key roles involved in the SMM process, (3) the types of SMM tools and analytics used in the organization, (4) the extent of outsourcing SMM activities, (5) details about the activities performed in the process of social media monitoring (i.e. collection of social media data, its analysis and dissemination), (6) the extent that social media data was utilized in business decision-making, (7) the impact of the SMM capability on the organization’s competitiveness, and (8) the challenges the organization encountered in developing an SMM capability.

The next section provides details about the analysis of the data collected from the case organizations.

4.5 Analysis of the case study evidence

The data analysis process for this study followed the methodological advice offered by Neuman (2003), Patton (2002), Yin (2014), Paré (2004) and Miles and Huberman (1994). This section provides details about the analysis strategy, coding procedure and the analytic techniques used in the present study.

The present study analysed the case study evidence in two ways; within-case and cross-case analysis (Paré & Elam, 1997; Yin, 2009) (See Chapters 5 and 7). The role of the within-case analysis was to familiarize the researcher with each case and its specific conditions, whereas the cross-case analysis helped the researcher to look beyond initial impressions and to identify similarities and differences through comparison (Eisenhardt, 1989). The combination of the within- and cross-case analyses also supported the analytical generalization (Eisenhardt, 1989).

The analysis of the data is the most complex and least codified part of a qualitative research process (Eisenhardt, 1989; Paré, 2004). Qualitative studies often generate a large volume of data that also tends to be unstructured. Therefore, to draw empirically based conclusions, a typical data analysis process involves several activities, such as examining, categorizing, tabulating, testing, or sometimes recombining evidence (Yin, 2009).

Patton (2002) describes content analysis as “any qualitative data reduction and sense-making effort that takes a volume of qualitative material and attempts to identify core consistencies and meanings” (p. 453). By analyzing qualitative data, a researcher seeks to identify patterns, such as recurrent behaviours, objects, phases or ideas that can be interpreted in terms of a theory (Neuman, 2003). Before proceeding further, two terms related to the content analysis need to be defined: theme and pattern. A pattern refers to
a descriptive finding whereas a theme refers to the categorical concept found (Patton, 2002).

The first step in analyzing the case study evidence was to organize the qualitative data by creating a case study database (Yin, 2009). Evidence was categorized based on several attributes, such as case organization, type of evidence (e.g. interview data, press news or LinkedIn profile of the respondents), and the time data were collected. The creation of this database facilitated the retrieval of the information required during the analysis process.

After organizing the case study evidence in a database, the next step was to code the qualitative data, in particular, the interview transcripts (Eisenhardt, 1989; Neuman, 2003; Yin, 2009). The coding process segments qualitative data into units, and then rearranges them into categories (which might involve several units), so that rapid retrieval and comparison become easier (Paré, 2002; Paré & Elam, 1997). Qualitative data analysis software called NVivo was used to facilitate the coding process. The use of NVivo enabled the researcher to organize the qualitative data and keep a record of the researcher’s ideas and thoughts. In other words, NVivo provided a more efficient way of handling qualitative data, exploring similarities and differences in the data and finding the relationships among them (Gibbs, 2002; Miles & Huberman, 1994).

This study adopted the successive approximation strategy in conducting the data analysis. Successive approximation allows the researcher “to repeatedly move back and forth between the empirical data and the abstract concepts, theories, adjusting theory and refining data collection each time” (Neuman, 2003, p. 469). Successive approximation was a useful strategy for this study as it enabled an interactive data analysis and data collection, so that the theory-building process happened through various developmental cycles.

Consistent with the phase-based design, two coding techniques were used: open coding and axial coding. The coding process began with open coding in Phase 1, which is defined as “the first coding of qualitative data that examines the data to condense them into preliminary analytic categories or codes” (Neuman, 2003, p. 511). Open coding emphasizes the importance of being open to the data (Neuman, 2003; Patton, 2002).

Following the procedure suggested by open coding, the researcher scanned the interview transcripts of the four case studies in Phase 1 and assigned initial codes to the data. The analyses of the case studies were guided by the initial analytical framework (Figure 3-1),
from which the early codes were mainly derived (Paré, 2002). However, as a result of an iterative process of comparison between the case study evidence, codes and literature, the codes were constantly refined to reflect the real situation. In particular, new codes emerged (e.g. entrepreneurial environment as discussed in Chapter 6).

Moreover, the researcher identified attributes and characteristics pertinent to each component of the analytical framework. A hierarchical coding structure was developed. The highest level indicated the main components of the SMM capability. The second level reflected the identified attributes of each component. The lowest level illustrated the various characteristics of the attributes as observed in different cases. While the first level of the hierarchy was mostly known from the literature review, the second and third levels were derived from the analysis of the case study evidence.

Apart from the codes related to the components of an SMM capability (which was related to the first research question), other codes were also developed to categorize information, such as the progression of the SMM capability in past and future, inhibitors and facilitators of the capability development, and comparison of the SMM with market research practices.

The next step in the coding process was axial coding. In axial coding "researcher organizes the codes, links them, and discovers key analytic categories ...“ (Neuman, 2003, p. 462). Axial coding seeks to discover causes and consequences, conditions and interactions and tries to relate them to the context (Neuman, 2003). As such, unlike open coding which examined data as a whole and at an abstract level, axial coding in the present study focused on the initial coded themes in more detail.

In addition to the identified themes (i.e. the components of the SMM capability, their attributes and characteristics), the results of the analyses also suggested some patterns (i.e. relationships between the components). For example, the analyses illustrated that the extent of the case organizations' utilization of social media data was related to the attributes of their SMM capability in terms of the underlying components of the SMM capability (i.e. structure, roles, SMM tools and analytics and SMM process).

As a result of the axial coding, several patterns were identified across the cases in Phase 1 so that the researcher could develop theoretical propositions about the relationship between the attributes of an SMM capability and its outcomes (i.e. utilization of social media data). In order to inform the theory-building process, this study adopted the pattern-
matching technique using replication logic to compare the emergent patterns across multiple cases (Yin, 2009).

In developing the theoretical propositions, the outcome of interest was the utilization of social media data. Thus, the researcher compared the various characteristics of the SMM capability with the utilization of social media data by the case organizations. As a result, several propositions were emerged. The evidence from each case organization was then revisited to check if the developed proposition could fit. The cases either supported the proposition which enhanced its validity, or did not fully support the proposition, in which case they often provided insights to modify or extend the proposition (or added conditions) (Paré, 2002). The propositions are discussed in Chapter 6.

The coding of the case study evidence in Phase 2 was easier, as the researcher mostly used the previously developed codes with minor adjustments. Moreover, a new set of codes was developed to analyze the follow-up interviews. These codes reflected the extent of progression in each component of the SMM capability. In total, 150 codes were used to code the interview transcripts. Examples of the coding process of the case study evidence are provided in Chapter 5, Section 5-3. Appendix E shows a sample of the coding scheme developed in this study.

The next section provides details about the tactics adopted to enhance the quality of the case study design.

4.6 Assessing the quality of the research design

Similar to other empirical research methods in social science, the quality of a case study can also be assessed through a number of tests. As discussed next, these tests include construct validity, internal validity, external validity and reliability (Dubé & Paré, 2003; Eisenhardt, 1989; Paré, 2004; Yin, 2003, 2009, 2014). There also exist several tactics to evaluate each test (Yin, 2014), and this study adopted several of these to enhance the quality of the research design. This section explains the tests and associated tactics used in the present study.

Construct validity identifies correct operational measures for the concepts being studied (Yin, 2009). In order to improve the construct validity, the researcher developed an analytical framework prior to data collection that guided both the data collection and the analysis. Eisenhardt (1989) noted that “if these [initial] [theoretical] constructs prove important as the study progresses, then researchers have a firmer empirical grounding for
the emergent theory” (p. 536). Moreover, the use of multiple sources of evidence as shown in Table 4-3 enhanced the construct validity.

*Internal validity* seeks to establish a causal relationship, whereby certain conditions are believed to lead to other conditions, as distinguished from spurious relationships (Yin, 2009). Internal validity was enhanced in three ways in the present study. First, the researcher supported the emergent concepts (attributes of the components of an SMM capability) and theoretical propositions with sufficient citations and quotes from different cases. Second, the researcher compared the theoretical insights with the extant literature where similar and contrasting insights were found as discussed (enfolding literature (Eisenhardt, 1989; Paré, 2004)). The researcher also explained the possible reasons for these similarities and differences. Third, the logical chain of evidence was provided in this thesis, in which the researcher described the inputs and outputs of the sequential theory-building process (Figure 1-1 and Table 4-1).

*External validity* concerns the generalizability of the research findings to a broader domain (Yin, 2009). External validity was enhanced in three ways. First, the use of theoretical sampling in the present study supported the analytical generalization of the findings (Pare, 2002). Second, as suggested by Pare (2002), the enfolding literature discussed in the above paragraph also helped sharpen the external validity and enhanced the generalizability of the theory-building from case studies (Eisenhardt, 1989; Paré, 2004). Third, the conduct of Phase 2 supported the replicability of theoretical insights gained in Phase 1.

*Reliability* demonstrates that the operations of a study (such as a data collection procedures) can be repeated, with the same results (Yin, 2009). Reliability was improved in two ways in the present study. First, the researcher developed a case study database (Pare, 2002), as discussed in Section 4.5. Second, the researcher developed a case study protocol which involved guidelines for the conduct of the case studies and the analysis of the evidence (Pare, 2002). Table 4-6 summarizes the above-mentioned tests and tactics.
Table 4-6: *Tests and Tactics Used to Enhance the Quality of the Case Study Design in Each Phase*

<table>
<thead>
<tr>
<th>Tests (criteria)</th>
<th>Tactic</th>
<th>Phase</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construct validity</td>
<td>Used multiple sources of evidence</td>
<td>Data collection</td>
</tr>
<tr>
<td></td>
<td>Prior theorizing</td>
<td></td>
</tr>
<tr>
<td>Internal validity</td>
<td>Development of theoretical propositions, pattern matching and the use of sufficient quotes and citations from different cases</td>
<td>Data analysis</td>
</tr>
<tr>
<td></td>
<td>Comparing the findings with the literature (enfolding literature)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Logical chain of evidence</td>
<td></td>
</tr>
<tr>
<td>External validity</td>
<td>Used prior theorizing in each phase</td>
<td>Research design</td>
</tr>
<tr>
<td></td>
<td>Theoretical sampling</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Used replication logic, in particular, in Phase 2</td>
<td></td>
</tr>
<tr>
<td>Reliability</td>
<td>Used case study protocol</td>
<td>Data collection</td>
</tr>
<tr>
<td></td>
<td>Developed case study database</td>
<td></td>
</tr>
</tbody>
</table>

### 4.7 Summary of the chapter

This chapter explained the design of the present study. To summarize, this study followed a qualitative, multiple case study approach to make a theoretical contribution to the domain of social media monitoring. In particular, it followed a theory-building approach, using a process suggested by Eisenhardt (1989) and Paré (2004). The study was conducted in two phases, where the findings of the first phase informed the conduct of the second phase. Issues about the aim of each phase, the design of the case studies, the data collection and analysis procedures were described in detail.
5 THE ANALYSIS AND CASE STUDY EVIDENCE OF PHASE 1

5.1 Overview

This chapter presents the analysis of the four case studies conducted in Phase 1: CarCo, EduConsultCo, InsuranceCo, and TechCo. The analysis has two parts: a within-case and a cross-case analysis (Paré, 2002; Yin, 2014). The within-case analysis involves a complete description of the SMM capability and the utilization of social media data in each case organization. The cross-case analysis involves the comparison of the SMM capability and the utilization of social media data across the four cases. The chapter addresses the first research question as discussed in Chapter 2.

This chapter begins with a summary of the analyses of Phase 1, followed by the presentation of the refined analytical framework according to the empirical findings. The chapter then describes the SMM capability of the cases based on the refined analytical framework. A summary of the cross-case analyses is provided and the chapter concludes by discussing the outcomes of Phase 1 and a new research question to be explored in the second phase of the study.

5.2 Summary of the analysis process of Phase 1

The analyses of the case studies were guided by the initial analytical framework articulated in Chapter 3 (Figure 3-1). Working through the case study evidence, the researcher identified emerging attributes pertinent to each component of the analytical framework. Accordingly, the initial analytical framework was refined to incorporate these emerged attributes of each component of the SMM capability (see Figure 5-1). The refined analytical framework was then used as an instrument to facilitate systematic within-case and cross-case analyses of the SMM capability in the case organizations.

In addition, the results of the analyses illustrated that the extent to which case organizations utilized social media data is related to the attributes of their SMM capability in terms of the underlying components of the SMM capability (i.e. structure, roles, SMM tools and analytics and SMM process). As a result, in Phase 1, themes and patterns were identified across the cases, so that the researcher could develop theoretical propositions about the relationship between the attributes of an SMM capability and its outcomes (i.e. utilization of social media data). The propositions are discussed in Chapter 6.
5.3 Emerging attributes of the components of the analytical framework

As discussed in the previous section, this section describes the emerging attributes of each component of the analytical framework. The section is structured as follows: it first discusses the utilization of social media data which is the outcome of the SMM capability; second, it explains each component of the SMM capability; and finally, the refined analytical framework is presented in Section 5.4. Then, using the refine analytical framework, the evidence from four case studies is presented in Sections 5.5, 5.6, 5.7 and 5.8.

The following notation is used throughout this section. Emerging attributes of components in the analytical framework are underlined. Where such attributes have different characteristics, these are italicized. Thus, in considering the empirical evidence, each component in the analytical framework was assessed through its emerging attributes, and each of these attributes were assessed in terms of their characteristics.

5.3.1 Utilization of social media data

The analysis illustrated that the extent to which case organizations utilize social media data can be assessed using three attributes: utilization level, type and range. Two major categories were identified in terms of the level of utilization: operational and strategic. At the operational level, social media data mainly informed short-term decisions, often on a daily basis, whereas at the strategic level, the insights gained from SMM mostly informed longer-term strategic decisions.

Moreover, at each level, two sub-categories of utilization emerged, termed, utilization type in this study. At the operational level, two sub-categories of utilization type were identified: reactive and proactive. Reactive utilization mostly deals with immediate issues, and it is often crisis or incident-initiated such as issues related to customer service and public relations. In contrast, proactive utilization involves identifying opportunities, such as new customers, sales development, and relationship opportunities on a daily basis. In addition, at the operational level, social media data was utilized proactively to measure the effectiveness of social media campaigns that informed operational decisions, such as the design and implementation of future social media campaigns.

Two sub-categories of utilization type were identified at the strategic level: knowledge-enhancing and action-oriented utilization. These sub-categories are consistent with the initial conceptualization based on Menon and Varadarajan (1992) as discussed in Chapter
Similar to their definition, the researcher coded examples of utilization as action-oriented if the result of the analysis of the social media data led to an action in the case organizations. In contrast, examples of utilization were classified as knowledge-enhancing if the insights gained from SMM did not affect any action directly. In knowledge-enhancing utilization, the insights only enhanced decision makers’ understanding and knowledge about the topic for possible future utilization.

Moreover, the case organizations utilized social media data for different ranges of functions. For example, CarCo and EduConsultCo utilized social media data for a limited range of functions, often in one or two business units (e.g. branding and customer service functions), whereas InsuranceCo and TechCo utilized the data for a broader range of functions in marketing and communications (e.g. content marketing, marketing communication, market segmentation, campaign development, and customer relationship management). It is also expected that some organizations utilize social media data towards a broader, enterprise-wide range of functions. Thus, the case organizations were also assessed in terms of the range of utilization.

To summarize, the utilization of the social media data in the case organizations were compared in terms of three attributes; level, type and range.

Table 5-1: Emerged Attributes and Characteristics of Utilization

<table>
<thead>
<tr>
<th>Component</th>
<th>Attribute</th>
<th>Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utilization</td>
<td>Utilization level</td>
<td>• Operational level</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Strategic level</td>
</tr>
<tr>
<td>Utilization type</td>
<td></td>
<td>• Reactive vs proactive at the operational level</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Knowledge-enhancing vs Action-oriented at the strategic level</td>
</tr>
<tr>
<td>Utilization range</td>
<td></td>
<td>• Limited range functions</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Broad range of functions</td>
</tr>
</tbody>
</table>

The following sections discuss further emerging attributes of other components of the analytical framework.

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7 For the simplicity of the analysis, this study used two categories of the original classification of intelligence use by Menon and Varadarajan (1992); action-oriented and knowledge-enhancing use.
5.3.2 Structure of the social media monitoring capability

The analysis showed various degrees of centralization of the SMM capability across the case organizations. While the development of the SMM capability was often initiated in one business unit (i.e. centralized structure), it progressed toward a more decentralized structure as more business units developed the SMM capability tailored to their specific business needs. For example, the SMM capability at CarCo and EduConsultCo was centralized. InsuranceCo decentralized the SMM capability in two business units. Last, the SMM capability at TechCo was decentralized in most of the departments of one large business unit, Marketing and Communications. Although not observed in the case organizations, it is expected that a fully developed SMM capability becomes decentralized enterprise-wide.

As such, the researcher compared the structure of the SMM capability in the case organizations in terms of this attribute; the degree of centralization of the SMM capability.

Table 5-2: Emerged Attributes and Characteristics of Structure of SMM Capability

<table>
<thead>
<tr>
<th>Component</th>
<th>Attribute</th>
<th>Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Structure of the SMM capability</td>
<td>Degree of centralization</td>
<td>• Centralized</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Partly decentralized</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Fully decentralized enterprise-wide</td>
</tr>
</tbody>
</table>

5.3.3 Roles

The analysis of the case organizations suggested that various roles were involved in SMM. Four types of roles related to SMM were identified as follows:

1. Technical SMM roles involved those who monitored social media data on a daily basis in order to identify and collect relevant comments (often using SMM tools), read them, filter the irrelevant data, and eventually inform decision makers to take required action. Those in these technical SMM roles also utilized SMM tools to prepare reports (often system-generated reports). Therefore, basic skills in using SMM tools were often required for daily SMM and basic reporting (i.e. descriptive analysis, such as activity and interaction metrics (Spiller & Tuten, 2015)).

2. Data analyst roles involved those who performed advanced social media data analysis, such as data modelling, text analytics and social network analysis. These data analyst roles were often centralized in one business unit. However, those who
performed data analyst roles often collaborated with subject matter experts in functional areas to understand the specific business requirements of each business unit for a more relevant analysis.

3. Managerial roles were also evident in SMM, especially when social media data was utilized at the strategic level. The managerial roles could add value in several ways, such as interpreting insights gained from social media data analysis and formulating appropriate organizational responses. The level of involvement of those in managerial roles was different in the case organizations. For example, at CarCo and EduConsultCo, only managers within one business unit were involved in the SMM. At InsuranceCo, managerial roles were considerably involved in two business units. Finally, TechCo had the most involvement of the managerial roles in the SMM process.

4. Coordinator roles were also involved to facilitate the collaboration between various roles. Those in the coordinator roles were also responsible to train the decentralized teams to be able to independently perform SMM activities according to the specific needs of their own business unit. For example, the digital team at TechCo performed the coordination role. Often, in early stages of the capability-building, two or more roles were performed by one individual. It is expected that this might be the case in small organizations as well.

All four case organizations had the above-mentioned roles; however, the evidence showed that they differed in their degree of formality of SMM roles and the extent of managerial roles’ involvement in the SMM efforts. The degree of formality of SMM roles in the case organizations progressed from informal individuals’ ad-hoc efforts to having formal technical SMM role(s) within one business unit and finally towards having formal functionally focused SMM roles in different business units/departments. In a similar vein, the extent of managerial roles’ involvement also progressed from limited involvement, to moderately involved managers, often in one business unit and then towards highly involved managers enterprise-wide.

For example, SMM at CarCo was limited to informal individuals’ ad-hoc efforts. They did not have any formal role fully dedicated to SMM. In contrast, at EduConsultCo there was one full-time dedicated technical SMM role. Managerial roles were involved to a limited extent. EduConsultCo allocated one formal full-time technical SMM role at one business unit; therefore, managerial roles (e.g. Branding Manager and Marketing Manager) were moderately involved but only within that business unit. Moreover,
InsuranceCo had two full-time dedicated individuals with technical SMM role in two business units, therefore, managerial roles were moderately involved in those two business units. Finally, TechCo allocated functionally focused SMM roles across different departments of the marketing and communications business unit with highly involved managers from those departments.

In short, the case organizations were assessed in terms of two attributes; the degree of formality of the SMM roles and the extent of data analyst and managerial roles’ involvement.

Table 5-3: Emerge Attributes and Characteristics of Roles

<table>
<thead>
<tr>
<th>Component</th>
<th>Attribute</th>
<th>Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roles</td>
<td>Degree of formality of SMM roles</td>
<td>• Informal individuals’ ad-hoc SMM efforts</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Formal technical SMM role(s) within one business unit</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Formal functionally focused SMM roles in different business units</td>
</tr>
<tr>
<td>Extent of managerial roles’ involvement</td>
<td></td>
<td>• Limited involvement (often for coordinating SMM activities with external agency)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Moderately involved (often in one business unit)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Highly involved (often enterprise-wide)</td>
</tr>
</tbody>
</table>

5.3.4 Social media monitoring tools and analytics

The researcher observed variations in terms of the use of SMM tools and analytics in the case organizations, ranging from basic freeware SMM tools to multiple sophisticated commercial and specialized SMM tools. In particular, specialized tools were used for the specific purpose of each business function. For example, the tools that customer service needs might be different from what public relations, human resources or marketing requires.

In addition, some organizations used advanced analytics software to perform sophisticated analysis, identify patterns, trends and relationships in the social media content. The researcher also observed that organizations (e.g. CarCo) had advanced analytics software; however, these systems remained underutilized because they did not have data analyst roles.

As such, the use of SMM tools and analytics in the case organizations was assessed in terms of these two attributes; the degree of sophistication of the SMM tools, and use of advanced social media analytics.
Table 5-4: Emerged Attributes and Characteristics of SMM Tools and Analytics

<table>
<thead>
<tr>
<th>Component</th>
<th>Attribute</th>
<th>Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>SMM tools and analytics</td>
<td>Degree of sophistication of SMM tools</td>
<td>• Basic freeware SMM tools</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Commercial SMM tools</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Multiple sophisticated commercial and specialized SMM tools</td>
</tr>
<tr>
<td></td>
<td>Use of advanced social media analytics</td>
<td>• Low utilization</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• High utilization</td>
</tr>
</tbody>
</table>

5.3.5 Process of social media monitoring

5.3.5.1 Collection

The analysis suggested that the case organizations often collected social media data about a broad range of topics relevant to the organization. A variety of keywords were used to identify and capture all the relevant comments from various social media platforms. As such, SMM often began with the identification of possible keywords that could be used by social media users in their comments on social media. These keywords often included the name of the company, its brands, competitors, key influencers, or other keywords related to topics of interest to the company. In order to optimize the automatic capturing of social media data, the keywords needed to be constantly revised.

The evidence indicated that collection efforts of the case organizations can be assessed in terms of three attributes. The first attribute was the frequency of monitoring at the operational level which varied across the case organizations. For example, CarCo only monitored social media occasionally, whereas EduConsultCo, InsuranceCo and TechCo performed SMM continuously on a daily basis.

The second attribute which differentiated the case organizations was the scope of monitoring. This attribute refers to the range of social media platforms from which companies collected data at the operational level. For example, at CarCo, the scope of monitoring at the operational level was limited to the company's Facebook page, while InsuranceCo monitored a broad range of social media platforms. At EduConsultCo, due to the use of basic SMM tools, the scope of monitoring was limited to selected social media platforms.

The third attribute which differentiated the case organizations was the extent of planning prior to collection of social media data. The researcher observed that in addition to the daily monitoring that mostly covered general/operational issues, some case organizations
also deliberately planned to collect social media data in order to inform certain business
decisions or future actions. The collection of social media data in those situations was
more planned/focused and, therefore, was similar to the traditional methods of
competitive or market intelligence, as discussed in Section 5.2.1. In these situations,
SMM was often initiated by a request from a manager(s) and was often adequately
planned prior to the collection. Therefore, planning could be considered as a separate
activity in the process of SMM, in particular at the strategic level. Social media campaigns
are examples of these planned activities.

Evidence from case studies indicated that the extent of planning differed across the cases.
For example, the collection of social media data at CarCo was often unplanned as it
mostly covered general issues with no specific focus. Monitoring at EduConsultCo and
InsuranceCo was occasionally planned. They performed a number of test-and-learn
experimental activities (small-scale social media campaigns at the operational level).
Finally, TechCo performed frequent planned/focused SMM efforts to address specific
business issues/decisions.

As such, the collection efforts of the case organizations were assessed in terms of three
attributes: frequency of monitoring, scope of monitoring, and the extent of planning prior
to collection.

Table 5-5: Emerged Attributes and Characteristics of Collection

<table>
<thead>
<tr>
<th>Component</th>
<th>Attribute</th>
<th>Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Collection</td>
<td>Frequency of monitoring</td>
<td>• Occasional ad-hoc monitoring</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Continuous monitoring</td>
</tr>
<tr>
<td></td>
<td>Scope of monitoring at the operational level</td>
<td>• Limited to company’s social channels (often limited to Facebook and Twitter)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Selected social media platforms</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• A broad range of social media platforms</td>
</tr>
<tr>
<td></td>
<td>Extent of planning prior to collection</td>
<td>• Often unplanned (monitoring covered general issues with no specific focus)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Occasionally planned (a number of test-and-learn experimental activities/small-scale social media campaigns often at the operational level)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Frequent planned/focused SMM efforts to address specific business issues/decisions (often large-scale social campaign at the operational and strategic levels)</td>
</tr>
</tbody>
</table>
5.3.5.2 Analysis

The next step in the process of SMM is the analysis of the social media data. Evidence from the case studies showed that the attribute type of analysis differed in the case organizations. The researcher identified three categories of analysis in the case organizations. These categories were individually termed as channel-oriented, function-oriented and research-oriented. In the first, channel-oriented category, the analysis provided insights about the effectiveness of social media as a channel of communication. Interaction and activity metrics (Spiller & Tuten, 2015) (often quantitatively and system-generated) were routinely tracked to assess the effectiveness of social media as a channel.

In the second, function-oriented category, the analysis was more purposeful. The case organizations in this category tried to align SMM efforts with the operational objectives or key performance indicators of various business functions. Specific measures of success (e.g. return metrics (Spiller & Tuten, 2015)) were developed and routinely tracked for the relevant function of the business (e.g. customer service, communication, marketing and public relations). Also, in this category the effectiveness of social media campaigns was assessed using specific metrics that were both quantitative and qualitative.

In the third, research-based category, the analysis mainly addressed specific business issues/problems in which social media was often one of the many sources of information used for this purpose. This category of analysis is similar to a scientific research practice, where a known business problem needs to be addressed/investigated, using appropriate sources of information. Whilst in the first two categories, the analyses tended to provide insights about the past (historically-oriented), in the third category the analysis often informed future decisions/actions of the organization at the strategic level (future-oriented). Moreover, this advanced analysis was used for identifying opportunities and threats in the external environment, such as trends in customers’ behavior and competitor moves. The advanced analysis was also often performed by individuals with data analyst roles using more sophisticated analytics software (or was outsourced).

As such, the analysis activity in the case organizations was assessed in terms of this attribute; the type and extent of analysis (i.e. ability to perform the above three categories of analysis).

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8 Sometimes, the research was conducted to identify the actual problem/issue.
5.3.5.3 Dissemination

The researcher observed various degrees of formality in the dissemination of the social media data at the operational and strategic levels. For example, at CarCo, the process of dissemination was *informal* at both operational and strategic levels, as they dealt with each issue separately. In contrast, EduConsultCo and InsuranceCo developed various *formal* processes based on the type of social media data and the type of action that needed to be done accordingly at the operational level. They also allocated formal contact persons in relevant business units in order to follow up the required actions within their own business unit. However, their dissemination process at the strategic level was still informal.

Finally, at TechCo, due to the decentralized structure of the SMM capability, there was no dissemination process at the operational level because the collector and the user of the information were often in the same department. However, TechCo had a *formal* dissemination process at the strategic level.

As such, the dissemination activities in the case organizations were assessed in terms of degree of formality at both operational and strategic levels.

<table>
<thead>
<tr>
<th>Component</th>
<th>Attribute</th>
<th>Characteristics</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dissemination</td>
<td>Degree of formality at the operational level</td>
<td>• Informal • Formal</td>
</tr>
<tr>
<td></td>
<td>Degree of formality at the strategic level</td>
<td>• Informal • Formal</td>
</tr>
</tbody>
</table>

5.4 The refined analytical framework

The refined analytical framework, developed from the original analytical framework (Figure 3-1), with the inclusion of emerging attributes from the case study evidence is presented in Figure 5-1.
The analysis of the SMM capability at each of the case organizations, based on the refined analytical framework is presented next. Additional supporting quotations from interviews are provided in Appendix H. These additional supporting quotations are provided where available. The additional quotations are numbered and appeared in brackets throughout the text. The same notation is used to highlight the characteristics of attributes pertinent to components of the refined analytical framework in the case study evidence.

5.5 **Within case analysis: CarCo**

CarCo is a global car distributor, importer and retailer operating in Australia. The organization began developing an SMM capability in 2011 (two years before the conduct of this case study). At the time of this investigation, the development of the SMM capability at CarCo was in its infancy. The SMM capability of CarCo was limited to some ad-hoc individuals’ efforts on an occasional basis. The SMM capability was centralized at the Digital Marketing department which is part of the Sales and Marketing Unit.

At the operational level, the Digital Marketing Manager and an assistant in this role performed SMM on an occasional basis. As a result, the utilization of social media data

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**Figure 5-1.** The refined analytical framework of an SMM capability and its outcome (i.e. utilization of social media data).
at the operational level was mostly reactive, being for ad-hoc problem solving and limited to issues related to public relations and customer service. CarCo had not developed a systematic capability to proactively and continuously identify possible external opportunities. In other words, SMM was mostly used to mitigate threats at the operational level.

At the strategic level, CarCo outsourced most of the capture and analysis of social media data to an external agency. However, there was no substantial reliance upon intelligence gained from SMM in their long-term strategic decision-making. As a result, the impact of SMM was limited, with few positive business outcomes being realized, such as protecting brand reputation and handling customer service issues.

The researcher conducted three interviews in CarCo in two phases of the study. In Phase 1, two interviews were conducted with the Marketing Manager and the Digital Marketing Manager. The researcher also conducted a follow-up interview with the Digital Marketing Manager in the Phase 2 of the study, one year after the first interview. The reason for the second interview was to investigate the progress of the SMM capability-building at CarCo. The follow-up interview is discussed in Chapter 7.

5.5.1 Structure of the social media monitoring capability

The SMM capability at CarCo was centralized at the Digital Marketing department which is part of the Sales and Marketing unit at CarCo. The Digital Marketing Department was responsible for SMM at the operational level, whereas, at the strategic level, the collecting and analysis of social media data was outsourced to an external agency who provided monthly reports to the Digital Marketing department. The Digital Marketing Manager noted:

[We outsource] the major analyzing of [social media] data but not the whole process ... We do have access to [SMM tools] on a live basis if we need to...

For the external sites we use [external agency], for our internal sites we do it ourselves ...

5.5.2 Roles

As mentioned earlier, at CarCo, SMM was limited to informal individuals’ ad-hoc efforts. Two individuals at the Digital Marketing Department conducted SMM on an occasional basis: the Digital Marketing Manager and an assistant in this role. The comment below by the Digital Marketing Manager of CarCo reflects that the allocation of these roles was informal:
I don’t have the time to go through [our SMM tools] and do a full report and analyses. Unfortunately, with two of us running the web, mobile, social media it’s pretty busy.

CarCo did not have any internal data analyst role; therefore, they outsourced the analysis of social media data. The Digital Marketing Manager commented:

Unfortunately, we don’t have the manpower to sit here and do that [analysis of social media data] ourselves...

We don’t have an internal data analyst. It is done by our [external digital] agency ...

So they gather that for us and every month they produce a social report...

The Digital Marketing Manager was involved in the SMM process to a limited extent. For example, the results of the analysis by the external agency were moderated by the Digital Marketing Manager (CC5). The Digital Marketing Manager was also responsible for coordinating the outsourced SMM activities and communicating the results of the analyses to other business units at CarCo. The Digital Marketing Manager noted:

[The external agency] do all the making sense of [social media data] and then we’ll meet each month…. [They] give us their analysis and we discuss and talk and decide. Then, from their insights, I would then make a recommendation based on my experience, what I know about the business ...

5.5.3 Social media monitoring tools and analytics

The use of SMM tools at CarCo was very limited and centralized at the Digital Marketing department. CarCo subscribed to basic (free) SMM tools so that they could be notified of new comments posted in the CarCo’s Facebook page. The Digital Marketing Manager explained:

We use simple tools ... and we just look for [the CarCo’s Facebook page]... in particular we use the pages app on our iPads and also our iPhones ... if anyone makes a comment we can look at it ...
base, our consumers or our customers seem to be. The other social media sites have been limited in their engagement and therefore the usefulness to us.

In addition to the limited collection of social media data at the operational level, the external agency collected information about broader topics, such as competitors, products, and general issues regarding car industry, in various social media platforms, such as Facebook, Twitter, Forums, Google+ and Instagram. Nevertheless, the collection of social media data by the external agency was not focused to address particular decisions/issues. The Digital Marketing Manager highlighted:

*The outsourcing is purely for the external for comments on car articles and car club blogs and that type of thing, so one we’re not directly involved in, just trying to get sentiment in the broader social media world...*

*At a very high level we do [monitor our competitors]. We watch big players at a reasonable arm’s length...*

5.5.4.2 Analysis

The analysis of social media data at CarCo was often *channel-oriented* that was limited to basic, historically-oriented descriptive analyses (e.g. activity, interaction and basic return metrics as discussed in Section 3.3.2). The Digital Marketing Manager noted:

*There’s a whole raft of metrics to go into a monthly social media report that come off our own social media sites... the general social media, how many shares, how many likes and posts and reach and all of those general insights.*

*We do a lot of connection of a person and their social account. We may not need to know the individual but whether or not that particular person’s clicked through and be tracked by IP from Facebook to our website and request a test drive, then we know their email and we can connect through to how many leads we get from those social means.*

5.5.4.3 Dissemination

At the operational level, the dissemination of social media data was *often informal* and limited to immediate issues. The Digital Marketing Manager noted:

*... if there’s something that looks like it might be a PR issue or it’s about [CarCo’s] public face, then again it’s directed to PR.*

At the strategic level, the external agency provided reports about the performance of CarCo’s social media channels on a monthly basis. The results of their analysis were presented to the senior managers of other business units, such as Marketing, Sales, Customer Service and Public Relations in a *formal* manner (CC6). The Digital Marketing Manager noted:
I’ll present [social media reports] to [senior managers from other business units]…. so what we do is we put it into a presentation which is PDF’d around and in that we have the stats and then some insights… the trends and anything that we need to share about plus we also add to that things that other people [the competitors] have been doing and things that are happening….

5.5.5 Utilization of social media data

At the operational level, the primary purpose of SMM was to identify and respond to immediate issues (often crisis or incident-initiated), such as comments related to customer service and public relations matters (CC7). As a result, the utilization of social media data at the operational level was mostly reactive for ad-hoc problem solving. The Digital Marketing Manager noted:

We look from a PR perspective for any warning signals of something as well. There may be something happening that we might need to alert our PR people.

We look at it from a customer service point of view. We gather any faults or … any complaints about a particular product rather than just product feature… We might look if there’s a common thread between a complaint, not that that’s happened all that often but if it does we would look for that…

The Marketing Manager added:

It’s mainly customer service, so responding to issues, addressing issues. If there is a particular quality issue or even if there’s a particular trend, we do tend to go up on social media as well if it’s a large one… but for the most part it’s issues around any sort of quality-type issues and mainly around that really in terms of how the alerts happen.

The Digital Marketing Manager provided an example of a reactive use of social media data when there was a reputational threat:

... there was a radio station issue we had late last year. There was some kerfuffle about a certain radio personality saying things and we were advertising on that station. Actually, we had that twice, and of course, we got a lot of traffic on Facebook. So that decision would be made there and then because that was really bad publicity for us … So therefore, we reacted. … So we would use social media data in that instance it was the entire reasoning.

At the strategic level, there was no evidence of action-oriented utilization. The General Marketing Manager stated:

I must admit we don’t really make any big decisions, for example product spec, pricing based on social media. It’s more really the one-to-one issues that we tend to use it for or one-to-one opportunities as well as issues and problems.

Similarly, the Digital Marketing Manager commented:
I cannot remember an instance where we have really had to act on anything but it gives, for example, our product planning people a bit of an indication about the kinds of things that people are talking about, rather than a front.

As a result, CarCo only utilized social media data at the operational level, in a limited range of functions such as branding, customer service and public relations. At this stage of the SMM capability development, CarCo did not utilize social media data at the strategic level.

5.6 Within case analysis: EduConsultCo

EduConsultCo is a medium sized education consulting company in Australia. EduConsultCo partners with educational institutes and provides education consulting services. EduConsultCo began developing an SMM capability in 2012 (one year before the conduct of this case study).

At the time of this investigation, the SMM capability at EduConsultCo was in its early development stage. It was centralized at the branding department which was part of the Marketing business unit. EduConsultCo allocated a dedicated full-time role for SMM and did not have an internal data analyst role; however, they outsourced the more advanced analyses of social media data occasionally (e.g. for social campaigns). The managerial roles (e.g. the Brand Manager and the Marketing Manager) were also involved in the SMM to some extent.

EduConsultCo mostly utilized social media data at the operational level with a combination of reactive and proactive approaches. Similar to CarCo, the reactive utilization of social media data was mostly related to dealing with immediate issues and mitigating possible threats. The proactive utilization involved two parts. One aspect is that the central SMM team proactively sought opportunities on a daily basis, such as new customer opportunities. The other aspect is that the central SMM team conducted several small-scale social media campaigns at the operational level, in which SMM was used to measure the effectiveness of those campaigns. In short, the utilization of social media data was mostly towards functions in the branding business area. At the strategic level, there was no substantial reliance on social media data in their long-term strategic decision-making.

The researcher conducted four interviews at EduConsultCo, including one follow-up interview. Employees in several roles were involved, such as the Marketing Manager, the Brand Manager and the Brand Marketing Coordinator. The researcher conducted a follow-up interview with the Marketing Manager in Phase 2 of the study, one year after
the first interview. The reason for this interview was to investigate the progress of the SMM capability-building at EduConsultCo. The follow-up interview is discussed in Chapter 7.

5.6.1 Structure of the social media monitoring capability

The SMM capability was centralized at the Branding department which is part of the Marketing business unit. The Brand Marketing Coordinator noted:

At the moment we do it [SMM] centralized, it all goes through us and then we share it out and get the information that we need and we do the responding...

The use of SMM tools at EduConsultCo was also centralized at the Branding department. However, the long-term aspiration was to have a decentralized SMM capability across the organization with functionally focused roles and access to specialized SMM tools (EC1 and EC15). The Brand Marketing Coordinator commented:

One day down the track it could be a case that we have someone from each different course area who responds and maybe we need some sort of tool to divide that up properly.

5.6.2 Roles

EduConsultCo had a formal SMM role in the Branding department. A full-time individual performed the technical SMM and coordinator role (called Brand Marketing Coordinator). The role of the Brand Marketing Coordinator was to monitor social media on a continuous daily basis, extract relevant social media data using SMM tools, filter and categorise them and eventually, send them to the relevant business units who were then required to take action/or provide a response. The Brand Marketing Coordinator mentioned:

I decide myself I guess what is positive, what is negative, what is interesting, what is not relevant, and then sort it through.

EduConsultCo did not have data analyst role dedicated to SMM; therefore, they occasionally outsourced the more advanced analysis of social media data. The Brand Manager and the Marketing Manager were also moderately involved in the SMM process, in particular in the analysis and interpretation of social media data and the communication of the results of the analyses across the organization (EC12).

5.6.3 Social media monitoring tools and analytics

EduConsultCo used several basic (often freeware) SMM tools (EC9 and EC10). These tools captured data, but the categorisation, filtering and ranking were mostly done
manually by the Brand Marketing Coordinator (i.e. the technical SMM role). The Brand Marketing Coordinator noted:

*Mostly it’s manual... We don’t have any sort of expensive paid tools so we’re kind of playing around with some free tools or cheap tools which gives us a lot of data and I have to figure it out myself in terms of sorting email alerts*

*The automated stuff that we have set up is Google alerts for a bunch of different search terms which actually pulls in some stuff from Twitter every now and then.*

### 5.6.4 Process of social media monitoring

#### 5.6.4.1 Collection

EduConsultCo collected social media data from a variety of social media platforms, such as Facebook and YouTube. The Brand Manager believed that these platforms were used the most by their target market. They also occasionally monitored other platforms, such as Twitter, Pinterest, Google+, Blogs and Forums (EC3). The Brand Manager commented:

*Facebook is where our audience is because our audience is generally middle Australia … so they tend to spend the majority of the time on Facebook… YouTube would probably be the second one that provides very good insights.*

However, due to using basic SMM tools, they could only monitor *selected* social media platforms on a *continuous* basis. All the interviewees at EduConsultCo believed that the use of basic SMM tools limited the effectiveness of the capture and analysis of the social media data (EC7, EC8, EC11 and EC23).

The monitoring at EduConsultCo often covered general topics. In addition, EduConsultCo conducted *a few experimental, planned, small-scale* social media campaigns at the operational level, where SMM was used to measure the effectiveness of those campaigns (Section 5.6.5). In these situations, the collection of social media data was often guided by purposeful and targeted content in order to gather specific insight in regard to a particular decision(s) (EC20).

#### 5.6.4.2 Analysis

The analysis of social media data was often limited to measuring the effectiveness of social media as a channel of communication (i.e. *channel-oriented analysis*). Several activity and interaction metrics were routinely tracked (EC21 and EC4). The Brand Marketing Coordinator noted:
We see social media as an outlet for brand engagement and brand understanding and so we want to measure engagement and interactions and reach, impressions, to see who has seen our brand, do they get a good understanding of what our brand is ...

We monitor our own social media channels ... to understand how our audience and the reach of those channels is growing and how the engagement is in those channels. Are people engaging more, are they engaging less and any changes in the type of audience?

This analysis often involved quantitative and qualitative analysis to a limited extent. The Brand Marketing Coordinator commented:

We act real time but also on a monthly basis create a report so I do a monthly report on all of our social media activity which includes listening and capturing of information that we’ve picked up from our listening and monitoring tools. So I would add up all of the mentions in the last month that our competitors might have had in blogs or news or Twitter or anything like that.

I would report on those numbers and I would give an explanation as to what’s driving these mentions. What is it that people are talking about when they’re talking about these brands and I share that with the business?

EduConsultCo also used external services to perform a more sophisticated analysis, as they did not have any internal data analyst role and advanced analytics software. The Marketing Manager highlighted:

We’ve got a promotional campaign out in the market at the moment, the agency because they’ve got richer social media tools, they’ll use their tools to report on the campaign which will give us a bit more richness. So that’s just on a campaign basis.

The Brand Marketing Coordinator conveyed a need for a more function-oriented analysis at EduConsultCo:

I look at likes and comments and I think that’s great but what KPIs or terms do they [managers/business] want to hear to really mean something?

5.6.4.3 Dissemination

EduConsultCo was in the process of developing dissemination processes (EC2 and EC18). The Brand Manager noted:

We are working on the process at the moment. As far as we’ve got at the moment, we’ve identified one person from each of the different teams to be our contacts.

For example, at the operational level, they developed a formal dissemination process for immediate issues. The Marketing Manager noted:

We have a process in place that any of those type of negative customer service enquiries goes directly to the sales director and the team leader and we get a quick response and then we feed back the response. We respond straightaway to say we’ll get back to you and then it’s really within 24 hours.
However, the dissemination of the identified opportunities at the strategic level was relatively informal. The Brand Manager noted:

[Our strategy team is] very interested in our pick up on that front and so I feel we’re communicating about this stuff a lot more, but it’s a slow and unstructured process but I think there’s opportunities there for sure.

The Brand Marketing Coordinator remarked:

In real time if there’s anything insightful that I can share with other teams, I’ll send it in email format or go up and talk to them and let them know.

Whenever something interesting is said about our partners, we will pass that on to them and it helps in their relationship management and knowing what they’re up to and how their students deal and interact with their brand.

At the strategic level, a monthly social media report was sent to the marketing team and a group of senior managers, including the General Manager, Sales Director, Marketing Manager, Website Manager, Finance Manager and Partner Manager (EC5 and EC6). The Brand Marketing Coordinator explained:

When it comes to competitors or what’s happening in the industry, that’s passed on to our strategy team and our senior management team. So I would summarize in a couple of emails every now and then a sort of round up of news that we picked up from social media from Twitter and online forums and news websites and stuff like that, I’ll summarize what’s being said about our competitors, about our partners, about the changing nature of the education industry in terms of a shift from on campus to online or any sort of changes like that. ...

5.6.5 Utilization of social media data

EduConsultCo mostly utilized social media data at the operational level with a combination of reactive and proactive approaches. The Marketing Manager emphasized that social media data mostly informed short-term decisions at the operational level:

We use the [social media] data for short term [decisions] ... down the track it should be [used for] long term strategy...

The Brand Manager added:

There are two ways that we monitor social media, one is more from a business intelligence, what’s happening in the market and competitor intelligence type of things... monitoring what’s happening in all the social networks ... to understand what is being said and spoken about in our industry, ... education and jobs, careers, and mentions of our brand name and of our competitors etc. We use that as a listening sort of strategy [strategic level]...

The other is more performance of our activities in social media... [operational level- mostly used for measuring the effectiveness of social media channel at this stage]
The Brand Marketing Coordinator also highlighted that the utilization of social media data at the operational level helped them to improve a number of business processes:

“We’ve been able to feed in information that we’ve had in terms of comments that people have left on [Facebook] Wall posts or Tweets from unhappy students, that we’ve been able to offer pretty valuable insights into how we need to change things so that doesn’t happen... I’ve seen a lot of stuff implemented from things that we’ve said in reply that we’ve got from social media in terms of insights and what customers are thinking.

In addition to dealing with immediate issues that aimed to mitigate possible threats, EduConsultCo also proactively utilized social media data to seize operational opportunities. The proactive utilization involved two parts. One aspect was that the central SMM team proactively sought opportunities on a daily basis, such as new customer opportunities. The other aspect was that the central SMM team conducted several small-scale social media campaigns, in which SMM was used to measure the effectiveness of those campaigns; thereby, it helped EduConsultCo to improve the performance of their social media campaigns. For example, at the time of this case study, EduConsultCo was running a small-scale Facebook campaign to increase their reach through social channels, in which SMM was used to continuously measure the effectiveness of this campaign and to inform decisions in this regard. The Marketing Manager noted:

“We’re running a campaign at the moment that ties music and studying together and music inspiration together and before we decide on the content we’ve got a post out on Facebook to kind of test the water... to try and see how our audience would respond to those things together... we got a fairly warm response... so OK they seem to connect the topics between the two so it’s probably a good way... I would definitely use that as a way to test the water, as a way to tap into the consumer mindset and different things like that.

Overall, at the operational level, the utilization of social media data was mostly limited to the branding functions where the SMM capability was centralized, in particular in brand building, brand engagement, lead generation (EC13, EC14, EC16 and EC22). At the strategic level, there was no utilization of social media data or it was possibly limited to knowledge-enhancing use (EC8):

“We send out a monthly report which has all that data and insights that we’ve collected and I could bet they probably don’t read it...

5.7 Within case analysis: InsuranceCo

InsuranceCo is a large Australian organization that offers a comprehensive range of commercial, rural, personal and workers’ compensations products and has a combination
of B2B and B2C business models. InsuranceCo began developing an SMM capability from 2011 (two years before the conduct of this case study).

The SMM capability at InsuranceCo was partly decentralized in two business units (Brand and Corporate Communications, and Sales and Marketing) that were each allocated one full-time technical SMM role. These two roles monitored a broad range of social media platforms on a continuous daily basis. The two central business units also had access to a sophisticated, commercial SMM tool.

At InsuranceCo, social media data was utilized at both the operational and strategic levels, in particular in the two central business units that developed an SMM capability. At the operational level, InsuranceCo utilized social media data both reactively and proactively. As such, the utilization of social media data generated business value in various operations, such as Marketing and Branding, Sales, Relationship Management, Product Development and Customer Service at InsuranceCo.

Four interviews were conducted at InsuranceCo: two participants from Brand and Corporate Communications (the Manager of Digital Channels and the Digital Communication Advisor), one participant from Sales and Marketing, and the Senior Manager, Value Proposition Development (VPD), who was interviewed twice (including a follow-up interview in Phase 2). The follow-up interview is discussed in Chapter 7.

### 5.7.1 Structure of the social media monitoring capability

As mentioned above, InsuranceCo partly decentralized the SMM capability in two business units: Brand and Corporate Communications, and Sales and Marketing. These two business units were responsible for coordinating and managing SMM activities and disseminating the insights to other business units. The Manager of Digital Channels commented:

> It [The SMM capability] is centralized in two places... and they do different things but those two hubs kind of do drive what the other people see....

The use of SMM tools was also centralized at these two central business units. The Manager of Digital Channels remarked:

> All of salespeople have access to [the SMM tools]. It’s the same thing they’re seeing, it’s the same tool. The set up and the administration, the backend work and the eyes and ears and the categorization is done centrally but the actual application and access could happen anywhere.
5.7.2 Roles

As discussed above, at InsuranceCo various roles were involved in SMM. At the operational level, the two individuals in the technical SMM roles conducted an initial analysis of all the social media data captured via SMM tools. They reviewed and evaluated the captured data, removed the irrelevant data, categorized it, and disseminated it to the relevant business units (IC13). The Digital Communications Advisor described his role:

I read each comment and I manually go through every single thing that anyone has ever said about insurance on the internet in Australia…. it just gives me all the comments and I get to put them in the different stacks to do with the keyword group...

I get to either assign it if it’s positive or negative, I say where it’s from, I give it different tags. I put in a post tag, a source tag, an engagement level, a classification level, a sentiment and then I refer it if it needs referral. A tag is who wrote it, who said it. A post tag would be for example what it’s about.

In addition to the technical SMM roles at the central SMM business units, managerial roles were also considerably involved, in particular in the central SMM business units.

The Manager of Digital Channels commented:

[The central technical SMM roles] are gatekeepers and their job is to work with myself and our Marketing Manager to actually look at those broad trends

Our frontline team might capture, triage it and pass it on to the relevant expert. [For example] if you’re a domain [expert] in IT or expert in claims, you’re the person that’s ultimately got the responsibility for ownership. We kind of split it out to the people who are actually responsible for those areas.

The Senior Manager, VPD added:

… whilst our core would actually have a way of identifying opportunities, assigning and then following back up, once the handover happens in this discreet business unit they’ll again use their standard business process…

In our example how an issue that came through social channels is handled in our claims team would be different to how it would be dealt with in, say, our sales team...

At this stage, InsuranceCo did not allocate data analyst roles to SMM; thereby, the analysis was often limited to the system-generated reports.

5.7.3 Social media monitoring tools and analytics

InsuranceCo used sophisticated commercial and specialized SMM tools. The Senior Manager, VPD indicated:

We’re big users of some of the world’s biggest platforms. We have a robust SMM platform…
5.7.4 Process of social media monitoring

5.7.4.1 Collection

InsuranceCo collected information about a broad range of topics on a continuous daily basis (IC1). The Senior Manager, VPD indicated:

We obviously see what’s being spoken about our brand and look at the different sentiments both positive, negative and obviously neutral. We also look at the competitive landscape and see what’s actually being measured through the competitive landscape.

We also look to see what customer feedback is ... We’ve been using it, for our brand, for competitive and marketing intelligence and also customer [intelligence].

We look at major events and issues where you can actually measure sentiment conversation, reputation and opportunities.

Due to the decentralized structure, the collection of social media data was mainly divided into two parts, according to two functions of the business. Each part was conducted by one of the two central technical SMM roles. The technical SMM role at the Brand and Corporate Communications unit was responsible for issues related to the B2B functions of the business while the technical SMM role at the Sale and Marketing Unit monitored issues regarding the B2C functions of the business. Each team used a set of keywords to identify and capture relevant social media data (IC3); yet, there was a close collaboration between the two teams to avoid overlap and optimise the collection (IC4, IC18 and IC19).

The Digital Communications Advisor noted:

We [the central SMM business units] both use the same sort of tools, we’re looking at similar things but different. I’m more in charge of the broader brand itself whereas he’s [the SMM role in the other SMM business unit] more about engaging with our B2B stuff, our business partners and our brokers, talking more about product than actually marketing the products themselves, whereas I’m looking at the organization as a whole holistically. So the stuff that I’m in charge of is brand issues, anything that’s turning into some sort of media scandal, government relations stuff, anything to do with workers compensation, customer service, whereas he is specifically business to business...

InsuranceCo collected data from a broad range of social media platforms. However, all the interviewees emphasized that the decision to choose social media platforms was determined by their objectives in using that particular channel (IC2 and IC12). For example, the Senior Manager, VPD explained:

... depending on what objective we’re trying to achieve, we’ll use different social channels but primarily the masses are all across Facebook, LinkedIn and Twitter so I guess that’s where we spend most of our energy and effort and then forums and industry social channels are probably the fourth share. So you see things like
Instagram and Pinterest and we see things like Quora. They all have a role to play but they’ve obviously got a lesser focus because they’re not the bigger ones.

In addition to the general collection of social media data, InsuranceCo also conducted frequent planned social media campaigns to collect certain information to inform particular decisions (IC17). The Manager of Digital Channels provided an example of planned collection of social media data to inform a new product decision:

We’ve just released a new trade pack product and we have our insights team doing standard understanding of the trade market in Australia. We put a social analysis over that and what people are saying about trades, what a trade is... it completely changed how we went to market and what our brochures say... So when we were thinking about developing a product that’s where we did some of the research.

5.7.4.2 Analysis

Two types of analysis were conducted in InsuranceCo; channel-oriented and function-oriented. The Digital Communications Advisor provided an example of a channel-oriented analysis:

At the end of the month I run a big report and that is shared with the leadership team, with my team, with the company basically... that’s a report on, say, we received this many mentions, these are the issues that were spoken about, this is who was talking about the most, I’ll show the post tags, resource tags, word clouds, trends.

He also provided an example of a function-oriented analysis:

We segment [social media data] in terms of our business. We segment that as customers, as business partners, as employees. Then in terms of posts, we would be looking at things like is it about customer service, is it about a particular issue that I’m monitoring, is it more about business to business communications.

Another example of a more advanced function-oriented analysis is provided by the Digital Marketing Manager:

There’s a thing in [the tool that we use] that’s got a tick to buy and a tick to choose, so that’s picking up language that’s already been put in there about what people use when they want to buy or choose a product. I think that will grow, we’ll see beyond that too. What makes me satisfied, what makes me dissatisfied and pick up some of those broader themes.

5.7.4.3 Dissemination

At the operational level, the central SMM teams disseminated social media data to other business units to take a potential action. This could be issues such as customer service, or an opportunity such as customer and market opportunities. The Senior Manager, VPD indicated:
If we see an opportunity, it gets fed straight back into the different business units so they can then act on it... these happen on a daily basis.

InsuranceCo also developed a *formal* dissemination process at the operational level in which they specified the rules of dissemination based on the attributes of the social media data (IC5). They also allocated several formal contact persons in other business units to communicate with the central SMM teams and to follow-up the potential required actions (IC11). The Digital Communications Advisor noted:

> There’s a different process depending on what it’s about...

> In the immediate situation, say if there was someone who said something that was quite contentious or very issues heavy and very serious, within my team I would share that.... If I need to share it externally outside of my team and they don’t have the actual software, I’ll just screenshot it and I’ll let them know and I’ll give them a call and then I handle it from my end and then they follow it up.

The Manager of Digital Channels provided further details:

> If somebody says something about this, you tag it as this, if they say that then you ask this person about it and if there’s an issue this is who you contact. ... It’s all quite extensive and some of it’s quite serious

> Where it’s negative that goes straight to myself and our corporate affairs manager ... but when it’s just general customer services it usually goes straight back to our customer service people and we don’t worry about it. But where it escalates, there are definitely people that have to look at it because a level of response is required.

In addition to the formal dissemination processes at the operational level, InsuranceCo also *formally* disseminated the results of the monthly analysis of social media data to the managerial team at InsuranceCo (IC14). The Manager of Digital Channels highlighted:

> [We] share those broad trends with our CEO and our leadership team and decide if we need to make some business decisions on that...

### 5.7.5 Utilization of social media data

InsuranceCo utilized social media data at both the *operational* and *strategic* levels. At the operational level, they utilized social media data for *a broad range of functions in the two central business units*, such as marketing, branding, sales, relationship management, campaign development and customer service. Overall, the utilization of social media data generated business value in several business processes and capabilities (IC7 and IC9). The Manager of Digital Channels described the use of social media data at InsuranceCo:

> On a day-to-day basis [the utilization] is mostly short term. You’re solving immediate problems, you’re looking for insights on immediate questions you have, what’s the sentiment, what people think, what are the sales opportunities, where are we falling down, political issues what’s the position on it, that’s the short term stuff so you’re answering questions in the moment. It’s basically like having a panel on call...
The long term stuff is from our monthly reporting... There’s a bit in the moment and then there’s a bit for your long-term business planning. .... the insights that come out have become as important as some of the market research stuff we do.

In a similar vein, the Senior Manager, VPD highlighted:

We use it on a daily basis. We’ve been using it for a number of years and again depending on the different type of objective, frequency will scale up and down... so there is obviously a lot of short-term stuff but again we’ve got a social campaign that we’re executing right now and that’s very much about long-term.

The Manager of Digital Channels noted:

We have claims people who look at claims related stuff. We have sales and marketing people who look at the marketing and partnering type of stuff. So the relationship management sort of stuff and our team at a brand level....

It [social media data] is just another input into their day-to-day job.

At the operational level, social media data was utilized both reactively and proactively. The reactive utilization dealt with immediate issues and mitigated possible threats. Moreover, the proactive utilization identified and leveraged possible operational opportunities, such as new customers, or product or marketing opportunities. The Digital Communications Advisor provided an example of a reactive use of SMM in dealing with potential threats:

If someone’s claim wasn’t approved and they were not happy with the person they spoke to over the phone, they then have this additional level of communication with us before they get to the ombudsman which could then get much worse.

The Digital Communications Advisor provided another instance of a reactive use of social media data when a piece of information was leaked accidentally. In that case, they could identify the issue through SMM and quickly take necessary action.

We’re able to assist with the corporate affairs guys saying OK guys we’re getting this spoken about a lot here, what went wrong, what happened? One time one of our spokespeople, one of the guys in the leadership team, announced something and he shouldn’t have and I’m like what’s this, what are they talking about here, why are we getting all this stuff, what’s going on? And so I was able to go guys heads up, this has just been spoken about...

In addition to the reactive use of social media data, InsuranceCo also utilized the data proactively to identify opportunities on a daily basis. The Digital Communications Advisor provided an example of a proactive utilization of social media data:

We also monitor social media to find business opportunities. So if someone’s online and they’re saying I really need personal liability insurance for my new job, say if anyone had Tweeted that, a broker agent would have sucked that in and they go ‘oh I found that’ and they forward that to a broker.
The Manager of Digital Channels believed that the proactive use of this data helped InsuranceCo to improve its stakeholder relationships in many ways (IC6):

*It also helps you identify specific advocates that you can work with in industry, bodies that you can actually work with that are local because you can’t necessarily be local all the time. ... which is really different than any other tool we’ve had before.*

The Senior Manager, VPD added:

*We use it for our partners... we actually can do [SMM] on behalf of our intermediary partners to see what opportunities lay for them and it might be where we can actually channel a certain customer segment or an opportunity back through one of our partners and ultimately back to [our company]...*

In addition to the utilization of social media data in dealing with immediate issues and opportunities found through daily SMM at the operational level, InsuranceCo also utilized the data at the *strategic level*, as with other sources of external intelligence. The Senior Manager, VPD explained:

*We would get a lot of data and insights from external market research bodies and data specialists, social is one of those external channels. So we actually add that into the mix.*

The utilization of social media data at the *strategic level* was often *action-oriented*. Through SMM, InsuranceCo identified several opportunities that affected strategic and long-term decisions at InsuranceCo. The Senior Manager, VPD highlighted:

*We try to align as much as what social does back to our standard business goals, objectives and processes... [We] take a lot of that insight analyses and turn that into many of the business outcomes... many of the business initiatives.*

It is important to note that the utilization of social media data in strategic decisions only happened at the two central business units where SMM was centralized. The Senior Manager, VPD stated:

*What we also use is product, so we look at it from our product landscape and we look at it from a product landscape for specific customer segments. So where we identify opportunities for a customer who was seeking a need for a certain kind of product and through analyzing all of that we can understand whether there’s a sales opportunity or a product opportunity or a marketing opportunity.*

An example of the utilization of social media data in a strategic decision regarding new product development was provided by the Manager of Digital Channels:

*[We use social media insight in product development] massively. We’ve just released a new trade pack product ... We put a social analysis over that and what people are saying about trades, what a trade is... it completely changed how we went to market and what our brochures say...*
... That gave us completely different leads on how trade use in Australia perceive themselves and how they categorize themselves versus how some random body like the government had calculated it which is how your default action is to categorize them, because that’s how your systems work... So that gave us a much better sense of how they package themselves to give us so when you’re talking and selling the product, you sell it in a way that’s aligning to [the market].

The Manager of Digital Channels provided another example of strategic utilization:

When the Brisbane floods were happening, we knew that people didn’t like insurance companies very much because they didn’t have flood insurance... it wasn’t [part of insurance policies] because the government hadn’t given them any flood mapping... Now we don’t know all that technical background, a general consumer wouldn’t know about it.

... what we used social media for in that instance from the monitoring point of view is to understand what the concerns were and how much of the concerns. Was there lots of volume about it or was it something the news media were talking about a lot but actually at grassroots level it wasn’t a concern.

... Surprisingly actually at grassroots level, the public in areas that are popular flood zones, so Queensland, understood the problem much better than we thought they did and that’s what social media did for us. Obviously there was anger and we picked that up and understood what that was, but there was a lot more other people defending that ... and that surprised us.

As a result, the utilization of social media data in strategic decision-making led to several changes and improvements in the existing business processes and capabilities at InsuranceCo. Moreover, several new business initiatives were implemented as a result of opportunities found in social media. The Senior Manager, VPD noted:

We can probably draw on a number of case studies where social has identified opportunities or business leads and we’ve actually drawn on those to actually move into our framework.

The Senior Manager, VPD also emphasized that the action-oriented utilization of social media data at the strategic level depends on many other factors:

... identifying opportunities doesn’t mean you act on an opportunity. It then has to go through any company’s gating process or governance process or approval process to turn an opportunity into an initiative ... if it’s got a good size of prize, we’ll put it into our framework for developing a true business project or a true business initiative out of it.

5.8 Within case analysis: TechCo

TechCo is a large multinational company, which provides technology solutions and business consulting to other enterprises. TechCo began developing an SMM capability in 2011. TechCo had a B2B business model.
TechCo developed a decentralized SMM capability in the Marketing and Communications business unit with functionally focused SMM roles across all the departments within this business unit. Within the Marketing and Communications business unit, the Digital department was responsible for the coordination, training and management of all the SMM activities. The Digital department also included data analyst roles to perform advanced social media data analyses. TechCo also used outsourced external services to further analyze social media data. It used sophisticated, specialized SMM tools and analytics both internally and externally through their external agency.

As a result of the decentralized SMM capability, all the departments within the Marketing and Communications embedded SMM in their processes and capabilities, such as Content Marketing, Marketing Communication, Market Segmentation, Campaign Development and Customer Relationship Management. Social media data was utilized in those departments on a daily basis, both reactively and proactively. TechCo also utilized social media data for long-term strategic decisions, in particular in the Marketing and Communications business unit. As implied in the interviewees’ comments, the utilization of social media data had several positive business outcomes, in particular in the Marketing and Communications business unit. It is expected that with further developments of the SMM capability at TechCo, other business areas will also integrate SMM into their processes.

The researcher interviewed the leader of the Digital team and two managers from two different departments within the Marketing and Communications: the Market Segment Manager, and the Marketing and Communications Strategic Leader.

1.1.1 Structure of the social media monitoring capability

TechCo developed a fully decentralized SMM capability within the Marketing and Communications unit consisting of several departments and 160 individuals. Most of the departments within this business unit developed an SMM capability, meaning that the departments performed SMM for the specific purposes of their own business unit at the operational level. They had functionally focused SMM roles and had access to SMM tools. The Digital Leader described the structure of the SMM capability:

*We have got a combination of both [centralized and decentralized capability]...*

The use of SMM tools was also decentralized across departments within the Marketing and Communications business unit. These departments often used SMM tools for their own specific purposes when required. The Marketing and Communications Strategic
(MCS) Leader who led one of the departments within the Marketing and Communications indicated:

I do use [SMM tools], at times, ... If we have an event or a campaign, I look at what conversations are happening around a hashtag or like, but on a regular basis or as far as being involved in ongoing media monitoring, I am not heavily involved in that.

5.8.1 Roles

Because of the decentralized structure of the SMM capability at TechCo, several functionally focused roles within several departments of Marketing and Communications were involved in SMM. The Digital Leader highlighted:

There isn’t one group that only looks after social media, it is a shared responsibility across all...

It is an expectation that as a Marketing and Communications professional at [TechCo], those are skills that you have or that you are growing...

In addition, the Digital department was responsible for the coordination, training and management of all SMM activities (formal coordinator roles). The large-scale analysis of social media data was also performed by data analyst roles located at the Digital department. Moreover, the Digital department was responsible for continuously renewing the skills and expertise of the decentralized SMM teams, so that they could independently perform SMM for their specific functions. Within the Marketing and Communications, managerial roles were also involved to a great extent.

5.8.2 Social media monitoring tools and analytics

TechCo had access to multiple sophisticated commercial and specialized SMM tools and analytics both internally and externally through their external digital agency. The Digital Leader noted:

Our agency has its own suite of tools and then we use our own as well. When we want to really narrow in and drill down into a particular focus area or a particular industry, then we will work with the agency to dig deeper and really get to the bottom of something.

5.8.3 Process of social media monitoring

5.8.3.1 Collection

TechCo gathered social media data about a wide range of topics on a continuous basis. The Digital Leader remarked:

What we are looking for, for our clients, is a really good understanding of the tonality, where they are present, how they like to digest information, where they like to digest
information... It is learning about not just what it is that their pain points are, but also details around their degree of connectedness within social media... how connected that individual might be with the rest of their directors, the rest of their board, and then [TechCo’s employees] ... to sum it up, is about relationships as well.

TechCo monitored a broad range of social media platforms at the operational level; however, being a B2B business, TechCo found that LinkedIn and Twitter had more relevant and useful information for their type of business. Yet, similar to other cases, the choice of a social media platform was related to the objectives of monitoring (TC1 and TC6). The Digital Leader indicated:

... with our clients and our B2B context, it is mostly LinkedIn and Twitter.

Definitely LinkedIn is a really great business platform for us to use. There are a lot of very active groups that our clients are part of on LinkedIn, so that is particularly helpful...

We do also have a presence across Twitter, but it is more on a one-to-one level. If it is an individual who wants to reach out to a client exec or a lead development representative, then they are probably going to use it more for Twitter, as opposed to the big robust group conversations on LinkedIn.

The collection of social media data was highly focused/planned. The approach of the Digital team was to collaborate with the departments to identify the research areas that could potentially inform certain business decisions (TC7). Based on agreed objectives of monitoring, the Digital team then collected relevant social media data and analyzed it accordingly. The Digital Leader explained:

What we try to do, and where we have the best success, is when we partner together for social insights programs... We have many different programs within marketing. [Different departments] have a different objective; they all have a different brand which they are aligned to, so they are all trying to get the best marketing plan out there for their particular area of the business.

What we’ll do is typically figure out an agreed set of objectives for the listening program, and then from that we’ll start to shape our data layer. We’ll start to think about where we need to draw from... and literally start to detail individual keywords and individual names that we can then tap into as a resource.

From that, we then work through a series of lenses. We will apply an insights lens. If we’re particularly interested in [topic X], then we will [look at that topic] and where those conversations are happening to the team that would relate to most. Then we can take other pockets of information to the other teams which they would need.

5.8.3.2 Analysis

TechCo performed three types of analysis; channel-oriented, function-oriented and research-oriented. At the operational level, with the decentralized structure of the SMM
capability, the departments within the Marketing and Communications had access to the SMM tools that supported function-oriented analysis. The Digital Leader noted:

[Each department] have a different objective; they all have a different brand which they are aligned to, so they are all trying to get the best marketing plan out there for their particular area of the business...

The Market Segment Manager provided an example of a function-oriented analysis (TC12):

It would really be about ... consideration, preference and likelihood to recommend. It is also about clients pain points; what they are saying, so that we can then incorporate messaging that seeks to alleviate or address clients pain points; and also talking about what is being said, like the conversation cadence et cetera, and what insights are hidden within that to feed the selection of attractive and addressable market segments.

In addition, the Digital team was responsible for the collection and analysis of social media data for strategic purposes (i.e. longer-term decisions). The MCS Leader noted:

...the bigger, larger analytics are usually done [in the Digital team]. [They] specifically get that trend information, whereas my monitoring is more campaign specific. What I have in market at the current time is what I am monitoring, rather than the large holistic campaign... we will just do it locally if we feel that something is happening in the market at the moment. For example, today I will be monitoring certain conversations because there is a large event which we are at in Sydney, so I will jump on and have a look at what conversations are happening in that space and see if there is opportunity there.

At the strategic level, the Digital team conducted a more sophisticated analysis using advanced social media analytics. As reflected in the comment below by the Digital Leader, the analysis of social media data at the strategic level was often research-oriented, therefore, addressed specific issues (TC8).

From time to time we will run deliberate listening programs for a business need. If, for example, we have a top-performing account and we have a low-performing account, we will run separate exercises to uncover what it is and why it is that they are a top or low-performing account. We will go under the covers, we will learn a little bit more about the client, learn about what it is that their employees are saying about [TechCo] and the company. That is particularly helpful when we work through, say, our customer relationship planning, so for the business as opposed to a marketing program, helping the business with those types of activities is very valuable.

The Digital team also occasionally outsourced the analysis of social media data to perform a more in-depth analysis. The Digital Leader highlighted:

When we want to really narrow in and drill down into a particular focus area or a particular industry, then we will work with the agency to dig deeper and really get to the bottom of something.
5.8.3.3 Dissemination

Due to the decentralized structure of the SMM capability, each department conducted SMM for their own purposes. Thus, there was no need for dissemination of social media data and insights within the Marketing and Communications business unit at the operational level. However, at the strategic level, the Digital team developed formal processes to disseminate the insights gained through planned SMM activities to other departments within the Marketing and Communications unit (TC3, TC4 and TC9). The Market Segment Manager provided details about the formal dissemination of insights generated through SMM to his department:

The analysis component is provided to us as part of the material that comes from outside our own business units... It is a combination of channel feedings. There will be teleconferences... where they invite marketers and market managers to attend calls where there will be briefings on specific insights. Those sessions are recorded and playback details are made available for ongoing reference. Those insights are also delivered by presentation and stored within internal communities for future reference. And then finally there will be, rarely but they do happen, face-to-face briefings with senior management executives.

The Digital team also provided social media reports to other business units on request (TC2, TC10 and TC11).

5.8.4 Utilization of social media data

TechCo utilized social media data at both operational and strategic levels for a broad range of marketing and communications functions, such as marketing communication, content marketing, market segmentation, campaign development, and customer relationship management. The Market Segment Manager noted:

I would say that all [departments within the Marketing and Communications unit] use the data. That would be the brands in which the products sit within, software group, systems and technology group and global technology services as well as global business services.

At the operational level, the utilization of social media was both reactive and proactive. The Market Segment Manager noted:

... the messaging and marketing campaigns can align with those insights or incorporate those insights, but also to the sales and distribution organizations so that,... those insights can be applied by the sellers as they take the products to market.

The Digital Leader provided an example of a proactive utilization of social media data in customer acquisition, which happened on a daily basis.
That [SMM] allows us to say... client X is talking about [one of our products] in this particular forum. So how connected are we to this individual? Is this an account? Is this someone that we have a good working relationship with? Are they interested in having a dialogue with [TechCo]? Can we help that client? That is where we start to develop a plan based on working through that structured approach.

In addition, social media data was utilized for improving customer retention (TC5). The Market Segment Manager remarked:

The sales force would be using those insights pretty much as a weekly component of their [operations] ... They then pick up the phone or email their clients and modify their approach to incorporate the insights that they have been given...Those insights really help guide the sellers about how they can best position our product portfolios against competitors' similar offerings.

Moreover, through SMM, TechCo assessed the effectiveness of their marketing campaigns. The MCS Leader provided further detail:

Often when we do a campaign we have different channels. We do traditional email and potentially some LinkedIn and we have our sales organization also start that conversation socially through their prospects... It would be, from an objective perspective, to see if people are starting to talk about their topic of interest, to see if our message is resonating in the market, if people are putting the two together. The main objective for us in terms of monitoring would be to see how our stories are ’reaching’ the market, if it is of interest and topical. For my team [one of the metrics] would be reach.

The MCS Leader provided another example of the proactive utilization of social media data in campaign development:

We get a lot of insight around topics of interest so when we are organizing events or demand generation, we can see what people are talking about,... we can determine what is a pressing issue, concern or a hot topic at the moment, ... and then analyzing that data... we can build an event or build a campaign or an offer. If something, a price point offer, addresses that concern, we can build an event that is specifically about analyzing your data or how data can help you with marketing. We use that to drive topics of interest and events... We use that in terms of building our campaigns....

Moreover, TechCo also significantly utilized social media data in long-term strategic decisions which was mostly action-oriented. The Digital Leader remarked:

It [social media data] is used in quite a few different ways to help the business. Whether it is marketing insights or the social insights, they are all fed into a marketing plan or a marketing segment plan, which is all intended to assist business performance.

For example, the Market Segment Manager provided an example of the utilization of social media data in enhancing market segmentation and market targeting capability:
... talking about what is being said, like the conversation cadence etc., and what insights are hidden within that to feed the selection of attractive and addressable market segments.

5.9 Cross-case comparison of Phase 1

The analysis of the case studies indicated various characteristics of the SMM capability at the case organizations. Table 5-8 provides a summary of the cross-case comparison of Phase 1, and illustrates various characteristics in terms of the components of an SMM capability in the different cases. The last row describes the extent that social media data were utilized at the operational and strategic levels.
Table 5-8: Cross-case Comparison of the Components of the SMM Capability-Phase 1

<table>
<thead>
<tr>
<th></th>
<th>CarCo</th>
<th>EduConsultCo</th>
<th>InsuranceCo</th>
<th>TechCo</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Structure</strong></td>
<td>Centralized</td>
<td>Centralized</td>
<td>Partly decentralized SMM capability in two business units</td>
<td>Fully decentralized SMM capability in all departments within one business unit</td>
</tr>
<tr>
<td><strong>Resources</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roles</td>
<td>Informal SMM roles (mostly individuals’ ad-hoc SMM efforts)</td>
<td>One full-time technical SMM role for selected social media platforms</td>
<td>Two full time formal technical SMM roles within two business units</td>
<td>Functionally focused SMM roles in all departments within one large business unit</td>
</tr>
<tr>
<td></td>
<td>Managers were moderately involved within one business unit</td>
<td>Occasional experimental planned small scale campaigns</td>
<td>Managers were considerably involved within the two central business units</td>
<td>Managers were considerably involved within all departments of one business unit</td>
</tr>
<tr>
<td></td>
<td>No data analyst role</td>
<td></td>
<td>No data analyst role</td>
<td>Several data analyst roles</td>
</tr>
<tr>
<td><strong>SMM tools and analytics</strong></td>
<td>Basic, free SMM tools</td>
<td>Multiple basic, free SMM tools</td>
<td>Sophisticated commercial and specialized SMM tools for selected social media platforms</td>
<td>Sophisticated commercial and specialized SMM tools</td>
</tr>
<tr>
<td></td>
<td>No internal advanced analytics</td>
<td>No internal advanced analytics (mostly manual reporting)</td>
<td>No use of advanced social media analytics (mostly system-generated reporting)</td>
<td>Internal and external use of advanced social media analytics</td>
</tr>
<tr>
<td><strong>Process</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collection</td>
<td>Occasional monitoring, limited to the company’s Facebook page</td>
<td>Continuous SMM for selected social media platforms</td>
<td>Continuous SMM for a broad range of social media platforms</td>
<td>Continuous SMM for a broad range of social media platforms</td>
</tr>
<tr>
<td></td>
<td>Often unplanned ad hoc monitoring</td>
<td>Occasional experimental planned small scale campaigns</td>
<td>Frequent planned social media campaigns</td>
<td>Frequent planned operational and strategic social media campaigns</td>
</tr>
<tr>
<td>Analysis</td>
<td>Channel-oriented, mostly outsourced</td>
<td>Channel-oriented, campaign analysis, occasionally outsourced advanced analysis</td>
<td>Channel- and function-oriented (descriptive analysis, occasional qualitative social content analysis), occasional future-oriented, mostly internal</td>
<td>Channel-, function- and research-oriented (campaign level analysis, quantitative and qualitative social media content analysis), internal and outsourced analysis</td>
</tr>
<tr>
<td>Dissemination</td>
<td>Operational: informal and limited to the immediate issues</td>
<td>Operational: formal Strategic: relatively informal</td>
<td>Operational: formal Strategic: formal</td>
<td>Operational: no dissemination due to decentralization Strategic: formal reporting within one business unit</td>
</tr>
<tr>
<td></td>
<td>Strategic: formal</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Utilization</td>
<td>Operational: limited to addressing ad-hoc and reactive problem solving</td>
<td>Operational: reactive use enterprise-wide and proactive use within the central SMM team</td>
<td>Operational: reactive use enterprise-wide and proactive use within the two central SMM teams</td>
<td>Operational: reactive and proactive use within the departments of one business unit</td>
</tr>
<tr>
<td></td>
<td>Strategic: possible limited knowledge-enhancing use</td>
<td>Strategic: possible knowledge-enhancing use</td>
<td>Strategic: several action-oriented uses within the two decentralized units</td>
<td>Strategic: several action-oriented strategic use within departments of one business unit</td>
</tr>
</tbody>
</table>
5.10 Outcomes of Phase 1

The case studies during Phase 1 allowed the researcher to build a more accurate picture of the SMM phenomenon, something that could not be gleaned easily from the existing literature at this early stage of the academic literature on social media. As discussed in this chapter, the analyses of the cases suggested various characteristics in terms of the components of the SMM capability (i.e. the structure of the SMM capability, roles, SMM tools and analytics and the process of the SMM) in the four cases. More importantly, the analysis also illustrated that the extent to which case organizations utilized social media data was related to the characteristics of their SMM capability (explained in more depth in Chapter 6). Having gained this level of understanding of the SMM phenomenon prompted the researcher to formulate a further research question as follows:

3. How do different characteristics of an SMM capability impact on the utilization of social media data?

The next two chapters (Chapters 6 and 7) address the above research question (RQ3). In doing so, Chapter 6 develops a number of theoretical propositions based on an initial understanding of the SMM capability in Phase 1. The researcher then conducted an additional phase (Phase 2) of study to further examine the developed propositions in a new case study in more depth (intensity sampling) (Miles & Huberman, 1994; Paré, 2004; Patton, 2002). These results are presented in Chapter 7.

Also, the more specific research question guided the researcher towards determining the attributes of a desired case in Phase 2 (i.e. case selection strategy). There was a need to find an additional case organization with effective utilization of social media data (i.e., more proactive and action-oriented utilization in a broader range of business functions), so that the researcher could explore the impact of various characteristics of the components of an SMM on the utilization of social media data in further depth.

5.11 Summary of the chapter

This chapter presented the analysis of the four cases in Phase 1 of this research. As a result of an iterative analysis process, the researcher refined the initial analytical framework that was then used as an instrument to systematically analyze and compare the SMM capability of the four case organizations. The chapter concluded by reviewing the outcomes of Phase 1 and the rationale for conducting the second phase of the study. The next chapter discusses the theoretical propositions.
6 THEORETICAL PROPOSITIONS

6.1 Overview

Chapter 5 presented the analysis of the case studies conducted in Phase 1. The analysis of the empirical evidence illustrated various characteristics in terms of the components of an SMM capability as reflected in the structure of the SMM capability, roles, process, SMM tools and analytics (Table 5-8). Moreover, these various characteristics influenced the way the case organizations utilized social media data (explained in further depth throughout this chapter).

In following the theory-building approach of this study, and to address the third research question proposed in Chapter 5, this chapter presents theoretical propositions developed as a result of the analysis of the case study evidence. The next section first provides a description of how the propositions are developed, followed by an outline of the propositions.

6.2 Developing the theoretical propositions

In developing the theoretical propositions, the outcome of interest was the utilization of social media data. Thus, the researcher compared the various characteristics of the SMM capability with the utilization of social media data by the case organizations. As a result, the propositions have two aspects; the characteristics of the SMM capability and the utilization of social media data.

The researcher considered two strategies in developing the theoretical propositions (Dubin, 1978; Eisenhardt, 1989; Paré, 2004). First, the characteristics of the SMM capability and the extent of the utilization of social media data were compared across the case organizations to identify similarities and differences and the characteristics that appear instrumental towards more or less utilization. Moreover, in some cases, the interviewees reflected their desire to have certain characteristics of the SMM capability in the future, as they believed it would perform better than the current one. In other words, the propositions are supported by both direct and indirect evidence.

Moreover, as an important part of theory-building, the researcher also compared the emerged attributes of the SMM capability and the theoretical propositions with the relevant literature, referred to as ‘enfolding literature’ by Eisenhardt (1989) and Paré (2004). According to Yin (2014), comparing the propositions with the relevant literature increases the external validity of the research result. The structure of this section for
developing propositions is guided by the approach followed by (Jaworski et al., 2002) in the ‘enfolding literature’ (Eisenhardt, 1989; Paré, 2004) phase.

The proposed theoretical propositions are discussed in the following sections.

6.2.1 Utilization of social media data at the operational and strategic levels

As discussed in Chapter 5 (Section 5.3.5), the case organizations utilized social media data at two levels; operational and strategic. At the operational level, the utilization of social media data informed short-term and operational decisions, whereas at the strategic level, the results of the analysis of social media data informed longer-term strategic decisions.

The analyses showed that all the case organizations utilized social media data at the operational level, yet in a varying range of functions. However, only TechCo (and InsuranceCo to some extent) utilized the insights gained from SMM at the strategic level. CarCo only utilized social media data at the operational level and mostly in a reactive manner. EduConsultCo utilized social media data at the operational level both reactively and proactively. In fact, this dualistic nature of the utilization of social media data is atypical of many other documented studies in information and communications phenomena in organizations that often only manifest at the operational level.

Recent findings in the literature on social media also suggest that the utilization of social media data is useful at both the operational and strategic levels. Prior studies often examined the utilization of social media data in one business function/area, but there is no comprehensive study that has covered the enterprise-wide utilization of social media data. For example, at the operational level, Wan and Paris (2014) found that the utilization of customer feedback from social media could improve government services. Moreover, Modoran (2015) found that using social media for customer service can enhance the overall customer service experience, customer satisfaction, and loyalty by increasing communication transparency and providing instant feedback that leads to richer customer insights.

Furthermore, in the context of marketing communication, Töllinen and Karjaluoto (2011) showed how social media metrics could measure the effectiveness of marketing communications and inform relevant decisions accordingly. Several other studies showed the usefulness of social media data in operational level business decisions in areas such as recruitment (Roth et al., 2013), reputation management (Seebach, Beck, & Denisova,
Moreover, several recent studies showed that social media data can be used at the strategic level, in particular for long-term decision-making (Grubmüller et al., 2013b; Nguyen, Yu, Melewar, & Chen, 2015; Quinton, 2013; Tuarob & Tucker, 2013). For example, Quinton (2013) suggested that social media can be exploited as both the source and the tool for research and the generated insights from the social media data analysis can contribute to the development of strategy. Grubmüller et al. (2013a) demonstrated the utilization of social media data for future-oriented policy making for governments. Tuarob and Tucker (2013) illustrated the utilization of social media data in predicting new product market adoption. Moreover, an empirical study by Nguyen et al. (2015) found that knowledge acquisition from social media contributes to the service innovations, which implies utilization of social media data at the strategic level.

Thus, the above argument suggests the following proposition:

**Proposition 1a**: The utilization of social media data can inform both operational and strategic level decision-making.

More importantly, as discussed in Chapter 5, Section 5.10 and throughout this chapter, the analyses illustrated that the extent to which case organizations utilized social media data is likely to be related to the attributes of their SMM capability in terms of the underlying components of the capability (i.e. structure, roles, SMM tools and analytics and SMM process). As also summarized in the cross-case analysis in Table 5-8, the increasing utilization of social media data in the case organizations is likely to be associated with the level of development of the components of the SMM capability.

Thus, the following proposition is put forth:

**Proposition 1b**: The level, type and range of utilization of social media data is related to (1) the structure of the SMM capability, (2) allocated resources, and (3) the SMM process.

The following sections suggest a number of propositions that provide further details about the relationships of various characteristics of an SMM capability with the capability outcome (i.e. the utilization of social media data).
6.2.2 Formal SMM roles

The evidence showed that the four case organizations had various SMM roles (see Section 5.3.3), however they differed in terms of the level of formality in allocating these roles. The researcher observed that the allocation of the SMM roles in the case organizations ranged from individuals’ informal ad-hoc SMM efforts towards having formal roles in one (or limited) business unit, and then towards allocating formal functionally focused SMM roles in different business units.

For example, SMM at CarCo was limited to individuals’ informal ad-hoc efforts within one business unit. CarCo did not allocate any formal role that was fully dedicated to SMM. As opposed to CarCo, the other cases dedicated formal roles for SMM. For example, EduConsultCo allocated one formal role in the branding department, with a full-time individual working in this role. Two managerial roles (i.e. the brand and marketing managers) within the same business unit were also involved in SMM to some extent. In addition, other business units at EduConsultCo, allocated one formal contact person to communicate with the central team at the Branding department.

Moreover, InsuranceCo dedicated two formal SMM roles in two different business units. Managerial roles were also considerably involved in those two business units. Similar to EduConsultCo, InsuranceCo allocated formal contact persons in other business units. Finally, TechCo dedicated several formal, functionally focused SMM roles in different departments within the Marketing and Communications business unit. The individuals in this role performed SMM at the operational level. In addition, a number of analyst and coordinator roles were located centrally in the Digital department. The individuals in these roles frequently collaborated with the departments to identify their specific business requirements. As a result of this arrangement at TechCo, several managerial roles in different departments were involved in SMM.

The analysis suggested that the variation in the level of formality of the SMM roles was related to the way the case organizations performed the SMM process, which, in turn, affected the utilization of social media data. In other words, the collection, analysis and dissemination of social media data was more effective with the increasing degrees of formality of the SMM roles, so that they could identify potential opportunities and threats in a timelier manner. Also, the utilization of social media data at the operational level was more proactive.
A review of external intelligence literature also supported the importance of formality of the roles in an external intelligence capability. For example, Dishman and Calof (2008) observed formal intelligence efforts contributed to the planning phase in the intelligence process. Similarly, in the context of social media, Versluis (2013) and Owyang (2011) recognized the need for formal social media efforts of organizations, as they contribute to the effective utilization of social media in business functions.

Thus, in the context of SMM, the following proposition is put forth:

**Proposition 2:** A higher degree of formality of SMM roles will be associated with greater effectiveness\(^9\) of the SMM process (i.e. collection, analysis and dissemination).

6.2.3 Functionally focused SMM roles

The analysis of the SMM capability at the case organizations showed that in a centralized setting (i.e. at CarCo and EduConsultCo), the SMM was often performed by one individual/team on behalf of other business units. However, this central team/individual could be often limited in its ability to understand the business needs of other business units, which could possibly impact on their ability to collect relevant social media data. In a similar vein, the interpretation of the data could also be limited and less useful and relevant for other business units.

Several interviewees highlighted the benefits of allocating functionally focused roles. For example, TechCo allocated functionally focused SMM roles across different departments at the marketing and communications business unit. The Digital Leader at TechCo provided the rationale for allocating functionally focused roles:

*The reality is that really only you know what it is that you want to gather out of that information and how you will use that information.*

InsuranceCo also allocated functionally focused SMM roles but only in two business units (see Section 5.6.2). The Senior Manager, VPD at InsuranceCo discussed the effectiveness of allocating functionally focused SMM roles in the comments below:

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\(^9\) The indicators of effectiveness of the components of SMM capability (i.e. collection, analysis, dissemination, structure of SMM capability, roles and SMM tools and analytics) and utilization are elaborated in Chapter 5, Section 5.3. For example, effectiveness of utilization subsumes type, range and level of utilization (refer to Section 5.3.1).
Once you do decentralize it, then you will be in a better space to make some core decisions on what you would actually focus on. If you keep it too much at the core, you will only do a very thin layer of it and you will not get deep into specialist skills because the brand communications team know nothing about customer service or they may know nothing about the actual sales or they may not know about the product...

Sometimes the responsiveness or sometimes the depth could not be as good as what it would be as if you had a dedicated resource in every business unit and that was part of their role.

The Marketing Manager at EduConsultCo also conveyed her plan to allocate functionally focused SMM roles in the future:

Our ideal would be to have proper representatives in each of the sales teams have an allocated time to actually go on to our platform, our social media assets, because they’re the experts in their industry, whether it’s IT or counselling or acupuncture ... That’s what we’ll be moving towards.

A review of the literature also supported the above insights. For example, Culnan et al. (2010) argued that organizations assign responsibility to designated employees or departments for monitoring social media based on the planned objective(s) of the SMM. They further suggested that given the objectives of SMM, these roles could be in any business unit, such as customer service, marketing, public relations, or human resources. Similarly, in the context of IS, Peppard (2013) emphasized that generating business value from IS/IT is a knowledge practice and, therefore, it should be a shared responsibility of different roles in the organization. Moreover, in the context of external intelligence, Prescott (1995) and Dishman and Calof (2008) suggested that an effective competitive intelligence operation needs to have many individuals throughout the organization involved in this intelligence process. As such:

**Proposition 3a:** The allocation of functionally focused SMM roles is likely to improve the effectiveness of the collection of relevant social media data and function-oriented analysis. In turn this is likely to lead to a greater proactive utilization at the operational level.

Furthermore, based on the above argument, this study suggests that allocating functionally focused SMM roles could improve the effectiveness of the collection and analysis of social media data, which in turn can produce more actionable insights for various business functions. Therefore, the utilization could occur in a broader range of functions and that it is possibly more proactive:
Proposition 3b: The allocation of functionally focused SMM roles is likely to improve the effectiveness of the collection of relevant social media data. In turn this is likely to lead to a broader range of utilization.

6.2.4 Data analyst roles

The analysis of the SMM capability showed the importance of the data analyst roles, particularly at the strategic level. The researcher observed that the level of analysis required at the operational level was often fulfilled by the system-generated reports provided by SMM tools. However, at the strategic level, the analysis was often more complex, and involved multiple data sources, which required more input from data analyst experts.

The analysis of the cases showed that only TechCo had formal data analyst role(s). They had several individuals in these roles within the digital department who collaborated with subject matter experts in several departments to conduct advanced analyses of social media data for the specific purpose of their functions. In addition to these internal roles, TechCo used external social media data analytics services. In contrast, CarCo, EduConsultCo and InsuranceCo did not have any data analyst role dedicated to SMM. Therefore, the analyses of social media data in these cases were often limited to system-generated reports.

The need for data analyst roles in ‘advanced use’ of social media data was also recognized in an industry report by Owyang (2011). Thus, the following proposition is suggested:

Proposition 4: Data analyst roles are necessary for the analyses of more complex, multiple social media sources. In turn these kinds of advanced analyses are likely to lead to the utilization of insights generated through SMM at the strategic level.

6.2.5 Involvement of managerial roles

The evidence from case studies showed the importance of the managerial roles, in particular, at the strategic level. As opposed to the operational level where social media data is often utilized by staff to inform short-term decisions, at the strategic level, more senior managers are the ultimate users of the insights generated through SMM. Therefore, the involvement of managerial roles in the SMM process potentially leads to generating
more actionable insights that, in turn, are more utilized by them when making strategic decisions.

The researcher also observed that in the cases with more involvement of managerial roles in the SMM process, particularly in the planning phase, the generated insights were utilized more at the strategic level. For example, at TechCo, there was a close collaboration between the Digital team (which involved technical SMM, data analyst, coordinator), and managerial roles in the functional departments to identify possible research areas that could inform certain strategic decisions. The Digital Leader at TechCo believed that this collaboration enhanced the effectiveness of the entire SMM process:

_What we try to do, and where we have the best success, is when we partner together for social insights programs... [We] typically figure out an agreed set of objectives for the listening program, and then from that we’ll start to shape our data layer... The structured approach is very much about having that data layer, agreeing on that from the beginning, making sure that all the teams know and understand that this is the group that we will be gathering information from._

In contrast to TechCo where social insights were produced in close collaboration with managers, there was limited involvement of managerial roles at EduConsultCo. Since the centralized SMM team had a limited strategic vision, the generated insights could not be as useful as if they were produced together with the users of the insights (i.e. managers). The Brand Marketing Coordinator who had a technical SMM role at EduConsultCo noted:

_I have no experience in business analysis or anything like that so I don’t really know how it is that they make decisions. I don’t know what they base it on so it’s hard to try and feed that into them because I’m not a business analyst, I don’t know what’s important for them._

At EduConsultCo, the involvement of managers was limited to the Branding department where SMM was centralized. The Brand Marketing Coordinator highlighted the need for the managerial roles:

_I mostly do analyzing of what’s happening in social media. In terms of turning that into insight for the business, I kind of have a crack at it but [the Brand Manager] is a much more experienced marketer and has been with [the company] for many years, is probably more able to turn that into insights and he will probably do more of that work... that’s the harder part for me._

As reflected in the comment below by the Brand Marketing Coordinator at EduConsultCo, in order to produce actionable insights at the strategic level, the technical SMM roles need to be complemented with managerial roles that require broader business knowledge and strategic vision.
I can get all of the analysis of what’s happened really easily, crunch all the numbers and put them into nice spreadsheets and then actually sitting down and thinking about what this means next, how do we use this information, that’s the draining part where you’ve really got to know a lot of stuff ...

A review of the external intelligence literature also supported the above insights. For example, in the context of market research, Deshpande and Zaltman (1982) found that greater interaction between managers and (market) researchers during a research project enhanced the use of the results of market research by managers. Moreover, in the literature on social media, Kleindienst et al. (2015) suggested that “healthy communication between executives and SMA experts needs to be ensured. The latter should be encouraged to report about new SMA concepts, which could potentially enable the collection of new business insights” (p. 11)

Thus, the following proposition is put forth based on the above argument:

*Proposition 5: The more managerial roles are involved in the SMM process (especially during planning), the more likely the utilization of insights, particularly at the strategic level.*

### 6.2.6 Specialized tools

The analysis of the case organizations also showed that various tools ranging from freeware online to commercial specialized tools were used by the case organizations for different purposes. In particular, specialized tools were used for the specific purpose of each business function. For example, the tools that customer service needs might be different from what public relations, human resources or marketing requires. As a result, the effectiveness of the tools in terms of capturing social media data and the depth of analysis also varied. For example, EduConsultCo used several basic, free tools. However, the use of basic SMM tools and its centralized access restricted their ability to quickly capture and respond to the possible opportunities in social media. The Brand Marketing Coordinator provided an example of how using a basic tool can cause him to miss new customer opportunities:

> From a lead generation perspective in terms of sales to actually be able to identify people that are searching for a service like [what our company offers] but don’t know that [our company] exists, to have better monitoring technology or tools that would be able for us to get in touch with them a lot faster. Because at the moment I would search maybe twice a week and so it might be a couple of days since they did their Tweet that I would reply to it or something like that.
Recognizing that tools can improve the effectiveness of the SMM process, the Brand Manager of EduConsultCo conveyed their desire to use a more sophisticated tool:

_For me it [the next step] would be finding better tools to capture and to actually monitor... we've got a dozen different tools that are being used for different reasons; to find one tool that accurately captures that and more would be great. Those tools do exist, it's about finding the right time, getting the budget and getting it set up ..._

Moreover, the various information needs/measurements of different business units require the use of specialized SMM tools that are tailored to fulfil specific requirements of each individual business function. For example, the type and depth of analysis/metrics that a Marketing business unit needs differs from the human resources, public relations, branding and customer service units. Even within one business unit, various functions might require different tools to suit their specific business needs. Therefore, the use of specialized SMM tools was recognized as contributing to the generation of more relevant insights for different business units, which are more likely to be utilized in a broader range of functions. One interviewee noted:

_If you use one tool, that tool gives you a particular view of stuff based on what that tool does well. To get a view that is more in depth, clearer and more honest, you need to look at multiple tools._

Thus, based on the above argument, the following proposition is put forth:

**Proposition 6:** The use of multiple sophisticated and specialized SMM tools is likely to increase the overall effectiveness of the collection and analysis of social media data. In turn, this is likely to lead to more proactive and a broader range of utilization of social media data at the operational level.

### 6.2.7 Decentralized versus centralized structure of the SMM capability

Closely related to the argument about allocating functionally focused SMM roles (Section 6.2.3) and using specialized SMM tools (Section 6.2.6), this section argues that the decentralization of the SMM capability across various business units is likely to encourage the utilization of social media data towards a broader range of business functions. Evidence from the case organizations suggested that while the development of the SMM capability was often initiated in one business unit (i.e. centralized structure), it progressed toward a more decentralized structure as more business units developed the capability. More importantly, this transition from a centralized to a decentralized SMM
capability was associated to the utilization of social media data in a broader range of functions in more business units.

For example, TechCo initially began developing an SMM capability in the Digital team and then progressed toward a decentralized SMM capability across most of the departments within the Marketing and Communications unit. The Digital Leader noted:

> We have certainly transitioned over time from having more of that centralized digital team into a model where digital is more pervasive across all of the roles [in marketing and communications unit]. That has been a really great transition for us.

The Digital Leader at TechCo also conveyed an intention to further decentralize the SMM capability by replicating it in other business units:

> What we are trying to do now is cast the net quite wide, and then break it down into different areas... We haven’t quite figured that out yet; getting it beyond just Marketing and Communications into the rest of the organization...

InsuranceCo also managed to decentralize their SMM capability at two business units. The Senior Manager, VPD at InsuranceCo provided the rationale for the decentralization:

> I think you dictate it by how you decentralize it. If the core team are responsible for, say, brand, competitive intelligence and responsible for customer service, as an example, then one of the decentralized teams is responsible for marketing and leads and competitive intelligence from a different lens. As you decentralize further and you get closer to the decentralized functions, they should then drive back....

> If I decentralize into customer service, their audience will be very much customer service. If I decentralize into sales, I will be looking for leads and marketing opportunity. If I keep it at our PR team, they will be looking at brand and reputation issues.

The Digital Communication Advisor at InsuranceCo conveyed the intention to further decentralize the SMM capability:

> In the long term eventually big picture, eventually these people who would need to engage with them would end up having this tool ...

Similar to TechCo, the Senior Manager, VPD at InsuranceCo noted their long-term desire to expand the SMM capability beyond the current two business units and to replicate the capability in other business units:

> In our aspirations, we would be able to centralize that [SMM capability] further, so [we] will be able to centrally outsource to product guys and outsource to claims guys and outsource to sales guys.

The Digital Communication Advisor at InsuranceCo also emphasized that the decentralized roles need to have access to the SMM tools:
In the long term eventually big picture, these people who would need to engage with them [social media users] would end up having this tool...

Moreover, at EduConsultCo, SMM capability was centralized at the Branding department; however, as highlighted in the comment below, the Brand Marketing Coordinator believed further decentralization would improve the utilization of social media data across the organization:

*Having someone in each department tapped into that already and having a [tool] where you can very easily allocate things to certain people into one thing to respond ... that would be a much more seamless way to do it.*

At CarCo, the Digital Marketing Manager also indicated her/his intention to decentralize the SMM capability to other business units in the future. However, as reflected in the comment below, this decentralization was not likely to happen in the near future.

*We intend to decentralize SMM in the future, how long that will be I’m not sure yet, but yes that has always been on the radar to go further and further out but at this stage we’re still finding that there’s issues and so we’re managing it.*

The above insights have been supported in recent studies of social media. For example, Culnan et al. (2010) suggested that in order to process customer communications received via social media, organizations need to build processes and expertise in different business areas such as public relations, customer service and product development. Moreover, Kleindienst et al. (2015) suggested that efforts in social media analytics should be aligned with specific objectives of different business units and, therefore, social media monitoring efforts should not be centralized. In a similar vein, the findings of a recent study conducted by MIT Sloan Management Review (Kane et al., 2014) concluded that to realize the full potential of social media data, the utilization needs to move beyond the marketing area.

In the literature on strategic management, Helfat and Peteraf (2003) described this structural progression of the capability as replicating or branching, which occurs in a typical organizational capability development life-cycle. According to them, this progression is also associated with the outcomes of the capability, so that a more enterprise-wide capability is expected to generate more business value. Similarly, in the literature on external intelligence, Moorman (1995) emphasized that “market information refers to external information that cuts across all functional areas of the firm rather than the more delimited 'marketing information' that suggests it applies only to marketing departments” (p. 319).
In addition, Peppard (2013) stressed that failure to generate value from IS is related to organizations’ IS structure. Peppard et al. (2000) also suggested that to leverage value from IS “organizations must recognize and develop information competencies and that the elements of these competencies are distributed throughout the organization and not solely resident in the IS function” (p. 291). Peppard and Ward (2004) suggested establishing, developing and nurturing IS competencies within the existing functional structure of the organization. Moreover, Peppard (2013) introduced the concept of a pervasive IS organization and argued that generating value from IT is not only about managing the technical artifacts but harnessing knowledge that is essentially distributed across the organization as well as external parties, such as suppliers and customers.

As such, this study suggested that in order to utilize the full potential of an SMM capability, the capability development needs to occur in each of the relevant business units. In other words, by establishing SMM processes and allocating functionally focused roles and specialized SMM tools within different business units, the utilization of social media data could occur in a broader range of functions at the operational level.

Thus, based on the above argument and evidence in the case organizations, the following proposition is suggested:

**Proposition 7**: A decentralized structure of the SMM capability is likely to lead to the utilization of social media data across a broader range of business functions.

### 6.2.8 Coordinator roles

Section 6.2.3 and 6.2.7 argued that SMM should be viewed as a knowledge practice and suggested that since the necessary knowledge to interpret social media data is often distributed throughout the organization, a decentralized SMM structure would be more effective. However, while the decentralized structure is expected to enhance the utilization of social media data, there is still a need for a coordination roles to facilitate the interactions between several roles involved in SMM. Also, these coordinator roles are needed to share the SMM technical expertise with the decentralized units. These coordinator roles also often engaged with external agencies for the outsourced activities. More importantly, the coordinator roles assisted in harmonizing the insights gathered from SMM from different parts of the organization, which in turn facilitated the utilization of social media data at the strategic level.
The existence of this coordinator role was recognized in all the cases. However, the degree of formality of this role varied. For example, TechCo dedicated a separate department (i.e. digital department) for coordination. Others had less formal coordinator roles (e.g. EduConsultCo and CarCo).

As indicated by the interviewees, the coordinator roles performed several tasks. For example, at TechCo, the Digital department oversaw all SMM activities across the organization and facilitated the transfer/share of expertise gained through SMM across the decentralized teams.

At TechCo, the Digital department performed this coordination role. The Digital Leader noted:

_A big part of my role is about the transformation of our skills, growing our expertise within the Marketing and Communications team._

The need for the coordinator role(s) was also highlighted by the Senior Manager, VPD at InsuranceCo:

... _You will always need to have a blend of both [centralized and decentralized approach]. You are still going to need to have someone centralized and ownership in a governance sort of role, and there will be elements of decentralization which is closer to the customer or closer to your function, which will give you more success in the longer term._

A review of the literature in external intelligence also found support for the decentralized structure with central coordinator roles (Gallaugher & Ransbotham, 2010). Trim and Lee (2008) noted that “a proactive strategic intelligence operation requires that competitive intelligence officers, under the direction of a senior manager, take responsibility for coordinating matters relating to intelligence gathering, analysis, interpretation, dissemination …” (p. 738).

The need for coordinator roles is also well supported in the literature on IT/IS capability. In particular, in the proposed pervasive IS structure by Peppard (2013), the need for a centralized coordination role is stressed. In fact, Peppard (2013) described the role of this coordination as orchestrating business value-generating efforts from IS across the organization.

The literature on social media has not yet addressed the structure of the SMM capability specifically. However, an industry report of the analysis of organizations’ social media practices (including SMM) by Owyang (2011) identified different types of structures associated with social media efforts in organizations, namely, organic, centralized, coordinated, multiple hub and spoke, and holistic “honeycomb”. The analysis found that
the coordinated structure, which involved several decentralized units and a centralized coordination, is the most effective structure for the governance of social media efforts.

Thus, based on the above argument, the following proposition is suggested:

**Proposition 8:** In a decentralized structure, centralized coordinator roles are necessary to orchestrate the SMM activities for strategic utilization.

### 6.2.9 Planned/focused collection of social media data

Several interviewees highlighted the importance of a planned/focused collection of social media data in contributing to the effective collection of relevant social media data, particularly at the strategic level. Moreover, the evidence from case organizations suggested that planning prior to collection could direct the SMM efforts in generating actionable insights that are likely to be utilized more. For example, one interviewee noted:

*In analysis in social media you are analyzing people: people’s perception towards something. Without having a clear perception of what you want to achieve, there are thousands of millions of data waiting for you to get ideas... When you put the parameters of what you want to discover, then you can... Planning is the most important thing.*

Similarly, the Brand Manager at EduConsultCo commented:

*Knowing what to capture and what to analyze is the biggest question for me. If you go too wide it costs more and you’re just overwhelmed with information. If you go too narrow then you’re not capturing it all, which is a problem. The crux for me is having it set up really well.*

*We’re growing the amount we’re reporting on and also what we were looking at, we’re really learning what’s best to focus on and to concentrate on to drive improvements.*

TechCo had the most effective planned/focused collection of social media data. There was a clear emphasis on the purposeful collection of social media data. The Digital Leader explained:

*There’s always the pointy end and a purpose as to why we want to gather those types of insights. We don’t gather the insights for the sake of gathering insights. It’s a very important way for us to be able to inform our activity that we roll-out to support the business...*  

*It is very easy to gather social insights without having an approach because there is so much information. I think you can almost get lost in all the information if you don’t have an agreed structure in place with your team.*

The importance of planned/focused collection is also emphasized in the literature on external intelligence in several studies (Bose, 2008; Dishman & Calof, 2008; Gilad, 1989;
Some authors also recognized planning as a separate activity in the process of external intelligence, where organizations need to pre-define the requirements of intelligence gathering (Bose, 2008; Zhang et al., 2011). In particular, Dishman and Calof (2008) noted that “effective intelligence processes do not attempt to collect all possible information or research everything related to a subject, but focusing on those issues of highest importance to senior management” (p. 768).

Similarly, some studies in social media also stressed the importance of focused/planned collection of social media data. In particular, Kleindienst et al. (2015) emphasized the need to set objectives and identify the expected benefits prior to the collection of social media data. Nagle and Pope (2013) noted that without a key understanding of the value that SMM can offer, it is not possible to identify the appropriate social media platforms to monitor. Larson and Watson (2011) also highlighted that the key in deriving value from social media data is “to determine which aspects of these data should be analyzed and compared, and how that might be accomplished” (p. 11). They also suggested that the decision for the above-mentioned issues should derive from the stakeholders’ goals.

Thus, based on the above argument, the following proposition is put forth:

**Proposition 9:** A more planned/focused collection of social media data is likely to lead to a greater overall effectiveness of the SMM process. This is likely to increase the utilization of social media data, particularly at the strategic level.

### 6.2.10 Function-oriented versus research-oriented analysis

Section 5.3.5.2 discussed three major categories of the type and extent of the analysis identified in the case organizations, namely, channel-oriented, function-oriented and research-oriented analyses. The analysis of the SMM capability at the case organizations suggested that the extent to which the cases performed these three categories of analysis is related to the level of utilization of social media data. For example, CarCo mostly performed channel-oriented analysis, the results of which were mostly utilized for research-oriented analysis.

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10 The Author did not consider planning as a separate activity in the analytical framework because at this early stage of SMM adoption, planning is not part of the process in many organizations. However, it is suggested that planning be considered as a separate activity in the framework if the study is only focused on the utilization of social media data at the strategic level.
decisions on the use of social media channel. In other words, the results of that analysis
did not inform (or informed them in a limited way) decisions regarding the business
functions at the operational level. However, EduConsultCo and InsuranceCo started to
align the analysis of social media data with business operations/functions. This
progression toward a more function-oriented analysis also led to more utilization of the
results of the analysis at the operational level. On the other hand, the analysis of social
media data at TechCo was often research-oriented, which could have helped generate
insights for decision-making at the strategic level.

A review of the literature suggested that recent studies in social media also discussed the
importance of the alignment between the SMM and business objectives (Heijnen, 2012;
Kleindienst et al., 2015; Spiller & Tuten, 2015; Töllinen & Karjaluoto, 2011). For
example, Heijnen (2012) recognized the lack of alignment between social media efforts
and business functions, noting that “existing SMM tools mainly reveal the performance
of the organization on social media (number of mentions, number of likes, % of positive
mentions), and treat the social media component of a firm as a separate business unit
executing its own strategy” (p. 34). Larson and Watson (2011) also noted that measuring
the success of organizations’ social media efforts requires metrics that are derived from
a theoretical understanding of the underlying processes and objectives of those functions.
More specifically, Kleindienst et al. (2015) suggested that with further alignment of SMM
efforts with business objectives, organizations could obtain more business value.

On the other hand, SMM focused on strategic level insights tends to address certain
business issues or problems (Bekmamedova & Shanks, 2014; Mancuso & Stuth, 2011);
thereby, the research-oriented analysis is required in order to generate actionable insights.
Mancuso and Stuth (2011) also encouraged the use of advanced qualitative research
methodologies with focused questions to investigate various aspects of consumer
behaviour in social media. The utilization of social media data at the strategic level was
also predicted in a recent study by Kleindienst et al. (2015), noting that

… there is also an “enable-perspective” that needs to be in the focus
of future research. This perspective refers to the potential of new
and existing SMA concepts to enable the extraction of new business
insights, which were not precisely looked for or not possible with
previous concepts… SMA can also contribute to a better
understanding of a company’s environment and therefore enhances
the methods referred to by the term environmental scanning … (p. 11)

Thus, based on the above argument, the following propositions are put forth:

**Proposition 10a:** Function-oriented analyses of social media data are likely to generate insights for decision-making at the operational level.

**Proposition 10b:** Research-oriented analyses of social media data are likely to generate insights for decision-making at the strategic level.

### 6.2.11 Formal dissemination

As discussed in Section 6.2.7, two approaches towards the structuring of an SMM capability were identified: decentralized and centralized. In a decentralized setting, the collector and user of social media data are ideally within one business unit; thereby, there is little need for intra-business unit dissemination of social media data at the operational level. Therefore, this section only considers the dissemination in a centralized setting at the operational level.

The analysis of the case organizations showed various levels of dissemination formality. For example, at CarCo, dissemination was informal and limited to immediate issues at the operational level, whereas EduConsultCo and InsuranceCo developed formal dissemination procedures based on the type of social media data and the required action. More specifically, InsuranceCo developed a systematic dissemination procedure at the operational level in which they specified the rules of dissemination based on several attributes of the social media data, as reflected in the comments below by the Digital Communications Advisor (IC5):

> There’s a different process depending on what it’s about… [For example], if it’s to do with workers compensation then I direct it to the formal processes on our website… but then I’ll also work out what their name is and I’ll contact workers compensation.

> If it’s something that customer service can handle, I’ll get the information and I’ll send it to the customer service people and say urgent, high priority, social media customer, etc. … Then I’ll [follow up later]…

> In the immediate situation, say if there was someone who said something that was quite contentious or very issues heavy and very serious, within my team I would share that…. If I need to share it externally outside of my team and they don’t have the actual software, I’ll just screenshot it and I’ll let them know and I’ll give them a call and then I handle it from my end and then they follow it up.
The analysis suggests that where it was not possible to develop a decentralized SMM capability, the formality of the dissemination process enhanced the utilization of social media data at the operational level across the organization.

A review of related studies also suggested that the importance of formal dissemination was recognized in both the external intelligence and social media literature. For example, the results of an empirical study by Daniel Kindström, Carbonell, and Rodriguez-Escudero (2014) supported the positive impact of the communication/dissemination of customer knowledge within the organization (referred to as information reviewing) on the utilization of this information. They found that dialogue between those who have customer information and those who need this information for decision-making enhanced their mutual understanding, which in turn, enhanced the utilization of this information. Nevertheless, they did not specifically investigate the formalization of the dissemination process. In the literature on external intelligence, Menon and Varadarajan (1992) contended that the greater the amount of communication that flows within an organization, the more likely it is to enhance the utilization of information.

Moreover, in the context of social media, assuming a centralized structure of the SMM capability, Culnan et al. (2010) highlighted the need for developing formal dissemination processes. They suggested that organizations develop new procedures for message processing as needed for identifying and responding to both routine and urgent messages, exception-handling, and answering messages on a timely basis.

Thus, based on the above argument, the following proposition is put forth:

**Proposition 11:** In a centralized SMM capability setting, developing formal dissemination processes is likely to increase the utilization of social media data at the operational level.

### 6.2.12 Entrepreneurial environment

The analysis of the evidence from the case studies showed that in addition to the components of the SMM capability that were considered in the initial analytical framework, the entrepreneurial environment within the organizations was also recognized as a contextual factor in the development of an SMM capability, its progression to a decentralized capability across the organization, and eventually in facilitating or inhibiting the utilization of social media data. However, in terms of research scope, this study did not specifically accommodate the various contextual factors such as an
entrepreneurial environment that could impact the SMM process. The researcher acknowledges that this, and other contextual factors (e.g., external competitive pressures, industry information intensity (Soh & Markus, 1995), or socio-political environment) could also impact the development of the SMM capability. For the purposes of future research, the rest of this section does include some evidence regarding the influence of an entrepreneurial environment as a contextual factor.

Various terms relating to the entrepreneurial environment are used in the literature, such as organizational culture (Dishman & Calof, 2008), information and innovation culture (Menon & Varadarajan, 1992), innovative culture (Menon, Bharadwaj, Adidam, & Edison, 1999) and managers’ entrepreneurial attitude orientation (Qiu, 2008). In the context of this study, the entrepreneurial environment is defined as the extent to which managers supported the development of the SMM capability and the utilization of social media data.

Evidence from the case organizations indicated that they differed in terms of their entrepreneurial environment. In some organizations there were entrenched values and norms (e.g. skepticism about social media data), which could be seen as a core rigidity (Leonard-Barton, 1992) that prevented them from progressing to more advanced stages of capability maturity. For example, at CarCo, few senior managers showed enthusiasm or interest in the development of the SMM capability to the extent that this was an inhibiting factor. The Digital Marketing Manager of CarCo noted:

... the higher up the manager, the less comfortable [with social media]. I’d put that as a hindrance, they don’t participate, they don’t understand... But having said that, they’ve allowed the presence to be there so that’s gradually being chipped away.

The Digital Marketing Manager of CarCo believed that the lack of entrepreneurial environment also prevented the extension of the SMM capability beyond Digital Marketing department:

We do a presentation of comments because again the people that get it at that level, they don’t want to trawl through the data. They don’t want to log on, and they don’t have the time... [Therefore] we have a reasonably tight control over the social media based on the experience ... the people in the customer relations are not very comfortable with Facebook.... that’s why we govern it very carefully.

We send them the issue, they send us back the response and we put it into Facebook-speak and then we reply. Sometimes their replies which in a more traditional either phone or letter just don’t cut it on Facebook. Too formal, too long. We might ask for a response on Twitter and we get four paragraphs and we’ve got 140 characters so we’ve got to do something.
Compared to CarCo, EduConsultCo and InsuranceCo had a more conducive environment, though this was not widespread across the organization. The culture was supportive but other senior managers did not participate in intelligence gathering. The Marketing Manager noted:

*We send out a monthly report which has all that data and insights that we've collected and I could bet they probably don’t read it... I think they don’t understand the importance of it*

*I just think because of this lack of understanding, they just don’t value the data or the insights that we push them...*

*I just think it’s executives’ understanding of the value of the information and how it can feed into specific strategies ...*

*I just think there’s a lack of education among the executives on social media and the ROI on social media.*

Similarly, the Senior Manager, VPD at InsuranceCo noted:

*It’s like shifting the Titanic ... you still find there are people who are so wedded to the way they’re working, the change journey is very large for them ...*

The Digital Marketing Manager added:

*I think the parts of the organization that facilitate it are those that are already looking for a whole bunch of customer information so because they’re desperate for sources of information about end customers then they are looking for ways to make this work for them. Those that hinder it are people that don’t understand social media.....*

*I think in our organization, and I wouldn’t be surprised if this is true for other organizations, your leadership team and your CEO get it because you’ve spent hours talking to them about it. Your customer facing staff get it because they talk to people and it’s your middle management that don’t get it because they don’t talk to people on a day-to-day basis.*

At TechCo the environment was more conducive, with managers embracing the development of SMM and the utilization of social media in decision-making, in particular at the Marketing and Communications business unit. The Digital Leader believed that the entrepreneurial environment of TechCo facilitated the development of their SMM capability and the utilization of social media data:

*... because naturally [TechCo] is very into technology, it [social media] is part of our DNA, ... every [employee] are really encouraged to be part of social media ... for us because we have the liberty and the cultural norm to go out and do this, we are leaps and bounds ahead of a lot of other organizations. It is just such a natural part of what we do.*

A review of the literature also showed the importance of the entrepreneurial environment in facilitating or prohibiting the development of an external intelligence capability (Dishman & Calof, 2008; Keh et al., 2007; Menon & Varadarajan, 1992; Qiu, 2008). For
example, Menon and Varadarajan (1992) suggested that organizations with a pro-information and pro-innovation culture are likely to utilize more information. In a similar vein, Qiu (2008) found that managers’ entrepreneurial attitude impacted on both competitive intelligence scanning and the frequency of the competitive intelligence scanning.

In addition, recent studies in social media have also recognized the importance of the entrepreneurial environment of the organization in adopting social media in business operations. In an interview, the IBM Chairman, President and Chief Executive Officer, Ginni Rometty noted that “in a social enterprise, your value is established not by how much knowledge you amass, but by how much knowledge you impart to others. This is not just a change in tools. It is a change in mindset and organizational culture” (Brill, 2014).

Thus, based on the above argument, the following proposition is put forth:

Proposition 12: An organization’s entrepreneurial environment (among other contextual factors) is likely to facilitate the utilization of social media data at both operational and strategic levels.

6.3 Summary of the chapter

In this chapter, the researcher presented the theoretical propositions developed as a result of the empirical investigation of Phase 1. These were compared with the findings from previous, related studies to increase the external validity (Dubé & Paré, 2003; Yin, 2014). The next chapter presents the second phase of the study.
Chapter 5 presented the findings from Phase 1 of the study. These findings raised an additional research question, led to the development of several theoretical propositions (Chapter 6), and raised the need for additional data collection in second phase of the study.

The goals of Phase 2 are twofold; (1) to demonstrate the replicability of the findings (Yin, 2009) from Phase 1 with the intent to conceptually distinguish stages of an SMM capability development, and (2) to assess the propositions developed in Chapter 6 in an in-depth case (Miles & Huberman, 1994; Paré, 2004; Patton, 2002).

This chapter represents the findings from this second phase of the research. The chapter begins with a brief description of the conduct of Phase 2. It then presents the case study at FinancialCo (the in-depth case). Finally, stages of SMM capability development are conceptualized.

### 7.2 Cross-case comparison to identify a case for the intensity sampling in Phase 2

In order to identify the in-depth case the researcher conducted ten interviews with key informants from seven additional (candidate) organizations (one to two interviews were conducted per organization): ConvenienceCo, DonorCo, AusUni, MediaCo, BankCo, Telco and FinancialCo. The refined analytical framework (Figure 5-1) then was used to assess the SMM capability in these seven organizations, and to identify one organization for an in-depth case study. The desired in-depth case needed to exhibit high utilization of social media data (more proactive and action-oriented utilization in a broader range of business functions), so that the effects of various characteristics of the components of an SMM capability on the utilization of social media data could be explored in-depth.

The summary of the analysis of Phase 2 is provided in Tables 7-1 and 7-2. This analysis demonstrates increasing levels of maturity of the SMM capability across the seven case organizations (from least to most mature). As shown in the Table 7-2, Telco and FinancialCo represented the most mature SMM capability. After several considerations, FinancialCo was selected based on (1) their level of advancement of the SMM capability, (2) their willingness to participate in the second phase of the study, (3) logistical reasons in terms of access to the company (it required the researcher to visit the organization several times).
<table>
<thead>
<tr>
<th>Structure of the SMM capability</th>
<th>ConvenienceCo</th>
<th>DonorCo</th>
<th>AusUni</th>
<th>MediaCo</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Resources</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roles</td>
<td>Outsourced</td>
<td>Centralized</td>
<td>Centralized</td>
<td>Decentralized SMM capability enterprise-wide</td>
</tr>
<tr>
<td>SMM tools and analytics</td>
<td>No internal SMM tools and analytics</td>
<td>Multiple, basic, free SMM tools</td>
<td>Multiple specialized SMM tools</td>
<td>Multiple, basic, free and commercial SMM tools</td>
</tr>
<tr>
<td></td>
<td>No internal advanced analytics</td>
<td>Mostly manual reporting</td>
<td>No internal advanced analytics (mostly manual reporting)</td>
<td>No internal advanced analytics (mostly manual reporting)</td>
</tr>
<tr>
<td><strong>Process</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collection</td>
<td>Outsourced, ad-hoc efforts</td>
<td>Continuous SMM limited to the company’s Facebook page</td>
<td>Continuous SMM for a broad range of social media platforms</td>
<td>Continuous SMM but limited to the company’s social media channels</td>
</tr>
<tr>
<td>Analysis</td>
<td>Basic channel-oriented</td>
<td>Channel-oriented and function-oriented to some extent</td>
<td>Channel-oriented and function-oriented to some extent</td>
<td>Channel-oriented</td>
</tr>
<tr>
<td>Dissemination</td>
<td>Operational: informal</td>
<td>Operational: informal</td>
<td>Operational: informal</td>
<td>Operational: no dissemination due to decentralization</td>
</tr>
<tr>
<td></td>
<td>Strategic: informal</td>
<td>Strategic: informal</td>
<td>Strategic: formal</td>
<td>Strategic: formal</td>
</tr>
<tr>
<td>Utilization</td>
<td>Operational: occasional reactive use</td>
<td>Operational: reactive use enterprise-wide and limited proactive use in the central SMM team (i.e. marketing)</td>
<td>Operational: reactive use enterprise-wide and proactive use within the central SMM team (i.e. marketing)</td>
<td>Operational: highly reactive and proactive use in the decentralized business units</td>
</tr>
<tr>
<td></td>
<td>Strategic: none</td>
<td>Strategic: possible knowledge-enhancing use</td>
<td>Strategic: possible knowledge-enhancing use</td>
<td>Strategic: possible knowledge-enhancing use</td>
</tr>
</tbody>
</table>
Table 7-2: Cross-Case Comparison of the Components of the SMM Capability - Phase 2

<table>
<thead>
<tr>
<th></th>
<th>BankCo</th>
<th>Telco</th>
<th>FinancialCo</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Structure of the SMM capability</strong></td>
<td>Partly decentralized SMM capability</td>
<td>Towards fully decentralized SMM capability enterprise-wide</td>
<td>Towards fully decentralized SMM capability enterprise-wide</td>
</tr>
<tr>
<td><strong>Resources</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Roles</td>
<td>Functionally focused SMM roles at customer service and central social media team</td>
<td>Functionally focused SMM roles enterprise-wide</td>
<td>Functionally focused SMM roles enterprise-wide</td>
</tr>
<tr>
<td></td>
<td>Managers were moderately involved enterprise-wide</td>
<td>Managers were considerably involved enterprise-wide</td>
<td>Managers were extensively involved enterprise-wide</td>
</tr>
<tr>
<td></td>
<td>No data analyst role</td>
<td>Several data analyst roles</td>
<td>Several data analyst roles</td>
</tr>
<tr>
<td></td>
<td>Formal coordinator role at social media team</td>
<td>Formal coordinator roles at the social media team</td>
<td>Formal coordinator roles at the social media CCUSM</td>
</tr>
<tr>
<td>SMM tools and analytics</td>
<td>Sophisticated commercial and specialized SMM tools</td>
<td>Sophisticated commercial and specialized SMM tools</td>
<td>Sophisticated commercial and specialized SMM tools</td>
</tr>
<tr>
<td></td>
<td>No internal advanced analytics (mostly system-generated reporting)</td>
<td>Internal and external use of advanced social media analytics</td>
<td>Internal and external use of advanced social media analytics</td>
</tr>
<tr>
<td><strong>Process</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Collection</td>
<td>Continuous SMM for a broad range of social media platforms</td>
<td>Continuous SMM for a broad range of social media platforms</td>
<td>Continuous SMM for a broad range of social media platforms</td>
</tr>
<tr>
<td></td>
<td>Frequent, planned social media campaigns at the operational level</td>
<td>Frequent, planned, operational and strategic social media campaigns</td>
<td>Frequent, planned, operational and strategic social media campaigns</td>
</tr>
<tr>
<td>Analysis</td>
<td>Channel and function-oriented, internal and outsourced analysis</td>
<td>Channel and function-oriented, internal and outsourced analysis</td>
<td>A combination of channel, function and research-oriented, internal and outsourced analysis</td>
</tr>
<tr>
<td>Dissemination</td>
<td>Operational: formal</td>
<td>Operational: no dissemination due to decentralization</td>
<td>Operational: no dissemination due to decentralization</td>
</tr>
<tr>
<td></td>
<td>Strategic: formal</td>
<td>Strategic: formal</td>
<td>Strategic: formal</td>
</tr>
<tr>
<td>Utilization</td>
<td>Operational: frequent, reactive use, enterprise-wide and proactive use in marketing, customer service and HR</td>
<td>Operational: frequent, reactive and proactive use enterprise-wide</td>
<td>Operational: frequent, reactive and proactive use enterprise-wide</td>
</tr>
<tr>
<td></td>
<td>Strategic: several action-oriented use</td>
<td>Strategic: several action-oriented strategic use enterprise-wide</td>
<td>Strategic: several action-oriented strategic use enterprise-wide</td>
</tr>
</tbody>
</table>

A brief description of the SMM capability in each of the seven candidate organizations interviewed in Phase 2 is provided in Appendix F. The following section presents the in-depth analysis of FinancialCo.

7.3 Case study at FinancialCo (in-depth case)

FinancialCo is a large organization in the finance industry in Australia. It has a combination of B2B and B2C business models, and had been developing an SMM
capability since 2011 (two years before the beginning of this study). This capability was decentralized across several business units and the organization had dedicated, functionally focused SMM roles. FinancialCo also established a centralized coordination unit for social media (CCUSM). Moreover, FinancialCo had a data analysis unit with several data analyst roles dedicated to providing advanced analysis of social media data as a service to other business units.

As will be discussed in further detail in the following sections, the process of SMM was quite effective. FinancialCo collected social media data on a continuous basis that covered a broad range of social media platforms. Moreover, the collection of this data was mostly planned/focused and often aimed at addressing a particular business issue/decision. In terms of the analysis, FinancialCo performed a combination of channel- and research-oriented approaches in the analysis of social media data. Furthermore, the dissemination processes were also formal, at both the operational and strategic levels.

As a result of this capability development, FinancialCo utilized social media data across a broad range of business functions. The evidence indicated that the organization managed to gain advantage from utilizing this data at the operational level on an ongoing basis. This utilization was mostly proactive. However, at the strategic level, although FinancialCo utilized social media data as part of strategic decision-making on several occasions, this utilization was not yet on an ongoing basis.

The initial interviews at FinancialCo involved two participants; the manager of the CCUSM and the general manager, customer analytics and research (who was the first contact at FinancialCo). These interviews showed that the SMM capability at FinancialCo met the criteria for the in-depth case study; therefore, it was selected for further analysis.

To gain a richer understanding of the pervasive SMM capability at FinancialCo, the researcher interviewed four additional participants who were involved in SMM in several business units. These business units included the CCUSM, the data analysis unit and two business units that developed SMM capability (i.e. the decentralized SMM units). These two business units were chosen for study as they were at different stages of their capability development. According to the manager of the CCUSM who coordinated the development of the SMM capability across the organization, one of these business units (the digital marketing unit) had a relatively mature SMM capability, whereas, the other

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11 This is in-line with “multiple hub and spoke” model as described by Owyang (2011).
unit (the wealth management unit) began developing the SMM capability recently. In total, six participants were interviewed at FinancialCo:

1. The general manager, customer analytics and research
2. The manager of the CCUSM
3. Two participants from the digital marketing business unit:
   a. The head of digital marketing
   b. The social media community manager (who led social media activities in the marketing unit at FinancialCo)
4. The digital channel development (DCD) manager from the wealth management unit
5. A data analyst from the data analysis unit

Overall, the evidence from the case study at FinancialCo supported the propositions developed in Chapter 6. The supporting evidence from FinancialCo is presented below. In the following, evidence from FinancialCo are presented along with particular propositions that have been evaluated through the evidence. For presentation purposes, the structure is guided by evidence, so that the evidence supports the propositions. Also, in some instances, the evidence that is presented support more than one proposition. The proposition(s) are presented first, followed by the evidence that supports that proposition.

To illustrate the case study at FinancialCo, the following section first presents the evidence showing the effective utilization of social media data at FinancialCo. Then, the following sections provides evidence of the sophistication (i.e. more effective SMM capability at FinancialCo) of various components of the SMM capability at FinancialCo. Each section begins with one or more relevant propositions, followed by the supporting evidence.

**Proposition 1a:** The utilization of social media data can inform both operational and strategic level decision-making.

**Proposition 1b:** The level, type and range of utilization of social media data is related to (1) the structure of the SMM capability, (2) allocated resources, and (3) the SMM process.

FinancialCo utilized social media data across a broad range of business functions, at both the operational and strategic levels. The manager of the CCUSM explained instances of the utilization of social media data at both operational and strategic levels:
It [short-term and long-term utilization of social media data] is a combination of short-term and long-term strategies. It depends on the type of content and it depends on the type of challenge that we face or it depends on the type of goal that we want to achieve. If, for example, we want to help customers who have a problem right now, social media can be almost instant. If you want to use it to develop our products, that could take much longer.

At a broad level, it is how we understand what people are saying about our products and services, and whether we can use that to improve our products and services, improve our messaging, help our customers understand our products better or change our products so that they fit what customers expect...

There was a combination of reactive and proactive utilization of social media data at the operational level with more emphasis on the proactive use. Several examples of reactive and proactive utilization of social media data at the operational level were provided by the interviewees. Table 7-3 presents some examples. The DCD manager commented:

Some of it is reactive, as in, every day you come in and you do not really know what conversations are going to occur. Some of it is more proactive...

In addition to the examples presented in Table 7-3, there was clearly an aspiration among managers for more proactive utilization of social media data across a broader range of functions (FC9). The head of digital marketing commented:

... there is a big difference between decision support in the sense of saying, ‘We have got some interesting data that suggests that people in this segment tweeted about our credit cards and having trouble with their credit cards, so maybe we need to improve our credit cards’. That is decision support, and that is fine... but the stuff that I want to get into is more the prescriptive analytics. If someone tweets, ‘I need a holiday’ and we get on to them with a direct targeted ad about travel insurance or a personal loan or travel card or even a bespoke offer saying, ‘Hi Michael, have you seen our latest package? Here is one tailored just for you’. There is no reason we cannot be doing that today... and for me that is sophisticated analytics at an individual level to directly target them and not just at a population level.
Table 7-3: Examples of Reactive and Proactive Utilization of Social Media Data at the Operational Level

<table>
<thead>
<tr>
<th>Associated quotation</th>
<th>Reactive</th>
<th>Proactive</th>
</tr>
</thead>
<tbody>
<tr>
<td>General Manager, CAR:</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>We can often see spikes in our dissatisfaction numbers when there is an Internet outage, our Internet site goes down or, for that matter, when there is any other type of breakdown or someone is having a difficult conversation on the phone. We get to hear about it, and we are often able to understand that it is our systems, training or other deficiencies in people or technology, and we are able to address it.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>General Manager, CAR:</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>What we are realizing is that through social media we are able to capture customer issues, customer complaints and customer dissatisfaction much faster. Often, in that process when we see those kinds of sentiments being expressed, we are able to engage with the customer and understand the root cause of their dissatisfaction, in real time or in near real time, and then take action.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manager of the CCUSM:</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>[One way we use social media data is in] content development. Let us say customers are complaining because they don’t understand a particular type of product. We can actually take that and use it to tell the business to produce content online that explains it. Then we can go back to the customers with that content and say, ‘We have listened to you and we have taken action, and we have explained it here’.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>DCD manager:</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>We have been quite active in the LinkedIn space, for example, in seeding a lot of messages in there... We have tried a lot of those things.... testing and working with LinkedIn in terms of different segments of the market and trying to target the message for the right segments.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Data analyst:</td>
<td></td>
<td>✓</td>
</tr>
<tr>
<td>If it’s a post on Facebook and we are directing people towards a particular page, if a lot of people are leaving Facebook, going to this page but not spending much time there, then it is telling us that they like what they see on Facebook but it is not aligned to what we are seeing on [the] site. Obviously we’d try to align and integrate it to optimize that page.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
The desire for further proactive utilization of social media data was also evident in their creative approach in using social media data for personalized and targeted offerings. For example, the data analyst provided an example of an initiative at FinancialCo that used a recent feature of Facebook, called Custom Audience\textsuperscript{12} to target communications based on the specific attributes of their customers:

\textit{At the moment we are testing Facebook Custom Audience. That is more about testing the tool’s ability to be able to create and uplift engagement, for example, on social media, by tailoring a message to a particular audience. We do a lot of that and there is quite robust analysis behind it to operationalize it.}

\textit{We can target customers with more relevant offerings, based on what we know about them and the position that they are in. We do not want, for example, to offer someone a credit card if they already have a credit card. We try to tailor to their needs.}

The head of digital marketing added:

\textit{We do a lot of content marketing, particularly with the business customers. We are looking to use some of the tracking data that LinkedIn provides... LinkedIn data on trending topics for a particular segment and then customizing content for them.}

Moreover, by using Custom Audience, FinancialCo could predict the customer's tendency to leave the company. The result of this analysis could potentially improve the retention of customers at FinancialCo. The data analyst explained:

\textit{.. there is fantastic potential to utilize [social media] as a retention tool. ... it helps to understand the pain points that keep coming up time and again. ... to help with retention, there is potential for the Custom Audience to be able to really understand customers who are starting to look like they are moving away.}

Furthermore, FinancialCo performed future-oriented analysis that could potentially inform longer-term strategic decisions. The data analyst remarked:

\textit{What we know about what customers are talking about or feeling about particular products at different times of the year plays a part in our planning for the following year as well as what we think we want to talk about in the social space. It is really for marketing planning purposes as well as supporting the digital marketing team with a social media content plan.}

FinancialCo also utilized social media data as part of strategic decision-making on several occasions. Overall, the evidence from FinancialCo indicated that they have managed to gain advantage from utilizing social media data on an ongoing basis at the operational level. However, despite the advancements in the SMM capability, this utilization was not

\textsuperscript{12} According to Bullock and Aghaimoni (2012), Custom Audience is “designed to target marketing communications at individual people. It allows companies to upload a list of email addresses, phone numbers or user IDs which Facebook will match and show communications directly to the users specified in the customized list” (p. 118, 119).
yet on an ongoing basis at the strategic level. The interviewees believed that the utilization of social media data impacts on the competitiveness of the organization in several ways. The SMC manager also remarked:

*It absolutely does [create a competitive advantage] from a campaign level. I will use our [campaign X’s example]. We are not the major sponsor, yet we have consistently gained majority share of voice on [the event X] over the last couple of years.*

The general manager, CAR added:

*We’re finding whenever we are using it, it is good for us. It clearly has lots of potential, but I can’t tell you that we are really there in terms of using it as much as we could be using it.*

The SMC manager also highlighted potential for improving the utilization of the insights gained through SMM for strategic decisions at the corporate level:

*Where I think there is great opportunity is feeding back that insight into products and consumer behavior, which I think we do sporadically but not consistently...Maybe one day we could even inform product changes and service changes based on what monitoring we have done.*

*There is a big opportunity to use social media data to inform more strategic decision-making in the business, beyond just the campaign level. Looking at it more from a holistic customer lens, which I do not do at the moment, and we certainly do it from a campaign lens and we will optimize every time and it will inform the next iteration of activity, but there is probably a bit more that we can do at a business level.*

Propositions 2, 7 and 8 are presented next, followed by supporting evidence.

*Proposition 2: A higher degree of formality of SMM roles will be associated with greater effectiveness of the SMM process (i.e. collection, analysis and dissemination).*

*Proposition 7: A decentralized structure of the SMM capability is likely to lead to the utilization of social media data across a broader range of business functions.*

*Proposition 8: In a decentralized structure, centralized coordinator roles are necessary to orchestrate the SMM activities for strategic utilization.*

13 The researcher suspects that this could be due to some lag effects between the development of the capability and the realization of the potential benefits.
The structure of the SMM capability at FinancialCo reflected a fully decentralized, enterprise-wide capability. FinancialCo decentralized the SMM capability in several business units (FC1 and FC2). The manager of the CCUSM noted:

*I would argue that almost all business units could use social media data. Not all of them do. There would maybe be about 10 business units. Social media cuts through different parts of the organization, such as marketing, customer services agents, corporate affairs, news and media announcements, promotions campaigns, business development, digital... and all those different parts of the business can use social media. They do, and they monitor it.*

In addition, as mentioned above, FinancialCo established a centralized coordination unit for social media (CCUSM) that managed the development of the social media capability across the organization. The CCUSM played a vital role in facilitating the business units to replicate the SMM capability according to the specific needs of their functions. In summary, the CCUSM was responsible for the coordination, training and management of all activities related to social media, including SMM. The existence of the CCUSM indicated the allocation of formal coordinator roles to facilitate the development of the SMM capability across the organization. The manager of the CCUSM described his role:

*My role is basically how we take different parts of social media and embed it into our business operations, so that we can benefit the customer and, obviously, the business.*

*If you are in a different part of the business, we will train you to use the tool and shape it, so that you are listening for the appropriate keywords that are relevant to your business. Then you can take that and add it to your existing research...*

In-line with the above comment, the digital channel development (DCD) manager who was involved in developing the SMM capability at the wealth management unit indicated:

*Effectively we make a strategic choice not to create our own but just leverage the capabilities, the tool sets and so on of the social media center. We use the same tools, the same processes and everything as them, but through the marketing team we literally have a full-time resource dedicated from. .... We are replicating that capability within our business unit for a specific purpose [of our business unit].

*The social media center has training and immersion and so on, with the idea that somebody [from our unit] works in the center for a period of time, just to understand the tools, but also to understand some of the processes and policies. Then basically they can go back, at their own desk, and actually have access to the software and so on to be able to track and monitor, and obviously be able to create content and then be able to seed that content.*

*We pick up some of that capability, and then we can take that into our adviser network...*

*There is training and cross sharing because it is a centralized capability across the whole organization... It is transferring best practices [from the center of excellence to other business units].*
Proposition 3 is presented next, followed by supporting evidence.

**Proposition 3:** The allocation of functionally focused SMM roles is likely to improve the effectiveness of the collection of relevant social media data and function-oriented analysis. In turn this is likely to lead to a greater proactive utilization at the operational level.

With the decentralized structure of the SMM capability, FinancialCo trained and allocated functionally focused SMM roles in different business units. The manager of the CCUSM explained:

*Social media cuts across different parts of the organization. Each part of the organization needs to be aware of it for different reasons. The best way is not to have an owner, because no one owns social media, but we can have different groups which can own parts of it.*

*We prefer to train you to be able to access what you need, rather than us telling you what you need because I’m not an expert in your part of the business, so how can we work together other than respectively giving information?*

The manager of the CCUSM believed the allocation of functionally focused roles would improve the effectiveness of the overall SMM process:

*You need to understand what a home loan is and how it works, so that when you are looking at the feedback you understand where the customer has issues, where we can improve or where we are good, and how we can actually make it better.*

The manager of the CCUSM also implied that with the allocation of functionally focused SMM roles, the utilization of social media data is likely to be more proactive:

*The expectation is that it is part of their job as part of that team. If, for example, my role in business bank is to understand the customer voice and I have got different sources of information, then I would expect that social media will be another voice or another source of information.*

Proposition 4 is presented next, followed by supporting evidence.

**Proposition 4:** Data analyst roles are necessary for the analyses of more complex, multiple social media sources. In turn these kinds of advanced analyses are likely to lead to the utilization of insights generated though SMM at the strategic level.

FinancialCo had a central data analysis unit with several formal data analyst roles dedicated to more complex analysis of social media data. These data analyst roles
supported different business units for their specific requirements (FC10). The manager of the CCUSM noted:

_We have got a lot of people who are very smart analysts and it [the analysis of social media data] was added to their role._

As part of this case study, the researcher interviewed one of the data analysts. The data analysts supported the functional units by conducting more advanced analytics, the result of that could assist the strategic decision-making. The analyst (who mainly supported the Digital Marketing department) explained:

_We are trying to create the insights in analytics and measurement, and we have a lot to do with the digital marketing team even though we are separate. We support them and they have more to do with the execution._

Digital marketing was one of the business units that used this data analysis service at FinancialCo. The head of digital marketing noted:

_We have a couple of people in that team [data analysts’ team]... they are working on the tracking of our social media marketing activity, but they sit outside my team... [They] track our media activity, budgets and helps us to use that information and plan going forward._

Proposition 5 is presented next, followed by supporting evidence.

**Proposition 5:** The more managerial roles are involved in the SMM process (especially during planning), the more likely the utilization of insights, particularly at the strategic level.

With the decentralized SMM capability at FinancialCo, *managerial roles across the organization were highly involved* in the SMM process. For example, the head of digital marketing also commented:

*I work very closely with them [data analysts], but they are not technically in my team... We have a pretty good model for collaboration amongst the different teams... the data*

The analyst added:

*We work extremely closely with the execution team. That is probably where our structure works really well.*

Proposition 6 is presented next, followed by supporting evidence.

**Proposition 6:** The use of multiple sophisticated and specialised SMM tools is likely to increase the overall effectiveness of the collection and analysis of social media data. In turn, this is likely to lead to more proactive and
a broader range of utilization of social media data at the operational level.

In terms of the SMM tools, multiple, sophisticated, commercial and often specialized SMM tools were used at FinancialCo. In addition to the CCUSM, business units used these SMM tools, in particular, towards the functions of their own business units (FC4). The manager of the CCUSM noted:

They [business units] all have access to it [SMM tools]... They all have their own dashboards and things, and they contribute in developing the reports.

Similarly, the social media community (SMC) manager added:

Distributed teams have access to sophisticated monitoring tools... On a daily basis we will use our monitoring tools to look at sentiment and obviously respond to any enquiries that come through in the channel.

We also use native functionality, such as Facebook insights, Twitter analytics and YouTube analytics

In addition, the data analysts used advanced social media analytics software that enabled them to conduct a more sophisticated analysis of social media data. This advanced analysis was also sometimes outsourced for further analysis. The SMC manager commented:

For campaigns, often with the larger ones, we will outsource that to an agency ... to provide more in-depth analysis.

Proposition 9 is presented next, followed by supporting evidence.

Proposition 9: A more planned/focused collection of social media data is likely to lead to a greater overall effectiveness of the SMM process. This is likely to increase the utilization of social media data, particularly at the strategic level.

The decentralized SMM capability and the use of several SMM tools suggested that the collection of social media data at FinancialCo was reasonably effective. The manager of the CCUSM noted:

We are actually very effective at capturing social media data. We have come a really long way in the last two years.

FinancialCo monitored social media continuously and collected data about various topics (FC6). The General Manager, Customer Analytics and Research (GM, CAR) commented:
We have a dedicated team that is essentially constantly monitoring, and through that tool the trends are displayed when, what is the topic and how it is spiking, and communicating that [in] real time, back to senior management.

By having multiple SMM tools, FinancialCo was able to monitor a broad range of social media platforms. However, similar to other case organizations, the decision to monitor a particular social media platform was mostly derived by its level of penetration at the national level as well as the company’s target market (FC3). The manager of the CCUSM highlighted:

*Facebook is by far the biggest social network. Most Australians are on that. It has a lot of potential data for us to look at... Twitter is far more active and it’s public, so there are more conversations that we can access. LinkedIn has a growing network for professionals. There’re 4 million Australians on that, so it’s definitely a growing network that we like to keep an eye on.*

Moreover, the collection of social media data was mostly planned and focused to address particular decisions or actions of different business units. The manager of the CCUSM also emphasized the value of a focused collection:

*... we need to be clear about what our objectives are. If we have objectives that line up to our strategy and social media plays a role, then great! It’s important that it all lines up.*

*The challenge with social [media] is that we need to ask the right question in order to get the right insight. If we just say, ‘Show me all of [FinancialCo]’ there’s too much. It’s not very helpful.*

The head of digital marketing noted:

*The monitoring side for us is more about how successful is the campaign ... it is more about when we go out with something, what has been the response...*

The SMC manager commented:

*[Data analyst roles] will play a very vital role in making sure that things are aligned to whatever our business and campaign goals are.*

*We optimize as much as we can, as needed... we will absolutely look at previous activity to see how sentiment went. Did we pay the right dollars to get what we wanted, whatever we paid marketing, and optimize it from there?*

Propositions 10a and 10b are presented next, followed by supporting evidence.

**Proposition 10a:** Function-oriented analyses of social media data are likely to generate insights for decision-making at the operational level.

**Proposition 10b:** Research-oriented analyses of social media data are likely to generate insights for decision-making at the strategic level.
The analysis of social media data at FinancialCo was a combination of channel-, function- and research-oriented. The manager of the CCUSM provided a few examples of the channel-oriented analysis, which was often conducted by the CCUSM (FC6):

Whatever is publicly available, we capture and measure it. Say, [FinancialCo] mentions over time, our company mentions over time, to understand if there are any seasonality increases, if there are any changes across time over the year? Is it growing, is it not or is it stable? We need to understand where we are, compared to where we came from, to help us improve, and also to be potentially prepared for the future.

The SMC manager highlighted:

... the main objectives of SMM for marketing are to ensure that sentiment is balanced and also a campaign’s success according to whatever campaign metrics we have set. Usually it will be things like share of voice compared to other competitors or sponsors, negative versus positive sentiment, virality and reach, such as the number of impressions and how viral the content went, and obviously engagement too, such as how people engaged with it.

Having decentralized SMM capability, the analysis of social media data at the operational level was often function-oriented and it was performed at each business unit. The SMC manager noted:

We used to have very basic reporting, focused very much on common marketing objectives like impressions and reach. Now we understand more about the purpose and the nature of social channels, and depending on what we are running, we will measure it appropriately.

Impressions are very important because we pay to amplify our posts in most channels. We measure that because we want to make sure that our dollars are going as far as we can, but beyond that, it is not just about eyeballs, it is about the right eyeballs and if they are engaging with the content. It is all well and good to reach one million people, but if your engagement rate is incredibly low, have you been successful? Perhaps not, depending on what was the objective of the campaign.

As mentioned before, FinancialCo also used external services to perform a more in-depth analysis of social media data. The SMC manager commented:

[The use of external agencies] really depends on the level of activity... we ran a sponsorship earlier on in the year where we set up dashboards. We would look at sentiment and volume on a daily basis, but the agencies provide more metric and goal-based reporting on a fortnightly basis.

In addition, FinancialCo also conducted a research-oriented analysis as indicated in the comments below by the SMC manager:

... when we run campaigns we will have research at the front end obviously throughout the campaign, and then a post implementation review at the end, all of which involve using social media monitoring tools.
... we will look at things like demand prior to the campaign starting. Is there a demand and what are people actually talking about, because we do not want to go out and release content which potentially will not resonate at all. We do a little bit of research, say it is for mortgages, credit cards or sponsorship, just to see what is in the market at the moment. Then, during the campaign we will measure sentiment... ... so that we know what positive versus negative ratio there is.

The analysis at FinancialCo was not limited to descriptive analyses because they considered integrating social media data with other sources of information, and conducted more advanced analysis (FC7 and FC8). The data analyst provided an example of the future-oriented analysis, which could potentially impact longer-term strategic decisions:

*Part of what I do in the analytical function is to provide analytics as to what customers are talking about, feeling and saying, particularly at different times of the year, and what impact that has on the way we want to communicate with them.*

The head of digital marketing also highlighted:

*We do a lot of econometric modelling of our media spend and they are starting to work with Facebook. Until recently they have not been able to get the data they need to feed into that modelling, but they are starting to get it. We may see it becoming more a part of the discussion.*

Proposition 11 is presented next, followed by supporting evidence.

**Proposition 11: In a centralized SMM capability setting, developing formal dissemination processes is likely to increase the utilization of social media data at the operational level.**

Similar to TechCo, the dissemination of information across different business units was very limited at the operational level, as most of the business units had their own SMM capability to capture and analyze social media data. However, there were regular meetings among business units and the CCUSM to share the insights gained from the SMM in different business units (e.g. the results of the social media campaigns). The CCUSM also shared some general social media reports (e.g. channel-oriented analysis). The head of digital marketing noted:

*The social media team are pretty good at sharing their outputs with marketing, with corporate affairs... we share it reasonably well.*

Similarly, the data analyst commented:

*[The CCUSM] been fantastic with providing real insights about what people are saying and particular pain points and how we can address those as best we can.*
At the strategic level, FinancialCo developed a formal dissemination process where the data analysis unit shared the results of the analysis with other business units.

Proposition 12 is presented next, followed by supporting evidence.

**Proposition 12:** An organization’s entrepreneurial environment (among other contextual factors) is likely to facilitate the utilization of social media data at both operational and strategic levels.

The importance of the entrepreneurial environment in facilitating the SMM capability-building was recognized in several interviews. For example, the general manager, CAR highlighted:

*We have seen some behavioral differences. There are those who have prior experiences externally through education or other work situations and generally have a more open mind, are more responsive to the changes social media is bringing about and open to what changes it could bring about in the future versus those who have been in the same location for a very long time and have been over narrowly focused on the way things have been done forever, and clearly there is a difference. The propensity to see the opportunity that can come out of social media is not seen by many…*

*I think the lack of awareness and lack of knowledge... lack of open-mindedness [are the main hindrances of developing an enterprise-wide SMM capability]*

Several interviewees indicated that the entrepreneurial environment of FinancialCo supported the SMM capability-building. The manager of the CCUSM remarked:

*We have a very open, collaborative approach to how to do it, and that is the only way we could do it. You can’t close off social [media].

*Our senior managers have been very open and have embraced the opportunity. It is the lack of understanding, particularly from pockets of senior leadership. There is lots of enthusiasm and excitement.*

Similarly, the data analyst highlighted:

*Social media is probably becoming more and more important to us. Everyone is extremely open to using it and trying to better understand how to utilize it to its greatest extent.*

The SMC manager believed that the entrepreneurial environment of the marketing unit contributed to the development of its SMM capability:

*Marketing is probably the most ripe for innovation because obviously we are constantly in that mindset of pushing for results and using new innovations to get what we need to get, but in other areas of the business it is a bit harder.*
The next section presents a conceptualization of three stages of an SMM capability development according to the empirical findings of Phases 1 and 2.

7.4 Conceptualizing three stages of an SMM capability

Chapters 5, 6 and 7 presented a detailed analysis of the SMM capability at each case organization (i.e. within-case and cross-case analysis). This analysis suggested various characteristics of an SMM capability across the case organizations. From an analysis of these characteristics, the researcher identified three stages drawn from clustering the SMM capability characteristics (Caldeira & Ward, 2003).

These stages were conceptualized as experimental, operational, and strategic capabilities. The detailed characteristics of each stage are presented in Table 7-4 and discussed in the following sections. This conceptualization of the capability stages is also used in the next chapter to address the second research question.
Table 7-4: The Characteristics of the Experimental, Operational and Strategic Stages of SMM Capability Maturity

<table>
<thead>
<tr>
<th>Characteristics of SMM capability</th>
<th>Experimental</th>
<th>Operational</th>
<th>Strategic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Degree of centralization of the capability</td>
<td>Centralized, outsourced</td>
<td>Partly decentralized</td>
<td>Fully decentralized, enterprise-wide</td>
</tr>
<tr>
<td>Degree of formality of SMM roles</td>
<td>Individuals’ ad-hoc SMM efforts</td>
<td>Formal technical SMM role(s) within one business unit</td>
<td>Formal, functionally focused SMM roles in different business units</td>
</tr>
<tr>
<td>Extent of managerial roles’ involvement</td>
<td>Limited involvement (often in one business unit)</td>
<td>Moderately involved (often in one business unit)</td>
<td>Highly involved (often enterprise-wide)</td>
</tr>
<tr>
<td>Presence of data analyst roles</td>
<td>No data analyst role</td>
<td>Informal data analyst roles</td>
<td>Formal data analyst roles dedicated to social media</td>
</tr>
<tr>
<td>Degree of sophistication of SMM tools</td>
<td>Basic freeware SMM tools</td>
<td>Commercial SMM tools</td>
<td>Multiple, sophisticated, commercial and specialized SMM tools</td>
</tr>
<tr>
<td>Use of advanced social media analytics</td>
<td>No utilization</td>
<td>Low utilization</td>
<td>High utilization</td>
</tr>
<tr>
<td>Extent of planning prior collection</td>
<td>Often unplanned</td>
<td>Occasionally planned</td>
<td>Frequent planned/focused SMM efforts</td>
</tr>
<tr>
<td>Types of analysis</td>
<td>Channel-oriented</td>
<td>Channel-oriented Function-oriented</td>
<td>Channel-oriented Function-oriented Research-oriented</td>
</tr>
<tr>
<td>Degree of formality of dissemination at the operational level</td>
<td>Informal</td>
<td>Relatively informal</td>
<td>Formal</td>
</tr>
</tbody>
</table>

Utilization of social media data

<table>
<thead>
<tr>
<th>Range of utilization</th>
<th>Limited range of functions</th>
<th>Towards a broad range of functions</th>
<th>Broad range of functions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Utilization at the operational level</td>
<td>Mostly reactive</td>
<td>Reactive and proactive</td>
<td>Reactive and proactive with emphasis on proactive use</td>
</tr>
<tr>
<td>Utilization at the strategic level</td>
<td>No strategic use</td>
<td>Possible knowledge-enhancing use</td>
<td>Often action-oriented use</td>
</tr>
</tbody>
</table>
7.4.1 Experimental SMM capability

In the experimental stage, the SMM capability is in its infancy. The organization often begins using social media as a channel of communication, and routinely assesses the suitability of social media for this purpose. The organization initially uses basic SMM tools to identify relevant comments and conducts channel-oriented analyses to measure the effectiveness of social media as a channel of communication.

Also, the organizations at this stage tend to conduct informal, ad-hoc and small-scale social media campaigns (i.e. experimentation), often with the intent of learning how to monitor social media and exploring how this might help them sense their external environment and possibly inform business decisions. These experimental efforts are often initiated by individuals within one business unit. These “champions”, who are typical of “bottom-up” innovation efforts as documented by Rogers (1995), Howell and Higgins (1990) and Maidique (1980), seek to convince others (e.g., skeptical managers) of the business value that the utilization of social media data may provide to the organization.

At this stage of the SMM capability-building, the utilization of social media data is limited to immediate situations (i.e. reactive utilization at the operational level). As a result, there is no substantial business value associated with SMM activities. The SMM capabilities at CarCo and ConvenienceCo were categorized in this stage.

7.4.2 Operational SMM capability

The operational stage of SMM maturity commences once an organization has made a commitment to develop a formal SMM capability. As such, resources (people and technology) are dedicated to establishing the capability, and the SMM process also becomes more formal. The organization is transitioning from the informal/experimental approach in the previous stage towards a more formal and sophisticated approach. In conjunction with formal roles and processes, the organization also requires more sophisticated SMM tools. In this stage, larger volumes of social media data are being examined, with more emphasis on function-oriented analyses. Managerial roles also become more involved in the SMM process.

Initially, much of the effort tends to be specialized towards business functions in one particular business unit, such as marketing, customer service or public relations. However, the focus often shifts towards developing similar sophisticated capabilities across other and more business functions (Helfat & Peteraf, 2003). The SMM capability
would, therefore, be prevalent in various organizational units with formal, functionally focused SMM roles.

In the majority of the case organizations, the approach towards a decentralized capability was to transfer the learning and experience developed in the first business unit to other business units. For example, the leading business unit might initially provide social media analyses as a service to other business units. It might also initially host SMM tools on behalf of other business units until decentralized capabilities became self-sufficient. The decentralized SMM teams then might need more specialized SMM tools that are tailored to their business needs, with relevant reports and metrics.

Eventually the organization has a mature, decentralized capability to monitor social media on an ongoing basis, across multiple business functions. It is now capable of proactively identifying operational opportunities and threats. As such, social media data is utilized both reactively and proactively for operational decision-making. There also exists some possible knowledge-enhancing utilization of social media data. However, strategic decisions at the corporate and business unit level may still be made without considering social media.

7.4.3 Strategic SMM capability

In the strategic stage of the SMM capability, the organization has experimented sufficiently and learnt to the degree it has gained confidence to also utilize social media data towards longer-term strategic decisions. As a result, social media data becomes an integral part of decision-making at both operational and strategic levels. As such, the SMM capability evolved from informal, ad hoc SMM efforts to formal routines or embedding the SMM capability as part of enterprise-wide functions at the operational level, and eventually towards a natural part of the external intelligence gathering practice of the organization for strategic purposes.

In the transition from a centralized SMM capability toward a more decentralized and enterprise-wide capability, often new coordinator roles emerge to facilitate the sharing of technical SMM expertise and the insights across different functional areas, as well as the transfer of best practices from the leading team to other business units, as observed in TechCo and FinancialCo.

The collection of social media data at this stage becomes more planned/focused to address specific business issues, decisions or problems. This was evident from several large-scale social media campaigns at FinancialCo, TechCo and Telco. The analyses also progress
beyond the mere reporting and analysis of social media data, and mature towards research-oriented analyses of social media data. As a result, the organization often needs to dedicate data analyst roles and exploit advanced analytics software to conduct more sophisticated analyses (e.g. future-oriented analysis). The managerial roles also become considerably involved, particularly during planning.

As a result, it is expected that the utilization of social media data also occurs at the level of strategic decisions. This utilization is likely to be more action-oriented, mostly due to the involvement of managerial roles. Thus, in this stage, the SMM capability is expected to generate business value at both the operational and strategic levels. However, the evidence from the case studies indicated that while most of the case organizations managed to gain advantage from utilizing social media data at the operational level on an ongoing basis, none achieved this level of maturity at the strategic level yet.

In terms of the progression of the SMM capability development, the researcher also conducted three follow-up interviews one year after the initial interviews at CarCo, EduConsultCo and InsuranceCo. The evidence from these interviews indicated that the case organizations showed progress toward a greater maturity as shown and predicated in Table 7-4. However, this progression often occurred only in a few aspects of the capability. The three interviews are analysed and presented in Appendix G.

7.5 Summary of the chapter

This chapter presented the results of Phase 2 of this research. The goal of Phase 2 were twofold; (1) to demonstrate the replicability of the findings (Yin, 2009) from Phase 1 with the intent to conceptually distinguish stages of an SMM capability development, (2) to assess the propositions developed in Chapter 6 in an in-depth case study (Miles & Huberman, 1994; Paré, 2004; Patton, 2002, p. 243).

The chapter described the conduct of Phase 2, followed by presenting evidence from the in-depth case study at FinancialCo. The chapter concluded with a conceptualization of various stages of SMM capability. The next chapter uses this conceptualization and addresses the second research question, namely, ‘how could an SMM capability impact on organizational competitiveness?’
8 UNDERSTANDING THE IMPACT OF AN SMM CAPABILITY USING AN INTEGRATED VIEW OF RESOURCE-BASED AND DYNAMIC CAPABILITIES

8.1 Overview
Chapters 5, 6 and 7 addressed the first and third research questions by examining the components of an SMM capability. This chapter discusses the potential effects of an SMM capability on organizational competitiveness as observed in the case organizations. In particular, this chapter addresses the second research question, namely, ‘how could an SMM capability impact on organizational competitiveness?’, as posed in Chapter 2.

To answer the above-mentioned question, the researcher searched for suitable theories to explain how an SMM capability could impact on organizational competitiveness. Given the conceptualization of SMM as a capability (Amit & Schoemaker, 1993; Eisenhardt & Martin, 2000; Helfat & Peteraf, 2003; Maier et al., 2012) in this study (as discussed in Sections 2.5 and 2.6), a root theory in the strategic management literature was identified: the resource-based theory (Barney, 1991, 2001; Wernerfelt, 1984), and the related dynamic capabilities literature (Teece et al., 1997). The resource-based theory and dynamic capabilities use the concept of capability to explain differential organizational competitiveness. In particular, these two theories are adopted by many authors to explain the role of internal resources in organizational competitiveness.

This chapter is structured as follows. First the resource-based theory and dynamic capabilities are introduced to explain the competitive-advantage-generating potential of an SMM capability in its various stages of development (as articulated in Chapter 7, Section 7-4). Second, as part of the theory-building approach, three further propositions are developed. Third, the chapter presents a theoretical model of an SMM capability that includes its components and potential effects. Finally, the chapter concludes by a discussion of the study’s contributions to the resource-based and dynamic capabilities literature.

8.2 Resource-based theory
The initial idea of the resource-based theory originated from Penrose (1959) who proposed that a firm’s growth is constrained when resources are inadequate. Since the introduction of this idea, several authors have contributed to its development (Amit & Schoemaker, 1993; Grant, 1996; Kraaijenbrink, Spender, & Groen, 2010; Makadok,
2001; Peteraf & Barney, 2003; Peteraf, 1993; Teece et al., 1997), and Wernerfelt (1984) introduced the term ‘resource-based view’. Later, Barney, Ketchen, and Wright (2011) recognized the resource-based view as a theory.

Central to the argument for the resource-based theory is that “firms possess resources, a subset of which enables them to achieve competitive advantage, and a further subset which leads to superior long-term performance [sustainable competitive advantage]” (Wade & Hulland, 2004, p. 108). Nevertheless, there are divergent views about the attributes of (sustainable) competitive-advantage-generating resource.

Barney (1991) made a major contribution to the development of the resource-based theory by specifying the attributes or characteristics of a (sustainable) competitive-advantage-generating resource as valuable, rare, inimitable and non-substitutable (VRIN). According to Barney (1991), “resources are valuable when they enable a firm to conceive of or implement strategies that improve its efficiency or effectiveness” (p. 106). He also argued that having a valuable resource is not sufficient for generating competitive advantage if other competing organizations also possess the same resource. Therefore, he suggested that to generate competitive advantage, valuable resources need to be rare as well.

Moreover, Barney (1991) argued that whilst the value and rarity attributes of resources are required in obtaining a competitive advantage, they do not secure a sustainable competitive advantage. To sustain a competitive advantage for a possible longer term, the resources should also be inimitable and non-substitutable as well (Barney, 1991). The inimitability of a resource is often derived by several characteristics, such as path-dependency, social complexity, causal ambiguity and isolating mechanisms (Dierickx & Cool, 1989; Wernerfelt, 1984). Resources with these attributes are expected to be firm-specific and difficult or costly to imitate (Barney & Mackey, 2005). Moreover, a resource with such conditions cannot be easily replaced by outsourcing to third parties or be acquired in factor markets; thereby, it is considered a non-substitutable resource (Wade

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14 The concept of (sustainable) competitive-advantage-generating resource in the resource-based theory has been labeled by several terms such as asset, strategic asset, and competencies (Prahalad & Hamel, 1990).

15 The context (i.e. the organization) in which the resources are developed is also been recognized as an important attribute (Barney & Hesterley, 2010). Therefore, the ‘N’ in VRIN is often replaced with ‘O’, which represents the organization.
& Hulland, 2004). In other words, the replaced resource or capability will not deliver the equivalent strategic value for another organization.

The resource-based theory has been widely adopted in the context of IS/IT and has proved to be a useful perspective in studying IS/IT phenomena. In particular, the resource-based theory is used to theoretically explain how IS/IT resources contribute to business performance and competitiveness (Bharadwaj, 2000; Caldeira & Ward, 2003; Peppard et al., 2000; Ray et al., 2004; Soh & Markus, 1995; Wade & Hulland, 2004).

A comprehensive review of the IS literature that adopted the resource-based theory was conducted by Wade and Hulland (2004). They identified three possible ways in which an IS resource could influence the competitive position of an organization: direct, indirect and a combination of direct and indirect ways. Central to the argument of Wade and Hulland (2004) is that IS resources do not always directly contribute to the sustained competitive advantage of the organization, but they could indirectly influence the competitive position of the organization by impacting other organizational capabilities. This indirect effect is referred as resource complementarity in the arguments of the resource-based theory (Wade & Hulland, 2004).

The concept of resource complementarity suggests that resources (particularly, IS resources) often do not act alone in creating or sustaining a competitive advantage, but they interact with other organizational resources or capabilities to generate business outcomes. The idea of resource complementarity is possibly rooted in a study by Black and Boal (1994) who suggested three types of interactions between resources: enhancing, compensatory and destroying. In an enhancing interaction/relationship, one resource strengthens the positive impact of another resource (i.e. synergistic relationship (Nevo & Wade, 2010)). In a compensatory interaction, the positive impact of one resource is offset by the negative effect of the other resource. Finally, in a destroying or suppressing interaction, the negative effect of one resource takes over the positive effects of the other resource and the overall combined effects of the two resources on the outcome becomes negative.

Prior studies on the resource-based theory mostly discussed the enhancing interaction between IS resources and other organizational resources or capabilities. For example, Ray et al. (2004) tested the resource-based theory in an empirical study. They examined the indirect effects of IS resources on performance through its enhancing interaction with the organization’s customer service capability. They suggested that it is more appropriate to consider the effectiveness of business processes as a dependent variable rather than
overall performance. They provided several justifications for choosing this approach. For example, they argued that “firms can have competitive advantages in some business activities and competitive disadvantages in other, [therefore] examining the relationship between resources associated with different processes within a firm and a firm’s overall performance can lead to misleading conclusions” (p. 24). In other words, aggregating positive and negative effects in different processes (or capabilities) might not reflect the real detailed effect. For example, a high increase in the effectiveness of one capability might be offset by no change or a decrease in the effectiveness of another firm capability.

Using the resource-based theory, several other authors argued that IS/IT resources could contribute to competitiveness indirectly rather than directly by impacting other organizational processes and capabilities. In other words, IS/IT resources improve the effectiveness of other processes and capabilities through the complementarity or enhancing effects (Wade & Hulland, 2004). Therefore, as also suggested by Soh and Markus (1995), there exists an intermediate step between organizational IS/IT resources and the ultimate outcome (i.e. superior performance or a competitive advantage) of the organization.

While the resource-based theory focuses on the attributes of competitive-advantage-generating resources, it lacks sufficient detail of how organizations can build and maintain resources with those attributes for a longer term. In other words, while resources with those attributes could generate a competitive advantage for the present, they cannot necessarily secure this competitive position in the future due to changes and new developments in the external environment. Therefore, to enable a longer-term competitive advantage, organizations need to continuously scan their external environment, seek new opportunities and threats, and deploy the necessary changes in their resources. The notion of dynamic capabilities, which draws on the resource-based theory, addresses these issues (Eisenhardt & Martin, 2000; Teece, 2009; Teece & Pisano, 1994; Teece et al., 1997; Winter, 2003).

### 8.3 Dynamic capabilities

As noted in the previous section, the literature on dynamic capabilities is mainly concerned with how to change current resources to remain competitive in the future (Eisenhardt & Martin, 2000; Teece, 2009; Teece & Pisano, 1994; Teece et al., 1997). Past research has adopted dynamic capabilities to explore the ways that IT, IS and BI capabilities can help organizations to achieve business value (Xu & Kim, 2014). In
particular, Wagner and Wagner (2013) adopted dynamic capabilities in the context of social media.

In general terms, dynamic capabilities can be understood as higher-order capabilities (Cepeda & Vera, 2007; Eisenhardt & Martin, 2000; Winter, 2003) which facilitate the addition, reconfiguration, transformation and protection of an organization’s competitive-advantage-generating resources in the light of emerging opportunities and threats (Sambamurthy, Bharadwaj, & Grover, 2003; Teece, 2009). More specifically, dynamic capabilities address the question of “how to sustain a capabilities-based advantage in the context of environmental change” (Helfat & Peteraf, 2009, p. 99).

Teece (2007) proposed a model of micro foundations of dynamic capabilities containing three main interrelated capacities: (1) sense and shape opportunities and threats (identification of opportunities); (2) seize opportunities (investment in opportunities); and (3) maintain competitiveness through enhancing, combining, protecting, and, when necessary, reconfiguring the business enterprise’s intangible and tangible assets. In this manner, the organization responds to the identified changes in its external environment by appropriately reconfiguring its competitive-advantage-generating resources. Thus, dynamic capabilities, on the one hand, involve sensing the external environment (e.g. customers’ needs, emerging markets, competitors’ moves, technological changes and overall industry movements) while, on the other hand, they involve adaption and change (Helfat & Peteraf, 2003).

To further clarify the definition and function of dynamic capabilities, the literature on strategic management emphasizes the importance of distinguishing the concepts of capability (see Section 2.8) and dynamic capability (Helfat & Winter, 2011; Teece, 2014). To differentiate a capability from a dynamic capability, some authors refer to capability as an ordinary, operational or zero level capability. For example, Winter (2003) defines ordinary capabilities as “those that permit a firm to ‘make a living’ in the short term” (p. 991). Helfat and Winter (2011) also note that an ordinary capability “enables a firm to perform an activity on an on-going basis using more or less the same techniques on the same scale to support existing products and services for the same customer population” (p. 1244).

In contrast, dynamic capabilities “enable a firm to alter how it currently makes its living” (Helfat & Winter, 2011, p. 1244). In other words, dynamic capabilities govern the rate of change in ordinary capabilities by extending or modifying how they make a living (Collis, 1994; Helfat & Winter, 2011). As such, by developing dynamic capabilities,
organizations can build and maintain resources that are possibly firm-specific and path-dependent. Therefore, it is expected that these resources generate competitive advantage for a longer-term.

Helfat and Winter (2011) suggested the existence of dual-nature capabilities, meaning that some types of capabilities might function as both an operational and a dynamic capability. Incorporating this idea in the analysis of the evidence from the case studies (particularly in developing the maturity stages of the SMM capability), this study suggests that adopting an integrated view of the resource-based and dynamic capabilities provides a more comprehensive and useful perspective in understanding the potential impact of an SMM capability. The next section discusses the application of the integrated view of the resource-based and dynamic capabilities in the context of an SMM capability.

8.4 Adopting an integrated view of resource-based and dynamic capabilities in the context of an SMM capability

8.4.1 A resource-based view of an experimental and operational SMM capability

Chapter 7 proposed and discussed three maturity stages of an SMM capability. Moreover, the increasing maturity of the SMM capability was related to the range of utilization of social media data. As a result, a more mature SMM capability could impact and possibly enhance a broader range of organizational capabilities. For example, the impact of an SMM capability varied from little or no impact at CarCo and ConvenienceCo to a concentrated impact on capabilities of one or two business units at InsuranceCo, and eventually toward a more pervasive impact across the organization at FinancialCo.

The case study evidence showed that an SMM capability impacts on an organization’s competitiveness through interactions with its other organizational capabilities. Thus, the affected capabilities then continuously utilize social media data to identify possible improvement opportunities at the operational level (Pöppelbüß & Malsbender, 2013). As such, the immediate (direct) impact of an SMM capability is on other organizational capabilities. Therefore, as articulated by Wade and Hulland (2004), the present study argues that an operational SMM capability directly impacts the competitive position of the organization by improving the effectiveness of its existing operations (resource complementarity). The synergistic effect of the combined capabilities would then be considered a valuable and rare resource.
Several recent studies supported improved effectiveness in organizational capabilities as a result of SMM in different areas of business, such as communication (Sashi, 2012; Schniederjans et al., 2013), relationship marketing (Stauss, 2000), branding (Chua & Banerjee, 2013), campaign development (Bekmamedova & Shanks, 2014), and recruitment practices (Roth et al., 2013).

Moreover, the present study found that the type of interaction between an SMM capability and other organizational resources/capabilities could be related to the maturity level of the SMM capability. For example, an experimental SMM capability (as observed at CarCo and ConvenienceCo) often had no systematic or routinized interactions with other organizational capabilities, so that the incorporation of insights was not continuous and on-going. SMM was mostly used to monitor social media in order to perform ad-hoc problem solving, and that CarCo’s actions were mostly reactive rather than proactive and systematic. As such, SMM could even be a disruptive innovation at this initial stage of capability development.

From a competitiveness perspective, the evolution of the SMM capability within an organization can be understood as follows. Organizations with an experimental SMM capability could at best be moving from the state of competitive disadvantage towards the state of competitive parity (Mata, Fuerst, & Barney, 1995).

Organizations with an operational SMM capability catch up to the competition as they develop their capability to monitor their external environment for possible operational opportunities and to improve the effectiveness of their existing other capabilities. The improved effectiveness in those capabilities then provides a foundation on which an organization may achieve competitive parity or potentially a competitive advantage at the operational level (Barney, 1991; Zahra & George, 2002). However, it is only when SMM capabilities are synergistically integrated (i.e. enhancing interaction between resources) that the potential for competitive advantages arises (Nevo & Wade, 2010; Wade & Hulland, 2004). It is important to note that the contribution of this impact (i.e. the impact of operational SMM capabilities) to the organization’s competitiveness is considered minor (compared to the impact of strategic SMM capabilities as discussed in Section 8.4.2).

Bekmamedova and Shanks (2014) argued that social media analytics affects other organizational resources, and this could possibly only generate a competitive advantage for early adopters. They argued that developing an SMM capability at the operational level is relatively easy for competitors to copy and imitate. The competitors could even
overtake the organization through a more innovative utilization of social media data (Peppard & Ward, 2004). Of course, a whole range of other factors could contribute to an organization attaining a competitive advantage, such as other organizational capabilities, the performance of its management and industry information intensity (Soh & Markus, 1995).

As such, based on the above argument and using the resource-based theory, the following propositions are put forth:

**Proposition 13:** An experimental SMM capability is expected to have no significant impact on an organization’s competitiveness. In turn, this represents a state of competitive parity or competitive disadvantage (depending on the capabilities of competitors).

**Proposition 14:** An operational SMM capability is likely to improve the effectiveness of operations. In turn, this improved effectiveness is likely to have a minor but positive and direct effect on competitive position in the short-term (again, depending on the capabilities of competitors).

As discussed in this section, the resource-based theory offered a theoretical explanation for understanding the impact of an experimental and operational SMM capability; however, this view was not sufficient in explaining the possible impact of a strategic SMM capability. Therefore, the next section adopts dynamic capabilities to explain the competitive-advantage-generating potential of a strategic SMM capability.

### 8.4.2 A dynamic capabilities-based view of a strategic SMM capability

In this section, the dynamic capabilities view is used to explain the possible impact of a strategic SMM capability. The case study evidence showed that in subsequent stages of capability development, an SMM capability may evolve into a strategic SMM capability, which occurs at the point where insights gained from SMM prompt the organization to reconfigure its capabilities or build new ones. In other words, the ways in which the organization currently operates can be transformed by incorporating the insights gained from SMM.

This type of interaction between a strategic SMM capability and other organizational capabilities could not be explained by the resource-based theory alone, as the nature of interaction was beyond what could be afforded by the concept of resource complementarity in the resource-based theory. This type of interaction is however well
recognized in the notion of dynamic capabilities. The authors in dynamic capabilities argue that organizations need to reconfigure or redeploy their resources and capabilities to respond to the opportunities, threats and changes in the external environment (Teece, 2007).

Depending on the type of response, reconfiguration may involve adding new resources, changing routines, creating new capabilities and even redesigning their business models (Teece, 2007). This type of interaction is also referred to as cospecialization in the literature on dynamic capabilities. In particular, Teece (2007) noted, “Cospecialized assets are a particular class of complementary assets where the value of an asset is a function of its use in conjunction with other particular assets. With cospecialization, joint use is value enhancing” (p. 1338).

As such, based on the above argument, this study suggests that a strategic SMM capability is likely to indirectly impact on organizations’ competitive positions by reconfiguring or transforming other organizational capabilities. Helfat and Peteraf (2003) noted that “dynamic capabilities do not directly affect output for the firm in which they reside, but indirectly contribute to the output of the firm through an impact on operational capabilities” (p. 999). Compared to an operational SMM capability, the author argues that the extent of this impact is major.

From a competitiveness perspective, organizations with strategic SMM capability may achieve competitive advantage for a longer term. These advantages stem from two sources. First, new competitive knowledge resources are created as the organization integrates its existing information with the additional external intelligence provided by SMM. The new external intelligence obtained via SMM may add to an organization’s competitive knowledge resources, validate existing knowledge or simply enable a different interpretation of the same knowledge (Eisenhardt & Martin, 2000; Grant, 1996; Teece, 2007). As such, the organization extends/renews its competitive knowledge (as intangible resource) on a continuing basis (Nguyen et al., 2015; Wagner & Wagner, 2013).

The second source of competitive advantage is from having more effective organizational capabilities that are evolved over time, in an iterative and highly path-dependent process through mechanisms of dynamic capabilities (Helfat & Peteraf, 2003). These capabilities are expected to be more effective because of the learning and experience accumulated in their formation (Zollo & Winter, 2002). Helfat and Peteraf (2003) notes that “If exercised regularly, the capability becomes more deeply embedded in the memory structure of the
organization. Routines may become more habitual, requiring less and less conscious thought” (p. 1003). As such, both the knowledge resource and the affected capabilities are expected to be firm-specific and path-dependent; thereby, they are hard or costly to imitate and often non-substitutable as suggested by the resource-based theory. Such resources are expected to offer the potential to be a source of a longer-term competitive advantage.

Thus, based on the above argument, and using dynamic capabilities, the following proposition is put forth:

**Proposition 15:** A strategic SMM capability is likely to transform ordinary capabilities. In turn, this transformation is likely to have an indirect, but major and positive effect on competitive position in the longer term.

### 8.5 Summarizing the impact of various stages of an SMM capability

Using the conceptualization of an SMM capability as three stages of maturity (see Section 7.4), the researcher explained the impact of an SMM capability. In doing so, the study showed that the competitive-advantage-generating potential of a certain resource could also be related to its level of maturity. Therefore, assessing the impact of a resource without considering its characteristics (or maturity stage) would not lead to an accurate conclusion. In other words, the characteristics of the resource and the way the organization leverages that resource could influence its final deliverables.

Prior studies discussed other factors in moderating the effects of an IS/IT resource, such as organizational factors (e.g. top management commitment and entrepreneurial environment) and environmental factors (e.g. the rate of change in the external environment). However, the fact that a particular IS/IT resource can have various stages of maturity in organizations and the possible effects of these various stages of maturity on the organizations’ dynamic capabilities were not considered in empirical applications of the theory. As such, this study suggests that in addition to the organizational and environmental factors, the characteristics of the resource itself should also be considered when assessing the effects of a resource on organizational competitiveness.

A search for explanations of the above-mentioned effects in the literature on dynamic capabilities found two possible concepts for calibrating capabilities and their impact: technical fitness and evolutionary fitness (Helfat et al., 2007). Helfat et al. (2007) defined
technical fitness as “how effectively a capability performs its intended function” (p. 7). They also defined evolutionary fitness as “how well the capability enables the firm to make a living by creating, extending, or modifying its resource base” (p. 7). A common managerial interpretation of these two metrics/yardsticks can be ‘doing the right things’ (evolutionary fitness) and ‘doing things right’ (technical fitness) (Ambrosini & Bowman, 2009). In the context of this study, the maturity stages of the SMM capability could explain the technical fitness of the capability and the different levels of impact could be understood by the concept of evolutionary fitness. To date, there does not appear to be any empirical study that used these metrics. Table 8-1 provides a summary of the discussion in this chapter using an integrated view of resource-based and dynamic capabilities.

Table 8-1: Application of an Integrated View of the Resource-based and Dynamic Capabilities in Explaining the Competitive-Advantage-Generating Potential of Various Maturity Stages of an SMM Capability

<table>
<thead>
<tr>
<th>SMM capability maturity stages</th>
<th>Experimental</th>
<th>Operational</th>
<th>Strategic</th>
</tr>
</thead>
<tbody>
<tr>
<td>Theoretical explanation</td>
<td>Resource-based theory</td>
<td>Resource-based theory</td>
<td>Resource-based theory Dynamic capabilities</td>
</tr>
<tr>
<td>Type of interaction between resources</td>
<td>No systematic interaction</td>
<td>Enhancing interaction (i.e. resource complementarity).</td>
<td>Transformational interaction</td>
</tr>
<tr>
<td>The resulting resource</td>
<td>---</td>
<td>Valuable and rare</td>
<td>Inimitable and non-substitutable</td>
</tr>
<tr>
<td>Business impact</td>
<td>No significant impact</td>
<td>Direct but minor impact by improving the effectiveness of existing capabilities</td>
<td>Indirect but major impact through building new capabilities or reconfiguring existing ones</td>
</tr>
<tr>
<td>Competitive-advantage- generating potential</td>
<td>Competitive disadvantage or possible competitive parity</td>
<td>Competitive parity or possible competitive advantage in the short-term (for first-movers)</td>
<td>Possible competitive advantage for the longer-term</td>
</tr>
</tbody>
</table>

8.6 A theoretical model of an SMM capability: Its components and potential impact

A model of an SMM capability is proposed as presented in Figure 8-1. The model is divided into two sub-models. The first part explains the components of an SMM
capability and addresses the first and third research questions (Chapters 5, 6 and 7) and the second part shows the direct and indirect effects of an SMM capability on organization’s competitiveness and addresses the second research question (discussed in this chapter). Further details about the model are explained in this chapter, Section 8.4.

Figure 8-1: A theoretical model of an SMM capability: Its components and potential impact on organizational competitiveness

_Note._ The indirect impact of the strategic SMM capability is shown with the dotted arrows.
8.7 Contributions to the resource-based and dynamic capabilities literature

This study offers three contributions to the resource-based theory and dynamic capabilities literature. First, the study articulated how the impact of various maturity stages of an SMM capability on organizational competitiveness could be understood by integrating resource-based and dynamic capabilities perspectives. The researcher showed that depending on the level of capability maturity, an SMM capability could impact on organizational competitiveness both in a direct way by enhancing other capabilities, and in an indirect way through the transformational interaction with other operational capabilities. Three propositions were developed accordingly.

As such, this study addressed the call by Wade and Hulland (2004) to investigate the direct and indirect effects of an IS resource on organizations’ competitive position. The present study concluded that an SMM capability could impact organizations’ competitiveness in both direct and indirect ways and this could be a function of the level of maturity of the SMM capability.

Second, given that SMM was identified as a phenomenon with a dual potential impact (operational and possibly strategic), this study illustrated that an integration of resource-based and dynamic capabilities provides a richer theoretical explanation of the overall impact on organizational competitiveness.

Finally, the third contribution to the resource-based theory and dynamic capabilities literature is in recognizing different types of interaction between resources when assessing the impact of a resource on other organizational resources and capabilities. By combining the perspectives offered by the resource-based and dynamic capabilities literature, this study identified and used the three types of interactions between organizational resources: destroying, compensating, enhancing (Black & Boal, 1994) as well as the transforming interaction from the literature on dynamic capabilities (Teece, 2007). These combined four types of interactions are pertinent to explain the impact of an SMM capability in organizations. The examples from this thesis in the context of SMM provide illustrations of how these four types of interactions are manifested, and could therefore be useful for future research in other contexts.

A complete list of contributions is provided in Chapter 9, Section 9.2.
8.8 Summary of the chapter

This chapter addressed the second research question, namely, ‘how could an SMM capability impact on organizational competitiveness?’. In doing so, the chapter first introduced the two most influential theories in strategic management literature; the resource-based and dynamic capabilities. The chapter then argued that an integrated view of the resource-based and dynamic capabilities can be a more comprehensive perspective in analyzing the impact of an SMM capability in its various maturity stages. Three propositions were also developed to explain the effects of various maturity stages of an SMM capability on the organizations’ competitiveness. Moreover, a theoretical model of an SMM capability, its components and potential impact on organizational competitiveness was presented. The chapter concluded with several potential contributions to the literature of the resource-based and dynamic capabilities theories.
9 SUMMARY OF THE STUDY AND CONTRIBUTIONS

9.1 Overview

Social media has evolved as one of the growing areas of research over the past few years (Urquhart & Vaast, 2012). Nevertheless, relatively little research has been conducted to examine the organizational aspects of an SMM capability, such as the required resources, processes and structure of the capability. Furthermore, the conditions under which an SMM capability is more, or less, effective has remained largely unexplored in the academic literature. More importantly, there is currently a lack of understanding of how an SMM capability could contribute toward organizational competitiveness. Most of the existing studies have provided cursory insights about the above-mentioned issues, but they have not provided a systematic and theoretically-based explanation of the organizational capability of SMM, its underlying components and potential impact on organizational competitiveness.

The previous eight chapters presented a systematic investigation of an organizational SMM capability using a qualitative, multiple case study method, and followed a theory-building process as suggested by Eisenhardt (1989) and Paré (2004). This study was conducted in two phases in an iterative process of data collection, data analysis, and literature reviewing that guided a gradual theory-building process. The process aimed to answer the proposed research questions and to make a theoretical contribution to the domain of social media monitoring. Several propositions were developed to explain the relationships between the characteristics of an SMM capability and the utilization of social media data in business decision-making at both operational and strategic levels. The study concluded by offering a model of an organizational SMM capability, its components and potential impact on organizational competitiveness.

This chapter revisits the research questions, and discusses the research contributions and practical implications. The chapter also articulates issues regarding the generalizability of the theoretical findings. It concludes with a discussion of the study’s limitations and outlines several opportunities for future research.

9.2 Revisiting the research questions and contributions

Three research questions were proposed and addressed in this study. Two of these questions (RQ1 and RQ2) were derived from the literature review. One additional research question (RQ3) was formulated as a result of insights gained from Phase 1 of the
study. In answering each of these questions, the study made several contributions to several streams of literature including information systems, marketing and strategic management. In terms of the order in answering the research questions, the first and third research questions were addressed in Chapter 5, 6 and 7, followed by the second research question, which was addressed in Chapter 8. This section condenses the key finding related to each research question. To match the logical sequence of the chapters, research questions 1 and 3 are first addressed, followed by research question 2. This section summarizes the contributions of this study that support the achievement of the objectives and serves as a starting point for future studies that wish to explore the phenomenon of social media monitoring.

The below research question was addressed in Chapters 2, 3 and 5. In summary, the following contributions emerged addressing the first research question. RQ1: What are the essential components of an SMM capability and how could these components be assessed analytically?

**Contribution 1:** The study defined an organizational SMM capability and conceptualized it as part of an organizational external intelligence capability.

**Contribution 2:** The study identified the components of an SMM capability and developed an initial analytical framework from the existing literature, which was subsequently refined according to the analysis of evidence from the case studies. The researcher identified emerging attributes pertinent to each component of the analytical framework. Accordingly, the initial analytical framework was refined to incorporate these emerged attributes (Figure 5-1). As such, the study made a theoretical contribution in the form of an analytical framework that can be used as an instrument to systematically assess an organizational SMM capability and its components. The researcher classifies this contribution as ‘theory for analyzing’ as described by Gregor (2006). According to Gregor (2006), theory for analyzing (type I: theory) analyzes “what is, as opposed to explaining causality or attempting predictive generalizations” (p. 622).

**Contribution 3:** The study identified that the phenomenon of SMM in organizations has a dual nature by demonstrating the utilization of social media data at (1) operational and (2) strategic levels. This is atypical of many other documented studies in information and communications phenomena in organizations that often only manifest themselves at the operational level.
Contribution 4: The study illustrated that the extent to which the case organizations utilized social media data can be assessed using three attributes: utilization level, type and range.

The below research question was explored in detail in Chapters 6 and 7. In summary, in addressing this question, the study made the following contributions.

RQ3: How do different characteristics of an SMM capability impact on the utilization of social media data?

Contribution 5: The study explored the characteristics of an SMM capability that makes the utilization of social media data more, or less, effective. Twelve theoretical propositions were developed that provided insights about the relationships between the characteristics of an SMM capability and types and extent of the utilization of social media data at the operational and strategic levels.

As such, the level of theory-building progressed further by explaining the relationships between the theoretical constructs that described the phenomenon of SMM. The researcher classifies this contribution as ‘type II: theory for explaining’ as described by Gregor (2006). According to Gregor (2006), this type of theory “provides an explanation of how, why and when things happened, relying on varying views of causality and methods for argumentation. This explanation will usually be intended to promote greater understanding or insights by others into the phenomena of interest” (p. 12).

Contribution 6: The study illustrated how the refined analytical framework could be used to identify the maturity stages of an SMM capability. As such, the study conceptualized three stages of maturity of an SMM capability, and described the typical characteristics of each of these stages.

The below research question was addressed in Chapter 8. In summary, the following contributions emerged addressing this question.

RQ2: How could an SMM capability impact on organizational competitiveness?

Contribution 7: The study articulated how the impact of various maturity stages of an SMM capability on organizational competitiveness could be assessed by integrating resource-based and dynamic capabilities theories. The researcher showed that, depending on the level of capability maturity, an SMM capability could impact on organizational
competitiveness both in direct and indirect ways. Three propositions were developed accordingly.

**Contribution 8:** Given that SMM was identified as a phenomenon with a dual potential impact (operational and possibly strategic), this study illustrated that an integration of resource-based and dynamic capabilities theories provides a richer theoretical explanation of the overall impact on organizational competitiveness.

**Contribution 9:** The study argued that in addition to the three known types of interactions between organizational resources (i.e. destroying, compensating, and enhancing (Black & Boal, 1994)), an additional type of interaction (i.e. transforming (Teece, 2007)) is pertinent to explain the impact of an SMM capability on organizational competitiveness.

**Contribution 10:** The study developed a comprehensive theoretical model of an SMM capability (including its components), subsequent utilization of social media data and the potential impact on organizational competitiveness. In terms of the theoretical structure, the researcher classifies the model of an SMM capability developed in this study as a process theory, in which “the precursor is assumed insufficient to "cause" the outcome, but is held to be merely necessary for it to occur” (Markus & Robey, 1988, p. 590). This means that the development of an SMM capability is likely to be necessary but not sufficient in obtaining organizational competitiveness.

### 9.3 Practical implications

The study holds four practical implications. First, the model of an SMM capability developed in this study, together with the maturity stages of the SMM capability may be helpful for organizations to assess the state of play of their SMM capabilities. The study showed how the analytical framework can be used to classify the SMM capability in various case organizations. Clearly, such an analytical tool would be helpful in calibrating an organization’s current progress and guiding future capability development. Such a framework also can be helpful in determining specific areas for managerial attention, should an organization want to enhance their SMM capability.

Second, the in-depth case suggests that to maximize the benefits from an SMM capability, there is a need to develop an enterprise-wide SMM capability, in which the potential of social media data could be harnessed towards various business functions. Third, the study indicated that utilizing social media data and gaining benefits at the strategic level is complex. This requires involvement of managerial and data analyst roles, more advanced analytics, appropriate coordination mechanisms, adequate planning prior to the collection
and analysis of social media data, and even a more entrepreneurial organization environment. Fourth, the study offers insights to managers on how and under what conditions, an SMM capability could contribute to the organizational competitiveness.

### 9.4 Generalizability of the findings

As discussed in Section 9-3, this study made a theoretical contribution (Type I: theory for analyzing and Type II: theory for explaining (Gregor, 2006)) by developing a model of social media monitoring capability, its components and impacts on organizational competitiveness. However, as with any theory-building study, particularly at early stages of the phenomenon under study, the generated theory has several limitations in terms of its scope. Although the researcher endeavored to enhance the analytic generalizability of the research findings by conducting multiple case studies and using theoretical sampling, which was expected to produce more robust, generalizable, and testable theory (Eisenhardt & Graebner, 2007), it cannot be claimed that the generated theory is universal.

According to Whetten (1989) a theoretical contribution needs to specify several aspects of the generated theory, such as what, how, why, who, where and when of the theory. The previous chapters discussed the what, how and why (to a limited extent) of the theory, which was also supported by the case studies evidence and the literature. This section provides insights about who, where and when the theoretical explanations of this study hold true.

Who: The case organizations in this study were chosen from medium and large size organizations. While the researcher did not specifically examine factors related to the size of the organization, the future research should be cautious in generalizing the theoretical statements of this study to smaller organizations. One avenue for further research would be to explore how the components in the framework manifest in smaller firms. For example, it could be that in smaller sized organizations, the centralized SMM approach performs more effectively.

Also, the same argument can be made for the effects of industry in developing the SMM capability, the utilization of social media data, and the extent it contributes to the organizational competitiveness. While the researcher believes the theoretical statements offered in this study are industry-neutral, further research could explore whether this is indeed the case. Further research could consider the effects of industry attributes in examining the SMM capability. In particular, the industry information intensity (Soh &
Markus, 1995) could be a potential factor that affects the extent to which an SMM capability contributes to organizational competitiveness. Moreover, the case organizations in this study were from the private sector. Further research is required to explore the SMM capability in government and not-for-profit organizations.

Where: As mentioned in Chapter 4, due to logistical reasons, the research was conducted in companies in Australia, in particular, Melbourne. Again, while the researcher believes that the theoretical statements are not affected by the location of the case organizations, future research is needed to study the phenomenon of SMM in other country contexts (e.g. developing countries).

When: Chapter 2, Section 2-3, discussed the emergence of social media as a source of external intelligence for businesses. In particular, the study made an assumption that social media data offers several opportunities due to its unique characteristics (e.g. neutral, real-time and richness). While these assumptions hold true at this point in time, the excessive utilization of social media data by businesses and governments might impact the users’ usage behaviour. In other words, over time, social media users’ behaviour on social media might change as a result of them believing they are being monitored. This might negatively impact their willingness to share information in social media, or even lead to the sharing of misleading information, which consequently impacts on the credibility of social media data for business decision-making. Moreover, state-of-the-art technology and adoption may motivate further changes. Indeed, these possible future changes of usage behaviour and the technology environment could impact the theoretical proposals of this study, in particular the discussion of Chapter 8.

9.5 Research limitations

As with any research study, this study had several limitations that affected the conduct of the study to some extent. One of the most important limitations was in data collection. First, given the state of the phenomenon at the time of this study, few organizations had a highly mature SMM capability suitable for the desired intensity case. For example, as discussed in Chapter 7, among the seven organizations that were examined in Phase 2, only two had the level of maturity required for the desired in-depth case for further investigation. The results of a global study by MIT Sloan management review also indicated that 51% of surveyed organizations were at early stages of social business development, 32% were at the development stage and only 17% were at the maturation stage (Kane et al., 2014).
Second, due to the competitive and sensitive nature of the SMM capability, some organizations were reluctant to participate in the study and share information about their SMM activities. Third, the same reason also limited the researcher’s ability to access other sources of information. For example, only one organization (EduConsultCo) was willing to share their internal social media reports with the researcher. Fourth, due to the early stage of capability development at most of the case organizations, there were only a few organizations that had fully dedicated and formal roles dedicated to SMM. Therefore, only a few informants were identified in each organization who could provide a holistic perspective about the organization’s SMM capability.

Other limitations were related to the nature of the study as research for a PhD. For example, in order to further refine the theoretical insights, the developed propositions could have been tested in a quantitative study; however, due to the time constraints of a three year research project, the researcher was not able to do this as well. Also, in terms of the analysis of the case study evidence, the researcher was not able to perform the intercoder reliability test, which requires more than one researcher in the research team. Also, due to the logistical reasons, the researcher mostly chose organizations from Melbourne, where the researcher was based.

9.6 Future research

In addition to the suggestions offered in Section 9-4, this section outlines some avenues for future research. Given that SMM is in a relatively early stage of development, broader qualitative studies are required to explore the phenomenon from various perspectives. Further studies are needed to explore possible additional components of an SMM capability, and to refine the attributes of the components presented in this study. In particular, the development of more detailed attributes for each of the components could be a valuable extension. Future research also needs to investigate whether the analytical framework developed in this study is sufficiently rich to assess highly mature and complex SMM capabilities.

Also, future research is needed to develop quantifiable measures and statistically test the propositions developed in this study using quantitative research methods. Developing quantifiable measures could further help in assessing the SMM capability and its impact on organizational competitiveness. Moreover, the evidence presented in the current study demonstrated that different organizations used SMM in different ways (a social constructivism view of SMM). As a source of external intelligence, social media presents
several opportunities for organizations to address several potential problems, and in-line with social constructivism, each organization will tailor it according to their needs. Future research could explore this issue in further depth. In particular, future research could investigate the use of social media data in each organizational functional area in more depth to provide more specific insights for embedding an SMM capability with other organizations’ capabilities.

In addition, the present study mainly focused on the affordances of an SMM capability as possibilities for action (Majchrzak et al., 2013; Scheepers & Middleton, 2013; Treem & Leonard, 2012). The author suggests that future research examine the processes by which these affordances become actualized and brought into action (Bernhard, Recker, & Burton-Jones, 2013; Strong, Johnson, Tulu, Trudel, Volkoff, Pelletier, Bar-On, & Garber, 2014).

Furthermore, given that many organizations choose to outsource their SMM activities, future research may explore issues related to outsourcing SMM activities versus the in-house development of the capability. For example, the researcher does not recommend outsourcing of an operational SMM capability, as an operational SMM capability needs to be part of day-to-day activities of an organization. Moreover, some aspects of the strategic SMM capability (e.g. advanced analytics) is recommended to be outsourced if the organization does not have strong analytics capability.

In addition, future research could investigate other factors that might affect the extent of the utilization of social media data. It could be argued that other organizational (internal or external), managerial (e.g. characteristics of individual managers) and data factors might also negatively affect the extent of utilization of social media data. For example, several interviewees highlighted quality issues of social media data (e.g. its incompleteness due to the privacy settings of social media users and difficulties in integrating social media data with other sources of internal enterprise information) as a hindrance in its utilization in business decision-making, particularly strategic decisions. Several other researchers also observed these issues (Dinter & Lorenz, 2012; Rosemann, Eggert, Voigt, & Beverungen, 2012; Stodder, 2012). The author suggests that future studies examine the quality issues of social media data, in order to identify solutions in improving the quality of social media data prior to its utilization in business decisions. In addition, given the increasing concerns in regard to ethical issues of SMM (i.e. ethics of aggregating publicly available customers’ data, and utilizing it for business purposes), there is a need for an in-depth study of this topic.
Moreover, as discussed in Chapter 6, factors related to the organizational characteristics, such as entrepreneurial environment, could be seen as potential moderators in enhancing or weakening the impact of an SMM capability on the utilization of social media data. The existence of other potential moderators, such as organizational external environment could also be explored.

There is also a need for longitudinal studies that could help to understand the evolution of SMM capabilities over time. Longitudinal studies can provide an opportunity for an in-depth investigation of the dynamics of the progression of an SMM capability and the facilitating and inhibitors factors in the capability-building.
10 REFERENCES


Cooper, L. (2011). Blend in with the scene to get maximum ad stand-out (the effectiveness of advertising based on social media and networks). *Strategic Direction, 27*(8), 24-26.


Heijnen, Joeri. (2012). *Social Business Intelligence: How and where firms can use social media data for performance measurement, an exploratory study*. (Masters), Delft University of Technology.


IEEE Symposium On Visual Analytics Science And Technology, Atlantic City, New Jersey, USA.


Appendix A: Publications

Appendix B: Plain language statement and consent form
Dear Sir/ Madam,

You are invited to take part in this research project. This Plain Language Statement contains detailed information about the research project. Its purpose is to explain to you all the procedures involved in this project so that you can make a fully informed decision whether you are going to participate. Feel free to ask questions about any information in this document.

Participation in the interviews is voluntary. **If you do not wish to take part you are not obliged to.** If you decide to take part and later change your mind, you are free to withdraw from the interview at any stage. Any information obtained from you to date will not be used and will be destroyed. Your decision whether to take part or not to take part, or to take part and then withdraw, will not affect your relationship with Deakin University. Once you have read this form and agree to participate, please sign the attached Consent Form. You may keep this copy of the Plain Language Statement.

For your kind information, this research aims to study how businesses can benefit from social media monitoring. It mainly investigates how organisations (a) capture and analyse social media data related to their business, and (b) utilise information gained from social media monitoring for specific business initiatives. Due to the lack of knowledge regarding social media monitoring and social media data utilisation, this study takes a case study approach. The research will be conducted in three different organisations and up to 15 interviews will be conducted in each organisation.

The results of this study will contribute to a better understanding of social media monitoring phenomenon and its impact on organisations. The outcomes of this study would appear to be useful to both academics and practitioners who are considering social media as an additional source of information for organisations. It also provides valuable information on current practices of social media monitoring within Australian organisations.

Your participation in the project will involve a face-to-face interview. Each interview will last up to 1.5 hour and will be voice recorded only after receiving your consent. You are free to withdraw the voice recording at any stage. To further clarify issues discussed...
during the interview, you might also want to share some additional relevant information by allowing us to inspect social media monitoring tools and other information systems currently in use by your organisation. This might include some relevant documents as well.

All voice recordings will be transcribed and together with our notes and any other relevant information that you may give to us would then be analysed for research purposes. The information that we obtain from you and your organisation, will not be used for any other purpose except for the stated/explained research purpose. The findings of this research study will be published as part of PhD thesis, in conference papers and in journal articles. Please note that, no identifiable information will be published without your permission.

Any information obtained from you and your organisation will be stored at Deakin in a locked filing cabinet, and all electronic copies of documents will be stored on a password protected computer. All data will be stored for a period of 5 years after final publication after which time the data will be destroyed. Upon completion of this research project, you will be sent (on request) a copy of any resulting publications.

This project will be carried out according to the National Statement on Ethical Conduct in Human Research (2007) produced by the National Health and Medical Research Council of Australia. This statement has been developed to protect the interests of people who agree to participate in human research studies. The ethics aspects of this research project have been approved by the Human Research Ethics Committee of Deakin University.

Complaints

If you have any complaints about any aspect of the project, the way it is being conducted or any questions about your rights as a research participant, then you may contact:

The Manager, Research Integrity, Deakin University, 221 Burwood Highway, Burwood Victoria 3125, Telephone: 9251 7129, Facsimile: 9244 6581; research-ethics@deakin.edu.au. Please quote project number BL-EC 49-12.

Further Information, Queries or Any Problems

If you require further information, wish to withdraw your participation or if you have any problems concerning this project, you can contact either of the researchers:

Mrs Maral Mayeh  
School of Information Systems  
Deakin University  
221 Burwood Highway,  
Burwood, VIC 3125  
Email: mmayeh@deakin.edu.au  
Tel: 04 12556913

Prof. Rens Scheepers  
School of Information Systems  
Deakin University  
221 Burwood Highway,  
Burwood, VIC 3125  
Email: rens.scheepers@deakin.edu.au  
Tel: 03 924 46568

Dr Michael Valos  
School of Management and Marketing  
Deakin University  
221 Burwood Highway,  
Burwood, VIC 3125  
Email: michael.valos@deakin.edu.au  
Tel: 03 924 46168
PLAIN LANGUAGE STATEMENT AND CONSENT FORM

TO: Participant

Date:

Full Project Title: Understanding the Role of Social Media Monitoring in Generating External Intelligence

Reference Number: BL-EC 49-12

I have read, and I understand the attached Plain Language Statement.

I freely agree to participate in this project according to the conditions in the Plain Language Statement.

I agree that this interview to be voice recorded according to the conditions in the Plain Language Statement: YES ☐ NO ☐

I would like to review/edit my interview transcript and provide the necessary clarification to the researcher: YES ☐ NO ☐

I would like to share some additional relevant information such as:

☐ Social media monitoring tools
☐ Other Information systems currently in use by my organisation
☐ Relevant documents

The researcher has agreed not to reveal my identity and personal details, including where information about this project is published, or presented in any public form.

I have been given a copy of the Plain Language Statement and Consent Form to keep.

Participant’s Name (printed) .................................................................

Signature ............................................................. Date.................................

Mrs Maral Mayeh
School of Information Systems
Deakin University
221 Burwood Highway,
Burwood, VIC 3125
Email: mmayeh@deakin.edu.au
Tel: 04 12556913
TO: Organisation

Organisational Consent Form

(To be used by organisational Heads providing consent for staff/members/patrons to be involved in research)

Date:

Full Project Title: Understanding the Role of Social Media Monitoring in Generating External Intelligence

Reference Number: BL-EC 49-12

I have read, and I understand the attached Plain Language Statement.

I give my permission for [staff/members/patrons] of [name of organisation] to participate in this project according to the conditions in the Plain Language Statement.

I understand that in addition to the interviews, to clarify some points discussed during the interviews, participants might also need to share some additional relevant information by allowing the researcher to inspect social media monitoring tools and other information systems currently in use by the organisation. This might include relevant company documents. I give my permission for [staff/members/patrons] of [name of organisation] to share this additional information with the researcher if needed.

The researcher has agreed not to reveal the participants’ identities and personal details if information about this project is published or presented in any public form.

I have been given a copy of Plain Language Statement and Consent Form to keep.

I agree that

1. The institution/organisation MAY / MAY NOT be named in research publications or other publicity without prior agreement.
2. I / We DO / DO NOT require an opportunity to check the factual accuracy of the research findings related to the institution/organisation.
3. I / We EXPECT / DO NOT EXPECT to receive a copy of the research findings or publications.

Name of person giving consent (printed) .................................................................
Signature ................................................................. Date: .................................

Mrs Maral Mayeh
School of Information Systems
Deakin University
221 Burwood Highway,
Burwood, VIC 3125
Email: mmayeh@deakin.edu.au
Tel: 04 12556913
PLAIN LANGUAGE STATEMENT AND CONSENT FORM

TO: Participant/ Organisation

Withdrawal of Consent Form

(To be used for participants who wish to withdraw from the project)

Date:

Full Project Title: Understanding the Role of Social Media Monitoring in Generating External Intelligence

Reference Number: BL-EC 49-12

I hereby wish to WITHDRAW my consent to participate in the above research project and understand that such withdrawal WILL NOT jeopardise my relationship with Deakin University.

Participant’s Name (printed) ………………………………………………………………..

Signature ………………………………………………………………………….. Date ……………

Please mail this form to:

Mrs Maral Mayeh
School of Information Systems
Deakin University
221 Burwood Highway,
Burwood, VIC 3125
Email: mmayeh@deakin.edu.au
Tel: 04 12556913
Appendix C: Pre-interview visual presentation of the research study

Social media data are becoming increasingly critical for businesses to capture, analyse, and utilise. However, the unstructured and distributed nature and volume of this information makes the task of extracting useful and practical information challenging. Given the dynamic evolution of social media, our current understanding of how social media monitoring could help organisations to create business value is inadequate. Therefore, there is a need to study how organisations can (a) capture and analyse social media data related to their business (Sensing), and (b) utilise external intelligence gained from social media monitoring for specific business initiatives (Seizing). This study follows a qualitative case study approach with a multiple embedded case study design to understand the phenomenon of social media monitoring and its benefits for organisations.

BY: Maral Mayeh, Prof. Rens Scheepers, Dr. Michael Valos
DATE: August 2012
Appendix D: Interview protocol

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Profile of interviewee

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<th>Number of years with organisation:</th>
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<th>Number of years in current role/position:</th>
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<th>Previous roles/positions (in organisation, elsewhere):</th>
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Introduction

1. Can you please explain your role?
2. To what extent are you involved in social media monitoring?
3. For how long have you been doing social media monitoring?

Capturing social media data: Social media monitoring

2. Can you give some examples of the kind of information your company obtains from social media? (e.g. Customers’ feedback, competitors activities, customers, employees)
3. What process do you use to gather this information from social media?
4. Which social media platforms have the most relevant data for your business?
5. What type of information you can get from social media which you could not have before?
6. Why did you first started to consider social media monitoring? What was your first step in developing a social media monitoring capability?
7. How effective is your business unit/organization at capturing social media data?
8. How does social media information differ from traditional market research?

**Social media monitoring tools**

9. To what extent do you use social media monitoring tools? Which tools are you using? And why?

10. To what extent do you do manual monitoring?

**Roles and structure of the social media monitoring team**

11. Can you explain the structure of the social media monitoring team at your organization? (Where is social media monitoring primarily performed within your organisation? Is social media monitoring centralized for all business units or does each business unit do its own?)

12. Do you have your own social media monitoring team in your business unit? How many people are involved?

13. What are the functions of the people involved in social media monitoring?

14. What aspects are outsourced? Why?

15. What are the biggest gaps in social media analytical skills in your organization?

**Utilization of social media data**

16. Which departments use social media data? How is this data provided to them? Do they have their own monitoring dashboards?

17. What are the main objectives of social media monitoring in your organization?

18. How is social media data used to help your business (e.g. improving service quality, decision-making, new product development, innovation, strategy)?

19. What kinds of decisions can you make based on social media data? (Is it more operational (day-to-day) or high-level (long-term) strategic decisions?)

20. How effective is your organization at utilizing the social media insights to guide future strategies?

*Specific questions for business users (those who utilize social media data)*

21. How do you compare usability of social media data with other sources of information? How does it differ?

22. Please describe how direct is the usage? How frequent is the usage? Is it short term use (day to day) or long term future strategies? Please give some examples
23. How do you receive reports from social media data? How do you contribute in designing social media reports? Have you ever asked for any specific social media report?

**Analyzing social media data: Generating external intelligence**

24. In what ways does your company analyse social media data. What skills are needed to perform this task? Is there anyone from IT or business analysis involved?
25. What type of analysis do you do? Do you use any metrics to measure the success of social media monitoring?
26. How does your company ensure the validity of information obtained from social media?
27. Do you have social database? Is it integrated with internal database (e.g. CRM)? How do you integrate social media data with internal enterprise applications such as CRM and ERP? (Does internal databases help to provide context knowledge to understand external information from social media) Give some examples.

**Organizational enablers**

28. Describe how your organizational structure supports or constrains social media monitoring activities.
29. What aspects of organization, facilitate or hinder the utilisation of data collected from social media monitoring?

**Conclusion**

30. How can your company improve the social media monitoring capability?
31. What are the potentials of social media monitoring that your company can benefit from (have not exploited yet)?
32. What is the biggest challenge to successful social media monitoring in your business?
33. What would you miss if you stop social media monitoring?
34. What do you see as the next stage in the evolution of your company’s social media monitoring usage?
35. Is there anything else that I have not covered that you would like to comment on?
# Appendix E: Examples of coding

<table>
<thead>
<tr>
<th>First level</th>
<th>Second level</th>
<th>Third level</th>
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<tbody>
<tr>
<td>1. Structure of the SMM capability</td>
<td>1.1. Degree of centralization</td>
<td>1.1.1. Centralized</td>
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<td>1.1.2. Partly decentralized</td>
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<td>1.1.3. Fully decentralized enterprise-wide</td>
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<tr>
<td>2. Roles</td>
<td>2.1. Degree of formality of SMM roles</td>
<td>2.1.1. Informal individuals’ ad-hoc SMM efforts</td>
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<td>2.1.2. Formal technical SMM role(s) within one business unit</td>
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<td>2.1.3. Formal functionally focused SMM roles in different business units</td>
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<td></td>
<td>2.2. Extent of managerial roles’ involvement</td>
<td>2.2.1. Limited involvement (often for coordinating SMM activities with external agency)</td>
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<td></td>
<td></td>
<td>2.2.2. Moderately involved (often in one business unit)</td>
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<td>2.2.3. Highly involved (often enterprise-wide)</td>
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<tr>
<td>3. SMM tools and analytics</td>
<td>3.1. Degree of sophistication of SMM tools</td>
<td>3.1.1. Basic freeware SMM tools</td>
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<td></td>
<td>3.1.2. Commercial SMM tools</td>
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<td>3.1.3. Multiple sophisticated commercial and specialized SMM tools</td>
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<td>3.2. Use of advanced social media analytics</td>
<td>3.2.1. Low utilization</td>
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<td>3.2.2. High utilization</td>
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<td>4.1.2. Continuous monitoring</td>
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<td>4.2. Scope of monitoring at the operational level</td>
<td>4.2.1. Limited to company’s social channels (often limited to Facebook and Twitter)</td>
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<td>4.2.2. Selected social media platforms</td>
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<td>4.2.3. A broad range of social media platforms</td>
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<td>4.3. Extent of planning prior collection</td>
<td>4.3.1. Often unplanned (monitoring covered general issues with no specific focus)</td>
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<td>4.3.2. Occasionally planned (a number of test and learn experimental)</td>
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activities/small-scale social media campaigns often at the operational level)

4.3.3. Frequent planned/focused SMM efforts to address specific business issues/decisions (often large-scale social campaign at the operational and strategic level)

<table>
<thead>
<tr>
<th>5. Analysis</th>
<th>5.1. The type of analysis</th>
<th>5.1.1. Channel-oriented</th>
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<td>5.1.2. Function-oriented</td>
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<td>5.1.3. Research-oriented</td>
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<th>6. Dissemination</th>
<th>6.1. Degree of formality at the operational level</th>
<th>6.1.1. Informal</th>
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<th>6.2. Degree of formality at the strategic level</th>
<th>6.2.1. Informal</th>
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<td>6.2.2. Formal</td>
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<td>7.1.2. Strategic level</td>
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<tr>
<th>7.2. Utilization type</th>
<th>7.2.1. Reactive vs proactive at the operational level</th>
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<td>7.2.2. Knowledge-enhancing vs Action-oriented at the strategic level</td>
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<th>7.3. Utilization range</th>
<th>7.3.1. Limited range functions</th>
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<tr>
<td></td>
<td>7.3.2. Broad range of functions</td>
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Appendix F: SMM capability of the candidate organizations- Phase 2

The sources for the supporting evidence (i.e. associated quotes) are provided in Appendix H. The quotes are numbered and appeared in brackets throughout the text.

The SMM capability at ConvenienceCo

ConvenienceCo is a franchised business in the convenience retail chain industry. It has about 600 franchisees stores across Australia\(^\text{16}\). ConvenienceCo is considered a medium-sized enterprise. The researcher conducted one interview with the insight manager at the office headquarters of the company. The customer insight department is the research component of the marketing business unit at ConvenienceCo.

ConvenienceCo was at a very early stage of developing the SMM capability (i.e. use of social media as a communication channel) (CoC1, CoC2, CoC3, CoC6, CoC7 and CoC8). At the time of this case study, ConvenienceCo outsourced SMM to an external agency. The outsourced SMM activities were limited to addressing immediate issues such as complaints (CoC4, CoC9, CoC13 and CoC17). The external agency also collected social media data for ConvenienceCo; however, it was only limited to their Facebook page. The external agency also conducted basic channel-oriented analysis of social media data (again limited to the analysis of the Facebook page of ConvenienceCo) and provided regular reports (CoC5, CoC16 and CoC12). Moreover, the collection of social media data by the agency was mostly unplanned and limited to general branding issues (CoC11, CoC14, CoC15 and CoC18). The dissemination processes were also informal at this stage (CoC19). ConvenienceCo did not have any plan to develop an internal SMM capability in the near future (CoC10).

As a result, the utilization of social media data at ConvenienceCo was limited to occasional reactive utilization at the operational level. Therefore, ConvenienceCo did not meet the criteria for the in-depth case study.

The SMM capability at DonorCo

DonorCo is a large, Australian, not-for-profit organization. The researcher conducted two interviews at DonorCo with the marketing manager and the [social media] community manager who is part of the marketing team.

\(^{16}\) The franchisees stores have 4000 employees.
The development of the SMM capability at DonorCo was at its infancy. DonorCo began developing an SMM capability a few months before the interview. The SMM capability at DonorCo was *centralized* at the marketing department (DC1). DonorCo allocated a *formal technical SMM role*. One full-time individual (i.e. the community manager) performed this role. Moreover, the involvement of the *managerial roles was limited* to the marketing manager (DC19).

At DonorCo, SMM was conducted on a *continuous* basis (DC2, DC3 and DC4). However, it was *mostly limited to the company’s Facebook page* with some ad-hoc efforts to identify relevant information from other social media platforms, such as Twitter, Forums and Blogs (DC9, DC10, DC11 and DC12). At the operational level, the technical SMM role (i.e. the Community Manager) disseminated the social media data to relevant business units to take necessary action or respond to the issue or comment. Yet the dissemination process at the operational level was *quite informal* (DC13).

At this early stage of the SMM capability development, DonorCo primarily focused on lead generation. To achieve this, DonorCo conducted small-scale campaigns on an *occasional* basis (DC5 and DC35) and measured the effectiveness of those campaigns in attracting more donors (DC6, DC23, DC24, DC25, DC26, DC27, DC28 and DC29). Thus, the analysis of social media data was often limited to *channel- and function-oriented analysis* (DC36). Moreover, the results of this analysis were *informally* disseminated to other departments (DC16, DC17, DC18 and DC35). DonorCo used *a number of basic SMM tools* (DC7, DC8, DC14 and DC15). DonorCo also *did not have any internal data analyst role* allocated to SMM; therefore, this analysis was limited to system-generated reports.

DonorCo mostly utilized social media data *reactively* at the *operational level* (DC20, DC21, DC22 and DC30), and *in some situations proactively*, particularly towards marketing functions such as lead generation. At this stage, the utilization of social media data at the strategic level was *only limited to knowledge-enhancing utilization* (DC31, DC32, DC33 and DC34). The interviewees believed that the entrepreneurial environment at DonorCo encouraged the development of the SMM capability (DC36).

In short, despite the growing SMM capability at DonorCo, at this stage, the utilization of social media data was restricted to *a limited range of marketing functions*. Therefore, this organization did not meet the criteria for the in-depth case.
The SMM capability at AusUni

AusUni is a large Australian university. The researcher conducted two interviews at AusUni with the social media manager and the social media consultant. AusUni began developing an SMM capability one year before these interviews. The SMM capability at AusUni was centralized at the marketing unit with centralized and formal technical SMM roles (two individuals; one full-time and one part-time) (AU26).

The central SMM team collected social media data from a broad range of social media platforms on a daily basis (AU9, AU10, AU11 and AU12). The social media manager emphasized that the collection of social media data was mostly planned and aligned with operational objectives. AusUni possessed multiple specialized SMM tools (AU8). For example, one tool was specialized in tracking competitors’ activities, another had robust visualization and so forth (AU3, AU4, AU5, AU6 and AU7). The use of SMM tools was also centralized at the marketing business unit.

At the operational level, the central SMM team at the marketing business unit disseminated the social media data among relevant business units for possible actions. However, the dissemination process was informal at the operational level. Moreover, the centralized SMM team provided regular monthly reports of the performance of the social media activities of AusUni to other business units (AU13, AU14 and AU15). At the time of this study, AusUni did not have any formal data analyst role for conducting large-scale, sophisticated SMM (AU1 and AU2). Therefore, the analysis of social media data was limited to system-generated reports, and this was often limited to channel-oriented analysis.

At the operational level, AusUni utilized social media data both reactively and proactively (AU16, AU17 and AU18). However, due to the centralized structure of the capability, the proactive utilization of social media at the operational level was mostly for marketing functions, such as branding, customer acquisition and customer retention (AU19, AU20, AU21, AU22, AU23 and AU24). In addition, the researcher identified few occasions in which social media data were utilized for longer-term strategic decisions (AU25). As a result, limited business value was also realized at the strategic level. Although the social media team was supported by the Vice Chancellor of the university, the social media manager emphasized that the environment of the organization was not conducive across all business units and faculties, and that this hindered the progress of capability-building.
The social media manager also discussed the planned future improvement in the development of the SMM capability at AusUni (AU26). He conveyed the intention to have a decentralized SMM capability with functionally focused roles, to establish a centre of excellence for social media to coordinate SMM activities across the organization and, in the near future, to train the decentralized teams. He also noted that new roles were to be added, particularly data analyst roles (AU2).

In short, despite the growing SMM capability at AusUni, at this stage, the utilization of social media data was limited to the marketing business unit. Therefore, AusUni did not meet the criteria for the in-depth case study.

The SMM capability at MediaCo

MediaCo is a large Australian organization in the media broadcasting industry that has been developing an SMM capability since 2011 (two years before this interview). The researcher interviewed the head of social media at MediaCo. The social media department is part of the digital business unit at MediaCo. Due to the nature of its business, the organization structure at MediaCo was not similar to other cases, in that MediaCo had several working groups dedicated to its various radio and TV programs. Each of these working groups had their own social media channels that monitored different social media platforms and topics.

MediaCo developed a decentralized SMM capability across the organization within the working groups. At the operational level, most of these working groups embedded SMM into their daily activities (MC1, MC2 and MC24). Functionally focused SMM roles were also allocated across the organization. These business units continuously monitored their own social channels, such as their Facebook pages, Twitter accounts and Instagram (MC7). Moreover, the coordination and management of all the SMM activities were centralized (i.e. central coordination) in the social media department (MC3, MC4, MC5 and MC23), which overlooked the SMM activities of the entire organization.

The use of SMM tools was also decentralized at MediaCo, so that each of the working groups had access to SMM tools. The central social media department also possessed several SMM tools in order to analyze the social media activities of the decentralized teams. This analysis was only limited to channel-oriented analysis (MC8, MC9 and MC10). The centralized social media unit also disseminated those reports to the decentralized units in a formal manner on a weekly basis (MC11).
With this decentralized SMM capability, MediaCo utilized social media data at the operational level both reactively and proactively (MC6 and MC12). For example, they utilized social media data to inform their decisions in real-time regarding the content of their radio programs (MC13, MC22). The insights gained through SMM also informed the marketing content of other channels such as website (MC14, MC15, MC16, MC17, MC18 and MC25). Moreover, MediaCo utilized social media data (i.e. demographic information) in enhancing targeted advertising (MC19, MC20 and MC21).

As a result, the utilization of social media data at the operational level led to several business outcomes, in particular increased listenership and improved audience relationships. At this stage of the SMM capability development at MediaCo, there was no utilization of social media data at the strategic level or it was limited to a knowledge-enhancing use.

The SMM capability at BankCo

BankCo is a large Australian Bank. It had been developing an SMM capability since 2011 (two years before this interview). The researcher conducted one interview with the head of social media at BankCo. The social media department is a sub-unit of the marketing business unit at BankCo. The social media department coordinated all activities related to social media, including SMM (BC1). The social media department was also responsible for setting social media policies and the development of social media content plan.

The SMM capability at BankCo was partly decentralized in the customer service and HR departments, so that these business units embedded SMM in their daily operations and performed SMM for the specific needs of their own business unit (BC2 and BC3). BankCo possessed one sophisticated commercial SMM tool and a number of other specialized SMM tools that assisted in the automatic collection of social media data (BC4). At the operational level, the collection of social media data was conducted on a continuous basis. The SMM at BankCo covered various topics and a broad range of social media platforms, in particular, Facebook and Twitter (BC5 and BC6). At the operational level, the customer service department also disseminated social media data among other departments in a formal manner (BC7).

In addition, BankCo conducted frequent, planned social media campaigns to address particular issues, or to inform specific decisions at the operational level (BC16). The social media department designed the campaigns in collaboration with other business
units to tailor their specific needs at BankCo. During the campaigns, the social media department managed and monitored them and provided frequent social media reports to the departments in a formal manner (BC8 and BC9). The managers were also moderately involved (BC10). BankCo did not allocate data analyst roles for the analysis of social media data; therefore, the analysis was mostly system-generated or was manually prepared by the social media department.

Overall, at the operational level, BankCo utilized social media data reactively on an enterprise-wide basis and proactively at the marketing and other decentralized departments (i.e. customer service and HR) (BC11, BC12 and BC13). In addition, at the strategic level, with the frequent planned and focused social media campaigns, there were several instances of action-oriented utilization of social media (BC14 and BC15).

**The SMM capability at Telco**

Telco is a large Australian organization in the telecommunications industry that had been developing an SMM capability since 2011 (two years before this interview). The researcher conducted one individual interview with the associate director, social media and content marketing at Telco.

The social media and content marketing department is part of the brand and communications unit which also includes marketing, public relations and digital departments. At the operational level, Telco developed a decentralized SMM capability with functionally focused roles, having most of its business units routinized SMM into their daily operations (TIC1, TIC2, TIC3 and TIC18). However, the coordination, strategizing and management of the SMM activities was centralized at the social media and content marketing department (TIC4). Telco possessed a sophisticated commercial SMM tool and several specialized tools to enhance the capturing of social media data (TIC5, TIC6 and TIC17). In addition to the use of sophisticated tools, there was considerable human intervention in preparing the social media data for analysis (TIC7).

At the operational level, the capture of social media data was conducted on a continuous basis and covered various topics in several social media platforms, in particular, Facebook and Twitter (TIC9 and TIC8). Telco also conducted a large-scale analysis of social media data on a monthly basis, the results of which informed several strategic decisions (TIC10). In addition, similar to BankCo, the social media and content marketing department performed frequent focused social media campaigns which often addressed
particular issues and informed specific decisions in different business units. As a result, the \textit{managerial roles across the organization were involved to a great extent.}

Overall, at the \textit{operational level}, Telco utilized social media data \textit{reactively} and \textit{proactively} across enterprise-wide functions (TIC11, TIC12, TIC13 and TIC14). Moreover, at the strategic level, with the frequent campaigns, the use of social media was \textit{mostly action-oriented}. Last but not least, Telco’s approach in quickly adopting new features of social media platforms gave them a first-mover advantage, at both the operational and strategic levels (based on evidence from secondary source of data available on the Web)

\footnote{To maintain confidentiality of the case organization, the references of evidence from secondary data source could not be provided.}
Appendix G: Follow-up interviews

The follow-up interview at CarCo

One year after the first interview, the researcher conducted a follow-up interview with the digital marketing manager at CarCo in Phase 2 to investigate the progress in the development of the SMM capability at CarCo.

Overall, the follow-up interview showed that CarCo had progressed in their SMM capability development in a few aspects, as evidenced by the additional investments of subscribing to new SMM tools and dedicating formal roles to SMM (CC1). Moreover, CarCo progressed in terms of collecting more planned social media data. As reflected in the comment below, the planned approach in SMM was evident in CarCo’s progress in their content plan which could assist them in gathering purposeful social media data to inform specific decisions (CC8):

_We have become more sophisticated in how we do that [SMM] with a more planned and more analytical approach..._

_We’ve significantly concentrated on providing more interesting, more targeted and a more sophisticated content plan... and aligning that [content] is far more in line with brand imperatives and our goals, than just random postings._

_... most of [our social media content] have a purpose and we have a desired outcome with a particular stream of posts. That enables us to evaluate whether those posts have achieved what it was we set out to do and that changes quite a lot..._

A number of focused social media campaigns were conducted and SMM was used to measure the effectiveness of those campaigns:

_We are looking more at targeting the engagement rate above anything. That is our most important metric, as well as linking it, where possible, to sales; by following that particular person through from, say, Facebook to the website, to an actual sale... Those are the metrics there and they are then used to tie into our normal metrics of sale, test drive, brochure request and that sort of thing, such as signing up for a newsletter._

_Social media allows us, with anything that we do on it, to monitor the effect better and more directly insofar ..._

In-line with the more planned collection approach, the analysis of social media data also became more aligned to the business objectives at the operational level, so that they progressed in terms of function-oriented analysis. With the new SMM tools, they

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18 All the quotes in this section is from the second interview with the digital marketing manager that was conducted in Phase 2.
progressed in terms of internal reporting. For example, a number of return metrics (Spiller & Tuten, 2015) were defined and measured on a regular basis.

Furthermore, the more planned approach in the collection of social media data also led to the proactive utilization of social media in a broader range of marketing functions at the operational level:

*Then, depending on what we need; it might be to counteract some negativity; it might be to promote a particular product; it might be to promote something that is happening globally; it might be an acquisition phase...*

The dissemination process also became more formal at the operational level. The customer relations business unit allocated a formal role to coordinate the communications with the digital marketing team and to provide immediate responses to the potential issues identified in the CarCo’s social media channels (CC2).

However, despite the above-mentioned advancement in the SMM capability-building, there was little progress in the CarCo’s entrepreneurial environment in terms of accepting social media data as an input in business decision-making, and that was recognized as a potential inhibitor in the capability-building. Consequently, the involvement of managerial roles also remained limited:

*We still struggle with some executives. I think some executives see it as, ‘Okay, you’ve got to have it’ but they don’t really understand why. I don’t really think it has penetrated the upper level. It has improved, but it is still not seen as mainstream.*

As a result, there was not a significant progress in the utilization of social media data at the strategic level, which was only limited to a knowledge-enhancing use:

*... if you are taking [social media data] back to actual business decisions, it is not at the stage where a senior executive would look to social media monitoring to make a decision.*

*I do produce monthly reports and distribute them. We don’t know if they get read.*

**The follow-up interview at EduConsultCo**

One year after the first interview, the researcher conducted a follow-up interview with the marketing manager at EduConsultCo. This interview showed that EduConsultCo continued the development of its SMM capability, as evidenced by the increased investment in the SMM capability-building, the creation of a new senior role in the social media team, the appointment of a more experienced person, and increased expenditure on the outsourced social media data analysis:

*Just from our budgeting point of view, we have got more money to spend.*
We’ve had some really good wins, so the organization has realized it’s an important channel.

It is more integrated into our marketing mix. I think that shows a level of acceptance. If we did a big brand campaign, if we did not have the social element as a channel, then people ask why. I think that just says that it has definitely been recognized as an important channel.

EduConsultCo dedicated a more senior role (i.e. the social media community manager) and hired a more experienced person to perform this role on a full-time basis (EC17):

We have got a more senior person starting [at the social media team], so that is recognition that it will be of continuing importance...

Nevertheless, there was no significant progress in extending the SMM capability beyond the marketing unit.

EduConsultCo did not add any new SMM tools (EC19); however, they spent more on outsourced analysis of social media data. This analysis was aligned to the operational objectives, in particular, in branding and marketing:

Our agency will use [a more sophisticated tool]... But day-to-day, for what we are doing, I don’t see any point at this stage in spending $10,000 a month on that [advanced tools].

After a campaign, our media agency will do a post-campaign analysis... then they provide us with some deeper insights... For example, this last campaign, we built an app in Facebook. They would report on the number of people that had engaged with that app: did it lead to an inquiry onto our site? Did that lead to someone involving a conversion? They looked at the whole conversion funnel, but once again, you have still got to know how many. Did they share that app with their friends? Did they engage with the app? ...

They progressed in terms of having a more planned/focused approach towards the collection of social media data, which subsequently led to more proactive utilization at the operational level (but limited to the marketing functions). This advancement in their planned approach toward the collection of social media data was evident in conducting more frequent social media campaigns:

SMM definitely improved the quality of decision-making, because it allows us to see how effective it has been, is it a lead generation channel, if we are getting some good wins on conversion to leads. That is a great insight and whether it is with certain segments, so that we can invest more money into it. It is definitely driving some key decisions.

Overall, although the organization realized more business value through SMM at the operational level (mostly for marketing functions), there was no evidence of progress in the utilization of social media data at the strategic level.
The follow-up interview at InsuranceCo

The researcher interviewed the Senior Manager, VPD at InsuranceCo a year after the initial interviews. This interview showed that the development of SMM capability was ongoing and improved in several ways. In particular, the collection of social media data became more planned/focused, which was evident in more frequent, targeted social media campaigns (IC8 and IC10). They also progressed in terms of the analysis of the social media data, and measured the effectiveness of the campaigns in more detail. In other words, they progressed in terms of function-oriented analysis. In-line with this progression in the focused collection and analysis, there was more emphasis on the utilization of social media data beyond the operational level:

I have got a meeting today, which is with those people who are actually helping to take me through that journey, to not just be operational but try to lift yourself up and look at the strategic insights and make decisions and have actions based on those insights. We are taking those people on that journey.

I have got a program that I am running through at the moment, which is looking at targeted customer segments, understanding insights, trying to work out who are the key decision makers of influence and using them as a way to develop a sales pipeline off the back of it; and then use social as an engagement tool to progress through the sales process. That is a real program that we are going through at the moment.

Moreover, InsuranceCo progressed in terms of integrating social media data with other sources of internal and external intelligence, so that the analysis of the integrated data could be more insightful for its utilization at the strategic level (IC15).
## Appendix H: Additional supporting quotations

**CarCo**

<p>| CC1 | Digital Marketing Manager-Follow up | From a management point of view and the tracking of it, we have also started to use some more different tools to help us track that information, as well as looking at how we link that all back to sales more, and understanding how social media, and in particular Facebook, contributes to sales and how it does that. |
| CC2 | Digital Marketing Manager-Follow up | Yes, probably, [the involvement of other business units in SMM changed], but not actively, rather as a support to our customer relations. As more and more people are added, we are growing, more and more people are coming through with customer relations queries. They still do not have access to it, but they support us with responses. The digital team really does all the monitoring. |
| CC3 | Digital Marketing Manager | The main one is we get the total feedback through direct and the social media work for us mainly is Facebook. Twitter doesn’t really work well for us at all. We get the best engagement on Facebook, we get very little on Google+ and very little on Twitter so most of our involvement is around Facebook…. I guess the main thing for us we’ve found is that Facebook has been the most useful… The next stage is probably going on to some of the newer sites and how we handle that. Pinterest is one that’s growing and also I think just continuing to bring into the mainstream… |
| CC4 | Digital Marketing Manager | Facebook is the one where we get the most traffic and information. We’ve got about 50,000 followers on Facebook ... Twitter, we’re still there but it’s a very different kind of audience for us there. I’m not sure whether we’ll still maintain our presence on Twitter... We’re not finding that for the nature of our business whereas Pinterest I think because we have huge female demographic that buy [our products]... we’ve not taken advantage of it. We’re in a male industry and getting people to understand or even want to know about Pinterest has been a little challenging ... I think if we look at some of the photos and the quality of the images and the close up shots of cars that we take are beautiful imagery that an automotive takes of their cars, a perfect spot for showing it on Pinterest. So I think that’s the next for us, growing that female audience. |
| CC5 | Marketing Manager | When the report is presented to me if there’s ways I need, we just handle it on a case by case basis if there’s something I think could be presented better or if there’s information I need then we ask for that at the time but, yes, we modify. |
| CC6 | Digital Marketing Manager | We’re sort of the conduit for the rest of the company… |
| CC7 | Digital Marketing Manager | It’s really a marketing and PR [type of job] and if necessary the senior management involved in that. |</p>
<table>
<thead>
<tr>
<th>CC8</th>
<th>Digital Marketing Manager- follow up</th>
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<td></td>
<td><em>We’ve started to identify a trend in the types of content our particular followers might like. [So] they start to follow us and listen and look at us a little bit in some areas as a bit of thought leader... that content plan is really crucial and the scheduling of it and aligning it with everything.</em></td>
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<tr>
<td><strong>EC1</strong></td>
<td><strong>Marketing Manager</strong></td>
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<td><strong>EC2</strong></td>
<td><strong>Brand Marketing Coordinator</strong></td>
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<td><strong>EC3</strong></td>
<td><strong>Brand Marketing Coordinator</strong></td>
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<td><strong>EC4</strong></td>
<td><strong>Brand Manager</strong></td>
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<tr>
<td><strong>EC5</strong></td>
<td><strong>Marketing Manager</strong></td>
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<td><strong>EC6</strong></td>
<td><strong>Brand Manager</strong></td>
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| EC7 | Brand Manager | For me it [the next step] would be finding better tools to capture and to actually monitor... we've got a dozen different tools that are being used for different reasons; to find one tool that accurately captures that and more would be great. Those tools do exist, it’s about finding the right time, getting the budget and getting it set up ...

| EC8 | Brand Manager | Where it’s our competitors or partners or just general industry talk that might be scheduled to come once a week and then [our technical SMM role] does a summary once week. Twitter is a bit harder. You can’t really automate that. [Our Social Media Coordinator] just has saved searches so certain keywords and topics that he has to manually go in and do the search once week to see any news coming up so that’s a little more manual... Facebook is a lot harder to track in terms of what other people are saying. It depends whether their profile is private so we can’t actually get access to that.

| EC9 | Brand Marketing Coordinator | We use Google alerts for our brand mentions, we get those immediately as they come up. ... We’ve got [another tool] which gives us some insights into what’s been said in forums and boards and stuff like that. So I would put into that all of our brand, our competitors, our partners keywords, career change, online education and stuff that we’re looking for and then I would sort that in Outlook which is our email that we use so all of that is going to go straight into a folder and so on a weekly basis I can go in and check through all of the different things... Another service we use is [from] an agency, a media monitoring agency and so they send me a daily email of mentions... I’ve got a bunch of saved searches and they also search for things like online education as well as our partners and our competitors’ brand names..., twice a week, I’ll check and see what content’s been pushed out from those accounts to see if there’s any interesting content we can share or any insights they can provide for the business. Then on top of that I’ve got a bunch of saved searches so I’ll search in Twitter manually,...

| EC10 | Marketing Manager | I’ve used [a sophisticated tool] in my last role. It’s expensive and it provides so much information that I always ask the question how are we going to use the information and we just don’t and I just think at this stage there’s some really good freeware we can use that is giving us the insights that we need and it’s not to say maybe down the track we might look at a paid service but at the moment I just don’t see the value.

| EC11 | Brand Manager | Longer term I definitely think that we’ll need sort of a more [sophisticated] type of tool to centralize it all really because it’s quite resource-taking at the moment

| EC12 | Marketing Manager | In my team we have a person 100% of their time is spent on social media. He came from customer service so he’s junior but he was a bit of a gem... He sits in the same team as the brand manager so he works very closely with the brand manager ...
<p>| EC13 | Marketing Manager | There are probably three types [use of social media data], brand building, brand engagement and the other one is lead generation and then probably a fourth is customer service. |
| EC14 | Marketing Manager | We do a fair bit of Facebook advertising so what we do is we use the Facebook audience to target ads to specific customers and that is quite a rich detail about consumers so it’s based on demographics, geo-graphics so where they’re located, lifestyle type of information so we could do female, age, live in Victoria, and their hobbies are maybe spend time with their family, interested in childcare and then we could target them specifically ads around a course that’s related to maybe community services. So we’re becoming smarter and smarter in that type of field using that [consumer behaviour data] type of information to really target ads to them. Then what happens is if they like it, ‘like’ us, and then we can start the engagement with them. |
| EC15 | Brand Manager | The long term view we are going to shift that and get them to post on the page and respond to questions ... so I could allocate [a post or a comment] to Person A because it’s their area of expertise, Person B because it’s their area of expertise and they’ve got the demarcation to go and respond on behalf of the company. So that’s the long term view ... |
| EC16 | Brand Manager | Another interesting thing we’ve seen which goes back to testing messages, testing communication and testing creative, we’re running a campaign, part of the music studying campaign that we’re running, we’ve got an awareness component to that so we’re running our TV commercial through YouTube before you watch the YouTube video. What we’re doing is something called re-marketing. So we show them our 15 second TV commercial once or twice. Once they’ve seen that we drop a cookie on it so it tracks them around the internet and when they come back, they’re shown a second video which interviews our consultants and explains the service that we offer in much more depth. So we try to get them aware of the brand through the TV commercial and then deepen the understanding and within a couple of days we can see that the 30 second video that was interviewing our consultants was performing much better in terms of the number of people watching it right through, compared to the 15 second TV commercial which is quite odd because it’s double the length but it’s giving much better results so you can see that it’s much more emotionally engaging in it, there’s much more of an emotional sort of message and video but we could see that in a couple of days and that leads back. I’m thinking now maybe we should be running these videos on TV if they’re that good and you can get a really quick measure of what the masses think without a huge amount of investment or risk really by really thinking of TV spots and things like that. That’s where it really gets into feedback into the business and what we’re doing, you can get that really quick. |
| EC17 | Marketing Manager- follow up interview | We have recruited someone who has got about five years experience in social marketing like content, social and the whole lot.... her role will be to manage all the social assets, do all the reporting, do the monitoring and the engagement... |</p>
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<thead>
<tr>
<th>EC18</th>
<th>Marketing Manager</th>
<th><em>At the moment it’s centralized and we have key points in our 100 sales people that we will feed out and say all right what’s happening here, we’ve had this customer service enquiry, what’s happening and they’ll respond.</em></th>
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<tr>
<td>EC19</td>
<td>Marketing Manager, follow up interview</td>
<td><em>Facebook and Twitter have improved their freeware on reporting and for us that is fine. We can tap into [a more advanced SMM tool], and I’ve looked at it, but I wonder what we’d do with all that information and will it drive a certain action? Probably not.</em></td>
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<tr>
<td>EC20</td>
<td>Marketing Manager</td>
<td><em>Here’s the conversation calendar of all our social platforms on a daily basis, what we’re posting, what our focus is, who we’re targeting... so [the collection plan is] quite detailed.</em></td>
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<tr>
<td>EC21</td>
<td>Marketing Manager</td>
<td><em>The information we’re looking at is pretty basic. It’s about getting likes so we can start engaging with them. It’s about shareability, so that’s probably one of our key metrics is we can post all this information and have all these conversations and we can have 10,000 likes; but are they really finding the content available? So, our key metric there is around shareability.</em></td>
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<tr>
<td>EC22</td>
<td>Brand Manager</td>
<td><em>That [social media data] will feed back into our email strategy as well. We know when people are open to and kind of digesting and attracting the message. Email and social media is quite different but you can use some of the insights across both as well.</em></td>
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<td>EC23</td>
<td>Brand Marketing Coordinator</td>
<td><em>From a lead generation perspective in terms of sales to actually be able to identify people that are searching for a service like [what our company offers] but don’t know that [our company] exists, to have better monitoring technology or tools that would be able for us to get in touch with them a lot faster. Because at the moment I would search maybe twice a week and so it might be a couple of days since they did their Tweet that I would reply to it or something like that.</em></td>
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<tr>
<td>IC1</td>
<td>Manager of Digital Channels</td>
<td>We track social media on a few different levels. So we track everything specifically to do with our brand. So, any time our brand has been mentioned in all its form. So everything from the use of our name, to the use of advertising character, to the use of our tag lines, to any of our brand IP. We track our key competitors so we have a separate profile for brand and engagement tracking of us in comparison to our key competitors. … it’s too hard to know everything about a competitor but it tracks the basics. So their brand mentions, their advertising cut through, the CEO and key people and then we compare that to our own. Then we also track all of our current issues. So, for example, at the moment we’re tracking anything that’s being said about fire service levy or emergency services levy because that’s important to us as a business and it’s important to us that we understand public sentiment as much as we understand our own position and the government position. We also track our key partners and that includes our key intermediary partners. We’re a B2B business as well so we sell through intermediaries so we track all of them. And then we track key product segments. So for example what anybody might say about professional risks or what anybody might say about trades insurance. So that’s probably the main sort of dashboard. There’s lots of ad hoc stuff we do so any campaign stuff gets tracked separately. Anything random that comes up for partners and things we might just do a one off tracking but those are the things we track consistently and we have dashboards and all sorts of stuff. And products and issues. The only other thing we do track is our key spokespeople.</td>
</tr>
<tr>
<td>IC2</td>
<td>Manager of Digital Channels</td>
<td>It’s split between Facebook and Twitter. So Twitter has the most in volume but Facebook is often more personal …. Twitter is less like that. Twitter is a lot more public so people have deliberately chosen to say that so the volume is definitely much bigger on Twitter. But those are the two most useful but there’s lots of stuff that comes from forums and blogs that’s useful in the moment but on a scale I would say that most of our insights come from Twitter followed by Facebook… Google Plus and they all kind of do their own … again back to my earlier point, none of them have reached the volume right now for us to worry about than Twitter and Facebook. That’s where all the energy has been but that doesn’t mean that they’re not growing and they won’t be a problem over time so that’s what the platform analysis said to us. Actually we started this on what do we do on Facebook, what do we do on Twitter and now we kind of need to look at what do we do overall.</td>
</tr>
<tr>
<td>IC3</td>
<td>Manager of Digital Channels</td>
<td>There’s a lot you have to do to make [the system] work for you. It’s all driven by keywords so you have to make sure that your keywords are right and that you’ve set up the profiles correctly. It was a big job to set it up but now that it’s set up, it’s pretty much an automated process.</td>
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<tr>
<td>IC4</td>
<td>Digital Communications Advisor</td>
<td>[The other SMM team] keyword groups would be configured slightly differently. [They have] the opportunity to search different things than what I do. So [they], for example, would be looking at specific stuff specifically and so they’d actually follow brokers and engage with them and things like that whereas I follow brokers but I also engage with employees, I engage with customers and the general public and media ....</td>
</tr>
<tr>
<td>IC5</td>
<td>Digital Communications Advisor</td>
<td>There’s a different process depending on what it’s about... [For example], if it’s to do with workers compensation then I direct it to the formal processes on our website... but then I’ll also work out what their name is and I’ll contact workers compensation. If it’s something that customer service can handle, I’ll get the information and I’ll send it to the customer service people and say urgent, high priority, social media customer, etc. ... Then I’ll [follow up later] ...</td>
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<tr>
<td>IC6</td>
<td>Senior Manager, VPD</td>
<td>A really simple example of that is they work with this client who is in Geelong. Actually face to face meetings between salespeople and our clients are not that regular, it’s maybe once a month for the larger ones, maybe once every couple of months for the slightly smaller ones, so they knew that the senior partner was pregnant but they didn’t know when the baby would be born and weren’t necessarily first on the list, because they monitor their social media stuff they sent her flowers in the hospital and that matters to them because they actually have a very close relationship, it’s just not necessarily face to face. So that enables our salespeople to do the relationship stuff that actually matters to them as well and from an employee stuff it doesn’t go into that stuff yet and it probably wouldn’t do actually.</td>
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<tr>
<td>IC7</td>
<td>Senior Manager, VPD</td>
<td>When people contact us directly, the simplest form is that’s a second chance to get something right that we initially got wrong previously. And I can show you case after case where that’s true where they’ve caught somebody and something hasn’t happened that they thought happened or it just hasn’t gone quite how they expected it to.</td>
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<tr>
<td>IC8</td>
<td>Senior Manager, VPD- follow up interview</td>
<td>We probably use it for five lenses: to get customer and commercial insight; there is competitive intelligence that comes back through; there is the allowance for us to use it for sales leads, which is a really important part; and then ultimately engagement. Engagement can be done under different guises. It can just be customer service, it can be a sales campaign, it could be a marketing campaign or whatever it ultimately ends up being. Those are the primary ones. You have individual cases, and individual opportunities that have come back through and individual awareness campaigns that have come back out, but it is more indirect [impact on decision-making].</td>
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<tr>
<td>IC9</td>
<td>Manager of Digital Channels</td>
<td>I can show you case after case where that’s true where they’ve caught somebody and something hasn’t happened that they thought happened or it just hasn’t gone quite how they expected it to... social media has given us a chance to fix that problem and it leaves them happy instead of unhappy and you don’t normally get that second chance so that’s been good</td>
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<tr>
<td>IC10</td>
<td>Senior Manager, VPD - follow up interview</td>
<td>I have got a program that I am running through at the moment, which is looking at targeted customer segments, understanding insights, trying to work out who are the key decision makers of influence and using them as a way to develop a sales pipeline off the back of it; and then use social as an engagement tool to progress through the sales process. That is a real program that we are going through at the moment.</td>
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<tr>
<td>IC11</td>
<td>Senior Manager, VPD</td>
<td>We have champions or evangelists who are centrally running [SMM] on behalf of each business unit</td>
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<tr>
<td>IC12</td>
<td>Senior Manager, VPD</td>
<td>We see that for different goal objectives we’re trying to achieve out of social, we’d use a different platform. So if it’s for advertising and promotion, we see channels such as Facebook where we can actually use the power of things such Facebook graph search. We can get very, very granular that might give us a lot more power in terms of how we could actually analyze customer segments and behaviors and actually do promotional marketing. If it was to be something through a customer service enquiry, we know channels such as both Twitter and Facebook are great channels for customer service enquiries. When it’s actually for networking and we’re in a B2B world, LinkedIn is very, very powerful</td>
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<tr>
<td>IC13</td>
<td>Manager of Digital Channels</td>
<td>The capture is all automated but [the central teams] classify, rank and rate [comments], they give them a sentiment, they give them a category… so that’s all categorized by [them] and then it goes to the relevant teams …</td>
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<tr>
<td>IC14</td>
<td>Digital Communications Advisor</td>
<td>At the end of the month I run a big report and that is shared with the leadership team, with my team, with the company basically…</td>
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<tr>
<td>IC15</td>
<td>Senior Manager, VPD, the follow up interview</td>
<td>You might have [social media reports], you might have a business intelligence report, you might have a sales report and then to be able to pull report A, B and C together and blend it all, that as what you can actually see is a true insight. Once you get the true insight from that mash up, then you talk about true actions.</td>
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<tr>
<td>IC16</td>
<td>Senior Manager, VPD, the follow up interview</td>
<td>You need to partner with a lot of the best-in-class business partners... We work with a number of digital agencies and they help provide us with what is best practice outside, then we overlay what that looks like through an insurance lens. Then we take that forward. Operationally your internal capability has to grow. By training and educating, and putting people in these roles, then they will become a lot more intelligent around what they do.</td>
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<tr>
<td>IC17</td>
<td>Digital Communications Advisor</td>
<td>[the other SMM team were] rolling out a trade pack, a product specifically for tradies, so [they] made a keyword group to search and see what people are talking in regards to trades, so plumbing and being an electrician and things like that.</td>
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<tr>
<td>IC18</td>
<td>Digital Communications Advisor</td>
<td>[The SMM tool] uses keyword groups so it’s an art form in itself working what words to [use]… for example whoever says [our company’s name] and insurance … we’ll suck in everything that’s said on Facebook, Twitter, news on websites, blogs,</td>
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forums, we suck it all into something called the engagement console into stacks which I then get to monitor and that’s how I’ve taken all the information.

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<tr>
<th>IC19</th>
<th>Digital Communications Advisor</th>
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<td></td>
<td>I’ve got 10 different stacks [for] the different keyword groups for our spokespeople. So if you ever see anything about people we’ve hired as spokespeople, so that would be our leadership teams, our CEO, executive leadership, different media advisers and things, if their names ever get mentioned on Twitter, on Facebook or in our blog or anything like that, I get that as well.</td>
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<tr>
<td>TechCo</td>
<td>TC1</td>
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<td>TC2</td>
<td>Digital Leader</td>
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<td>TC3</td>
<td>MCS Leader</td>
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<td>TC4</td>
<td>Digital Leader</td>
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<td>TC5</td>
<td>Market Segment Manager</td>
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<td>TC6</td>
<td>Digital Leader</td>
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<td>TC7</td>
<td>MCS Leader</td>
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<td>TC9</td>
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<td>TC10</td>
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<tr>
<td>TC11</td>
<td>Digital Leader</td>
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<tr>
<td>TC12</td>
<td>MCS Leader</td>
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### FinancialCo

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<tr>
<th>FC1</th>
<th>Manager of the CCUSM</th>
<th>We thought very much about how we could start in the right way. We came together with three different parts: digital, marketing and corporate affairs, as the core.</th>
</tr>
</thead>
<tbody>
<tr>
<td>FC2</td>
<td>SMC manager</td>
<td>Social media at [FinancialCo], has split up, much like a Venn diagram into different roles where we have got people who look after corporate reputation and risk, and then we have got our servicing arm, as well as a more technical arm and then, obviously, marketing with our campaigns and our engagement activities, and I lead that for the team.</td>
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<tr>
<td>FC3</td>
<td>General manager, CAR</td>
<td>Both Facebook and Twitter are equally valuable for us. We also have the other sources ... on LinkedIn, which is more in terms of professionals and what is going on, so we get some knowledge there. Then we do have some internal social media sites, like one of the popular ones is called Yammer, and we are using Yammer as well, but if you asked me to characterize which ones are most important, I would have to admit it is those two: Facebook and Twitter.</td>
</tr>
<tr>
<td>FC4</td>
<td>Manager of the CCUSM</td>
<td>We can get anything that is publicly available and it is matched to the keywords that we put in. We use a number of tools to help us with that. They pull it down for us, and they allow us to categorize the different types of conversation....</td>
</tr>
<tr>
<td>FC5</td>
<td>Manager of the CCUSM</td>
<td>It is centralized through one tool, but they all have access to it... They all have their own dashboards and things, and they contribute in developing the reports.</td>
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<tr>
<td>FC6</td>
<td>Manager of the CCUSM</td>
<td>At a very high level though, we look at how many times [FinancialCo] has been mentioned and how that compares to some competitors? Are people talking about us more or less? What topics are they talking about? Are they talking more about [FinancialCo] credit cards or are they talking more about [FinancialCo] home loans? Are we helping more customers? Are we helping fewer customers? Are our customers asking us more questions, less questions...</td>
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<tr>
<td>FC7</td>
<td>Data analyst</td>
<td>I have worked on a seasonality analysis, and that was basically exporting what people are talking about on social media. We can export that out of [our SMM tool] and basically start picking up how different conversations have their peaks and troughs throughout the year and how we can use that to guide our social media content plan and strategy.</td>
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<tr>
<td>FC8</td>
<td>Data analyst</td>
<td>It is probably more operational at this stage, but there is potential for it to be a combination of the two [operational and strategic]. We have probably shown that we have used it [social media data] in that way [strategic level]. The seasonality work is an example of that.</td>
</tr>
<tr>
<td>FC9</td>
<td>Head of digital marketing</td>
<td>The power of doing this stuff through social media is that the minute you can even have a good guess at who is the person tweeting here, you can target them very directly... For marketing</td>
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purposes, yes, I am still interested in getting more targeted with our broad offers, but the direct targeting is the real opportunity.

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<th>FC10</th>
<th>SMC Manager</th>
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<td>From a marketing perspective we have, in digital marketing, myself for social media. Sometimes other team members in digital marketing will assist me, but primarily it has been myself... I will pull in the marketing, planning and performance team who have digital analytics specialists, and they will help me a lot in setting objectives and making sure that all the goals makes sense and, to an extent, will help with the monitoring as well.</td>
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<tr>
<td>CoC1</td>
<td>It has probably been more just monitoring and seeing what we can do...</td>
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<tr>
<td>CoC2</td>
<td>As I explained originally in the email, we are at the start of that process, so it is really in its infancy. At the moment we are trialing a [SMM tool]. We are on a three-month trial to see how that could potentially help us in understanding social media sentiment.</td>
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<tr>
<td>CoC3</td>
<td>We are very keen to monitor that 24/7 to make sure that we are acting on any complaints or issues, and then more broadly just seeing what the vibe is in terms of what people are saying about our business and what they would like us to be able to do.</td>
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<tr>
<td>CoC4</td>
<td>If there is a complaint about a store, we have mechanisms for escalating those sorts of issues; or people might complain about petrol or something and we will activate it.</td>
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<tr>
<td>CoC5</td>
<td>From a very basic level, we have an external digital agency that mainly looks after putting up posts and providing analytics, mainly through Google Analytics. They will provide reports ... but it has been more looking at the sentiments around a post. It has been very qualitative and there has not been a lot of analytics behind it.</td>
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<tr>
<td>CoC6</td>
<td>We have been able to build learnings from things, so that we know if we were to put up, 'We have chocolate bars for $2', then people go, 'We could get that chocolate bar at [the store X] for 90 cents’. ... We learn very quickly. It is more about the sorts of ways we should communicate through social media by looking at the sorts of responses we get to things like that. That has helped to develop how we would use it, but it has not actually been a formal analytics process to date.</td>
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<tr>
<td>CoC7</td>
<td>[Collecting social media data] has not really been formalized.</td>
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<tr>
<td>CoC8</td>
<td>It has probably been in the last 6 to 12 months that we have started to think about how we can use this information in a smarter way.</td>
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<tr>
<td>CoC9</td>
<td>The digital agency would monitor what is going on and then let us know if something is happening at 1 o’clock in the morning or something that we should be worried about.</td>
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<tr>
<td>CoC10</td>
<td>I wouldn’t expect so, but it depends on the weight or the importance of social media as a channel, as a way of communication, might potentially shift over the next five years or something.</td>
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<tr>
<td>CoC11</td>
<td>We would probably mainly use it for looking outward in terms of what customers are saying. They might, for example, be very specific, though, and they might say, ‘I just went into this store, the staff were rude to me’ and we will activate that.</td>
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<tr>
<td>CoC12</td>
<td>I would say about 90 per cent of it to date has been through Facebook, .... We are currently looking at how we can maximize Instagram.</td>
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<tr>
<td>CoC13</td>
<td>It would probably get raised more through our support center as an issue so that we can log a job. Say, if the brand and communications teams saw that something was...</td>
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going on or someone put on Facebook that a store was on fire or something, then that would obviously be an immediate escalation and push it out. But if it is something like someone had said, ‘I have just had a sandwich that had something in it’ or something like that, then that would therefore go to the food quality control person, so there is a process around what the nature of that issue would be and how that would go. Sometimes it might just be more emailing it and flagging it. Sometimes if it is a big issue, it might go to our support center and get logged as a job; and then that has a trail.

| **CoC14** | We are still setting all that [analysis] up, but I guess net sentiment is probably the key measure that we would be interested in. Say, for example, we recently had [an online promotion] and people had to download a voucher to be able to come in for their free offer... [but] our website fell over because there was too much load on the website. We could see that the sentiment got very negative during that time. It has been more monitoring in terms of what went on then and how things had happened. |
| **CoC15** | At this stage it is probably more the net sentiment that we are interested in and overall who is saying what, and looking at the clout of those people and what their sphere of influence is on that. |
| **CoC16** | The Google Analytics stuff would just be shared within the brand and communications team. |
| **CoC17** | At this stage, we don’t have a mechanism to say that person is out there saying negative things, how can we counteract that, and so forth. That possibly would be an end game that might sit with us or it might sit with the digital agency. We are still working through that. |
| **CoC18** | We subscribe to [a basic SMM tool], but that is just more about all the comments that are coming through. There is a very basic package on that, so I get it, but I don’t do much about it because a lot of it is just rubbish that is in there. |
| **CoC19** | We don’t have a standard social media report at the moment that would go out every week. |
## DonorCo

<p>| DC1 | Marketing Manager | “We do not have any plan to decentralize SMM at this stage. For us that is a little bit early, but you can potentially see a day when we will have experts in the business who have been trained, responding on their area of expertise, absolutely... I think we just need 12 months of solid work before we start adding more authors.” |
| DC2 | Marketing Manager | “[The Community Manager] is monitoring during business hours; and late weekends we have our national contact center. They are telephonists calling up donors and stuff. We have a handful of their staff doing monitoring on weekends and evenings. That is to alert us to anything that has come up, so there is a little bit of responding, but mostly it is another set of eyes...” |
| DC3 | [Social Media] Community Manager | “I do about 90 per cent of the monitoring. I monitor it during business hours. I create all of the posts and I moderate the community during business hours. After business hours I have some support from the team in our call center, but I am still pretty much on call and keeping an eye on things until I go to sleep. If I am awake, I am involved, basically.” |
| DC4 | Marketing Manager | “We can currently handle the amount. We think that one person can handle up to about 50,000 or 70,000 supporters; above that we are going to need more people, so our plan is that our national contact center will start doing a lot more of the customer service responses and we will only handle the tricky ones or the ones that require a little bit more corporate knowledge...” |
| DC5 | [Social Media] Community Manager | “At this point, we have had such a huge increase in numbers with that particular campaign. We can see that our fans and our friends of fans have increased our reach 10-fold, getting into that many more news feeds.” |
| DC6 | Marketing Manager | “We are also monitoring when the audience is largest, when the audience is most engaged, so we are constantly fine tuning when we put stimulus into the channel, based on historic data.” |
| DC7 | [Social Media] Community Manager | “A lot of it [our social media reports] comes through Facebook Insights. Facebook at this point don’t really give out a lot of their information to third-party tools, so if you are using a third-party tool, the information you are getting is often delayed and it can be four days behind. We use Facebook Insights quite heavily, we also use Google Analytics and I use a third-party tool, to monitor the channels but also because it develops a couple of reports for us about Twitter, Facebook and Google+.” |
| DC8 | Marketing Manager | “We are always looking at our tools. We didn’t want to dive into sophisticated tools yet until we have got our baseline processes, systems and reporting... so we probably think that we need more supporters and a bit more complexity of our supporter base before we jump into some more sophisticated tools.” |</p>
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<tr>
<th>DC9</th>
<th>Marketing Manager</th>
<th>We monitoring our own page and we are monitoring our own channels. We would also search for [donation] related information across the Internet with forums and that sort of thing as well, but predominantly our own page.</th>
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<tr>
<td>DC10</td>
<td>Marketing Manager</td>
<td>We find Facebook, by a long way, and then Twitter is catching up really quickly. We find both of those channels really useful. The rest of them, and there are hundreds of them, such as we are on Google+, we are on Instagram, but really 95 per cent of our effort is on Facebook and 5 per cent is on Twitter.</td>
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<td>DC11</td>
<td>[Social Media] Community Manager</td>
<td>Right now it is Facebook because the community is sitting at 64,000 I think, and that is the biggest community that we have by far on social media. Twitter is a far way behind on about 5500. Right now that is giving us the most valuable data just simply because it is the highest volume of people, and it is also spread across different demographics. We are approaching quite a young demographic on Instagram. We are talking to a slightly more varied group on Twitter, but not nearly as broad as Facebook. In Facebook we are reaching [a wide range of potential donors in terms of demographic]. That is really valuable data to us because it is really representing our entire spectrum.</td>
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<td>DC12</td>
<td>[Social Media] Community Manager</td>
<td>We are focusing our efforts on the more mainstream channels right now … and then once we are comfortable within that space, we might start to spread out, but at this point we can’t see that would be an easy way to approach our donors via LinkedIn. That is not where they are looking to engage with us.</td>
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<td>DC13</td>
<td>Marketing Manager</td>
<td>We have got standard responses, and we hope that they cover 95 per cent of our issues. We have got two issues that crop up all the time, and we have tried to write as much scripting around that as we can, so that we can just dive in and respond really quickly, rather than sending the issues through the organization, but if there is an issue, we contact the public affairs of the PR team, the public relations team, and work with them to formulate a response that they are comfortable with. That can be done quite quickly.</td>
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<tr>
<td>DC14</td>
<td>[Social Media] Community Manager</td>
<td>It also generates some figures around our influence and brand mentions, and that kind of thing. We can also use it to tag sentiment. In any comment that is made across those channels I can tag whether it was negative or positive, and then at the end of the month it can give us a review as to where we are sitting in terms of our social communities and whether it is 90 per cent positive or if we need to start doing some more proactive work around certain stories to improve the brand sentiment…. I [also] have the ability to [codify the conversations in our SMM tool], but we haven’t yet rolled it out.</td>
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<td>DC15</td>
<td>Marketing Manager</td>
<td>We don’t codify it or anything like that. We have an issues log, so we write down the key issues as they appear on social media, and that is really from the response side. We always have a book of responses that we can always make sure is up-to-date. Each time a new issue or comment or conversation happens, we will</td>
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write a response so that we have got a book of responses. There is no database of those comments or we are not graphing the trends across donors.

<p>| DC16 | Marketing Manager | On the monitoring and reporting side, we have a monthly dashboard that we send out to the entire executive team, who then forward it on to their teams. Social media has two or three slides in that about the stories, the reach, the number of posts we did, how many replies we did and the growth or otherwise of it. |
| DC17 | [Social Media] Community Manager | Throughout the month I will let everybody know if an interesting pattern is emerging in the stories that we have shared or the conversations that are happening on social media. |
| DC18 | [Social Media] Community Manager | We have regular meetings with other stakeholders around the business who are interested in social media, but if we see something that has an impact on their part of the business, we will take it upon ourselves to share it with them. If we see something that we think might be useful to the manufacturing team, the PR team or to our partnerships team, then we would pass that information on... |
| DC19 | [Social Media] Community Manager | The data is more analyzed by [the Marketing Manager]... He analyses pretty much all the data across our team; .. I am not really analyzing it. I am mostly just giving them the numbers... |
| DC20 | Marketing Manager | Our main social media monitoring is observing the conversations that our donors are having about their experience; so it is around the customer service I think. We are monitoring whether they had a good time or a bad time, and we are identifying problems or concerns. Then we are using it like any customer service channel to try to rectify those. Really, it has probably become more of an issues log for us as well, and those complaints get taken off line and then dealt with by a real human person. |
| DC21 | Marketing Manager | We are also monitoring for misinformation or issues that are being talked about that are not true. There are conversations around ineligibility to donate which are inaccurate. We always try to set the record straight. |
| DC22 | Marketing Manager | We see them logging in when they get to the donor center; potentially taking a photo as they are donating and then commenting and sharing afterwards. We can intervene quite quickly, so if someone says they have had a bad experience, we can very quickly find out what happened and get an apology out to them very quickly. |
| DC23 | Marketing Manager | In terms of the data and what we report on, for us, it is really about getting more donors in the door, so purchasing basically. We want them to become donors, so it is all about how many conversations are happening on social media and how many of those people come all the way to our website or onto our telephone system and book an appointment. |</p>
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<th>DC24</th>
<th>[Social Media] Community Manager</th>
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<td>Generally, at this point we are trying to ascertain what the donors respond to, so what they best engage with, what kind of stories make them feel good about donating... Right now the information that we are getting out of social media is what kind of things they respond to, what they are getting the most reward from, are those stories about where their donations have gone, are they things about medical research, and that kind of stuff.</td>
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<tr>
<th>DC25</th>
<th>[Social Media] Community Manager</th>
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<td>Right now we are really closely monitoring what sort of posts gets the most engagement and what the community is responding to. That is one of the big pieces of information that we are getting out of that. We have learnt that donors respond very well to stories about other donors reaching milestones... They respond really well to stories about where their [donations] has gone, what sort of thing it has gone towards, but that is not as high as other donor stories. At this point the information that we have got from the community is that they really love hearing about other donors, so that tells us what kind of stories we should be putting in our marketing and in our other messages in order to interact and engage with them. That is the one big thing that we have learnt in my time.</td>
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<th>DC26</th>
<th>Marketing Manager</th>
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<td>We get some really nice, beautiful stories [from our donors] that then become campaigns or they become stories that we tell internally. If someone says something that is a beautiful comment, we will follow that up and say, ‘Can I learn more about why you said that?’ and that sort of thing, just to see if there are other donors out there feeling that way. Or maybe we have just done a horrible campaign and people disappointed or something like that. We are using it as a springboard for more content, probably more than anything else.</td>
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<th>[Social Media] Community Manager</th>
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<td>It is learning what the donors respond to, what kind of stories move them to share with us and engage with us. That is valuable information because it can help us direct the tone of future marketing pieces, not just social media. Obviously it influences the kind of stories that I then put up, but also the kind of pictures and stories that we might rollout in our general marketing collateral, so that is really valuable. We have the ability to ask them what they want from us, ask them for their feedback. We recently used social media to gather applicants for our national donor advisory committee, .... The ability to ask them what is working for them and what is not working for them is really valuable for us. Also, if we ever need to, we can put out a quick call for [donation] or do that kind of thing. We can react fairly quickly in a way that we can’t with other marketing such as radio, TV or print. It all takes time to rollout whereas social media is instant. We can have a reaction from the community fairly quickly.</td>
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<td>Yes, we look at the number of the posts that go up, and then the traffic that comes from those posts to our appointments page. We are constantly trying to identify the stories and what they actually do. Some stories that we know, we can put up, and they will generate some donations. There are other stories that generate</td>
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<td>DC29</td>
<td>[Social Media] Community Manager</td>
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<td>DC33</td>
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<td>DC34</td>
<td>[Social Media] Community Manager</td>
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that information is there. Right now we are not necessarily using it to the full extent.

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<th>DC35</th>
<th>[Social Media] Community Manager</th>
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<td>Once a month, at least, but we are finding the right balance for that. Right now we haven’t got anything firmly in place because, having been on board less than six months myself, we are still just establishing those patterns.</td>
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<th>[Social Media] Community Manager</th>
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<td>At the end of the month, obviously we collect data from the tools, Facebook Insights and Google Analytics, and we talk about exactly how social media has referred traffic to our webpages, where traffic went and what traffic did when it got there. Our end goal is to have appointments booked on the website. That is our primary goal for social media. We send that message across the websites, and eventually they end up booking an appointment… we measure that using Google Analytics.</td>
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<td>Social Media Manager</td>
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<td>AU21</td>
<td>Social Media Manager</td>
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we had angry students and we used the tool to analyze that. We realized that people were angry about this issue, and we discovered specific things. Our team were in a room and that was a four-hour period, once we knew that the results were going to be out at 5.00 p.m., we knew that for the next four or five hours people were going to ask where their results were... Once we discovered the themes, we were able to write down specific statements that would address those issues, so we were starting to see that people were 'liking' that one, that the conversation was contained within that post. If people were saying, 'Are you having trouble with how to get results?', then we were giving a very clear reply... We were starting to see in Twitter that people were retweeting that and we were really engaging. That is how you use social media. By reacting you realize these are the themes you are having, put out something and then you will mostly contain, hopefully that day, the conversations within your post. You cannot control what people are saying, but hopefully you can direct them to the specific answers. We saw a very good response there... Then we provided a report based on all the different enquiries we had received and how this approach helped to contain it. In the end people were happy because we were there replying and replying straight away. If someone had a problem, 'Have you seen this one?' then, 'Here is the link'. That is how we use it, by making sure we provide information that we react immediately to the people that are connecting, and then provide a report of the insights and what happened in those four hours so that if it happens in the future, similar steps can be implemented.

| AU22 Social Media Manager | We want to find someone who is saying, 'I am deciding between [University A] and [University B]', and we are not biased, our information is to say, 'Both universities are great, but we are here if you want us for any information'. Again that is influencing a decision. |
| AU23 Social Media Manager | We might hear somebody say, 'I am so happy, I am finishing my exams' influencing their advocacy towards the university, that is what we do because easily by saying, 'Great news, I am so happy you are finishing, all the best'. That simple Tweet or acknowledgement can mean that they will follow us or join the alumni because they feel care. We influence that. That is part of the tagging that I do a lot. |
| AU24 Social Media Manager | Sometimes if they say something funny we might reply,... and they are surprised that they get a reply to that joke [from a university]. That is the type of engagement. That is influencing, not only influencing but it is advocacy. Advocacy is that their friends are saying, 'How cool!', and reply to them or favorite them or retweet those things. By all means, that is something that we are currently doing a lot of. |
| AU25 Social Media Manager | ...if we want to know if the course of psychology is still relevant to the industry, then we want to listen to hear if people are still talking about it, what is the sentiment about studying psychology or becoming a teacher. If the sentiment is good, the idea is that by listening we gather that information, and then the insight... |
| AU26 | Social Media Manager | One of the main issues that we have across the university is that they don’t have specific roles for social media. Social media is a 24-hour role that all the faculties should have… There are plans to get social media champions from each department, so that they get trained and get access to the platforms… |
**BankCo**

**Interviewee:** Head of Social Media

| BC1 | *The way it works is that there is my team that works at the strategic level and the calendar planning level [social media content plan development]. That might be conversational calendars that align with campaigns, and looking at how we can monetize the platform and do lots of different things with it, and really amplify our key messages. In addition to that, we look at the demographics of all the profiles, what we are looking at, and we look at that on a weekly, monthly basis.* |
| BC2 | *[SMM is] embedded in our contact centers, with our brands are people who service our customers, so if a query comes in such as, ‘I lost my card’ or something like that, we [central Social Media department] don’t monitor it. But if a query comes in around a campaign, we have been monitoring it today [we do monitor and respond]* |
| BC3 | *In terms of recruitment’s use of social media, they use it as a tool, and they report on the success or otherwise of their use of it. That is their business, I don’t need to know. We talk all the time, but their objectives in the use of social media are completely different.* |
| BC4 | *We do have [an advanced SMM tool]. We also use a number of online tools... For our competitors we use [another SMM tool]. It is online... it is quite easy to use.* |
| BC5 | *For us, Twitter is much more of a service channel as well as getting key corporate messages out. In terms of the engagement and involvement of our communities, I’d probably say Facebook would be the greater platform, but purely just because of the way they are set up and the way that people use them. In terms of data, I’d probably say Facebook because of the amount of data people share about themselves... also in Australia, in terms of scale, Facebook is the largest base. We look at, LinkedIn in particular, and in this instance we were looking at how it is growing because we are quite interested in using it for our recruitment purposes and also business opportunities...* |
| BC6 | *In addition to [our brands] that we look at our engagement figures. We do that on a weekly basis. Because it fluctuates so much we are probably looking at the trend line. We also get that from our monitoring across our brands. Then we look at our competitors. What we are looking at in that instance is the fan growth rate, the number of people who are talking about this, posting volume, engagement rates, page size and then community involvement.* |
| BC7 | *The feedback you get [in social media] is very immediate. We make sure that feedback is disseminated across the organization when it comes in. That is another thing that the contact center does.* |
| BC8 | *We do this [social media report] on a monthly basis. We look at our growth per platform, per brand, so we look at the extent to which we are growing... It is Facebook, Twitter, LinkedIn and Google+.* |
| BC9 | *We absolutely do [analyze qualitative data]. Then for post engagement we look at what are the most engaging posts for the week. We get voice of customer through that, and we do that for all the brands.* |
| BC10 | *If we are running a particular campaign about a particular product, we report the success or otherwise and the engagement level ... we then do reports back to the product areas or the relevant areas, and then if there is something, like for online* |
banking, they might say they are really interested in going out and seeing what are the next features that we should be putting in. We would post that as an engagement post.

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<th>BC11</th>
<th>If it is an individual complaint, goes into the customer relations system.</th>
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<td>BC12</td>
<td>The contact center, respond to the service queries and then categorize the type of query that is coming through. Then we can report on how many queries we are getting around Internet banking beamed down; around home loans or whatever it is; then, certainly from a feedback perspective, getting through into the general bank systems of customer relations and so on.</td>
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<td>BC13</td>
<td>If comments come in about online banking; we have just done a new release and people say this is great or this is not; they put a report together and they send it to that business area.</td>
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<td>BC14</td>
<td>We use it all the time... if we get feedback on product or feedback on a campaign, we make sure that gets back to the campaign or product owner, and then they use that to refine their key messages when they can, depending on where we are in the product cycle.</td>
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<td>BC15</td>
<td>If one person comments on something, that is anecdotal, but if we believe that we are seeing a stream of commentary, then again, that information gets back to the product area and it is for the product area to use it.</td>
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<td>BC16</td>
<td>I think if you start not worrying about any key metrics which the monitoring can provide for you, you lose connection with those objectives, so I think it is quite healthy for it to be part of peoples’ roles.</td>
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**Telco**

*Interviewee: Associate Director, Social Media and Content Marketing*

| TIC1 | [Social media dedicated roles] are all over the place, some of them are in customer sites, some of them are in Brand and Communications, some of them are in Social Response, some of them are in the Corporate Social Media team which has an external agency as well, so we get different views on social... there are about 12 people who do different elements of it. |
| TIC2 | I think there are 20 people at the moment [social media response team]. Effectively they are our eyes and ears, so when you go onto any Telco’s social channel and say, ‘I’ve got a connection and my phone is not working’ or ‘I have ordered the phone and it hasn’t come?’ or ‘Why is the network in my area gone weird?’, those are the people who respond to you. |
| TIC3 | [Different business units] will obviously look at stuff that is pertinent to what they do, so it might be customer sentiment, it might be mentions of particular brands, it might be looking at how many consumers engage with us, how many people have a problem that needs solving, how many people express dissatisfaction. |
| TIC4 | All that information comes back to me. [They all report to me]... |
| TIC5 | We use a number of various monitoring tools. The key tool we use at the moment is [an advanced SMM tool]. |
| TIC6 | If you use one tool, that tool gives you a particular view of stuff based on what that tool does well. To get a view that is more in depth, clearer and more honest, you need to look at multiple tools. |
| TIC7 | [SMM] is probably about 50-50 [automated and manual monitoring], so we tend to take a proportional percentage of comments or responses and then we will distil those, look at them, run half of them through automated channels, but we will have a look through them manually because one of the flaws with a number of channels is that they don’t understand sarcasm or irony, and a lot of them don’t understand Australian colloquialisms and that kind of stuff. For instance, you could get a situation where a consumer says, ‘[Telco] cancelled my plan, awesome’. On many social media monitoring tools that would be a positive sentiment, but it is clearly not, so we have to be a bit careful about it. We get our initial number and data around sentiment, but we do spend quite a bit of time working it out. |
| TIC8 | I think we could be quicker. That is something we are definitely working on, but I think at the moment we do quite a good job of getting that information, getting it into the organization and getting it to the right people. |
| TIC9 | Twitter is fantastic. It is a really big customer channel for us... it is an incredibly important channel for us because it is quick, and we can respond to people really quickly. Facebook is another big channel for us that has, by default, become a customer service channel. In terms of what we get from them, they are kind of an equal weighting... |
| TIC10 | If you do weekly reports, things change so quickly that by the time you have reported on it, it would have moved onto something else. We have done weekly reporting, but we found monthly reporting works much better. |
We put that out on Facebook over the weekend just to get a sense of what people thought about that [Telco’s new pre-paid phone plan], and the feedback we got was invaluable because there were a lot of people who thought that was fantastic, there were a lot of people who just simply did not believe it, and there were a lot of people who were effectively, ‘What’s the catch? That’s all very well, but what’s the catch?’.

What we learned from social from a telco perspective is how jaded people are in the market around telcos, and just how tired they are. They do not believe telcos. Anything we advertise when we say we are trying to help them, they go, ‘Yes, yes, whatever!’.

There is a huge level of cynicism around telcos that social media really helps us to understand. It is great because a lot of the feedback you get on social media can be very brutal, but that feedback is actually the best feedback to have because you get a real sense of exactly what you are dealing with.

[SMM] gives us a real world view of what is going on; what people like from a campaign perspective, what people don’t like and what people want to see more of. For instance, if we remove a feature from a particular plan, and we get a groundswell of people saying, ‘Why did you remove that feature? We really liked it.’ and that kind of stuff.

[SMM] just gives us a real world view of what we do here because very often it is really easy for large organizations to do stuff and they don’t really get a sense of the effect on other people. If we do stuff, particularly on a social media post and things like that, we have got a much better idea of the kind of post that people like and the kind of stuff they don’t like.

For instance, when we talk about pre-launches for phones and things like that, we get an idea of the appetite for that phone, and whether there are loads of people who are interested in it or no one really cares or whatever. When you do something really basic like, ‘Coming soon, new blackberry’ for instance, you get a real sense of the market. If only 10 people liked it, you know that if you have drawn a picture of a blackberry and you have got 10 likes, but if you put up a picture of an iPhone and you get 500 likes, although it is not very scientific, but on a basic level, the same action gets a completely different response. You get a real sense of where people’s sentiments lie.

[Our company] is much more accepting of social as a channel and the kind of interactions that we have on there...

We are very lucky because we are basically a very numbers-driven organization. There are a lot of people here who understand that customer insights are really important in the telco world. There are a lot of people who really understand the value of numbers. It is different to other organizations that I have worked in. People really embrace that sort of stuff. People will read those reports and ask questions as well.

If you use one tool, that tool gives you a particular view of stuff based on what that tool does well. To get a view that is more in depth, clearer and more honest, you need to look at multiple tools.

It is primarily concentrated in marketing and the online space. Those are marketing, online, corporate affairs; so there are a few interested parties that are really privy to what is being tracked and understood from social media. It is not across the entire space, but over time we expect it to become much more pervasive.
## Interviewee: Head of Social Media

| MC1 | Our social media is definitely not centralized... every account is managed locally, and it runs the same as a radio station. If you have got a radio station on the Gold Coast, you would need to update that Facebook page or that Twitter account locally because you know what people are talking about in the area. Every social media presence we have is run by the content team in each market... and then I oversee all those teams. |
| MC2 | We have one person in each marketing unit who is in charge of their social media presence and works with the rest of their market to run it. They then communicate with me around what they are doing and whether it will work, and that kind of thing... there are probably about 100 [people are involved in SMM] across the business; maybe 200. Our company is 2000 people. |
| MC3 | My role is to oversee social media for our radio stations and television channels. I’m responsible for making sure that all of our social media content is legal, engaging and right for our audiences, but I am also responsible for reporting around our social media presences and essentially growing our numbers across all the platforms that we use, including Facebook, Twitter, Instagram and Google+, and all that kind of thing. |
| MC4 | I also work with our sales teams to help to take the data that we pull from our social media platforms, take it to advertisers, and then also build that into our wider digital strategy as a company. |
| MC5 | I have weekly phone calls with everybody, but then obviously we are also in contact by email all the time, and I catch up. |
| MC6 | We consistently are engaging at really high levels because we are talking about what is happening right now. The difference between us and television is that television is often pre-recorded, whereas our stuff is always live. If something happens, we can cover it on air and on social, in a heartbeat. |
| MC7 | For us, it is definitely Facebook, primarily Facebook, and we focus on Facebook just because of the sheer numbers of people in Australia on the platform, but also the opportunities to use Facebook Connect with our other digital platforms, like our apps and things. We can get the most data out of Facebook, but we still have big presences in Instagram and Twitter as well. |
| MC8 | We automate a lot of our reporting. We have a social media monitoring tool... and that pulls through our engagement rates and also what our most-used keywords are on our pages, by both ourselves and by audiences members. Then we also use [another SMM tool] as well, as an analytics tool, which is something that we are just beginning to roll out now. |
| MC9 | We use automated social media monitoring once a week. We get reports through around our growth, what people are talking about and what our engagement levels are, but for anything client related, we do it manually at the moment. We are looking to automate it, but at the moment it is manual because we cannot find any software out there that does what we want. Everything does different stuff to a degree, but nothing yet does everything, particularly because our needs are slightly different to what another company, say selling products, would need. Ours is quite different. We have always had quite a pointed difference in social media.
MC10  We find it really easy to engage people because we are talking about what people are talking about, and we are not selling to people. But that also means that the conversations are different, and so quite a lot of tools, like monitoring tools and things, are based on having one or two accounts... but we run hundreds, so for us it is just not realistic. A lot of these monitoring tools have business models based on pricing, licensing and so on. For us that is just not feasible, so at the moment we do not do it.

MC11  I provide data to each of my markets. They all get a report from me each week, which is that automated one, which tells them how much they have grown or what their engagement rates are like...

MC12  What happens on social media then directly impacts the content of our radio shows because we can use that as a platform to test content. If something is engaging and we are getting high levels of engagement on our social platforms, it quite often means that we will then get the same kind of response on air.

MC13  What happens in radio is that the team all gets into a room and brainstorms ideas... [Now], we can put up a topic that we are going to talk about the next day, on Facebook the night before, and ask people what they think. Then we can use those comments, read some of those comments out on air, and that kind of thing. If we put something up on Facebook and it does not get much interactional pickup, we probably would not use it on air the next day.

MC14  In terms of data usage, everybody in the company knows that the more engaged our social media audiences are, the more data we can collect about them, and therefore the more targeted we can make our advertising, which makes their shows therefore more valuable... we are taking, ‘This is Maral, she is 24 years old, she lives in Melbourne, she is going out for dinner. Oh well, she is listening to the radio on mobile and maybe we can target an ad in some way for her because she is hungry.’ That is the kind of hard data that we are trying to collect.

MC15  For us, we work to build up a profile of our audience. Our social media data allows us to profile our audience, so we can know their exact data, where they are at that point in time, if they are on the mobile, then that allows us to tailor our online offering more specifically to them. The more data we can get about our audience, the more targeted our advertising can be and therefore the more effective our advertising can be, which is why social media data is so important to us.

MC16  Our primary goal is to create highly-engaged communities that connect with our brands so that we can then get them listening on their mobiles, we can get them tuning into the stations or our digital platforms so that we can target ads to where they are specifically using the data we have collected from social.

MC17  Definitely [we use social media data] in terms of feeding back content into the shows. One of the ways that we use social media is to drive our listeners to listen on air. We might put up something at night and say that we are talking about it tomorrow: leave your comments below. Then people will comment, and we will say, ‘Tune in at 8.00 a.m. tomorrow because we are reading some of these comments out on air’. Then the next day people can listen, they can hear the stuff they wrote the night before, on air the next day. It is a big driver of listenership for us.

MC18  It is a cycle for us, and then we can continue what is being said on air online after the show. That is one of the uses for us and the more we can develop that relationship with our audience, the more likely by far they are to trust us and to give us more valuable data so that we can then begin to work with that data to provide them with more content.
| MC19 | We also then pull out all the normal kind of information, demographic and location information, to help us target ads to people who would be interested, and target the right kind of advertisers with the right kind of shows, and that kind of thing. |
| MC20 | The digital department [also use social media data] because the digital department are the ones who are responsible for building the platform that we can then begin to target ads on. And then also our sales teams are off the back of that. So it would go digital: which would find the most value from the data; and then the sales probably because they are the ones who will then take that data to market to be able to say, ‘This Facebook page, which is 40,000 people who are all heavily invested in yoga and lifestyle, and you are selling yoga mats, so you should advertise with us.’ |
| MC21 | ... obviously we do monitor the conversations to see what people are saying around our advertisers, so we can help feed that back to them. |
| MC22 | On a content level, the people who take any kind of data to then apply to their shows, or what is happening on air, are normally the people who are on air because they are taking direct feedback about what people are hearing. |
| MC23 | From a content perspective we are baking it into the business, and social media as part of every component of this business. Whether you are in legal, sales, content, digital or anything else, you are involved in social media and every single one of our radio stations across the country has a social media presence that they actively use. It is imperative... |
| MC24 | It is like one part of it is centralized and one part of it is not. The content part is not centralized, but the actual data crunching at the back end is... when it comes to the actual data and using those numbers and taking those numbers to begin to build advertising opportunities and things, that is all centralized. That all happens with the one team, whereas, the actual response to any issues and stuff happens locally in each individual team. |
| MC25 | On a content level, the people who take any kind of data to then apply to their shows, or what is happening on air, are normally the people who are on air because they are taking direct feedback about what people are hearing... But in terms of the rest of it, that is all taken by the development team and they would then use that data to build or tweak elements of the websites, the apps or whatever, in order to use that data to its full potential. |